



city commission agenda

Regular Meeting

March 28, 2016
3:30 p.m.
Commission Chambers

commissioners				mayor	commissioners			
seat 1	Gregory Seidel	seat 2	Sarah Sprinkel	Steve Leary	seat 3	Carolyn Cooper	seat 4	Pete Weldon

welcome

Welcome to the City of Winter Park City Commission meeting. The agenda for regularly scheduled Commission meetings is posted in City Hall the Tuesday before the meeting. Agendas and all backup material supporting each agenda item are available in the City Clerk's office or on the city's website at cityofwinterpark.org.

meeting procedures

Persons desiring to address the Commission MUST fill out and provide to the City Clerk a yellow "Request to Speak" form located by the door. After being recognized by the Mayor, persons are asked to come forward and speak from the podium, state their name and address, and direct all remarks to the Commission as a body and not to individual members of the Commission, staff or audience.

Citizen comments at 5 p.m. and each section of the agenda where public comment is allowed are limited to three (3) minutes. The yellow light indicator will remind you that you have one (1) minute left. Large groups are asked to name a spokesperson. This period of time is for comments and not for questions directed to the Commission or staff for immediate answer. Questions directed to the City Commission will be referred to staff and should be answered by staff within a reasonable period of time following the date of the meeting. Order and decorum will be preserved at all meetings. Personal, impertinent or slanderous remarks are not permitted. Thank you for participating in your city government.

agenda

NOTE: A reception will be held in the Chapman Room (next to Commission Chamber) from 2:30-3:30 to congratulate Commissioner Cooper and Commissioner Weldon.

1 Meeting Called to Order

2 Invocation City Manager Randy Knight Pledge of Allegiance

3 Oath of Office Commissioner Cooper – Seat 3 Commissioner Weldon – Seat 4

4 Approval of Agenda

5 Mayor's Report

***Projected Time**
***Subject to change**

- Presentation of Award – Tree City USA, Tree City Growth USA & Tree Line USA
- Proclamation - Arbor Day (April 2016)

15 minutes

- c. Proclamation – Water Conservation Month (April 2016)
- d. Presentation of Award – Healthy Weight Community Champion (Orange County Health Department Director Dr. Sherin)

6	City Manager's Report	*Projected Time *Subject to change
	a. Discussion of next steps for library and events center	10 minutes
7	City Attorney's Report	*Projected Time *Subject to change
8	Non-Action Items	*Projected Time *Subject to change
	a. Presentation of the Comprehensive Annual Financial Report (CAFR) for the year ended September 30, 2015	15 minutes
	b. Update of electric undergrounding plan	15 minutes
9	Citizen Comments 5 p.m. or soon thereafter (if the meeting ends earlier than 5:00 p.m., the citizen comments will be at the end of the meeting) (Three (3) minutes are allowed for each speaker; not to exceed a total of 30 minutes for this portion of the meeting)	
10	Consent Agenda	*Projected Time *Subject to change
	a. Approve the minutes of March 14, 2016.	1 minute
11	Action Items Requiring Discussion	*Projected Time *Subject to change
	a. RFQ-9-2016 – Library/Events Center Design Consultant Services – Commission representative for Selection Committee Member	5 minutes
12	Public Hearings	*Projected Time *Subject to change
	a. Resolution – Supplementing Ordinance No. 3031-16; authorizing the issuance of not to exceed \$21,000,000 Electric Refunding Revenue Bonds, Series 2016 for the purpose of refunding a portion of the city's outstanding Electric Refunding and Improvement Revenue Bonds, Series 2007	5 minutes
13	City Commission Reports	*Projected Time *Subject to change
	a. Commissioner Seidel b. Commissioner Sprinkel c. Commissioner Cooper d. Commissioner Weldon e. Mayor Leary	10 minutes total

appeals & assistance

"If a person decides to appeal any decision made by the Commission with respect to any matter considered at such meeting or hearing, he/she will need a record of the proceedings, and that, for such purpose, he/she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based." (F. S. 286.0105).

"Persons with disabilities needing assistance to participate in any of these proceedings should contact the City Clerk's Office (407-599-3277) at least 48 hours in advance of the meeting."



city commission **city manager's report**

item type City Manager's Report

meeting date March 28, 2016

Below are issues of interest to the Commission and community that are currently being worked on by staff, but do not currently require action on the Commission agenda. These items are being tracked to provide the Commission and community the most up to date information regarding the status of the various issues. The City Manager will be happy to answer questions or provide additional updates at the meeting.

issue	update	date
Railroad crossing update	Four of Winter Park's street crossings are included in FDOT's CIP for installing concrete panels.	FDOT is expected to begin the work in June 2016. The City and FDOT completed the improvements at Lyman/New York Avenues crossing.
Visioning Steering Committee	Inviting community to participate at www.visionwinterpark.org .	Neighborhood meetings scheduled for April 2 nd and 3 rd .
New Hope Baptist Church Project	The exterior of the buildings, accessible restrooms, landscaping, parking and drainage have been completed and approved. The Pastor has agreed to obtain assistance of a designer to improve the architectural appearance of the buildings to include the area at the base of the structures.	Pastor contacted for update. No further update at this time.
Ward Park restrooms	Design is complete on two new restrooms by the new soccer fields and adjacent to the existing restrooms at the Little League fields.	Restroom bids are due back on Tuesday, March 29. The contract will be awarded at the April 11 Commission meeting. Construction should start by the end of May 2016.

Once projects have been resolved, they will remain on the list for one additional meeting to share the resolution with the public and then be removed.



city commission agenda item

Item type	Non-Action Item	meeting date	March 28, 2016		
prepared by	Wes Hamil, Finance Director	approved by	<input checked="" type="checkbox"/>	City Manager	
department	Finance		<input type="checkbox"/>	City Attorney	
division			<input type="checkbox"/>	N/A	
board approval		<input type="checkbox"/> yes	<input type="checkbox"/> no	<input checked="" type="checkbox"/> N/A	final vote
strategic objective	<input type="checkbox"/> Exceptional Quality of Life	<input checked="" type="checkbox"/> Fiscal Stewardship			
	<input type="checkbox"/> Intelligent Growth & Development	<input type="checkbox"/> Public Health & Safety			
	<input type="checkbox"/> Investment in Public Assets & Infrastructure				

subject

Presentation of the Comprehensive Annual Financial Report (CAFR) for the year ended September 30, 2015

motion | recommendation

No action is necessary

background

City staff prepared the CAFR and it was audited by Moore Stephens Lovelace, P.A.

alternatives | other considerations

None

fiscal impact

None

Comprehensive Annual Financial Report

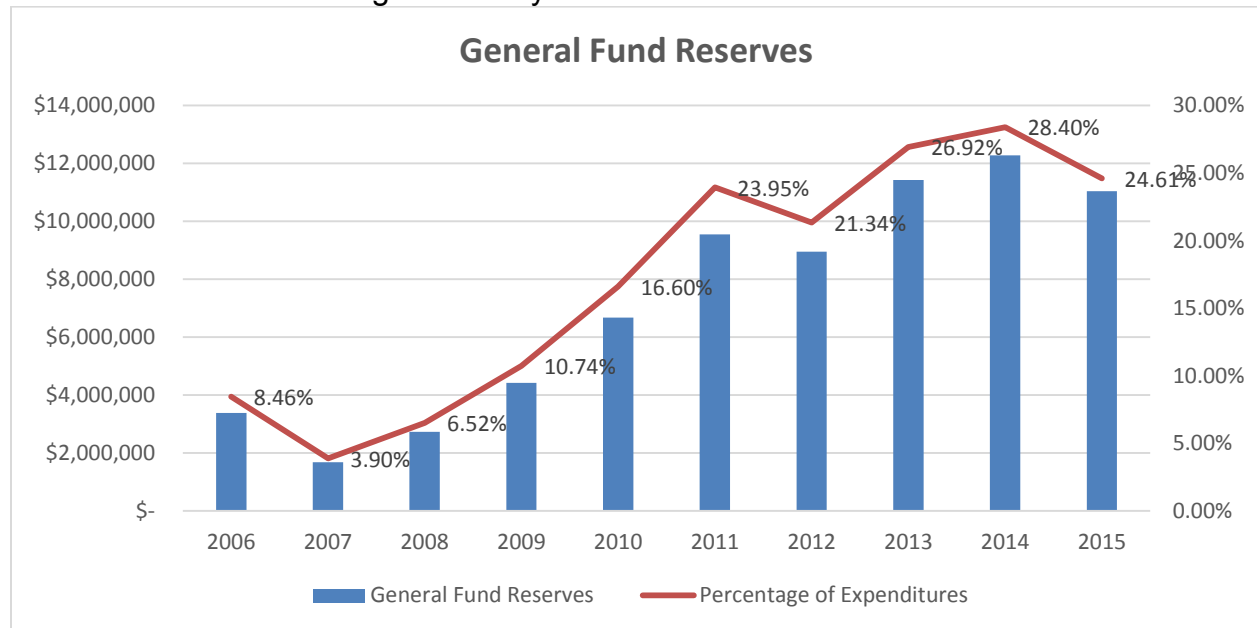
For the Year Ended September 30, 2015

1. For an overview of the City's financial condition and results of operations, see Management's Discussion and Analysis beginning on page 19 of the report. Also, the transmittal letter beginning on page 7 provides an introduction to the report describing the City's and auditor's responsibilities as well as local economic conditions and long-term financial planning measures.

Unassigned fund balance in the General Fund decreased by \$1,237,515 to \$11,043,046, and was 24.61% of total expenditures and transfers out for recurring costs reported in other funds. Some of the most significant factors in this decrease include:

Planned use of reserves to purchase the property at 2600 Lee Road. This property is actively being marketed for sale and the proceeds will replenish a portion of the acquisition costs.	(\$1,004,793)
Planned use of reserves for the City's contribution towards quiet zone railroad crossings.	(\$700,000)
Shortfall in red light camera revenue	(\$351,709)
Shortfall in communications services tax revenue	(\$224,936)
Proceeds from sale of 300 N Pennsylvania Avenue property	\$623,548
Investment earnings in excess of budget	\$216,632
Net effect of other factors on General Fund reserves	\$203,743
Total	(\$1,237,515)

Below is a chart illustrating the history of General Fund Reserves:



2. Net Position of the Water and Sewer Fund improved by \$1,961,036 for the year and cash flows were a positive \$1,261,242. Net water and wastewater revenues were 2.02 times debt service as compared to a minimum requirement of 1.25.
3. Net Position of the Electric Services Fund improved by \$3,879,001 for the year while cash flows were a negative \$2,744,981. The reason these are going in opposite directions is much of the spending was on capital improvements which do not decrease net position. It is an exchange of a liquid asset (cash) to an illiquid asset (underground power lines). Net electric revenues were 2.87 times debt service as compared to a minimum requirement of 1.25.
4. The auditors' have provided recommendations which are reflected on page 157. City staff responses to the comments are on page 161.

COMPREHENSIVE ANNUAL FINANCIAL REPORT



**The City of Winter Park, Florida
For The Year Ended September 30, 2015**

Prepared by the Finance Department

INTRODUCTORY SECTION

PRINCIPAL CITY OFFICIALS

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CERTIFICATE OF ACHIEVEMENT

ORGANIZATIONAL CHART

City of Winter Park, Florida

Principal City Officials

September 30, 2015

City Commission

MAYOR Steven J. Leary
VICE MAYOR Sarah C. Sprinkel
COMMISSIONERS Carolyn A. Cooper
Thomas J. McMacken, Jr.
Gregory S. Seidel

Administrative

City Manager Randy B. Knight
Assistant City Manager Michelle M. Neuner
City Attorney Kurt Ardaman

Administrative Staff

Building/Legislative Affairs Director George J. Wiggins
City Clerk Cynthia S. Bonham
Communications Director Clarissa C. Howard
Finance Director Charles W. Hamil, III
Fire Chief James E. White
Parks & Recreation Director John R. Holland
Planning & Community Development Director Dori L. Stone
Police Chief Brett C. Railey
Public Works & Electric Utilities Director Troy R. Attaway
Water & Sewer Utilities Director David L. Zusi

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The City of Winter Park, Florida

Comprehensive Annual Financial Report

For the Fiscal Year Ended September 30, 2015

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CITY OF WINTER PARK

401 Park Avenue South

Winter Park, Florida

32789-4386

March 22, 2016

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

The Comprehensive Annual Financial Report (CAFR) of the City of Winter Park, Florida (City) for the fiscal year ended September 30, 2015, 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.

Moore Stephens Lovelace, P.A., a firm of licensed certified public accountants, has audited the City's financial statements. 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, 2015, 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 auditors 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, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires 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 MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the City

The City, incorporated in 1887, is located in Central Florida in north Orange County and is considered part of the Orlando Metropolitan Area. Although the Orlando Metropolitan Area has been one of the top growth areas in the country, generally, Winter Park has seen only modest population growth since 1970. The City currently occupies a land area of approximately nine square miles and serves a population of 28,967. 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 City operates under the commission-manager form of government. Policy-making and legislative authority are vested in the City Commission (Commission) consisting of the Mayor and four commissioners. The Commission is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the City Manager and Attorney. 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 two commission seats or the mayor's seat up for election each year. The mayor and commissioners are elected at large.

The City provides a full range of services, including police and fire protection; the construction and maintenance of streets, sidewalks and infrastructure; engineering; planning and community development; code compliance; general administration and support services; and recreational activities and cultural events. In addition, the City operates two enterprises: water and sewer service and electric service. The City has also contracted with a private firm to provide solid waste collection services.

The annual budget serves as the foundation of the City's financial planning and control. In April, the City Manager presents goals for the upcoming budget and capital improvement plan as part of a strategic planning session with the City Commission. Discussions address levels of service to be provided by departments and capital spending requirements. The outcome of the strategic planning session helps provide a framework for preparing a proposed budget.

Finance and City Management develop preliminary revenue estimates and departments of the City submit requests for appropriation to the City Manager by the end of May. The public's input to the budget process is invited at the beginning of each Commission meeting beginning in July. A proposed budget is presented to the City Commission and a tentative millage cap is set in July.

The Mayor and City Commissioners submit their thoughts on adjustments they would like to see made to the proposed budget in August. City Management and staff summarize these suggestions and add analysis of the operational impact, if any, of each suggestion. At a City Commission meeting, the Commission discusses each suggestion and reaches consensus on each item. Staff incorporates all approved suggestions in the budget the Commission will vote on in September.

The Commission is required to hold two public hearings on the budget and millage rate in September and adopt a final budget and millage rate by no later than September 30, the close of the City's fiscal year.

The appropriated budget is prepared by fund. Transfers between accounts within the same fund may be made with City Manager approval. Transfers between funds and adjustments that increase the overall budget of a fund require approval of the City Commission. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated budget has been adopted. For the General Fund and other major special revenue fund (Community Redevelopment Agency), this comparison is presented as required supplemental information. For nonmajor governmental funds, this comparison is presented in the combining financial statements.

Budgetary and Internal Accounting Controls

The budget is an integral part of the financial accounting system. The City proposes an annual budget for all departments, which must be approved by the City Commission. Encumbrances are recorded for all significant expenditures at the time a purchase commitment is made. Line item expenditure reports are accessible to all departments and include: budgeted amounts, actual expenditures, encumbered amounts, and budget balances remaining. These reports are reviewed by each department where primary responsibility is placed.

The Finance Department monitors all financial activity on an ongoing basis. Monthly reports summarizing the City's financial activities are prepared for the City Commission. Each quarter, the City provides an update of its key performance metrics as a communication outreach to the City Commission and the public. The report is organized by the five core objectives outlined in the City Commission's Strategy Map (Exceptional Quality of Life, Intelligent Growth & Development, Fiscal Stewardship, Public Health & Safety, and Investment in Public Assets & Infrastructure).

Factors Affecting Financial Condition

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

Local economy.

Winter Park is well positioned in the middle of a well-connected and diverse economy just northeast of the City of Orlando and 25 miles from Disney World. The largest employers within Winter Park are Winter Park Memorial Hospital, Orange County Public Schools, City of Winter Park, Gecos Inc., Publix and Rollins College. Yet, Winter Park's economy is not overly dependent on any one employer as the total employed by the six largest employers represents approximately twenty six percent of the total workforce in Winter Park.

The following table includes trend information on some key data:

	2011		2012		2013		2014		2015	
Taxable value of property (in thousands)	\$	3,908,162	\$	3,794,041	\$	3,777,453	\$	3,943,795	\$	4,184,570
Estimated costs of permitted construction (in thousands)	\$	73,060	\$	100,106	\$	123,802	\$	169,854	\$	116,072
Population		27,727		27,728		28,847		29,073		28,967
Unemployment rate for Orange County		10.1%		8.4%		6.2%		5.6%		4.7%
Building permit revenues	\$	1,200,156	\$	1,626,382	\$	1,976,975	\$	2,224,934	\$	1,746,308
Half-cent sales tax revenues	\$	3,623,327	\$	3,610,003	\$	3,821,379	\$	4,029,181	\$	4,281,355

The taxable value of property increased nicely again in fiscal year 2015. Property tax valuations are generally a lagging indicator of the health of the economy as January 1 valuations are the basis for tax revenues for the fiscal year beginning the following October 1. The City has held its operating millage rate at 4.0923 since fiscal year 2009.

Half cent sales tax revenue which is dependent on consumer spending reached a new peak in FY 2015.

The City celebrated the tenth anniversary of owning the electric utility in 2015. Ownership of this utility has enabled the City to set its own rates as well as invest in placing overhead power lines underground for both aesthetic and reliability reasons. As of December 2015, the cost of 1,000 kWh of electricity for a Winter Park customer was \$113.06 as compared to \$125.66 for the predecessor utility.

Major Initiatives.

Included in the Fiscal Year 2016 budget is the funding of \$1.2 million to renovate the Winter Park Golf Course. The City Commission approved this funding based upon the research and recommendation of an appointed seven-member Golf Course Strategic Plan Task Force, formed in November 2014, to study the needs of our 101-year old golf course.

During the year-long process, the task force held 29 meetings and spent many hours evaluating our course while researching others. This information helped formulate the recommendation to the City Commission in July 2015, to renovate the 9-hole golf course that would include the redesign and rebuilding of the greens, tees and fairways, replacement of the existing grass, and the installation of a complete new irrigation system. Due to the size of the renovation, the golf course is expected to be closed from March to September 2016, with a grand re-opening tentatively scheduled for the fall.

The City is partnering with the Florida Department of Transportation on two important initiatives: 1) Undergrounding the electric transmission lines along Fairbanks Avenue from U.S. Highway 17-92 to I-4. This is a major commercial corridor and gateway to the City. Removing the large, overhead transmission lines will greatly enhance the appearance of this area. 2) Installation of quiet zone railroad crossings in Winter Park.

Long-term financial planning.

The City has prepared a ten year pro-forma forecast for the General Fund, Community Redevelopment Agency, Water and Sewer, and Electric Services Funds (the City's major funds) as well as a five year Capital Improvements Plan. These schedules provide information to assess the City's long-term financial condition in comparison to the short-term focus of the CAFR and budget. This data is included in the City's annual budget document which is available at www.cityofwinterpark.org. This document projects the City's major capital expenditures and related operating expenditures in addition to projecting regular operating expenditures, recurring capital expenditures and revenue.

The City began a year-long community visioning effort in the current year. This process will help guide the city's future through a 21-member steering committee that will be working with city staff and consultants to establish what the City of Winter Park should be like in 2045 and beyond.

NEW ACCOUNTING STANDARDS

In June 2012, the Government Accounting Standards Board (GASB) issued Statement No. 68 *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The City implemented the requirements of GASB Statement 68 in the 2015 fiscal year which resulted in a restatement that decreased beginning net position by \$15,274,871.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2014. This was the thirty fifth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning October 1, 2014. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide and a communications device.


The in-house preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. The significant amount of year-end closing procedures required prior to the audit could not have been accomplished without much hard work and personal sacrifice.

Other City departments, although not extensively involved in year-end audit activities, contributed significantly by ensuring the accuracy and integrity of accounting information compiled throughout the year. Without their diligence, the work of the Finance Department would have been considerably more difficult.

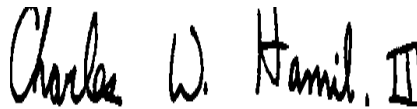
Appreciation must also be expressed to the City's auditors, Moore Stephens Lovelace, P.A., whose suggestions and attention to detail enhanced the quality of this report.

Last, but certainly not least, special appreciation must be expressed to the City's elected officials for their unyielding support and steadfast commitment to maintaining the financial integrity of the City. With their continued leadership, the City can look forward to a secure financial future.

Respectfully submitted,



Randy B. Knight, CPA
City Manager



Charles W. Hamil, III, CPA
Finance Director

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Winter Park for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2014. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Winter Park has received a Certificate of Achievement for the last thirty five consecutive years (fiscal years 1980 - 2014). We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.



Government Finance Officers Association

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

Presented to

**City of Winter Park
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2014

Executive Director/CEO

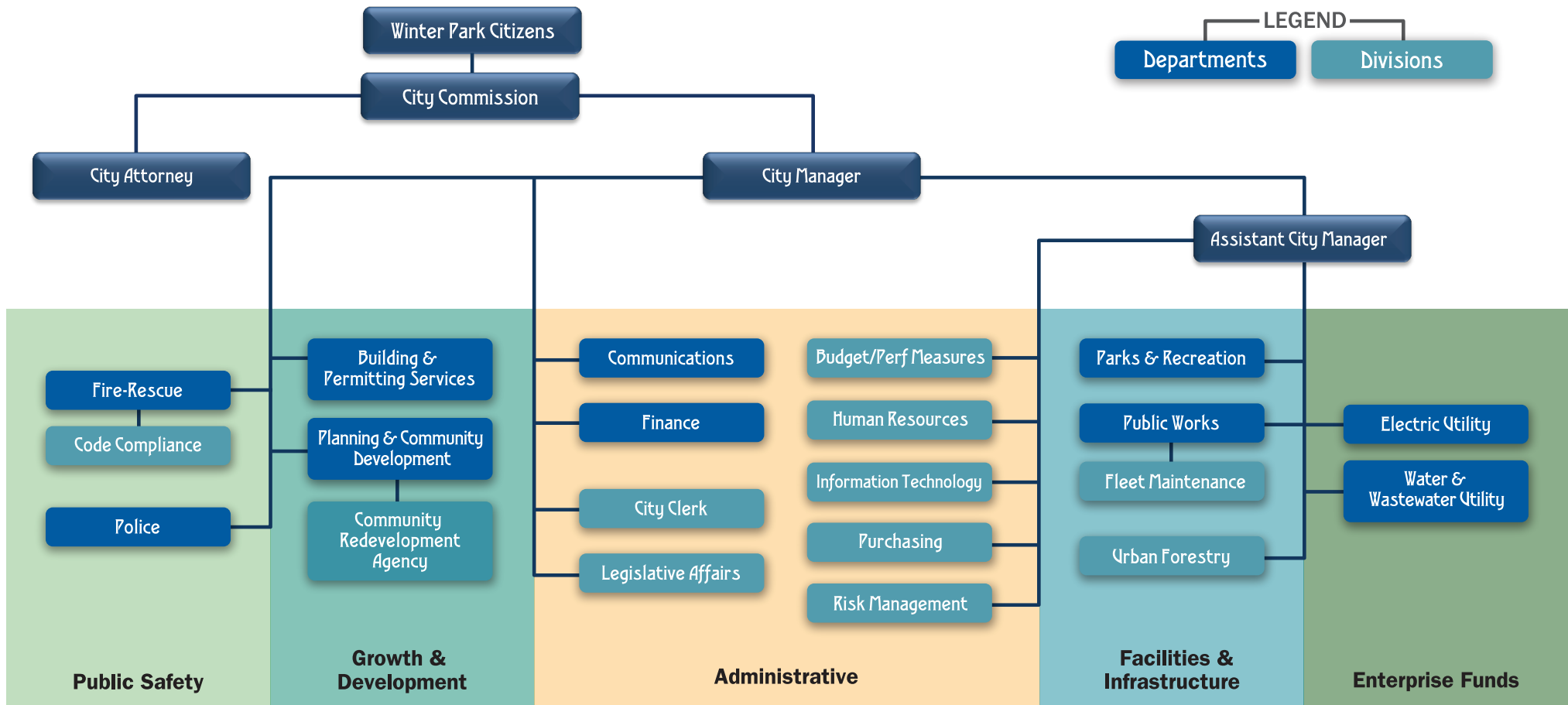


ORGANIZATIONAL

chart

adopted NOVEMBER 2011

updated February 2016



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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

BASIC FINANCIAL STATEMENTS (GOVERNMENT-WIDE FINANCIAL STATEMENTS) (FUND FINANCIAL STATEMENTS)

NOTES TO FINANCIAL STATEMENTS

REQUIRED SUPPLEMENTAL INFORMATION (UNAUDITED)

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

INDEPENDENT AUDITOR'S REPORT

Mayor and City Commission
City of Winter Park, 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 Park, Florida (the "City") as of and for the year ended September 30, 2015, 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

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 of 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, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof, and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter – Change in Accounting Principle

As discussed in Note 1 to the financial statements, in the fiscal year ended September 30, 2015, the City adopted the provisions of Government Accounting Standards Board Statement (GASBS) Number 68, *Accounting and Financial Reporting for Pensions* and GASBS 87, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. As a result of the implementation of GASBS 68 and 71, the City reported a restatement for the change in accounting principle as of October 1, 2014. Our opinions are not modified with respect to this matter.

INDEPENDENT AUDITOR'S REPORT
(Concluded)

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the 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 as a whole. The introductory section, combining and individual fund financial statements and schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual major and non-major fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual major and non-major fund financial statements and schedules are fairly stated, in all material respects, in relation to the financial statements as a whole. The introductory section and statistical section 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 22, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Orlando, Florida

March 22, 2016

Management's Discussion and Analysis (Unaudited)

As management of the City of Winter Park (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, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$159,428,898 (net position). Of this amount, \$31,663,816 (unrestricted net position) may be used to meet the City's ongoing obligations to its citizens and creditors.
- The City's total net position increased by \$12,807,866 (or 8.74%). The governmental net position increased by \$6,692,948 (or 11.07%) and the business-type net position increased by \$6,114,918 (or 7.10%).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$11,043,046, or 24.61% of total expenditures and transfers out for recurring operational costs reported in other funds as compared to 28.40% in the prior year. Unassigned fund balance in the General Fund decreased by \$1,237,515 in fiscal year 2015. It should be noted a large part of the reason for the decrease is the purchase of a property. This property is being held for resale and is reported as an investment at its appraised value of \$830,000. However, since the property does not represent a spendable resource it is not part of unassigned fund balance. If it were included, unassigned fund balance would be 26.46% of total expenditures and transfers out for recurring operational costs reported in other funds.

Overview of the Financial Statements

This discussion and analysis is 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 and liabilities, 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 City'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 the 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, communications, financial services, planning, building, community redevelopment agency, public works, police, fire, and parks and recreation and culture and community services. The business-type activities of the City include water and sewer and electric services.

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. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental 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 fourteen 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 and Community Redevelopment Fund, which are considered to be major funds. Data from the other twelve governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund and certain Special Revenue Funds. Budgetary comparison schedules have been provided for the General Fund and each major Special Revenue Fund that adopts a budget to demonstrate compliance with the budget and are presented as required supplemental information. Budgetary comparisons for nonmajor special revenue funds are presented in the combining statements.

Proprietary funds. The City maintains two different types of proprietary funds. 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 and electric services. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet maintenance operations, vehicle replacement funding, and insurance. Because services accounted for in internal service funds predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements 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 Fund and Electric Services Fund. The Water and Sewer Fund and Electric Services Fund are considered to be major funds of the City. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these 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.

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.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparisons and the City's progress in funding its obligation to provide pension benefits to its employees and Other Post Employment Benefit (OPEB) obligations.

The combining statements referred to earlier in connection with nonmajor governmental and internal service funds are presented immediately following the required supplementary information.

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 \$159,428,898 at the close of the most recent fiscal year.

A significant portion of the City's net position (72.44%) reflects its investment in capital assets (e.g., land, buildings, improvements other than buildings, machinery and equipment) and other assets (goodwill, sewer capacity rights, etc.), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Net position					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current assets	\$ 36,014,119	\$ 32,442,151	\$ 49,054,307	\$ 51,290,940	\$ 85,068,426	\$ 83,733,091
Other assets	202,583	202,583	274,000	274,000	476,583	476,583
Capital assets	79,772,782	80,329,221	183,656,696	182,153,807	263,429,478	262,483,028
Total assets	115,989,484	112,973,955	232,985,003	233,718,747	348,974,487	346,692,702
Deferred outflow of resources	1,213,023	1,555,059	9,455,211	10,479,991	10,668,234	12,035,050
Current and other liabilities	9,970,675	9,199,793	16,130,556	18,695,425	26,101,231	27,895,218
Long-term liabilities	38,354,307	42,709,960	134,030,965	139,339,538	172,385,272	182,049,498
Total liabilities	48,324,982	51,909,753	150,161,521	158,034,963	198,486,503	209,944,716
Deferred inflow of resources	1,727,320	2,162,004			1,727,320	2,162,004
Net position:						
Net Investment in Capital Assets	57,725,822	55,213,639	57,759,700	52,701,567	115,485,522	107,915,206
Restricted	4,052,195	4,541,982	8,227,365	7,295,121	12,279,560	11,837,103
Unrestricted	5,372,188	701,636	26,291,628	26,167,087	31,663,816	26,868,723
Total net position	\$ 67,150,205	\$ 60,457,257	\$ 92,278,693	\$ 86,163,775	\$ 159,428,898	\$ 146,621,032

An additional portion of the City's net position (7.70%) represents resources that are subject to external restrictions on how they may be used. The remaining 19.86% is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

Unrestricted net position of the City's governmental activities increased from \$701,636 to \$5,372,188. The September 30, 2014 balance was previously reported at \$15,976,507. The decrease of \$15,274,871 was due to the adoption of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* which required reporting of the net pension liability in the government-wide financial statements. The General Fund reported a positive balance of \$11,043,046 in unassigned fund balance.

Unrestricted net position of the City's business-type activities column increased from \$26,167,087 to \$26,291,628.

The changes in net position displayed below shows the governmental and business-type activities during the fiscal year.

	Changes in Net position					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	\$ 14,570,621	\$ 16,472,390	\$ 76,070,089	\$ 77,094,391	\$ 90,640,710	\$ 93,566,781
Operating grants and contributions	1,375,192	1,358,456	-	-	1,375,192	1,358,456
Capital grants and contributions	848,494	858,465	368,584	2,835,720	1,217,078	3,694,185
General revenues:						
Property taxes	17,799,839	16,819,797	-	-	17,799,839	16,819,797
Franchise fees	1,216,596	1,146,843	-	-	1,216,596	1,146,843
Utility taxes	6,560,897	6,671,552	-	-	6,560,897	6,671,552
Intergovernmental revenues	6,541,019	6,078,159	-	-	6,541,019	6,078,159
Investment earnings	852,853	628,969	747,072	468,272	1,599,925	1,097,241
Other	1,443,298	685,163	349,473	1,400,906	1,792,771	2,086,069
Total revenues	51,208,809	50,719,794	77,535,218	81,799,289	128,744,027	132,519,083
Expenses:						
General government	1,472,552	1,544,488	-	-	1,472,552	1,544,488
Communications	224,445	169,636	-	-	224,445	169,636
Finance	340,604	428,669	-	-	340,604	428,669
Planning	717,671	439,168	-	-	717,671	439,168
Building	1,143,945	1,101,614	-	-	1,143,945	1,101,614
Community redevelopment agency	863,140	841,240	-	-	863,140	841,240
Public works	10,822,523	10,700,127	-	-	10,822,523	10,700,127
Police	13,244,698	14,185,031	-	-	13,244,698	14,185,031
Fire	11,456,335	9,227,090	-	-	11,456,335	9,227,090
Parks and recreation	8,450,715	8,499,745	-	-	8,450,715	8,499,745
Cultural & community services	1,651,580	1,534,560	-	-	1,651,580	1,534,560
Interest on long-term debt	717,353	808,838	-	-	717,353	808,838
Water and sewer	-	-	24,233,429	24,115,597	24,233,429	24,115,597
Electric services	-	-	40,597,171	42,742,181	40,597,171	42,742,181
Total expenses	51,105,561	49,480,206	64,830,600	66,857,778	115,936,161	116,337,984
Change in net position before transfers	103,248	1,239,588	12,704,618	14,941,511	12,807,866	16,181,099
Transfers	6,589,700	4,783,217	(6,589,700)	(4,783,217)	-	-
Change in net position	6,692,948	6,022,805	6,114,918	10,158,294	12,807,866	16,181,099
Net position – beginning, as restated	60,457,257	54,434,452	86,163,775	76,005,481	146,621,032	130,439,933
Net position – ending	\$ 67,150,205	\$ 60,457,257	\$ 92,278,693	\$ 86,163,775	\$ 159,428,898	\$ 146,621,032

Governmental activities. Governmental activities increased the City's net position by \$6,692,948 as compared to an increase of \$6,022,805 in the prior year. Explanations for some of the significant variances from the prior year are as follows:

Charges for services included a very large federal forfeiture receipt (\$722,411) in the prior year. Also, license and permit revenues were \$458,302 higher in the prior year due to greater construction activity (building permit revenue from large projects such as the Paseo Apartments on the former Division of Motor Vehicles site on Denning Avenue, Trader Joe's as well as strong residential redevelopment). The developer of the Paseo Apartments also paid \$408,000 in Parks Impact Fees in the prior year.

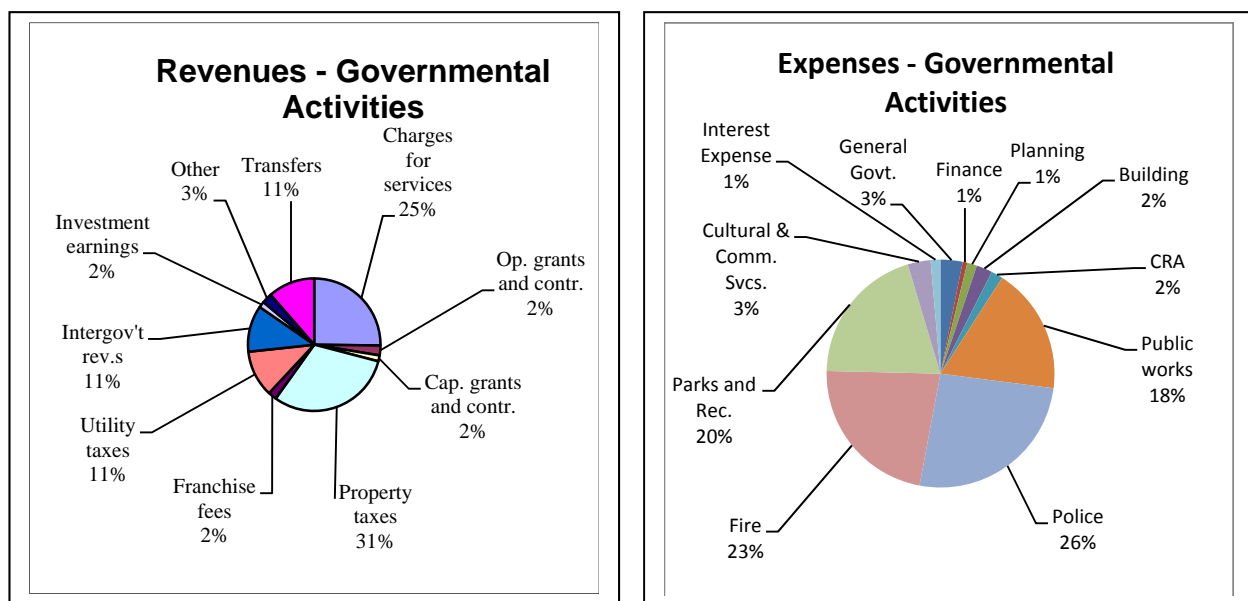
Property tax revenues increased as a result of taxable valuation increasing from \$3,943,795,215 to \$4,184,569,627, an increase of 6.11%.

Current year other revenues included the sale of a vacant lot for \$623,548.

Planning costs were higher in the current year due to spending \$100,000 on a City Visioning Study and the movement of the Director of Planning and Community Development from the Community Redevelopment Agency to the General Fund.

Police expenses in the prior year included the effect of reducing the investment return assumption on pension assets from 8.25% to 7.75%. This change increased the total pension liability by \$1,413,198.

The net pension liability of the Firefighters' Pension Plan was projected to decrease by \$573,555 in the current year as compared to a decrease of \$2,064,983 in the prior year. Note that net pension liabilities are based on October 1, 2014 actuarial valuations that include projected results for fiscal year 2015. October 1 actuarial valuations are typically available in April or May of the year following the valuation.



Business-type activities. Business-type activities increased the City's net position by \$6,114,918 as compared to an increase of \$10,158,294 in the prior year. Explanations for some of the significant variances from the prior year are as follows:

Prior year capital grants and contributions included \$1,416,501 in funding from the Florida Department of Transportation (FDOT) as part of a joint participation agreement. The City was extending sewer sewer service along the Fairbanks Avenue corridor from U.S. Highway 17-92 to I-4, a project completed in the prior year. The FDOT already had resurfacing of this portion of Fairbanks Avenue on its project schedule and reimbursed the City for this cost of the project.

The prior year also included \$548,100 in sewer impact fees and \$224,037 in sewer impact fees from the development of the Paseo Apartments.

The cost of purchasing bulk power for the electric utility decreased from \$25,499,002 in the prior year to \$23,385,614 in the current year. Total kWh purchased actually increased from 445,526,000 to 447,757,800. The savings came in the fuel cost component of the purchased power which decreased from \$17,753,987 to \$15,003,194.

Large other revenue sources in the prior year include \$500,000 returned from City of Orlando following the retirement of a thirty year bond related to improvements to a wastewater treatment facility used by Winter Park to treat some of its wastewater, \$365,703 resulting from arbitration with the underwriters for auction rate bonds issued by the City in 2004 and 2005, and \$234,450 from the purchase of \$7,815,000 of the Electric Revenue Bonds, Series 2005A at a price of \$0.97 as a result of a tender offer process.

Financial Analysis of the City's Major Governmental Funds

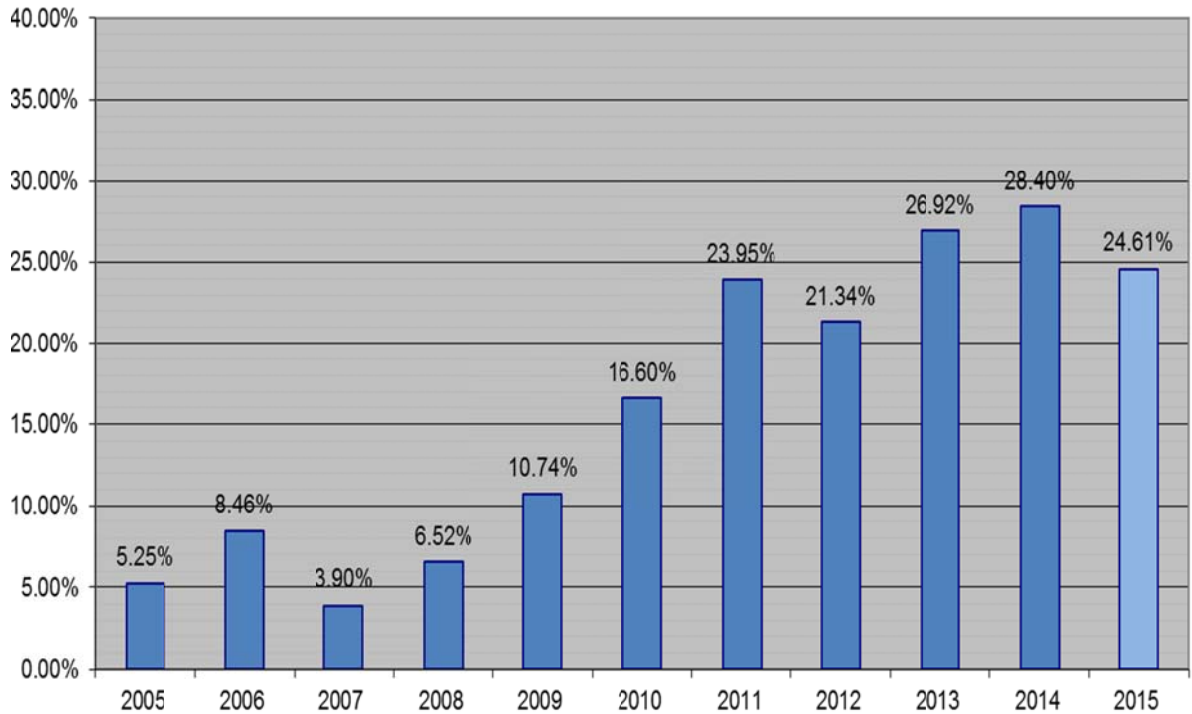
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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 maintains two major governmental funds: the General Fund and the Community Redevelopment Fund.

General Fund. The General Fund is the primary operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$11,043,046, while total fund balance was \$12,745,317. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the fund's total current expenditures. Unassigned fund balance represents 24.61% of total expenditures and transfers out for recurring operational costs reported in other funds, while total fund balance represents 28.41% of that same amount. Total fund balance includes non-spendable balances such as property held for resale (\$830,000), inventory (\$89,008), prepaid items (\$3,397), and spendable balances such as permit revenues restricted for enforcing the Florida Building Code (\$395,624) and balances assigned via purchase order commitments that were re-appropriated in FY 2016 (\$384,242).

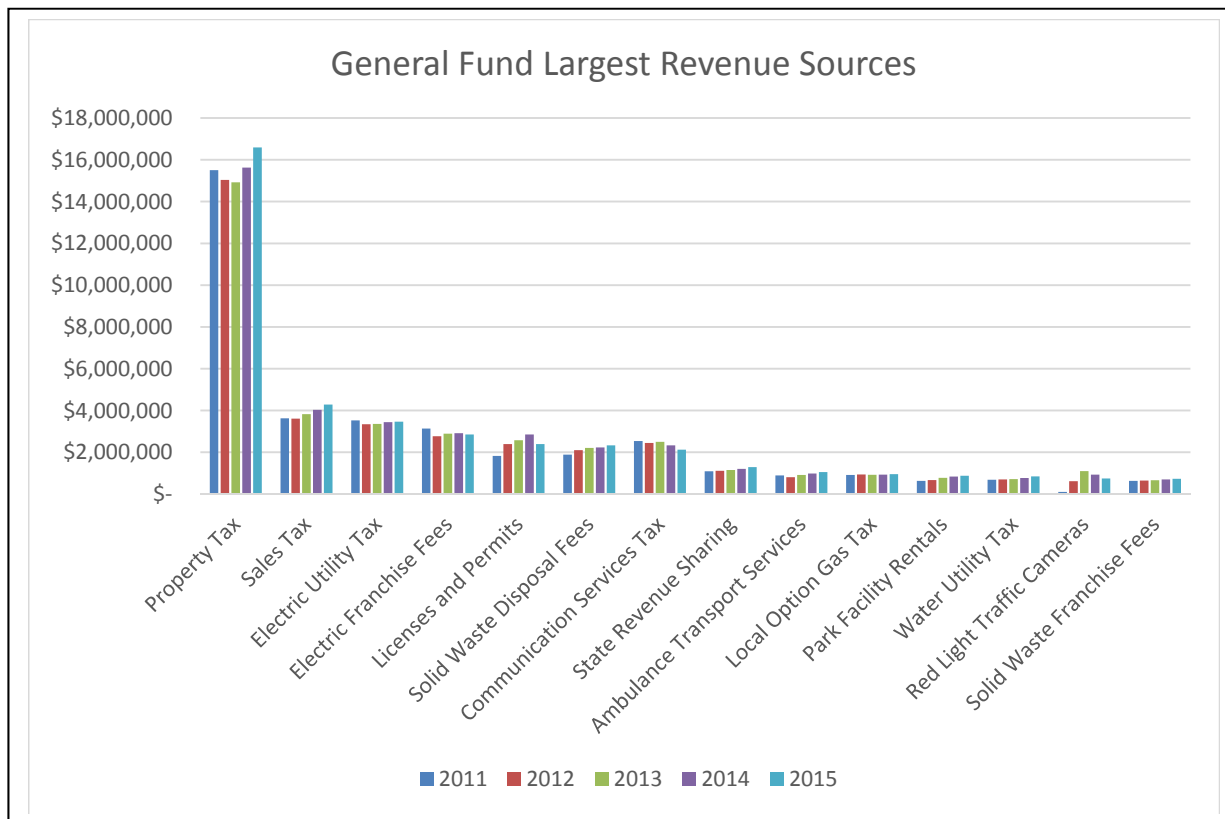
The General Fund's fund balance decreased by \$331,208 during the current fiscal year. This is most significantly due to a planned use of \$670,315 in General Fund balance as a contribution to FDOT for the Quiet Zone Rail Initiative which will involve the installation of quiet zone crossings at the railroad crossings in Winter Park. The following chart presents the General Fund's unassigned fund balance as a percentage of total expenditures and transfers out for recurring operational costs reported in other funds for each of the past ten years.

Unassigned General Fund Balance as a Percentage of Expenditures



The Government Finance Officers Association recommends, at a minimum, that general-purpose governments maintain unassigned fund balance in their general fund of no less than one to two months of regular general fund operating expenditures (or 8.33 – 16.67%). The City's Administrative Policy sets a General Fund Balance goal of 30% of expenditures and transfers out for recurring operating costs reported in other funds.

The following graph presents the General Fund's largest revenue sources over the past five years, excluding transfers in, which can identify growth trends. These revenue sources comprised greater than 85% of General Fund revenues each year. For purposes of this graph, electric franchise fees reported as revenue in the Electric Services Fund and subsequently transferred to the General Fund were included in the franchise fee revenue below.



The property tax is by far the most significant single revenue source over which the City can exercise some control. The City's operating millage rate was increased from 3.9950 mills to 4.0923 mills in FY 2009 where it has remained since. Property values have continued to increase which boosted General Fund property tax revenues by \$965,152.

Sales tax and State revenue sharing have increased nicely as the Central Florida economy has improved.

License and permit fee revenues peaked in the prior year with a lot of large commercial construction activity as well as residential remodels.

Communication services tax revenue has continued to decline as service providers bundle sales packages in a manner to minimize the tax.

Red light camera revenues peaked with the second full year of the program and have declined each year afterward.

Community Redevelopment Agency. Tax increment revenues increased by \$263,479. Property valuations which determine tax increment revenues increased by 12.38%.

General Fund Budgetary Highlights

Final amended appropriations for the General Fund were \$47,206,446 and actual expenditures were \$46,813,783.

	Budgeted Amounts			Final vs. Original Budget	Final Budget vs. Actual
	Original	Final	Actual		
General administration	\$ 1,634,204	\$ 1,634,204	\$ 1,446,971	\$ -	\$ 187,233
Communications	177,438	206,111	183,808	28,673	22,303
Financial services	332,320	332,320	336,147	-	(3,827)
Planning	499,447	664,447	682,585	165,000	(18,138)
Building	1,115,832	1,140,927	1,168,623	25,095	(27,696)
Public works	5,966,564	6,060,435	5,982,289	93,871	78,146
Police	13,418,138	13,468,633	12,902,007	50,495	566,626
Fire	11,288,494	11,185,044	11,608,622	(103,450)	(423,578)
Parks and recreation	6,734,213	6,801,213	6,992,157	67,000	(190,944)
Culture and community services	1,394,580	1,394,580	1,394,580	-	-
Non-departmental	175,000	190,000	-	15,000	190,000
Transfers to other funds	2,734,620	4,128,532	4,115,994	1,393,912	12,538
Total	\$ 45,470,850	\$ 47,206,446	\$ 46,813,783	\$ 1,735,596	\$ 392,663

The General Fund budget was increased by \$1,735,596 from the original budget to the final budget. The following table summarizes these adjustments:

Budget tax increment revenue for Community Redevelopment Area as a General Fund transfer	\$ 1,160,162
Increase for open purchase orders re-appropriated in the following fiscal year	175,066
Appropriate additional funding for City visioning effort	115,000
Appropriate funding for space needs study and preliminary design for new Winter Park Public Library	158,750
Appropriate revenues received for related purposes	126,618
Total increase in General Fund budget	\$ 1,735,596

The variance between the final budget and actual expenditures for the general fund for the year was \$392,663. The positive variance in General Administration is primarily due to a reorganization of the Purchasing function which eliminated one position on at least a temporary basis and less legal services. Savings in the Police Department resulted from both planned vacancies as well as ones that occurred during the year. The negative variance in the Fire Department is also personnel related. The Parks Department had some long tenured employees retire and overspent some on tree care. The Non-Departmental budget is a budget item for likely vacancies not linked to any specific department.

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, 2015, amounts to \$263,429,478 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, furniture and fixtures, vehicles, streets and drainage, water and sewer transmission lines and facilities and construction in progress.

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

- \$403,444 for the restoration of Lake Lillian in Mead Gardens Park. This project was funded through a combination of grants from the Florida Department of Environmental Protection and the Florida Fish and Wildlife Commission.
- \$191,032 was spent on new facilities at the City's Public Works Complex. The most significant of which is a new warehouse for electric operations. This building will take the place of rental facilities.
- \$158,416 was invested in studies and preliminary design work related to building a new Winter Park Public Library.
- \$173,609 was spent on ongoing replacement of tennis and athletic field lighting.
- \$866,647 was spent on stormwater drainage improvements. The most significant of which was the construction of a new stormwater treatment pond on Howard Drive.
- Routine Water and Sewer system improvements in the current year included water main upgrades and extensions (\$941,341), sewer main upgrades and extensions (\$516,915), and the rehabilitation of sewer manholes (\$44,696).
- \$2,017,352 was invested in routine capital improvements of the electric distribution system. These capital expenditures were funded through electric rate revenues.
- \$4,419,477 was spent on undergrounding power lines. This is a long-term effort and a primary focus of the Electric Utility. The goal is to underground all electric lines in the City which will likely take 10 - 15 years to complete.
- \$1,162,756 in replacement vehicles were acquired in the current year.

	Capital Assets					
	Governmental Activities		Business-type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Land	\$ 15,136,501	\$ 15,136,501	\$ 12,194,774	\$ 12,194,774	\$ 27,331,275	\$ 27,331,275
Buildings and production facilities	43,103,210	43,072,638	3,506,065	3,506,065	46,609,275	46,578,703
Improvements other than buildings	17,008,366	16,707,072	230,962,010	222,555,376	247,970,376	239,262,448
Machinery and equipment	20,312,055	19,714,387	6,655,660	6,401,342	26,967,715	26,115,729
Furniture and fixtures	727,579	723,459	42,657	42,657	770,236	766,116
Vehicles	18,830,838	18,286,262	-	-	18,830,838	18,286,262
Streets and drainage	61,533,907	60,979,941	-	-	61,533,907	60,979,941
System acquisition costs	-	-	19,885,843	19,885,843	19,885,843	19,885,843
Sewer contract costs	-	-	3,394,035	3,394,035	3,394,035	3,394,035
Sewer capacity rights	-	-	19,661,103	19,666,423	19,661,103	19,666,423
Construction in progress	2,816,685	1,500,841	82,016	194,653	2,898,701	1,695,494
Less: accum. depreciation	(99,696,359)	(95,791,880)	(112,727,467)	(105,687,361)	(212,423,826)	(201,479,241)
Net capital assets	\$ 79,772,782	\$ 80,329,221	\$ 183,656,696	\$ 182,153,807	\$ 263,429,478	\$ 262,483,028

Additional information on the City's capital assets can be found in Note 4 in the notes to the financial statements.

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$158,097,389. Of this amount, \$4,780,000 comprises debt backed by the full faith and credit of the City and the remainder represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

	Outstanding Debt					
	General Obligation and Revenue Bonds					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
General obligation bonds	\$ 4,780,000	\$ 5,800,000	\$ -	\$ -	\$ 4,780,000	\$ 5,800,000
Revenue bonds						
Non-ad valorem	3,547,389	4,371,877	-	-	3,547,389	4,371,877
Community						
Redevelopment Agency	12,400,000	13,455,000	-	-	12,400,000	13,455,000
Water and Sewer	-	-	67,085,000	69,865,000	67,085,000	69,865,000
Electric	-	-	70,285,000	72,195,000	70,285,000	72,195,000
Total bonds	\$ 20,727,389	\$ 23,626,877	\$ 137,370,000	\$ 142,060,000	\$ 158,097,389	\$ 165,686,877

In the current year, the City completed the following bond transactions:

On November 13, 2014 the City refunded \$6,075,000 in outstanding Electric Revenue Bonds, Series 2005A with proceeds from the Electric Refunding Revenue Bond, Series 2014. This left \$1,220,000 from the 2005A series bonds outstanding as of September 30, 2015. This refunding transaction was undertaken to achieve net present value savings of \$156,639 and reduce future debt service payments by \$277,434. The Series 2005A bonds refunded were auction rate bonds that bore interest at 175% of the 30 day LIBOR rate. The average rate for the past ten years was used for purposes of projecting future debt service on the 2005A bonds for the debt service and present value savings computations.

The City's charter does require voter referendum for the following categories of bonds:

- General obligation bonds
- Revenue bonds intended to finance enterprises or projects which involve the purchase, lease and/or acquisition of real property, with the exception of property for parks.
- Revenue bonds which pledge specific non-ad valorem taxes as the primary source(s) to pay the principal and interest and which have a principal value in excess of one million dollars. This dollar limitation is adjusted annually as of the end of the fiscal year in accordance with changes in the cost-of-living index as published by the federal government. This limitation, as adjusted, was \$2,351,235 at the close of the most recent fiscal year.

The City received the following recent bond ratings:

	Moody's Investor Services	Fitch Ratings	Standard & Poor's
General Obligation Bonds	Aa1	-	-
Electric Revenue Bonds	Aa3	AA-	-
Water and Sewer Revenue Bonds	Aa2	AA-	AA-

Additional information on the City's long-term liabilities can be found in Notes 6 to 14 in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

City staff monitors economic indicators on a continual basis. Taxable values went up by 8.69% for the FY 2016 tax levy. The FY 2016 budget was prepared holding the operating millage rate at 4.0923 mills where it has been since FY 2009. Sales tax has continued to be a solid source of General Fund revenue reaching an all-time high of \$4,281,355 in FY 2015.

Adjustments to water and sewer rates were implemented effective October 1, 2015. The newly adopted rates are projected to increase water and sewer revenues by 1.57% which is the Price Index increase as published by the Florida Public Service Commission.

Electric utility (non-fuel cost recovery) rates were increased by about 1.5% effective October 1, 2015. This was the first increase in non-fuel cost recovery rates since 2009 and was implemented in order to keep pace with operational costs and continue the City's program of undergrounding the overhead power lines. Fuel cost recovery rates are adjusted up or down as necessary to match fuel costs. These rates were reduced effective November 1, 2015 and again February 1, 2016.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all of 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, 401 Park Avenue South, Winter Park, Florida 32789. Other financial information can be found at the City's website (www.cityofwinterpark.org).

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The City of Winter Park, Florida
Statement of Net Position
September 30, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash, Cash Equivalents and Investments	\$ 28,482,669	\$ 7,045,935	\$ 35,528,604
Accounts Receivable - Net	1,386,187	5,393,743	6,779,930
Unbilled Service Charges	358,651	5,498,722	5,857,373
Accrued Interest Receivable	73,568	22,388	95,956
Internal Balances	436,535	(436,535)	-
Due from Other Governments	1,947,950	44	1,947,994
Property Acquired for Resale	830,000	-	830,000
Inventories	300,019	4,063,135	4,363,154
Prepaid Items	3,397	109,246	112,643
Notes Receivable	32,800	-	32,800
Special Assessments Receivable	2,162,343	321,588	2,483,931
Restricted Assets:			
Cash, Cash Equivalents and Investments	-	27,013,610	27,013,610
Accrued Interest Receivable	-	22,018	22,018
Accounts Receivable - Net	-	413	413
Deposits	202,583	274,000	476,583
Capital Assets:			
Non-depreciable	17,953,186	12,276,790	30,229,976
Depreciable - Net	61,819,596	171,379,906	233,199,502
Total Assets	<u>115,989,484</u>	<u>232,985,003</u>	<u>348,974,487</u>
Deferred Outflows of Resources			
Deferred Expense on Refunding Bonds	33,696	9,455,211	9,488,907
Pension Related Deferred Outflows	1,179,327	-	1,179,327
Total Deferred Outflows of Resources	<u>1,213,023</u>	<u>9,455,211</u>	<u>10,668,234</u>
LIABILITIES			
Accounts Payable	1,841,951	3,612,329	5,454,280
Accrued Liabilities	3,374,041	550,724	3,924,765
Due to Other Governments	65,413	963,920	1,029,333
Deposits	173,362	3,386,984	3,560,346
Accrued Interest Payable	160,152	2,446,734	2,606,886
Unearned Revenue	373,573	-	373,573
Long-term Liabilities:			
Due Within One Year:			
Current Portion of Notes Payable	1,937,389	-	1,937,389
Current Portion of Capital Lease Obligations	161,999	-	161,999
Current Portion of Bonds Payable	1,055,000	4,960,000	6,015,000
Accumulated Unused Compensated Absences	827,795	209,865	1,037,660
Due In More Than One Year:			
Notes Payable	14,010,000	-	14,010,000
Capital Lease Obligations	1,032,808	-	1,032,808
Bonds Payable	3,883,460	133,533,094	137,416,554
Pension Liability	13,026,488	-	13,026,488
Other Post-Employment Benefits	3,427,514	-	3,427,514
Accumulated Unused Compensated Absences	2,974,037	497,871	3,471,908
Total Liabilities	<u>48,324,982</u>	<u>150,161,521</u>	<u>198,486,503</u>
Deferred Inflows of Resources			
Pension Related Deferred Inflows	<u>1,727,320</u>	<u>-</u>	<u>1,727,320</u>
NET POSITION			
Net Investment in Capital Assets	57,725,822	57,759,700	115,485,522
Restricted for:			
Capital Projects (expendable)	-	5,867,433	5,867,433
Renewal & Replacement (expendable)	-	2,359,932	2,359,932
Community Redevelopment (expendable)	2,091,171	-	2,091,171
Public Safety (expendable)	785,910	-	785,910
Maintenance and Improvements to Parks (expendable)	723,747	-	723,747
Community Enhancement Items (expendable)	451,367	-	451,367
Unrestricted	5,372,188	26,291,628	31,663,816
Total Net Position	<u>\$ 67,150,205</u>	<u>\$ 92,278,693</u>	<u>\$ 159,428,898</u>

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

The City of Winter Park, Florida
Statement of Activities
For the Year Ended September 30, 2015

			Program Revenues		
			Charges for	Operating	Capital
	Expenses	Indirect Expenses Allocation	Services	Grants and Contributions	Grants and Contributions
<u>Functions/Programs</u>					
Governmental Activities:					
General Government	\$ 3,108,805	\$ (1,636,253)	\$ 220	\$ -	\$ -
Communications	515,074	(290,629)	-	-	-
Financial Services	857,771	(517,167)	-	-	-
Planning	931,337	(213,666)	18,875	-	-
Building	1,143,945	-	2,455,932	-	-
Community Redevelopment Agency	863,140	-	-	-	-
Public Works	11,644,617	(822,094)	6,764,070	125,550	654,556
Police	13,244,698	-	1,231,448	1,187,065	179,190
Fire	11,456,335	-	1,260,994	29,977	14,748
Parks and Recreation	8,544,659	(93,944)	2,839,082	32,600	-
Cultural and Community Services	1,651,580	-	-	-	-
Interest on Long-Term Debt	717,353	-	-	-	-
Total Governmental Activities	54,679,314	(3,573,753)	14,570,621	1,375,192	848,494
Business-type Activities:					
Water and Sewer	22,046,066	2,187,363	28,138,903	-	368,584
Electric Services	39,210,781	1,386,390	47,931,186	-	-
Total Business-type Activities	61,256,847	3,573,753	76,070,089	-	368,584
	\$ 115,936,161	\$ -	\$ 90,640,710	\$ 1,375,192	\$ 1,217,078

General Revenues:

Property Taxes
Franchise Fees
Utility Taxes
Intergovernmental Revenues, unrestricted
Investment Earnings
Miscellaneous Revenue
Transfers
Total General Revenues and Transfers
Change in Net Position
Net Position - Beginning, as Restated
Net Position - Ending

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

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

Governmental Activities	Business-type Activities	Total
\$ (1,472,332)	\$ -	\$ (1,472,332)
(224,445)	-	(224,445)
(340,604)	-	(340,604)
(698,796)	-	(698,796)
1,311,987	-	1,311,987
(863,140)	-	(863,140)
(3,278,347)	-	(3,278,347)
(10,646,995)	-	(10,646,995)
(10,150,616)	-	(10,150,616)
(5,579,033)	-	(5,579,033)
(1,651,580)	-	(1,651,580)
(717,353)	-	(717,353)
<u>(34,311,254)</u>	<u>-</u>	<u>(34,311,254)</u>
-	4,274,058	4,274,058
-	7,334,015	7,334,015
<u>-</u>	<u>11,608,073</u>	<u>11,608,073</u>
<u>(34,311,254)</u>	<u>11,608,073</u>	<u>(22,703,181)</u>
17,799,839	-	17,799,839
1,216,596	-	1,216,596
6,560,897	-	6,560,897
6,541,019	-	6,541,019
852,853	747,072	1,599,925
1,443,298	349,473	1,792,771
6,589,700	(6,589,700)	-
<u>41,004,202</u>	<u>(5,493,155)</u>	<u>35,511,047</u>
6,692,948	6,114,918	12,807,866
60,457,257	86,163,775	146,621,032
\$ <u>67,150,205</u>	\$ <u>92,278,693</u>	\$ <u>159,428,898</u>

The City of Winter Park, Florida
Balance Sheet
Governmental Funds
September 30, 2015

	<u>General</u>	<u>Community Redevelopment</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash, Cash Equivalents and Investments	\$ 12,202,251	\$ 2,133,427	\$ 10,698,988	\$ 25,034,666
Accounts Receivable - Net	1,021,056	29,000	233,884	1,283,940
Unbilled Service Charges	157,501	-	201,150	358,651
Accrued Interest Receivable	32,212	5,588	24,907	62,707
Due from Other Funds	268,785	-	-	268,785
Due from Other Governments	1,250,779	-	697,171	1,947,950
Property Acquired for Resale	830,000	-	-	830,000
Inventories	89,008	-	53,547	142,555
Prepaid Items	3,397	-	-	3,397
Note Receivable	-	-	32,800	32,800
Special Assessments Receivable	-	420,000	1,742,343	2,162,343
Total Assets	\$ 15,854,989	\$ 2,588,015	\$ 13,684,790	\$ 32,127,794
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 855,266	\$ 97,968	\$ 762,796	\$ 1,716,030
Accrued Liabilities	1,647,398	8,876	74,909	1,731,183
Due to Other Funds	-	-	143,384	143,384
Due to Other Governments	60,073	-	-	60,073
Deposits	173,362	-	-	173,362
Unearned Revenue	373,573	-	-	373,573
Total Liabilities	3,109,672	106,844	981,089	4,197,605
Deferred Inflow of Resources:				
Unavailable Revenue on Long-Term Receivables	-	390,000	1,548,543	1,938,543
Fund Balances:				
Non Spendable				
Inventories	89,008	-	53,547	142,555
Prepaid Items	3,397	-	-	3,397
Property Acquired for Resale	830,000	-	-	830,000
Spendable				
Restricted				
Building Code Enforcement	395,624	-	-	395,624
Community Redevelopment	-	2,091,171	-	2,091,171
Public Safety	-	-	785,910	785,910
Maintenance and Improvements to Parks	-	-	723,747	723,747
Community Enhancement Items	-	-	451,367	451,367
Committed				
Maintenance and Improvements to Parks	-	-	2,374,027	2,374,027
Construction Projects	-	-	5,705,875	5,705,875
Assigned				
Communications	6,465	-	-	6,465
Planning	142,149	-	-	142,149
Public Works	219,396	-	-	219,396
Public Safety	16,232	-	59,048	75,280
Maintenance and Improvements to Parks	-	-	361,973	361,973
Special Assessments	-	-	639,664	639,664
Unassigned	11,043,046	-	-	11,043,046
Total Fund Balances	12,745,317	2,091,171	11,155,158	25,991,646
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 15,854,989	\$ 2,588,015	\$ 13,684,790	\$ 32,127,794

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

**The City of Winter Park, Florida
Reconciliation of the Balance Sheet
to the Statement of Net Position
Governmental Funds
September 30, 2015**

Fund Balances - Total Governmental Funds		\$ 25,991,646
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Receivables not expected to be received within 180 days of fiscal year end are not considered as "available" revenue in the governmental funds, and therefore, reported as deferred revenue. In the Statement of Net Position, which is presented on the accrual basis, no deferral is reported since the revenue is fully recognized in the Statement of Activities		1,938,543
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Governmental Capital Assets	\$ 155,855,512	
Less: Accumulated Depreciation	<u>(82,056,302)</u>	73,799,210
Certain amounts related to the net pension liability are deferred and amortized over time		
Deferred outflows of resources- Police pension	1,179,327	
Deferred inflows of resources- Police pension	(752,416)	
Deferred inflows of resources- Fire pension	<u>(974,904)</u>	(547,993)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Governmental Bonds Payable	(4,938,460)	
Deferred Amount on Refunding	33,696	
Governmental Notes Payable	(15,947,389)	
Capital Lease Obligations	(1,194,807)	
Accrued Interest Payable on Long-Term Liabilities	(160,152)	
Pension Liability	(13,026,488)	
Other Post Employment Benefits Obligation	(3,427,514)	
Compensated Absences	<u>(3,707,334)</u>	(42,368,448)
Internal service funds are used by management to charge the costs of certain activities to individual funds.		
The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		<u>8,337,247</u>
Net Position of Governmental Activities		\$ <u>67,150,205</u>

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

The City of Winter Park, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2015

	<u>General</u>	<u>Community Redevelopment</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes:				
Property Taxes	\$ 16,593,276	\$ -	\$ 1,206,563	\$ 17,799,839
Utility Taxes	6,560,897	-	-	6,560,897
Franchise Fees	1,216,596	-	-	1,216,596
Fines and Forfeitures	973,800	-	137,501	1,111,301
Licenses and Permits	2,392,821	-	-	2,392,821
Intergovernmental:				
Sales Tax	4,281,355	-	-	4,281,355
Local Option Gas Tax	953,010	-	-	953,010
Other Intergovernmental	1,796,367	1,243,644	2,453,736	5,493,747
Charges for Services	5,655,128	210,177	3,189,363	9,054,668
Investment Earnings	484,632	63,100	215,858	763,590
Other	841,234	50,000	1,205,207	2,096,441
Total Revenues	<u>41,749,116</u>	<u>1,566,921</u>	<u>8,408,228</u>	<u>51,724,265</u>
EXPENDITURES				
Current:				
General Administration	1,446,971	-	1,820	1,448,791
Communications	183,808	-	-	183,808
Financial Services	336,147	-	-	336,147
Planning	682,585	901,099	43,868	1,627,552
Building	1,168,623	-	-	1,168,623
Public Works	5,982,289	-	2,435,579	8,417,868
Police	12,902,007	-	2,067,732	14,969,739
Fire	11,608,622	-	427,709	12,036,331
Parks and Recreation	6,992,157	-	705,032	7,697,189
Cultural and Community Services	1,394,580	11,000	257,000	1,662,580
Debt Service:				
Principal	-	1,055,000	2,001,638	3,056,638
Interest and Other Charges	-	443,378	308,953	752,331
Capital Improvements	-	84,290	3,084,576	3,168,866
Total Expenditures	<u>42,697,789</u>	<u>2,494,767</u>	<u>11,333,907</u>	<u>56,526,463</u>
Deficiency of Revenues Over Expenditures	<u>(948,673)</u>	<u>(927,846)</u>	<u>(2,925,679)</u>	<u>(4,802,198)</u>
OTHER FINANCING SOURCES AND (USES)				
Transfers In	4,908,252	1,147,624	5,096,290	11,152,166
Transfers Out	(4,115,994)	(3,993)	(442,479)	(4,562,466)
Impairment of Assets Held for Resale	(174,793)	-	-	(174,793)
Total Other Financing Sources and (Uses)	<u>617,465</u>	<u>1,143,631</u>	<u>4,653,811</u>	<u>6,414,907</u>
Net Change in Fund Balances	(331,208)	215,785	1,728,132	1,612,709
Fund Balances - Beginning	<u>13,076,525</u>	<u>1,875,386</u>	<u>9,427,026</u>	<u>24,378,937</u>
Fund Balances - Ending	\$ <u>12,745,317</u>	\$ <u>2,091,171</u>	\$ <u>11,155,158</u>	\$ <u>25,991,646</u>

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

The City of Winter Park, 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, 2015

Net Change in Fund Balances - Total Governmental Funds **\$ 1,612,709**

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

Special assessment revenues in the governmental funds were recognized as revenues in
prior periods in the government-wide financial statements since they are on the accrual
basis of accounting 148,600

Governmental funds report capital outlays as expenditures. However, in the Statement of
Activities, the cost of these assets is depreciated over their useful lives.

Expenditures for Capital Assets	\$ 2,585,352	
Less: Current Year Depreciation	<u>(3,319,382)</u>	(734,030)

Bond proceeds provide current financial resources to governmental funds, but issuing
debt increases long-term liabilities in the Statement of Net Position. Repayment of
bond principal is an expenditure in the governmental funds, but the repayment reduces
long-term liabilities in the Statement of Net Position.

Change in Accrued Interest on Governmental Debt	22,994	
Amortization of Bond Premium	28,292	
Amortization of Bond Discount	(1,863)	
Amortization of Deferred Loss on Bond Refunding	(14,445)	
Principal Payments on General Obligation Bonds	1,020,000	
Principal Payments on Notes Payable	824,488	
Principal Payments on Community Redevelopment Debt	1,055,000	
Principal Payments on Capital Lease Obligations	157,150	
Change in Other Post-Employment Benefits Obligation	<u>(776,948)</u>	2,314,668

Some expenses in the Statement of Activities do not require the use of current financial
resources and therefore are not reported as expenditures in governmental funds.

Change in Net Pension Liability and Related Deferred Outflows and Inflows		2,279,367
Change in Long-term Compensated Absences		(232,420)

Internal service funds are used by management to charge the costs of certain activities to
individual funds.

Change in net position of the internal service funds are included in governmental activities in the Statement of Activities.		<u>1,304,054</u>
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Change in Net Position of Governmental Activities **\$ 6,692,948**

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

The City of Winter Park, Florida
Statement of Net Position
Proprietary Funds
September 30, 2015

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Water and Sewer	Electric Services	Total	
ASSETS				
Current Assets:				
Cash, Cash Equivalents and Investments	\$ 7,045,935	\$ -	\$ 7,045,935	\$ 3,448,003
Restricted Cash, Cash Equivalents and Investments	65,561	-	65,561	-
Accounts Receivable - Net	1,312,416	4,081,327	5,393,743	102,247
Unbilled Service Charges	2,149,870	3,348,852	5,498,722	-
Accrued Interest Receivable	21,991	397	22,388	10,861
Due from Other Funds	1,280,583	-	1,280,583	-
Due from Other Governments	44	-	44	-
Inventories	897,419	3,165,716	4,063,135	157,464
Prepaid Items	49,151	60,095	109,246	-
Total current assets	12,822,970	10,656,387	23,479,357	3,718,575
Non-Current Assets:				
Restricted Assets:				
Cash, Cash Equivalents and Investments:				
Sinking Funds	3,446,423	3,930,675	7,377,098	-
Renewal and Replacement Funds	2,354,540	-	2,354,540	-
Impact Fee Funds	6,054,885	-	6,054,885	-
Capital Project Funds	43,334	-	43,334	-
Customer Deposits	1,622,630	1,787,444	3,410,074	-
Investments:				
Sinking Funds	1,936,591	2,673,974	4,610,565	-
Capital Project Funds	2,100,700	996,853	3,097,553	-
Accrued Interest Receivable:				
Impact Fee Funds	15,736	-	15,736	-
Renewal and Replacement Funds	6,282	-	6,282	-
Accounts Receivable - Net:				
Impact Fee Funds	413	-	413	-
Special Assessments Receivable	-	321,588	321,588	-
Capital Assets:				
Non-depreciable	2,276,790	10,000,000	12,276,790	-
Depreciable - Net	101,662,788	69,717,118	171,379,906	5,973,572
Other Assets:				
Deposits	274,000	-	274,000	202,583
Total non-current assets	121,795,112	89,427,652	211,222,764	6,176,155
Total Assets	134,618,082	100,084,039	234,702,121	9,894,730
DEFERRED OUTFLOW OF RESOURCES				
Deferred Expense on Refunding Bonds	5,270,023	4,185,188	9,455,211	-
LIABILITIES				
Current Liabilities:				
Accounts Payable	339,386	3,272,943	3,612,329	125,921
Accrued Liabilities	488,199	62,525	550,724	1,642,858
Due to Other Funds	-	1,280,583	1,280,583	125,401
Due to Other Governments	312,403	651,517	963,920	5,340
Accumulated Unused Compensated Absences	182,850	27,015	209,865	22,403
Accrued Interest Payable	1,010,423	1,436,311	2,446,734	-
Current Portion of Revenue Bonds Payable	2,890,000	2,070,000	4,960,000	-
Customer Deposits	1,599,540	1,787,444	3,386,984	-
Total current liabilities	6,822,801	10,588,338	17,411,139	1,921,923
Noncurrent Liabilities:				
Bonds Payable	65,783,965	67,749,129	133,533,094	-
Accumulated Unused Compensated Absences	473,516	24,355	497,871	72,095
Total noncurrent liabilities	66,257,481	67,773,484	134,030,965	72,095
Total Liabilities	73,080,282	78,361,822	151,442,104	1,994,018
NET POSITION				
Net Investment in Capital Assets	42,679,670	15,080,030	57,759,700	5,973,572
Restricted for:				
Capital Projects (expendable)	5,867,433	-	5,867,433	-
Renewal and Replacement (expendable)	2,359,932	-	2,359,932	-
Unrestricted	15,900,788	10,827,375	26,728,163	1,927,140
Total Net Position	\$ 66,807,823	\$ 25,907,405	92,715,228	\$ 7,900,712
Adjustment to reflect the consolidation of cumulative internal service fund activities related to enterprise funds			(436,535)	
Net position of business-type activities			\$ 92,278,693	

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

The City of Winter Park, Florida
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended September 30, 2015

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Water and Sewer	Electric Services	Total	
Operating Revenues:				
Charges for Services	\$ 28,138,903	\$ 47,931,186	\$ 76,070,089	\$ 12,201,334
Total Operating Revenues	28,138,903	47,931,186	76,070,089	12,201,334
Operating Expenses:				
General and Administrative	1,646,987	1,217,200	2,864,187	-
Operations	15,266,687	33,380,672	48,647,359	9,488,978
Depreciation and Amortization	4,318,894	2,721,254	7,040,148	1,165,319
Total Operating Expenses	21,232,568	37,319,126	58,551,694	10,654,297
Operating Income	6,906,335	10,612,060	17,518,395	1,547,037
Nonoperating Revenues (Expenses):				
Investment Earnings	693,589	53,483	747,072	75,192
Gain (Loss) on Disposal of Assets	(2,062)	55,717	53,655	37,855
Interest and Fiscal Charges	(3,369,794)	(3,317,845)	(6,687,639)	-
Miscellaneous Revenue	75,083	220,733	295,816	52,705
Total Nonoperating Revenues (Expenses)	(2,603,184)	(2,987,912)	(5,591,096)	165,752
Income Before Contributions and Transfers	4,303,151	7,624,148	11,927,299	1,712,789
Contributions and Transfers:				
Capital Contributions	368,584	-	368,584	-
Transfers Out	(2,710,699)	(3,879,001)	(6,589,700)	-
Total Contributions and Transfers	(2,342,115)	(3,879,001)	(6,221,116)	-
Change in Net Position	1,961,036	3,745,147	5,706,183	1,712,789
Total Net Position - Beginning	64,846,787	22,162,258		6,187,923
Total Net Position - Ending	\$ 66,807,823	\$ 25,907,405		\$ 7,900,712
Adjustment to reflect the consolidation of current fiscal year internal service fund activities related to enterprise funds			408,735	
Change in net position of business-type activities			\$ 6,114,918	

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

The City of Winter Park, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2015

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Water and Sewer	Electric Services	Total	
Cash Flows from Operating Activities				
Receipts from Customers	\$ 29,674,521	\$ 47,945,948	\$ 77,620,469	\$ 91,753
Receipts from Interfund Services Provided	-	-	-	12,037,258
Repayment of Loans from (to) Other Funds	(1,280,583)	1,280,583	-	(50,735)
Payments to Suppliers	(10,422,675)	(36,387,685)	(46,810,360)	(2,123,439)
Payments to Employees	(5,025,643)	(769,010)	(5,794,653)	(676,042)
Payments for Interfund Services Used	(2,369,227)	(201,209)	(2,570,436)	(162,288)
Claims Paid	-	-	-	(6,519,047)
Other Receipts	75,083	220,733	295,816	52,705
Net Cash Provided by Operating Activities	10,651,476	12,089,360	22,740,836	2,650,165
Cash Flows from Noncapital Financing Activities				
Transfers Out	(2,710,699)	(3,879,001)	(6,589,700)	-
Net Cash Used in Noncapital Financing Activities	(2,710,699)	(3,879,001)	(6,589,700)	-
Cash Flows from Capital and Related Financing Activities				
Proceeds (Loss) from Sale of Assets	(2,102)	55,717	53,615	122,463
Purchases of Capital Assets	(1,751,954)	(6,722,678)	(8,474,632)	(1,418,908)
Proceeds from Debt Issued	-	5,900,000	5,900,000	-
Principal Payments - Capital Debt	(2,780,000)	(7,810,000)	(10,590,000)	-
Interest Paid	(3,085,768)	(2,784,944)	(5,870,712)	-
Impact Fees Collected	368,584	-	368,584	-
Net Cash Used in Capital and Related Financing Activities	(7,251,240)	(11,361,905)	(18,613,145)	(1,296,445)
Cash Flows from Investing Activities				
Proceeds from Sales & Maturities of Investments	-	320,000	320,000	-
Interest on Investments	571,705	86,565	658,270	69,276
Net Cash Provided by Investing Activities	571,705	406,565	978,270	69,276
Net Increase (Decrease) in Cash, Cash Equivalents and Investments	1,261,242	(2,744,981)	(1,483,739)	1,422,996
Cash, Cash Equivalents and Investments - Beginning	19,372,066	8,463,100	27,835,166	2,025,007
Cash, Cash Equivalents and Investments - Ending	\$ 20,633,308	\$ 5,718,119	\$ 26,351,427	\$ 3,448,003
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income	\$ 6,906,335	\$ 10,612,060	\$ 17,518,395	\$ 1,547,037
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation and Amortization	4,318,894	2,721,254	7,040,148	1,165,319
(Increase) Decrease in Assets:				
Accounts Receivable	(81,102)	(49,395)	(130,497)	(72,323)
Unbilled Service Charges	130,898	51,084	181,982	-
Due From Other Governments	1,416,501	-	1,416,501	-
Inventories	169,772	(762,080)	(592,308)	(9,617)
Prepaid Items	(15)	633	618	-
Special Assessments Receivable	-	54,135	54,135	-
Increase (Decrease) in Liabilities:				
Accounts Payable	(641,306)	(1,956,848)	(2,598,154)	1,924
Accrued Liabilities	45,426	22,973	68,399	6,894
Due to Other Funds	-	1,280,583	1,280,583	(50,735)
Due to Other Governments	(514,538)	(61,902)	(576,440)	5,340
Accumulated Unused Compensated Absences	40,809	(2,808)	38,001	3,621
Customer Deposits	65,302	(41,062)	24,240	-
Other Receipts	75,083	220,733	295,816	52,705
Net Cash Provided by Operating Activities	\$ 10,651,476	\$ 12,089,360	\$ 22,740,836	\$ 2,650,165

Note: There were no significant non-cash transactions.

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

The City of Winter Park, Florida
Statement of Net Position
Fiduciary Funds
September 30, 2015

	Employee Retirement Funds
ASSETS	
Cash and Short-term Investments	\$ 2,521,751
Investments, at Fair Value	
Fixed Income Mutual Funds	3,168,833
Equity Mutual Funds	12,886,014
Common Collective Trusts	65,010,323
Stocks	1,411,602
Corporate Bonds	4,145,755
Accrued Income	28,575
Total Investments	<u>86,651,102</u>
Total Assets	<u>89,172,853</u>
NET POSITION	
Held in Trust for Pension Benefits	<u>\$ 89,172,853</u>

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

The City of Winter Park, Florida
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended September 30, 2015

	Employee Retirement Funds
ADDITIONS	
Contributions:	
Employer Contributions	\$ 4,376,785
Employee Contributions	<u>542,327</u>
Total Contributions	<u>4,919,112</u>
Investment Income (Loss):	
Net Decrease in Fair Value	
of Investments	(3,170,668)
Interest and Dividends	<u>886,430</u>
	(2,284,238)
Less Investment Expenses:	
Investment Management Fees	108,852
Custodian Fees	<u>145,788</u>
Net Investment Loss	<u>(2,538,878)</u>
Total Additions	<u>2,380,234</u>
DEDUCTIONS	
Employee Benefits	5,057,274
Administrative Expense	<u>138,241</u>
Total Deductions	<u>5,195,515</u>
Change in Net Position	(2,815,281)
Net Position - Beginning	<u>91,988,134</u>
Net Position - Ending	\$ <u><u>89,172,853</u></u>

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

The City of Winter Park, Florida

Notes to Financial Statements

September 30, 2015

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THE CITY OF WINTER PARK, FLORIDA

Notes to Financial Statements

September 30, 2015

1. Summary of Significant Accounting Policies

The City of Winter Park (the “City”), which was established by a special act of the Florida Legislature on April 8, 1882 and incorporated October 12, 1887, operates under the Commission - City Manager form of government. The City is located in the center of the State of Florida in the northern section of Orange County (the “County”).

The accounting policies of the City conform to generally accepted accounting principles (GAAP) as applied to governmental units. The more significant accounting policies used by the City are described below.

A. REPORTING ENTITY:

The City is a municipal corporation with a five member commission including the mayor, who acts as the presiding officer of the commission, with a vice mayor serving in his absence.

The City provides a full range of municipal services including police and fire protection, public works activities, parks and recreational facilities, planning and development, financial services and general administrative services. In addition, the City operates two enterprise funds: water and sewer services and electric services.

In evaluating the City (the primary government) as a reporting entity, all potential component units that may or may not fall within the financial accountability of the City have been addressed. Financial accountability is present if the City Commission (the “Commission”) appoints a voting majority of a component unit's governing body and has the ability to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City.

The accompanying financial statements present all the fund types of the City and its component unit. The blended component unit, although a legally separate entity, is, in substance, part of the City's operations.

Blended Component Unit:

The Community Redevelopment Agency is governed by the City's five-member commission. Pursuant to the requirements of Chapter 163, Part III of the Florida Statutes, the City, with the consent of Orange County, created a Community Redevelopment Area (CRA) through City Resolution No. 1528, adopted on January 11, 1994 to foster improvements in the Westside and Central Business Districts of the City. The CRA uses future tax increment revenue to fund a variety of improvement projects. The CRA is reported as a special revenue fund.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS:

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

The statement of activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported 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 the 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 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 property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other governmental revenues are considered available if they are collected within 180 days of the end of the current fiscal period. For special assessments receivable, only the portion due within the subsequent fiscal year is considered to be available for recognition as revenue in the current 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 are recorded only when payment is due.

Franchise and utility taxes, state revenue sharing, charges for garbage and stormwater service, fines and forfeitures and investment earnings associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

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

The City utilizes an indirect cost allocation system to allocate costs incurred in the General Fund that are indirect expenses of other funds. Reimbursements to the General Fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures in the General Fund. These reimbursements are presented in the Indirect Expenses Allocation column of the Statement of Activities. The Expenses column of this statement includes only the direct expenses of each function.

Surpluses or deficits in the Internal Service Funds are allocated back to customers at the government-wide level Statement of Activities. This creates a reconciling item between the business-type activities column at the government-wide level and the proprietary fund statements at the fund level as reflected on the bottom of each statement.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, depreciation on capital assets and amortization of intangible assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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 Fund accounts for the activities funded by tax increment revenues from the Community Redevelopment Area.

Non-Major Governmental Fund Types:

Special Revenue Funds account for specific revenue sources that are restricted by law or administrative action to expenditures for specific purposes. Non-major special revenue funds include the Designations Trust Fund, Stormwater Utility Fund, Affordable Housing Fund, Law Enforcement Trust Fund, Grant Fund, Parks Impact Fees Fund, Help Our Park Expand Fund, Police and Firefighter Premium Tax Trust Fund and Cemetery Trust Fund.

The Debt Service Fund accounts for the accumulation of resources for, and the payment of principal and interest on, certain general long-term debt.

Capital Projects Funds account for financial resources segregated for the acquisition or construction of major capital facilities. Non-major capital projects funds include the Capital Projects Fund and Stormwater Capital Projects Fund.

Major Proprietary Funds:

The Water and Sewer Fund accounts for the provision of water and sewer service to customers both inside the City limits and to the west, north and east of the City.

The Electric Services Fund accounts for the provision of electric service to certain areas within the City limits.

Non-Major Proprietary Funds:

Internal Service Funds account for the financing of goods and services provided by one department to other departments of the City on a cost reimbursement basis. Internal service funds include the Fleet Maintenance Fund, Vehicle Replacement Fund, Employee Insurance Fund and General Insurance Fund.

Fiduciary Fund Types:

Pension Trust Funds account for the activities of the Police and Firefighter Pension Trust Funds, which accumulate resources for pension benefit payments to qualified public safety employees.

D. NEW ACCOUNTING PRONOUNCEMENTS:

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*, effective for the City's fiscal year beginning October 1, 2014. This Statement revises existing standards for employer financial statements relating to measuring and reporting pension liabilities for pension plans provided by the City to its employees. The financial statements report the liability of the net pension liability, which is measured as the total pension liability, less the amount of the pension fiduciary net position. Changes in pension liability are included in pension expense in the period of the change as described in Note 16(A).

In January 2013, the GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*, effective for the City's fiscal year beginning October 1, 2014. This Statement establishes standards for accounting and financial reporting of government combinations and disposals of government operations. Government combinations include mergers, acquisitions and transfers of operations of government or nongovernment entities to a continuing government. There is no impact of this statement on the City's financial statements.

In November 2013, the GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, effective for the City concurrently with the implementation of GASB Statement No. 68. This Statement addresses an issue in Statement No. 68 concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to the implementation of GASB 68 by employer contributions. This statement is implemented in conjunction with GASB State No. 68.

E. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:

1) Budgetary information:

The City's budgetary procedures and a comparison of budget to actual data are presented in the Required Supplemental Information section for the General and budgeted major Special Revenue Fund (Community Redevelopment Fund).

Expenditures of the Grant non-major special revenue fund exceeded the annual budget by \$197,819. Revenues of this fund exceeded the annual budget by \$189,993.

2) Deficit net position balances:

The Fleet Maintenance Fund is accounted for as an internal service fund. At September 30, 2015, this fund had a \$96,440 deficit net position balance. This deficit is expected to be liquidated in future years through charges to user departments.

The General Insurance Fund is accounted for as an internal service fund. At September 30, 2015, this fund had a \$354,202 deficit net position balance. This deficit is expected to be liquidated in future years through charges to user departments.

F. USE OF ESTIMATES:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities as of the financial statement date and the reported amounts of revenues and expenses or expenditures during the reporting period. Actual results could differ from those estimates.

G. CHANGE IN ACCOUNTING PRINCIPLE:

The City implemented GASB No. 68, *Accounting and Financial Reporting for Pensions* in fiscal year 2015. The primary objective of this statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. It requires employers to report their proportionate share of the plan's net pension liability, pension expense, and deferred inflows and outflows of resources as well as additional note disclosures and required supplementary information.

The following schedule reflects the impact of GASB 68:

	Governmental Activities
Net position – beginning of period, as previously reported	\$ 75,732,128
Adoption of GASB Statement No. 68	
Pension Liability – Police Officers’	(10,219,562)
Pension Liability – Firefighters’	(5,055,309)
Total prior year adjustment	(15,274,871)
Net position – beginning of period, as restated	\$ 60,457,257

H. DEPOSITS AND INVESTMENTS:

Cash and Cash Equivalents

The City’s cash management pool allows individual funds to, at any time, deposit additional cash or make withdrawals without prior notice or penalty, and thus, the City is managing an internal service pool which is considered by GASB to be a cash equivalent. The City considers cash equivalents to be highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased.

Each participating fund’s portion of the pool is reported as “Cash, Cash Equivalents and Investments” in the governmental and proprietary funds’ balance sheets. Certain cash and investments for the Community Redevelopment, Water and Sewer and Electric Services Funds are held separately and not included in the pool.

For purposes of the statements of cash flows, the City classifies its cash management pool (including restricted assets) along with the Water and Sewer and Electric Services Funds cash accounts as cash and cash equivalents.

Individual funds with credit balances at year-end were reclassified to Due to Other Funds for reporting purposes with offsetting Due from Other Funds in the General Fund and Water and Sewer Fund .

Deposits

Deposits consist of interest bearing demand accounts. All deposits with financial institutions were 100% insured by Federal depository insurance or by collateral pursuant to the Public Depository Security Act of the State of Florida. The carrying amount of the demand deposits and cash on hand at September 30, 2015 was \$8,427,033 (excluding Pension Trust Funds).

Investments

Investments are stated at fair value, with the exception of investments in the State Board of Administration's Local Government Surplus Funds Trust Fund (SBA), an external 2a7-like fund which is presented at share price. All fair market valuations are based on quoted market prices. SBA pool shares are based on amortized cost of the SBA's underlying portfolio, which approximates fair market value. For performance reports on the SBA's underlying portfolio visit <http://www.sbafla.com/fsb/PerformanceReports/tabid/1439/Default.aspx>.

The City's investment policy is governed by an ordinance adopted by the City Commission. Allowable investments include, the Local Government Surplus Trust Fund, United States Government Securities, United States Government Agencies (full faith and credit of the United States Government), Federal Instrumentalities (United States Government sponsored agencies which are non-full faith and credit), Non-Negotiable Interest Bearing Time Certificates of Deposit, Repurchase Agreements, Banker's Acceptances, Commercial Paper, State and/or Local Government Taxable and/or Tax-Exempt Debt, Registered Investment Companies (Money Market Mutual Funds) and Intergovernmental Investment Pools.

The following is a summary of cash and investments held by the City at September 30, 2015:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 - 5	6 - 10	More Than 10
U.S. Treasury Notes	\$ 6,023,870	\$ 2,011,880	\$ 2,998,790	\$ 1,013,200	\$ -
Government National Mortgage Assoc.	3,717,046	-	-	57,343	3,659,703
Federal Farm Credit Bank	9,849,962	-	7,852,482	1,997,480	-
Federal Home Loan Bank	10,013,937	-	10,013,937	-	-
Federal Home Loan Mortgage Corp	7,143,670	-	4,002,510	3,072,260	68,900
Federal National Mortgage Association	9,639,543	-	5,001,590	991,370	3,646,583
Local Government Surplus Trust Fund	19,033	19,033	-	-	-
Pooled Investments	46,407,061	2,030,913	29,869,309	7,131,653	7,375,186
Carrying amount of deposits	8,427,033	8,427,033	-	-	-
Cash, Cash Equivalents & Investments	54,834,094	10,457,946	29,869,309	7,131,653	7,375,186
Federal Farm Credit Bank	5,280,791	-	5,280,791	-	-
Federal Home Loan Bank	1,997,488	-	1,997,488	-	-
Federal Home Loan Mortgage Corp	-	-	-	-	-
Federal National Mortgage Association	429,841	-	429,841	-	-
Other Investments	7,708,120	-	7,708,120	-	-
Total Cash and Investments	\$ 62,542,214	\$ 10,457,946	\$ 37,577,429	\$ 7,131,653	\$ 7,375,186

Investment Type	Fair Value	Police Officers' Pension Investment Maturities (in Years)			
		Less Than 1	1 - 5	6 - 10	More Than 10
Fixed Income Mutual Funds	\$ 1,493,651	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Equity Mutual Funds	6,198,319	N/A	N/A	N/A	N/A
Common Collective Trusts	31,839,317	N/A	N/A	N/A	N/A
Stocks	500,441	N/A	N/A	N/A	N/A
Corporate Bonds	1,524,985	56,155	835,054	281,928	351,848
Pooled Investments	41,556,713	56,155	835,054	281,928	351,848
Carrying amount of deposits	688,533	-	-	-	-
Total Cash and Investments	\$ 42,245,246	\$ 56,155	\$ 835,054	\$ 281,928	\$ 351,848

The City of Winter Park, Florida
Notes to Financial Statements - September 30, 2015

Firefighters' Pension					
Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 - 5	6 - 10	More Than 10
Fixed Income Mutual Funds	\$ 1,675,182	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Equity Mutual Funds	6,687,695	N/A	N/A	N/A	N/A
Common Collective Trusts	33,171,006	N/A	N/A	N/A	N/A
Stocks	911,161	N/A	N/A	N/A	N/A
Corporate Bonds	2,620,770	145,724	1,427,364	361,171	686,511
Pooled Investments	45,065,814	145,724	1,427,364	361,171	686,511
Carrying amount of deposits	1,833,218	-	-	-	-
Total Cash and Investments	\$ 46,899,032	\$ 145,724	\$ 1,427,364	\$ 361,171	\$ 686,511

Interest Rate Risk - To mitigate interest rate risk, the City's investment policy requires that the investment strategy provide sufficient liquidity to meet the City's operating, payroll and capital requirements that may be reasonably anticipated. Investments of current operating funds are to have maturities not exceeding twelve months.

Credit Risk - Although the City's investment policy does not address specific investment-related risk, to mitigate credit risk, the City primarily invests in the U.S. Government Securities and the State of Florida local government surplus trust fund pool as well as other investments allowed in the investment ordinance referred to above. Credit quality distribution for investments, with credit exposure as a percentage of total investments, are as follows at September 30, 2015:

Investment Type	Standard & Poor's Ratings	Moody's Ratings	Percentage of Total
Pooled Investments			
U.S. Treasury Notes	Not Rated	Aaa	11%
Government National Mortgage Assoc	Not Rated	Not Rated	7%
Federal Farm Credit Bank	AA+	Aaa	18%
Federal Home Loan Bank	AA+	Aaa	18%
Federal Home Loan Mortgage Corp	AA+	Aaa	13%
Federal National Mortgage Association	AA+	Aaa	18%
Local Government Surplus Trust Fund	AAAm	Not Rated	0%
Other Investments			
Federal Farm Credit Bank	AA+	Aaa	10%
Federal Home Loan Bank	AA+	Aaa	4%
Federal Home Loan Mortgage Corp	AA+	Aaa	0%
Federal National Mortgage Association	AA+	Aaa	1%

Credit Ratings for Investments in Debt Securities by the Police Officers' Pension			
	Amount Invested	Standard & Poor's Ratings	Percentage of Total
Fixed Income Mutual Funds	\$ 1,493,651	AAA	49%
Total Fixed Income Mutual Funds	\$ 1,493,651		
Corporate Bonds	\$ 82,798	A	3%
	229,530	B	8%
	139,947	BB	4%
	147,588	BBB	5%
	925,122	Not Rated	31%
Total Corporate Bonds	\$ 1,524,985		

Credit Ratings for Investments in Debt Securities by the Firefighters' Pension			
	Amount Invested	Standard & Poor's Ratings	Percentage of Total
Fixed Income Mutual Funds	\$ 1,675,182	AAA	39%
Total Fixed Income Mutual Funds	\$ 1,675,182		
Corporate Bonds	\$ 174,240	A	4%
	354,328	B	8%
	411,266	BB	10%
	390,103	BBB	9%
	14,812	CCC	0%
	1,276,021	Not Rated	30%
Total Corporate Bonds	\$ 2,620,770		

Custodial Risk – To mitigate custodial risk, broker/dealers must provide audited financial statements, proof of National Association of Securities Dealers (NASD) certification and proof of state registration. Securities transactions between a financial institution or broker/dealer and the custodian involving purchase or sale of securities by transfer of money or securities must be made on a “delivery vs. payment” basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, on hand at the conclusion of the transaction.

Concentration of Credit Risk - The City's investment policy requires that investments be diversified by security type and institution. Specific limitations as to the percentage of the portfolio and length of maturity for each type of investment are addressed in the policy.

I. RECEIVABLES:

Utility operating revenues are generally recognized on the basis of cycle billings rendered monthly. The amount of services delivered for the period from the last billing date to September 30th is estimated and accrued at year-end.

J. PROPERTY TAXES:

Under Florida Law, the assessment of all properties and the collection of all City property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method statewide. State Statutes permit cities to levy property taxes at a rate of up to ten (10) mills. The operating millage rate in effect for the fiscal year ended September 30, 2015 was 4.0923. A debt service millage was also in effect of 0.2984 mills.

All property is assessed according to its fair market value on January 1 of each year and at that time a lien is placed on the property for the taxes. The tax levy of the City is established by the City Commission prior to October 1 of each year and the Orange County Property Appraiser incorporates the City's millage into the total tax levy, which also includes Orange County, the Orange County School Board and the St. Johns Water Management District's tax requirements.

All taxes are billed on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. The taxes paid in March are without discount.

On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by the County.

K. INVENTORIES:

Inventories in the General Fund and Stormwater Utility Fund (Special Revenue) are stated at cost using the first-in/first-out (FIFO) method and inventories in the Water and Sewer Fund and Electric Services Fund (Enterprise) and Fleet Maintenance Fund (Internal Service) are stated at the lower of cost (determined on the moving average method) or market. Inventories are charged as expenditures/expenses when used.

- ◆ Inventories of the General Fund consist of fuel and other operating supplies.
- ◆ Inventories of the Stormwater Utility Fund consist of aquatic weed control chemicals.
- ◆ Inventories of the Water and Sewer Fund consist of maintenance parts, supplies and water meters.
- ◆ Inventories of the Electric Services Fund consist of cable, meters, transformers and supplies.
- ◆ Inventories of the Fleet Maintenance Fund consist of maintenance parts, tires, fuels and supplies.

L. PREPAID ITEMS:

Prepaid items represent payments made to vendors that will benefit periods beyond September 30, 2015. The costs of governmental fund type prepaid items are recorded using the consumption method, that is, as expenditures when consumed rather than when purchased.

M. CAPITAL ASSETS:

Property, plant and equipment purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date received. The City defines capital assets as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Years	Classification
7 - 50	Buildings
10 - 50	Streets and drainage
10 - 50	Improvements other than buildings
2 - 20	Machinery and furniture
2 - 10	Vehicles (including heavy equipment)
30 - 50	Water & sewer lines
30 - 50	Electric

System acquisition costs represent the 1981 acquisition of General Waterworks Corporation's operating assets, consisting primarily of the water utility within the City and a water and sewer system providing services to areas outlying the City's boundaries. The purchase method was utilized to account for this transaction. The system acquisition costs are amortized using the straight-line method over forty (40) years.

The City's payment to Progress Energy Florida (now known as Duke Energy) for the electric distribution system in the City limits for going concern and stranded costs are reported as system acquisition costs and are being amortized over the term of the bonds issued to finance this acquisition.

Capacity rights and sewer contract costs consist of purchased rights to specified percentages in existing and future water and sewer treatment capacity as described in Note 18. The capacity rights are recorded at cost and are amortized using the straight-line method over a period of 13 to 30 years.

The City's payment to South Seminole-North Orange County Wastewater Transmission Authority for its share of infrastructure improvements is reported as sewer capacity rights and is being amortized over the term of the bonds issued to finance this payment. The City is party to an intergovernmental agreement, which formed the South Seminole-North Orange County Wastewater Transmission Authority. The Authority owns and operates the pipeline that takes the City's and other participants' sewage flows to the Iron Bridge Regional Wastewater Treatment Plant.

N. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The deferred expense on refunding bonds reported in the government-wide statement of net position and proprietary funds statement of net position results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amount for pensions relates to certain differences between expected and actual actuarial results and changes of assumptions.

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that period. The unavailable revenue on long-term receivables reported in the fund financial statements balance sheet for governmental funds represents a portion of various long-term receivables that will be received after the availability period. This amount is deferred and the portion of the receivables becoming due within the following fiscal year will be recognized as revenue in future periods. The amount for pensions relates to certain differences between expected and actual actuarial results and certain differences between projected and actual investment earnings.

O. UNEARNED REVENUE:

The unearned revenue on the government-wide statement of net position includes golf course memberships collected in advance and occupational license fees collected before year-end but not due until October 1.

P. LONG-TERM DEBT:

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.

Q. ACCUMULATED UNUSED COMPENSATED ABSENCES:

The City records the vested portion of accumulated unused compensated absences at year-end based on each employee's accumulated unused hours and rate of pay, including the City's share of Social Security, Medicare taxes and Retirement. All compensated absences are accrued when earned by employees in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

R. PENSION PLANS:

The City sponsors and administers three pension plans covering substantially all full-time employees. The City's policy is to fund the annual pension costs in the annual budget.

Employees of the Police and Fire Departments are enrolled in separate defined benefit pension plans adopted by the City effective August 4, 1959 for the police officers and January 1, 1959 for the firefighters. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Police and Firefighter pension plans and additions/deductions from the plan net positions have been determined on the same basis as they are reported by the plans.

Benefit payments (including refunds of employee contributions) are recognized in the fund financial statements when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General employees are enrolled in a defined contribution 401(a) pension plan established January 1, 1992, as described in Note 16(C). The assets, liabilities, fund equity and operations of this plan are not presented on the City's financial statements as the plan is independently administered.

S. CATEGORIES AND CLASSIFICATION OF FUND BALANCE:

Fund balance classifications are Non Spendable, Restricted, Committed, Assigned and Unassigned. These classifications reflect not only the nature of the funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. The City classifies governmental fund balances as follows:

Non Spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

Spendable Fund Balance

- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as donors or amounts constrained by enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of City Commission. Such formal action may be in the form of an ordinance or resolution and may only be modified or rescinded by taking the same formal action that imposed the original constraint. These commitments must be in place prior to September 30.
- Assigned – includes amounts that are intended to be used for specific purposes that are neither restricted nor committed. Assignments may be made by City Commission or management based on the purpose of the fund.

- Unassigned – includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories.

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

The City does not have a minimum fund balance policy. As part of its Administrative Policy, the City Commission set a goal of working towards an unassigned fund balance in the General Fund equaling thirty percent of the annual General Fund expenditures and transfers out for recurring operating costs reported in other funds.

T. NET INVESTMENT IN CAPITAL ASSETS COMPONENT OF NET POSITION:

Net investment in capital assets component of net position consisted of the following components as of September 30, 2015:

	Governmental Activities	Business-type Activities
Capital assets, net	\$ 79,772,782	\$ 183,656,696
Related debt, net	(22,046,960)	(129,037,883)
Unspent proceeds from capital related debt	-	3,140,887
Totals	\$ 57,725,822	\$ 57,759,700

U. RESTRICTED COMPONENT OF NET POSITION:

Restricted component of net position are subject to restrictions that are either (1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

2. *Receivables*

The accounts receivable and allowance for uncollectibles at September 30, 2015 were as follows:

	Accounts Receivable	Allowance for Uncollectibles	Net
General Fund	\$ 2,816,555	\$ 1,795,499	\$ 1,021,056
Community Redevelopment Fund	29,850	850	29,000
Non-Major Governmental Funds:			
Designations Trust Fund	25,245	24,691	554
Stormwater Utility Fund	212,290	66	212,224
Debt Service Fund	3,662	-	3,662
Capital Projects Fund	17,444	-	17,444
Enterprise Funds:			
Water and Sewer Fund	1,443,340	130,924	1,312,416
Electric Services Fund	4,205,598	124,271	4,081,327
Internal Service Funds:			
Fleet Maintenance Fund	35,073	-	35,073
Vehicle Replacement Fund	23,759	-	23,759
Employee Insurance Fund	45,451	2,036	43,415
Totals	\$ 8,858,267	\$ 2,078,337	\$ 6,779,930

3. *Special Assessments Receivable*

Special assessments receivable consist of assessments for community redevelopment, street bricking and other streetscaping improvements in the governmental funds and undergrounding of electric and cable utilities in the Electric Services Fund. Owners of properties benefitting from the improvements are given the option of paying their share of the project cost either in a lump sum at the completion of the project or over a certain time. Assessments are billed to property owners through the property tax bill as non-ad valorem assessments.

Special assessments receivable at September 30, 2015 were as follows:

	Interest Rate	Principal		Interest Receivable	Total
		Current Receivable	Deferred Receivable		
Governmental Activities:					
Major Fund					
Community Redevelopment Fund:					
Community redevelopment	-	\$ 30,000	\$ 390,000	\$ -	\$ 420,000
Non-Major Funds					
Designations Trust Fund:					
Street bricking improvements	6.00%	\$ 43,237	\$ 51,699	\$ 4,097	\$ 99,033
Debt Service Fund:					
Park Avenue improvements	1.57%	56,775	283,876	13,403	354,054
Orange Avenue improvements	2.09%	96,130	1,057,424	135,702	1,289,256
		\$ 152,905	\$ 1,341,300	\$ 149,105	\$ 1,643,310
Business-Type Activities:					
Major Fund					
Electric Services Fund:					
Undergrounding electric and cable utilities	4.00% & 4.25%	\$ 278,825	\$ -	\$ 42,763	\$ 321,588

4. Capital Assets

The following is a summary of changes in capital assets during the year ended September 30, 2015:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 15,136,501	\$ -	\$ -	\$ 15,136,501
Construction in progress	1,500,841	2,002,187	(686,343)	2,816,685
Total capital assets, not being depreciated	16,637,342	2,002,187	(686,343)	17,953,186
Capital assets, being depreciated:				
Buildings	43,072,638	30,572	-	43,103,210
Improvements other than buildings	16,707,072	301,294	-	17,008,366
Machinery and equipment	19,714,387	663,256	(65,588)	20,312,055
Furniture and fixtures	723,459	4,120	-	727,579
Vehicles	18,286,262	1,135,980	(591,404)	18,830,838
Streets and drainage	60,979,941	553,966	-	61,533,907
Total capital assets being depreciated	159,483,759	2,689,188	(656,992)	161,515,955
Less accumulated depreciation for:				
Buildings	(19,004,539)	(1,253,817)	-	(20,258,356)
Improvements other than buildings	(12,111,104)	(350,797)	-	(12,461,901)
Machinery and equipment	(16,037,955)	(827,406)	65,588	(16,799,773)
Furniture and fixtures	(719,785)	(1,238)	-	(721,023)
Vehicles	(13,051,674)	(1,053,957)	514,634	(13,590,997)
Streets and drainage	(34,866,823)	(997,486)	-	(35,864,309)
Total accumulated depreciation	(95,791,880)	(4,484,701)	580,222	(99,696,359)
Total capital assets, being depreciated, net	63,691,879	(1,795,513)	(76,770)	61,819,596
Governmental activities capital assets, net	\$ 80,329,221	\$ 206,674	\$ (763,113)	\$ 79,772,782
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 12,194,774	\$ -	\$ -	\$ 12,194,774
Construction in progress	194,653	8,169,333	(8,281,970)	82,016
Total capital assets, not being depreciated	12,389,427	8,169,333	(8,281,970)	12,276,790
Capital assets, being depreciated:				
Buildings and production facilities	3,506,065	-	-	3,506,065
Machinery and equipment	6,401,342	254,318	-	6,655,660
Furniture and fixtures	42,657	-	-	42,657
Improvements other than buildings	222,555,376	8,406,634	-	230,962,010
System acquisition costs	19,885,843	-	-	19,885,843
Sewer contract costs	3,394,035	-	-	3,394,035
Sewer capacity rights	19,666,423	-	(5,320)	19,661,103
Total capital assets, being depreciated	275,451,741	8,660,952	(5,320)	284,107,373
Less accumulated depreciation for:				
Buildings and production facilities	(3,042,318)	(54,243)	-	(3,096,561)
Machinery and equipment	(6,200,929)	(429,421)	42	(6,630,308)
Furniture and fixtures	(42,242)	(114)	-	(42,356)
Improvements other than buildings	(80,471,742)	(5,158,433)	-	(85,630,175)
System acquisition costs	(6,252,449)	(660,175)	-	(6,912,624)
Sewer contract costs	(3,316,835)	(77,200)	-	(3,394,035)
Sewer capacity rights	(6,360,846)	(660,562)	-	(7,021,408)
Total accumulated depreciation, net	(105,687,361)	(7,040,148)	42	(112,727,467)
Total capital assets, being depreciated, net	169,764,380	1,620,804	(5,278)	171,379,906
Business-type activities capital assets, net	\$ 182,153,807	\$ 9,790,137	\$ (8,287,248)	\$ 183,656,696

Depreciation expense was charged to governmental functions as follows:

Planning	\$ 3,264
Public Works	1,807,032
Police	393,454
Fire	597,386
Parks and Recreation	518,246
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets	<u>1,165,319</u>
Total depreciation expense	\$ <u>4,484,701</u>

5. *Interfund Balances*

Interfund receivable and payable balances at September 30, 2015 consist of:

	Due From Other Funds	Due To Other Funds
Major Funds:		
General Fund	\$ 268,785	\$ -
Enterprise Funds	1,280,583	1,280,583
Nonmajor Governmental Funds	-	143,384
Internal Service Funds	-	125,401
Totals	\$ <u>1,549,368</u>	\$ <u>1,549,368</u>

The Due to Other Funds balances reported in the fund financial statements represent temporary interfund loans to cover credit cash balances in the individual funds at year-end with offsetting Due from Other Funds in the lending funds.

6. *General Obligation Bonds*

General Obligation Bonds, Series 2004 and Series 2011, are general obligations of the City and are payable from and secured by a lien upon and pledge of the revenues received from the levy and collection by the City of voted debt service millage on all the taxable property within the City.

Proceeds of such tax are deposited, as received, into the Sinking Fund and applied solely for the purpose of paying the principal and interest as they become due.

A. SERIES 2004:

The proceeds from the General Obligation Bonds, Series 2004, issuance were used to refund the General Obligation Bonds, Series 1996, which refunded Bond Anticipation Notes used for the acquisition of the green space known as the Winter Park Golf Course.

B. SERIES 2011:

The proceeds from the General Obligation Bonds, Series 2011, issuance were used to refund the General Obligation Bonds, Series 2001, which were used to finance construction of a new Public Safety Complex.

C. GENERAL OBLIGATION BONDS CONSIST OF THE FOLLOWING:

Description	Interest Rates and Dates	Final Maturity	Original Amount Issued	Amount Outstanding at 9/30/2015
Series 2004	2.00% to 3.80% 1/1; 7/1	07/01/16	\$3,795,000	\$375,000
Series 2011	2.50% to 3.00% 1/1; 7/1	07/01/21	\$6,955,000	\$4,405,000

D. EARLY REDEMPTION:

Description	Call Date	Call Rate
Series 2004	Not subject to redemption	N/A
Series 2011	Not subject to redemption	N/A

7. *Non-Ad Valorem Revenue Notes*

The Capital Improvement Note, Series 2006, is a special obligation of the City payable from the monies budgeted and appropriated by the City Commission for such purpose in each year from legally available non-ad valorem revenues. The proceeds from this note were used to finance the purchase of several large vehicles, the City's share of the cost of the Howell Branch Nature Preserve, upgrade communications equipment and street bricking.

The Orange Avenue Refunding Revenue Improvement Note, Series 2012A, is also a special obligation of the City payable from the monies budgeted and appropriated by the City Commission for such purpose in each year from legally available non-ad valorem revenues. The proceeds from this note were used for a current refunding of the Orange Avenue Revenue Improvement Note, Series 2007, which were used to finance streetscaping improvements on Orange Avenue.

The Park Avenue Refunding Revenue Improvement Note, Series 2012B, is also a special obligation of the City payable from the monies budgeted and appropriated by the City Commission for such purpose in each year from legally available non-ad valorem revenues. The proceeds from the Park Avenue Revenue Improvement Note, Series 2012B were used for a current refunding of the Park Avenue Refunding Improvement Revenue Bonds, Series 2010. The original Park Avenue Revenue Improvement Note, Series 2004 was used to finance enhancements to the downtown area of Park Avenue.

NON-AD VALOREM REVENUE NOTES CONSIST OF THE FOLLOWING:

Description	Interest Rates and Dates	Final Maturity	Original Amount Issued	Amount Outstanding at 9/30/2015
Series 2006	3.62%; 1/1; 7/1	07/01/16	\$4,360,000	\$512,389
Series 2012A	2.09%	07/01/28	\$1,870,000	\$1,650,000
Series 2012B	1.57%	07/01/21	\$2,060,000	\$1,385,000

B. EARLY REDEMPTION:

Description	Call Date	Call Rate
Series 2006	Note may be prepaid	15% of balance outstanding may be prepaid on any January 1 without penalty; all or a portion of the Note may be prepaid at anytime with a fee to compensate the underwriter based on market conditions at the time of such prepayment
Series 2012A	Note may be prepaid	The Note contains a make whole call provision
Series 2012B	Note may be prepaid	The Note contains a make whole call provision

8. *Community Redevelopment Agency Notes*

The Community Redevelopment Agency Notes are special obligations of the City's CRA payable from tax increment revenues of the CRA. The proceeds from these notes were used to finance capital enhancements and social programs within the CRA. Tax increment revenue from Orange County is reported as other intergovernmental revenue and tax increment revenue from the City is reported as transfers in from the General Fund.

Total principal and interest remaining on the notes is \$14,758,790, payable through January 2026. For the current year, principal and interest paid and total incremental tax revenue was \$1,498,378 and \$2,391,268, respectively.

A. COMMUNITY REDEVELOPMENT AGENCY NOTES CONSIST OF THE FOLLOWING:

Description	Interest Rates and Dates	Final Maturity	Original Amount Issued	Amount Outstanding at 9/30/2015
Series 2006	3.89%, 1/1; 7/1	01/01/25	\$2,155,000	\$1,360,000
Series 2010	4.48%, 1/1; 7/1	01/01/26	\$8,100,000	\$6,180,000
Series 2012	1.99%	01/01/25	\$5,870,000	\$4,860,000

B. EARLY REDEMPTION:

Description	Call Date	Call Rate
Series 2006	Not subject to redemption	N/A
Series 2010	Notes may be prepaid	15% of balance outstanding may be prepaid on any January 1 without penalty; all or a portion of the Notes may be prepaid at anytime with a fee to compensate the underwriter based on market conditions at the time of such prepayment
Series 2012	Note may be prepaid	The Note contains a make whole call provision

9. *Water and Sewer Revenue Bonds*

A. THE REVENUE BONDS (SERIAL) CONSIST OF THE FOLLOWING:

Description	Interest Rates and Dates	Final Maturity	Original Amount Issued	Amount Outstanding at 9/30/2015
Water & Sewer Revenue Bonds, Series 2009	3.00% to 5.00% 6/1; 12/1	12/01/34	\$45,685,000	\$39,185,000
Water & Sewer Revenue Bonds, Series 2010	4.08% 6/1; 12/1	12/01/30	\$16,500,000	\$16,500,000
Water & Sewer Refunding Revenue Bonds, Series 2011	2.00% to 5.00% 6/1; 12/1	12/01/21	\$14,155,000	\$11,400,000

The City has pledged future water and sewer customer revenue, net of specified operating expenses, to repay the debt above. Proceeds from the bonds provided financing for major improvements to the City's water treatment plants as well as its share of costs for improvements to facilities owned by other entities through which the City participates via interlocal agreements. The bonds are payable solely from water and sewer customer revenues and are payable through 2035. Annual principal and interest payments on the bonds are expected to require less than 50 percent of net revenues. The total principal and interest remaining on the bonds is \$99,357,076. Principal and interest paid for the current year and total net revenues were \$5,866,813 and \$11,824,036, respectively.

B. BOND COVENANTS:

The Water and Sewer Revenue Bonds, Series 2009, Series 2010 and Series 2011, resolutions provide for:

1) ESTABLISHMENT AND MAINTENANCE OF VARIOUS FUNDS:

- Revenue Fund records all operating revenues and expenses of the system;
- Sinking Fund records all debt service requirements which include the Sinking Fund account, bond amortization account and reserve account;
- Renewal and Replacement Fund records all the improvements, extensions and replacements of the system; and
- Construction Fund records the cost of major additions to the system financed by the revenue bonds.

2) RESTRICTIONS ON THE USE OF CASH FROM OPERATIONS IN ORDER OF PRIORITY:

- Deposits are made to the Revenue Fund to meet current operations according to the existing bond ordinance;
- Deposits to the Sinking Fund are required each month equal to one-sixth (1/6) of the interest becoming due on the next semi-annual interest payment date and one-twelfth (1/12) of the principal becoming due on the next principal payment date;
- Deposits to the Renewal and Replacement Fund are required in each month equal to one-twelfth (1/12) of 5% of gross revenues for the preceding fiscal year; however, no such monthly deposit shall be required whenever the amount in such fund shall be at least equal to 5% of the then current net asset value of the system.

3) EARLY REDEMPTION:

Description	Call Date	Call Rate
Series 2009	12/01/19 and thereafter	100%
Series 2010	Anytime	Subject to Prepayment Premium prior to 12/22/2020; 100% thereafter
Series 2011	Anytime	Not subject to redemption prior to stated date of maturity

4) INVESTMENT RESTRICTIONS:

- Funds are required to be continuously secured in the same manner as state and municipal deposits of funds are required to be secured by the Laws of the State of Florida; and
- All funds deposited shall be continuously invested in direct obligations of, or obligations that are guaranteed by, the United States of America, obligations of its several agencies, the Local Government Surplus Funds Trust Fund, obligations guaranteed by the Government National Mortgage Association, or time deposits in banks, trust companies or savings and loan associations represented by Certificates of Deposit.

10. *Electric Revenue Bonds*

A. THE REVENUE BONDS (SERIAL) CONSIST OF THE FOLLOWING:

Description	Interest Rates and Dates	Final Maturity	Original Amount Issued	Amount Outstanding at 9/30/2015
Electric Revenue Bonds, Series 2005A	Variable rates*; Payable weekly	10/01/33	\$42,025,000	\$1,220,000
Electric Revenue Bonds, Series 2007	3.375% to 4.25%; 4/1; 10/1	10/01/37	\$22,135,000	\$19,785,000
Electric Revenue Bonds, Series 2009A	2.000% to 5.000%; 4/1;10/1	10/01/35	\$28,020,000	\$24,960,000
Electric Revenue Bonds, Series 2009B	2.000% to 5.000%; 4/1;10/1	10/01/35	\$6,965,000	\$6,355,000
Electric Revenue Bonds, Series 2010	3.20%	10/01/35	\$5,245,000	\$4,480,000
Electric Revenue Bonds, Series 2014	2.74%	10/01/33	\$7,680,000	\$7,585,000
Electric Revenue Bonds, Series 2014A	2.99%	10/01/33	\$5,900,000	\$5,900,000

* Variable rates ranged from 0.268% - .366% for the fiscal year ended September 30, 2015. The average rate was .310%. The interest rate is reset weekly and is 175% of the thirty day London Interbank Offering Rate.

The City has pledged future electric customer revenue, net of specified operating expenses, to repay the debt above. Proceeds from the bonds provided financing for the acquisition of the electric utility in 2005, improvements to the system to allow it to function as a stand-alone distribution system, and undergrounding of some of the major feeder lines. The bonds are payable solely from electric customer revenues and are payable through 2037. Annual principal and interest payments on the bonds are expected to require less than 50 percent of net revenues. The total principal and interest remaining on the bonds is \$105,399,859. Principal and interest paid for the current year and total customer net revenues were \$10,562,297 and \$12,975,401, respectively.

B. BOND COVENANTS:

The Electric Revenue Bonds, Series 2005A, Series 2007, Series 2009A, Series 2009B, Series 2010, Series 2014 and Series 2014A, resolution provides for:

1) ESTABLISHMENT AND MAINTENANCE OF VARIOUS FUNDS:

- Revenue Fund accounts for all gross revenues of the electric system;
- Electric System Operation and Maintenance Fund records all operating revenues and expenses of the system;
- Sinking Fund records all debt service requirements which include the interest account, principal, reserve account and bond amortization account;
- Project Fund records the cost of the project financed by the revenue bonds.

2) RESTRICTIONS ON THE USE OF CASH FROM OPERATIONS IN ORDER OF PRIORITY:

- Deposits are made to the Electric System Operation and Maintenance Fund to meet current operations according to the existing bond ordinance;
- Deposits shall next be used for deposit into the Principal Account in any year immediately before a Serial Bond maturity date one-twelfth (1/12) of the principal becoming due on the next principal payment date;
- Deposits to the Renewal and Replacement Fund are required in each month equal to one-twelfth (1/12) of the amount recommended by the Director of Electric Utilities, but no further deposit shall be required as long as there is on deposit therein the amount recommended by the Consulting Engineers for the system for the current fiscal year;
- The remainder of the revenues on deposit in the Revenue Fund, after all other required payments into the funds provided above have been made, together with any deficiencies for prior payments, may be used by the City for any lawful purpose.

3) EARLY REDEMPTION:

Description	Call Date	Call Rate
Series 2005A	On any interest payment date	100%
Series 2007	10/01/17 and thereafter	100%
Series 2009A	10/01/19 and thereafter	100%
Series 2009B	10/01/19 and thereafter	100%
Series 2010	Any payment date	101%
Series 2014	10/01/22 and thereafter	100%
Series 2014A	10/01/22 and thereafter	100%

4) INVESTMENT RESTRICTIONS:

- Funds are required to be continuously secured in the same manner as state and municipal deposits of funds are required to be secured by the Laws of the State of Florida; and
- All monies deposited shall be continuously invested in direct obligations of, or obligations that are guaranteed by, the United States of America, obligations of its several agencies, the Local Government Surplus Funds Trust Fund, obligations guaranteed by the Government National Mortgage Association, or time deposits in banks, trust companies or savings and loan associations represented by Certificates of Deposit.

11. Bonded Indebtedness

A. FUTURE REQUIREMENTS

Debt service requirements for all bonded debt outstanding as of September 30, 2015 are as follows:

	Governmental Activities					
	General Obligation Bonds		Non-Ad Valorem Revenue Notes		Community Redevelopment Agency Notes	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 1,055,000	\$ 146,400	\$ 852,389	\$ 64,302	\$ 1,085,000	\$ 409,054
2017	700,000	111,750	335,000	49,144	1,120,000	373,552
2018	725,000	90,750	340,000	43,260	1,160,000	336,649
2019	745,000	69,000	350,000	37,272	1,185,000	298,491
2020	1,555,000	70,350	355,000	31,153	1,230,000	259,029
2021 – 2025	-	-	890,000	82,483	5,925,000	666,447
2026 – 2028	-	-	425,000	13,429	695,000	15,569
Totals	\$ 4,780,000	\$ 488,250	\$ 3,547,389	\$ 321,043	\$ 12,400,000	\$ 2,358,791

	Business-type Activities			
	Water & Sewer Bonds		Electric Services Bonds	
	Principal	Interest	Principal	Interest
2016	\$ 2,890,000	\$ 2,973,463	\$ 2,070,000	\$ 2,853,161
2017	3,010,000	2,855,463	2,450,000	2,788,895
2018	3,130,000	2,732,663	2,530,000	2,697,660
2019	3,255,000	2,604,963	2,650,000	2,604,590
2020	2,700,000	2,477,055	2,750,000	2,507,089
2021 – 2025	15,905,000	10,374,760	15,400,000	10,852,281
2026 – 2030	19,955,000	6,368,150	18,600,000	7,373,285
2031 – 2035	16,240,000	1,885,559	18,765,000	3,142,036
2036 – 2038	-	-	5,070,000	295,862
Totals	\$ 67,085,000	\$ 32,272,076	\$ 70,285,000	\$ 35,114,859

B. CAPITALIZATION OF INTEREST

Interest costs incurred in enterprise funds during construction are capitalized, net of interest income from the proceeds of related tax-exempt debt, as part of the cost of the related assets of the Water and Sewer and Electric Services Funds.

Interest costs on long-term debt incurred and capitalized during the year ended September 30, 2015 were as follows:

	<u>Total Interest Costs Incurred</u>		<u>Interest Costs Capitalized</u>		<u>Net Interest Expense</u>
Business-type Activities:					
Water and Sewer	\$ 3,369,794	\$ -		\$	3,369,794
Electric Services	<u>3,386,210</u>		<u>68,365</u>		<u>3,317,845</u>
Total business-type activities	\$ <u>6,756,004</u>	\$	<u>68,365</u>	\$	<u>6,687,639</u>

12. Bond Refunding Transactions

On November 13, 2014 the City refunded \$6,075,000 in outstanding Electric Revenue Bonds, Series 2005A with proceeds from the Electric Refunding Revenue Bond, Series 2014A. This left \$1,220,000 from the 2005A series bonds outstanding as of September 30, 2015. This refunding transaction was undertaken to achieve net present value savings of \$156,639 and reduce future debt service payments by \$277,434. The Series 2005A bonds refunded were auction rate bonds that bore interest at 175% of the 30 day LIBOR rate. The average rates for the past ten years was used for purposes of projecting future debt service on the 2005A bonds for the debt service and present value savings computations. There was a gain on the refunding that was considered immaterial to report as a deferred inflow and was instead recognized in the current period.

13. Other Long-Term Liabilities

A. CAPITAL LEASE OBLIGATIONS:

In 2011, the City entered into a capital lease agreement to finance air conditioning and lighting improvements for City Hall and other City facilities. The process of installing these improvements was completed in 2011 at a cumulative cost of \$2,489,592. As of September 30, 2015, accumulated depreciation on these improvements was \$252,417, leaving a net book value of \$2,237,175. A capital lease obligation in the amount of \$1,725,656 is providing a portion of the funding for this project. Future principal and interest payments are due as follows:

	Principal	Interest
2016	\$ 161,999	\$ 34,603
2017	166,998	29,605
2018	172,150	24,453
2019	177,461	19,142
2020	182,937	13,668
2021 - 2022	333,262	10,231
Totals	\$ 1,194,807	\$ 131,702

B. NOTES PAYABLE BUSINESS-TYPE ACTIVITIES:

The City has a commitment for a five year line of credit for up to \$8,000,000 to finance various operational needs of the City of Winter Park's Electric Utility System. Any draws on this line of credit would be secured by a subordinate lien on the net revenues of the electric system. As of the date of this report, the City had not made any draws on this line of credit.

14. *Changes in Long-Term Liabilities*

Long-term liability activity for the year ended September 30, 2015 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
General obligation bonds	\$ 5,800,000	\$ -	\$ (1,020,000)	\$ 4,780,000	\$ 1,055,000
Unamortized discount	(3,725)	-	1,864	(1,861)	-
Unamortized premium	188,614	-	(28,293)	160,321	-
Non-ad valorem revenue notes	4,371,877	-	(824,488)	3,547,389	852,389
CRA notes	13,455,000	-	(1,055,000)	12,400,000	1,085,000
Capital lease obligations	1,351,957	-	(157,150)	1,194,807	161,999
Compensated absences	<u>3,565,791</u>	<u>1,240,621</u>	<u>(1,004,580)</u>	<u>3,801,832</u>	<u>827,795</u>
Governmental activity Long-term liabilities	\$ <u>28,729,514</u>	\$ <u>1,240,621</u>	\$ <u>(4,087,647)</u>	\$ <u>25,882,488</u>	\$ <u>3,982,183</u>
Business-type activities:					
Bonds payable:					
Revenue bonds	\$ 142,060,000	\$ 5,900,000	\$ (10,590,000)	\$ 137,370,000	\$ 4,960,000
Unamortized discount	(533,000)	-	67,129	(465,871)	-
Unamortized premium	1,863,159	-	(274,194)	1,588,965	-
Compensated absences	<u>669,735</u>	<u>314,526</u>	<u>(276,525)</u>	<u>707,736</u>	<u>209,865</u>
Business-type activity Long-term liabilities	\$ <u>144,059,894</u>	\$ <u>6,214,526</u>	\$ <u>(11,073,590)</u>	\$ <u>139,200,830</u>	\$ <u>5,169,865</u>

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for the governmental activities. At year end, \$94,498 of compensated absences of internal service funds was included in the above amounts. Compensated absences for governmental activities will be liquidated in future periods by the General Fund, Stormwater Utility Fund, Community Redevelopment Agency, Fleet Maintenance Fund and General Insurance Fund.

15. *Transfers to/from Other Funds*

Transfers to/from other funds for the year ended September 30, 2015 were as follows:

Recipient Fund	Transferring Fund	Amount	Purpose
General Fund:			
General	Water and Sewer	\$2,086,900	Contribution of 15% on average annual non-sewer revenues for the thirty six months ended March 31, 2012 as stipulated in City Ordinance 2752-08
General	Electric Services	2,582,126	Transfer of electric franchise fee equivalent (6% of charges for electric service) as stipulated in City Ordinance 2617-05
General	Cemetery Trust	239,226	Transfer to cover the cost of operating and maintaining Palm and Pineywood Cemeteries
Total transfers to General Fund		\$4,908,252	
Community Redevelopment Fund:			
Community Redevelopment	General	\$1,147,624	Tax increment revenue payment to Community Redevelopment Agency
Total transfers to Community Redevelopment Fund		\$1,147,624	
Nonmajor Governmental Funds:			
Capital Projects	General	\$1,947,034	Funding for various capital projects
Debt Service	General	909,786	Principal and interest due on various debt instruments
Designations Trust	General	111,550	General Fund share of contribution to support outside organizations
Capital Projects	Community Redevelopment	3,993	Funding for purchase of new Enterprise Resource Planning (ERP) software
Capital Projects	Designations Trust	85,000	Funding for athletic field lighting (\$75,000) and contribution for construction of cycle track project (\$10,000)
Capital Projects	Law Enforcement Trust	77,730	Funding for purchase of new ERP software
Stormwater Utility	Stormwater Capital	22,000	Funding for GIS Technician
Capital Projects	Stormwater Capital	18,523	Funding for purchase of new ERP software
Capital Projects	Water and Sewer	562,953	Purchase of new ERP software (\$477,120), funding for public facility maintenance items (\$43,333), and information technology infrastructure upgrades (\$42,500)
Designations Trust	Water and Sewer	60,846	Water and Sewer Fund share of contribution to support outside organizations
Capital Projects	Electric Services	1,187,271	Construction of new electric warehouse (\$1,015,000), purchase of new ERP software (\$129,771), information technology infrastructure upgrades (\$42,500)
Designations Trust	Electric Services	109,604	Electric Fund share of contribution to support outside organizations
Total transfers to nonmajor governmental funds		\$5,096,290	
Total transfers out to other funds		\$11,152,166	

16. *Employee Benefits Plans*

A. POLICE AND FIREFIGHTER EMPLOYEE PENSION PLANS:

Plan Description

The City maintains two separate single-employer, defined benefit pension plans for police officers and firefighters, which are maintained as Pension Trust Funds and included as part of the City's reporting entity. These pension plans do not issue stand-alone financial reports.

The Police Officers' (PPP) and Firefighters' (FPP) Pension Plans both use the accrual basis of accounting to determine the reporting of contributions, benefits paid and refunds paid. Contributions are recognized when due pursuant to formal commitments (as well as statutory requirements). Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Costs for administering the plans are included in the actuarial calculation and are paid from plan assets.

ACCOUNTING POLICIES AND PLAN ASSETS:

	<u>Police</u>	<u>Firefighter</u>
Authority	Special Act of Legislation	Special Act of Legislation
Basis of Accounting	Accrual	Accrual
Assets Valuation:		
Reporting	Fair Value	Fair Value
Actuarial Valuation	Actuarial Value	Actuarial Value
Legal Reserves	None	None
Long-Term Receivables	None	None
Internal/Participant Loans	None	None
Non-governmental investment in excess of 10%	None	None

Benefits Provided

The following schedule is derived from the respective actuarial reports and City information for the two pension plans as of October 1, 2013 and with regard to contributions for fiscal year 2014/2015, based on the October 1, 2013 actuarial reports:

NORMAL RETIREMENT BENEFITS:

	<u>Police</u>	<u>Firefighter</u>
Eligibility	All Police Officers	All Uniformed Firefighters
Age/Years of Service – Normal	Earlier of: 20 years service or age 55 w/10 yrs service	Earlier of: 20 years service or age 55 w/10 yrs service
Age/Years of Service – Early	Age 50 w/10 years service	Age 50 w/10 years service
Normal (1)	3% of Average Final Compensation (AFC) times credited service	3% of Average Final Compensation (AFC) times credited service
Early	Same as Normal except reduced by 3% per year early	Same as Normal except reduced by 3% per year early

	Police	Firefighter
Delayed	Computed the same as Normal	Computed the same as Normal
Normal Form	10 years certain and life thereafter	10 years certain and life thereafter
Years to vest	10	10
Cost of living adjustment (COLA)	Participants who retire on or after Early or Normal Retirement Date (including DROPs) are entitled to a 3% annual COLA on benefit payments beginning at age 60	Participants who retire on or after Early or Normal Retirement Date (including DROPs) are entitled to a 3% annual COLA on benefit payments beginning at age 60
DISABILITY BENEFITS:		
Service Incurred	Accrued benefit, but not less than 42% of AFC	Accrued benefit, but not less than 42% of AFC
Non-line of Duty: Eligibility	10 or more yrs of credited service; totally and permanently disabled	10 or more yrs of credited service; totally and permanently disabled
Benefit	Accrued benefit, but not less than 25% of AFC	Accrued benefit, but not less than 25% of AFC
PRE-RETIREMENT DEATH BENEFITS:		
Service Incurred	The greater of (a) the accrued benefit at the time of death or (b) 30% of monthly salary at time of death payable to the spouse until death	The greater of (a) the accrued benefit at the time of death or (b) 30% of monthly salary at time of death payable to the spouse until death
Non-Service Incurred		
Eligible for Normal Retirement	Determined as though had retired on date of death	Determined as though had retired on date of death
Not Eligible for Normal Retirement	(2)	(2)
DEFERRED RETIREMENT OPTION PROGRAM (DROP):		
Eligibility	Must be eligible for Normal Retirement	Must be eligible for Normal Retirement
Benefit	Transferred to hypothetical DROP account within Pension Fund; paid as lump sum upon actual termination of employment	Transferred to hypothetical DROP account within Pension Fund; paid as lump sum upon actual termination of employment
Interest	Member elects either: Rate of return earned by Fund or 6.5% fixed	Member elects either: Rate of return earned by Fund or 6.5% fixed
Period of Participation	At least 12 months but no more than 60 months	At least 12 months but no more than 84 months
TERMINATION BENEFITS:		
	(3)	(3)

	<u>Police</u>	<u>Firefighter</u>
MEMBERS:		
Active Participants:		
Vested	30	35
Non Vested	33	22
Service Retirees and Beneficiaries	56	33
Disability Retirees	4	1
Terminated Vested	3	2
Deferred Retired Option Plan	11	15

- (1) Average Final Compensation (AFC) is average monthly compensation during the best 60 successive months out of the last 120 calendar months preceding date of retirement (or termination). Compensation - Total Pay, excluding special detail pay (includes vacation and comp time accrual).
- (2) Less than 10 years of credited service – return of employee contributions. 10 years or more – accrued benefit payable for 10 years.
- (3) Less than 10 years of credited service – return of employee contributions. 10 years or more – unreduced vested benefit payable at age 55.

Contribution Requirements

The Florida Constitution requires local governments to make the actuarially determined contribution. The Florida Division of Retirement reviews and approves each local government's actuarial report prior to its being appropriated for use for funding purposes. The funding methods and determination of benefits payable are provided in the various acts of the Florida Legislature, which created the funds including subsequent amendments thereto.

Additionally, the State of Florida collects two locally authorized insurance premium surcharges (one for the PPP on casualty insurance policies and one for the FPP on certain real and personal property insurance policies within the corporate limits) which can only be distributed after the State has ascertained that the local government has met their actuarial funding requirement for the then most recently completed fiscal year. The remaining funding requirement not covered by insurance premium surcharges is paid from the City's General Fund.

The amounts legally required as of September 30, 2015 to be reserved for the PPP and FPP funds are \$42,245,052 and \$46,927,801, respectively.

	<u>Police</u>	<u>Firefighter</u>
CONTRIBUTIONS:		
Rate:		
City (4)	60.4%	48.2%
Participants	6.0%	6.0%
Contributions Made	\$2,355,980	\$2,020,805
ACTUARIAL VALUATION:		
Frequency	Annual	Annual
Latest Date	10/01/2014	10/01/2014
Basis for Contribution	10/01/2013	10/01/2013
Cost Method	Entry Age	Entry Age

	Police	Firefighter
AMORTIZATION:		
Method	Level Dollar Method	Level Dollar Method
Open/Closed	Closed	Closed
Period	20 Years	20 Years
Remaining Period	14 Years	13 Years
ASSET VALUATION METHOD:	4 year smoothed market	4 year smoothed market

- (4) City contributions for Police and Firefighters include excise taxes on gross receipts of casualty insurance premiums for Police and property insurance premiums for Firefighters. Revenues from these taxes in fiscal year 2015 were \$269,879 and \$385,136, respectively. These payments were reported as revenue and expense in the Police and Fire Premium Tax Trust Special Revenue Fund.

**Schedule of Employer's Contributions
Fiscal Year Ending September 30, 2015**

	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
Police Pension	\$ 2,355,980	\$ 2,355,980	\$ -	\$ 5,306,062	44.40%
Firefighter Pension	\$ 1,956,076	\$ 1,956,076	\$ -	\$ 5,489,574	35.63%

Investments

The investments of the two funds are administered and managed by investment consultants. Investments are reported at fair value and are managed by third party money managers. The City's independent custodian and the individual money managers price each instrument and reconcile material differences. Investments that do not have an established market are reported at estimated fair value. Performance reporting, manager fees, and the City's asset valuation are based on the custodian's determination of value.

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 expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocations as of September 30, 2015, are summarized in the following table:

Asset Class	Police		Firefighter	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap Core	22%	10.4%	22%	10.4%
Mid Cap Core	7%	11.7%	7%	11.7%
Small Cap Equity	6%	9.1%	6%	9.1%
International Equity	15%	7.8%	15%	7.8%
Core Fixed Income	30%	6.8%	30%	6.8%
Treasury Inflation Protected Securities	5%	5.7%	5%	5.7%
Convertible	8%	9.0%	8%	9.0%
Master Limited Partnerships	5%	12.7%	5%	12.7%
Cash	2%	3.5%	2%	3.5%
Total	100%		100%	

The long-term expected rate of return is the thirty year average return, unless the asset class did not exist prior to 1985, in which case since-inception return was used as a substitute.

For the year ended September 30, 2015, the annual money-weighted rate of return for the PPP and FPP investments, net of pension plan investment expense was (2.7%) and (2.9%), respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

The City's net pension liability was measured as of September 30, 2014, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of that date with projected amounts through September 30, 2015. Update procedures were used to roll forward Total Pension Liability amounts excluding DROP account balances and reserve for excess State Funds (FPP) to the measurement date – actual DROP account balances and reserve for excess State funds (FPP) as of the measurement date included in Total Pension Liability. The PPP and FPP DROP account balances determined by actuarial valuations dated September 30, 2014 were \$1,919,690 and \$4,014,053, respectively. There were no assumption or benefit changes to the PPP or FPP during the year.

The City of Winter Park, Florida
Notes to Financial Statements - September 30, 2015

	Police	Firefighter
ASSUMPTIONS:		
Investment Earnings	7.75%	7.75%
Salary Increases:		
Inflation	3.5%	4.0%
Merit	3.75% - 6.0%	5.5% - 9.5%
Postretirement Increases	3.0%	3.0%
Mortality	RP-2000 Combined Table with separate rates for males and females with adjustments for mortality improvements based on Scale AA	RP-2000 Combined Table with separate rates for males and females with adjustments for mortality improvements based on Scale AA
Retirements Turnover	Probabilities of termination are assigned by length of service	Probabilities of termination are assigned by length of service

Schedule of Employer's Net Pension Liability
(Measurement Date 09/30/2015 – projected – actual will be available after fiscal year end)

	Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
Police Pension	\$ 56,720,311	\$ 47,258,294	\$ 9,462,017	83.32%	\$ 5,306,062	178.32%
Firefighter Pension	\$ 55,981,646	\$ 52,417,175	\$ 3,564,471	93.63%	\$ 5,489,574	64.93%

Changes in Net Pension Liability

Police Pension	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at 09/30/14	\$ 55,354,126	\$ 44,293,390	\$ 11,060,736
Changes for the year:			
Service cost	801,632	-	801,632
Interest	4,186,999	-	4,186,999
Difference between expected and actual experience	(637,484)	-	(637,484)
Contributions - employer	-	2,355,980	(2,355,980)
Contributions - member	-	245,802	(245,802)
Net investment income	-	3,415,285	(3,415,285)
Benefit payments and refunds	(2,984,962)	(2,984,962)	-
Administrative expenses	-	(67,201)	67,201
Net changes	1,366,185	2,964,904	(1,598,719)
Balances at 09/30/15	\$ 56,720,311	\$ 47,258,294	\$ 9,462,017

The City of Winter Park, Florida
Notes to Financial Statements - September 30, 2015

Firefighter Pension	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at 09/30/14	\$ 51,830,873	\$ 47,692,847	\$ 4,138,026
Changes for the year:			
Service cost	1,038,799	-	1,038,799
Interest	4,067,413	-	4,067,413
Difference between expected and actual experience	181,584	-	181,584
Contributions - employer	-	1,956,076	(1,956,076)
Contributions - member	-	244,026	(244,026)
Net investment income	-	3,734,550	(3,734,550)
Benefit payments and refunds	(1,137,023)	(1,137,023)	-
Administrative expenses	-	(73,301)	73,301
Net changes	4,150,773	4,724,328	(573,555)
Balances at 09/30/15	\$ 55,981,646	\$ 52,417,175	\$ 3,564,471

Discount Rate

A discount rate of 7.75% was used to measure the total pension liability. This discount rate was based on the expected rate of return on System investments of 7.75%. The projection of cash flows used to determine this discount rate assumed member contributions will be made at the current contribution rate and employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on System investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to the Discount Rate Assumption
(measurement date 09/30/2015 – projected – actual amounts will be available after fiscal year end)

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Police Pension Net Pension Liability	\$ 16,880,460	\$ 9,462,017	\$ 3,390,772
Firefighters Pension Net Pension Liability	\$ 10,411,481	\$ 3,564,471	\$ (2,034,156)

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

For the year ended September 30, 2015, the City recognized pension expense for the PPP and FPP funds of \$1,681,165 and \$939,411, respectively. At September 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows	Police	Firefighter	Total
Differences between expected and actual experience	\$ 73,346	\$ -	\$ 73,346
Changes of assumptions or other inputs	1,105,981	-	1,105,981
Total	\$ 1,179,327	\$ -	\$ 1,179,327

Deferred Inflows	Police	Firefighter	Total
Differences between expected and actual experience	\$ -	\$ 216,850	\$ 216,850
Net difference between projected and actual earnings on pension plan investments	752,416	758,054	1,510,470
Total	\$ 752,416	\$ 974,904	\$ 1,727,320

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,	Police	Firefighter	Total
2016	\$ 139,487	\$ (246,580)	\$ (107,093)
2017	139,487	(246,580)	(107,093)
2018	139,487	(246,580)	(107,093)
2019	8,450	(235,164)	(226,714)
2020	-	-	-
Thereafter	-	-	-

The City of Winter Park, Florida
Notes to Financial Statements - September 30, 2015

B. COMBINING STATEMENTS OF PENSION TRUST FUNDS:

City of Winter Park, Florida
Combining Statement of Fiduciary Net Position
Pension Trust Funds
September 30, 2015

	Police Pension Fund	Firefighter Pension Fund	Total
Assets			
Cash and Short-term Investments	\$ 688,533	\$ 1,833,218	\$ 2,521,751
Accounts Receivable	-	10,484	10,484
Investments, at Fair Value			
Fixed Income Mutual Funds	1,493,651	1,675,182	3,168,833
Equity Mutual Funds	6,198,319	6,687,695	12,886,014
Common Collective Trusts	31,839,317	33,171,006	65,010,323
Stocks	500,441	911,161	1,411,602
Corporate Bonds	1,524,985	2,620,770	4,145,755
Accrued Income	10,290	18,285	28,575
Total Investments	<u>41,567,003</u>	<u>45,084,099</u>	<u>86,651,102</u>
 Total Assets	 <u>42,255,536</u>	 <u>46,927,801</u>	 <u>89,183,337</u>
Liabilities			
Accounts Payable	10,484	-	10,484
 Total Liabilities	 <u>10,484</u>	 <u>-</u>	 <u>10,484</u>
Net Position			
Held in Trust for Pension Benefits	\$ <u>42,245,052</u>	\$ <u>46,927,801</u>	\$ <u>89,172,853</u>

City of Winter Park, Florida
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year Ended September 30, 2015

	Police Pension Fund	Firefighter Pension Fund	Total
Additions			
Contributions			
Employer	\$ 2,086,101	\$ 1,635,669	\$ 3,721,770
State	269,879	385,136	655,015
Employee	245,092	297,235	542,327
Total Contributions	<u>2,601,072</u>	<u>2,318,040</u>	<u>4,919,112</u>
Investment Income (Loss)			
Net Decrease in Fair Value of Investments	(1,399,093)	(1,771,575)	(3,170,668)
Interest and Dividends	399,101	487,329	886,430
	<u>(999,992)</u>	<u>(1,284,246)</u>	<u>(2,284,238)</u>
Less Investment Expenses			
Investment Management Fees	72,457	36,395	108,852
Custodian Fees	40,862	104,926	145,788
Net Investment Loss	<u>(1,113,311)</u>	<u>(1,425,567)</u>	<u>(2,538,878)</u>
 Total Additions	 <u>1,487,761</u>	 <u>892,473</u>	 <u>2,380,234</u>
Deductions			
Employee Benefits	3,468,238	1,589,036	5,057,274
Administrative Expense	69,848	68,393	138,241
Total Deductions	<u>3,538,086</u>	<u>1,657,429</u>	<u>5,195,515</u>
 Change in Net Position	 <u>(2,050,325)</u>	 <u>(764,956)</u>	 <u>(2,815,281)</u>
Net Position – Beginning	<u>44,295,377</u>	<u>47,692,757</u>	<u>91,988,134</u>
 Net Position - Ending	 <u>\$ 42,245,052</u>	 <u>\$ 46,927,801</u>	 <u>\$ 89,172,853</u>

C. GENERAL EMPLOYEE 401(a) PENSION PLAN:

The City maintains a single-employer, defined contribution pension plan for the General Employees. This is a tax-qualified plan pursuant to Section 401(a) of the Internal Revenue Code. This plan was established as of January 1, 1992 by adoption of the City Commission through Ordinance No. 1987. The Plan Ordinance may be amended by the City Commission after public notice has been made, and two public hearings are held. All full-time general employees hired after January 1, 1992 are eligible for participation in the plan. All employees hired before January 1, 1992 were brought into the plan. As of September 30, 2015, there were 335 employees enrolled in the 401(a) pension plan.

The plan, administered by an outside party, provides for employer contributions at 7%. Earnings include W-2 earnings, plus any contributions made pursuant to a salary reduction agreement, which are not includible in the gross income of the employee under Section 125 of the Internal Revenue Service Code, *Overtime and Bonuses*. The employee is required to contribute 3% of his/her earnings as defined above beginning October 1, 1992. The vesting schedule provides for employees to be 100% vested after five years of service have been completed. If an employee is terminated prior to completing the 100% vesting period, the employer contributions are forfeited by the employee and used to offset future employer contributions. The normal retirement age has been designated by the employer as age 55. The plan permits withdrawals for retirement, termination and disability. The plan does allow participants to borrow against their accounts.

Payroll for covered employees	\$ 16,803,373
Total City payroll	\$ 28,841,696
Employer contributions required (net) and actually made	\$ 1,123,410
Employee contributions actually made – 3% of covered payroll	\$ 504,101

Contributions to the Plan may be amended by a resolution adopted by the City Commission.

17. Other Post-Employment Benefits (OPEB)

Plan Description

The Other Post-employment Benefit Plan (“OPEB Plan”) is a single-employer benefit plan administered by the City. Retirees are charged whatever the insurance company charges for the type of coverage elected. However, the premiums charged by the insurance company are based on a blending of the experience among younger, active employees and older, retired employees. Since the older retirees actually have higher costs, it means that the City is subsidizing the cost of the retiree coverage because it pays all or a significant portion of that premium on behalf of the active employees. GASB No. 45 calls this the “implicit rate subsidy.” Retirees and their dependents are permitted to remain covered under the City’s respective medical and insurance plans, as long as they pay a full premium applicable to coverage elected. This conforms to the minimum required of Florida governmental employers per Ch. 112.08, F.S. The OPEB Plan does not issue a stand-alone report.

Funding Policy

For the OPEB Plan, contribution requirements of the City are established and may be amended through action of the City's Board of Supervisors. Currently, the City's OPEB benefits are unfunded. The required contributions are based on pay-as-you-go financing requirements. There is no Trust Fund or equivalent arrangement into which the City would make contributions to advance-fund the obligation. Each fund was assessed its share of OPEB costs based on the number of covered employees in the fund divided by the total number of covered City employees. Therefore, ultimate subsidies, which are provided over time, are financed directly by general assets of the City, which are invested in accordance with the investment policy previously described. The interest rate used to calculate the present values and costs of OPEB must be the long-range expected return on those investments. The City selected an interest rate of 4% for this purpose.

Annual OPEB Cost and Net OPEB Obligation

The City's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period, not to exceed 30 years.

The following table shows the components of the City's net obligation to the OPEB Plan:

	FY 2015 Valuation as of 10/01/14	FY 2014 Valuation as of 10/01/12	FY 2013 Valuation as of 10/01/12
Normal cost (service cost for one year)	\$ 519,762	\$ 555,179	\$ 539,210
Amortization of unfunded actuarial accrued liability	352,779	318,549	296,678
Interest on normal cost and amortization	34,902	34,949	33,436
Annual required contribution (ARC)	907,443	908,677	869,324
Interest on net OPEB obligation	106,023	81,983	58,580
Adjustments to ARC	(136,058)	(81,452)	(58,201)
Annual OPEB cost (expense)	877,408	909,208	869,703
Employer contributions made	(100,460)	(308,212)	(284,642)
Increase in net OPEB obligation	776,948	600,996	585,061
Net OPEB obligation beginning of year	2,650,566	2,049,570	1,464,509
Net OPEB obligation end of year	\$ 3,427,514	\$ 2,650,566	\$ 2,049,570

Calculations are based upon the types of benefits provided under the terms of the OPEB Plan at the time of the valuation and on the pattern of sharing of costs between the employer and plan members to that point. The City's annual OPEB cost, the percentage of annual expected employer contribution toward OPEB cost, and the net OPEB obligation for 2015 and the preceding years were as follows:

Fiscal Year Ending	Annual OPEB Cost	Employer Contributions Toward OPEB Cost	Percentage of Annual OPEB Cost Contributed	Unfunded OPEB Obligation
September 30, 2015	\$877,408	\$100,460	11.4%	\$7,147,419
September 30, 2014	\$909,208	\$308,212	33.9%	\$7,765,914
September 30, 2013	\$869,703	\$284,642	32.7%	\$7,763,903

Funded Status and Funding Progress

As of October 1, 2014, the OPEB Plan was unfunded. The actuarial accrued liability ("AAL") for benefits was \$7,147,419. Assets of the OPEB Plan are valued at market; however, the current value is \$0, resulting in an unfunded actuarial accrued liability ("UAAL") of \$7,147,419. The covered payroll (annual payroll of active employees covered by the OPEB Plan) was \$25,864,249. The ratio of the UAAL to the covered payroll was 27.6%.

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

Actuarial Methods and Assumptions

In any long-term actuarial valuation, certain assumptions are made regarding the population, the investment discount rates, and the benefits provided. The actuarial assumptions included healthcare cost trend rates of 7.5%, decreased annually to an ultimate rate of 4.5% after six years. The remaining amortization period at September 30, 2015 was 30 years. The Entry Age actuarial cost method was used, with amortization of the UAAL as a level percent of expected payroll (open over 30 years). This is the most common method used for government pension valuations (and, likely, for OPEB valuations). The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

A table summarizing the actuarial assumptions used is included below:

Actuarial Assumptions	
Investment rate of return*	4.0%
Projected salary increases*	3.70% - 9.50%
Payroll growth assumptions	1.0%
Initial healthcare cost trend rate*	7.5%
Ultimate healthcare cost trend rate*	4.5%
* Includes inflation at 2.5%	

18. *Commitments and Contingencies*

A. INTERLOCAL AGREEMENTS:

The City has entered into various interlocal agreements with the City of Orlando and the City of Altamonte Springs for sewage treatment capacity at facilities owned and operated by these entities. Under the terms of the agreements the City has treatment capacity as follows (in gallons per day):

Source	Capacity
Orlando McLeod	1,000,000
Orlando Iron Bridge I	4,962,000
Orlando Iron Bridge II	1,000,000
Altamonte Springs	413,524
Total Committed Capacity	<u>7,375,524</u>
Total cost of committed capacity	\$ 3,394,035
Less: Accumulated amortization	<u>3,394,035</u>
Net unamortized committed capacity	\$ <u>-</u>

The City does not have an equity interest in the assets or liabilities related to any of the facilities listed above, nor does it participate in the daily operations. The City funds through its rates a proportionate share of the operating costs of the facilities based upon a combination of committed and used capacity.

B. ENCUMBRANCES AND COMMITMENTS:

Encumbrance accounting is employed as an extension of formal budgetary integration for the General Fund, Special Revenue funds, and Capital Projects funds. At September 30, 2015, certain amounts which were previously restricted, committed, or assigned for specific purposes have been encumbered in the governmental funds. Significant encumbrances included in governmental fund balances are as follows:

	Encumbrances Included in:		
	Restricted Fund Balance	Committed Fund Balance	Assigned Fund Balance
General Fund	\$ -	\$ -	\$ 384,242
Aggregate Nonmajor Funds	\$ 60,087	\$ 1,495,453	\$ 49,165

At year end, the City had total commitments outstanding, in the form of contracts and purchase orders, of approximately \$1,989,000. The most significant of these contracts is outlined in the table below:

Project	Funding Source	Outstanding Commitment
City Wide Visioning Project	General Fund	\$142,149
Paving Materials	General Fund	\$100,000
Construction of Warehouse at Public Works Compound	Capital Projects	\$598,037
Alum Station Upgrades	Capital Projects	\$321,042
Fire Station 64 Renovation	Capital Projects	\$233,881
Field and Tennis Lighting Upgrades	Capital Projects	\$129,350
Brookshire Elementary School Sidewalk Upgrade	Capital Projects	\$99,976

C. RISK MANAGEMENT:

The government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The City is insured for workers' compensation, general liability and automobile liability coverage under an All Lines Aggregate Plan.

Under the All Lines Aggregate Plan, the City retains risk on aggregate claims per claim year basis as follows:

Type of Risk	Amount of Risk Retained by City
Property Liability	\$ 75,000
General Liability	\$ 50,000
Police Liability	\$ 50,000
Automobile Liability	\$ 50,000
Public Officials Liability	\$ 50,000
Workers' Compensation Liability	\$ 250,000
Crime Liability	\$ 50,000
Maximum Aggregate Claim Loss	\$ 1,000,000

Liabilities are recorded when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. These claims liabilities are included in accrued liabilities in the financial statements. The estimated liability for unpaid claims was based on an actuarial valuation prepared in 2014. Changes in the balances of claims liabilities during the past year are as follows:

	Fiscal Year Ending September 30, 2015	Fiscal Year Ending September 30, 2014
Unpaid claims, beginning of fiscal year	\$ 993,000	\$ 700,000
Incurred claims (including IBNRs)	793,634	628,084
Claim payments	(793,634)	(335,084)
Unpaid claims, end of fiscal year	\$ 993,000	\$ 993,000

Settled claims resulting from these risks have not exceeded insurance coverage in any of the past five years. Premiums are paid into the General Insurance Fund, an internal service fund, by all other funds and are available to pay the insurance premiums when due.

No significant reductions in insurance coverage from the prior year have been made. The City does not participate in any risk pools.

D. LITIGATION:

The City is subject to various disputes, legal proceedings and labor relation claims which arise in the normal course of its operations. In the opinion of management and legal counsel, the amount of ultimate liability with respect to these activities will not be material to the City's financial condition.

E. PENSION INVESTMENT RISKS:

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, and due to the recent volatility that has affected the financial markets, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the City's future pension funding obligations.

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**The City of Winter Park, Florida
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended September 30, 2015**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Resources (inflows):				
Taxes				
Property Taxes	\$ 15,329,317	\$ 16,489,478	\$ 16,593,276	\$ 103,798
Utility Taxes	6,728,400	6,728,400	6,560,897	(167,503)
Franchise Fees	1,122,850	1,122,850	1,216,596	93,746
Fines and Forfeitures	1,300,100	1,300,100	973,800	(326,300)
Licenses and Permits	2,493,500	2,493,500	2,392,821	(100,679)
Intergovernmental				
Sales Tax	4,195,500	4,195,500	4,281,355	85,855
Local Option Gas Tax	934,456	934,457	953,010	18,553
Other Intergovernmental	1,608,350	1,675,350	1,796,367	121,017
Charges for Services	5,588,150	5,595,150	5,655,128	59,978
Investment Earnings	268,000	268,000	484,632	216,632
Other	162,000	187,223	841,234	654,011
Transfers from Other Funds	4,906,943	4,909,243	4,908,252	(991)
Impairment of Assets Held for Resale	-	-	(174,793)	(174,793)
Amounts available for appropriation	44,637,566	45,899,251	46,482,575	583,324
Charges to appropriations (outflows):				
General Administration	1,634,204	1,634,204	1,446,971	187,233
Communications	177,438	206,111	183,808	22,303
Financial Services	332,320	332,320	336,147	(3,827)
Planning	499,447	664,447	682,585	(18,138)
Building	1,115,832	1,140,927	1,168,623	(27,696)
Public Works	5,966,564	6,060,435	5,982,289	78,146
Police	13,418,138	13,468,633	12,902,007	566,626
Fire	11,288,494	11,185,044	11,608,622	(423,578)
Parks and Recreation	6,734,213	6,801,213	6,992,157	(190,944)
Cultural and Community Services	1,394,580	1,394,580	1,394,580	-
Non-Departmental Charges	175,000	190,000	-	190,000
Transfers to Other Funds	2,734,620	4,128,532	4,115,994	12,538
Total charges to appropriations	45,470,850	47,206,446	46,813,783	392,663
Excess (Deficiency) of Resources Over				
Charges to Appropriations	(833,284)	(1,307,195)	(331,208)	975,987
Fund Balance Allocation	833,284	1,307,195	-	(1,307,195)
Deficiency of Resources Over				
Charges to Appropriations	\$ -	\$ -	\$ (331,208)	\$ (331,208)

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts "available for appropriation" from the budgetary comparison schedule.	\$ 46,482,575
Differences - budget to GAAP:	
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(4,908,252)
Impairment of assets held for resale are outflows of budgetary resources but are not revenues for financial reporting purposes.	174,793
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 41,749,116

Uses/outflows of resources

Actual amounts "total charges to appropriations" from the budgetary comparison schedule.	\$ 46,813,783
Differences - budget to GAAP:	
Transfers to other funds are outflows for budgetary resources but are not expenditures for financial reporting purposes.	(4,115,994)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	\$ 42,697,789

**The City of Winter Park, Florida
Required Supplementary Information
Budgetary Comparison Schedule
Community Redevelopment Fund
For the Year Ended September 30, 2015**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Resources (inflows):				
Intergovernmental	\$ 1,257,232	\$ 1,257,232	\$ 1,243,644	\$ (13,588)
Charges for Services	225,000	225,000	210,177	(14,823)
Investment Earnings	20,000	20,000	63,100	43,100
Other	30,000	56,000	50,000	(6,000)
Transfers from Other Funds	1,160,162	1,160,162	1,147,624	(12,538)
Amounts available for appropriation	2,692,394	2,718,394	2,714,545	(3,849)
Charges to appropriations (outflows):				
Planning and Development	901,155	1,179,430	901,099	278,331
Cultural and Community Services	15,000	15,000	11,000	4,000
Debt Service - Principal	1,055,000	1,055,000	1,055,000	-
Debt Service - Interest and Other Charges	443,378	443,378	443,378	-
Capital Improvements	13,200	748,638	84,290	664,348
Transfers to Other Funds	3,993	3,993	3,993	-
Total charges to appropriations	2,431,726	3,445,439	2,498,760	946,679
Excess (Deficiency) of Resources Over				
Charges to Appropriations	260,668	(727,045)	215,785	942,830
Fund Balance Allocation	(260,668)	727,045	-	(727,045)
Excess of Resources Over				
Charges to Appropriations	\$ -	\$ -	\$ 215,785	\$ 215,785

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts "available for appropriation" from the budgetary comparison schedule.	\$ 2,714,545
Differences - budget to GAAP:	
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(1,147,624)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 1,566,921

Uses/outflows of resources

Actual amounts "total charges to appropriations" from the budgetary comparison schedule.	\$ 2,498,760
Differences - budget to GAAP:	
Transfers to other funds are outflows for budgetary resources but are not expenditures for financial reporting purposes.	(3,993)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	\$ 2,494,767

The City follows the following procedures in establishing the budgetary data reflected in the financial statements:

- a) In April of each year, the City Manager presents draft budget goals to the City Commission for their consideration and revision if the Commission chooses. These goals become part of the foundation for developing the proposed budget and capital improvement plan.
- At the first City Commission meeting in July, the City Manager presents a recommended budget for the next succeeding fiscal year to the City Commission. The recommended budget includes proposed expenditures and the sources of receipts to finance them as well as a capital improvement plan.
- Public hearings are conducted to obtain taxpayers comments.
- The budget is approved by the Commission and becomes the basis for the millage levied by the Commission.
- The City Manager is authorized to transfer budgeted amounts between line items within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Commission. Expenditures may not exceed legal appropriations at the fund level. All appropriations lapse at year-end. For the fiscal year ended September 30, 2015, Financial Services, Planning, Building, Fire Department and Parks and Recreation Department had budget overages due to the following reasons:
 - 1) Financial Services - merchant fees paid to credit card service companies (customer payments using credit cards) exceeding the budget estimate.
 - 2) Planning – costs of preliminary design of proposed new Winter Park Public Library exceeded budget estimate.
 - 3) Building – costs of merchant fees paid to credit card companies and sustainability exceeded budget estimate.
 - 4) Fire – costs of payroll exceeded the budget estimate.
 - 5) Parks and Recreation – spending on tree care and the retirement of some long tenured employees caused the budget to be exceeded.

- f) Formal budgetary integration is employed as a management control device during the year for the General Fund and certain Special Revenue Funds. Formal budgetary integration is not employed for the Designations Trust Fund, Affordable Housing Fund, Law Enforcement Trust Fund, Parks Impact Fees Fund, Help Our Park Expand Fund, Police and Firefighter Premium Tax Trust Fund, Debt Service Fund, Capital Projects Fund and Stormwater Capital Projects Fund.
- g) The budgets for the General Fund and certain Special Revenue Funds (Stormwater Utility Fund, Grant Fund and Cemetery Trust Fund) are legally adopted on a basis consistent with generally accepted accounting principles with the exception that budgetary basis expenditures include purchase orders (encumbrances) issued for goods or services not received at year-end.
- h) Budgeted amounts are as originally adopted, or as amended, in accordance with City ordinance. The General Fund budget for the current year was increased by \$1,735,596 subsequent to its original adoption.
- i) General administration includes divisions that are under the City Manager and do not have their own departmental director.
- j) The Budgetary Comparison Schedules shown in the accompanying supplemental information present comparisons of the legally adopted budget, as amended, with actual results. The originally adopted budget is presented for purposes of comparison to the final, amended budget. The original budget includes the adjustments necessary to bring forward the carry forward appropriation (for unexpended projects and encumbrances) as authorized in the annual budget ordinance. The nonmajor Special Revenue Fund budget comparisons are presented in the Combining Statements section.

The City of Winter Park, Florida
Required Supplementary Information
Pension Trust Funds

**Schedule of City Contributions
Last 10 Fiscal Years**

Police Pension Plan					
Year Ended 9/30	Actuarially Determined Contribution (ADC)	Contributions in relation to the ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2006	\$1,038,295	\$1,064,038	\$ (25,743)	\$5,537,000	19.22%
2007	1,270,195	1,244,452	25,743	5,082,000	24.49%
2008	1,116,967	1,116,967	-	5,152,000	21.68%
2009	1,178,954	1,178,954	-	5,166,000	22.82%
2010	1,448,115	1,448,115	-	5,254,000	27.56%
2011	1,570,089	1,730,694	(160,605)	4,703,000	36.80%
2012	1,701,669	1,837,683	(136,014)	4,261,000	43.13%
2013	2,155,966	2,155,966	-	4,052,000	53.21%
2014	2,261,252	2,261,252	-	5,209,000	43.41%
2015	2,355,980	2,355,980	-	5,306,000	44.40%

Fire Pension Plan					
Year Ended 9/30	Actuarially Determined Contribution (ADC)	Contributions in relation to the ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2006	\$1,168,068	\$1,168,068	\$ -	\$4,540,831	25.72%
2007	1,354,977	1,354,977	-	4,941,000	27.42%
2008	1,324,691	1,324,691	-	5,323,000	24.89%
2009	1,529,032	1,529,032	-	5,085,000	30.07%
2010	1,537,037	1,537,037	-	4,838,000	31.77%
2011	1,701,327	1,851,293	(149,966)	4,556,000	40.64%
2012	1,742,515	1,853,995	(111,480)	4,148,000	44.69%
2013	2,038,955	2,038,955	-	4,289,000	47.54%
2014	2,029,490	2,029,490	-	5,553,000	36.55%
2015	1,956,076	1,956,076	-	5,490,000	35.63%

See Notes to Required Supplementary Information.

The City of Winter Park, Florida
Required Supplementary Information
Pension Trust Funds

**Schedule of Changes in Net Pension
Liability and Related Ratios
Police Pension Plan
Last 10 Fiscal Years**

	2015 *	2014
A. Total Pension Liability:		
Service Cost	\$ 801,632	\$ 762,017
Interest	4,186,999	4,089,843
Benefit Changes	-	-
Difference Between Actual and Expected Experience	(637,484)	93,720
Assumption Changes	-	1,413,198
Benefit Payments, including Refunds of Member Contributions	(2,984,962)	(2,963,743)
Net Change in Total Pension Liability (TPL)	1,366,185	3,395,035
TPL beginning of year	55,354,126	51,959,091
TPL end of year	\$ 56,720,311	\$ 55,354,126
B. Plan Fiduciary Net Position:		
Contributions - City and State	\$ 2,355,980	\$ 2,261,252
Contributions - Member	245,802	240,151
Net Investment Income	3,415,285	4,077,752
Benefit Payments, including Refunds of Member Contributions	(2,984,962)	(2,963,743)
Administrative Expenses	(67,201)	(67,201)
Other	-	-
Net Change in Plan Fiduciary Net Position	2,964,904	3,548,211
Plan Fiduciary Net Position beginning of year	44,293,390	40,745,179
Plan Fiduciary Net Position end of year	\$ 47,258,294	\$ 44,293,390
C. Net Pension Liability (NPL) end of year (A-B)	9,462,017	11,060,736
D. Plan Fiduciary Net Position as a Percentage of TPL (B/A)	83.32%	80.02%
E. Covered Employee Payroll	\$ 5,306,062	\$ 5,209,140
F. NPL as a Percentage of Covered Employee Payroll (C/E)	178.32%	212.33%
G. Notes to Schedule:		
Valuation Date	10/01/2014	10/01/2013
Update procedures used to roll forward TPL excluding DROP account balances to the measurement dates – actual DROP account balances as of measurement dates included in TPL.		
During 2014, assumption change to investment rate of return (from 8.25% to 7.75%) – no benefit changes. No assumption or benefit changes during 2015.		
* Projected - actual amounts will be available after fiscal year end		

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See Notes to Required Supplementary Information.

The City of Winter Park, Florida
Required Supplementary Information
Pension Trust Funds

**Schedule of Changes in Net Pension
Liability and Related Ratios
Firefighter Pension Plan
Last 10 Fiscal Years**

	2015 *	2014
A. Total Pension Liability:		
Service Cost	\$ 1,038,799	\$ 1,034,774
Interest	4,067,413	3,762,630
Benefit Changes	-	-
Difference Between Actual and Expected Experience	181,584	(273,916)
Assumption Changes	-	-
Benefit Payments, including Refunds of Member Contributions	(1,137,023)	(1,452,381)
Net Change in Total Pension Liability (TPL)	4,150,773	3,071,107
TPL beginning of year	51,830,873	48,759,766
TPL end of year	\$ 55,981,646	\$ 51,830,873
B. Plan Fiduciary Net Position:		
Contributions - City and State	\$ 1,956,076	\$ 2,029,490
Contributions - Member	244,026	353,350
Net Investment Income	3,734,550	4,278,932
Benefit Payments, including Refunds of Member Contributions	(1,137,023)	(1,452,381)
Administrative Expenses	(73,301)	(73,301)
Other	-	-
Net Change in Plan Fiduciary Net Position	4,724,328	5,136,090
Plan Fiduciary Net Position beginning of year	47,692,847	42,556,757
Plan Fiduciary Net Position end of year	\$ 52,417,175	\$ 47,692,847
C. Net Pension Liability (NPL) end of year (A-B)	3,564,471	4,138,026
D. Plan Fiduciary Net Position as a Percentage of TPL (B/A)	93.63%	92.02%
E. Covered Employee Payroll	\$ 5,489,574	\$ 5,553,341
F. NPL as a Percentage of Covered Employee Payroll (C/E)	64.93%	74.51%
G. Notes to Schedule:		
Valuation Date	10/01/2014	10/01/2013
Update procedures used to roll forward the TPL excluding DROP account balances and reserve for excess State funds to the measurement dates – actual DROP account balances and reserve for excess State funds as of measurement dates included in TPL.		
No assumption or benefit changes during 2014 or 2015.		
* Projected - actual amounts will be available after fiscal year end		

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See Notes to Required Supplementary Information.

The City of Winter Park, Florida
Required Supplementary Information
Pension Trust Funds

Schedule of Investment Returns

Annual Money Weighted Rate of Return

<u>Year Ended</u>	<u>Police Pension</u>	<u>Fire Pension</u>
<u>9/30</u>	<u>Fund</u>	<u>Fund</u>
2009	0.0%	0.3%
2010	9.2%	9.1%
2011	(0.6%)	(1.1%)
2012	17.2%	16.5%
2013	12.9%	12.7%
2014	10.3%	10.2%
2015	(2.7%)	(2.9%)

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See Notes to Required Supplementary Information.

The City of Winter Park, Florida
Required Supplementary Information
Notes to Pension Schedules – September 30, 2015

- (1) All recommended trend information has been calculated using the Entry Age Actuarial Cost Method.
- (2) For information regarding contribution percentage rates, assumptions, amortization method, etc. (See Note 16A).
- (3) As of the 10/01/95 actuarial valuation date, the following benefit accrual rate change was made to the police and firefighter pension funds:

Benefit Accrual Rate	Current	Previous
	3.0% per year of service for all employees	2.5% per year of service for non-exempt employees 3.0% per year of service for exempt employees

- (4) A 3% annual cost of living adjustment on benefit payments for participants in the police and fire pension plans who terminate employment on or after October 1, 2002 was added effective October 1, 2002.
- (5) Effective March 1, 2013, the following benefit changes were made:
 - (a) Refunds of participant contributions to non-vested terminated participants no longer include interest. These refunds previously included interest at the rate of 5% on an annual basis.
 - (b) Vested participants who terminate employment with the City prior to attaining eligibility for early or normal retirement, are not eligible to begin receiving benefit payments until they reach 55 years of age.
 - (c) The 3% annual cost of living adjustment on benefit payments is limited to participants who retire on or after early or normal retirement date (including DROPs).

**The City of Winter Park, Florida
Required Supplementary Information
Other Post-Employment Benefits (OPEB)**

SCHEDULE OF FUNDING PROGRESS

Year Ended 9/30	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
2010	\$0	\$1,595,582	\$1,595,582	0.0%	\$25,208,613	6.33%
2011	0	6,510,991	6,510,991	0.0%	26,691,335	24.4%
2012	0	7,188,159	7,188,159	0.0%	27,910,706	25.8%
2013	0	7,763,903	7,763,903	0.0%	26,842,887	28.9%
2014	0	8,336,252	8,336,252	0.0%	27,860,769	29.9%
2015	0	7,147,419	7,147,419	0.0%	25,864,249	27.6%

SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER

Year Ended 9/30	Annual Required Contribution	Amount Contributed	Percentage of Annual Required Contribution Contributed	Net OPEB Obligation
2010	\$269,616	\$164,850	61.1%	\$205,292
2011	845,041	273,204	32.3%	777,183
2012	900,407	213,282	23.7%	1,464,509
2013	869,324	284,642	32.7%	2,049,570
2014	908,677	308,212	33.9%	2,650,566
2015	907,443	100,460	11.1%	3,427,514

The information presented in the required supplementary schedules was determined as part of the actuarial valuation as of October 1, 2014.

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

See Notes to Required Supplementary Information

Nonmajor Governmental Funds

Special Revenue Funds

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

Designations Trust Fund - To account for the receipt and disbursement of donor specified contributions and to account for City funds set aside for designated future purposes.

Stormwater Utility Fund - To account for the Stormwater Utility Fee revenues and the related expenditures for stormwater runoff management.

Affordable Housing Fund - To account for the Affordable Housing Fee and the related expenditures for affordable housing in Winter Park.

Law Enforcement Trust Fund - To account for revenues and expenditures to be used for law enforcement in accordance with Chapter 943.25 of the Florida Statutes.

Grant Fund - To account for revenues and expenditures of various law enforcement grants.

Parks Impact Fees Fund – To account for impact fees collected on new residential units in the City and related expenditures for acquiring new park land and recreation facilities on newly acquired park land.

Help Our Park Expand Fund – To account for private contributions and General Fund transfers for the purposes of acquiring the development rights to property adjacent to Central Park possibly culminating in the expansion of Central Park.

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Nonmajor Governmental Funds

(continued)

Police and Firefighter Premium Tax Trust Fund - To account for excise taxes imposed on homeowners' insurance premiums collected by the State of Florida Department of Revenue and remitted to the City. These tax revenues are to be used as retirement contributions to Police and Firefighter Pension plans.

Cemetery Trust Fund - To account for the operations of the City's cemeteries including the sale and maintenance of lots.

Debt Service Fund

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

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Capital Projects Fund – To account for the Capital Project revenues and the related expenditures for capital projects.

Stormwater Capital Projects Fund – To account for the Stormwater Capital Project revenues and the related expenditures for Stormwater projects.

The City of Winter Park, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2015

	Special Revenue Funds					
	Designations Trust	Stormwater Utility	Affordable Housing	Law Enforcement Trust	Grant	Parks Impact Fees
ASSETS						
Cash, Cash Equivalents and Investments	\$ 968,605	\$ -	\$ 384,936	\$ 886,370	\$ -	\$ 638,367
Accounts Receivable - Net	554	212,224	-	-	-	-
Unbilled Service Charges	-	201,150	-	-	-	-
Accrued Interest Receivable	2,651	5,792	1,001	2,282	-	1,658
Due from Other Governments	-	680	-	-	235,265	-
Inventories	-	53,547	-	-	-	-
Note Receivable	-	-	32,800	-	-	-
Special Assessments Receivable	99,033	-	-	-	-	-
Total Assets	\$ 1,070,843	\$ 473,393	\$ 418,737	\$ 888,652	\$ 235,265	\$ 640,025
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 17,782	\$ 78,113	\$ -	\$ 278,485	\$ 7,878	\$ -
Accrued Liabilities	-	70,872	-	-	4,037	-
Due to Other Funds	-	24,807	-	-	118,577	-
Total Liabilities	17,782	173,792	-	278,485	130,492	-
Deferred Inflow of Resources:						
Unavailable Revenue on Long-Term Receivables	54,280	-	17,400	-	-	-
Fund Balances:						
Non Spendable						
Inventories	-	53,547	-	-	-	-
Spendable						
Restricted						
Public Safety	70,970	-	-	610,167	104,773	-
Maintenance and Improvements to Parks	17,019	-	-	-	-	640,025
Community Enhancement Items	50,030	-	401,337	-	-	-
Committed						
Maintenance and Improvements to Parks	439,741	-	-	-	-	-
Construction Projects	-	246,054	-	-	-	-
Assigned						
Public Safety	59,048	-	-	-	-	-
Maintenance and Improvements to Parks	361,973	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Total Fund Balances	998,781	299,601	401,337	610,167	104,773	640,025
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 1,070,843	\$ 473,393	\$ 418,737	\$ 888,652	\$ 235,265	\$ 640,025

Special Revenue Funds (continued)				Capital Projects Funds			Total Nonmajor Governmental Funds
Help Our Park Expand	Cemetery Trust	Total	Debt Service	Capital Projects	Stormwater Capital Projects	Total	
\$ 66,530	\$ 1,929,275	\$ 4,874,083	\$ 468,201	\$ 3,172,679	\$ 2,184,025	\$ 5,356,704	\$ 10,698,988
-	-	212,778	3,662	13,230	4,214	17,444	233,884
-	-	201,150	-	-	-	-	201,150
173	5,011	18,568	1,354	4,985	-	4,985	24,907
-	-	235,945	-	352,770	108,456	461,226	697,171
-	-	53,547	-	-	-	-	53,547
-	-	32,800	-	-	-	-	32,800
-	-	99,033	1,643,310	-	-	-	1,742,343
\$ 66,703	\$ 1,934,286	\$ 5,727,904	\$ 2,116,527	\$ 3,543,664	\$ 2,296,695	\$ 5,840,359	\$ 13,684,790
\$ -	\$ -	\$ 382,258	\$ -	\$ 352,642	\$ 27,896	\$ 380,538	\$ 762,796
-	-	74,909	-	-	-	-	74,909
-	-	143,384	-	-	-	-	143,384
-	-	600,551	-	352,642	27,896	380,538	981,089
-	-	71,680	1,476,863	-	-	-	1,548,543
-	-	53,547	-	-	-	-	53,547
-	-	785,910	-	-	-	-	785,910
66,703	-	723,747	-	-	-	-	723,747
-	-	451,367	-	-	-	-	451,367
-	1,934,286	2,374,027	-	-	-	-	2,374,027
-	-	246,054	-	3,191,022	2,268,799	5,459,821	5,705,875
-	-	59,048	-	-	-	-	59,048
-	-	361,973	-	-	-	-	361,973
-	-	-	639,664	-	-	-	639,664
66,703	1,934,286	5,055,673	639,664	3,191,022	2,268,799	5,459,821	11,155,158
\$ 66,703	\$ 1,934,286	\$ 5,727,904	\$ 2,116,527	\$ 3,543,664	\$ 2,296,695	\$ 5,840,359	\$ 13,684,790

The City of Winter Park, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2015

	Special Revenue Funds				
	Designations Trust	Stormwater Utility	Affordable Housing	Law Enforcement Trust	Parks Impact Fees
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and Forfeitures	64,093	-	-	73,408	-
Intergovernmental	27,348	23,851	-	-	-
Charges for Services	57,410	2,402,239	-	-	-
Investment Earnings	33,984	61,245	11,380	29,628	20,264
Other	478,009	-	25,200	-	14,000
Total Revenues	660,844	2,487,335	36,580	103,036	34,264
Expenditures					
Current:					
General Administration	1,820	-	-	-	-
Planning	43,868	-	-	-	-
Public Works:					
Stormwater Management	-	303,442	-	-	-
Lakes	-	1,041,866	-	-	-
Street Drainage and Maintenance	1,234	771,968	-	-	-
Street Sweeping	-	317,069	-	-	-
Police	107,703	-	-	579,968	-
Fire	42,573	-	-	-	-
Parks and Recreation	597,963	-	-	-	104,769
Cultural and Community Services	257,000	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-
Capital Improvements	-	-	-	-	-
Total Expenditures	1,052,161	2,434,345	-	579,968	104,769
Excess (Deficiency) of Revenues Over Expenditures	(391,317)	52,990	36,580	(476,932)	(70,505)
Other Financing Sources and (Uses)					
Transfers from Other Funds	282,000	22,000	-	-	-
Transfers to Other Funds	(85,000)	-	-	(77,730)	-
Total Other Financing Sources and (Uses)	197,000	22,000	-	(77,730)	-
Net Change in Fund Balances	(194,317)	74,990	36,580	(554,662)	(70,505)
Fund Balances - Beginning	1,193,098	224,611	364,757	1,164,829	710,530
Fund Balances - Ending	\$ 998,781	\$ 299,601	\$ 401,337	\$ 610,167	\$ 640,025

Special Revenue Funds (continued)					Capital Projects Funds			Total
Help Our Park Expand	Police and Firefighter Premium Tax Trust	Cemetery Trust	Total	Debt Service	Capital Projects	Stormwater Capital Projects	Total	Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 1,206,563	\$ -	\$ -	\$ -	\$ 1,206,563
-	-	-	137,501	-	-	-	-	137,501
-	655,015	-	1,799,180	-	405,556	249,000	654,556	2,453,736
-	-	-	2,459,649	-	-	729,714	729,714	3,189,363
2,012	-	55,283	213,203	(228)	2,883	-	2,883	215,858
-	-	458,050	975,259	162,746	67,000	202	67,202	1,205,207
2,012	655,015	513,333	5,584,792	1,369,081	475,439	978,916	1,454,355	8,408,228
-	-	-	1,820	-	-	-	-	1,820
-	-	-	43,868	-	-	-	-	43,868
-	-	-	303,442	-	-	-	-	303,442
-	-	-	1,041,866	-	-	-	-	1,041,866
-	-	-	773,202	-	-	-	-	773,202
-	-	-	317,069	-	-	-	-	317,069
-	269,879	-	2,067,732	-	-	-	-	2,067,732
-	385,136	-	427,709	-	-	-	-	427,709
-	-	2,300	705,032	-	-	-	-	705,032
-	-	-	257,000	-	-	-	-	257,000
-	-	-	-	2,001,638	-	-	-	2,001,638
-	-	-	-	308,953	-	-	-	308,953
-	-	-	-	-	2,217,929	866,647	3,084,576	3,084,576
-	655,015	2,300	5,938,740	2,310,591	2,217,929	866,647	3,084,576	11,333,907
2,012	-	511,033	(353,948)	(941,510)	(1,742,490)	112,269	(1,630,221)	(2,925,679)
-	-	-	304,000	909,786	3,882,504	-	3,882,504	5,096,290
-	-	(239,226)	(401,956)	-	-	(40,523)	(40,523)	(442,479)
-	-	(239,226)	(97,956)	909,786	3,882,504	(40,523)	3,841,981	4,653,811
2,012	-	271,807	(451,904)	(31,724)	2,140,014	71,746	2,211,760	1,728,132
64,691	-	1,662,479	5,507,577	671,388	1,051,008	2,197,053	3,248,061	9,427,026
\$ 66,703	\$ -	\$ 1,934,286	\$ 5,055,673	\$ 639,664	\$ 3,191,022	\$ 2,268,799	\$ 5,459,821	\$ 11,155,158

**The City of Winter Park, Florida
Budgetary Comparison Schedule
Stormwater Utility Fund
For the Year Ended September 30, 2015**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Resources (inflows):				
Intergovernmental	\$ 10,000	\$ 10,000	\$ 23,851	\$ 13,851
Charges for Services	2,389,221	2,389,221	2,402,239	13,018
Investment Earnings	45,000	45,000	61,245	16,245
Transfers from Other Funds	-	22,000	22,000	-
Amounts available for appropriation	2,444,221	2,466,221	2,509,335	43,114
Charges to appropriations (outflows):				
Public Works:				
Stormwater Management	265,394	287,394	303,442	(16,048)
Lakes	1,095,586	1,121,161	1,041,866	79,295
Street Drainage and Maintenance	799,938	799,938	771,968	27,970
Street Sweeping	283,303	283,303	317,069	(33,766)
Total charges to appropriations	2,444,221	2,491,796	2,434,345	57,451
Excess (Deficiency) of Resources Over				
Charges to Appropriations	-	(25,575)	74,990	100,565
Fund Balance Allocation	-	25,575	-	(25,575)
Excess of Resources Over				
Charges to Appropriations	\$ -	\$ -	\$ 74,990	\$ 74,990

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts "available for appropriation" from
the budgetary comparison schedule.

\$ 2,509,335

Differences - budget to GAAP:

Transfers from other funds are inflows of budgetary resources
but are not revenues for financial reporting purposes.

(22,000)

Total revenues as reported on the statement of revenues, expenditures,
and changes in fund balances - governmental funds.

\$ 2,487,335

Uses/outflows of resources

Actual amounts "total charges to appropriations"
from the budgetary comparison schedule.

\$ 2,434,345

Differences - budget to GAAP:

None

-

Total expenditures as reported on the statement of revenues,
expenditures and changes in fund balances - governmental funds.

\$ 2,434,345

**The City of Winter Park, Florida
Budgetary Comparison Schedule
Grant Fund
For the Year Ended September 30, 2015**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Resources (inflows):				
Intergovernmental	\$ 902,380	\$ 902,380	\$ 1,092,966	\$ 190,586
Investment Earnings	-	-	(593)	(593)
Amounts available for appropriation	902,380	902,380	1,092,373	189,993
Charges to appropriations (outflows):				
Police	902,380	912,363	1,110,182	(197,819)
Total charges to appropriations	902,380	912,363	1,110,182	(197,819)
Deficiency of Resources Over				
Charges to Appropriations	-	(9,983)	(17,809)	(7,826)
Fund Balance Allocation	-	9,983	-	(9,983)
Deficiency of Resources Over				
Charges to Appropriations	\$ -	\$ -	\$ (17,809)	\$ (17,809)

**The City of Winter Park, Florida
Budgetary Comparison Schedule
Cemetery Trust Fund
For the Year Ended September 30, 2015**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Resources (inflows):				
Investment Earnings	\$ 10,000	\$ 10,000	\$ 55,283	\$ 45,283
Other	272,500	272,500	458,050	185,550
Amounts available for appropriation	282,500	282,500	513,333	230,833
Charges to appropriations (outflows):				
Parks and Recreation	-	-	2,300	(2,300)
Transfers to Other Funds	239,714	242,014	239,226	2,788
Total charges to appropriations	239,714	242,014	241,526	488
Excess of Resources Over Charges to Appropriations	42,786	40,486	271,807	231,321
Fund Balance Allocation	(42,786)	(40,486)	-	40,486
Excess of Resources Over Charges to Appropriations	\$ -	\$ -	\$ 271,807	\$ 271,807

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/inflows of resources

Actual amounts "available for appropriation" from the budgetary comparison schedule.	\$ 513,333
Differences - budget to GAAP:	
None	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 513,333</u>

Uses/outflows of resources

Actual amounts "total charges to appropriations" from the budgetary comparison schedule.	\$ 241,526
Differences - budget to GAAP:	
Transfers to other funds are outflows for budgetary resources but are not expenditures for financial reporting purposes.	(239,226)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ 2,300</u>

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the government on a cost reimbursement basis.

Fleet Maintenance Fund – To account for the operations of the Fleet Maintenance Department that provides fleet management and maintenance services for the vehicles and equipment owned by the City.

Vehicle Replacement Fund - To account for the acquisition and control of the City's motor vehicles.

Employee Insurance Fund - To account for the accumulation of funds to pay health insurance premiums when due.

General Insurance Fund - To account for the accumulation of funds to pay insurance premiums when due.

The City of Winter Park, Florida
Combining Statement of Net Position
Internal Service Funds
September 30, 2015

	Governmental Activities Internal Service Funds				Total Internal Service Funds
	Fleet Maintenance	Vehicle Replacement	Employee Insurance	General Insurance	
ASSETS					
Current Assets:					
Cash, Cash Equivalents and Investments	\$ -	\$ 974,377	\$ 1,795,736	\$ 677,890	\$ 3,448,003
Accounts Receivable - Net	35,073	23,759	43,415	-	102,247
Accrued Interest Receivable	-	2,532	6,182	2,147	10,861
Inventories	157,464	-	-	-	157,464
Total current assets	192,537	1,000,668	1,845,333	680,037	3,718,575
Non-Current Assets:					
Capital Assets:					
Depreciable - Net	1,441	5,965,378	-	6,753	5,973,572
Other Assets:					
Deposits	-	-	202,583	-	202,583
Total non-current assets	1,441	5,965,378	202,583	6,753	6,176,155
Total Assets	193,978	6,966,046	2,047,916	686,790	9,894,730
LIABILITIES					
Current Liabilities:					
Accounts Payable	46,709	13,063	42,927	23,222	125,921
Accrued Liabilities	38,168	618	606,000	998,072	1,642,858
Due to Other Funds	125,401	-	-	-	125,401
Due to Other Governments	-	-	-	5,340	5,340
Accumulated Unused Compensated Absences	19,421	-	-	2,982	22,403
Noncurrent Liabilities:					
Accumulated Unused Compensated Absences	60,719	-	-	11,376	72,095
Total Liabilities	290,418	13,681	648,927	1,040,992	1,994,018
NET POSITION					
Net Investment in Capital Assets	1,441	5,965,378	-	6,753	5,973,572
Unrestricted (Deficit)	(97,881)	986,987	1,398,989	(360,955)	1,927,140
Total Net Position	\$ (96,440)	\$ 6,952,365	\$ 1,398,989	\$ (354,202)	\$ 7,900,712

The City of Winter Park, Florida
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended September 30, 2015

	Governmental Activities Internal Service Funds				Total Internal Service Funds
	<u>Fleet Maintenance</u>	<u>Vehicle Replacement</u>	<u>Employee Insurance</u>	<u>General Insurance</u>	
Operating Revenues:					
Charges for Services	\$ 1,455,893	\$ 1,545,833	\$ 7,058,414	\$ 2,141,194	\$ 12,201,334
Total Operating Revenues	<u>1,455,893</u>	<u>1,545,833</u>	<u>7,058,414</u>	<u>2,141,194</u>	<u>12,201,334</u>
Operating Expenses:					
Operations	1,358,853	-	5,898,076	2,232,049	9,488,978
Depreciation	655	1,163,430	-	1,234	1,165,319
Total Operating Expenses	<u>1,359,508</u>	<u>1,163,430</u>	<u>5,898,076</u>	<u>2,233,283</u>	<u>10,654,297</u>
Operating Income (Loss)	<u>96,385</u>	<u>382,403</u>	<u>1,160,338</u>	<u>(92,089)</u>	<u>1,547,037</u>
Nonoperating Revenues (Expenses):					
Investment Earnings (Losses)	(5,846)	29,884	41,243	9,911	75,192
Gain on Disposal of Assets	-	37,855	-	-	37,855
Miscellaneous Revenues	-	26,105	26,600	-	52,705
Total Nonoperating Revenues (Expenses)	<u>(5,846)</u>	<u>93,844</u>	<u>67,843</u>	<u>9,911</u>	<u>165,752</u>
Change in Net Position	<u>90,539</u>	<u>476,247</u>	<u>1,228,181</u>	<u>(82,178)</u>	<u>1,712,789</u>
Total Net Position - Beginning	<u>(186,979)</u>	<u>6,476,118</u>	<u>170,808</u>	<u>(272,024)</u>	<u>6,187,923</u>
Total Net Position - Ending	<u>\$ (96,440)</u>	<u>\$ 6,952,365</u>	<u>\$ 1,398,989</u>	<u>\$ (354,202)</u>	<u>\$ 7,900,712</u>

The City of Winter Park, Florida
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2015

	<u>Fleet Maintenance</u>	<u>Vehicle Replacement</u>	<u>Employee Insurance</u>	<u>General Insurance</u>	<u>Total Internal Service Funds</u>
Cash Flows from Operating Activities					
Receipts from Customers	\$ 91,753	\$ -	\$ -	\$ -	\$ 91,753
Receipts from Interfund Services Provided	1,340,307	1,522,075	7,033,682	2,141,194	12,037,258
Repayment of Loans to Other Funds	(50,735)	-	-	-	(50,735)
Payments to Suppliers	(637,152)	-	(1,471,401)	(14,886)	(2,123,439)
Payments to Employees	(586,978)	-	-	(89,064)	(676,042)
Payments for Interfund Services Used	(151,349)	-	-	(10,939)	(162,288)
Claims Paid	-	-	(4,422,955)	(2,096,092)	(6,519,047)
Other Receipts	-	26,105	26,600	-	52,705
Net Cash Provided by (Used in) Operating Activities	<u>5,846</u>	<u>1,548,180</u>	<u>1,165,926</u>	<u>(69,787)</u>	<u>2,650,165</u>
Cash Flows from Capital and Related Financing Activities					
Proceeds from Sale of Assets	-	122,463	-	-	122,463
Purchases of Capital Assets	-	(1,417,837)	-	(1,071)	(1,418,908)
Net Cash Used in Capital and Related Financing Activities	<u>-</u>	<u>(1,295,374)</u>	<u>-</u>	<u>(1,071)</u>	<u>(1,296,445)</u>
Cash Flows from Investing Activities					
Investment Earnings (Losses)	(5,846)	29,386	35,634	10,102	69,276
Net Cash Provided by (Used in) Investing Activities	<u>(5,846)</u>	<u>29,386</u>	<u>35,634</u>	<u>10,102</u>	<u>69,276</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>-</u>	<u>282,192</u>	<u>1,201,560</u>	<u>(60,756)</u>	<u>1,422,996</u>
Cash, Cash Equivalents and Investments - Beginning	<u>-</u>	<u>692,185</u>	<u>594,176</u>	<u>738,646</u>	<u>2,025,007</u>
Cash, Cash Equivalents and Investments - Ending	<u>\$ -</u>	<u>\$ 974,377</u>	<u>\$ 1,795,736</u>	<u>\$ 677,890</u>	<u>\$ 3,448,003</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Operating Income (Loss)	\$ 96,385	\$ 382,403	\$ 1,160,338	\$ (92,089)	\$ 1,547,037
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Depreciation	655	1,163,430	-	1,234	1,165,319
(Increase) Decrease in Assets:					
Accounts Receivable	(23,833)	(23,758)	(24,732)	-	(72,323)
Inventories	(9,617)	-	-	-	(9,617)
Increase (Decrease) in Liabilities:					
Accounts Payable	(15,741)	-	3,720	13,945	1,924
Accrued Liabilities	6,322	-	-	572	6,894
Due to Other Funds	(50,735)	-	-	-	(50,735)
Due to Other Governments	-	-	-	5,340	5,340
Accumulated Unused Compensated Absences	2,410	-	-	1,211	3,621
Other Receipts	-	26,105	26,600	-	52,705
Net Cash Provided by (Used in) Operating Activities	<u>\$ 5,846</u>	<u>\$ 1,548,180</u>	<u>\$ 1,165,926</u>	<u>\$ (69,787)</u>	<u>\$ 2,650,165</u>

Note: There were no significant non-cash transactions.

STATISTICAL SECTION (UNAUDITED)

Statistical tables differ from financial statements because they usually cover more than one fiscal year and may present nonaccounting data, financial trends and the fiscal capacity of the governments.

There are no limitations placed upon the amount of debt the City of Winter Park may issue by either the City's Code of Ordinances or by Florida Statutes.

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, not disclosures, and required supplementary information says about the City's overall financial health.

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

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The City of Winter Park, Florida
Table 1
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014 ⁽¹⁾</u>	<u>2015</u>
Governmental activities										
Invested in capital assets, net of related debt	\$ 27,511,834	\$ 38,664,090	\$ 41,212,111	\$ 39,073,313	\$ 42,543,338	\$ 44,104,358	\$ 50,151,230	\$ 53,481,088	\$ 55,213,639	\$ 57,725,822
Restricted	10,121,591	7,106,502	970,414	1,151,993	1,419,405	4,064,284	4,379,320	3,973,362	4,541,982	4,052,195
Unrestricted	9,732,858	5,208,858	12,027,786	16,208,314	18,224,924	18,460,698	14,637,700	14,579,692	701,636	5,372,188
Total governmental activities net position	\$ <u>47,366,283</u>	\$ <u>50,979,450</u>	\$ <u>54,210,311</u>	\$ <u>56,433,620</u>	\$ <u>62,187,667</u>	\$ <u>66,629,340</u>	\$ <u>69,168,250</u>	\$ <u>72,034,142</u>	\$ <u>60,457,257</u>	\$ <u>67,150,205</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 31,518,446	\$ 43,160,902	\$ 45,934,339	\$ 43,191,242	\$ 37,331,556	\$ 41,405,685	\$ 41,715,121	\$ 48,314,979	\$ 52,701,567	\$ 57,759,700
Restricted	18,682,157	7,109,628	6,109,315	5,581,678	7,436,321	6,059,347	6,427,550	4,539,237	7,295,121	8,227,365
Unrestricted	(2,456,879)	6,248,968	(1,338,456)	2,810,470	11,143,615	17,948,942	23,527,604	23,151,265	26,167,087	26,291,628
Total business-type activities net position	\$ <u>47,743,724</u>	\$ <u>56,519,498</u>	\$ <u>50,705,198</u>	\$ <u>51,583,390</u>	\$ <u>55,911,492</u>	\$ <u>65,413,974</u>	\$ <u>71,670,275</u>	\$ <u>76,005,481</u>	\$ <u>86,163,775</u>	\$ <u>92,278,693</u>
Primary government										
Invested in capital assets, net of related debt	\$ 59,030,280	\$ 81,824,992	\$ 87,146,450	\$ 82,264,555	\$ 79,874,894	\$ 85,510,043	\$ 91,866,351	\$ 101,796,067	\$ 107,915,206	\$ 115,485,522
Restricted	28,803,748	14,216,130	7,079,729	6,733,671	8,855,726	10,123,631	10,806,870	8,512,599	11,837,103	12,279,560
Unrestricted	7,275,979	11,457,826	10,689,330	19,018,784	29,368,539	36,409,640	38,165,304	37,730,957	26,868,723	31,663,816
Total primary government activities net position	\$ <u>95,110,007</u>	\$ <u>107,498,948</u>	\$ <u>104,915,509</u>	\$ <u>108,017,010</u>	\$ <u>118,099,159</u>	\$ <u>132,043,314</u>	\$ <u>140,838,525</u>	\$ <u>148,039,623</u>	\$ <u>146,621,032</u>	\$ <u>159,428,898</u>

⁽¹⁾ As restated.

The City of Winter Park, Florida
Table 2
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014 ⁽¹⁾	2015
Expenses										
Governmental activities:										
General Government	\$ 2,146,164	\$ 1,804,748	\$ 1,468,585	\$ 1,363,363	\$ 1,514,171	\$ 1,732,952	\$ 1,435,102	\$ 1,577,803	\$ 1,544,488	\$ 1,472,552
Communications	197,594	239,148	103,384	237,495	172,619	182,525	221,754	167,827	169,636	224,445
Financial Services	491,789	500,859	410,607	390,067	408,181	415,070	443,962	419,939	428,669	340,604
Planning	1,631,866	1,519,057	1,459,383	832,999	692,737	418,942	624,632	408,618	439,168	717,671
Building and Code Enforcement	1,329,797	1,529,473	1,571,357	1,384,537	1,245,028	1,290,115	1,288,129	1,010,237	1,101,614	1,143,945
Community Redevelopment Agency	2,109,219	2,138,429	929,999	1,589,300	1,377,840	1,176,585	896,561	789,666	841,240	863,140
Public Works	12,434,825	13,344,477	11,637,771	11,712,138	10,990,729	10,726,522	10,660,808	10,531,465	10,700,127	10,822,523
Police	11,253,191	12,227,960	11,980,137	12,373,419	12,148,312	12,399,481	12,786,524	13,648,230	14,185,031	13,244,698
Fire	8,538,773	9,565,096	9,612,269	9,854,608	9,975,455	10,161,440	10,179,839	11,071,383	9,227,090	11,456,335
Parks and Recreation	7,276,828	11,421,005	7,820,779	6,951,474	6,561,709	6,534,841	7,082,497	7,986,724	8,499,745	8,450,715
Cultural and Community Services	1,333,210	1,394,350	1,372,698	1,428,712	1,386,212	1,411,212	1,550,212	1,536,560	1,534,560	1,651,580
Interest on Long-Term Debt	1,103,322	1,267,739	1,259,425	1,295,694	1,138,234	1,489,669	1,244,371	1,115,909	808,838	717,353
Total governmental activities expenses	49,846,578	56,952,341	49,626,394	49,413,806	47,611,227	47,939,354	48,414,391	50,264,361	49,480,206	51,105,561
Business-type activities:										
Water and Sewer	22,416,044	23,290,755	24,949,787	25,592,464	24,335,784	24,204,194	25,142,530	24,576,002	24,115,597	24,233,429
Electric Services	44,085,337	44,014,284	50,356,561	49,404,425	50,901,278	44,740,659	38,582,336	41,777,043	42,742,181	40,597,171
Golf Course	487,325	577,615	570,832	541,388	588,025	561,269	-	-	-	-
Total business-type activities expenses	66,988,706	67,882,654	75,877,180	75,538,277	75,825,087	69,506,122	63,724,866	66,353,045	66,857,778	64,830,600
Total primary government expenses	116,835,284	124,834,995	125,503,574	124,952,083	123,436,314	117,445,476	112,139,257	116,617,406	116,337,984	115,936,161
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	1,033	586	393	2,345	3,085	7,335	714	3,727	322	220
Financial Services	-	-	-	-	3,594	4,140	4,070	3,707	-	-
Planning	-	-	183,659	133,124	121,843	178,842	229,527	242,942	194,717	18,875
Building	3,715,945	2,949,176	2,106,266	1,529,856	1,533,642	1,823,890	2,269,925	2,599,468	2,899,884	2,455,932
Community Redevelopment Agency	1,260,000	-	-	2,852	-	-	-	-	-	-
Public Works	4,630,193	5,490,603	6,011,615	6,059,206	6,593,303	6,228,043	6,383,854	6,497,654	6,425,527	6,764,070
Police	1,263,319	1,194,632	1,138,641	1,393,257	2,003,645	947,721	1,537,583	1,737,712	2,314,133	1,231,448
Fire	717,976	536,732	438,501	484,126	581,723	1,138,237	1,228,860	1,292,533	1,407,493	1,260,994
Parks and Recreation	1,833,783	1,764,300	1,897,517	1,478,041	1,363,730	1,679,346	2,199,513	2,577,551	3,230,314	2,839,082
Operating Grants and Contributions	2,551,830	3,104,461	895,225	1,229,626	1,467,727	1,295,306	1,304,045	3,441,376	1,358,456	1,375,192
Capital Grants and Contributions	467,100	1,368,819	1,968,406	711,610	918,976	2,039,034	584,322	824,870	858,465	848,494
Total governmental activities program revenues	\$ 16,441,179	\$ 16,409,309	\$ 14,640,223	\$ 13,024,043	\$ 14,591,268	\$ 15,341,894	\$ 15,742,413	\$ 19,221,540	\$ 18,689,311	\$ 16,794,307

⁽¹⁾ As restated.

The City of Winter Park, Florida
Table 2 (continued)
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014 ⁽¹⁾	2015
Program Revenues										
Business-type activities:										
Charges for services:										
Water and Sewer	\$ 24,393,157	\$ 25,767,241	\$ 24,916,588	\$ 25,005,283	\$ 25,527,710	\$ 26,550,502	\$ 27,401,520	\$ 27,037,647	\$ 27,635,066	\$ 28,138,903
Electric	46,394,142	50,026,149	47,832,294	54,230,350	58,044,816	53,033,287	46,033,982	49,007,283	49,459,325	47,931,186
Golf Course	391,172	439,282	490,210	475,465	441,180	431,373	-	-	-	-
Capital Grants and Contributions	934,588	1,600,635	343,697	625,364	1,172,909	1,192,206	429,345	1,327,477	2,835,720	368,584
Total business-type activities program revenues	72,113,059	77,833,307	73,582,789	80,336,462	85,186,615	81,207,368	73,864,847	77,372,407	79,930,111	76,438,673
Total Primary government program revenues	88,554,238	94,242,616	88,223,012	93,360,505	99,777,883	96,549,262	89,607,260	96,593,947	98,619,422	93,232,980
Net (Expense)/Revenue										
Governmental activities	(33,405,399)	(40,543,032)	(34,986,171)	(36,389,763)	(33,019,959)	(32,597,460)	(32,671,978)	(31,042,821)	(30,790,895)	(34,311,254)
Business-type activities	5,124,353	9,950,653	(2,294,391)	4,798,185	9,361,528	11,701,246	10,139,981	11,019,362	13,072,333	11,608,073
Total primary government net expense	(28,281,046)	(30,592,379)	(37,280,562)	(31,591,578)	(23,658,431)	(20,896,214)	(22,531,997)	(20,023,459)	(17,718,562)	(22,703,181)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property Taxes	16,858,573	19,896,736	18,504,953	19,147,853	18,500,179	16,803,908	16,234,482	16,120,619	16,819,797	17,799,839
Franchise Fees	928,709	924,327	946,322	1,014,864	1,044,072	1,103,636	1,080,258	1,082,856	1,146,843	1,216,596
Utility Taxes	6,270,492	6,265,881	6,298,905	6,497,752	6,930,742	6,865,087	6,597,923	6,686,075	6,671,552	6,560,897
Intergovernmental Revenues	5,843,113	6,157,197	6,113,079	5,828,029	5,863,195	5,817,003	5,540,171	5,752,828	6,078,159	6,541,019
Investment Earnings	803,264	1,246,191	767,691	819,748	678,723	518,879	432,768	(658,229)	628,969	852,853
Miscellaneous Revenue	1,244,978	615,934	424,015	445,859	377,815	611,673	871,360	498,086	685,163	1,443,298
Transfer from(to) other funds	3,972,920	3,871,732	5,162,067	4,858,967	5,379,280	3,959,424	4,453,926	4,670,444	4,783,217	6,589,700
Total government activities	35,922,049	38,977,998	38,217,032	38,613,072	38,774,006	35,679,610	35,210,888	34,152,679	36,813,700	41,004,202
Business-type activities:										
Investment Earnings	1,141,484	1,161,327	599,208	786,379	360,215	443,258	434,155	(546,674)	468,272	747,072
Miscellaneous Revenue	2,028	82,939	1,042,950	41,525	96,709	1,317,402	136,091	249,824	1,400,906	349,473
Transfer from(to) other funds	(3,972,920)	(3,871,732)	(5,162,067)	(4,858,967)	(5,379,280)	(3,959,424)	(4,453,926)	(4,670,444)	(4,783,217)	(6,589,700)
Total business-type activities	(2,829,408)	(2,627,466)	(3,519,909)	(4,031,063)	(4,922,356)	(2,198,764)	(3,883,680)	(4,967,294)	(2,914,039)	(5,493,155)
Total primary government	33,092,641	36,350,532	34,697,123	34,582,009	33,851,650	33,480,846	31,327,208	29,185,385	33,899,661	35,511,047
Change in Net Position										
Government activities	2,516,650	(1,565,034)	3,230,861	2,223,309	5,754,047	3,082,150	2,538,910	3,109,858	6,022,805	6,692,948
Business-type activities	2,294,945	7,323,187	(5,814,300)	767,122	4,439,172	9,502,482	6,256,301	6,052,068	10,158,294	6,114,918
Total primary government	\$ 4,811,595	\$ 5,758,153	\$ (2,583,439)	\$ 2,990,431	\$ 10,193,219	\$ 12,584,632	\$ 8,795,211	\$ 9,161,926	\$ 16,181,099	\$ 12,807,866

⁽¹⁾ As restated.

The City of Winter Park, Florida
Table 3
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011⁽¹⁾</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund										
Reserved	\$ 4,970,587	\$ 4,444,584	\$ 4,174,934	\$ 3,737,939	\$ 2,880,670	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	3,389,406	1,683,072	2,731,283	4,411,116	6,675,058	-	-	-	-	-
Nonspendable	-	-	-	-	-	138,209	120,909	260,608	104,366	922,405
Restricted	-	-	-	-	-	-	-	-	473,532	395,624
Assigned	-	-	-	-	-	636,907	584,076	234,842	218,066	384,242
Unassigned	-	-	-	-	-	9,553,104	8,953,558	11,432,259	12,280,561	11,043,046
Total general fund	\$ <u>8,359,993</u>	\$ <u>6,127,656</u>	\$ <u>6,906,217</u>	\$ <u>8,149,055</u>	\$ <u>9,555,728</u>	\$ <u>10,328,220</u>	\$ <u>9,658,543</u>	\$ <u>11,927,709</u>	\$ <u>13,076,525</u>	\$ <u>12,745,317</u>
All Other Governmental Funds										
Reserved	\$ 2,048,968	\$ 1,942,932	\$ 1,686,316	\$ 1,043,637	\$ 8,898,038	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	6,479,986	6,573,550	7,248,629	6,868,655	7,019,560	-	-	-	-	-
Capital projects funds	4,528,787	1,655,500	3,019,934	3,427,122	3,174,350	-	-	-	-	-
Nonspendable	-	-	-	-	-	79,291	69,617	74,108	55,862	53,547
Restricted	-	-	-	-	-	4,581,633	4,252,198	3,945,871	4,541,982	4,052,195
Committed	-	-	-	-	-	7,927,259	6,175,563	5,204,782	5,438,148	8,079,902
Assigned	-	-	-	-	-	375,172	318,401	399,972	1,266,420	1,060,685
Unassigned	-	-	-	-	-	(139,627)	-	-	-	-
Total all other governmental funds	\$ <u>13,057,741</u>	\$ <u>10,171,982</u>	\$ <u>11,954,879</u>	\$ <u>11,339,414</u>	\$ <u>19,091,948</u>	\$ <u>12,823,728</u>	\$ <u>10,815,779</u>	\$ <u>9,624,733</u>	\$ <u>11,302,412</u>	\$ <u>13,246,329</u>

⁽¹⁾ The City adopted GASB 54 beginning with fiscal year 2011 and has elected to display this change prospectively. Additional information can be found in Note 1-S of the financial statements.

The City of Winter Park, Florida
Table 4
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
REVENUES										
Taxes:										
Property Taxes	\$ 18,037,317	\$ 21,216,955	\$ 19,952,957	\$ 21,092,354	\$ 20,148,016	\$ 17,989,570	\$ 17,309,030	\$ 17,150,192	\$ 16,807,610	\$ 17,799,839
Utility Taxes	6,270,492	6,265,881	6,298,905	6,497,752	6,930,742	6,865,088	6,597,925	6,686,075	6,671,552	6,560,897
Franchise Fees	928,709	924,327	946,322	1,014,864	1,044,071	1,103,636	1,080,258	1,082,857	1,146,843	1,216,596
Fines and Forfeitures	710,239	1,024,106	920,829	979,206	1,654,709	674,365	1,219,867	1,502,638	2,084,029	1,111,301
Licenses and Permits	3,661,781	2,766,065	2,197,365	1,574,789	1,622,739	1,989,469	2,591,654	2,797,995	3,026,360	2,392,821
Intergovernmental:										
Sales Tax	3,867,511	3,863,459	3,761,241	3,314,364	3,415,838	3,623,327	3,610,003	3,821,379	4,029,181	4,281,355
Local Option Gas Tax	1,025,448	1,027,780	1,002,879	947,843	958,913	914,851	938,926	919,444	928,112	953,010
Other Intergovernmental	4,179,938	5,036,468	4,410,283	3,808,474	4,148,071	5,180,264	3,669,472	5,943,110	5,253,090	5,493,747
Charges for Services	5,567,537	5,595,392	5,990,603	6,333,460	6,785,179	7,500,761	8,227,105	8,697,785	9,101,436	9,054,668
Other	4,207,829	3,994,395	2,532,683	1,586,820	1,704,225	1,825,512	1,676,089	1,003,540	2,579,336	2,860,031
Total Revenues	48,456,801	51,714,828	48,014,067	47,149,926	48,412,503	47,666,843	46,920,329	49,605,015	51,627,549	51,724,265
EXPENDITURES										
Current:										
General Administration	1,858,513	1,810,279	1,499,908	1,535,789	1,645,189	1,840,906	1,706,778	1,557,470	1,590,619	1,448,791
Communications	199,592	239,148	107,452	183,229	173,357	176,416	170,485	161,456	116,420	183,808
Financial Services	493,877	506,223	420,670	413,199	370,931	399,555	374,810	353,453	353,522	336,147
Planning	2,377,099	2,520,238	2,012,060	1,765,193	1,968,578	1,614,178	1,496,927	1,169,709	1,369,843	1,627,552
Building and Code Enforcement	1,361,222	1,562,205	1,580,666	1,416,717	1,239,430	1,261,818	1,293,544	996,040	1,086,410	1,168,623
Public Works	8,685,028	10,553,570	8,930,830	8,770,903	8,372,375	8,205,126	8,570,518	8,236,047	8,407,696	8,417,868
Police	11,262,459	12,417,350	12,348,317	12,732,022	12,922,520	12,815,962	13,085,189	14,036,634	14,116,889	14,969,739
Fire	8,419,221	9,397,706	9,416,751	9,623,766	9,682,588	9,800,694	10,238,541	10,898,091	11,266,113	12,036,331
Parks and Recreation	7,860,326	10,863,374	7,884,895	6,517,654	5,954,608	5,993,814	6,737,713	7,216,629	7,302,925	7,697,189
Cultural and Community Services	1,333,210	1,436,850	1,397,698	1,465,712	1,413,185	1,438,337	1,567,880	1,555,190	1,537,193	1,662,580
Debt Service:										
Principal	1,203,404	1,638,377	1,762,890	1,931,427	2,608,779	2,182,201	2,940,878	2,388,425	2,848,631	3,056,638
Interest and Other Charges	1,103,322	1,317,739	1,259,424	1,250,694	1,385,459	1,553,872	1,253,339	912,633	953,194	752,331
Capital Improvements	5,096,442	6,941,597	4,623,115	4,367,770	5,030,577	11,996,793	4,940,279	3,714,237	2,784,816	3,168,866
Total Expenditures	51,253,715	61,204,656	53,244,676	51,974,075	52,767,576	59,279,673	54,376,881	53,196,014	53,734,271	56,526,463
Deficiency of Revenues Over Expenditures	(2,796,914)	(9,489,828)	(5,230,609)	(4,824,149)	(4,355,073)	(11,612,830)	(7,456,552)	(3,590,999)	(2,106,722)	(4,802,198)
OTHER FINANCING SOURCES AND (USES)										
Transfers In	9,112,840	12,278,784	8,752,166	7,943,086	8,481,819	7,627,958	7,939,728	7,950,094	8,968,353	11,152,166
Transfers Out	(5,939,920)	(7,907,052)	(3,190,099)	(2,491,564)	(3,067,539)	(3,163,534)	(3,160,802)	(2,854,650)	(4,035,136)	(4,562,466)
Impairment of Assets Held for Resale	-	-	-	-	-	-	-	-	-	(174,793)
Issuance of Debt	9,122,000	-	2,230,000	-	8,100,000	7,207,770	-	9,800,000	-	-
Pmt to Refunded Bond Escrow Agent	-	-	-	-	-	(7,625,000)	-	(10,226,325)	-	-
Capital Lease Obligation	-	-	-	-	-	1,725,656	-	-	-	-
Total Other Financing Sources and (Uses)	12,294,920	4,371,732	7,792,067	5,451,522	13,514,280	5,772,850	4,778,926	4,669,119	4,933,217	6,414,907
Net Change in Fund Balances	9,498,006	(5,118,096)	2,561,458	627,373	9,159,207	(5,839,980)	(2,677,626)	1,078,120	2,826,495	1,612,709
Fund Balances - Beginning	11,919,728	21,417,734	16,299,638	18,861,096	19,488,469	28,991,928	23,151,948	20,474,322	21,552,442	24,378,937
Fund Balances - Ending	\$ 21,417,734	\$ 16,299,638	\$ 18,861,096	\$ 19,488,469	\$ 28,647,677	\$ 23,151,948	\$ 20,474,322	\$ 21,552,442	\$ 24,378,937	\$ 25,991,646
Debt service as a percentage of noncapital expenditures	4.85%	5.30%	6.23%	6.55%	8.69%	8.03%	8.54%	6.73%	7.36%	7.06%

The City of Winter Park, Florida
Table 5
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended Sept. 30,	Real Property	Personal Property	Centrally Assessed Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2006	\$ 4,426,794,057	\$ 257,145,724	\$ 1,082,823	\$ 1,285,628,264	\$ 3,399,394,340	5.0900	\$ 5,676,613,511	59.88%
2007	5,381,449,024	255,814,961	1,232,368	1,653,577,239	3,984,919,114	5.0900	6,797,466,978	58.62%
2008	6,092,025,651	270,877,113	459,411	1,911,127,287	4,452,234,888	4.3073	7,660,052,254	58.12%
2009	6,167,795,263	266,018,186	1,383,948	1,937,693,755	4,497,503,642	4.3858	7,741,283,098	58.10%
2010	5,767,510,307	253,659,029	1,483,032	1,687,749,821	4,334,902,547	4.3980	7,247,987,510	59.81%
2011	5,023,964,968	237,399,202	1,241,100	1,354,442,999	3,908,162,271	4.4336	6,343,423,034	61.61%
2012	4,524,708,901	236,563,359	1,216,162	968,447,814	3,794,040,608	4.4166	5,754,518,303	65.93%
2013	4,508,441,021	241,139,877	1,281,825	973,409,547	3,777,453,176	4.4183	5,743,766,225	65.77%
2014	4,642,490,933	241,913,558	1,347,341	941,956,617	3,943,795,215	4.4019	5,902,944,213	66.81%
2015	4,872,492,250	249,157,424	1,398,347	938,478,394	4,184,569,627	4.3907	6,186,755,669	67.64%

Source: Orange County Property Appraiser (Revised Recapitulation of the Ad Valorem Assessment Rolls, DR-403AM and DR-403V)

Note: Assessed values are determined as of January 1 for each fiscal year.
Real Property is assessed at 85% of estimated market value and Personal Property assessment at 55%.
Estimated actual taxable value is calculated by dividing assessed value by those percentages.
Centrally assessed property consists of the railroad lines which are assessed by the State of Florida.

The City of Winter Park, Florida
Table 6
Direct and Overlapping Property Tax Rates
(rate per \$1,000 of assessed value)
Last Ten Fiscal Years

Fiscal Year Ended Sept. 30,	Tax Roll	Direct			Overlapping			Total Direct and Overlapping Millage
		City Operating Millage	City Debt Service	Total City Millage	Orange County	Orange County School Board	St. Johns Water Management District	
2006	2005	4.6980	0.3920	5.0900	5.1639	7.7610	0.4620	18.4769
2007	2006	4.7580	0.3320	5.0900	5.1639	7.1690	0.4620	17.8849
2008	2007	3.9950	0.3123	4.3073	5.1639	7.1210	0.4158	17.0080
2009	2008	4.0923	0.2935	4.3858	4.4347	7.1500	0.4158	16.3863
2010	2009	4.0923	0.3057	4.3980	4.4347	7.6373	0.4158	16.8858
2011	2010	4.0923	0.3413	4.4336	4.4347	7.8940	0.4158	17.1781
2012	2011	4.0923	0.3243	4.4166	4.4347	8.5450	0.3313	17.7276
2013	2012	4.0923	0.3260	4.4183	4.4347	8.4780	0.3313	17.6623
2014	2013	4.0923	0.3096	4.4019	4.4347	8.3620	0.3283	17.5269
2015	2014	4.0923	0.2984	4.3907	4.4347	8.4740	0.3164	17.6158

Source: Orange County Property Appraiser's Office

The City of Winter Park, Florida
Table 7
Principal Property Tax Payers
Current Year and Ten Years Ago

Taxpayer	Type of Business	2015			2006		
		Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Winter Park Town Center (Winter Park Village)	Shopping Mall	\$ 50,838,828	1	1.21%	\$ 48,765,749	1	1.43%
Presbyterian Retirement Communities Inc	Retirement Community	37,537,095	2	0.90%	14,226,745	5	0.42%
Embarq FL (Sprint United Management Co)	Telephone Carrier	27,096,599	3	0.65%	-		0.00%
Rollins College / Langford RCI LLC	Education / Hospitality	26,528,887	4	0.63%	17,960,671	4	0.53%
Mayflower Retirement Center Inc	Retirement Community	21,261,631	5	0.51%	20,409,354	2	0.60%
UP Fieldgate US Investments-Winter Park LLC	Real Estate Developer	20,216,061	6	0.48%	-		
SVAP Winter Park, LP	General Contractors	18,954,778	7	0.45%	-		
Proteggere LLC	Real Estate Developer	15,744,100	8	0.38%	-		
Publix Supermarket Inc	Food Retailer	15,137,665	9	0.36%	-		
BFC Park Avenue (250 park Ave)	Trustee	14,369,844	10	0.34%	13,531,978	6	0.40%
Holler, Roger W. Jr	Estate				19,341,319	3	0.57%
CD90 Mercantile Plaza	Shopping Mall				9,405,218	10	0.28%
Jenkins Williams Griffith (Aloma Shopping Center)	Shopping Mall				9,621,695	9	0.28%
KMCDCI Venture	K Mart				10,346,095	7	0.30%
Winter Park Village Apartments LLC	Real Estate Developer				9,813,111	8	0.29%
Other Taxpayers	-	3,936,884,139	-	94.08%	3,225,972,405	-	94.90%
Total Assessed Value		<u>\$ 4,184,569,627</u>		<u>100.00%</u>	<u>\$ 3,399,394,340</u>		<u>100.00%</u>

Source: Orange County Property Appraiser's Office

The City of Winter Park, Florida
Table 8
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended Sept. 30,	Tax Levied for the Fiscal Year⁽¹⁾		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$	17,302,917	\$ 17,040,486	98.5%	\$ 34,341	\$ 17,074,827	98.7%
2007		20,283,238	19,873,611	98.0%	23,126	19,896,737	98.1%
2008		19,177,111	18,463,803	96.3%	49,710	18,513,513	96.5%
2009		19,725,151	19,331,226	98.0%	49,588	19,380,814	98.3%
2010		19,064,901	18,456,523	96.8%	43,654	18,500,177	97.0%
2011		17,327,228	16,758,247	96.7%	32,927	16,791,174	96.9%
2012		16,756,760	16,170,799	96.5%	51,216	16,222,015	96.8%
2013		16,689,921	16,083,083	96.4%	25,197	16,108,280	96.5%
2014		17,424,870	16,807,610	96.5%	21,521	16,829,131	96.6%
2015		18,420,057	17,751,760	96.4%	48,079	17,799,839	96.6%

Source: Orange County Tax Collector and City of Winter Park Finance Department

Notes: (1) Gross Taxes before discounts

The City of Winter Park, Florida
Table 9
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended Sept. 30	Governmental Activities					Business-type Activities		Total Government	Percentage of Personal Income	Per Capita
	General Obligation Bond	Capital Improvement Bonds	Capital Lease Obligations	Notes Payable	Water & Wastewater Revenue Bonds	Electric Revenue Bonds				
2006	\$ 12,885,000	\$ 13,717,000	\$ 325,147	\$ 4,433,405	\$ 63,095,000	\$ 53,225,000	\$ 147,680,552	N/A	\$ 5,160	
2007	12,120,000	13,210,077	283,169	4,016,951	62,060,000	52,890,000	144,580,197	11.38%	5,075	
2008	11,330,000	12,622,710	239,593	5,861,428	60,990,000	70,760,000	161,803,731	11.83%	5,595	
2009	10,520,000	12,015,762	198,194	5,391,949	78,895,000	80,010,000	187,030,905	14.47%	6,544	
2010	9,685,000	7,273,009	832,583	16,828,984	77,745,000	79,530,000	191,894,576	15.22%	6,749	
2011	8,700,000	6,574,083	2,178,392	16,037,117	78,435,000	78,145,000	190,069,592	14.58%	6,855	
2012	7,760,000	5,864,631	1,713,181	15,164,883	75,155,000	76,525,000	182,182,695	13.89%	6,570	
2013	6,943,732	5,174,090	1,513,264	14,465,000	68,206,115	68,437,108	164,739,309	12.78%	5,711	
2014	5,984,889	4,371,877	1,351,957	13,455,000	71,728,159	71,662,000	168,553,882	12.09%	5,798	
2015	4,938,460	3,547,389	1,194,807	12,400,000	68,673,965	69,819,129	160,573,750	11.21%	5,543	

Notes: Details regarding the City's outstanding debt can be found in the notes to the financials statements.
See Demographic and Economic Statistics for personal income and population data.

The City of Winter Park, Florida
Table 10
Ratios of General Obligation Bonds Outstanding
Last Ten Fiscal Years

Fiscal Year Ended Sept. 30,	General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2006	\$ 12,885,000	0.23%	\$ 450
2007	12,120,000	0.18%	425
2008	11,330,000	0.15%	392
2009	10,520,000	0.14%	368
2010	9,685,000	0.13%	341
2011	8,700,000	0.14%	314
2012	7,760,000	0.13%	280
2013	6,943,732	0.12%	241
2014	5,984,889	0.10%	206
2015	4,938,460	0.08%	170

Source: City of Winter Park Finance Department

Note: There is no overlapping general obligation debt for which the City's property taxpayers are responsible.

The City of Winter Park, Florida
Table 11
Direct and Overlapping Governmental Activities Debt

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ⁽¹⁾</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Orange County District School Board ⁽²⁾	\$ 1,292,614,623	4.34%	\$ 56,144,961
City Direct Debt (Governmental Activities)			<u>22,080,656</u>
Total Direct and Overlapping Debt			<u><u>\$ 78,225,617</u></u>

Source: Assessed value data used to estimate applicable percentage provided by the Orange County Property Appraiser (Form DR-403V). Debt outstanding provided by each governmental unit.

Notes: ⁽¹⁾ Ratio of assessed valuation of taxable property in overlapping unit that is with City of Winter Park.

⁽²⁾ Debt outstanding as of June 30, 2015.

**The City of Winter Park, Florida
Table 12
Legal Debt Margin Information**

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

The City's Charter does require voter referendum for the following categories of bonds:

- * General obligation bonds.**
- * Revenue bonds intended to finance enterprises or projects which involve the purchase, lease and/or acquisition of real property.**
- * Revenue bonds which pledge specific non-ad valorem taxes as the primary source(s) of revenue to pay the principal and interest which have a principal value in excess of one million dollars. This dollar limitation is adjusted annually as of the end of the fiscal year in accordance with changes in the cost-of-living index as published by the federal government. The limitation, as adjusted, at September 30, 2015 is \$2,351,235.**

However, notwithstanding the foregoing in the second and third items above, voter referendum shall not be required prior to the issuance of revenue bonds which finance the purchase, lease and/or acquisition of park real property and/or park projects by the City.

The City of Winter Park, Florida
Table 13
Community Redevelopment Agency
Tax Increment Revenue Bonds Coverage
Last Ten Fiscal Years

Fiscal Year Ended Sept. 30,	Tax Increment Revenue⁽¹⁾		Debt Service Requirements			Coverage
			Principal	Interest	Total	
2006	\$	1,838,142	\$ 235,000	\$ 293,918	\$ 528,918	3.48
2007		2,536,662	351,924	416,460	768,384	3.30
2008		2,736,168	422,366	419,331	841,697	3.25
2009		3,283,329	436,948	400,498	837,446	3.92
2010		3,172,003	456,778	517,908	974,686	3.25
2011		2,309,577	791,868	718,129	1,509,997	1.53
2012		2,090,103	872,234	683,013	1,555,247	1.34
2013		2,003,379	490,000	435,864	925,864	2.16
2014		2,127,789	1,010,000	476,425	1,486,425	1.43
2015		2,391,268	1,055,000	443,378	1,498,378	1.60

Notes: (1) Tax Increment Revenue Notes are backed by the property tax revenue produced by the property tax rate of the City of Winter Park and Orange County applied to the increase in the taxable assessed values above the base year taxable assessed value multiplied by 95%.

The City of Winter Park, Florida
Table 14
Pledge Revenue Coverage
Water and Sewer Revenue Debt Coverage
Last Ten Fiscal Years

Fiscal Year Ended Sept. 30,	Gross Revenue		Less: Operation and Maintenance Expense		Net Pledge Revenue Available for Debt Services	Debt Service Requirements			Coverage
						Principal	Interest	Total	
2006	\$	25,590,718	\$	16,171,084	\$ 9,419,634	\$ 1,005,000	\$ 2,982,031	\$ 3,987,031	2.36
2007		27,221,990		17,160,641	10,061,349	1,035,000	2,980,168	4,015,168	2.51
2008		25,589,426		18,520,255	7,069,171	1,070,000	3,657,461	4,727,461	1.50
2009		25,441,139		18,534,852	6,906,287	1,105,000	3,214,962	4,319,962	1.60
2010		25,807,742		16,546,462	9,261,280	1,150,000	2,563,648	3,713,648	2.49
2011		26,847,541		16,109,450	10,738,091	2,410,000	3,284,962	5,694,962	1.89
2012		27,684,531		16,655,358	11,029,173	2,495,000	3,150,076	5,645,076	1.95
2013		26,736,801		16,665,960	10,070,841	2,590,000	3,282,121	5,872,121	1.72
2014		28,626,592		16,750,478	11,876,114	2,700,000	3,183,842	5,883,842	2.02
2015		28,737,710		16,913,674	11,824,036	2,780,000	3,085,768	5,865,768	2.02

Notes: 1 Schedule includes debt service requirements for Water and Sewer Revenue Bonds, Series 1996, 2002, 2004, 2009, 2010 and 2011.

The bonds and interest due thereon are payable from and secured by a prior lien upon a pledge of the net revenues derived by the City from the operation of the Water and Suburban Sewer System.

2 Gross Revenues are defined by the bond covenants as all income and earnings derived by the City from the ownership, operation, leasing, or use of the system and investment income, excluding impact fees and interest earned thereon.

3 Operation and maintenance expenses are defined as the cost of operation and maintenance as defined by the bond covenant, as current expenses, paid or accrued, less depreciation and amortization expenses.

The City of Winter Park, Florida
Table 15
Electric Services Revenue Debt Coverage
Last Ten Fiscal Years

Fiscal Year Ended Sept. 30,	Gross Revenue		Less: Operation and Maintenance Expense		Net Pledge Revenue Available for Debt Services	Debt Service Requirements			Coverage
						Principal	Interest	Total	
2006	\$	46,257,013	\$	39,437,417	\$ 6,819,596	\$ -	\$ 2,673,160	\$ 2,673,160	2.55
2007		49,694,293		39,067,324	10,626,969	575,000	2,629,729	3,204,729	3.32
2008		47,901,111		44,365,015	3,536,096	600,000	4,228,044	4,828,044	0.73
2009		54,774,922		44,042,317	10,732,605	625,000	3,350,348	3,975,348	2.70
2010		57,655,512		45,345,525	12,309,987	480,000	2,057,171	2,537,171	4.85
2011		53,560,437		38,783,305	14,777,132	1,430,000	2,680,183	4,110,183	3.60
2012		45,725,647		32,285,000	13,440,647	1,620,000	2,747,512	4,367,512	3.08
2013		48,382,824		35,382,805	13,000,019	2,430,000	2,691,964	5,121,964	2.54
2014		49,253,533		36,664,439	12,589,094	1,765,000	2,652,149	4,417,149	2.85
2015		47,573,273		34,597,872	12,975,401	1,735,000	2,784,944	4,519,944	2.87

Notes: 1 Schedule includes debt service requirements for Electric Revenue Bonds, Series 2005A, 2005B, 2007, 2009A, 2009B, 2010, 2014 and 2014A.

The bonds and interest due thereon are payable from and secured by a prior lien upon a pledge of the net revenues derived by the City from the operation of the Electric System.

2 Gross Revenues are defined by the bond covenants as all income and earnings derived by the City from the ownership, operation, leasing, or use of the system and investment income, excluding capital expansion and system improvement grants.

3 Operation and maintenance expenses are defined as the cost of operation and maintenance as defined by the bond covenant, as current expenses, paid or accrued, less depreciation and amortization expenses.

4 Pledge revenues are defined as gross revenues less operation and maintenance expense.

5 Debt service coverage fell below the required minimum of 1.25 in fiscal year 2008 due to high interest costs on auction rate bonds and underrecovery of fuel costs. The City has since refunded most of the auction rate bonds with fixed rate bonds and reviews its fuel cost recovery rates on a quarterly basis and adjusts as necessary.

The City of Winter Park, Florida
Table 16
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	City Population	Orange County Population ¹	City Personal Income (Thousand)	City Per Median Household Income	Orange County Median Household Income	City Education		Unemployment Rate			
						High School Graduates	College Graduates	City of Winter Park	Orlando- Kissimmee MSA	Orange County	Florida
2006	28,620	1,079,524	\$ 1,310,646	\$ 44,976	N/A	3,432	11,992	2.6	3.1	3.1	3.3
2007	28,486	1,105,603	1,270,933	45,155	23,963	3,358	14,249	2.9	4.1	4.1	4.4
2008	28,921	1,114,979	1,367,573	48,227	23,776	2,686	8,033	5.0	6.5	6.4	6.9
2009	28,581	1,108,882	1,292,919	45,237	25,560	2,582	8,935	8.5	11.6	11.5	11.3
2010	28,434	1,145,956	1,260,678	44,337	28,117	3,071	10,368	9.1	11.8	11.8	12.1
2011	27,727	1,157,342	1,303,751	47,021	39,394	3,429	14,154	7.9	10.2	10.1	10.6
2012	27,728	1,175,941	1,311,673	47,305	52,624	3,419	12,136	6.9	8.5	8.4	8.6
2013	28,847	1,199,801	1,289,503	45,753	45,968	3,418	15,991	5.4	6.3	6.2	6.9
2014	29,073	1,227,995	1,393,865	44,504	50,738	3,700	12,485	4.6	5.7	5.6	6.1
2015	28,967	1,200,241	1,432,389	49,449	47,556	3,595	12,918	4.5	4.3	4.7	5.6

Sources: Information provided by BEBR, Metro Orlando EDC and the Community Redevelopment Agency.

Unemployment rate from State of Florida, Department of Labor and Employment Security, Bureau of Labor Market Information.
(http://www.labormarketinfo.com) Statistical Programs\ LAUS-Local Area Unemployment Statistics\Get detailed Statistics\Monthly
Data Table per year (includes city estimate)

Notes: N/A - Information is not available.

¹ Population for Orange County was revised with Metro Orlando EDC & BEBR.

The City of Winter Park, Florida
Table 17
Principal Employers
Current Fiscal Year

Employer	Type of Business	2015		
		Employees	City Rank	Percentage of Total City Employment
Florida Hospital Winter Park ¹	Health	1,579	1	10.85%
Orange County Schools ¹	Education	668	2	4.59%
City of Winter Park	Government	500	3	3.44%
Gecos Inc	Construction	450	4	3.09%
Publix	Food Retailer/Supermarket chain	299	5	2.05%
Rollins College	Education	298	6	2.05%
Other Employers	Various	<u>10,762</u>		<u>73.94%</u>
Total Labor Force		<u><u>14,556</u></u>		<u><u>100.00%</u></u>

Sources: Labor Force from State of Florida, Department of Labor and Employment Security, Bureau of Labor Market Information.
(http://www.labormarketinfo.com) Statistical Programs\ LAUS-Local Area Unemployment Statistics\get detailed statistics\Monthly Data Table per year,
Metro Orlando EDC.

¹ Source used for employees is Dun & Bradstreet reports.

The City of Winter Park, Florida
Table 18
Full-Time Authorized City Government Employees by Function
Last Ten Fiscal Years

Function/Program	Full-time authorized Employees as of September 30,										2015
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	
General Government											
City Manager	4	4	4	4	3	3	3	3	4	3	3
Budget										1	1
City Clerk	2	2	2	2	2	2	2	2	2	2	2
Communications	4	4	4	4	3.5	3.5	3.5	3.5	3.5	4	4
Human Resources	3	3	4	4	4	4	4	4	3	3	3
Purchasing	4	4	4	4	3	3	3	3	3	3	3
Information Technology Services	7	7	7	7	7.5	7.5	7.5	7.5	7.5	7.5	8
Finance	9	9	10	10	9	9	9	9	9	9	9
Police	120	120	120	120	118	115	115	114	114	114	114
Fire	72	73	73	74	74	77	77	76	78	81	82
Public Works	41	36	36	36	34	34	35	35	35	35	34
Planning/Building & Code Enforcement	23	24	26	26	22	18	20	20	20	20	19
Parks/Recreation	83	85	85	85	74	72	74	77	71	62	62
Subtotal for General Fund	<u>372</u>	<u>371</u>	<u>375</u>	<u>376</u>	<u>354</u>	<u>348</u>	<u>353</u>	<u>354</u>	<u>350</u>	<u>344</u>	<u>344</u>
Special Revenue											
Stormwater Utility	21	25	27	27	21	21	21	22	22	22	22
Community Redevelopment	3	3	4	3	5	4	3	3	3	2	4
Subtotal for Special Revenue	<u>24</u>	<u>28</u>	<u>31</u>	<u>30</u>	<u>26</u>	<u>25</u>	<u>24</u>	<u>25</u>	<u>25</u>	<u>24</u>	<u>26</u>
Business-Type											
Water/Sewer Service	129	132	137	138	134	131	125	125	119	119	116
Electric Service	1	3	4	4	4	4	3	3	6	3	3
Golf Course	5	5	6	6	6	6	6	0	0	-	-
Subtotal for Business-Type	<u>135</u>	<u>140</u>	<u>147</u>	<u>148</u>	<u>144</u>	<u>141</u>	<u>134</u>	<u>128</u>	<u>125</u>	<u>122</u>	<u>119</u>
Internal Service											
Fleet	12	12	13	13	13	12	12	12	12	10	10
General Insurance	1	1	1	1	1	1	1	1	1	1	1
Subtotal for Internal Services	<u>13</u>	<u>13</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>11</u>	<u>11</u>
Total	<u>544</u>	<u>552</u>	<u>567</u>	<u>568</u>	<u>538</u>	<u>527</u>	<u>524</u>	<u>520</u>	<u>516</u>	<u>501</u>	<u>500</u>

Source: City Annual Budget

The City of Winter Park, Florida
Table 19
Operating Indicators by Function/ Program
Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Function										
Police⁽¹⁾										
Calls for Services	77,761	87,401	81,256	76,578	69,792	73,126	62,214	68,240	84,936	43,036
Average Response times	1:59	2:05	2:27	2:18	2:16	2:17	2:32	2:26	2:51	2:25
Felony & misdemeanor arrests	1,611	1,496	1,295	1,331	928	519	942	1,125	883	495
Traffic accidents and citations	12,311	13,804	14,297	14,364	12,716	10,059	10,347	13,026	14,317	15,351
Fire⁽²⁾										
Baseline Measurement (Fire) at 90%										
Call Handling-Pick-up to dispatch	N/A	N/A	N/A	:64	:63	:65	:47	:54	:55	:50
Turnout-1st Unit-All Priority One Calls	N/A	N/A	N/A	2:03	2:07	2:07	:53	:58	1:11	1:30
Travel										
Travel 1st Unit-Distribution	N/A	N/A	N/A	6:06	5:55	5:55	4:09	7:33	6:30	6:10
Travel Time Effective Response-Concentration	N/A	N/A	N/A	8:24	8:24	8:38	5:43	6:09	5:33	5:50
Total Response Time										
Travel 1st Unit on Scene-Distribution	N/A	N/A	N/A	8:36	8:25	8:25	7:38	7:56	7:35	7:30
Travel Time Effective Response-Concentration	N/A	N/A	N/A	11:24	11:24	11:33	9:53	8:01	9:41	8:50
Baseline Measurement (EMS) at 90%										
Call Handling-Pick-up to dispatch	N/A	N/A	N/A	:66	:64	:65	:60	:54	:54	:59
Turnout-1st Unit-All Priority One Calls	N/A	N/A	N/A	2:44	2:03	2:07	1:14	:58	1:14	:0.50
Travel										
Travel 1st Unit-Distribution	N/A	N/A	N/A	6:25	6:06	5:55	4:07	5:57	5:19	5:25
Travel Time Effective Response-Concentration	N/A	N/A	N/A	9:12	11:53	8:38	5:54	5:33	5:32	6:49
Total Response Time										
Travel 1st Unit on Scene-Distribution	N/A	N/A	N/A	8:58	8:36	8:25	7:24	7:15	7:13	7:54
Travel Time Effective Response-Concentration	N/A	N/A	N/A	11:18	14:38	11:33	9:38	8:05	7:40	8:41
Public Works										
Traffic Control										
New signs made/installed	560	731	1,022	1,802	1,989	532	427	654	498	953
Signs repaired	150	148	191	295	515	160	199	87	176	306
Environmental Protection										
Linear feet of new pipe installed	2,500	1,132	2,869	2,495	2,086	1,008	2,074	1,008	340	1,480
Linear feet of damaged pipe replaced	300	184	163	140	136	215	230	104	96	64
Standard inlets installed	20	15	28	20	40	15	12	4	6	12
Street sweepers (miles per week)	157	161	162	130	130	130	130	125	125	125
Leaves removed and hauled (cubic yards)	1,160	1,469	2,035	1,462	1,750	2,700	2,700	5,040	4,070	3,701
Fleet										
Percent of entire fleet availability	99.04%	99.15%	99.21%	99.37%	99.11%	99.20%	99.26%	98.23%	98.05%	98.33%
Preventive maintenance completed	1,859	1,698	1,741	1,484	1,259	1,672	1,171	1,176	1,108	1,450
Building and Code Enforcement										
Permits issued	6,121	5,490	4,242	3,417	4,351	3,684	3,700	4,880	6,336	6,437
Construction value of permits issued (millions)	\$ 195	\$ 123	\$ 98	\$ 65	\$ 188	\$ 176	\$ 221	\$ 384	\$ 194	\$ 182
Parks and Recreation										
Youth Programs:										
Average hours of field use (hrs)	460	N/A	N/A	N/A	N/A	N/A	5,000	5,000	5,000	6,152
Average hours of field use for Summer Sport Camps (hrs)	13	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Recreation facilities events per month	105	95	95	128	90	90	179	201	181	220

Source: Various City departments.

Notes:

⁽¹⁾ Provided for calendar year.

⁽²⁾ New Performance measure indicators adopted by City Commission in December 2010.

N/A - Information is not available.

City of Winter Park, Florida
Table 20
Supplemental Operating Indicators for:
Water & Sewer-Customers
September 30, 2015

		NUMBER OF WATER SYSTEM CUSTOMERS				
		10-11	11-12	12-13	13-14	14-15
Commercial:						
	Inside	1,680	1,692	1,727	1,745	1,747
	Outside	1,171	1,146	1,149	1,136	1,150
Multi-Dwelling:						
	Inside	349	347	351	344	337
	Outside	584	586	593	583	584
Public Authority:						
	Inside	215	218	222	220	223
	Outside	54	53	58	58	61
Residential:						
	Inside	10,668	10,702	10,754	10,824	10,840
	Outside	8,512	8,541	8,499	8,493	8,540
Total Inside		12,912	12,959	13,054	13,133	13,147
Total Outside		10,321	10,326	10,299	10,270	10,335
Total Customers		23,233	23,285	23,353	23,403	23,482

MAJOR WATER AND SEWER USERS (CONSUMPTION = 1,000 GALLONS)				
Inside City Limits				
	Rollins College			38,409
	Adventist Health Systems (Winter Park Hospital)			31,208
	Winter Park Towers			18,869
	Orange County Schools,Court,Rec			17,557
	Winter Park Town Center, LTD			15,867
	City of Winter Park			12,885
	The Mayflower			12,693
	Four Seasons Condo			9,443
	Waterfall Cove at Winter Park			8,891
	The Meadows			6,617
	Total Inside			172,439
Outside City Limits				
	Orange County Sewer & Water			39,010
	Sun Key Holdings, LLC			20,221
	BPK Winter Park LP			18,311
	Picerne Development Corp			18,023
	Hidden Oaks Condo			15,104
	ZMG Property Mgmt Division LLC			14,511
	Azure Winter Park			14,456
	Nespa Admin Services:Oakwood,Frenchman Cove			13,684
	Summerwalk Partners LLC			13,510
	WP 436 Aparments			13,496
	Total Outside			180,326
Total Consumption of Largest Users (Inside and Outside)				352,765

City of Winter Park, Florida
Table 21
Supplemental Operating Indicators for:
Water & Sewer Operation-Usage
September 30, 2015

ANNUAL WATER USAGE (thousands of gallons)					
	10-11	11-12	12-13	13-14	14-15
Commercial:					
Inside	474,680	497,614	484,688	504,058	540,449
Outside	369,323	372,445	370,758	365,205	316,713
Multi-Dwelling:					
Inside	137,326	140,486	146,245	138,511	147,862
Outside	391,472	414,817	408,503	409,315	432,894
Public Authority:					
Inside	79,811	181,129	199,302	76,646	73,424
Outside	8,232	11,913	11,599	12,424	13,695
Residential:					
Inside	1,383,608	1,367,466	1,283,305	1,275,171	1,331,913
Outside	646,218	617,308	580,116	566,790	601,610
Total Inside	2,075,425	2,186,695	2,113,540	1,994,386	2,093,648
Total Outside	1,415,245	1,416,483	1,370,976	1,353,734	1,364,912
Total Consumption	3,490,670	3,603,178	3,484,516	3,348,120	3,458,560

ANNUAL SEWER USAGE (thousands of gallons)					
	10-11	11-12	12-13	13-14	14-15
Commercial:					
Inside	258,305	268,598	270,927	285,728	292,262
Outside	199,697	206,816	210,318	215,618	213,816
Multi-Dwelling:					
Inside	119,375	122,041	120,867	121,805	115,907
Outside	328,943	381,908	348,278	350,603	353,673
Public Authority:					
Inside	21,834	22,214	22,418	20,097	20,271
Outside	4,855	4,673	7,213	5,413	3,876
Residential:					
Inside	554,006	555,785	544,054	539,222	539,665
Outside	309,782	264,088	293,563	257,599	287,836
Total Inside	953,520	968,638	958,266	966,852	968,105
Total Outside	843,277	857,485	859,372	829,233	859,201
Total Consumption	1,796,797	1,826,123	1,817,638	1,796,085	1,827,306

City of Winter Park, Florida
Table 22
Water and Sewer Rates, Fees and Charges
September 30, 2015

Inside the City Limits				
		Water		
	Water (Residential)	(Commercial/ Public Authority)	Water (Irrigation)	Sewer
	Rates per 1,000 gallons of consumption			
Block 1	\$ 1.22	\$ 1.22	\$ 2.58	\$ 4.40
Block 2	1.81	1.81	3.45	4.40
Block 3	2.58	2.58	4.42	4.40
Block 4	3.45	3.45	6.41	4.40
Block 5	4.42	4.42	6.41	4.40
Block 6	6.41	6.41	6.41	4.40
Base ERM Charge	8.62	8.62	8.62	10.19
Additional Unit Charge	4.64	4.64	4.64	5.48

Outside the City Limits				
		Water		
	Water (Residential)	(Commercial/ Public Authority)	Water (Irrigation)	Sewer
	Rates per 1,000 gallons of consumption			
Block 1	\$ 1.52	\$ 1.52	\$ 3.22	\$ 5.50
Block 2	2.26	2.26	4.31	5.50
Block 3	3.22	3.22	5.52	5.50
Block 4	4.31	4.31	8.01	5.50
Block 5	5.52	5.52	8.01	5.50
Block 6	8.01	8.01	8.01	5.50
Base ERM Charge	10.78	10.78	10.78	12.73
Additional Unit Charge	5.80	5.80	5.80	6.85

ERM = Equivalent Residential Meter

Sewer charges are capped for residential customers without separate irrigation meters at 14,000 gallons.
--

Notes:

- (1) Rates on this table became effective April 1, 2015.

City of Winter Park, Florida
Table 22 (continued)
Water and Sewer Rates, Fees and Charges
September 30, 2015

Bills for water, sewer and irrigation service are determined using applicable rates in the table 21 and the block sizes in the table below based on customer class and meter size.

Block Structure Price Breaks by Meter Size:

Meter Size in Inches	Equivalent Meter Ratio	Usage Up To:				
		Block 1	Block 2	Block 3	Block 4	Block 5
		(1,000 gallons/month)	(1,000 gallons/month)	(1,000 gallons/month)	(1,000 gallons/month)	(1,000 gallons/month)
3/4	1	4	8	12	20	20
1	2 1/2	10	20	30	50	50
1 1/2	5	20	40	60	100	100
2	8	32	64	96	160	160
3	16	64	128	192	320	320
4	25	100	200	300	500	500
6	50	200	400	600	1,000	1,000
8	80	320	640	960	1,600	1,600
10	115	460	920	1,380	2,300	2,300

Residential Water Block Structure					
Usage Up To					Usage Over:
Block 1	Block 2	Block 3	Block 4	Block 5	Block 6
1,000 (gallons/month)	1,000 (gallons/month)	1,000 (gallons/month)	1,000 (gallons/month)	1,000 (gallons/month)	1,000 (gallons/month)
4	8	12	16	20	20

Irrigation Water Block Structure			
Usage Up To			Usage Over:
1,000 (gallons/month)	1,000 (gallons/month)	1,000 (gallons/month)	1,000 (gallons/month)
4	8	12	12

Notes:

- (1) Rates on this table became effective April 1, 2015.

City of Winter Park, Florida
Table 23
Supplemental Operating Indicators
for Electric Operations
September 30, 2015

ELECTRIC SYSTEM CUSTOMERS AND USAGE										
	10-11		11-12		12-13		13-14		14-15	
	# Customers	Killowatt Hours	# Customers	Killowatt Hours	# Customers	Killowatt Hours	# Customers	Killowatt Hours	# Customers	Killowatt Hours
Commercial:	2,165	212,212,990	2,329	213,918,639	2,366	212,962,006	2,374	218,597,990	2,383	217,765,411
Public Authority:	286	22,100,333	284	24,338,908	285	22,939,766	287	23,753,687	290	23,345,813
Residential:	11,413	191,429,281	11,648	177,778,338	11,828	177,364,535	12,021	183,271,300	12,292	187,371,272
Total Customers	13,864	425,742,604	14,261	416,035,885	14,479	413,266,307	14,682	425,622,977	14,965	428,482,496

MAJOR ELECTRIC USERS	
	Killowatt Hours
Rollins College	23,438,023
Adventist Health Systems (FL Hospital)	21,109,833
Orange County Schools	11,018,920
City of Winter Park	9,710,784
Publix Markets	8,875,675
Embarq Florida Inc	8,160,595
Mayflower Retirement Center, Inc	6,487,582
Prebysterian Retirement Center	5,428,992
250 Park Avenue Trustee, Inc	3,012,998
Alfond Inn	2,832,480
Charles H, Elizabeth Morse Genius	2,634,680
Central Florida YMCA	2,536,820
Whole Foods Market Group, Inc	2,183,620
Winter Park Retirement Center, Inc.	1,940,400
Regal Cinemas Inc	1,916,900
CD90 Mercantile Plaza LTD	1,817,776
Orthopaedic Clinic PA	1,779,559
The Chessecake Factory	1,777,520
Winter Park Towne Center	1,697,588
Rotech Medichal Corporation	1,501,069
Total Consumption of Largest Users	119,861,814

City of Winter Park, Florida
Table 24
Residential Electric Service Rates, Fees and Charges
September 30, 2015

Residential Rates		
Customer charge	\$ 9.35	per month
1st 1,000 kWh	\$ 0.064850	per kWh
All kWh above 1,000	\$ 0.076500	per kWh
Fuel Cost Recovery Factor, 1st 1,000 kWh	\$ 0.035790	per kWh
Fuel Cost Recovery Factor, all kWh above 1,000	\$ 0.045790	per kWh
Gross Receipts Tax	2.5641%	
Franchise Fee	6.0000%	
Electric Utility Tax	10.0000%	

Service Charges		
Opening an account at a new service location	\$ 61.00	
Reconnect service	\$ 29.00	
Reconnect service after a disconnection for nonpayment or violation of a rule or regulation	\$ 43.00	
Reconnection after normal business hours	\$ 86.00	
Dishonored check	\$ 25.00	or 5% of the check amount, whichever is greater
Subsequent Re-establishment of service	\$ 10.00	

Lighting Service (LS)		
This service is available from dusk to dawn with various automatically controlled light fixtures		
Fixture and Maintenance Charge		Depends upon fixture type
Customer charges (per line of billing):		
Metered Accounts	\$ 3.49	per month
Non Metered Accounts	\$ 1.22	per month
Energy and Demand Charge	\$ 0.023490	per kWh
Fuel Cost Recovery Factor	\$ 0.039690	per kWh
Gross Receipts Tax	\$ 0.025641	
Franchise Fee	\$ 0.060000	
Electric Utility Tax	\$ 0.100000	

Notes

- (1) Fuel Cost Recovery Factors are adjusted quarterly, if necessary, based on actual fuel costs.
- (2) Rates on this table became effective Oct 1, 2014.

City of Winter Park, Florida
Table 25
General Service Electric Rates, Fees and Charges
September 30, 2015

Non-Demand (GS-1)			
Rates will also apply to Temporary Service (TS-1)			
Customer charges:			
Non Metered Accounts	\$	6.96	per month
Metered Accounts:			
Secondary Delivery Voltage	\$	12.34	per month
Primary Delivery Voltage	\$	156.08	per month
Energy and Demand Charge	\$	0.065520	per kWh
Fuel Cost Recovery Factor	\$	0.039690	per kWh
Gross Receipts Tax	\$	0.025641	
Franchise Fee	\$	0.060000	
Electric Utility Tax	\$	0.100000	
Electric State Sales Tax	\$	0.070000	Commercial Only
Electric State Sales Tax Surcharge	\$	0.005000	Commercial Only

Non-Demand (100% Load Factor Usage (GS-2)			
(For customers with fixed wattage loads operating continuously throughout the billing period)			
Customer charges:			
Non Metered Accounts	\$	7.26	per month
Metered Accounts	\$	12.88	per month
Energy and Demand Charge	\$	0.033090	per kWh
Fuel Cost Recovery Factor	\$	0.039690	per kWh
Gross Receipts Tax	\$	0.025641	
Franchise Fee	\$	0.060000	
Electric Utility Tax	\$	0.100000	
Electric State Sales Tax	\$	0.070000	Commercial Only
Electric State Sales Tax Surcharge	\$	0.005000	Commercial Only

Demand (GSD-1)			
Rates will also apply to Temporary Service (TS)			
Applicable to any customer other than residential with a measurable annual kWh consumption of 24,000 kWh or greater per			
Customer charges:			
Secondary Delivery Voltage	\$	12.82	per month
Primary Delivery Voltage	\$	162.19	per month
Demand Charge	\$	4.480000	per kWh
Energy Charge	\$	0.037380	per kWh
Fuel Cost Recovery Factor	\$	0.039690	per kWh
Gross Receipts Tax	\$	0.025641	
Franchise Fee	\$	0.060000	
Electric Utility Tax	\$	0.100000	
Electric State Sales Tax	\$	0.070000	Commercial Only
Electric State Sales Tax Surcharge	\$	0.005000	Commercial Only

Lighting Service (LS-1)			
Rate schedules available upon request			
Fixture and Maintenance Charge			Depends upon fixture
Customer charges (per line of billing):			
Metered Accounts	\$	3.49	per month
Non Metered Accounts	\$	1.22	per month
Energy and Demand Charge	\$	0.023490	per kWh
Fuel Cost Recovery Factor	\$	0.045530	per kWh
Gross Receipts Tax	\$	0.025641	
Franchise Fee	\$	0.060000	
Electric Utility Tax	\$	0.100000	
Electric State Sales Tax	\$	0.070000	Commercial Only
Electric State Sales Tax Surcharge	\$	0.005000	Commercial Only

Temporary Service (TS)			
(Rates from appropriate General Service schedules are applied)			
Applicable to any customer for temporary service such as displays, construction, fairs, exhibits and similar temporary			
Deposit required at the time of initiating service.			

Notes:

- (1) Rate changes on this table became effective on Oct 1, 2014.

The City of Winter Park, Florida
Table 26
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Function										
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	3	3	3	3	3	3	3	3	3	3
City Limits										
Square Miles	9.5	10	10	10	10	10	10	10	10	10
Streets										
Paved (miles)	124.0	133.0	133.0	133.0	133.0	133.0	133.0	133.0	133.0	133.0
Unpaved (miles)	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Sidewalks (miles)	99.0	137.0	137.3	155.0	155.0	155.0	155.0	155.0	156.0	156.0
Bikepaths (miles)	23.3	23.3	23.3	23.3	23.3	23.3	23.3	23.3	23.3	23.3
Culture and Recreation										
Recreation centers	6	6	6	3	3	4	6	6	6	6
Major Parks	7	7	7	7	12	9	13	13	15	15
Mini Parks & playgrounds	48	48	48	42	45	45	46	37	41	49
Parks acreage	292	293	293	298	298	298	298	298	336	346
Fleet										
Vehicles and other heavy equipment	404	400	400	400	400	400	400	400	413	413
Water & Sewer										
Water Plants ⁽¹⁾	4	3	3	3	3	3	3	3	3	3
Re-pump station ⁽¹⁾	-	1	1	1	1	1	1	1	1	1
Water mains (miles)	553	555	555	556	558	558	559	559	560	560
Water maximum capacity (thousands of gallons)	26,808	28,800	28,800	28,800	28,800	28,800	28,400	28,400	28,800	28,800
Deep wells	8	8	8	8	8	8	8	6	6	6
Sewer force mains (miles)	42.3	44	44	44	44	44	45	45	45	45
Sewer gravity lines (miles)	139	140	142	142	143	143	143	143	147	147
Lift stations	87	87	87	87	87	86	101	101	104	104
Stormwater stations	2	2	2	2	2	2	2	2	2	2
Disposal (Wastewater) plants	1	1	1	1	1	1	1	1	1	1
Electric										
Electric Substations	2	2	2	2	2	2	2	2	2	2

Sources: Various City departments

Notes:

⁽¹⁾ From 2007, the City had three water plants and one re-pump station. Prior to that, we had four water plants.

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

Mayor and City Commission
City of Winter Park, 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 Park, Florida (the "City") as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 22, 2016.

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 the 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 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 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.

Mayor and City Commission
City of Winter Park, Florida

Compliance and Other Matters

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

We noted certain matters that we have reported to management of the City in a separate letter dated March 22, 2016.

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.

A handwritten signature in blue ink that reads "Moore Stephens Lovelace, P.A.".

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 22, 2016

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133**

Mayor and City Commission
City of Winter Park, Florida

Report on Compliance for Each Major Federal Program

We have audited the compliance of the City of Winter Park, Florida (the "City") with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") Circular A-133 *Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2015. The City's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2015.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 22, 2016, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis, as required by OMB Circular A-133, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

Mayor and City Commission
City of Winter Park, Florida

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133 (Cont.)

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in blue ink that reads "Moore Stephens Lovelace, P.A.".

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 22, 2016

The City of Winter Park, Florida
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2015

Agency/Federal Program	CFDA Number	Grant/Contract Number	Award Amount	Federal Expenditures
<u>U.S. Department of Homeland Security</u>				
Pass-through State of Florida, Department of Financial Services, Division of Emergency Management				
Homeland Security Grant Program	97.067	15-DS-P4-06-58-02-383	\$ 13,000	\$ 10,611
Homeland Security Grant Program	97.067	14-DS-L5-06-58-02-397	26,000	4,137
Total U.S. Department of Homeland Security				<u>14,748</u>
<u>U.S. Department of Agriculture</u>				
Pass-through State of Florida, Department of Agriculture				
Urban and Community Forestry	10.664	21537	20,000	20,000
Total U.S. Department of Agriculture				<u>20,000</u>
<u>U.S. Department of Transportation</u>				
Pass-through State of Florida, Department of Transportation				
Electronic Citation Reporting	20.616	ART04	162,660	161,450
Operation No Buzz, No Fuzz	20.616	ARD08	61,430	21,358
Total Federal Transit Administration				<u>182,808</u>
<u>U.S. Environmental Protection Agency</u>				
Pass-through State of Florida, Department of Environmental Protection				
Lake Forrest Retention Pond	66.460	GO354	249,000	249,000
Total U.S. Environmental Protection Agency				<u>249,000</u>
<u>U.S. Department of Justice</u>				
Edwards Byrne Memorial Justice Assistance Grant Program	16.738	2015-JAGC-ORAN-6-R3-196	10,000	10,000
Edwards Byrne Memorial Justice Assistance Grant Program	16.738	2015-JAGD-ORAN-2-R1-131	7,784	7,740
Bulletproof Vest Partnership Program-OJP Vest Partnership	16.607	OMB #1121-0235	5,438	5,438
HIDTA - High Intensity Drug Traffic Area	95.001	G14CF0011A	833,825	419,096
HIDTA - High Intensity Drug Traffic Area	95.001	G15CF0011A	958,674	501,939
Total U.S. Department of Justice				<u>944,212</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>\$ 1,410,768</u>

NOTE 1 Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes federal awards activity of the City of Winter Park, Florida. Grant revenues are recognized only when allowable program costs have been incurred. This revenue recognition criteria for grants is applied to all funds. In addition, grant revenues are recognized in governmental funds when the availability criteria has been met. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*.

CITY OF WINTER PARK, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2015

Section I - Summary of Independent Auditor's Results

Financial Statements

Type of Auditor's Report Issued:

Unmodified Opinion

Internal control over financial reporting:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None reported

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies)? ___ Yes X None reported

Type of report issued on compliance for major federal program: **Unmodified Opinion**

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? ___ Yes X No

Identification of Major Programs:

CFDA Number

Name of Federal Program or Cluster

95.001

HIDTA – High Intensity Drug Traffic Area

Dollar threshold used to distinguish between Type A and Type B programs:

\$300,000

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

CITY OF WINTER PARK, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)

For the Year Ended September 30, 2015

Section II - Findings Related to the Financial Statement Audit, as required to be reported in accordance with *Government Auditing Standards*.

No matters are reported.

Section III - Federal Award Findings and Questioned Costs Section reported in accordance with OMB Circular A-133.

No matters are reported.

Section IV - Status of Prior Year Findings

No matters were reported in the prior year affecting federal financial assistance programs.

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Mayor and City Commission
City of Winter Park, Florida

Report on the Financial Statements

We have audited the basic financial statements of the City of Winter Park, Florida (the "City"), as of and for the fiscal year ended September 30, 2015, and have issued our report thereon dated March 22, 2016.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, *Rules of the Auditor General*.

Other Reports and Schedule

We have also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133, Schedule of Findings and Questioned Costs, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 22, 2016, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report, except as noted in our *Management Letter Schedule of Observations and Recommendations*.

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 is disclosed in the notes to the financial statements.

Financial Condition

Section 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, requires that we report 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 identification of the specific condition(s) met. In connection with our audit, the results of our tests did not indicate that the City met any of the conditions described in Section 218.503(1), Florida Statutes.

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

Annual Financial Report

Section 10.554(1)(i)5.b. and 10.556(7), *Rules of the Auditor General*, requires that we report the results of our determination as to whether the annual financial report for the City for the fiscal year ended September 30, 2015, filed with the Florida Department of Financial Services, pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2015. In connection with our audit, we determined that these two reports were in agreement.

Special District Component Units

Section 10.554(1)(i)5.d., *Rules of the Auditor General*, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Other Matters

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. Please refer to the attached *Management Letter Schedule of Observations and Recommendations*.

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

Purpose of this Letter

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

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 22, 2016

CITY OF WINTER PARK, FLORIDA

MANAGEMENT LETTER SCHEDULE OF OBSERVATIONS AND RECOMMENDATIONS

Fiscal Year Ended September 30, 2015

PRIOR YEAR MANAGEMENT LETTER COMMENTS

MLC 2013-04 PURCHASING CARD POLICY

Criteria

As part of an effective control environment, policies should clearly define procedures and guide City employees in handling certain transactions in accordance with the related policy.

Condition

During our audit, we noted that the City has been increasing its use of purchasing cards for acquiring goods and services over the past few years. Due to this increase of transactions, the current policy may not accurately reflect current procedures.

Cause

The City has been steadily increasing its purchases through its purchasing card program.

Effect

Without a periodic review of current policies and procedures, the City may enter into transactions that are not specifically defined in its adopted policies and procedures.

Current Year Status

The City has taken corrective action to address this comment.

MLC 2014-01 ASSET DISPOSAL DOCUMENTATION

Criteria

As part of an effective control environment, policies and procedures should be followed by City employees in handling asset disposal transactions in accordance with the related policy.

Condition

During our audit, we noted that the City did not document the Purchasing Manager's approval for the disposal of City vehicles.

Cause

It appears the lack of documented approval was an oversight by the City.

Effect

Without proper documentation of City approval of asset disposal transactions, the City is not in compliance with its adopted policies and procedures.

Current Year Status

During our testing, we noted instances of disposals that lacked documented approval.

Recommendation

We recommend that the City review its current policy on asset disposal to ensure it has documented all approvals required for asset disposal.

CURRENT YEAR MANAGEMENT LETTER COMMENTS

MLC 2015-01 DOCUMENTING PAY CHANGES

Criteria

Pay change authorization forms should document the Human Resources Manager and the City Manager's signature and approval.

Condition

During our audit, it was noted that pay change authorization forms were not signed by the Human Resources Manager or the City Manager.

Cause

There is no periodic review of pay changes in employee records.

Effect

Absence of review processes could lead to employee files being incomplete.

Recommendation

We recommend that the City implement a periodic review of changes in its employees' files to ensure all required documentation is present.

INDEPENDENT ACCOUNTANT'S REPORT

Mayor and City Commission
City of Winter Park, Florida

We have examined the City of Winter Park, Florida's (the "City") compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2015. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2015.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 22, 2016

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CITY OF WINTER PARK

401 Park Avenue South

Winter Park, Florida

32789-4386

March 22, 2016

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

Re: Responses to Independent Auditor's Management Letter

City staff has developed the following responses to comments and findings prepared by the independent auditors:

MLC 2014-01 Asset Disposal Documentation:

The City concurs with this comment. Procedures have been put in place to ensure approvals for asset disposal are properly documented.

MLC 2015-01 Documenting Pay Changes:

The City concurs with this comment. The Action Records that were not signed by either the Human Resources Manager or City Manager were of a routine nature. Two were for annual merit increases based on the employees' performance evaluation and one was for the conclusion of service for a part-time summer lifeguard at the end of the summer. These should have been signed by the Human Resources Manager but did not require City Manager approval. Procedures have been put in place to ensure all necessary approvals for pay changes are properly documented.

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city commission agenda item

Item type	Non-Action Item	meeting date	March 28, 2016		
prepared by	Troy Attaway/Dan D'Alessandro	approved by	<input checked="" type="checkbox"/>	City Manager	
department	Public Works		<input type="checkbox"/>	City Attorney	
division	Electric Utility		<input type="checkbox"/>	N/A	
board approval	UAB (presented to them)	<input type="checkbox"/> yes	<input type="checkbox"/> no	<input checked="" type="checkbox"/> N/A	No vote taken
strategic objective	<input checked="" type="checkbox"/> Exceptional Quality of Life	<input checked="" type="checkbox"/> Fiscal Stewardship			
	<input type="checkbox"/> Intelligent Growth & Development	<input checked="" type="checkbox"/> Public Health & Safety			
	<input checked="" type="checkbox"/> Investment in Public Assets & Infrastructure				

subject

Update on City's Electric Underground Plan

motion | recommendation

Accept report.

background

In 2012 the Electric Department prepared a long range plan to underground the existing overhead electric lines throughout the electric service area. This plan has been in implementation for 3 years and the purpose of this presentation is to provide an update on the status of the plan and to recommend slight modifications to the plan going forward based on lessons learned in order to maximize efficiency of both time and capital expenditures.

alternatives | other considerations

n/a

fiscal impact

No additional outlay of capital spending above previously planned.

REGULAR MEETING OF THE CITY COMMISSION
March 14, 2016

The meeting of the Winter Park City Commission was called to order by Mayor Steve Leary, at 3:30 p.m. in the Commission Chambers, 401 Park Avenue South, Winter Park, Florida. The invocation was provided by Reverend Shawn Garvey, First Congregational Church, followed by the Pledge of Allegiance led by Samira, Michael, Ghazi and Zara Blommel.

Members present:

Mayor Steve Leary
Commissioner Greg Seidel
Commissioner Sarah Sprinkel
Commissioner Tom McMacken
Commissioner Carolyn Cooper

Also present:

City Manager Randy Knight
City Attorney Kurt Ardaman
Executive Assistant Michelle Bernstein (in
absence of City Clerk)

Approval of the agenda

Motion made by Commissioner McMacken to approve the agenda; seconded by Commissioner Seidel and carried unanimously with a 5-0 vote.

Mayor's Report

- a. Business Recognition Award Recipient – Fourth Quarter 2015 – Peterbrooke Chocolatier

Mayor Leary recognized Peterbrooke Chocolatier as the 4th quarter 2015 Business Recognition Award recipient. Planning Director Dori Stone presented them with a plaque and spoke about the support they provide.

- b. Employee Recognition – 5 to 35 years of service

City Manager Knight recognized employees who reached milestone anniversaries of their service to the City.

- c. Proclamation – Bike To Work Month

Mayor Leary presented a proclamation recognizing March 2016 as Bike To Work Month. Butch Margraf thanked Healthy Central Florida and the Pedestrian and Bicycle Board for their support of the event and spoke about other upcoming bicycle events.

City Manager's Report

City Manager Knight announced the Art Festival this weekend. Staff was recognized for the fine work at the Lyman/New York Avenue railroad tracks and for their work with the golf course shapers and architects. Commissioner Cooper asked about the development on Lee Road (condos on the Lake) where there are no fences around the trees being saved. Mr. Knight will follow up.

City Attorney's Report

Attorney Ardaman reported about the Rollins College bowling property contract that will be signed and the Showalter Field agreement that will be worked out tomorrow.

Non-Action Item

No items.

Consent Agenda

- a. Approve the minutes of February 22, 2016.
- b. Approve the following purchase and contracts:
 1. PR159497 to Perma Liner Industries Inc. for the purchase of F10 Trailered Lining System Package; \$125,147.13.
 2. Amendment 4 to Miller Legg, RFQ-2-2012, Continuing Contracts for Professional, Architectural & Engineering Services (Landscape Architectural Services); and authorize the Mayor to execute the renewal.
 3. Amendment 4 to Matern Professional Engineering, RFQ-2-2012, Continuing Contracts for Professional, Architectural & Engineering Services (Green Planning & Engineering Services); and authorize the Mayor to execute the renewal.
 4. Amendment 4 to Kelly, Collins & Gentry, Inc., RFQ-2-2012, Continuing Contracts for Professional, Architectural & Engineering Services (Roadway Design); and authorize the Mayor to execute the renewal.
 5. Amendment 4 to Southeastern Surveying and Mapping, RFQ-2-2012, Continuing Contracts for Professional, Architectural & Engineering Services (Surveying Services); and authorize the Mayor to execute the renewal.

Motion made by Commissioner McMacken to approve the Consent Agenda; seconded by Mayor Leary. Commissioner Seidel recused himself from voting on items b.2, b.4 and b.5 (Form 8B attached) due to a conflict of interest. No public comments were made. The motion carried unanimously with a 5-0 vote (for the remainder of the consent agenda).

Action Items Requiring Discussion

- a. Participation in South Seminole North Orange County Wastewater Transmission Authority (SSNOCWTA) bond issue

City Manager Knight introduced Ed Guilda-Rubio, SSNOCWTA Executive Director. Mr. Knight stated we are a member and that they are asking the City's participation in their bond issue which will take care of their capital plan. Mr. Guilda-Rubio briefed the Commission on the background of SSNOCWTA. Stefano _ of Reiss Engineering provided a PowerPoint presentation regarding the SSNOCWTA Capital Improvement Plan Budget and Direct Loan Plan.

Upon discussion and questions for clarification purposes, **motion made by Commissioner Sprinkel to approve the City of Winter Park participation in the SSNOCWTA bond issue; seconded by Commissioner McMacken.** No public comments were made. **Upon a roll call vote, Mayor Leary and Commissioners Seidel, Sprinkel, Cooper and McMacken voted yes. The motion carried unanimously with a 5-0 vote.**

- b. Funding options for acquisition of property at 1111 W. Fairbanks Avenue (former bowling alley)

City Manager Knight stated this was previously discussed and is now dealing with the funding sources for the acquisition of the bowling alley property. He clarified that approval has already been granted for \$1 million to be paid out of CRA funds and that this deals with the remaining amount of \$1.9 million plus closing costs. He provided the two funding options: the remainder of the entire amount to come out of the General Fund Reserves; or fund \$394,985 from the Parks Acquisition Funds and \$646,367 from the Parks Impact Fee Funds and the remainder of approximately \$858,648 plus closing costs funded from the General Fund Reserves.

Mayor Leary expressed concerns with using parks funds because of other potential parkland purchases and because we do not know at this time what the use of the property will be. **Motion made by Mayor Leary to take the remaining funds out of General Fund Reserves for now; seconded by Commissioner McMacken for discussion.**

Commissioner Cooper wanted to ensure that this property would be a park if funds were taken out of parks funds. Commissioner McMacken envisioned the property as an addition to MLK Park but expressed the importance to acquire the property without knowing the use at this time. Commissioner Sprinkel agreed with the property becoming a park. Discussion ensued that if they took the funds out of the Parks Impact fees and the property does not become a park that the fund would have to be reimbursed. Commissioner Seidel addressed the master park plan and the visioning process not being completed yet and did not want to tie up parks funds if there were other parkland purchase opportunities so he was comfortable using Reserves at this time.

Nancy Shutts, 2010 Brandywine Drive, agreed with taking the funds out of the General Fund Reserves since there is no plan for the property at this time and then determine what the property will be used for.

Upon a roll call vote, Mayor Leary and Commissioners Seidel, Sprinkel, Cooper and McMacken voted yes. The motion carried unanimously with a 5-0 vote.

c. Police Department's 2015-2018 Strategic Plan Update

Police Chief Brett Railey summarized the 2015-2018 Strategic Plan. Beginning on September 3, 2015 Police Department members and the command staff began a review of the current Strategic Plan to better align the plan with current advancements in the policing profession. Over the next six months collaboration with Core Command, Supervisory, Officer, Citizen and Civil Service Members had an opportunity to review and contribute to the Strategic Plan process that will carry the department into the next three years. This update revised the Mission and Vision Statements, added 5 new plan goals and 17 strategies using the President's Report on 21st Century Policing and our current plan as a template. Chief Railey provided their vision statement and their mission statement.

Motion made by Commissioner Sprinkel to accept the strategic plan, seconded by Commissioner Cooper and carried unanimously with a 5-0 vote.

d. Showalter Field renovation and new Use Agreements with Orange County Public Schools and Rollins College

Parks and Recreation Director John Holland provided an update on the status of the Showalter Field agreement. He asked for the following: 1) to approve the funding and operational terms for the installation of synthetic turf and new running track for Showalter Field; 2) to approve the execution of the piggyback contract with FieldTurf (A Tarkett Sports Company) for the engineering and installation of the synthetic turf on Showalter Field; and 3) to move forward with negotiations for a new Use Agreement with the School Board of Orange County, Florida that would terminate the current Lease Agreement.

Mr. Holland summarized the 40 year lease agreement of 1993 for Showalter Field whereby the School Board has managed and maintained the facilities and field in exchange for exclusive use of the property. During the past 23 years the facility has been well used and is currently showing the signs of the heavy use. Local athletics clubs, parenting organizations and foundations have recently come forward offering assistance in bringing the facility back up to the standards of other Orange County High School stadiums. Fundraising for the installation of a synthetic turf playing field has been primary goal of these supporters. In meeting with the School Board representatives it has become clear the responsibility of installation, maintenance and replacement of a synthetic turf field is not within the future planning or budget of the School Board.

The new use agreement will shift the installation costs and maintenance responsibilities of a new synthetic turf playing field, running track and stadium facilities to the City. The new use agreement will provide priority use of the turf field and Showalter East to Winter Park High School in exchange for an annual payment. Rollins College would also participate in the funding of the synthetic turf installation in exchange for secondary scheduling privileges of Showalter field and

Showalter East for practices. The City would have all open schedule times to rent the fields and facilities to other paying teams and organizations.

Mr. Holland concluded that they need to move quickly with this. Mayor Leary addressed the necessity to update this facility and to partner with the other organizations that are within the city limits and to protect this City property for its residents. Commissioner Seidel spoke about the financial worksheet provided and the annual budget. Commissioner Sprinkel commented about the importance that Winter Park High School has priority use of the field and facility. Commissioner Cooper commented that the City over the years has not been able to share in the use of the stadium and that this must be deferred to Winter Park High School. Commissioner McMacken addressed the importance that the City be able to utilize the field as well as the other parties. Attorney Ardaman spoke about their negotiations. The financials and budget was discussed.

Motion made by Mayor Leary to continue the discussions; seconded by Commissioner Sprinkel and carried unanimously with a 5-0 vote.

Public Hearings:

- a. ORDINANCE NO. 3031-16: AN ORDINANCE OF THE CITY OF WINTER PARK, FLORIDA, AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$21,000,000 ELECTRIC REFUNDING REVENUE BONDS OF THE CITY TO FINANCE THE REFUNDING OF A PORTION OF ITS OUTSTANDING ELECTRIC REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2007 AND PAYING THE COSTS OF ISSUANCE THEREOF; PROVIDING FOR THE PAYMENT OF SUCH BONDS FROM THE NET REVENUES DERIVED FROM THE ELECTRIC SYSTEM OF THE CITY ON PARITY WITH THE CITY'S OUTSTANDING ELECTRIC REVENUE BONDS; PROVIDING FOR THE SALE OF SUCH BONDS PURSUANT TO A COMPETITIVE PUBLIC SALE OR A NEGOTIATED PUBLIC SALE; AND PROVIDING AN EFFECTIVE DATE. Second Reading

Attorney Ardaman read the ordinance by title.

Motion made by Commissioner Sprinkel to adopt the ordinance, seconded by Commissioner McMacken. No public comments were made. **Upon a roll call vote, Mayor Leary and Commissioners Seidel, Sprinkel, and McMacken voted yes. The motion carried unanimously with a 4-0 vote. Commissioner Cooper was absent for the vote.**

- b. Request of Alfredas Sumanas for the property located at 1240 Fairview Avenue:

ORDINANCE NO. 3032-16: AN ORDINANCE OF THE CITY OF WINTER PARK, FLORIDA AMENDING CHAPTER 58, "LAND DEVELOPMENT CODE", ARTICLE I "COMPREHENSIVE PLAN" FUTURE LAND USE MAP SO AS TO CHANGE THE FUTURE LAND USE DESIGNATION OF OFFICE TO COMMERCIAL DESIGNATION ON THE PROPERTY AT 1240 FAIRVIEW AVENUE, MORE PARTICULARLY DESCRIBED HEREIN, PROVIDING FOR CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE. Second Reading

ORDINANCE NO. 3033-16: AN ORDINANCE AMENDING CHAPTER 58 "LAND DEVELOPMENT CODE" ARTICLE III, "ZONING" AND THE OFFICIAL ZONING MAP SO AS TO CHANGE OFFICE (O-1) DISTRICT ZONING TO COMMERCIAL (C-3A) DISTRICT ZONING ON THE PROPERTY AT 1240 FAIRVIEW AVENUE, MORE PARTICULARLY DESCRIBED HEREIN, PROVIDING FOR CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE. Second Reading

Attorney Ardaman read both ordinances by title.

Motion made by Commissioner McMacken to adopt the first ordinance, seconded by Commissioner Sprinkel. No public comments were made. **Upon a roll call vote, Mayor Leary and Commissioners Seidel, Sprinkel, Cooper and McMacken voted yes. The motion carried unanimously with a 5-0 vote.**

Motion made by Commissioner McMacken to adopt the second ordinance, seconded by Commissioner Sprinkel. No public comments were made. **Upon a roll call vote, Mayor Leary and Commissioners Seidel, Sprinkel, Cooper and McMacken voted yes. The motion carried unanimously with a 5-0 vote.**

- c. Request of Z Properties: Subdivision or lot split approval to divide the property at 360 Beloit Avenue, zoned R-1A, into two single family building lots

This public hearing was tabled at the February 22 meeting. Planning Director Dori Stone addressed the lot split request, the zoning, the lot size comparison, and that transpired at the Planning and Zoning Board meeting. Commissioner Sprinkel expressed concerns with this request because of the impact to the cul-de-sac. Ms. Stone spoke about the P&Z motion to create the appearances of front entrances on Beloit Avenue.

Motion made by Commissioner Cooper to deny, seconded by Commissioner McMacken for discussion purposes.

Applicant Zane Williams, 271 N. Pennsylvania Avenue, spoke about their prior approvals from staff and the P&Z, the lot split being wider than currently seeing, and not having their front door facing Beloit Avenue. Commissioner Seidel stated he had conversations with the applicant and property owners and that the setbacks were comparable. Mr. Williams agreed to build a wall for the people directly behind the property before building the house. Mr. Williams answered other questions of the Commission. Commissioner Cooper expressed concerns with changing the character of Beloit Avenue.

Architect Gary Hancock spoke in favor of the design of the home and was available for questions.

Dennis Casey, 443 Beloit Avenue, stated he is not against the lot split but that the homes should face Beloit to keep the current character of the homes on Beloit Avenue.

Donna Colado, 327 Beloit Avenue, spoke in opposition to the request because of non-compliance with our R-1A and R-1AA codes.

Dick Gregor, 380 Waterfall Lane, opposed the request because he believed it was not advertised correctly (there were two zoning code violations and only one was listed in the public notice) and because of zoning concerns.

Carolyn Bird, 361 Beloit Avenue, opposed the request because they will look into the back yards of the homes if allowed to be built like this. She spoke against not abiding by the current zoning codes.

After discussion about the notice requirements, **motion made by Mayor Leary to table this until proper notice is given on both items; seconded by Commissioner Seidel. Upon a roll call vote, Mayor Leary and Commissioners Seidel, Sprinkel, Cooper and McMacken voted yes. The motion to table carried unanimously with a 5-0 vote.**

Upon discussion, a recess was taken from 5:35 to 5:51 p.m. to research the public notice that was provided. After research, the vote remained to table because staff was unable to locate the notice in question.

City Commission Reports:

a. Commissioner Seidel – Asked about the status of Progress Point. City Manager Knight stated we are evaluating options for bringing that forward. He stated we are waiting for a recommendation from the EDAB and P&Z Boards as how what type of entitlements it should have before we go out for bid. He reported that he and Commissioner Sprinkel attended the Base Camp for children with cancer. Asked for an electric update which will be on the next agenda.

b. Commissioner Sprinkel – Thanked staff for provided the Report Card and asked about electric undergrounding. She spoke about the upcoming events.

c. Commissioner Cooper – Asked everyone to vote tomorrow.

d. Commissioner McMacken – Encouraged people to vote. He spoke about his many years working on boards and the Commission and thanked staff for the last 18 years for their service and generosity that has meant a lot to him.

e. Mayor Leary – Reported about his trip to Tallahassee and meeting with the Secretary of DEP, the Senate President and a representative of the Governor's Office to discuss the 43 acre Howell Branch Preserve we are trying to acquire. He stated we have \$2 million in the budget and has made it to the Governor's desk (as with last year) and hopes it stays in the budget.

The meeting adjourned at 5:58 p.m.

Mayor Steve Leary

ATTEST:

City Clerk Cynthia S. Bonham, MMC



city commission agenda item

Item type	Action Item Requiring Discussion	meeting date	March 28, 2016
prepared by department division	Purchasing	approved by	<input checked="" type="checkbox"/> City Manager <input type="checkbox"/> City Attorney <input type="checkbox"/> N/A
board approval		<input type="checkbox"/> yes <input type="checkbox"/> no <input type="checkbox"/> N/A	final vote
strategic objective	<input type="checkbox"/> Exceptional Quality of Life <input type="checkbox"/> Intelligent Growth & Development <input type="checkbox"/> Investment in Public Assets & Infrastructure	<input checked="" type="checkbox"/> Fiscal Stewardship <input type="checkbox"/> Public Health & Safety	

Subject

RFQ-9-2016 – Library/Events Center Design Consultant Services – Commission representative for Selection Committee Member

motion | recommendation

Selection of a Commissioner to serve as a member of the Selection Committee for RFQ-9-2016 – Library/Events Center Design Consultant Services.

background

On March 16, 2016, the City issued a formal solicitation for Library/Events Center Design Consultant Services. Responses to the solicitation are due April 21, 2016. In accordance with Florida Statutes Section 287.055, a Selection Committee will evaluate all submittals which have been determined to be responsive. The Committee will meet on April 28, 2016 at 10 a.m. to rank the responses based on the submittals to determine a short list of firms. Oral presentations will take place on May 12, 2016 beginning at 10 a.m.

The selected representative will be required to attend both meetings, which are scheduled for April 28th and May 12th.

alternatives | other considerations

Select a representative for the Commission, or direct the City Manager to select an additional committee member for the selection process.

fiscal impact

N/A



city commission public hearing

Item type	Public Hearing	meeting date	March 28, 2016
prepared by	Wes Hamil, Finance Director	approved by	<input checked="" type="checkbox"/> City Manager
department	Finance		<input type="checkbox"/> City Attorney
division			<input type="checkbox"/> N/A
board approval	<input type="checkbox"/> yes	<input type="checkbox"/> no	<input checked="" type="checkbox"/> N/A
strategic objective	<input type="checkbox"/> Exceptional Quality of Life	<input checked="" type="checkbox"/> Fiscal Stewardship	
	<input type="checkbox"/> Intelligent Growth & Development	<input type="checkbox"/> Public Health & Safety	
	<input type="checkbox"/> Investment in Public Assets & Infrastructure		

subject

Resolution authorizing the issuance of not to exceed \$21,000,000 Electric Refunding Revenue Bonds, Series 2016 to refund a portion of the outstanding Electric Refunding Revenue Bonds, Series 2007.

motion | recommendation

Approve resolution

background

The City has an opportunity to refund the outstanding Electric Refunding Revenue Bonds, Series 2007. The City's Financial Advisor, Public Financial Management (PFM), has estimated net present value savings at \$1,540,000 or 8.5% of the refunded bonds. Annual debt service savings are estimated at about \$100,000. Final maturity of the 2016 bonds is October 1, 2037 which is the same as the 2007 bonds that will be refunded.

The City's Debt Management Policy sets a minimum target net present value savings of at least 5% for an advance refunding. Staff and PFM are planning to refund the bonds using a competitive bond sale.

alternatives | other considerations

1. Postpone refunding of the bonds and hope for long-term interest rates to go down further
2. Don't refund the 2007 bonds

fiscal impact

Net present value savings estimated at \$1,540,000 and annual debt service savings estimated at \$100,000.

RESOLUTION NO. 2173-16

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WINTER PARK, FLORIDA, SUPPLEMENTING ORDINANCE NO. 3031-16; AUTHORIZING THE ISSUANCE IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$21,000,000 ELECTRIC REFUNDING REVENUE BONDS, SERIES 2016 OF THE CITY FOR THE PURPOSE OF REFUNDING A PORTION OF THE CITY'S OUTSTANDING ELECTRIC REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2007 AND TO PAY THE COSTS THEREOF; PROVIDING FOR THE PAYMENT OF SUCH BONDS FROM THE NET REVENUES DERIVED FROM THE ELECTRIC SYSTEM OF THE CITY; AUTHORIZING THE AWARDING OF SAID BONDS PURSUANT TO A PUBLIC BID; DELEGATING CERTAIN AUTHORITY FOR THE AWARD OF THE BONDS, AND THE APPROVAL OF THE TERMS AND DETAILS OF SAID BONDS; AUTHORIZING THE PUBLICATION OF A NOTICE OF SALE FOR THE BONDS OR A SUMMARY THEREOF; APPOINTING THE PAYING AGENT AND BOND REGISTRAR FOR SAID BONDS; AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND THE EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT WITH RESPECT TO SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT AND THE APPOINTMENT OF AN ESCROW AGENT THERETO; AUTHORIZING THE CITY'S FINANCIAL ADVISOR TO STRUCTURE AND SOLICIT BIDS TO PURCHASE FEDERAL SECURITIES TO BE DEPOSITED INTO THE ESCROW FUND CREATED UNDER THE ESCROW DEPOSIT AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE; AUTHORIZING THE APPOINTMENT OF A VERIFICATION AGENT IN CONNECTION WITH THE REFUNDING OF THE SERIES 2007 BONDS; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Winter Park, Florida (the "City") previously issued its Electric Refunding and Improvement Revenue Bonds, Series 2007 (the "2007 Bonds"); and

WHEREAS, the City Commission of the City (the "City Commission") has determined that it is necessary and desirable and in the best interest of the inhabitants of the City to refund a portion of the outstanding principal amount of the 2007 Bonds maturing on or after October 1, 2018 (such refunded portion, the "Refunded Bonds"); and

WHEREAS, amounts due under the Bonds (as hereinafter defined) will be evidenced by the issuance by the City of its City of Winter Park, Florida Electric Refunding Revenue Bonds, Series 2016 (the "Series 2016 Bonds"); and

WHEREAS, the debt service on the Series 2016 Bonds shall be payable solely from and secured by the Net Revenues derived from the electric system of the City (the "Pledged Revenues") on a parity with the City's outstanding Electric Revenue Bonds, Series 2005A, Electric Refunding and Improvement Revenue Bonds, Series 2007 that remain outstanding upon the issuance of the Series 2016 Bonds, Electric Revenue Bonds, Series 2009A, Electric Revenue Bonds, Series 2009B, Electric Revenue Bonds, Series 2010, Electric Refunding Revenue Bond, Series 2014 and Electric Refunding Revenue Bond, Series 2014A (collectively, the "Parity Bonds"); and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Original Resolution (as hereinafter defined); and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WINTER PARK, FLORIDA:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 166, Parts I and II, Florida Statutes, as amended; Chapter 86, Article III, of the Code of Ordinances of the City, Resolution No. 1898-05 adopted by the City on May 9, 2005 (the "Original Resolution"), Ordinance No. 3031-16 enacted by the City on March 14, 2016, Resolution No. 2173-16 adopted by the City on March 28, 2016; and other applicable provisions of law.

SECTION 2. DEFINITIONS. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Original Resolution. The following terms used in this Resolution shall have the following meanings:

"Authorized Officer" shall mean the City Manager or the Finance Director of the City, or their designees, or with respect to the Bond Registrar, shall mean any officer authorized by the bylaws or other official action of the Bond Registrar to perform the applicable function or services.

"Escrow Agent" shall mean The Bank of New York Mellon Trust Company, N.A., or its successors or assigns.

"Escrow Deposit Agreement" shall mean the Escrow Deposit Agreement to be executed by the City and the Escrow Agent in connection with the refunding of the Refunded Bonds, the form of which is attached hereto as Exhibit C.

"Interest Date" shall mean each April 1 and October 1, commencing October 1, 2016 or such other date as determined by the Mayor.

“Official Notice of Sale” shall mean the Official Notice of Sale as described in Section 5 hereof, the form of which is attached hereto as Exhibit A.

“Summary Notice of Sale” shall mean a summary of the Official Notice of Sale as described in Section 5 hereof, the form of which is attached hereto as Exhibit A.

SECTION 3. FINDINGS. It is hereby found, ascertained, determined and declared that:

A. The WHEREAS clauses recited above are hereby incorporated herein as a part of this Resolution.

B. The City owns, operates and maintains the System and derives and will continue to derive Net Revenues from revenues, income or earnings from or attributable to its ownership and operation of the System. Such Net Revenues are not now pledged or encumbered in any manner except to the payment from such Net Revenues of the Parity Bonds.

C. Section 9.03U of the Original Resolution provides for the issuance of Additional Parity Bonds under the terms, limitations and conditions provided therein. The City will comply with such terms, limitations and conditions, on or prior to the date of delivery of the Series 2016 Bonds, and is therefore legally entitled to issue the Series 2016 Bonds as Additional Parity Bonds within the authorization contained in the Original Resolution.

D. The estimated Net Revenues will be sufficient to pay all principal of and interest on the Series 2016 Bonds and the Parity Bonds, as the same become due, and to make all sinking fund, reserve, if any, or other payments required by this Resolution and the Original Resolution.

E. It is in the public interest and a valid and proper public purpose to refund the Refunded Bonds.

F. The Pledged Revenues shall be used to pay principal of and interest on the Series 2016 Bonds and the Parity Bonds and any other amounts due hereunder and under the Original Resolution.

G. A portion of the proceeds derived from the sale of the Series 2016 Bonds, together with other legally available moneys, if any, of the City, shall be deposited to a special escrow deposit fund to purchase Federal Securities which shall be sufficient, together with the investment earnings therefrom and a cash deposit, if any, to pay the Refunded Bonds as the same become due and payable or are redeemed prior to maturity, all as provided herein and in the Escrow Agreement.

H. Upon the advice of Public Financial Management, Inc. the City’s Financial Advisor (the “Financial Advisor”) and in light of the current interest rate market, the City

deems it to be in its best interest to issue the Series 2016 Bonds for the purposes described herein.

I. In accordance with Section 218.385, Florida Statutes, and pursuant to this Resolution, the Series 2016 Bonds shall be advertised for competitive bids pursuant to the Official Notice of Sale, the form of which is attached hereto as Exhibit A.

J. Pursuant to the Official Notice of Sale, competitive bids for the purchase of the Series 2016 Bonds received in accordance with the Official Notice of Sale on or prior to 11:00 a.m., Eastern standard time, on the date as provided in the Official Notice of Sale, or such other date or time as is determined by the Mayor and the City Manager in accordance with the terms and provisions hereof and of the Official Notice of Sale, shall be publicly opened and announced.

K. It is desirable for the City to be able to advertise and award the Series 2016 Bonds at the most advantageous time and date instead of restricting the sale and award to the date of a particular meeting of the City Commission; and, accordingly, the City hereby determines to delegate the advertising and awarding of the Series 2016 Bonds to the Mayor and the City Manager within the parameters described herein.

L. It is necessary and appropriate that the City determine certain parameters for the terms and details of the Series 2016 Bonds and to delegate certain authority to the Mayor and the City Manager for the award of the Series 2016 Bonds and the approval of the terms of the Series 2016 Bonds in accordance with the provisions hereof and of the Official Notice of Sale.

M. In the event Bond Counsel shall determine that the Series 2016 Bonds have not been awarded competitively in accordance with the provisions of Section 218.385, Florida Statutes, the City shall adopt such resolutions and make such findings as shall be necessary to authorize and ratify a negotiated sale of the Series 2016 Bonds in accordance with said Section 218.385.

SECTION 4. RESOLUTION TO CONSTITUTE A CONTRACT. In consideration of the purchase and acceptance of any or all of the Series 2016 Bonds by those who shall hold the same from time to time, the provisions of this Resolution and the Original Bond Resolution shall be a part of the contract of the City with the Holders of the Series 2016 Bonds, and shall be deemed to be and shall constitute a contract between the City and the Holders from time to time of the Series 2016 Bonds. The pledge made in the Resolution and the Original Bond Resolution and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the equal benefit, protection and security of the Holders of any and all of said Series 2016 Bonds but only in accordance with the terms hereof and thereof. All of the Series 2016 Bonds, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Series 2016 Bonds over any other thereof except as expressly provided in or pursuant to this Resolution or the Original Bond Resolution.

SECTION 5. AUTHORIZATION OF THE BONDS. (A) There is hereby authorized to be issued the "City of Winter Park, Florida Electric Refunding Revenue Bonds, Series 2016," (the "Series 2016 Bonds") in one or more series as shall be designated by the City, in an aggregate principal amount not to exceed Twenty-One Million Dollars (\$21,000,000). The Mayor shall determine the aggregate principal amount of the Series 2016 Bonds prior to their issuance in accordance with the Official Notice of Sale provided such principal amount does not exceed \$21,000,000. The Series 2016 Bonds are issued for the principal purposes of refunding the Refunded Bonds and paying certain costs of issuance incurred with respect to the Series 2016 Bonds, including but not limited to, certain costs incurred in connection with funding the escrow fund as provided in the Escrow Deposit Agreement.

The Series 2016 Bonds shall be dated as of their date of delivery (or such other date as the Mayor may determine), shall be numbered consecutively from one upward in order of maturity preceded by the letter "R", shall be issued in the form of fully registered Bonds in denominations of \$5,000 and any integral multiple thereof, shall be issued initially in book-entry only form of registration, shall bear interest from their date of delivery (or such other date as the Mayor may determine), payable semi-annually on each Interest Date, commencing on October 1, 2016 (or such other date as the Mayor may determine). The Series 2016 Bonds shall bear interest computed on the basis of a 360-day year consisting of twelve 30-day months.

(B) The City hereby delegates to the Mayor and the City Manager the authority to determine the terms of the Series 2016 Bonds, including, but not limited to, (i) the dated date, (ii) the principal amount and whether such Series 2016 Bonds are issued as serial or term Bonds, (iii) the maturity dates and amounts, (iv) the interest payment dates, (v) the Amortization Installments and other mandatory redemption features, if any, (vi) the sale date and the delivery date, (vii) whether to establish a reserve subaccount for the Series 2016 Bonds, and (viii) all other details of the Series 2016 Bonds, and to take such further action as shall be required for carrying out the purposes of this Resolution. The City hereby authorizes the newspaper publication of the Summary Notice of Sale pursuant to the requirements of law, and the distribution of the Official Notice of Sale based on the advice of the Financial Advisor. The award of the sale of the Series 2016 Bonds by the Mayor and the City Manager to underwriters by competitive sale is subject to satisfaction of the following criteria: (i) all applicable disclosure information required by Section 218.385, Florida Statutes, is provided by the purchasers, (ii) the aggregate principal amount of the Series 2016 Bonds does not exceed \$21,000,000, (iii) the final maturity of the Series 2016 Bonds is not later than October 1, 2037, and (iv) a net present value debt service savings of not less than 5% of Refunded Bonds par amount.

All actions of the Mayor and the City Manager taken pursuant to the authority delegated pursuant to this Section shall be evidenced by execution of acceptance of a winning bid which shall constitute complete evidence of the actions of the Mayor and the City Manager and shall constitute the action of the City.

SECTION 6. FORM OF BONDS. The text of the Series 2016 Bonds shall be in substantially the form as provided in the Original Resolution with such omissions, insertions and variations as may be necessary and/or desirable and approved by the Mayor prior to the issuance thereof, such approval shall be presumed by the Mayor's execution of the Series 2016 Bonds and the City's delivery of the Series 2016 Bonds to the purchasers thereof.

SECTION 7. LIMITED OBLIGATIONS. The Series 2016 Bonds, when delivered by the City pursuant to the terms of the Original Resolution and any resolution supplemental thereto as contemplated hereby shall not constitute general obligations or indebtedness of, or a pledge of the faith, credit or taxing power of, the City or of the State of Florida or any agency or political subdivision thereof, but are limited, special obligations of the City, the principal of, premium, if any, and interest on which are payable from the Net Revenues. Neither the City nor the State of Florida, or any agency or political subdivision thereof, will be obligated (i) to exercise its ad valorem taxing power or any other taxing power in any form on any real or personal property to pay the principal of, premium, if any, or interest on the Bonds, or other costs incident thereto, or (ii) to pay the same from any funds of the City except from the Net Revenues in the manner provided in the Original Resolution and any resolution supplemental thereto. The Series 2016 Bonds do not constitute a lien upon any other property of or in the City.

SECTION 8. USE OF PROCEEDS. The proceeds of the Series 2016 Bonds shall be used as follows:

(A) A sufficient amount of Series 2016 Bond proceeds, together with other legally available moneys of the City, if any, shall be deposited irrevocably in trust in an escrow deposit fund or funds established under the terms and provisions of the Escrow Agreement and, other than a cash deposit, shall be invested in Federal Securities in the manner set forth in the Escrow Agreement, which investments shall mature at such times and in such amounts as shall be sufficient, together with such cash deposit, to pay the principal of, premium, if applicable, and interest on the Refunded Bonds, as the same mature or are redeemed on their respective redemption dates.

(B) A sufficient amount of Series 2016 Bond proceeds shall be used to pay costs and expenses relating to the issuance of the Series 2016 Bonds.

SECTION 9. OFFICIAL NOTICE OF SALE AND SUMMARY NOTICE OF SALE. The form of the Official Notice of Sale and Summary Notice of Sale attached hereto as Exhibit A and the terms and provisions thereof are hereby authorized and approved. The Mayor and the City Manager are hereby authorized to make such changes, insertions and modifications as they shall deem necessary prior to the advertisement of such Official Notice of Sale or Summary Notice of Sale. The Mayor and the City Manager are hereby authorized to advertise and publish the Official Notice of Sale or the Summary Notice of Sale at such time as they shall deem necessary and appropriate, upon the advice of the Financial Advisor and Bond Counsel, to accomplish the competitive sale of the Series 2016 Bonds in accordance with applicable law.

SECTION 10. PRELIMINARY OFFICIAL STATEMENT; OFFICIAL STATEMENT. (A) The City hereby authorizes the distribution and use of the Preliminary Official Statement in substantially the form attached hereto as Exhibit B in connection with the offering of the Series 2016 Bonds for sale. If between the date hereof and the mailing of the Preliminary Official Statement, it is necessary to make insertions, modifications or changes in the Preliminary Official Statement, any Authorized Officer is hereby authorized to approve such insertions, changes and modifications. Any Authorized Officer is hereby authorized to deem the Preliminary Official Statement "final" within the meaning of Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934 in the form as mailed. Execution of a certificate by an Authorized Officer deeming the Preliminary Official Statement "final" as described above shall be conclusive evidence of the approval of any insertions, changes or modifications.

(B) Subject in all respects to the satisfaction of the conditions set forth in Section 5 hereof, the Mayor, City Manager and the Finance Director are hereby authorized and directed to execute and deliver a final Official Statement, dated the date of the sale of the Series 2016 Bonds, which shall be in substantially the form of the Preliminary Official Statement relating to the Series 2016 Bonds, in the name and on behalf of the City, and thereupon to cause such Official Statement to be delivered to the Underwriter with such changes, amendments, modifications, omissions and additions as may be approved by the Mayor, the City Manager and the Finance Director. Said Official Statement, including any such changes, amendments, modifications, omissions and additions as approved by the Mayor, the City Manager and the Finance Director, and the information contained therein are hereby authorized to be used in connection with the sale of the Series 2016 Bonds to the public. Execution by the Mayor, the City Manager and the Finance Director of the Official Statement shall be deemed to be conclusive evidence of approval of such changes.

SECTION 11. APPROVAL OF CONTINUING DISCLOSURE CERTIFICATE. Notwithstanding the provisions of Section 11.08 of the Original Resolution, the City hereby authorizes the Mayor to execute the Continuing Disclosure Certificate. All of the provisions of the Continuing Disclosure Certificate when executed and delivered by the City as authorized herein shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein, and the Continuing Disclosure Certificate shall be in substantially the form attached hereto as Exhibit C, with such changes, amendments, modifications, omissions and additions, including the date of such Continuing Disclosure Certificate, as may be approved by the Mayor. Execution by the Mayor of the Continuing Disclosure Certificate shall be deemed to be conclusive evidence of the approval of such changes.

SECTION 12. APPROVAL OF ESCROW DEPOSIT AGREEMENT. The City hereby authorizes the Mayor to execute and the Clerk to attest the Escrow Deposit Agreement and to deliver the Escrow Deposit Agreement to The Bank of New York Mellon Trust Company, N.A. which is hereby appointed as Escrow Agent thereunder. All of the provisions of the Escrow Deposit Agreement when executed and delivered by the City as authorized herein and when duly authorized, executed and delivered by the Escrow Agent, shall be

deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein, and the Escrow Deposit Agreement shall be in substantially the form attached hereto as Exhibit D, with such changes, amendments, modifications, omissions and additions, including the date of such Escrow Deposit Agreement, as may be approved by the Mayor. Execution by the Mayor of the Escrow Deposit Agreement shall be deemed to be conclusive evidence of the approval of such changes.

SECTION 13. APPOINTMENT OF PAYING AGENT AND BOND REGISTRAR, ESCROW AGENT AND VERIFICATION AGENT. Subject in all respects to the satisfaction of the conditions set forth in Section 2 hereof, The Bank of New York Mellon Trust Company, N.A. is hereby designated Bond Registrar and Paying Agent for the Series 2016 Bonds, The Bank of New York Mellon Trust Company, N.A. is hereby designated as Escrow Agent in connection with the refunding of the Refunded Bonds and Grant Thornton LLP is hereby designated as Verification Agent in connection with the refunding of the Refunded Bonds. The Mayor or any Authorized Officer is hereby authorized to enter into any agreement with the Paying Agent and Bond Registrar or the Verification Agent which may be necessary to effect the transactions contemplated by this Resolution.

SECTION 14. PURCHASE OF FEDERAL SECURITIES TO BE DEPOSITED INTO THE ESCROW FUND. The City hereby authorizes the Financial Advisor to structure and bid the escrow requirements in order to have sufficient funds to purchase Federal Securities to be deposited into the escrow fund established under the Escrow Deposit Agreement and used as described therein to advance refund the Refunded Bonds.

SECTION 15. BOND INSURANCE. If, in accordance with the provisions of the Official Notice of Sale, the winning bidder for the Series 2016 Bonds determines that any portion of the Series 2016 Bonds will be insured by a Bond Insurance Policy, the City hereby authorizes the payment of the principal of and interest on the Series 2016 Bonds to be insured pursuant to a Bond Insurance Policy (the "Bond Insurance Policy") to be issued by either Assured Guaranty Municipal Corp. ("AGM") or Build America Mutual Assurance Company ("BAM"). For purposes of this Resolution, if AGM or BAM is selected by the winning bidder to insure the Series 2016 Bonds, it shall constitute the "Insurer" of the Series 2016 Bonds. The Mayor is hereby authorized to execute such documents and instruments necessary to cause AGM or BAM to insure the Series 2016 Bonds and any actions previously taken by an Authorized Officer with respect to securing the commitments of AGM or BAM to issue the Bond Insurance Policy are hereby ratified and approved.

SECTION 16. APPLICATION OF PROVISIONS OF ORIGINAL RESOLUTION. Except as may be provided in the Original Resolution, the Series 2016 Bonds shall for all purposes be considered to be Additional Parity Bonds issued under the authority of the Original Resolution; and (b) shall be entitled to all the protection, security, rights and privileges enjoyed by the Parity Bonds.

SECTION 17. GENERAL AUTHORIZATION. The Mayor, Vice Mayor, City Manager, Finance Director and any member of the City Commission, the City Clerk and such other officials and employees of the City as may be designated by the City are each designated as agents of the City in connection with the issuance and delivery of the Series 2016 Bonds and are authorized and empowered, collectively or individually, to take all actions and steps and to execute all instruments, documents, and contracts on behalf of the City that are necessary or desirable in connection with the execution and delivery of the Series 2016 Bonds, and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution.

SECTION 18. PREREQUISITES PERFORMED. The City has performed all acts, conditions, and things relating to the passage of this Resolution as are required by the Constitution and Laws of the State of Florida, and the Ordinances and Resolutions of the City.

SECTION 19. APPLICABLE PROVISIONS OF LAW. This Resolution shall be governed by and construed in accordance with the laws of the State of Florida.

SECTION 20. RULES OF INTERPRETATION. Unless expressly indicated otherwise, references to sections or articles are to be construed as references to sections or articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinafter," "hereinafter" and other equivalent words refer to this Resolution and not solely to the particular portion in which any such word is used.

SECTION 21. CAPTIONS. The captions and headings in this Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Resolution.

SECTION 22. MEMBERS OF THE CITY COMMISSION EXEMPT FROM PERSONAL LIABILITY. No recourse under or upon any obligation, covenant or agreement of this Resolution, the Official Notice of Sale, the Official Statement or the Series 2016 Bonds or for any claim based thereon or otherwise in respect thereof, shall be had against any City official, officer or employee or any member of the City Commission, as such, of the City, past, present or future, either directly or through the City it being expressly understood (a) that no personal liability whatsoever shall attach to, or is or shall be incurred by, any City official, officer or employee or members of the City Commission, as such, under or by reason of the obligations, covenants or agreements contained in this Resolution, the Official Notice of Sale, the Official Statement or the Series 2016 Bonds or implied therefrom, and (b) that any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, any City official, officer or employee or member of the City Commission, as such, are waived and released as a condition of, and as a consideration for, the execution of this Resolution and the and the issuance of the Series 2016 Bonds, on the part of the City.

SECTION 23. REPEALER. All ordinances and/or resolutions or parts thereof in conflict with any of the provisions of this Resolution, if any, are hereby repealed.

SECTION 24. NO THIRD PARTY BENEFICIARIES. Except such other persons as may be expressly described in this Resolution, nothing in this Resolution, expressed or implied, is intended or shall be construed to confer upon any person, other than the City and the holders of the Series 2016 Bonds, any right, remedy or claim, legal or equitable, under and by reason of this Resolution, or any provision thereof, all provisions thereof being intended to be and being for the sole and exclusive benefit of the City and the persons who shall from time to time be the holders of the Series 2016 Bond.

SECTION 25. SEVERABILITY. If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever.

[Remainder of page intentionally left blank]

SECTION 26. EFFECTIVE DATE. The provisions of this Resolution shall take effect immediately upon its passage and adoption.

ADOPTED after reading by title at a regular meeting of the City Commission of the City of Winter Park, Florida, held in City Hall, Winter Park, Florida, on this 14th day of March, 2016.

CITY OF WINTER PARK, FLORIDA

(SEAL)

By _____
Mayor

ATTESTED:

By _____
City Clerk

EXHIBIT A

**FORM OF OFFICIAL NOTICE OF SALE
AND
FORM OF SUMMARY NOTICE OF SALE**

OFFICIAL NOTICE OF SALE

\$ _____

CITY OF WINTER PARK, FLORIDA ELECTRIC REFUNDING REVENUE BONDS, SERIES 2016

The City of Winter Park, Florida Electric Refunding Revenue Bonds, Series 2016 (the "2016 Bonds") are being offered for sale in accordance with this Official Notice of Sale. Notice is hereby given that bids will be received by the City of Winter Park, Florida (the "Issuer" or the "City") for the purchase of the 2016 Bonds via the Parity Bid Submission System ("Parity") in the manner described below until 11:00 a.m., eastern time, on _____, _____, 2016, or on such other date and/or time as will be established by the Mayor and City Manager or their respective designees and communicated by Thomson Municipal Market Monitor not less than twenty (20) hours prior to the time the bids are to be received. To the extent any instructions or directions set forth on Parity conflict with this Official Notice of Sale, the terms of this Official Notice of Sale shall control. For further information about Parity, and to subscribe in advance of the bid, potential bidders may contact Parity at (212) 849-5021. The use of Parity shall be at the bidder's risk and expense, and the Issuer shall have no liability with respect thereto.

BOND DETAILS

The description of the 2016 Bonds, the purpose thereof and the security therefore, as set forth in this Official Notice of Sale, is subject in its entirety to the disclosures made in the Preliminary Official Statement. See "Disclosure Information" herein.

The 2016 Bonds will be issued as fully registered bonds, and when executed and delivered, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository for the 2016 Bonds. Individual purchases of the 2016 Bonds may be made only in book-entry form in denominations of \$5,000 or integral multiples thereof. Purchasers of 2016 Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates. As long as Cede & Co. is the registered owner of the 2016 Bonds, as nominee for DTC, payments of principal and interest with respect to the 2016 Bonds will be made directly to such registered owner who will in turn remit such principal and interest payments to DTC participants for subsequent disbursement to the Beneficial Owners. The Issuer will not be responsible for payments to Beneficial Owners.

The 2016 Bonds will be dated their date of delivery (expected to be _____, 2016) or such other date as may be communicated by Thomson Municipal Market Monitor not less than twenty (20) hours prior to the time bids are to be received, and shall bear interest from such date and shall be payable semi-annually on each Interest Date commencing on October 1, 2016, and on each April 1 and on October 1 thereafter until maturity at the rate or rates specified in such proposals as may be accepted. The proposed schedule of maturities and amounts are as follows:

INITIAL MATURITY SCHEDULE FOR THE 2016 BONDS *

Maturity (October 1*)	<u>Principal Amount*</u>
----------------------------------	---------------------------------

* Preliminary; Subject to Change and Subject to Term Bond Option

NOTE: The Issuer reserves the right to modify the maturity schedule shown above. Any such modification will be communicated through the Thomson Municipal Market Monitor (See "ADJUSTMENT OF PRINCIPAL AMOUNTS" below.)

TERM BOND OPTION / MANDATORY SINKING FUND REDEMPTION

Any bidder may, at its option, specify that certain maturities of the Series 2016 Bonds maturing on or after October 1, 20__ will consist of term bonds which are subject to mandatory sinking fund redemption in consecutive years immediately preceding the maturity thereof (each a "Term Bond") as designated in the bid of such bidder. In the event that the bid of the successful bidder specifies that any maturity of the Series 2016 Bonds will be a Term Bond, such Term Bond will be subject to mandatory sinking fund redemption on October 1, in each applicable year, in the principal amount for such year as set forth hereinbefore under the heading "BOND DETAILS," at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, subject to adjustment as described under "ADJUSTMENT OF PRINCIPAL AMOUNTS."

PAYING AGENT / REGISTRAR / ESCROW AGENT

The Paying Agent/Registrar/Escrow Agent for the 2016 Bonds will be The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida.

ADJUSTMENT OF PRINCIPAL AMOUNTS

The schedule of maturities set forth above (the "Initial Maturity Schedule") represents an estimate of the principal amount and maturities of the 2016 Bonds that will be sold. The Issuer reserves the right to change the Initial Maturity Schedule by announcing any such change not later than 11:00 a.m., eastern time, on the day immediately preceding the date set for receipt of bids, through Thomson Municipal Market Monitor. If no such change is announced, the Initial Maturity Schedule will be deemed the schedule of maturities for submission of the bid.

Furthermore, if after final computation of the bids, the Issuer determines in its sole discretion that the funds necessary to accomplish the purpose of the 2016 Bonds is more or less than the proceeds of the sale of all of the 2016 Bonds, the Issuer reserves the right to increase or decrease the principal amount, by no more than 10% of the principal amount of the 2016 Bonds and by no more than 15% within a given maturity of the 2016 Bonds (to be rounded to the nearest \$5,000) or by such other amount as approved by the winning bidder.

In the event of any such adjustment, no rebidding or recalculation of the bids submitted will be required or permitted; and the 2016 Bonds of each maturity, as adjusted, will bear interest at the same rate and must have the same initial reoffering yield as specified immediately after award of the 2016 Bonds of that maturity. However, the award will be made to the bidder whose bid produces the lowest true interest cost rate ("TIC"), calculated as specified herein, solely on the basis of the 2016 Bonds offered, without taking into account any adjustment in the amount of 2016 Bonds pursuant to this paragraph.

REDEMPTION PROVISIONS

The 2016 Bonds are subject to redemption prior to their stated maturity dates as follows:

Optional Redemption. The Series 2016 Bonds, or any portions thereof, maturing on or after October 1, 2026, shall be subject to redemption prior to their stated dates of maturity, other than by operation of the Bond Amortization Account, at the option of the City, in whole or in part, in such manner determined by the City, on April 1, 2026, or on any date thereafter, at the price of par and accrued interest to the redemption date.

Mandatory Redemption. Principal amounts of the Series 2016 Bonds of this issue or portions thereof, issued as term bonds, to be selected by lot, shall be redeemed on October 1 in such years prior to their maturity by operation of the Bond Amortization Account, at the price of the principal amount thereof plus accrued interest to the date of redemption, or be purchased in the open market at a price not to exceed such redemption price. See "TERM BOND OPTION/MANDATORY SINKING FUND REDEMPTION" below.

AUTHORITY AND PURPOSE

The 2016 Bonds are being issued under the authority of, and in full compliance with, the Constitution and Statutes of the State of Florida, including particularly Chapter 166, Parts I and II, Florida Statutes, as amended; Chapter 86, Article III, of the Code of Ordinances of the City, Resolution No. 1898-05, adopted by the City Commission of the City (the "City Commission") on May 9, 2005; and Ordinance No. 3031-16 enacted by the City Commission on March 14, 2016, as supplemented by Resolution No. 2173-16, adopted by the City Commission on March 28, 2016 and other applicable provisions of law to (i) refund all or a portion of the outstanding Electric Refunding and Improvement Revenue Bonds, Series 2007 (the "Series 2007 Bonds"), maturing on or after October 1, 2018 (such refunded portion, the "Refunded Bonds") of the City and (ii) pay certain expenses related to the issuance and sale of the Series 2016 Bonds.

SECURITY

The 2016 Bonds, the premium, if any, and interest thereon are payable from and secured by a prior lien upon and pledge of the net revenues (the "Net Revenues") derived by the City from the operation of its electric distribution system (the "System"), on a parity with the lien on the Net Revenues of the holders of the City's Electric Revenue Bonds, Series 2005A, currently outstanding in the aggregate principal amount of \$1,205,000, Electric Refunding and Improvement Revenue Bonds, Series 2007, that do not constitute Refunded Bonds, the outstanding Electric Revenue Bonds, Series 2009A, currently outstanding in the aggregate principal amount of \$24,310,000, Electric Revenue Bonds, Series 2009B, currently outstanding in the aggregate principal amount of \$6,965,000, Electric Revenue Bonds, Series 2010, currently outstanding in the aggregate principal amount of \$4,260,000, Electric Refunding Revenue Bond, Series 2014, currently outstanding in the aggregate principal amount of \$7,275,000 and Electric

Refunding Revenue Bond, Series 2014A, currently outstanding in the aggregate principal amount of \$5,685,000.

UNDERLYING RATINGS

Moody's Investors Service and Fitch Ratings have assigned underlying municipal bond ratings of "____," and "____" (____ outlook), respectively, to the 2016 Bonds.

TERMS OF BID AND BASIS OF AWARD

Proposals must be unconditional and for the purchase of all of the 2016 Bonds. The reoffering price for the 2016 Bonds may not be less than 98.0% of the principal amount of the 2016 Bonds for any single maturity thereof. The aggregate purchase price, inclusive of original issue discount ("OID"), original issue premium ("OIP") and underwriter's discount may not be less than 98.0% of the principal amount of the 2016 Bonds.

The 2016 Bonds shall bear interest expressed in multiples of one-eighth (1/8) or one-twentieth (1/20) of one (1) per centum. The use of split or supplemental interest coupons will not be considered and a zero rate or blank rate will not be permitted. All 2016 Bonds maturing on the same date shall bear the same rate of interest.

The 2016 Bonds will be awarded to the bidder offering to purchase the 2016 Bonds at the lowest TIC. The annual TIC will be determined by doubling the semi-annual interest rate necessary to discount the semi-annual debt service payments on the 2016 Bonds back to the Net Bond Proceeds (defined as the par amount of the 2016 Bonds, plus any OIP, less any OID and underwriter's discount on the 2016 Bonds calculated on a 360 day year to the Closing Date, as defined below). The TIC must be calculated to four (4) decimal places.

THE ISSUER RESERVES THE RIGHT TO REJECT ALL BIDS OR ANY BID NOT CONFORMING TO THIS OFFICIAL NOTICE OF SALE. THE ISSUER ALSO RESERVES THE RIGHT TO WAIVE, IF PERMITTED BY LAW, ANY IRREGULARITY OR INFORMALITY IN ANY PROPOSAL. THE ISSUER SHALL NOT REJECT ANY CONFORMING BID, UNLESS ALL CONFORMING BIDS ARE REJECTED.

GOOD FAITH DEPOSIT

If the City selects a winning bid, then the successful bidder must submit a "Good Faith Deposit" (the "Deposit") to the Issuer in the form of a wire transfer in the amount of \$_____ not later than 11:00 a.m, eastern time on the business day following the award. The Deposit of the successful bidder will be collected and the proceeds thereof retained by the Issuer to be applied as partial payment for the 2016 Bonds and no interest will be allowed or paid upon the amount thereof, but in the event the successful bidder shall fail to comply with the terms of the bid, the proceeds thereof will be retained as and for full liquidated damages.

STANDARD FILINGS, CHARGES AND CLOSING DOCUMENTS

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8 and G-11. The winning bidder will be required to pay the standard MSRB charge for the 2016 Bonds purchased. In addition, those who are members of SIFMA will be required to pay SIFMA's standard charge per bond. The winning bidder will also be required to execute certain closing documents required by Florida law or required by Bond Counsel (as defined below) in connection with the

delivery of its tax opinion. See "Disclosure; Amendments to Notice of Sale; Notification Obligations of Purchaser" herein.

CUSIP NUMBERS

It is anticipated that CUSIP identification numbers will be printed on the 2016 Bonds, but neither the failure to print such number on any 2016 Bonds nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the 2016 Bonds in accordance with their agreement to purchase the 2016 Bonds. All expenses in relation to the printing of CUSIP numbers on the 2016 Bonds shall be paid for by the Issuer; provided, however, that it shall be the responsibility of the successful bidder to timely obtain and pay for the assignment of such CUSIP numbers

DELIVERY OF THE 2016 BONDS

The Issuer will pay the cost of preparing the 2016 Bonds. The successful bidder is responsible for DTC eligibility and related DTC costs. Delivery of and payment for the 2016 Bonds will be via DTC Fast on or about _____, 2016 (the "Closing Date") in New York, New York, or such other time and place mutually acceptable to the successful bidder and the Issuer. Payment of the full purchase price, less the Deposit, shall be made to the Issuer not later than 12:00 P.M. New York City time on the Closing Date, in Federal Reserve Funds of the United States of America, without cost to the Issuer.

The legal opinion of Bryant Miller Olive P.A., Orlando, Florida ("Bond Counsel") will be furnished without charge to the successful bidder at the time of delivery of the 2016 Bonds. For a further discussion of the content of that opinion and the proposed form of the approving opinion, see the Preliminary Official Statement for the 2016 Bonds.

There will also be furnished at the time of delivery of the 2016 Bonds, a certificate or certificates of the Issuer (which may be included in a consolidated closing certificate) relating to the accuracy and completeness of the Official Statement; and stating, among other things, that there is no litigation or administrative action or proceeding pending or, to the knowledge of the Issuer, threatened, at the time of delivery of the 2016 Bonds, (a) to restrain or enjoin or seeking to restrain or enjoin the issuance and delivery of the 2016 Bonds or (b) affecting the validity of the 2016 Bonds, and that the Preliminary Official Statement has been deemed by the Issuer to be a "final official statement" for purposes of SEC Rule 15c2-12 (the "Rule").

The successful bidder will be responsible for the clearance or exemption with respect to the status of the 2016 Bonds for sale under the securities or "Blue Sky" laws of the several states and the preparation of any surveys or memoranda in connection with such sale.

DISCLOSURE; AMENDMENTS TO NOTICE OF SALE; NOTIFICATION OBLIGATIONS OF PURCHASER

This Official Notice of Sale is not intended as a disclosure document and bidders are required to obtain and carefully review the Preliminary Official Statement before submitting a bid.

This Official Notice of Sale may be amended from time to time after its initial publication by publication of amendments thereto not less than twenty (20) hours prior to the bid date and time by Thomson Municipal Market Monitor. Each bidder will be charged with the responsibility of obtaining any such amendments and complying with the terms thereof.

The successful bidder, by submitting its bid, agrees to furnish to the Issuer and Bond Counsel, a certificate verifying information as to the bona fide initial offering prices or yields of the 2016 Bonds to the public and sales of the 2016 Bonds appropriate for determination of the issue price of, and the yield on, the 2016 Bonds under the Internal Revenue Code of 1986, as amended, and such other documentation as and at the time requested by Bond Counsel.

The winning bidder is required to provide a Truth-in-Bonding Statement pursuant to Section 218.385, Florida Statutes, and to disclose the underwriting spread, any fee, bonus or gratuity paid in connection with the 2016 Bonds to any person not regularly employed by the successful bidder and payment of any "finder's fee" pursuant to Section 218.386, Florida Statutes, prior to the award of the 2016 Bonds, as set forth in Exhibit A to this Official Notice of Sale.

OFFICIAL STATEMENT

The Issuer shall furnish at its expense within seven (7) business days after the 2016 Bonds have been awarded to the successful bidder, or at least three (3) business days before the Closing Date, whichever is earlier, a number of copies of the final Official Statement, which, in the judgment of the financial advisor to the City will permit the successful bidder to comply with applicable SEC and MSRB rules, but in no event to exceed 100 copies. The successful bidder may arrange for additional copies of the final Official Statement at its expense.

CONTINUING DISCLOSURE

In order to assist bidders in complying with the Rule, the Issuer will undertake to provide, or cause to be provided, certain financial information and operating data and to provide notices of certain events, if material. Such information will be filed with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access System (EMMA). Notices of material events will be filed with the Municipal Securities Rulemaking Board through EMMA. A summary of such undertaking is contained in the Preliminary Official Statement. A copy of the undertaking will be made available to the successful bidder prior to the delivery of the 2016 Bonds.

DISCLOSURE INFORMATION

Copies of the Preliminary Official Statement "deemed final" (except for permitted omissions) by the Issuer in accordance with the Rule must be obtained from the financial advisor to the Issuer, Public Financial Management Inc., 300 South Orange Avenue, Suite 1170, Orlando, Florida 32801 (407) 406-5760 before a bid is submitted. The Issuer's Preliminary Official Statement and Official Notice of Sale are also available for viewing in electronic format at <http://www.munios.com>.

NOTICE OF BIDDERS REGARDING PUBLIC ENTITY CRIMES

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017,

for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

CITY OF WINTER PARK, FLORIDA

By: /s/ Charles W. Hamil, III, CPA
Finance Director

**TRUTH-IN-BONDING STATEMENT
AND DISCLOSURE**

In compliance with Section 218.385, Florida Statutes, as amended, the undersigned bidder submits the following Truth-In-Bonding Statement with respect to the City of Winter Park, Florida Electric Refunding Revenue Bonds, Series 2016 (the "Series 2016 Bonds").

(NOTE: For information purposes only and not a part of the bid):

The City of Winter Park, Florida (the "Issuer") is proposing to issue \$_____ of the Series 2016 Bonds for the purpose of refinancing previously issued City of Winter Park, Florida Electric Revenue Bonds, Series 2007. The Bonds are expected to be repaid over a period of approximately __ years. At a forecasted interest rate of _____%, total interest paid over the life of the Bonds will be \$_____.

The source of repayment or security for this proposal are the Net Revenues of the System as more fully described in the Preliminary Official Statement and Official Notice of Sale. Authorizing this debt or obligation will result in an average of \$_____ of the Issuer's Net Revenues not being available to finance the other services of the City each year for ____ years.

In compliance with Section 218.386, Florida Statutes, the undersigned, on behalf of itself and all other members of the underwriting group, if any, hereby certifies that neither it nor any member of the underwriting group have paid any "finder's fees" as defined in Section 218.386, Florida Statutes, any bonus, fee or gratuity in connection with the sale of the Bonds, except as provided below:

Bidder's Name: _____

By: _____

Title: _____

Date: _____

SUMMARY NOTICE OF SALE

\$_____*

CITY OF WINTER PARK, FLORIDA ELECTRIC REFUNDING REVENUE BONDS, SERIES 2016

Bids for the above captioned City of Winter Park, Florida Electric Refunding Revenue Bonds, Series 2016 (the "Series 2016 Bonds") will be received by the City of Winter Park, Florida, (the "Issuer") via Parity until 11:00 a.m. (the "Submittal Deadline"), eastern time, _____, 2016 or on such other date as may be established by the Mayor and City Manager of the Issuer or their respective designees no less than ten (10) days after the date of publication of this notice and communicated by Thomson Municipal Market Monitor not less than twenty (20) hours prior to the time by which bids are to be received (the "Bid Date").

Such bids are to be opened in public as soon as practical after the Submittal Deadline on the Bid Date for the purchase of the Series 2016 Bonds. The Series 2016 Bonds will mature as specified in the Official Notice of Sale. Proceeds of the Series 2016 Bonds shall be used for the purpose of (i) refunding all or a portion of the Issuer's outstanding Electric Refunding and Improvement Revenue Bonds, Series 2007 maturing on or after October 1, 2018 and (ii) paying certain expenses related to the issuance and sale of the Series 2016 Bonds.

The approving opinion of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel, will be furnished to the successful bidder at the expense of the Issuer.

Electronic copies of the Preliminary Official Statement and the Official Notice of Sale relating to the Series 2016 Bonds may be obtained at the website address www.munios.com.

CITY OF WINTER PARK, FLORIDA

By: /s/ Charles W. Hamil, III, CPA
Finance Director

Dated: _____, 2016.

*Preliminary, subject to change.

**TRUTH-IN-BONDING STATEMENT
AND DISCLOSURE**

In compliance with Section 218.385, Florida Statutes, as amended, the undersigned bidder submits the following Truth-In-Bonding Statement with respect to the City of Winter Park, Florida Electric Refunding Revenue Bonds, Series 2016 (the "Series 2016 Bonds").

(NOTE: For information purposes only and not a part of the bid):

The City of Winter Park, Florida (the "Issuer") is proposing to issue \$_____ of the Series 2016 Bonds for the purpose of refinancing previously issued City of Winter Park, Florida Electric Revenue Bonds, Series 2007. The Bonds are expected to be repaid over a period of approximately __ years. At a forecasted interest rate of _____%, total interest paid over the life of the Bonds will be \$_____.

The source of repayment or security for this proposal are the Net Revenues of the System as more fully described in the Preliminary Official Statement and Official Notice of Sale. Authorizing this debt or obligation will result in an average of \$_____ of the Issuer's Net Revenues not being available to finance the other services of the City each year for ____ years.

In compliance with Section 218.386, Florida Statutes, the undersigned, on behalf of itself and all other members of the underwriting group, if any, hereby certifies that neither it nor any member of the underwriting group have paid any "finder's fees" as defined in Section 218.386, Florida Statutes, any bonus, fee or gratuity in connection with the sale of the Bonds, except as provided below:

Bidder's Name: _____

By: _____

Title: _____

Date: _____

EXHIBIT B

FORM OF PRELIMINARY OFFICIAL STATEMENT

EXHIBIT B

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2016

NEW ISSUE - BOOK-ENTRY ONLY

RATINGS: (See "RATINGS" herein)

In the opinion of bond counsel, assuming compliance by the City with certain covenants, under existing statutes, regulations, and judicial decisions, the interest on the Series 2016 Bonds will be excluded from gross income for federal income tax purposes of the holders thereof and will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, interest on the Series 2016 Bonds shall be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations. See "TAX MATTERS" herein for a description of other tax consequences to holders of the Series 2016 Bonds.

\$ _____ *

**CITY OF WINTER PARK, FLORIDA
ELECTRIC REFUNDING REVENUE BONDS, SERIES 2016**

Dated: Date of Delivery

Due: As shown on inside cover

The Electric Refunding Revenue Bonds, Series 2016 (the "Series 2016 Bonds"), of the City of Winter Park, Florida (the "City"), will be issued as fully registered bonds in denominations of \$5,000 and any integral multiple thereof. Principal of and redemption premium, if any, on the Series 2016 Bonds are payable to the registered owner upon presentation, when due, at the corporate trust office of The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as Bond Registrar and Paying Agent.

Upon initial issuance, the Series 2016 Bonds will be registered in the name of and held by Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as security depository for the Series 2016 Bonds. So long as DTC, or its nominee, is the registered owner of the Series 2016 Bonds, payment of the principal of and interest on the Series 2016 Bonds will be made directly to DTC or its nominee, which will remit such payments to the DTC Participants (as defined herein), which, in turn, will remit such payments to the Beneficial Owners (as defined herein) of the Series 2016 Bonds. See "DESCRIPTION OF THE SERIES 2016 BONDS - Book-Entry Only System" herein.

Interest on the Series 2016 Bonds is payable on October 1 and April 1 of each year, commencing on October 1, 2016, until maturity or earlier redemption of the Series 2016 Bonds. The Series 2016 Bonds are subject to mandatory and optional redemption as described herein. See "DESCRIPTION OF THE SERIES 2016 BONDS" herein.

The Series 2016 Bonds are being issued under the authority of, and in full compliance with, the Constitution and Statutes of the State of Florida, including particularly Chapter 166, Parts I and II, Florida Statute, as amended; Chapter 86, Article III, of the Code of Ordinances of the City; Resolution No. 1898-05, adopted by the City Commission of the City (the "City Commission") on May 9, 2005 (hereinafter the "Original Resolution"); and Ordinance No. 3031-16 enacted by the City Commission on March 14, 2016, as supplemented by Resolution No. 2173-16, adopted by the City Commission on March 28, 2016 (said ordinance and supplemental resolution, together with the Original Resolution, collectively, the "Bond Resolution").

The Series 2016 Bonds will be issued for the purpose of providing funds sufficient, together with other available funds of the City, to (i) refund all or a portion of the outstanding Electric Refunding and

Improvement Revenue Bonds, Series 2007 (the "2007 Bonds"), maturing on or after October 1, 2018 (such refunded portion, the "Refunded Bonds") of the City, and (ii) pay certain expenses related to the issuance and sale of the Series 2016 Bonds. See "PURPOSE OF ISSUE" herein.

The Series 2016 Bonds, the premium, if any, and interest thereon are payable from and secured by a prior lien upon and pledge of the net revenues (the "Net Revenues") derived by the City from the operation of its consolidated electric system, as more fully described herein, on a parity with the lien on the Net Revenues of the holders of the City's outstanding Electric Revenue Bonds, Series 2005A, Electric Refunding and Improvement Revenue Bonds, Series 2007 that do not constitute Refunded Bonds, Electric Revenue Bonds, Series 2009A, Electric Revenue Bonds, Series 2009B, Electric Revenue Bonds, Series 2010, Electric Refunding Revenue Bond, Series 2014 and Electric Refunding Revenue Bond, Series 2014A (collectively, the "Parity Obligations"). See "SECURITY FOR THE SERIES 2016 BONDS" herein.

THE SERIES 2016 BONDS DO NOT CONSTITUTE GENERAL OBLIGATIONS OR INDEBTEDNESS OF, OR A PLEDGE OF THE FAITH, CREDIT OR TAXING POWER OF, THE CITY OR OF THE STATE OF FLORIDA OR ANY AGENCY OR POLITICAL SUBDIVISION THEREOF, BUT ARE LIMITED, SPECIAL OBLIGATIONS OF THE CITY THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON WHICH ARE PAYABLE FROM THE NET REVENUES. NEITHER THE CITY NOR THE STATE OF FLORIDA, OR ANY AGENCY OR POLITICAL SUBDIVISION THEREOF, WILL BE OBLIGATED (I) TO EXERCISE ITS AD VALOREM TAXING POWER OR ANY OTHER TAXING POWER IN ANY FORM ON ANY REAL OR PERSONAL PROPERTY TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON THE SERIES 2016 BONDS, OR OTHER COSTS INCIDENT THERETO, OR (II) TO PAY THE SAME FROM ANY FUNDS OF THE CITY EXCEPT FROM THE NET REVENUES IN THE MANNER PROVIDED IN THE BOND RESOLUTION. THE SERIES 2016 BONDS DO NOT CONSTITUTE A LIEN UPON ANY OTHER PROPERTY OF OR IN THE CITY.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read this entire Official Statement, and Appendices hereto, to obtain information essential to making an informed investment decision.

The Series 2016 Bonds are offered when, as and if issued by the City, subject to the approving legal opinion of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel. Certain legal matters will be passed on for the City by Fishback, Dominick, Bennett, Ardaman, Ahlers, Langley & Geller LLP, City Attorney, and by Bryant Miller Olive P.A., Tampa, Florida, Disclosure Counsel. Public Financial Management, Inc., Orlando, Florida, is acting as financial advisor to the City with respect to the offering of the Series 2016 Bonds. It is expected that settlement for the Series 2016 Bonds will occur through the facilities of DTC in New York, New York on or about _____, 2016.

Electronic bids for the Series 2016 Bonds will be received through the Parity Electronic Bid Submission System as described in the Official Notice of Sale.

Dated: _____, 2016

*Preliminary, subject to change.

**MATURITY DATES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES, YIELDS,
INITIAL CUSIP NUMBERS**

\$ _____ *
City of Winter Park, Florida
Electric Refunding Revenue Bonds, Series 2016

\$ _____ * Serial Series 2016 Bonds

Maturity Date	Principal	Interest	Price	Yield	Initial CUSIP Number**
<u>October 1*</u>	<u>Amount*</u>	<u>Rate</u>	<u>Price</u>	<u>Yield</u>	<u>Number**</u>

\$ _____ * __ % Term Bond due October 1, _____ * Price __ Yield __ % Initial CUSIP No. _____ **

* Preliminary, subject to change.

** The County is not responsible for the use of the CUSIP Numbers referenced herein nor is any representation made by the County as to their correctness. The CUSIP Numbers provided herein are included solely for the convenience of the readers of this Official Statement.

RED HERRING LANGUAGE:

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of, the Series 2016 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of such jurisdiction. The City has deemed this Preliminary Official Statement "final," except for certain permitted omissions, within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

CITY OF WINTER PARK, FLORIDA

401 South Park Avenue
Winter Park, Florida 32789
(407) 599-3235

CITY COMMISSION

Steve Leary, Mayor
Carolyn Cooper, Commissioner
Pete Weldon, Commissioner
Gregory Seidel, Commissioner
Sarah Sprinkel, Commissioner

CITY MANAGER

Randy B. Knight, C.P.A.

ASSISTANT CITY MANAGER

Michelle Neuner

CITY CLERK

Cynthia S. Bonham

FINANCE DIRECTOR

Charles W. Hamil, III, C.P.A.

PUBLIC WORKS AND ELECTRIC UTILITIES DIRECTOR

Troy Attaway, P.E.

ELECTRIC UTILITY OPERATIONS MANAGER

Dan D'Alessandro

CITY ATTORNEY

Fishback, Dominick, Bennett, Ardaman, Ahlers, Langley & Geller LLP
Winter Park, Florida

BOND COUNSEL

Bryant Miller Olive P.A.
Orlando, Florida

DISCLOSURE COUNSEL

Bryant Miller Olive P.A.
Tampa, Florida

FINANCIAL ADVISOR

Public Financial Management, Inc.
Orlando, Florida

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations in connection with the Series 2016 Bonds, other than as contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the City. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2016 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information set forth herein has been obtained from the City, The Depository Trust Company, and other sources that are believed to be reliable, but is not guaranteed as to accuracy or completeness by and is not to be construed as a representation by the City with respect to any information provided by others. The information and expressions of opinion stated herein are subject to change, and neither the delivery of this Official Statement nor any sale made hereunder shall create, under any circumstances, any implication that there has been no change in the matters described herein since the date hereof.

NO REGISTRATION STATEMENT RELATING TO THE SERIES 2016 BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "SEC") OR WITH ANY STATE SECURITIES COMMISSION. IN MAKING ANY INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATIONS OF THE CITY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SERIES 2016 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS OFFICIAL STATEMENT CONSTITUTE "FORWARD LOOKING STATEMENTS." SUCH STATEMENTS GENERALLY ARE IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS "PLAN," "EXPECT," "ESTIMATE," "BUDGET" OR OTHER SIMILAR WORDS. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, SUBJECT TO ANY CONTRACTUAL OR LEGAL RESPONSIBILITIES TO THE CONTRARY.

THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE A CONTRACT BETWEEN THE CITY AND ANY ONE OR MORE OF THE OWNERS OF THE SERIES 2016 BONDS.

All summaries herein of documents and agreements are qualified in their entirety by reference to such documents and agreements, and all summaries herein of the Series 2016 Bonds are qualified in their entirety by reference to the form thereof included in the aforesaid documents and agreements.

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OFFICIAL STATEMENT

relating to

\$_____

CITY OF WINTER PARK, FLORIDA ELECTRIC REFUNDING REVENUE BONDS, SERIES 2016

INTRODUCTION

The purpose of this Official Statement, including the cover page, the inside cover and all appendices, is to furnish updated information in connection with the sale by the City of Winter Park, Florida (the "City") of its \$_____ * aggregate principal amount of Electric Refunding Revenue Bonds, Series 2016 (the "Series 2016 Bonds").

The Series 2016 Bonds are being issued under the authority of, and in full compliance with, the Constitution and Statutes of the State of Florida, including particularly Chapter 166, Parts I and II, Florida Statutes, as amended; Chapter 86, Article III, Code of Ordinances of the City; Resolution No. 1898-05, adopted by the City Commission of the City (the "City Commission") on May 9, 2005 (the "Original Resolution"); and Ordinance No. 3031-16 enacted by the City Commission on March 14, 2016, as supplemented by Resolution No. 2173-16, adopted by the City Commission on March 28, 2016 (said ordinance and supplemental resolution, together with the Original Resolution, collectively, the "Bond Resolution") and other applicable provisions of law.

Capitalized terms used herein shall have the same meanings as given to them in the Bond Resolution unless otherwise defined herein or where the context would clearly indicate otherwise. The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents, and reference is made to the originals of all such documents for full and complete statements of all matters of fact relating to the Series 2016 Bonds, the security for the payment of the Series 2016 Bonds, and the rights and obligations of registered owners thereof. Copies of such documents may be obtained from Charles W. Hamil, III, C.P.A., Finance Director, 401 South Park Avenue, Winter Park, Florida 32789, telephone: (407) 599-3381, upon payment of reproduction costs and postage and handling expenses.

PURPOSE OF ISSUE

The Series 2016 Bonds will be issued for the purpose of providing funds sufficient, together with other available funds of the City, to (i) refund all or a portion of the outstanding Electric Refunding and Improvement Revenue Bonds, Series 2007 (the "Series 2007 Bonds"), maturing on and after October 1, 2018 (such refunded portion, the "Refunded Bonds") of the City, and (iii) pay certain expenses related to the issuance and sale of the Series 2016 Bonds.

Upon delivery of the Series 2016 Bonds, The Bank of New York Mellon Trust Company, as escrow agent (the "Escrow Agent"), will enter into an Escrow Deposit Agreement (the "Escrow Agreement") with the City to provide for the refunding of the Refunded Bonds. The Escrow Agreement will create an irrevocable escrow fund (the "Escrow Fund") which will be held by the Escrow Agent. The money and securities held in the Escrow Fund are to be applied to the payment of principal of and interest on the Refunded Bonds, as the same become due and payable at maturity or upon redemption

prior to maturity. Immediately upon the issuance and delivery of the Series 2016 Bonds, the City will deposit a portion of the proceeds from the sale of the Series 2016 Bonds into the Escrow Fund, together with any legally available funds provided by the City for that purpose. Substantially all of the money is expected to be invested in noncallable United States Treasury Obligations (the "Escrow Securities"). The maturing principal amount of and interest on the Escrow Securities and any cash held in the Escrow Fund (i) will be sufficient to pay the principal of and interest on the Refunded Bonds to their redemption date according to the schedules prepared by Public Financial Management, Inc. (the "Financial Advisor") and verified by Grant Thornton LLP (the "Verification Agent"), (ii) will be pledged solely for the benefit of the holders of the Refunded Bonds, and (iii) will not be available for payment of debt service on the Series 2016 Bonds. See "VERIFICATION OF ARITHMETICAL COMPUTATIONS" herein.

In reliance upon the above-referenced schedules, at the time of delivery of the Series 2016 Bonds, Bond Counsel will deliver to the City an opinion to the effect that the pledge of and lien on Net Revenues in favor of the holders of the Refunded Bonds under the Bond Resolution is no longer in effect.

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds for the Series 2016.

Estimated Sources of Funds:

Principal Amount

Net Original Issue [Premium][Discount]

Other Legally Available Funds

Total Estimated Sources of Funds

Estimated Uses of Funds:

Deposit to Escrow Fund

Costs of Issuance ⁽¹⁾

Total Estimated Uses of Funds

(1) Includes original purchaser's discount, bond counsel and disclosure counsel fees and expenses, municipal bond insurance premium, if any, financial advisory fees, and other costs associated with the Series 2016 Bonds.

DESCRIPTION OF THE SERIES 2016 BONDS

General

The Series 2016 Bonds will be dated as of their date of delivery, will be issued in fully registered form, in the denominations of \$5,000 each or integral multiples thereof. The principal of and interest on the Series 2016 Bonds will be payable in lawful money of the United States of America. Accrued and unpaid interest on the Series 2016 Bonds will be payable semi-annually, commencing October 1, 2016, until maturity or earlier redemption of the Series 2016 Bonds and payable by wire transfer of immediately available funds to the account specified by the Owner in a written direction received by the Bond Registrar on or prior to a Record Date or, if no such account number is furnished, by check mailed by the Bond Registrar to the Owner at the address appearing on the books required to be kept by the Bond Registrar pursuant to the Bond Resolution. The principal of each Series 2016 Bond will be payable on its

Principal Payment Date, upon surrender thereof at the office of the Bond Registrar. The Series 2016 Bonds will be issued as fully registered obligations and will initially be issued as a single bond for each maturity registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), an automated depository for securities and clearinghouse for securities transactions. So long as DTC, or its nominee Cede & Co., is the registered owner of the Series 2016 Bonds, payments of the principal of and interest on the Series 2016 Bonds will be mailed directly to DTC or its nominee, Cede & Co, which will remit such payments to the DTC Participants, which, in turn, will remit such payments to the Beneficial Owners of the Series 2016 Bonds. See the caption " - Book-Entry Only System" below.

Book-Entry Only System

THE FOLLOWING INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE CITY BELIEVES TO BE RELIABLE, BUT THE CITY TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2016 BONDS, AS NOMINEE OF DTC, CERTAIN REFERENCES IN THIS OFFICIAL STATEMENT TO THE SERIES 2016 BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2016 BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2016 BONDS. THE DESCRIPTION WHICH FOLLOWS OF THE PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2016 BONDS, PAYMENT OF INTEREST AND PRINCIPAL ON THE SERIES 2016 BONDS TO DIRECT PARTICIPANTS (AS HEREINAFTER DEFINED) OR BENEFICIAL OWNERS OF THE SERIES 2016 BONDS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2016 BONDS, AND OTHER RELATED TRANSACTIONS BY AND BETWEEN DTC, THE DIRECT PARTICIPANTS AND BENEFICIAL OWNERS OF THE SERIES 2016 BONDS IS BASED SOLELY ON INFORMATION FURNISHED BY DTC. ACCORDINGLY, THE CITY NEITHER MAKES NOR CAN MAKE ANY REPRESENTATIONS CONCERNING THESE MATTERS.

DTC will act as securities depository for the Series 2016 Bonds. The Series 2016 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2016 Bond certificate will be issued for each maturity of the Series 2016 Bonds as set forth in the inside cover of this Official Statement, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust

companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Direct Participants and the Indirect Participants are collectively referred to herein as the "DTC Participants." DTC has a Standard & Poor's Ratings Services ("S&P") rating of AA+. The DTC Rules applicable to its DTC Participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2016 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2016 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2016 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2016 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2016 Bonds, except in the event that use of the book-entry system for the Series 2016 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2016 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2016 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2016 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2016 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2016 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2016 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2016 Bonds may wish to ascertain that the nominee holding the Series 2016 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2016 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2016 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2016 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2016 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Paying Agent on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest on the Series 2016 Bonds, as applicable, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2016 Bonds at any time by giving reasonable notice to the City or paying agent. Under such circumstances, in the event that a successor depository is not obtained, the Series 2016 Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, the Series 2016 Bond certificates will be printed and delivered to DTC.

Registration of Transfer of Series 2016 Bonds

So long as the Series 2016 bonds are registered in the name of DTC or its nominee, the provisions described under "-Book-entry Only System" above shall control.

The Bond Registrar shall be responsible for maintaining the books for the registration and transfer of the Series 2016 Bonds in compliance with a written agreement to be executed between the City and the Bond Registrar prior to the delivery date of the Series 2016 Bonds. Upon surrender to the Bond Registrar for transfer or exchange of any Series 2016 Bond, duly endorsed for transfer or accompanied by an assignment or written authorization for exchange, whichever is applicable, duly executed by the Bondholder or his attorney duly authorized in writing, the Bond Registrar shall deliver in the name of the Bondholder or the transferee or transferees, as the case may be, a new fully registered Series 2016 Bond or Series 2016 Bonds of Authorized Denominations and of the same maturity and interest rate and for the aggregate principal amount which the Bondholder is entitled to receive. All Series 2016 Bonds presented for transfer, exchange, redemption or payment (if so required by the City or the Bond Registrar) shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Issuer or the Bond Registrar, duly executed by the Bondholder or by his duly authorized attorney.

The Bond Registrar or the Issuer may require payment from the Bondholder or transfer of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in connection with any exchange or transfer of the Series 2016 Bonds. Such charges and expenses shall be paid before any new Series 2016 Bonds shall be delivered. New Series 2016 Bonds delivered upon any transfer or exchange shall be valid obligations of the Issuer, evidencing the same debt as the Series 2016 Bonds surrendered, shall be secured by the Bond Resolution and shall be entitled to all of the security and benefits hereof to the same extent as the Series 2016 Bonds surrendered.

The City and the Bond Registrar may treat the Holder as the absolute owner thereof for all purposes, whether or not such Series 2016 Bond shall be overdue, and shall not be bound by any notice to the contrary.

Mutilated, Destroyed, Stolen or Lost Series 2016 Bonds

In case any Series 2016 Bonds shall become mutilated, or be destroyed, stolen or lost, the City, acting through the Bond Registrar, may in its discretion issue and deliver a new Series 2016 Bond of like tenor as the Series 2016 Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such Series 2016 Bond, upon surrender and cancellation of such Series 2016 Bond or in lieu of and substitution for the Series 2016 Bond destroyed, stolen or lost, and upon the Bondholder furnishing proof of his ownership and the loss thereof (if lost, stolen or destroyed) and satisfactory indemnity and complying with such other reasonable regulations and conditions as the City may prescribe and paying (in advance if so required by the City or the Bond Registrar) such taxes, governmental charges, attorney's fees, printing costs, and other expenses as the City and/or the Bond Registrar may charge and/or incur. All Series 2016 Bonds so surrendered shall be cancelled by the Bond Registrar. If any such Series 2016 Bond shall have matured or will mature within 45 days, instead of issuing a substitute Series 2016 Bond, the City may pay the same, upon being indemnified as aforesaid, and if such Series 2016 Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Series 2016 Bonds shall constitute original contractual obligations on the part of the City, whether or not the lost, stolen or destroyed Series 2016 Bonds be at any time found by anyone; and such duplicate Series 2016 Bonds shall be entitled to equal and proportionate benefits and rights as to lien, source and security for payment, pursuant to the Bond Resolution from the funds, as hereinafter pledged, to the same extent as all other Series 2016 Bonds issued under the Bond Resolution.

Redemption Provisions

Optional Redemption. The Series 2016 Bonds, or any portions thereof, maturing on or after October 1, 2026, shall be subject to redemption prior to their stated dates of maturity, other than by operation of the Bond Amortization Account, at the option of the City, in whole or in part, in such manner determined by the City, on April 1, 2026, or on any date thereafter, at the price of par and accrued interest to the redemption date.

Mandatory Redemption. Principal amounts of the Series 2016 Bonds of this issue or portions thereof, maturing on October 1, _____, to be selected by lot, which shall be equal to the following mandatory amortization installments:

Year

Amount

\$

*

*Maturity.

shall be redeemed on October 1 in such years prior to their maturity (except the installment maturing in the year ____) by operation of the Bond Amortization Account, at the price of the principal amount thereof plus accrued interest to the date of redemption, or be purchased in the open market at a price not to exceed such redemption price.

Notice and Effect of Redemption

Notice of such redemption shall, at least 30 days prior to the redemption date, be filed with the Bond Registrar and be mailed, postage prepaid, by the Bond Registrar to the Bond Insurer and all registered owners of Series 2016 Bonds to be redeemed at their addresses as they appear of record on the books of the Bond Registrar prior to the date fixed for redemption; provided, however, that failure to mail such notice of redemption to a registered owner shall not render ineffective any proceedings for redemption with respect to Series 2016 Bonds held by registered owners to whom notice was properly mailed. No default affecting any Series 2016 Bond, whether in the notice of redemption or the mailing thereof, shall affect the validity of the redemption proceedings for any other Series 2016 Bonds. Interest shall cease to accrue on any Series 2016 Bond duly called for prior redemption on the redemption date, if payment thereof has been duly provided. The privilege of transfer or exchange of any of the Series 2016 Bonds selected for redemption shall be suspended.

At least two business days in advance of mailing the notice of redemption as specified above, the Bond Registrar shall send such notice of redemption by certified mail, overnight mail/delivery service or telecopy to DTC; and at least 30 days prior to the redemption date, mail such notice of redemption to one or more national information services which disseminate notices of redemption of obligations such as the Series 2016 Bonds; provided, however, that failure to distribute such notice of redemption to such depositories and national information services shall not render ineffective any calling of Series 2016 Bonds for prior redemption.

Each notice of redemption shall state the date of dissemination of such notice; the date of issue of the Series 2016 Bonds; the redemption date; the redemption price; the place or places of redemption (including the name and appropriate address or addresses of the paying agent); the dates of maturity and interest rates borne by the Series 2016 Bonds to be redeemed; the CUSIP number (if any) of the maturity or maturities to be redeemed; and, if less than all of any such maturity, the distinctive certificate numbers of the Series 2016 Bonds of such maturity to be redeemed, and, in the case of Series 2016 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on such date there will become due and payable on each of such Series 2016 Bonds, the redemption price thereof, or of such specified portion of the principal amount thereof in the case of a Series 2016 Bond to be redeemed in part only, together with interest accrued thereon to the redemption date; and that from and after such redemption date, interest thereon shall cease to accrue, and shall require that such Series 2016 Bonds be then surrendered at the address or addresses of the paying agent specified in the redemption notice. Failure to include in such notice of redemption all of the information specified in this paragraph, shall not render ineffective any proceedings for the redemption of the Series 2016 Bonds.

DEBT SERVICE REQUIREMENTS

The following table sets forth the annual principal and interest requirements for the Series 2016 Bonds and Outstanding Parity Obligations for each Fiscal Year.

Fiscal Year (October 1)	<u>Series 2016 Bonds</u>		<u>Total</u>	2005A	2007	2009	2010	2014	2014A	Total
	<u>Principal</u>	<u>Interest</u>		<u>Debt Service</u>	<u>Debt Service⁽¹⁾</u>	<u>Debt Service</u>	<u>Debt Service</u>	<u>Debt Service</u>	<u>Debt Service</u>	<u>Debt Service</u>
2016				\$62,175	\$1,400,623	\$2,531,294	\$361,320	\$519,335	\$414,982	
2017				71,475	1,398,823	2,516,769	364,120	515,567	412,656	
2018				85,425	1,396,223	2,531,019	361,600	516,662	415,181	
2019				93,850	1,397,823	2,526,663	363,920	517,483	412,407	
2020				91,925	1,397,660	2,526,838	360,920	518,030	414,484	
2021				115,000	1,396,625	2,518,588	362,760	518,303	411,261	
2022				112,200	1,400,225	2,522,038	359,280	518,302	412,889	
2023				109,400	1,395,900	2,511,425	360,640	518,027	414,218	
2024				101,600	1,398,725	2,502,075	361,680	517,478	415,248	
2025				93,975	1,399,975	2,505,250	362,400	516,655	410,979	
2026				101,525	1,399,650	2,502,500	362,800	515,558	411,561	
2027				103,725	1,397,750	2,491,000	362,880	519,187	411,843	
2028				105,750	1,399,275	2,496,000	362,640	517,405	411,827	
2029				77,600	1,396,763	2,446,500	362,080	515,349	411,511	
2030				60,325	1,397,350	2,395,000	361,200	518,019	410,897	
2031				68,575	1,400,800	2,386,500		515,278	414,983	
2032				81,475	1,399,450	2,393,750		517,263	413,621	
2033				78,850	1,396,075	2,390,750		518,837	411,960	
2034				36,225	1,395,675	1,352,750				
2035					1,398,025	1,286,250				
2036					1,397,900					
2037					1,400,300					
Total				\$1,651,075	\$30,761,615	\$47,332,959	\$5,430,240	\$9,312,738	\$7,432,506	

(1) Includes debt service on the Series 2007 Bonds to be refunded with proceeds of the Series 2016 Bonds.

SECURITY FOR THE SERIES 2016 BONDS

General

The Series 2016 Bonds, the Parity Obligations, and any Additional Parity Bonds outstanding under the Bond Resolution will be payable from and secured by a prior lien upon and pledge of the net revenues (the "Net Revenues") to be derived by the City from the operation of its electric distribution system (the "System").

The Series 2016 Bonds shall not constitute an indebtedness of the City within the meaning of any constitutional or statutory limitation of indebtedness, but shall be payable solely from the Net Revenues. No Holder of any of the Series 2016 Bonds shall ever have the right to compel the exercise of the ad valorem taxing power of the City or taxation in any form on real property therein for payment of the principal of, premium, if any, or interest on the Series 2016 Bonds or be entitled to payment of such principal of, premium, if any, or interest from any other funds of the City except from the special funds as provided in the Bond Resolution. The Series 2016 Bonds shall not constitute a lien upon any property of or in the City, but shall constitute a lien only upon the Net Revenues in the manner provided in the Bond Resolution.

Net Revenues

Gross Revenues or Revenues shall mean (1) all revenues, income or earnings received by the City from or attributable to its ownership and operation of the System, including any income from the investment of funds and amounts received from the providers of Qualified Swap Agreements, but excluding (a) impact fees and contributions in aid of construction, and the earnings thereon, (b) any franchise fees received by the City from Progress Energy Florida, Inc., the Orlando Utilities Commission, and any successors thereto, (c) proceeds of the sale or other disposition of System property, (d) customer deposits, (e) government grants, (f) loan proceeds and (g) insurance proceeds (other than business interruption insurance); and (2) the proceeds of any business interruption insurance.

Cost of Operation and Maintenance of the System shall mean the current expenses (including Contract Debts, at the option of the Director of Electric Utilities), paid or accrued, of operation, maintenance and repair of the System, as calculated in accordance with generally accepted accounting principles, but shall not include any Bond Service Requirements, reserves for renewals and replacements, extraordinary repairs, any allowance for renewals, replacements and depreciation, or any transfers to the General Fund of the City.

Net Revenues are defined as the Revenues or Gross Revenues, after deduction of the Cost of Operation and Maintenance.

See "THE SYSTEM" herein and "COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY OF WINTER PARK, FLORIDA FOR FISCAL YEAR ENDED SEPTEMBER 30, 2015" attached hereto as APPENDIX B.

Disposition of Revenues

All Revenues at any time remaining on deposit in the Revenue Fund, created and established by the Bond Resolution, shall be disposed of monthly in the following manner and in the following order of priority:

(i) Revenues shall first be deposited into the Operation and Maintenance Fund, in an amount necessary for the Cost of Operation and Maintenance for the next ensuing month.

(ii) Revenues shall next be deposited into the Interest Account, as necessary to pay 1/6th of the interest becoming due on the Bonds on the next semiannual interest payment date and any Qualified Swap Payments accruing in such month.

(iii) Revenues shall then be deposited into the Principal Account, in any year immediately before a serial Bond maturity date, such sums as are necessary to pay 1/6th or 1/12th as the case may be, of the principal maturing on serial Bonds on the next maturity date.

(iv) Revenues shall next be used for deposit into the Bond Amortization Account, on a parity with the payments into the Principal Account provided in paragraph (iii) above, a sum equal to 1/6th or 1/12th, as the case may be, of the amount of the Amortization Installments for term Bonds which shall become due and payable during the current Bond Year.

The required deposits in the Principal Account, Interest Account and Bond Amortization Account shall be adjusted in order to take into account the amount of money currently on deposit therein.

(v) Revenues shall then be used to maintain a Reserve Account in the Sinking Fund. The City shall after making the above monthly deposits and after applying all available cash and investments in the Reserve Account, pay the applicable bond insurer, 1/12th of the amount of any draws, expenses and accrued interest with respect to a Reserve Policy, and then deposit into the Reserve Account an amount equal to 1/12th of the difference between the Maximum Bond Service Requirement and the amount of money, if any, which is deposited into the Reserve Account from the proceeds from the sale of any Bonds. No further payments shall be required to be made into the Reserve Account so long as there remains on deposit therein, an amount equal to the Maximum Bond Service Requirement. Amounts in excess of the Maximum Bond Service Requirement shall be deposited into the Revenue Fund.

Any cash withdrawals from the Reserve Account shall be subsequently restored from the first revenues available after all required current payments pursuant to paragraphs (i), (ii), (iii), (iv) and (v) above, including any deficiencies for prior payments and any reimbursements of payments made by bond insurers under their reserve account policies, have been made in full.

In lieu of cash funding the Reserve Account, and after issuance of any Bonds, the City may substitute a municipal bond insurance policy of a reputable insurer whose policies generally result in bond issues being rated in the highest rating category by S&P and Moody's, in the amount equal to the difference between the cash deposit and the Maximum Bond Service Requirement with respect to the applicable series of Bonds, or the amount of such withdrawal, as applicable.

Money in the Reserve Account shall be used only for the purpose of the payment of maturing principal of or interest on Bonds secured thereby when the money in the Sinking Fund is insufficient therefor and for no other purpose, except that such money may be invested and reinvested as provided

therein. No Reserve Account has been established for the Series 2016 Bonds. See “– No Debt Service Reserve Account” below.

Thereafter, Revenues shall next be deposited in the Renewal and Replacement Fund. The City shall pay into such fund an amount equal to 1/12th of the amount recommended by the staff engineers of the City for the System and approved by the Director of Electric Utilities, but no further deposits shall be required as long as there is on deposit therein the amount recommended by the Consulting Engineers for the System for the current Fiscal Year. Such fund shall be used only for the purpose of paying the cost of extensions, enlargements or additions to or the replacement of capital assets of the System and for emergency repairs thereto, or to supplement the Reserve Account to the extent necessary to remedy any deficiency therein.

If at any time the Revenues are insufficient to deposit the required amount in any of the funds as provided above, the deficiency shall be made up in the subsequent payments in addition to the payments which would otherwise be required to be made into such funds on the subsequent payment dates.

After the payments provided in paragraphs (i) through (vii) and deposits to the Renewal and Replacement Fund above have been made, the City may pay to the provider of any Liquidity Facility or Credit Facility or an interest rate swap (including the Swap), cap, other or similar financial agreement, or any Underwriter, auction agent, an amount equal to the fees, termination payments and other amounts owing to such persons accruing in such month which are not otherwise treated as principal or interest payments with respect to Bonds or Qualified Swap Payments pursuant to the terms of the Bond Resolution.

Revenues will next be used for transfer to such other funds or accounts as are specified by subsequent resolutions of the City, in such amounts as shall be necessary to pay debt service and other requirements with respect to debt obligations of the City secured by a lien on the Net Revenues, junior and subordinate to the lien thereon in favor of the Holders and the counterparties to the Swap, as provided in such resolutions.

The remainder of the Revenues on deposit in the Revenue Fund, after all other required payments into the funds provided above have been made, together with deficiencies for prior payments, may be used by the City for any lawful purpose.

The Revenue Fund, the Operation and Maintenance Fund, the Sinking Fund (including all accounts therein), the Renewal and Replacement Fund and any other special funds shall constitute trust funds for the purposes provided in the Bond Resolution. All such funds shall be continuously secured in the same manner as municipal deposits are required to be secured by the laws of the State of Florida. Money on deposit in any of such funds and accounts may be invested and reinvested in Authorized Investments.

No Debt Service Reserve Account

The Reserve Account Requirement with respect to the Series 2016 Bonds is equal to \$0. The Series 2016 Bonds will not be secured by any amounts on deposit in the Reserve Account or any subaccount therein.

Investment of Funds

Money on deposit in the Revenue Fund, Operation and Maintenance Fund, Sinking Fund (including all accounts therein) and the Renewal and Replacement Fund may be invested and reinvested in Authorized Investments, provided such investments either mature or are redeemable at not less than par, at the option of the City, not later than the dates on which the money on deposit therein will be needed for the purpose of such funds. All investment income derived therefrom shall be deposited into the Revenue Fund.

Additional Parity Obligations

Under the Bond Resolution, the City may not issue other obligations payable from Net Revenues having priority to or being on a parity with the lien of the Series 2016 Bonds, except under the conditions and in the manner provided in the Bond Resolution. Any obligations issued by the City other than the Series 2016 Bonds and any Additional Parity Obligations provided for below, payable from the Net Revenues, shall contain an express statement that such obligations are junior and subordinate in all respects to the Bonds as to lien, source and security for payment from the Net Revenues.

No Additional Parity Obligations payable on a parity from the Net Revenues with the Bonds shall be issued except for the purpose of financing or refinancing the cost of the extensions, additions and improvements of the System upon the following conditions:

(i) An independent certified public accountant or any member of the managerial staff of the City who is a licensed certified public accountant shall certify that the amount of the annual Net Revenues derived or which would have been derived, adjusted as provided below, from the System, during the immediately preceding Fiscal Year or any 12 consecutive calendar months of the 24 months immediately preceding the sale of the proposed Additional Parity Obligations (in either case based upon the audited financial statements of the City and, if applicable, review of unaudited financial information concerning the City) shall have been not less than 125% of the Maximum Bond Service Requirement which will become due in any year thereafter on (a) the Bonds then outstanding, (b) the Additional Parity Obligations issued and then outstanding, and (c) the Additional Parity Obligations then proposed to be issued.

In determining the amount of Net Revenues for the purposes of paragraph (i) above, the City shall adjust the Net Revenues as follows:

(a) by adding the Net Revenues (computed for such utility on the same basis as Net Revenues are computed for the System) of any electric utility which the City shall have acquired prior to the issuance of such Additional Parity Obligations or which the City shall be acquiring from the proceeds of such Additional Parity Obligations;

(b) in the event a change has been made in the rate schedules for services from the System prior to the issuance of the proposed Additional Parity Obligations, and such change has resulted in an increase in Net Revenues, by adding such amount of additional Net Revenues which the City estimates would have been received by the City during such 12 month period referred to in paragraph (i) above, if such change in such rate schedule had been in effect during the entire 12 month period, and in the event a change has been made in the rate schedules for services from the System prior to the issuance of the proposed Additional Parity Obligations, and such change has resulted in a decrease in Net Revenues, by subtracting therefrom such amount of the Net Revenues which the City estimates would

not have been received by the City during such 12 month period referred to in paragraph (i) above, if such change in such rate schedule had been in effect during the entire 12 month period; and

(c) by subtracting all amounts received by the City with respect to Qualified Swap Agreements during such 12 month period.

(ii) Each ordinance or resolution authorizing the issuance of Additional Parity Obligations will recite that all of the applicable covenants in the Bond Resolution will be applicable to such Additional Parity Obligations.

(iii) The City shall not be in default in performing any of the covenants and obligations assumed in the Bond Resolution, and all payments therein required to have been made into the accounts and funds, as provided in the Bond Resolution, shall have been made to the full extent required. Any Reserve Account requirement for such Additional Bonds shall be satisfied on their date of issuance.

(iv) Qualified Swap Payments payable by the City under any Qualified Swap Agreement may be payable from the Interest Account on a parity with interest payments with respect to Obligations issued and outstanding under the Bond Resolution. To the extent required by the Qualified Swap Agreements, the City has granted to the counterparties to such Qualified Swap Agreements a lien on the Net Revenues to secure payment of such Qualified Swap Payments and to provide the priority of payment thereof in accordance with the terms of the Bond Resolution; provided, however, that (a) such lien shall not be superior to the lien thereon in favor of the Holders of the Obligations and (b) such lien and priority of payment shall be effective only so long as payments under the applicable swap agreement meet all requirements provided in the definition of "Qualified Swap Payments" of the Bond Resolution, except that for purposes of this provision only, the maximum term of the Qualified Swap Agreement shall be changed to a limitation that the maximum term of the swap agreement shall not exceed the term of the Obligations to which it pertains.

Rate Covenant

The City has covenanted to establish rates, fees, rentals and charges for the services of the System as will provide Revenues in each year sufficient to pay the Cost of Operation and Maintenance plus 125% of the Bond Service Requirement and Qualified Swap Payments (if not included in the Bond Service Requirement) and principal of and interest on the Series 2016 Bonds (including sinking fund and amortization installments) due in such year, and 100% of all other payments (excluding certain fees, termination payments and other amounts as described in the Bond Resolution which are payable on a subordinated basis, to the extent provisions for the payment of such amounts has been made from other legally available funds) required by the Bond Resolution, and such rates, fees, rentals and other charges will not be reduced so as to be insufficient to provide adequate Revenues for such purposes. For the purpose of ascertaining compliance with this rate covenant, all amounts received by the City with respect to Qualified Swap Agreements shall be excluded.

Miscellaneous Covenants and Provisions

In addition to the foregoing, the City has covenanted in the Bond Resolution that so long as the Bonds are outstanding, the City will, among other things:

(i) Maintain the System in good condition and operate it in an efficient and economical manner.

(ii) Carry such insurance as is ordinarily carried in the operation of similar public and private utilities in the State.

(iii) Not sell, lease, encumber or dispose of any necessary property of the System or any substantial part thereof unless certain conditions have been met.

(iv) Keep proper books and records of the Gross Revenues separate and apart from all other records and accounts of the City.

(v) Prohibit the rendering of free services by the System.

(vi) Diligently enforce and collect all rates, fees, rentals and other charges for the services of the System and take all steps, actions, and proceedings necessary for the enforcement and collection of such rates, fees, rentals and other charges which shall become delinquent to the full extent permitted or authorized by Florida laws, including the disconnection of all premises 30 days delinquent in payment for services rendered.

(vii) Under the circumstances provided in the Bond Resolution, retain a recognized consulting engineer or engineering firm having a favorable reputation for skill and experience in the design, construction and operation of facilities of comparable size and character as the System.

(viii) Except with respect to any areas of the City that were annexed after December 9, 2002, which will continue to be served by Progress Energy Florida, Inc., and the areas served by the Orlando Utilities Commission in accordance with its franchise granted by the City, not grant any franchise or permit to any person or firm to furnish services similar to those of the System to or within the boundaries of the City, unless it concurs in a finding by the Consulting Engineer that the furnishing of such competitive services will not materially adversely affect the Net Revenues.

Modification or Amendment

No adverse material modification or amendment of the Bond Resolution or of any ordinance or resolution amendatory or supplemental thereto may be made without the consent in writing of the Holders of 51% or more in aggregate principal amount of all the Bonds so affected by such modification or amendment; provided, however, that no modification or amendment shall permit a change in the maturity of the Bonds or a reduction in the rate of interest thereon, or in the amount of principal obligation thereof, or affect the promise of the City to pay the principal of and interest on the Bonds as the same shall become due from the Net Revenues, or reduce the percentage of the Holders of the Bonds required to consent to any adverse material modification or amendment of the Bond Resolution without the consent of the Holders of all Bonds; provided further, however, that the City may at any time amend the Bond Resolution to provide for the issuance or exchange of Bonds in coupon form, if and to the extent that doing so will not affect the tax exempt status of the interest on the Bonds. No material modification or amendment of the Bond Resolution or of any ordinance or resolution mandating thereto that materially, adversely affects the interest of any counterparty to a Qualified Swap Agreement may be made without the prior written consent of such counterparty. If the Bonds then outstanding are insured by a Bond Insurance Policy, the consent of the Bond Insurer shall be required in lieu of the consent of the Holders of the Bonds so insured, with respect to modifications or amendments not requiring the consent of the Holders of all the outstanding Bonds; shall be required in addition to the consent of all such Holders with respect to modifications or amendments requiring the consent of all such Holders; and shall be required for modifications or amendments affecting the rights of the Bond Insurer.

THE SYSTEM

Background

In 1913, the City constructed and began operating an electric distribution system within its corporate limits. In 1927, the City sold its electric system to the predecessor to Progress Energy Florida, Inc. ("Progress Energy") and the City entered into a franchise agreement pursuant to which the utility provided electric service to the citizens of the City. Progress Energy and the City renewed the franchise agreement in 1947 and again in 1971. Both franchise agreements also allowed the City the option to purchase the electric distribution system at the end of the franchise term.

When the 1971 franchise agreement was due to expire in 2001, Progress Energy approached the City about renewing the agreement but without the purchase option. The City refused to enter into a new franchise agreement without the purchase option and in June of 2001, filed an action in circuit court for a determination of the price it would have to pay to purchase the electric distribution system pursuant to the purchase option. On October 15, 2001, the circuit court entered an order directing the parties to proceed to arbitration to address certain contested issues including the purchase price of the System and other related costs. After completion of the arbitration process, the City purchased the System in 2005.

General Description

The System consists of the electric transmission and distribution system providing electricity to 14,965 customers within the approximately nine square mile area of the City. Electric service to a limited number of residential customers in areas within the City's limits that were annexed into the City after 2002 is provided by Duke Energy and the Orlando Utilities Commission.

The System is comprised of poles, overhead lines, underground lines, transformers and street lights. The System also includes two substations, the Canton Avenue Substation and the Interlachen Substation (collectively, the "Substations"). At the Substations, the power is transformed to the distribution primary network voltage of 12.47 kV. The Canton Avenue Substation contains three substation transformers and distributes electricity at primary voltage through eleven circuits originating from this substation. The Interlachen Substation contains two substation transformers and distributes electricity at primary voltage through six circuits originating from this substation.

The City owns and operates general plant facilities and equipment to support its water and sewer system which are also used to support the System. The City's operations center houses the control room, the administrative and engineering offices, indoor and outside storage areas and the fleet maintenance garage. The control room will monitor the operation and activities of the System and during normal business hours will serve as the call center for reporting emergencies and customer outages. Both the Canton Avenue Substation and the Interlachen Substation contain state-of-the-art supervisory control and data acquisition equipment that provides remote monitoring and control of the Substations and the distribution circuits located within the City.

Operation

The governance of the System is vested with the City Commission. To assist the City Commission and the City management in matters pertaining to the System, the City has created a utilities advisory board (the "Advisory Board"). The Advisory Board consists of nine members who are appointed by the Mayor and confirmed by the City Commission and serve terms of three years. The

Advisory Board recommends policies regarding the System and proposes budgets and rates for the System. The City Commission, however, has final approval regarding budgets, rates and debt issuance for the System.

Overall responsibility for management of the System and the day-to-day management and operational aspects of the System are the responsibility of the Electric Operations Manager with oversight from the Director of Public Works. Biographical information for the Electric Operations Manager and Director of Public Works are as follows:

Dan D'Alessandro, Electric Operations Manager. Dan D'Alessandro joined the City of Winter Park in July of 2015 as the Electric Operations Manager. In 1987, Mr. D'Alessandro, with a licensed journeyman electrician background, worked as a laborer for Florida Power Corporation® until becoming a journeyman lineman in 1993. For the following nine years, Dan worked as a lineman throughout central Florida. In 2002, Dan became a supervisor with Progress Energy Florida® overseeing a 15-person crew that was responsible for building distribution power lines where he became shift supervisor for the north central region of Progress Energy Florida® and was responsible for customer requests and all first-responder activities for the region. In 2005, Mr. D'Alessandro was promoted to distribution operations manager for the Jamestown Operation Center until 2012, when he began working with a contractor, Team Fishel, as a trainer for leadership and safety. He was promoted to division manager to lead the efforts for the electrical distribution conversion of the I-4 Ultimate Project where he was employed until joining the City in 2015.

Troy Attaway, Director of Public Works and Electric Utilities. Troy Attaway has acted as the Director of Public Works for the City since 2004 and as the Director of Public Works and Electric Utilities since 2015. He has a Bachelor's degree in Engineering from the University of Central Florida and is a registered Professional Engineer in Florida. He is a central Florida native with over 25 years of local experience in engineering and construction. In 1989, Mr. Attaway joined the Orlando consulting firm of Dyer, Riddle, Mills and Precourt as a project engineer. In 1995, Troy joined the City as stormwater engineer and three years later became the City engineer.

Mr. Attaway is responsible for the administration and management approximately of 80 City employees that work in a variety of divisions including: street maintenance, lakes and waterways, stormwater treatment, drainage, facilities maintenance, engineering, surveying, fleet and construction management.

The City reads electric meters, prepares monthly bills and collects payment for electric service using SunGard HTE, Inc. SunGard is a recognized provider of information technologies, including utility billing services. The City has been billing customers directly since electric system acquisition in June 2005.

Operations and Maintenance/Distribution Services Agreement

The City entered into a Distribution Services Agreement, dated January 11, 2005 (the "ENCO Agreement"), with an affiliate of ENCO Utility Services ("ENCO") to operate and maintain the System, pursuant to which ENCO provided labor, tools, office supplies, rolling stock, and communication equipment and services related to: (i) maintenance and operation of the transmission and distribution

facilities and equipment e.g., substations, conductors, poles, transformers, and rolling stock; (ii) response to trouble calls; (iii) improvement of transmission and distribution system reliability; (iv) maintenance and staffing of the operations center including, at a minimum, one electric system operator for a single shift during week days; (v) provision of engineering and planning services; (vi) maintenance of electrical services; and (vii) performing various other related services. In 2016, the City delivered a notice to ENCO that the ENCO Agreement would be terminated April 1, 2016 after which time a substantial amount of services provided by ENCO will be provided by City staff and other contracted service providers. The City is currently negotiating with _____ for the provision of certain services with respect to the operation and maintenance of the System, including but not limited to: (i) proposing an annual capital budget; (ii) vegetation management, including tree trimming; (iii) customer service activities; (iv) meter reading; (v) customer billing; (vi) accounting; (vii) system mapping; (viii) provision of the operations center facility; (ix) provision of materials and supplies; and (x) general administration and management of the System.

Mutual Aid Agreements

On April 11, 2005, the City entered into mutual aid agreements (collectively, the "Mutual Aid Agreements") administered by the America Public Power Association ("APPA"), the Florida Municipal Electric Association ("FMEA") and the Florida Electric Power Coordinating Group, Inc., ("FCG"). The primary purpose of such Mutual Aid Agreements is to enable electric utilities sustaining physical damage from natural disasters, including hurricanes, could obtain emergency assistance in the form of personnel, equipment, and materials from other electric utilities. Among other things, the Mutual Aid Agreements establish procedures and reimbursement guidelines.

Pursuant to the Mutual Aid Agreements, during emergencies such as hurricanes, members of FMEA, FCG and APPA will provide aid, including manpower, vehicles and equipment to the City. Under the Mutual Aid Agreements, the City is also obligated to provide aid to other members of FMEA, FCG and APPA during emergencies.

The Mutual Aid Agreements expire on _____.

Power Sales Agreements

The City has entered into the following bulk power sales agreements (collectively, the "Power Sales Agreements") which provide the committed capacity shown below:

Bulk Power Provider	Committed Capacity	Expiration of Agreement
Florida Power and Light	22 Megawatts	2019
Orlando Utilities Commission	18.5 Megawatts	2020
Covanta Energy Marketing LLC	10 Megawatts	2025
Gainesville Regional Utilities	10 Megawatts	2018
Clean Footprint LLC	2.25 Megawatts	2038

Under the Power Sales Agreements, the City is responsible for arranging and paying for transmission and ancillary services associated with transmitting the capacity and energy from the various bulk power providers to the Substations. Transmission service is to be provided by Duke Energy, Florida Power and Light and the Orlando Utilities Commission.

Historical Cost of Generation and Transmission

The following table sets forth the historical costs for the prior ten fiscal years of the City of generation and transmission service:

Service Estimated Cost					
Fiscal Year Ending September 30	Generation			Transmission \$/MWh	Total \$/MWh
	Fuel \$/MWh	Non Fuel \$/MWh	Total Generation \$/MWh		
2007	\$43.46	\$27.12	\$70.58	\$2.88	\$73.46
2008	53.00	26.36	79.36	3.56	82.92
2009	52.43	28.54	80.97	4.66	85.63
2010	54.25	27.22	81.47	4.72	86.19
2011	46.94	20.48	67.42	4.71	72.13
2012	36.80	18.51	55.31	5.36	60.67
2013	41.65	18.96	60.61	5.16	65.77
2014	39.85	17.38	57.23	6.12	63.35
2015	33.51	18.72	52.23	7.27	59.50
2016 ⁽¹⁾	33.07	18.67	51.74	8.25	59.99

(1) October – December 2015

Source: City of Winter Park, Florida Finance Department

Active System Accounts

The following table sets forth the number of active accounts by major rate class as of January 31, 2016:

Rate Class	Residential	Commercial	Street Lights	Public Authority	Total
General Service Demand - Primary (GSD-1)		2			2
General Service Demand - Secondary (GSD-1)		1,118		56	1,174
Non Demand - Primary (GS-1)					
Non Demand - Secondary (GS-1)		1,025		194	1,219
Non Demand - 100% Load Factor Usage (GS-2)		36		24	60
Time of Use - Secondary (GSDT-1)		20		1	21
Time of Use - Primary (GSDT-1)		1		1	2
Secondary Meter Voltage (GSD-1)					
Residential	11,844				11,844
Temporary Service (TS-1)	64	7			71
Lighting Service (LS-1)	72	139	14		225
	11,980	2,348	14	276	14,618

Source: City of Winter Park, Florida Finance Department

System Rates and Other Charges

In general, the rates of municipal electric utilities in Florida, including the City, are established by governing bodies of such utilities. Under Chapter 366, Florida Statutes, the Florida Public Service Commission (the "PSC") has jurisdiction over municipal electric utilities to prescribe uniform systems and classifications of accounts, to require electric power conservation and reliability, to approve territorial agreements, to resolve territorial disputes, to prescribe rate structures and to prescribe and require the periodic filing of reports and other data. The PSC and the Florida Supreme Court have determined that, except as to rate structure, the PSC does not have jurisdiction over municipal electric utility rates. Pursuant to the rules of the PSC, rate structure is defined as "...the classification system used in justifying different rates and, more specifically ... the rate relationship between various customer classes, as well as the rate relationship between members of a customer class." The PSC has approved the City's rate structure.

Pursuant to the Bond Resolution, the City has covenanted to establish rates and charges for electric service such that in any fiscal year, Revenues are sufficient to pay 100 percent of the Cost of Operation and Maintenance of the System, plus 125 percent of the total Bond Service Requirement on all outstanding bonds (if not included in the Bond Service Requirement), plus all other payments required by the Bond Resolution, including, but not limited to, the annual deposits into the Reserve Account and the Renewal and Replacement Fund.

The City's electric rates recognize primarily six classes of service: (i) residential; (ii) general service non demand; (iii) general service demand; (iv) lighting service; and (v) time-of-use service applicable to non demand metered general service and demand metered general service.

All of the City's electric rate schedules provide for a fuel cost recovery factor, a non-fuel energy cost recovery factor, and a customer charge. In addition, the City bills customers, as applicable, for gross receipts tax, sales tax, and utility tax. The City has established a schedule of miscellaneous fees and charges associated with various customer requested services, including, but not limited to, initial connection fees, reconnection charges, pole rentals, pole attachments, and returned checks.

Customer deposits are required to be paid at the time of application for electrical service and the City pays interest on cash customer deposits. Customers may satisfy in whole or in part the deposit requirements by providing a letter of credit, by securing a bond, by making a cash payment or by having a good payment history. The monies associated with the receipt of customer deposits are not considered Revenues as defined in the Bond Resolution.

The City has historically received a franchise fee on all electric service provided in its corporate limits equal to six percent of the customer's bill. In order to maintain continuity in rates, the City will continue to collect an amount equivalent to the franchise fee from customers of the System. During fiscal year ended September 30, 2015, the City received \$2,582,126 from the franchise fee on electric service.

The City is expected to produce electric bills which are competitive among the various electric service providers in the State. Residential customers paid an average of \$0.1144 cents per kWh during fiscal year ended September 30, 2015. The average annual use per residential customer was 15,243 kWh, or approximately 1,270 kWh per month during the fiscal year ended September 30, 2015. Commercial non demand metered and demand metered customers paid the City an average of \$0.0858 cents per kWh during the fiscal year ended September 30, 2015.

The City increased its non-fuel electric rates by an average of 1.5% October 1, 2015. This was the first increase in non-fuel cost recovery rates since October 1, 2009 and was implemented in order to keep pace with operational costs and continue the City's program of undergrounding the overhead power lines. Fuel cost recovery rates are evaluated on a quarterly basis and adjusted up or down as appropriate in order to align fuel cost recovery revenues with the costs of fuel.

The following table presents the City's current electric rates as of October 1, 2015.

**ELECTRIC RATES
(COST)**

Residential Rates			
Customer Charge	\$	9.55	per month
Energy Charge:			
1 st 1,000 kWh	\$	0.066250	per kWh
All kWh above 1,000	\$	0.078150	per kWh
Fuel Cost Recovery Factor:			
1 st 1,000 kWh	\$	0.0314900	per kWh
All kWh above 1,000	\$	0.0414900	per kWh
Franchise Fee		6.0000%	
Gross Receipts Tax		2.5641%	
Electric Utility Tax		10.0000%	
Note: only the first \$0.00699 of the Fuel Cost Recovery Factor is subject to the 10.0% electric utility tax.			

Lighting Service (LS-1)			
Fixture and Maintenance Charge (includes energy charge and fuel cost recovery)			Depends upon fixture type
Customer Charge (per line of billing):	\$		
Metered Accounts	\$	3.49	per month
Non Metered Accounts	\$	1.22	per month
Energy & Demand Charge	\$	0.023490	per kWh
Fuel Cost Recovery Factor	\$	0.035390	per kWh
Franchise Fee	\$	0.060000	
Gross Receipts Tax	\$	0.025641	
Electric Utility Tax	\$	0.100000	
Subsequent Re-establishment of service	\$	10.00	

GENERAL SERVICE ELECTRIC RATES

Non-Demand (GS-1)			
Rates will also apply to Temporary Service (TS-1)			
Customer Charges:			
Non Metered Accounts	\$	7.11	per month
Metered Accounts			
Secondary Delivery Voltage	\$	12.61	per month
Primary Delivery Voltage	\$	159.44	per month
Energy Charge	\$	0.066930	per kWh
Fuel Cost Recovery Factor	\$	0.035390	per kWh
Franchise Fee		6.0000%	
Gross Receipts Tax		2.5641%	
Electric Utility Tax		10.0000%	
EL State Sales Tax (commercial only)		7.4500%	
Note: only the first \$0.00699 of the Fuel Cost Recovery Factor is subject to the 10.0% electric utility tax.			

Non-Demand (100% Load Factor Usage (GS-2)			
(For customers with fixed wattage loads operating continuously throughout the billing period)			
Customer Charges:			
Non Metered Accounts	\$	7.45	per month
Metered Accounts	\$	13.21	per month
Energy Charge	\$	0.033940	per kWh
Fuel Cost Recovery Factor	\$	0.035390	per kWh
Franchise Fee		6.0000%	
Gross Receipts Tax		2.5641%	
Electric Utility Tax		10.0000%	
EL State Sales Tax (commercial only)		7.5000%	
Note: only the first \$0.00699 of the Fuel Cost Recovery Factor is subject to the 10.0% electric utility tax.			

Demand (GSD-1)			
Rates will also apply to Temporary Service (TS)			
Applicable for any customer other than residential with a measurable annual kWh consumption of 24,000 kWh or greater per year			
Customer Charge:			
Secondary Delivery Voltage	\$	13.14	per month
Primary Delivery Voltage	\$	166.20	per month
Demand Charge	\$	4.59	per kWh
Energy Charge	\$	0.038300	per kWh
Fuel Cost Recovery Factor	\$	0.035390	per kWh
Delivery Voltage Credit: when a customer takes delivery at primary voltage, the demand charge will be subject to this credit	\$	0.350000	per kWh
Metering Voltage Adjustment: when a customer takes delivery at primary voltage, the energy charge, demand charge and delivery voltage credit will be subject to this adjustment		1.0000%	
Franchise Fee		6.0000%	
Gross Receipts Tax		2.5641%	
Electric Utility Tax		10.0000%	
EL State Sales Tax (commercial only)		7.4500%	
Note: only the first \$0.00699 of the Fuel Cost Recovery Factor is subject to the 10.0% electric utility tax.			

General Service Demand Optional Time of Use (GSDT-1)			
Closed to new customers as of 006-01-2006			
Customer Charges:			
Secondary Delivery Voltage	\$	21.99	per month
Primary Delivery Voltage	\$	178.12	per month
Demand Charges:			
Base Demand	\$	1.15	per kWh
On Peak Demand	\$	3.49	per kWh
Energy Charges:			
On-peak kWh	\$	0.063660	per kWh
Off-peak kWh	\$	0.025820	per kWh
Fuel Cost Recovery Factors:			
On-peak kWh	\$	0.047050	per kWh
Off-peak kWh	\$	0.031270	per kWh
Delivery Voltage Credit: when a customer takes delivery at primary voltage, the demand charge will be subject to this credit	\$	0.350000	per kWh
Metering Voltage Adjustment: When a customer takes delivery at primary voltage, the energy charge, demand charge and delivery voltage credit will be		1.0000%	
Franchise Fee		6.0000%	
Gross Receipts Tax		2.5641%	
Electric Utility Tax		10.0000%	
EL State Sales Tax (commercial only)		7.5000%	
Note: only the first \$0.00699 of the Fuel Cost Recovery Factor is subject to the 10.0% electric utility tax.			

Source for all rates shown above: City of Winter Park, Florida Finance Department

Rate Comparison

The following table provides a comparison of the residential rates of the System with those of other central Florida utilities. The rate comparisons shown were provided by the Florida Municipal Electric Association for rates in effect as of December 2015.

Utility	1,000 kWh	1,200 kWh	2,500 kWh
City of Winter Park (1)	\$113.06	\$138.29	\$302.30
Florida Municipalities:			
Ft. Pierce Utilities Authority	111.84	134.56	282.30
City of Mount Dora	114.44	135.54	272.67
City of Homestead	117.23	139.56	284.68
Kissimmee Utilities Authority	108.69	143.57	288.10
City of Leesburg	119.67	145.55	313.78
City of Lake Worth	114.73	140.33	306.73
Utilities Commission, City of New Smyrna Beach	107.06	127.34	259.17
City of Ocala	112.64	133.30	267.61
Orlando Utilities Commission	109.43	133.72	291.58
City of Vero Beach	119.58	147.07	325.77
Investor-Owned Utilities (2):			
Florida Power and Light Co.	99.96	122.75	270.98
Gulf Power Company	143.96	168.81	330.33
Duke Energy	125.66	153.94	337.79
Tampa Electric Company	112.57	136.16	289.39

(1) Rates for municipal utilities include payment-in-lieu of tax to the City's general fund.

(2) Rates for investor owned utilities do not include franchise fee payments which average 6% across Florida.

Source: City of Winter Park, Florida Finance Department

Customers

The following table identifies the breakdown of the customer accounts of the System for the fiscal year ended September 30, 2015.

	# Customers	Kilowatt Hours	Average Monthly kWh per Customer
Commercial:	2,383	217,765,411	7,615
Public Authority:	290	23,345,813	6,709
Residential:	12,292	187,371,272	1,270
Total	14,965	428,482,496	

Source: City of Winter Park, Florida Finance Department

The following table identifies the System's ten largest electric customer accounts based on total kWh for the fiscal year ended September 30, 2015, which aggregate kWh usage totals approximately 23.7% of the total usage of the System for such period.

MAJOR ELECTRIC USERS

	<u>Kilowatt Hours</u>
Rollins College	23,438,023
Adventist Health Systems (FL Hospital)	21,109,833
Orange County Schools	11,018,920
City of Winter Park	9,710,784
Publix Super Markets	8,875,675
Embarq Florida Inc.	8,160,595
Mayflower Retirement Center, Inc.	6,487,582
Presbyterian Retirement Center	5,428,992
250 Park Avenue Trustee, Inc.	3,012,998
Alfond Inn	<u>2,832,480</u>
Total Consumption of Largest Ten Users	100,075,882

Source: City of Winter Park, Florida Finance Department

Capital Improvement Program

In planning the FY 2016 budget, the City established a five year \$25.0 million capital improvement program (the "Capital Improvement Program" or "CIP") which delineates existing and future capital projects of the City's System. For the System, capital facility needs generally include the more costly of property units such as poles, transformers, conductors and switches. In addition to the renewal and replacement of existing capital facilities, the City invests in new capital facilities associated with the addition of new customers. Generally, renewal and replacement capital expenditures are funded from the System revenues. Capital expenditures associated with new customers or the enlargement of existing customer premises for the System are typically funded from Contributions in Aid of Construction ("CIAC") provided by the customers. The City charges new customers and existing customers that require upgrades in their existing electric service a CIAC that is intended to recover the full cost of required new System facilities. This approach assures that adequate funding exists for any such capital improvements.

The following table shows the annual capital outlay portion of the CIP together with anticipated funding sources.

	Funding Source	2016	2017	2018	2019	2020
Routine capital improvements including: renewal and replacements, and other improvements required to provide service and improve the reliability of the electric system	Electric System Revenues	\$754,188	\$769,272	\$784,657	\$800,350	\$816,357
Undergrounding of electric lines(1)	Electric System Revenues	3,050,000	3,050,000	3,500,000	3,500,000	3,500,000
	Prior Bond Proceeds	450,000	450,000			
West Fairbanks Avenue Undergrounding Project (1)	Grants	3,077,000				
Enterprise Resource Program Software Replacement (ERP)	Electric System Revenues	129,771	129,771			
Information Technology Infrastructure Upgrades	Electric System Revenues	45,000	47,500	50,000	50,000	50,000
Total Capital Outlays		\$7,505,959	\$4,446,543	\$4,334,657	\$4,350,350	\$4,366,357

- (1) During the City's original consideration of purchasing the System, the citizens indicated a strong desire to place the System underground to achieve both aesthetic and reliability benefits. The City enjoys a dense tree canopy which requires intensive management to achieve an appropriate balance between the aesthetic requirements of the community and the need for reliable electric service. The City is currently funding undergrounding efforts from System Revenues. Priority is given to those areas of the System with the poorest reliability and most tree/power line conflicts.

Source: City of Winter Park, Florida Finance Department

HISTORICAL NET REVENUES AND DEBT SERVICE COVERAGE

The information in the following table sets forth historical Net Revenues of the System for the City's fiscal years ended September 30, 2011 through and including September 30, 2015 and the debt service coverage provided by Net Revenues.

	Fiscal Years Ending September 30				
	2011	2012	2013	2014	2015
Net Revenues	\$14,777,132	\$13,440,647	\$13,000,019	\$12,589,094	\$12,975,401
Bond Service Requirements	4,110,183	4,367,512	5,121,964	4,417,149	4,519,944
Coverage (1.25x required)	3.60	3.08	2.54	2.85	2.87

INVESTMENT CONSIDERATIONS

General

The Series 2016 Bonds, like other forms of debt obligations, are subject to interest rate risk, principal risk, and market and/or trading risk. Because the Series 2016 Bonds are special, limited obligations, secured primarily by the net revenues after payment of expenses of operation of a municipal electric utility system, the Series 2016 Bonds have risks associated with current and possible trends and changes in the electric utility industry that would not be present with respect to bonds secured by taxes or other revenue sources.

Purchasers of the Series 2016 Bonds should review carefully the information in this Official Statement, with particular reference to the material under this heading and under the headings "SECURITY FOR THE SERIES 2016 BONDS," and "THE SYSTEM" for a discussion of certain of these risks.

Regulation of Rates

The City now has the exclusive right and obligation to serve electric utility customers within its service area at rates that are regulated by the City. There have been efforts at both the national and state levels to restructure the electric utility industry from a heavily regulated monopoly to an industry in which there is more (or open) competition for power supply service at both the wholesale and retail level. Historically electric utilities have operated as monopolies within their service territories subject to certain exceptions. Under this arrangement, utilities have generally been able to charge rates primarily determined by their costs of service, rather than competitive forces. There has been little activity regarding deregulation in recent years due to the perception of rapid escalation of electric rates in areas that have been deregulated. However, if some form of customer choice or deregulation legislation is enacted in Florida, customers may be able to choose among multiple competing suppliers of electricity rather than being solely dependent upon the City. **[According to statistics by the Energy Information Administration, as of September 2010, 15 states and the District of Columbia have enacted enabling legislation to implement retail access; seven states suspended the restructuring process; and the remaining states, including Florida, were not actively pursuing restructuring.]**

It is not possible to predict the timing for any implementation of deregulation or more competition for power supply or the precise impact upon the City. However, some potential negative impacts to the City may include: (i) loss of customers, particularly larger commercial customers, (ii) increased costs to remaining customers, (iii) decreased revenues, (iv) decreases in transfers to the City's General Fund, (v) increased difficulties and higher costs in financing the System, (vi) reduction in ratings

on bonds and other debt, and (vii) reductions in environmental and social programs relating to electric utility services. Potential positive effects of retail competition in the City might include a net gain of customers, lower costs to existing customers, more effective use of existing resources, and increased revenues. There are no assurances that any such positive effects would materialize. See also “ – Other Factors Affecting the Electric Utility Industry below.

Power Supply

The System does not include any power generating resources and therefore relies on the **[Florida Transmission Grid]** which is comprised of transmission facilities that are owned by various utilities, for the delivery of power to the City. The costs and availability of such transmission services are likely to be impacted by the outcome of ongoing initiatives relating to transmission as described below. **[EXPAND ON THIS SECTION AS TO ANYTHING WHICH MIGHT IMPACT THE POWER SUPPLY AGREEMENTS.]** See “THE SYSTEM – The Power Sales Agreements”.

Energy Policy Act of 1992. The Energy Policy Act of 1992 (the “Energy Policy Act”) made fundamental changes in the federal regulation of the electric utility industry, particularly in the area of transmission access. The purpose of these changes, in part, was to bring about increased wholesale electric competition. In particular, the Energy Policy Act provides the Federal Energy Regulatory Commission (“FERC”) with the authority, upon application by an electric utility, federal power marketing agency, or other power generator, to require a transmitting utility to provide transmission services to the applicant essentially on a cost-of-service basis. Municipally-owned electric utilities are “transmitting utilities” for purposes of these provisions of the Energy Policy Act. At this time, FERC does not have the authority to require “retail wheeling,” under which a retail customer of one utility could obtain power from another utility or non-utility power generator.

The energy efficiency title of the Energy Policy Act required states and utilities to consider adopting integrated resource planning (“IRP”), which allows utility investments in conservation and other demand-side management techniques to be at least as profitable as supply investments. The PSC has adopted IRP as a standard. The Energy Policy Act also establishes new efficiency standards in industrial and commercial equipment and lighting and requires states to establish commercial and residential building codes with energy efficiency standards. Additionally, the Energy Policy Act requires utilities to consider energy efficiency programs in their IRPs. **[NEED DESCRIPTION OF ANY IRP RELATING TO TRANSMISSION/DISTRIBUTION].**

FERC Transmission Initiatives. On April 24, 1996, FERC issued two final rules and a Notice of Proposed Rulemaking (“NOPR”) to address and implement the transmission access provisions of the Energy Policy Act. Order No. 888 established the terms and conditions under which open access (“OATT”) would be provided, and Order No. 889 established the rules of conduct surrounding the provision of open access, notably the separating of marketing from transmission and power operations.

In December 1999, FERC issued its Order No. 2000. Order No. 2000 represents a further measure in FERC’s attempt to foster competition in wholesale power markets by encouraging all transmission-owning utilities, including municipal utilities, electric cooperatives and other public power entities, to join Regional Transmission Organizations (“RTO”). The 2005 Energy Policy Act (defined below) defused the impact of Order 2000 by making the SMD non-mandatory.

Energy Policy Act of 2005. The Energy Policy Act of 2005 (the “2005 Energy Policy Act”) was signed into law on August 8, 2005. The 2005 Energy Policy Act addresses, among other things, energy

efficiency; appliance standards; low income energy assistance programs; renewable energy; nuclear energy; electricity; and provides incentives for oil and gas production and encourages deployment of clean coal technology. The electricity portion of the bill addresses the following areas: (i) the need for modernization of existing transmission facilities, transmission rate reform and improved operations of existing transmission facilities; (ii) electric reliability standards; (iii) Public Utility Holding Company Act ("PUHCA") and Public Utility Regulatory Policies Act amendments (including repeal of PUHCA); (iv) market transparency, round trip trading prohibition and enforcement; and (v) merger reform. The 2005 Energy Policy Act imposes mandatory electric reliability standards to be defined through the North American Electric Reliability Corporation, successor to the North American Electric Reliability Council ("NERC") and enforced by FERC.

The 2005 Energy Policy Act also provides for tax incentives that further encourage production, conservation and the use of technology to stabilize energy prices and protect the environment. FERC's implementation efforts of the 2005 Energy Policy Act include:

Order No. 693: in 2006, FERC used its authority under section 215 of the Federal Power Act to certify NERC as the Electric Reliability Organization ("ERO") responsible for the development and enforcement of mandatory reliability standards subject to FERC review and approval. In March 2007, FERC issued Order No. 693, which approved the first set of mandatory reliability standards proposed by the ERO, which apply to all users, owners and operators of the bulk-power system in the United States (other than Alaska or Hawaii). Those initial reliability standards took effect on June 18, 2007. Since then, FERC has approved and directed modification of many more reliability standards. The Florida Regional Coordinating Council ("FRCC") is the regional entity with delegated authority from NERC to develop and enforce regional reliability standards within the FRCC region, which includes a majority of the State. FRCC also is responsible for monitoring and enforcing compliance with approved reliability standards within its region. The NERC and FRCC use the Compliance Monitoring and Enforcement Program (NERC CMEP) and the FRCC Compliance Monitoring and Enforcement Program Implementation Plan (FRCC CMEP IP) to monitor, assess, and enforce compliance with Reliability Standards within the FRCC region.

Order No. 890: in 2007, FERC issued Order No. 890 to reform the pro forma OATT. Order No. 890 reaffirmed many elements of Order No. 888, including the comparability requirement under which a transmission owner must provide, to third-party users, service that is comparable to the transmission owner's use of its system, protections for native load customers, and the reciprocity requirement for non-jurisdictional transmission owners. Order No. 890 also introduced several reforms, including greater consistency and transparency in calculating available transmission capacity; open, coordinated and transparent planning; reforms of penalties for energy imbalances and FERC's policy on rollover rights; and increased transparency and customer access to information. Order No. 890 also required all public utilities, including RTO's and Independent System Operators ("ISOs"), to file revisions to their OATT to conform to the pro forma OATT established in Order No. 890.

Order No. 1000: in July 2011, FERC issued Order No. 1000 to build on certain of its reforms in Order No. 888 and Order No. 890. Order No. 1000's requirements apply only to "new transmission facilities" and include the consideration and evaluation of possible transmission alternatives at a regional transmission planning level and the development of a regional transmission plan; the development of procedures for interregional planning to determine whether interregional transmission facilities are more efficient or cost effective than certain regional facilities; the development of methods for regional and interregional cost allocation that is roughly commensurate with the estimated benefits; and for those

projects eligible for cost sharing, removal of transmission providers' "right of first refusal" in order to allow competition from nonincumbent developers.

All public utility transmission providers were required to make compliance filings on regional planning and cost allocation within 12 months of the effective date and on interregional planning and cost allocation within 18 months of the effective date. In general, Order No. 1000 permits each region to develop its own processes and procedures to comply with the requirements. FRCC has developed a process for compliance with Order No. 1000, as discussed herein.

Environmental Matters

The City's electric utility operations are subject to continuing environmental regulation. Federal, state, regional and local standards and procedures which regulate the environmental impact of the System are subject to changes which may arise from continuing legislative, regulatory and judicial action. Consequently, there is no assurance that the units in operation, under construction, or contemplated will remain subject to the regulations currently in effect, will always be in compliance with future regulations or will always be able to obtain all required operating permits. An inability to comply with environmental standards could result in increased costs of operating units, reduced operating levels or the complete shutdown of individual electric generating units not in compliance.

Clean Power Plan. On August 3, 2015, President Obama and EPA announced the Clean Power Plan requiring reductions in carbon pollution from power plants. The plan has three separate but related proposals of carbon pollution standards for (i) newly constructed plants; (ii) existing plants and (iii) modified and reconstructed plants. Each proposal sets numeric pollution standards for specific types of electrical generating units, saving that the proposal for existing plants features a state-specific emissions reduction goal that is expressed as emission rates measured in lbs of CO₂/Mwh (net) and are based on the Best System of Emissions Reductions. On February 9, 2016, the Supreme Court stayed implementation of the Clean Power Plan pending judicial review. While the City's System does not include facilities subject to the Clean Power Plan it could affect the utilities from which the City purchases electricity.

Cross-State Air Pollution Rule. In March 2005, the Environmental Protection Agency (the "EPA") issued the Clean Air Interstate Rule ("CAIR") to permanently cap emissions of sulfur dioxide (SO₂) and nitrogen oxides ("NO_x") in the eastern United States. At the same time, the EPA issued the Clean Air Mercury Rule ("CAMR") to permanently cap and reduce mercury emissions from coal-fired power plants. CAIR was replaced by the Cross-State Air Pollution Rule ("CSAPR"), with a program startup date of January 1, 2015, that requires twenty-seven states in the eastern half of the United States, including Florida, to significantly improve air quality by reducing power plant emissions that cross state lines and contribute to ground-level ozone and fine particle pollution in other states. While the City's System does not include facilities subject to the CSAPR, it could affect the utilities from which the City purchases electricity.

Mercury and Air Toxics Standards. In May 2005, the EPA issued the Clean Air Mercury Rule ("CAMR") to permanently cap and reduce mercury emissions from fossil-fuel-fired electric utility steam generating units ("EGUs"). CAMR was expected to reduce utility emissions of mercury from 48 tons per year to 38 tons per year in 2010 then to 15 tons per year in 2018. On February 8, 2008, the D.C. Circuit vacated CAMR, and reinstated the status of mercury as a hazardous air pollutant ("HAP") under the Clean Air Act. The result of this decision is that mercury emissions from EGUs are subject to the more stringent requirements of maximum achievable control technology ("MACT") applicable to HAPs. In

resolution of the CAMR litigation, the EPA entered into a consent decree that required it to publish final HAP regulations for emissions from fossil-fuel-fired EGUs by November 15, 2011.

On February 16, 2012, EPA published the final rule to reduce emissions of toxic air pollutants from fossil-fuel-fired EGUs and to revise the new source performance standards ("NSPS") for fossil-fuel-fired EGUs. The final rule, known as the Mercury and Air Toxics ("MATS") rule, requires coal-fired electric generation plants to achieve high removal rates of mercury, acid gases and other metals from air emissions. To achieve these standards, coal units with no pollution control equipment installed (uncontrolled coal units) will have to make capital investments and incur higher operating expenses. Coal units with existing controls that do not meet the required standards may need to upgrade existing controls or add new controls to comply. The MATS rule requires generating stations to comply with the new standards three years after the rule takes effect, with specific guidelines for an additional one or two years in limited cases. The rule took effect on April 16, 2012. While the City's System does not include facilities subject to the CAMR, it could affect the utilities from which the City purchases electricity.

New Source Review Enforcement Actions. The EPA is actively pursuing New Source Review ("NSR") enforcement actions for certain modifications made in the past to air emission units without prior approval under the Clean Air Act's NSR requirements. If modifications conducted at the City facilities in the past were, or in the future are, made without a definitive determination of NSR applicability, such modifications may result in enforcement action under the NSR program, which could include requirements to upgrade facilities deemed to have been modified in violation of Clean Air Act requirements.

Acid Rain Program. EPA's acid rain program requires nationwide reductions of Sulfur Dioxide (SO₂) and Nitrogen Oxide (NO_x) emissions from electric utility generation units by reducing allowable emission rates and by allocating emission allowances to power plants for SO₂ emissions based on historical or calculated levels. Allowable NO_x emission rates were also reduced for certain facilities.

National Ambient Air Quality Standards. The Clean Air Act requires that the EPA establish National Ambient Air Quality Standards ("NAAQS") for certain air pollutants. When a NAAQS has been established, each state must identify areas in its state that do not meet the EPA standard (known as "non-attainment areas") and develop regulatory measures in its state implementation plan to reduce or control the emissions of that air pollutant in order to meet the standard and become an "attainment area." When an area is designated as non-attainment, stricter restrictions on the emissions of that air pollutant are imposed, and it can be more difficult and costly to obtain permits for new major sources or major modifications to existing sources. Existing sources in non-attainment areas are subject to reasonably available control technology set forth in the state implementation plan revisions that are required when an area is designated as non-attainment. The EPA is in the process of developing stricter NAAQS for SO₂, NO_x, particulate matter and ozone, each of which may impact the City's operations.

Climate Change Policy and Greenhouse Gas Controls

Federal Regulatory Actions. EPA has taken steps to regulate greenhouse gas ("GHG") emissions under existing law. On April 2, 2007, the U.S. Supreme Court issued a decision in *Massachusetts v. EPA* holding that the EPA has the authority to regulate GHG emissions under the federal Clean Air Act. Air pollutants, including GHGs, which are regulated by actually controlling emissions under any Clean Air Act program must be taken into account when considering permits issued under other programs, such as the Prevention of Significant Deterioration ("PSD") Permit Program or the Title V Permit Program. A PSD permit is required before commencement of construction of new major stationary sources or major

modifications of such sources and contains requirements including but not limited to the application of best available control technologies ("BACT"). Title V permits must be applied for within one year after a source becomes subject to the program. Title V permits are operating permits for major sources that consolidate all Clean Air Act requirements (arising, for example, under the Acid Rain, New Source Performance Standards, National Emission Standards for Hazardous Air Pollutants, and/or PSD programs) into a single document, provide for review of the documents by the EPA, state agencies and the public, and contain monitoring, reporting and certification requirements.

On May 13, 2010, the EPA issued a final rule for determining the applicability of the PSD and Title V programs to GHG emissions from major stationary sources. The rule, known as the "Tailoring Rule," establishes criteria for identifying facilities required to obtain PSD permits and the emissions thresholds at which permitting and other regulatory requirements apply. The applicability threshold levels established by this rule include both a mass-based calculation and a metric known as the carbon dioxide equivalent, or CO₂e, which incorporates the global warming potential for each of the six individual gases that comprise the collective GHG defined by EPA. The Tailoring Rule established two initial steps for phasing in the GHG permitting requirements and indicated a third phase would be established at a later date.

The first step became effective on January 2, 2011, and required sources subject to PSD and/or Title V permits due to their non-GHG emissions (such as fossil-fuel based electric generating facilities for their NO_x, SO₂ and other emissions) to address GHG emissions in new permit applications or renewals. Construction or modification of major sources will become subject to PSD requirements for their GHG emissions if the construction or modification results in a net increase in the overall mass of GHG emissions exceeding 75,000 tons per year ("tpy") on a CO₂e basis. New and modified major sources required to obtain a PSD permit would be required to conduct a BACT review for their GHG emissions. According to EPA guidance, most of the initial permitting decisions will focus on improved energy efficiency.

With respect to Title V requirements under the first step of the Tailoring Rule, effective January 2, 2011, sources required to have Title V permits for non-GHG pollutants will be required to address GHGs as part of their Title V permitting. When any source applies for, renews, or revises a Title V permit, Clean Air Act requirements for monitoring, recordkeeping and reporting will be included in the renewed permit. This part of the rule does not create any new emissions controls or limitations for GHGs; it only creates the requirement for these sources to monitor, record and report their GHG emissions. In the Tailoring Rule, the EPA notes that the existing requirements created by the October 30, 2009 EPA final rule for mandatory monitoring and annual reporting of GHGs from various categories of facilities including electric generating facilities will generally be sufficient to satisfy these new Title V requirements. The GHG monitoring and reporting rule requires facilities to have begun data collection on January 1, 2010. On March 18, 2011, EPA issued a final rule extending the deadline to submit the first annual reports from March 31, 2011 to September 30, 2011. The second step of the Tailoring Rule was effective July 1, 2011, and is applicable to new facilities or modifications to existing facilities that exceed certain GHG emission thresholds, even if the facility is not subject to PSD for non-GHG emissions. The second phase requirements would apply to any new, major sources as well as to any major modifications of existing facilities, depending on their levels of emissions of both GHG and non-GHG pollutants.

On July 12, 2012, the EPA's final rule for the third step in the Tailoring Rule was published. The final rule maintains the applicability thresholds for GHG-emitting sources at the current levels and includes two permitting streamlining approaches to improve the administration of the PSD and Title V

permitting programs. On June 26, 2012, the United States Court of Appeals for the D.C. Circuit ruled in a challenge to the Tailoring Rule that petitioners did not have standing to challenge the Tailoring Rule and dismissed all petitions for review of the Tailoring Rule for lack of jurisdiction.

In the same ruling, the court also rejected challenges to the Timing Rule and upheld EPA's Endangerment Finding. The Timing Rule required that new controls of greenhouse gas emissions from stationary sources be triggered on January 2, 2011. The Endangerment Finding determined that GHG emissions may reasonably be anticipated to endanger public health or welfare. FMPA cannot predict whether this decision will be appealed.

In addition to the PSD permit program, EPA is also in the process of developing a GHG regulatory program under the New Source Performance Standards ("NSPS") provisions of the Clean Air Act. The EPA released the final rule to limit greenhouse gas emissions from new power plants on August 3, 2015. The final "Carbon Pollution Standard for New Power Plants" replaces earlier proposals from September 2013 and March 2012. The rule establishes NSPS to limit emissions of carbon dioxide from coal- and natural gas-fired power plants. EPA also simultaneously released a final rule to limit carbon emissions from existing power plants.

In addition to the EPA's recent regulatory actions moving towards federal regulation of GHG emissions, the United States Congress has considered several energy and climate change-related pieces of legislation that proposed, among other things, a cap-and-trade system to regulate and reduce the emission of carbon dioxide and other GHGs and a federal renewable energy portfolio standard. Congress may consider new GHG proposals in the future and it is possible that Congress will agree to set limits on GHG emissions or set clean energy standards for the electric utility sector. The timeline and impact of climate change legislation cannot be accurately assessed at this time, but it is expected that any such federal action will have a significant impact on fossil-fueled generation facilities.

State Climate Change Policy Actions. In July 2007, then State Governor Crist issued three executive orders relating to climate change policies. Executive Order 07-126 required action from state government agencies and departments, including reductions in greenhouse gas emissions. Executive Order 07-127 required, among other things, that the PSC initiate rulemaking to require that utilities produce at least 20 percent of their electricity from renewable sources (a Renewable Portfolio Standard or "RPS"). Executive Order 07-128 established the Governor's Action Team on Energy and Climate Change ("GAT") and directed it to develop an "Energy and Climate Change Action Plan" to meet or exceed the greenhouse gas emissions requirements in Executive Order 07 127.

During the 2008 legislative session, the Florida Legislature passed a comprehensive energy bill (HB 7135, or the "2008 Florida Energy Bill"). The 2008 Florida Energy Bill was signed into law by then Governor Crist on June 25, 2008. The 2008 Florida Energy Bill contained a number of provisions designed to increase energy efficiency and the use of renewable resources and to reduce greenhouse gas emissions in the State of Florida. For example, the bill directed the PSC to begin a rulemaking proceeding to adopt an RPS for investor-owned utilities and authorized the Florida Department of Environmental Protection ("FDEP") to adopt rules to implement a state greenhouse gas cap-and-trade regulatory program.

On January 4, 2011, Rick Scott became the 45th governor of Florida. Scott's campaign promised to reduce the size of Florida government and increase jobs and economic activity in Florida. The Florida Legislature, during the 2011 regular session, adopted no legislation on RPS or other substantial renewable energy matter—viewing any measure that could increase costs to ratepayers as an economic detriment. The FDEP's efforts to develop a state greenhouse gas cap-and-trade regulatory program were suspended.

Action was taken to reorganize the Florida government, including eliminating the Florida Energy and Climate Commission (the "FECC").

During the 2012 legislative session, the Florida Legislature passed a new energy bill. The new energy bill reinstated tax credits for investments in renewable energy technologies and production, repealed the 2008 Florida Energy Bill and related regulations, evaluated energy resources and current and future capacity issues, and promoted energy efficiency.

While the City's System does not include facilities subject to the above-described regulatory actions relating to climate control and greenhouse gas controls, such regulations could affect the utilities from which the City purchases electricity.

Technology Issues

Technology related to electric power production is constantly changing, and technological advances may enable commercial or large residential consumers to generate their own power rather than to purchase power from electric utilities. These and other technological developments and concerns could affect the financial results of operations of electric utilities such as the City.

Fresh Water Supplies

Unprecedented increases in demand for fresh water supply in Florida have had an effect on the electric utility industry, as the regulating agencies develop programs and activities to address local and regional water resource planning. Florida Water Management Districts are undertaking consumptive use permitting rulemaking to ensure consistency among the water management districts. Electric generators will continue to be required to consider utilization of more expensive alternative sources of water and to limit consumptive use of the state's water resources.

Alternative Energy Sources

Electric generation technology is evolving in ways that could allow for local siting of electric generators to serve facilities requiring as few as 75 kW of capacity, and there are also technical advances being made with respect to fuel cell, wind powered, solar, and other alternative sources of electric energy. It is impossible to predict whether and to what extent these developments could offer energy generation alternatives to the System's large and small customers, the extent to which any customers would choose to use such alternatives, and the effect that a choice of energy alternatives would have on the System's financial and operational results.

Constitutional Amendment re Solar Energy

The Florida Right to Produce and Sell Solar Energy Initiative was an initiated constitutional amendment. The measure would have provided businesses and individuals with a constitutional right to produce up to two megawatts of solar power and sell that power directly to others at the same or contiguous property. This right would have been secured by limiting the government and electrical utilities' abilities to impose barriers to supplying local solar electricity. The amendment did not make the ballot in Florida for November 8, 2016.

Florida Public Service Commission

The PSC has jurisdiction over municipal electric utilities to prescribe uniform systems and classifications of accounts, to require electric power conservation and reliability, to approve territorial agreements, to settle territorial disputes, to approve the need for new steam-electric power plants and transmission lines and to prescribe rate structures but does not have jurisdiction to set rate levels for such municipal utilities, including the City. The Florida Supreme Court, while continuing to hold that the FPSC has no authority to regulate municipal utility "rates," that is the specific dollar amounts charged by a municipal electric utility for specific services, has held that the PSC has jurisdiction and authority to regulate the "rate structure" of a municipal electric utility, that is, the classification system used to justify charging different rates to different classes of customers. It is not known at this time how broadly the Court may ultimately interpret "rate structures" to permit additional regulation of rates of municipal utilities, and accordingly, the City cannot predict whether or how, if at all, any such future decision might impact the City.

Pursuant to the Florida Energy Efficiency and Conservation Act ("FEECA"), the FPSC exercises jurisdiction over conservation programs of electric utilities (including the City) by encouraging utilities to increase the efficiency of energy consumption and to limit the growth of energy consumption and weather sensitive peak demands. The FPSC has adopted a series of rules and requirements with respect to energy conservation efforts as a means to comply with the FEECA. The rules require utilities to set specific goals for reducing the growth rate of demand and energy and to submit ten year conservation plans. This includes implementing cost-effective conservation programs and submitting reports by program category and by customer classification. The City has taken a pro-active approach to these rules and the City's goal and conservation achievements exceed the stated requirements.

HB 7109 (SB 288) was passed by the Legislature in 2015. HB 7109 limits terms of office of PSC commissioners appointed after certain date; requires specified PSC meetings and workshops to be recorded or streamed live; requires specified persons to register as lobbyist if communicating with PSC nominating council; revises provisions regarding ex parte communications; requires PSC commissioners to take ethics training; specifies amount of money that may be charged by public utilities for deposits; revises provisions regarding notification of specified customer rates; specifies uses of certain funds received for demand-side renewable energy systems; authorizes the PSC to issue orders to grant issuance of nuclear asset-recovery bonds; and creates provisions regarding financing of such bonds.

Economic Trends

Florida state and local government obligations may be adversely affected by political and economic conditions and developments within Florida and the nation as a whole. In addition, various limitations on the state, its governmental agencies and local governmental agencies and local governments, including municipalities, may inhibit the ability of these issuers to repay existing indebtedness and issue additional indebtedness.

The ability of the City to repay the Series 2016 Bonds and provide for repairs, replacements and improvements to the System will depend upon the continued receipt of the Net Revenues in substantially the amounts currently received by the City. The continued strength of these Net Revenues is dependent upon the national, state and local economies and the overall fiscal strength of the System.

Enforceability of Remedies

The remedies available to the owners of the Series 2016 Bonds upon a default in payment of the Series 2016 Bonds, and the inability of the Bond Insurer to make payments under its bond insurance policy, are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code, the remedies specified by the federal bankruptcy code, the Bond Resolution and the municipal bond insurance policy may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2016 Bonds (including Bond Counsel's approving opinion) will be qualified, as to the enforceability of the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors', enacted before or after such delivery and by the exercise of judicial discretion.

Other Factors Affecting the Electric Utility Industry

The electric utility industry in general has been, and in the future may be, affected by a number of factors which could have an impact on the financial condition of an electric utility such as the City's System. These factors likely would affect individual utilities in different ways. Such factors include, among others: (i) effects of compliance with rapidly changing environmental, safety, licensing, regulatory and legislative requirements, (ii) effects of competition from other electric utilities (including increased competition resulting from mergers, acquisitions, and "strategic alliances" of competing electric and natural gas utilities and from competitors transmitting less expensive electricity from much greater distances over an interconnected system) and new methods of, and new facilities for, producing low-cost electricity; (iii) increased competition from independent power producers, marketers and brokers and federal power marketing agencies; (iv) effects of competition with customer-owned generation, such as "self-generation" or "distributed generation" which might include micro turbines, fuel cells and other generation resources; (v) cybersecurity and other security breaches; (vi) the repeal of certain federal statutes that would have the effect of increasing the competitiveness of many utilities; (vii) the uncertain effects of conservation and demand-side management programs on the timing and use of electric energy, (viii) changes in national, regional or state energy policy; (ix) limitations which may be imposed or requirements for increased expenses related to programs for the reduction of emission of "greenhouse" gases; (x) shifts in the availability and relative costs of different fuels, whether such fuels are competitive alternatives to electricity or are used in the generation of electricity; (xi) sudden and dramatic increases in the price of energy purchased on the open market; (xii) inadequate risk management procedures and practices with respect to, among other things, the purchase and sale of energy and transmission capacity; (xiii) issues relating to the ability to issue tax-exempt obligations; (xiv) other federal, state or local legislative or regulatory changes; (xv) natural disasters or other physical calamity, including but not limited to hurricanes; (xvi) man-made physical and operational disasters, including, but not limited to, terrorism cyber-attacks and collateral damage from untargeted computer viruses; (xvii) changes to the climate; (xviii) loss of large industrial or commercial customers; (xix) uncertain access to low cost capital for replacement of aging fixed assets; (xx) increases in operating costs; and (xxi) changes in the economy.

The foregoing sections of this caption provide brief discussions of certain of these factors. However, these discussions do not purport to be comprehensive or definitive, and these matters are subject to change subsequent to the date of this Official Statement. Extensive information on the electric utility industry is, and is expected to be, available from legislative and regulatory bodies and other sources in the public domain. The City cannot predict at this time the ultimate effect of such factors on the City's capital improvement program and its operations.

Enforceability of Remedies

The remedies available to the owners of the Series 2016 Bonds upon a default in payment of the Series 2016 Bonds, and the inability of the Bond Insurer to make payments under its bond insurance policy, are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code, the remedies specified by the federal bankruptcy code, the Bond Resolution and the municipal bond insurance policy may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2016 Bonds (including Bond Counsel's approving opinion) will be qualified, as to the enforceability of the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors', enacted before or after such delivery and by the exercise of judicial discretion.

CITY OF WINTER PARK, FLORIDA

General

The City is located in the center of the State of Florida in north Orange County, and is considered a part of the Orlando Metropolitan Area. The City is within 15 miles of the Orlando International Airport and 25 miles of Disney World. The City occupies a land area of approximately nine square miles and has a resident population of approximately 28,967. Its growth rate has been modest as the number of vacant sites available for development is limited. See "CITY OF WINTER PARK, FLORIDA GENERAL INFORMATION" attached hereto as APPENDIX A for additional information regarding the City.

Municipal Government

The charter of the City provides for a "Commission/Manager" form of government. The City Commission is a legislative body, with the power to enact ordinances and adopt resolutions, and the City Manager is the chief executive officer and head of the administrative branch of the City.

The City Commission consists of four Commissioners and the Mayor. The City Commission is elected on a non-partisan basis. Commissioners and the Mayor are elected at large by the voters for 3-year staggered terms.

Listed below are the current Mayor and Commissioners and their respective term expiration dates:

	<u>Term Expires</u>
Steve Leary, Mayor	March 2018
Gregory Seidel, Commissioner	March 2017
Sarah Sprinkel, Commissioner	March 2017
Carolyn Cooper, Commissioner	March 2019
Pete Weldon, Commissioner	March 2019

Administration

The City Manager is appointed by the City Commission. The City Manager is responsible for the administration, operation and maintenance of the City, excepting those responsibilities specifically delegated to other appointed officials. There is no definite term of office of the City Manager, as he or she

holds office at the pleasure of the City Commission. Among the duties of the City Manager are the appointment of subordinate officers and employees, the supervision of departments, the making of recommendations to the City Commission, the submission of an annual budget, and the submission of an annual report of the operations of the City for the preceding fiscal year.

The Finance Department is directed by the Finance Director, who is appointed by and is subject to the supervision and control of the City Manager. The Finance Director has supervision over all financial transactions of the City. The responsibilities of the Finance Director also include furnishing the City Manager such reports and budgets as may be necessary to fully inform the City Manager as to the financial condition of the City, and such estimates of the revenues and expenses of the City as may be necessary to form the basis of the annual budget and to determine the revenue necessary to be raised each year.

Budgetary Process

In April, the City Manager presents goals for the upcoming budget and capital improvement plan as part of a strategic planning session with the City Commission. The public's input to the budget process is invited at the beginning of each Commission meeting beginning in July. A proposed budget is presented to the City Commission and a tentative millage cap is set in July. The Commission is required to hold two public hearings on the budget and millage rate in September and adopt a final budget and millage rate by no later than September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund. Transfers between accounts within the same fund may be made with the City Manager approval. Transfers between funds and adjustments that increase the overall budget of a fund require approval of the City Commission. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated budget has been adopted. For the General Fund and other major special revenue fund (Community Redevelopment Agency), this comparison is presented as required supplemental information. For nonmajor governmental funds, this comparison is presented in the combining financial statements. The Finance Department monitors all financial activity on an ongoing basis. Monthly reports summarizing the City's financial activities are prepared for the City Commission. Each quarter, the City provides an update of its key performance metrics as a communication outreach to the City Commission and the public.

Florida law requires a balanced budget for municipalities and prohibits the governing body of any municipality from making appropriations in any one fiscal year which exceed the revenues available in such fiscal year.

Debt Policy and Interest Rate-Hedging Policy

The City has adopted a debt policy which incorporates an interest rate swap policy. Staff will annually review and amend such policy from time to time as necessary with the approval of the City Commission. The City Manager and the Finance Director are responsible for administering the City's financial policies. The City Commission is responsible for the approval of any form of City borrowing. Unless otherwise designated, the Finance Director coordinates the administration and issuance of debt.

The City's debt policy allows the issuance of fixed debt or variable rate debt in traditional as well as synthetic form, along with other non-speculative hedging instruments. No more than 60% of net interest rate swaps or other hedging products can be outstanding with any one counterparty or affiliate. Prior to execution of any hedging product, the City's Financial Advisor is required to obtain current market pricing.

The City is responsible for reviewing monthly collateral reports relating to specific swap transactions that may require the posting of collateral based on mark to market valuations. All outstanding debt and interest rate swaps are reported annually in the Comprehensive Annual Financial Report as required by the rules of the Governmental Accounting Standards Board.

Investment Policy

City public funds in excess of amounts needed to meet current expenditures may, pursuant to the City's investment policy, be invested in:

- (i) The Florida Local Government Surplus Funds Trust Fund.
- (ii) Negotiable direct obligations, or obligations of the principal and interest of which are unconditionally guaranteed by the United States Government. Such securities will include, but not be limited to, the following:
 - (a) Cash Management Bills;
 - (b) Treasury Securities — State and Local Government Series;
 - (c) Treasury Bills;
 - (d) Treasury Notes;
 - (e) Treasury Bonds; and
 - (f) Treasury Strips.
- (iii) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by United States agencies, provided such obligations are backed by the full faith and credit of the United States Government. Such securities will include, but not be limited to, the following:
 - (a) United States Export-Import Bank Direct obligations or fully guaranteed certificates of beneficial ownership;
 - (b) Farmers Home Administration Certificates of beneficial ownership;
 - (c) Federal Financing Bank Discount notes and bonds;
 - (d) Federal Housing Administration Debentures;
 - (e) General Services Administration Participation Certificates;
 - (f) Government National Mortgage Association ("GNMA") guaranteed mortgage-backed bonds;
 - (g) GNMA guaranteed pass-through obligations;
 - (h) United States Maritime Administration Guaranteed Title XI Financing;

- (i) New Communities Debentures;
- (j) United States Government guaranteed debentures;
- (k) United States Public Housing Notes and Bonds;
- (l) United States Government guaranteed public housing notes and bonds; and
- (m) United States Department of Housing and Urban Development Project notes and local authority bonds.

(iv) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by United States Government agencies (Federal Instrumentalities) which are non-full faith and credit agencies limited to the following:

- (a) Federal Farm Credit Bank;
- (b) Federal Home Loan Bank or its district bank;
- (c) Federal National Mortgage Association;
- (d) Federal Home Loan Mortgage Corporation including Federal Home Loan Mortgage Corporation participation certificates; and
- (e) Student Loan Marketing Association.

(v) Non-negotiable interest bearing time certificates of deposit or savings accounts in banks or savings associations organized under the laws of Florida and/or in national banks or savings associations organized under the laws of the United States and doing business and situated in Florida, provided that only such deposits are secured by the Florida Security of Public Deposits Act, Chapter 280, Florida Statutes and provided that the bank or savings association is not listed with any recognized credit watch information service.

(vi) Repurchase agreements comprised of only those investments as authorized in paragraphs (ii) and (iii) above. The use of reverse repurchase agreements or other forms of leverage are prohibited.

(vii) Bankers' Acceptances which are inventory-based and issued by a domestic bank which has an unsecured, uninsured and unguaranteed obligation rating of at least "Prime-1" and "A" by Moody's Investors Service and ranked in the top 50 United States banks in terms of total assets by the American Banker's yearly report.

(viii) Commercial Paper rated, at the time of purchase, "Prime-1" by Moody's and "A-1" by Standard & Poor's (prime commercial paper).

(ix) State and/or local government taxable and tax-exempt debt, General Obligation and/or Revenue Bonds rated at least "Aa" by Moody's and "AA" by Standard & Poor's for long-term debt, or rated at least "MIG-2" by Moody's and "SP-2" by Standard & Poor's for short-term debt.

(x) Fixed income mutual funds comprised of only those investment instruments as authorized in paragraphs (ii), (iii), (iv), and (ix) above.

(xi) The Florida Counties Investment Trust.

Pension Liability and Other Post-Employment Benefits

The City maintains two separate single-employer, defined benefit pension plans for police officers and firefighters and a single-employer, defined contribution pension plan for the General Employees. Information regarding liabilities of the City related to such plans is included in APPENDIX A hereto.

AUDITED FINANCIAL STATEMENTS

The audited financial statements of the City as of September 30, 2015 and for the year then ended, included in the attached APPENDIX B, have been audited by James Moore & Co., P.L., independent auditors (the "Auditor"), as stated in their report appearing therein. The Auditor has not participated in the preparation or review of this Official Statement and the financial statements are included as a publicly available record.

TAX MATTERS

General

The Code establishes certain requirements which must be met subsequent to the issuance of the Series 2016 Bonds in order that interest on the Series 2016 Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the Series 2016 Bonds to be included in federal gross income retroactive to the date of issuance of the Series 2016 Bonds, regardless of the date on which such non-compliance occurs or is ascertained. These requirements include, but are not limited to, provisions which prescribe yield and other limits within which the proceeds of the Series 2016 Bonds and the other amounts are to be invested and require that certain investment earnings on the foregoing must be rebated on a periodic basis to the Treasury Department of the United States. The City has covenanted in the Resolution with respect to the Series 2016 Bonds to comply with such requirements in order to maintain the exclusion from federal gross income of the interest on the Series 2016 Bonds.

In the opinion of Bond Counsel, assuming compliance with certain covenants, under existing laws, regulations, judicial decisions and rulings, interest on the Series 2016 Bonds is excluded from gross income for purposes of federal income taxation. Interest on the Series 2016 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals or corporations; however, interest on the Series 2016 Bonds may be subject to the federal alternative minimum tax when any Series 2016 Bond is held by a corporation. The federal alternative minimum taxable income of a corporation must be increased by seventy-five percent (75%) of the excess of such corporation's adjusted current earnings over its alternative minimum taxable income (before this adjustment and the alternative tax net operating loss deduction). "Adjusted Current Earnings" will include interest on the Bonds.

Except as described above, Bond Counsel will express no opinion regarding other federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of Series 2016 Bonds. Prospective purchasers of Series 2016 Bonds should be aware that the ownership of Series 2016 Bonds may result in collateral federal income tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry Series 2016 Bonds; (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by fifteen percent (15%) of certain items, including interest on Series 2016 Bonds; (iii) the inclusion of interest on Series 2016 Bonds in earnings of certain foreign corporations doing business in the United States for purposes of the branch profits tax; (iv) the inclusion of interest on Series 2016 Bonds in passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year; and (v) the inclusion of interest on Series 2016 Bonds in "modified adjusted gross income" by recipients of certain Social Security and Railroad Retirement benefits for the purposes of determining whether such benefits are included in gross income for federal income tax purposes.

As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon representations and covenants made on behalf of the City, certificates of appropriate officers and certificates of public officials (including certifications as to the use of proceeds of the Series 2016 Bonds and of the property financed or refinanced thereby), without undertaking to verify the same by independent investigation.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2016 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Information Reporting and Backup Withholding

Interest paid on tax-exempt bonds, such as the Series 2016 Bonds, is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2016 Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Series 2016 Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the Series 2016 Bonds and proceeds from the sale of Series 2016 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2016 Bonds. This withholding generally applies if the owner of Series 2016 Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2016 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Other Tax Matters

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2016 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2016 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2016 Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2016 Bonds. For example, in connection with federal deficit reduction, job creation and tax law reform efforts, proposals have been and others are likely to be made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Series 2016 Bonds. There can be no assurance that any such legislation or proposal will be enacted, and if enacted, what form it may take. The introduction or enactment of any such legislative proposals may affect, perhaps significantly, the market price for, or marketability of, the Series 2016 Bonds.

Prospective purchasers of the Series 2016 Bonds should consult their own tax advisors as to the tax consequences of owning the Series 2016 Bonds in their particular state or local jurisdiction and regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Tax Treatment of Original Issue Discount

Under the Code, the difference between the maturity amount of the Series 2016 Bonds maturing on October 1 in the years 20__ through and including 20__ (collectively, the "Discount Bonds"), and the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bonds of the same maturity and, if applicable, interest rate, was sold is "original issue discount." Original issue discount will accrue over the term of the Discount Bonds at a constant interest rate compounded periodically. A purchaser who acquires the Discount Bonds in the initial offering at a price equal to the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he or she holds the Discount Bonds, and will increase his or her adjusted basis in the Discount Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or disposition of the Discount Bonds. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of the Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Holders of the Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of the Discount Bonds and with respect to the State and local tax consequences of owning and disposing of the Discount Bonds.

Tax Treatment of Bond Premium

The difference between the principal amount of the Series 2016 Bonds maturing on October 1 in the years 20__ through and including 20__ (collectively, the "Premium Bonds"), and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Premium Bonds of the same maturity and, if applicable, interest rate, was sold constitutes to an initial purchaser amortizable

bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each of the Premium Bonds, which ends on the earlier of the maturity or call date for each of the Premium Bonds which minimizes the yield on such Premium Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. Holders of the Premium Bonds are advised that they should consult with their own tax advisors with respect to the state and local tax consequences of owning such Premium Bonds.

LITIGATION

There is no pending or, to the knowledge of the City, threatened litigation against the City which in any way questions or affects the validity of the Series 2016 Bonds, or any proceedings or transactions relating to their issuance, sale or delivery or the adoption of the Bond Resolution, or the pledge of the Net Revenues. Neither the creation, organization or existence, nor the title of the present members of the City Commission, or other officers of the City is being contested.

The City experiences claims, litigation and various legal proceedings which individually are not expected to have a material adverse effect on the operations or financial condition of the City, but may, in the aggregate, have a material impact thereon. In the opinion of the City Attorney, however, the City will either successfully defend such actions or otherwise resolve such matters without any material adverse consequences on the City's ability to pay debt service on the Series 2016 Bonds.

COMPETITIVE SALE

The Series 2016 Bonds are being purchased at competitive sale by _____ (the "Purchaser") at an aggregate price of \$_____ (representing the par amount of the Series 2016 Bonds [plus net original issue premium] [less net original issue discount] of \$_____ and less Purchaser's discount of \$_____). The Purchaser's obligations are subject to certain conditions precedent described in the Official Notice of Sale and it will be obligated to purchase all of the Series 2016 Bonds if any Series 2016 are purchased. The yields shown on the inside cover page hereof were furnished by the Purchaser.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Series 2016 Bonds are subject to the approval of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel. The proposed legal opinion, in the form attached hereto as APPENDIX D, will be delivered with the Series 2016 Bonds. The actual legal opinion to be delivered by Bond Counsel may vary from the form attached hereto if necessary to reflect facts and law on the date of delivery of the opinion. The opinion will speak only as of its date, and subsequent distribution by recirculation of this Official Statement or otherwise shall create no implication that Bond Counsel has renewed or expressed any opinion concerning any of the matters referenced in the opinion subsequent to the date of the opinion. Certain other legal matters will

be passed upon for the City by the City Attorney, Fishback, Dominick, Bennett, Ardaman, Ahlers, Langley & Geller LLP, Winter Park, Florida, and by Bryant Miller Olive P.A., Tampa, Florida, Disclosure Counsel.

The legal opinions to be delivered concurrently with the delivery of the Series 2016 Bonds express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment of the transaction on which the opinion is rendered or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

FINANCIAL ADVISOR

The City has retained Public Financial Management, Inc., as financial advisor (the "Financial Advisor") in connection with the City's financing plans and with respect to the authorization and issuance of the Series 2016 Bonds. The Financial Advisor is not obligated to, and has not undertaken to, independently verify or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement. The Financial Advisor may receive a fee for bidding certain investments to be deposited into the Escrow Fund. The Financial Advisor did not participate in the underwriting of the Series 2016 Bonds.

RATINGS

The Series 2016 Bonds have been assigned an underlying rating of "___" by Moody's and "___" (___ outlook) by Fitch. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Moody's Investors Service, 99 Church Street, New York, New York 10007 and Fitch Ratings, One State Street Plaza, New York, New York 10004. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2016 Bonds.

CONTINUING DISCLOSURE

The City has covenanted for the benefit of the Series 2016 Bondholders to provide certain financial information and operating data relating to the City and the Series 2016 Bonds no later than the May 1st following the end of the City's fiscal year, beginning with the fiscal year ending September 30, 2016, and to provide notices of the occurrence of certain enumerated material events. The City has agreed to file annual financial information and operating data and the audited financial statements with each entity authorized and approved by the Securities and Exchange Commission (the "SEC") to act as a repository (each a "Repository") for purposes of complying with Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934 (the "Rule"). Currently, the sole Repository is the Municipal Securities Rulemaking Board. The City has also agreed to file notices of certain enumerated material events, when and if they occur, with the Repository.

The specific nature of the financial information, operating data, and of the type of events which trigger a disclosure obligation, and other details of the undertaking are described in "APPENDIX E – FORM OF CONTINUING DISCLOSURE CERTIFICATE" attached hereto. The Continuing Disclosure Certificate will be executed by the City upon the issuance of the Series 2016 Bonds.

With respect to prior continuing disclosure undertakings of the City, the City (i) failed to timely file notices regarding certain underlying ratings upgrades and/or downgrades in 2011 and 2012 with respect to its Series 2005A Bonds, Series 2007 Bonds, Series 2009A Bonds and Series 2009B Bonds and; (ii) failed to file a notice regarding an insured rating downgrade on January 17, 2013 with respect to its Series 2005A, Series 2007, and Series 2009AB Bonds, which failure has been cured.

With respect to the Series 2016 Bonds, no party other than the City is obligated to provide, nor is expected to provide, any continuing disclosure information.

FLORIDA BLUE SKY DISCLOSURE

Section 517.051, Florida Statutes, and the regulations promulgated thereunder require that the City make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served only as a conduit issuer such as industrial development or private activity bonds issued on behalf of private businesses). The City is not and has not since December 31, 1975, been in default as to principal and interest on its bonds or other debt obligations.

Although the City is not aware of any defaults with respect to bonds or other debt obligations as to which it has served only as a conduit issuer, it has not undertaken an independent review or investigation of such bonds or other obligations. The City does not believe that any information about any default would be considered material by a reasonable investor in the Series 2016 Bonds, because the City was not liable to pay the principal of or interest on any such bonds except from payments made to it by the private companies on whose behalf such bonds were issued, and no funds of the City were used to pay such bonds or the interest thereon.

CONTINGENT FEES

The City has retained Bond Counsel, the Financial Advisor and Disclosure Counsel with respect to the authorization, sale, execution and delivery of the Series 2016 Bonds. Payment of the fees of such professionals is contingent upon the issuance of the Series 2016 Bonds.

MISCELLANEOUS

The City has furnished all information in this Official Statement except where attributed to other sources.

References herein to the Bond Resolution, the Series 2016 Bonds and certain other contracts, agreements and other materials not purporting to be quoted in full are brief summaries of certain provisions thereof, and do not purport to describe all the provisions thereof. Reference is hereby made

to such documents and other materials for the complete provisions thereof, copies of which will be furnished by the City upon written request.

The information herein is subject to change without notice and neither the delivery of the Official Statement nor any sale of the Series 2016 Bonds made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City, except as stated herein, since the date hereof.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. Statements herein, while not guaranteed, are based upon information which the City believes to be reliable.

CERTIFICATE CONCERNING OFFICIAL STATEMENT

The execution and delivery of this Official Statement has been duly authorized and approved by the City. At the time of delivery of the Series 2016 Bonds, the City will furnish a certificate to the effect that nothing has come to its attention which would lead it to believe that the Official Statement (excluding the information regarding DTC and its book-entry only system of registration as to all of which no opinion is expressed), as of its date and as of the date of delivery of the Series 2016 Bonds, contains an untrue statement of a material fact or omits to state a material fact which should be included herein for the purpose for which the Official Statement is intended to be used, or which is necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading.

CITY OF WINTER PARK, FLORIDA

By: _____
Steve Leary, Mayor

By: _____
Randy B. Knight, C.P.A., City Manager

By: _____
Charles W. Hamil, III, Finance Director

APPENDIX A

CITY OF WINTER PARK, FLORIDA, GENERAL INFORMATION

APPENDIX A

CITY OF WINTER PARK, FLORIDA, GENERAL INFORMATION

General Information

THE FOLLOWING INFORMATION CONCERNING THE CITY OF WINTER PARK, FLORIDA, IS INCLUDED ONLY FOR THE PURPOSE OF PROVIDING GENERAL BACKGROUND INFORMATION. THE INFORMATION HAS BEEN COMPILED ON BEHALF OF THE CITY AND SUCH COMPILATION INVOLVED ORAL AND WRITTEN COMMUNICATION WITH VARIOUS SOURCES INDICATED. THE INFORMATION IS SUBJECT TO CHANGE.

EXCEPT AS OTHERWISE NOTE, THE TABLES THAT FOLLOW IN THIS APPENDIX HAVE BEEN DERIVED FROM THE STATISTICAL SECTION OF THE CITY'S COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015.

THE SERIES 2016 BONDS ARE NOT GENERAL OBLIGATIONS OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE CITY.

General Description and Location

The City of Winter Park, Florida (the "City"), incorporated in 1887, is located in Central Florida in north Orange County and is considered part of the Orlando Metropolitan Area. The City currently occupies a land area of approximately nine square miles and serves a population of 28,967.

Government

The City operates under the commission-manger form of government. Policy-making and legislative authority are vested in the City Commission (Commission) consisting of the Mayor and four commissioners. The Commission is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the City Manager and Attorney. 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. The Commission members serve three-year staggered terms, with two commission seats or the mayor's seat up for election year. The mayor and commissioners are elected at large.

The City provides a full range of services, including police and fire protection; the construction and maintenance of streets, sidewalks and infrastructure; engineering; planning and community development; code compliance; general administration and support services; and recreational activities and cultural events. In addition, the City operates two enterprises: water and sewer service and electric service. The City has also contracted with a private firm to provide solid waste collection services.

Ad Valorem Taxes

City of Winter Park, Florida Assessed and Estimated Actual Value of Taxable Property

Fiscal Year Ended Sept. 30	Real Property	Personal Property	Centrally Assessed Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2006	\$4,426,794,057	\$257,145,724	\$1,082,823	\$1,285,628,264	\$3,399,394,340	5.0900	\$5,676,613,511	59.88%
2007	5,381,449,024	255,814,961	1,232,368	1,653,577,239	3,984,919,114	5.0900	6,797,466,978	58.62
2008	6,092,025,651	270,877,113	459,411	1,911,127,287	4,452,234,888	4.3073	7,660,052,254	58.12
2009	6,167,795,263	266,018,186	1,383,948	1,937,693,755	4,497,503,642	4.3858	7,741,283,098	58.10
2010	5,767,510,307	253,659,029	1,483,032	1,687,749,821	4,334,902,547	4.3980	7,247,987,510	59.81
2011	5,023,964,968	237,399,202	1,241,100	1,354,442,999	3,908,162,271	4.4336	6,343,423,034	61.61
2012	4,524,708,901	236,563,359	1,216,162	968,447,814	3,794,040,608	4.4166	5,754,518,303	65.93
2013	4,508,441,021	241,139,877	1,281,825	973,409,547	3,777,453,176	4.4183	5,743,766,225	65.77
2014	4,642,490,933	241,913,588	1,347,341	941,956,617	3,943,795,215	4.4019	5,902,944,213	66.81
2015	4,872,492,250	249,157,424	1,398,347	938,478,394	4,184,569,627	4.3907	6,186,755,669	67.64

Source: City of Winter Park, Florida Comprehensive Annual Financial Report for the Year Ended September 30, 2015.

Note: Assessed Values are determined as of January 1 of each fiscal year.

Real Property is assessed at 85% of estimated market value and Personal Property assessment at 55%.

Estimated actual taxable value is calculated by dividing assessed value by those percentages.

Centrally assessed property consists of the railroad lines which are assessed by the State of Florida.

City of Winter Park, Florida Property Tax Levies and Collections

Fiscal Year Ended Sept. 30	Tax Levied for the Fiscal Year ⁽¹⁾	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$17,302,917	\$17,040,486	98.5%	\$34,341	\$17,074,827	98.7%
2007	20,283,238	19,873,611	98.0	23,126	19,896,737	98.1
2008	19,177,111	18,463,803	96.3	49,710	18,513,513	96.5
2009	19,725,151	19,331,226	98.0	49,588	19,380,814	98.3
2010	19,064,901	18,456,523	96.8	43,654	18,500,177	97.0
2011	17,327,228	16,758,247	96.7	32,927	16,791,174	96.9
2012	16,756,760	16,170,799	96.5	51,216	16,222,015	96.8
2013	16,689,921	16,083,083	96.4	25,197	16,108,280	96.5
2014	17,424,870	16,807,610	96.5	21,521	16,829,131	96.6
2015	18,420,057	17,751,760	96.4	48,079	17,799,839	96.6

Source: City of Winter Park, Florida Comprehensive Annual Financial Report for the Year Ended September 30, 2015.

(1) Gross Taxes before discounts.

City of Winter Park, Florida
Direct and Overlapping Property Tax Rates
(rate per \$1,000 of assessed value)

Fiscal Year Ended Sept. 30	Tax Roll	Direct			Overlapping			Total Direct and Overlapping Millage
		City Operating Millage	City Debt Service	Total City Millage	Orange County	Orange School Board	St. Johns Water Management District	
2006	2005	4.6980	0.3920	5.0900	5.1639	7.7610	0.4620	18.4769
2007	2006	4.7580	0.3320	5.0900	5.1639	7.1690	0.4620	17.8849
2008	2007	3.9950	0.3123	4.3073	5.1639	7.1210	0.4158	17.0080
2009	2008	4.0923	0.2935	4.3858	4.4347	7.1500	0.4158	16.3863
2010	2009	4.0923	0.3057	4.3980	4.4347	7.6373	0.4158	16.8858
2011	2010	4.0923	0.3413	4.4336	4.4347	7.8940	0.4158	17.1781
2012	2011	4.0923	0.3243	4.4166	4.4347	8.5450	0.3313	17.7276
2013	2012	4.0923	0.3260	4.4183	4.4347	8.4780	0.3313	17.6623
2014	2013	4.0923	0.3096	4.4019	4.4347	8.3620	0.3283	17.5269
2015	2014	4.0923	0.2984	4.3907	4.4347	8.4740	0.3164	17.6158

Source: City of Winter Park, Florida Comprehensive Annual Financial Report for the Year Ended September 30, 2015.

City of Winter Park Florida
Ratios of General Obligation Bonds Outstanding

Fiscal Year Ended September 30	General Obligation Bonds	Percentage of	
		Estimated Actual Taxable Value of Property	Per Capita
2006	\$12,885,000	0.23%	450
2007	12,120,000	0.18	425
2008	11,330,000	0.15	392
2009	10,520,000	0.14	368
2010	9,685,000	0.13	341
2011	8,700,000	0.14	314
2012	7,760,000	0.13	280
2013	6,943,732	0.12	241
2014	5,984,889	0.10	206
2015	4,938,460	0.08	170

Source: City of Winter Park, Florida Comprehensive Annual Financial Report for the Year Ended September 30, 2015.

Note: There is no overlapping general obligation debt for which the City's property taxpayers are responsible.

Demographics

Population

Year	City Population ⁽¹⁾	Orange County Population	City Personal Income (Thousands)	City Per Median Household Income	Orange County Median Household Income	City Education		Unemployment Rate			
						High School Graduates	College Graduates	City of Winter Park	Orlando- Kissimmee MSA	Orange County	Florida
2006	28,620	1,079,524	1,310,646	44,976	N/A	3,432	11,992	2.6	3.1	3.1	3.3
2007	28,486	1,105,603	1,270,933	45,155	23,963	3,358	14,249	2.9	4.1	4.1	4.4
2008	28,921	1,114,979	1,367,573	48,227	23,776	2,686	8,033	5.0	6.5	6.4	6.9
2009	28,581	1,108,882	1,292,919	45,237	25,560	2,582	8,935	8.5	11.6	11.5	11.3
2010	28,434	1,145,956	1,260,678	44,337	28,117	3,071	10,368	9.1	11.8	11.8	12.1
2011	27,727	1,157,342	1,303,751	47,021	39,394	3,429	14,154	7.9	10.2	10.1	10.6
2012	27,728	1,175,941	1,311,673	47,305	52,624	3,419	12,136	6.9	8.5	8.4	8.6
2013	28,847	1,199,801	1,289,503	45,753	45,968	3,418	15,991	5.4	6.3	6.2	6.9
2014	29,073	1,227,995	1,393,865	44,504	50,738	3,700	12,485	4.6	5.7	5.6	6.1
2015	28,967	1,200,241	1,432,389	49,449	47,556	3,595	12,918	4.5	4.3	4.7	5.6

Source: City of Winter Park, Florida Comprehensive Annual Financial Report for the Year Ended September 30, 2015.

City of Winter Park, Florida Principal Property Tax Payers

Taxpayer	Type of Business	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Winter Park Town Center, LTD (Winter Park Village)	Shopping Mall	\$50,838,828	1.21%
Presbyterian Retirement Communities Inc.	Retirement Community	37,537,095	0.90
Embarq FL (Sprint United Management Co)	Telephone carrier	27,096,599	0.65
Mayflower Retirement Center Inc.	Retirement Community	21,261,631	0.51
UP Fieldgate US Investments-Winter Park LLC	Real Estate Developer	20,216,061	0.48
SVAP Winter Park, LP	General Contractors	18,954,778	0.45
Proteggere LLC	Real Estate Developer	15,744,100	0.38
Publix Supermarket Inc.	Food Retailer	15,137,665	0.36
BFC Park Avenue (250 Park Avenue)	Trustee	14,369,844	0.34
Progress Point LLC	Real Estate Brokerage	14,305,657	0.34

Source: City of Winter Park, Florida Comprehensive Annual Financial Report for the Year Ended September 30, 2015.

Fire and Police Pension Liabilities

The City maintains two separate single-employer, defined benefit pension plans for police officers and firefighters which are maintained as Pension Trust Funds and included as part of the City's reporting entity.

The City's net pension liability was measured as of September 30, 2014, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of that date with projected amounts through September 30, 2015. The following assumptions were applied by the actuary in determining the net pension liability.

Investment Earnings	7.75%	7.75%
Salary Increases:		
Inflation	3.50%	4.00%
Merit	3.75%-6.00%	5.50%-9.50%
Postretirement Increases	3.00%	3.00%
	RP-2000 Combined Table with separate rates for males and females with adjustments for mortality improvements based on Scale AA	RP-2000 Combined Table with separate rates for males and females with adjustments for mortality improvements based on Scale AA
Mortality		
	Probabilities of termination are assigned by length of service	Probabilities of termination are assigned by length of service
Retirements Turnover		

Schedule of Employer's Net Pension Liability (Measurement Date 09/30/2015 – projected – actual will be available after fiscal year end)

	Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position As a % of Total Pension Liability	Covered Payroll	Net Pension as a % of Covered Payroll
Police Pension	\$56,720,311	\$47,258,294	\$9,462,017	83.32%	\$5,306,062	178.32%
Firefighter Pension	\$55,981,646	\$52,417,175	\$3,564,471	93.63%	\$5,489,574	64.93%

The following table shows actuarially determined contributions and actual contributions to the fire and police pension benefit plans by the City

**Schedule of Employer Contributions
Fiscal Year Ending September 30, 2015**

	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
Police Pension	\$2,355,980	\$2,355,980	--	\$5,306,062	44.40%
Firefighter Pension	\$1,956,076	\$1,956,076	--	\$5,489,574	35.63%

General Employee Contribution Plan

The City maintains a single-employer, defined contribution pension plan for the General Employees. This is a tax-qualified plan pursuant to Section 401(a) of the Internal Revenue Code. All full-time general employees hired after January 1, 1992 are eligible for participation in the plan. All employees hired before January 1, 1992 were brought into the plan. As of September 30, 2015, there were 335 employees enrolled in the 401(a) pension plan.

The plan, administered by an outside party, provides for employer contributions at 7%. Earnings include W-2 earnings, plus any contributions made pursuant to a salary reduction agreement, which are not includible in the gross income of the employee under Section 125 of the Internal Revenue Code, *Overtime and Bonuses*. The employee is required to contribute 3% of his/her earnings as defined above beginning October 1, 1992. The vesting schedule provides for employees hired prior to October 1, 2006 to be 100% vested after the period of one year. For employees hired after October 1, 2006, 100% vesting occurs after five years of service have been completed. If an employee is terminated prior to completing the 100% vesting period, the employer contributions are forfeited by the employee and used to offset future employer contributions. The normal retirement age has been designated by the employer as age 65. The plan permits withdrawals for retirement, termination and disability. The plan does allow participants to borrow against their accounts.

Payroll for covered employees	\$16,803,373
Total City payroll	28,841,696
Employer contributions required (net) and actually made	1,123,410
Employee contributions actually made – 3% of covered payroll	504,101

Contributions to the Plan may be amended by a resolution adopted by the City Commission.

Other Post-Employment Benefits (OPEB)

The Other Post-Employment Benefit Plan ("OPEB Plan") is a single-employer benefit plan administered by the City. Currently, the City's OPEB benefits are unfunded. The required contributions are based on a pay-as-you-go financing requirements. There is no Trust Fund or equivalent arrangement into which the City would make contributions to advance-fund the obligation. Therefore, ultimate

subsidies, which are provided over time, are financed directly by general assets of the City, which are invested in accordance with the City's investment policy. The interest rate used to calculate the present values and costs of OPEB must be the long-range expected return on those investments. The City selected an interest rate of 4% for this purpose.

The City's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer ("ARC"), an amount actuarially determined in accordance with the parameters of GASB No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period, not to exceed 30 years.

The City's annual OPEB cost, the percentage of annual expected employer contribution toward OPEB cost, and the net OPEB obligation for the proceeding three fiscal years were as follows:

Fiscal Year Ending	Annual OPEB Cost	Employer Contributions Toward OPEB Cost	Percentage of Annual OPEB Cost Contributed	Unfunded OPEB Obligation
September 30, 2015	\$877,408	\$100,460	11.4%	\$7,147,419
September 30, 2014	909,208	308,212	33.9	7,765,914
September 30, 2013	869,703	284,642	32.7	7,763,903

In any long-term actuarial valuation, certain assumptions are made regarding the population, the investment discount rates, and the benefits provided. The Entry Age actuarial cost method was used, with amortization of the UAAL as a level percent of expected payroll (open over 30 years). A table summarizing the actuarial assumptions used is included below:

Actuarial Assumptions	
Investment rate of return*	4.0%
Projected salary increases*	3.75%-9.50%
Payroll growth assumptions	1.0%
Initial healthcare cost trend rate*	7.5%
Ultimate healthcare cost trend rate*	4.5%
* Includes inflation at 2.5%	

APPENDIX B

**COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY OF WINTER PARK, FLORIDA
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2015**

APPENDIX C

FORM OF ORDINANCE AND BOND RESOLUTION

APPENDIX D
FORM OF BOND COUNSEL OPINION

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

EXHIBIT C
CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Winter Park, Florida (the "Issuer") in connection with the issuance of its \$_____ Electric Refunding Revenue Bonds, Series 2016 (the "Bonds"). The Bonds are being issued pursuant to Resolution No. 1898-05 adopted by the City Commission of the City (the "City Commission") on May 9, 2005, (hereinafter the "Original Resolution"); and Ordinance No. 3031-16 enacted by the City Commission on March 14, 2016, as supplemented by Resolution No. 2173-16, adopted by the City Commission on March 28, 2016 (collectively, the "Series 2016 Bond Resolution," and together with the Original Resolution, the "Bond Resolution").

SECTION 1. PURPOSE OF THE DISCLOSURE CERTIFICATE. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with the continuing disclosure requirements of the Rule (hereafter defined).

SECTION 2. DEFINITIONS. In addition to the definitions set forth in the Bond Resolution which apply to any capitalized term used in this Disclosure Certificate, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" shall mean the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Event of Bankruptcy" shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental

authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"Obligated Person" shall mean any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities).

"Participating Underwriters" shall mean the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean each entity authorized and approved by the Securities and Exchange Commission from time to time to act as a repository for purposes of complying with the Rule. The Repositories currently approved by the Securities and Exchange Commission may be found by visiting the Securities and Exchange Commission's website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the Repository recognized by the Securities and Exchange Commission for such purpose is the Municipal Securities Rulemaking Board, which currently accepts continuing disclosure submissions through its Electronic Municipal Market Access ("EMMA") web portal at "http://emma.msrb.org."

"Rule" shall mean the continuing disclosure requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of Florida.

SECTION 3. PROVISION OF ANNUAL REPORTS.

(a) The Issuer shall, or shall cause the Dissemination Agent to provide to any Repository in electronic format as prescribed by such Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate for each fiscal year ending on or after September 30, 2016, not later than the following May 1. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date provided, further, in such event unaudited financial statements are required to be delivered as part of the Annual Report in accordance

with Section 4(a) below. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) Not later than fifteen (15) Business Days prior to the date set forth in (a) above, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). If the Issuer is unable to provide to any Repository an Annual Report as required in subsection (a), the Issuer shall send a notice to any Repository, in electronic format as prescribed by such Repository in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of any Repository; and

(ii) if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing any Repository to which it was provided.

SECTION 4. CONTENT OF ANNUAL REPORTS. The Issuer's Annual Report shall contain or include by reference the following:

(a) the audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement dated _____, 2016 (the "Official Statement"), and the audited financial statements shall be filed in the same manner as the Annual Report when they become available; and

(b) updates of the historical financial and operating data set forth in the Official Statement in tables under the captions: "HISTORICAL NET REVENUES AND DEBT SERVICE COVERAGE", "Historical Cost of Generation and Transmission", "Active System Accounts", "System Rates and Other Charges", and "Customers".

The information provided under Section 4(b) may be included by specific reference to documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the Repository's Internet Web site or filed with the Securities and Exchange Commission.

The Issuer reserves the right to modify from time to time the specific types of information provided in its Annual Report or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

SECTION 5. REPORTING OF SIGNIFICANT EVENTS.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds. Such notice shall be given in a timely manner not in excess of ten (10) business days after the occurrence of the event, with the exception of the event described in number 15 below, which notice shall be given in a timely manner:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. modifications to rights of the holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Bonds, if material;
11. ratings changes;
12. an Event of Bankruptcy or similar event of an Obligated Person;

13. the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. appointment of a successor or additional trustee or the change of name of a trustee, if material; and
15. notice of any failure on the part of the Issuer to meet the requirements of Section 3 hereof.

(b) The notice required to be given in paragraph 5(a) above shall be filed with any Repository, in electronic format as prescribed by such Repository.

SECTION 6. IDENTIFYING INFORMATION. In accordance with the Rule, all disclosure filings submitted pursuant to this Disclosure Certificate to any Repository must be accompanied by identifying information as prescribed by the Repository. Such information may include, but not be limited to:

- (a) the category of information being provided;
- (b) the period covered by any annual financial information, financial statement or other financial information or operation data;
- (c) the issues or specific securities to which such documents are related (including CUSIPs, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate);
- (d) the name of any Obligated Person other than the Issuer;
- (e) the name and date of the document being submitted; and
- (f) contact information for the submitter.

SECTION 7. TERMINATION OF REPORTING OBLIGATION. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds or if the Rule is repealed or no longer in effect. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5.

SECTION 8. DISSEMINATION AGENT. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any

manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

SECTION 9. AMENDMENT; WAIVER. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the holders or Beneficial Owners of the Bonds in the same manner as provided in the Bond Resolution for amendments to the Bond Resolution with the consent of holders or Beneficial Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or Beneficial Owners of the Bonds.

Notwithstanding the foregoing, the Issuer shall have the right to adopt amendments to this Disclosure Certificate necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 10. ADDITIONAL INFORMATION. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the

means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. DEFAULT. The continuing disclosure obligations of the Issuer set forth herein constitute a contract with the holders of the Bonds. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate; provided, however, the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with the provisions of this Disclosure Certificate shall be an action to compel performance. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Bond Resolution.

SECTION 12. DUTIES, IMMUNITIES AND LIABILITIES OF DISSEMINATION AGENT. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 13. BENEFICIARIES. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated as of _____, 2016.

CITY OF WINTER PARK, FLORIDA

[SEAL]

By: _____
Mayor

ATTEST:

Clerk

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Winter Park, Florida

Name of Bond Issue: Electric Refunding Revenue Bonds, Series 2016

Date of Issuance: _____, 2016

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Sections 3 and 4(b) of the Continuing Disclosure Certificate dated as of _____, 2016. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

CITY OF WINTER PARK, FLORIDA

By: _____

Name: _____

Title: _____

EXHIBIT D
ESCROW DEPOSIT AGREEMENT

THIS ESCROW DEPOSIT AGREEMENT, dated _____, 2016, by and between the CITY OF WINTER PARK, FLORIDA (the "Issuer"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association, as Escrow Agent and its successors and assigns (the "Escrow Agent");

W I T N E S S E T H:

WHEREAS, pursuant to Resolution No. 1898-05 adopted by the City Commission of the Issuer on May 9, 2005, as amended and supplemented (the "Refunded Bonds Resolution"), the Issuer has previously authorized and issued obligations, hereinafter defined as "Refunded Bonds," as to which the Total Debt Service (as hereinafter defined) is set forth on Schedule A; and

WHEREAS, the Issuer has determined to provide for payment of the Total Debt Service of the Refunded Bonds by depositing with the Escrow Agent an amount which together with investment earnings thereon is at least equal to the Total Debt Service of the Refunded Bonds as set forth in Schedule A hereto; and

WHEREAS, in order to obtain the funds needed for such purpose, the Issuer has authorized and is, concurrently with the delivery of this Agreement, issuing its Electric Refunding Revenue Bonds, Series 2016; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Issuer and the Escrow Agent agree as follows:

SECTION 1. Definitions. As used herein, the following terms mean:

- (a) **"Agreement"** means this Escrow Deposit Agreement.
- (b) **"Authorized Officer"** shall mean the City Manager or the Finance Director of the Issuer, or their designees, or with respect to the Escrow Agent, shall mean any officer authorized by the bylaws or other official action of the Escrow Agent to perform the applicable function or services.
- (c) **"Bond Resolution"** means the Refunding Bonds Resolution, Ordinance No. 3031-16 enacted by the City on March 14, 2016 and Resolution No. [____]-16 adopted by the City on March 14, 2016 authorizing the issuance of the Bonds and the refunding of the Refunded Bonds.
- (d) **"Bonds"** mean the City of Winter Park, Florida Electric Refunding Revenue Bonds, Series 2016, issued under the Bond Resolution.
- (e) **"Call Date"** means October 1, 2017.

(f) **"EMMA"** means the Electronic Municipal Marketplace Access system of the Municipal Securities Rulemaking Board.

(g) **"Escrow Agent"** means The Bank of New York Mellon Trust Company, N.A. having a designated corporate trust office in Jacksonville, Florida, and its successors and assigns.

(h) **"Escrow Fund"** means the account hereby created and entitled Escrow Fund established and held by the Escrow Agent pursuant to this Agreement, in which cash and investments will be held for payment of the principal of and accrued interest on the Refunded Bonds as they become due and payable.

(i) **"Escrow Requirement"** means, as of any date of calculation, the sum of an amount in cash and principal amount of Federal Securities in the Escrow Fund which together with the interest to become due on the Federal Securities will be sufficient to pay the Total Debt Service on the Refunded Bonds in accordance with Schedule A.

(j) **"Federal Securities"** means any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, none of which permit redemption at the option of the United States of America prior to the dates on which such Federal Securities shall be applied pursuant to this Agreement.

(k) **"Issuer"** means the City of Winter Park, Florida.

(l) **"Paying Agent"** means The Bank of New York Mellon Trust Company, N.A. having a designated corporate trust office in Jacksonville, Florida, and its successors and assigns.

(m) **"Refunded Bonds"** means the portion of the Issuer's outstanding Electric Refunding and Improvement Revenue Bonds, Series 2007 maturing October 1, 2018 and thereafter.

(n) **"Total Debt Service"** means the sum of the principal and interest remaining unpaid with respect to the Refunded Bonds and redemption premium, if any, in accordance with Schedule A attached hereto.

SECTION 2. Discharge of Lien of Holders of Refunded Bonds. The Issuer by this writing exercises its option to have the pledges, liens and obligations to the holders of the Refunded Bonds under the Refunded Bonds Resolution no longer be in effect in accordance with the terms of the Refunded Bonds Resolution.

SECTION 3. Establishment of Escrow Fund. There is hereby created and established with the Escrow Agent a special, segregated and irrevocable escrow fund designated the "City of Winter Park, Florida Electric Refunding and Improvement Revenue Bonds, Series 2007

Escrow Deposit Trust Fund" (the "Escrow Fund"). The Escrow Fund shall be held in the custody of the Escrow Agent for the benefit of the holders of the Refunded Bonds, separate and apart from other funds and accounts of the Issuer and the Escrow Agent. The Escrow Agent hereby accepts the Escrow Fund and acknowledges the receipt of and deposit to the credit of the Escrow Fund the sum of \$_____ comprised of \$_____ received from the Issuer from proceeds of the Bonds and \$_____ received from the Issuer from funds transferred from funds and accounts related to the Refunded Bonds ("Escrow Proceeds"). The Escrow Proceeds shall be invested as provided in Section 4 below.

SECTION 4. Use and Investment of Funds. The Escrow Agent agrees:

(a) to hold the funds and investments purchased pursuant to this Agreement in irrevocable escrow during the term of this Agreement for the sole benefit of the holders of the Refunded Bonds;

(b) to immediately invest \$_____ in the Federal Securities set forth on Schedule B attached hereto and to hold such securities and cash proceeds therefrom in accordance with the terms of this Agreement. The remaining cash balance equal to \$___ shall be held uninvested by the Escrow Agent.

(c) in the event the securities described on Schedule B cannot be purchased, substitute securities may be purchased with the consent of the Issuer but only upon receipt of verification from an independent certified public accountant that the cash and securities deposited will not be less than the Escrow Requirement and only upon receipt of an opinion of nationally recognized bond counsel that such securities constitute Federal Securities for purposes of this Agreement;

(d) there will be no investment of funds except as set forth in this Section 4 or in Section 6 hereof; and

(e) in reliance upon the Verification Report dated _____, 2016 prepared by Grant Thornton LLP, the Issuer represents and warrants that the interest on and the principal amounts successively maturing on the Escrow Securities in accordance with their terms (without consideration of any reinvestment of such maturing principal and interest), are sufficient such that moneys will be available to the Escrow Agent in amounts sufficient and at the times required to pay the amounts of principal of and interest due and to become due on the Refunded Bonds as described in Schedule A attached hereto. If the Federal Securities shall be insufficient to make such payments, the Issuer shall timely deposit to the Escrow Fund, solely from legally available funds of the Issuer, such additional amounts as may be required to pay the Refunded Bonds as described in Schedule A hereto. Notice of any insufficiency shall be given by the Escrow Agent to the Issuer as promptly as possible, but the Escrow Agent shall in no manner be responsible for the failure to make such deposits.

SECTION 5. Payment of Bonds and Expenses.

(a) Refunded Bonds. On the dates and in the amounts set forth on Schedule A, the Escrow Agent shall transfer to the Paying Agent for the Refunded Bonds, in immediately available funds, solely from amounts available in the Escrow Fund, a sum sufficient to pay that portion of the Total Debt Service for the Refunded Bonds coming due on such dates, as shown on Schedule A.

(b) Surplus. After making the payments from the Escrow Fund described in Subsection 5(a) above, the Escrow Agent shall retain in the Escrow Fund any remaining cash in the Escrow Fund in excess of the Escrow Requirement until the termination of this Agreement, and shall then pay any remaining funds to the Issuer for deposit to the Interest Account for the Bonds created in the Bond Resolution.

(c) Priority of Payments. The holders of the Refunded Bonds shall have an express first lien on the funds and Federal Securities in the Escrow Fund until such funds and Federal Securities are used and applied as provided in this Agreement.

SECTION 6. Reinvestment.

(a) Except as provided in Section 4 and in this Section, the Escrow Agent shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions of the Federal Securities held hereunder.

(b) At the written request of the Issuer and upon compliance with the conditions hereinafter stated, the Escrow Agent shall sell, transfer or otherwise dispose of any of the Federal Securities acquired hereunder and shall substitute other Federal Securities. The Issuer will not request the Escrow Agent to exercise any of the powers described in the preceding sentence in any manner which will cause interest on the Refunded Bonds to be included in the gross income of the holders thereof for purposes of Federal income taxation. The transactions may be effected only if (i) an independent certified public accountant selected by the Issuer shall certify or opine in writing to the Issuer and the Escrow Agent that the cash and principal amount of Federal Securities remaining on hand after the transactions are completed will be not less than the Escrow Requirement, and (ii) the Escrow Agent shall receive an opinion from a nationally recognized bond counsel acceptable to the Issuer to the effect that the transactions, in and by themselves will not cause interest on such Refunded Bonds to be included in the gross income of the holders thereof for purposes of Federal income taxation and such substitution is in compliance with this Agreement.

SECTION 7. Redemption of Refunded Bonds. The Issuer hereby irrevocably instructs the Escrow Agent to request, on behalf of the Issuer, that the Paying Agent for the Refunded Bonds call the Refunded Bonds for redemption in accordance with the terms of this Agreement and the Refunded Bonds Resolution and to give, at the appropriate times, the notice or notices required by the Refunded Bonds Resolution in connection with the redemption of the Refunded Bonds. Such notice of redemption shall be given by the Paying Agent in accordance with the

Refunded Bonds Resolution. All of the Refunded Bonds are hereby called and shall be redeemed on October 1, 2017 at a redemption price equal to the par amount of the Refunded Bonds plus accrued interest to the date of redemption.

Such notice shall be substantially in the form of Schedule C attached hereto.

The Escrow Agent shall also cause a notice of defeasance to be posted on EMMA and sent to the holders of the Refunded Bonds within five (5) days of the date hereof; provided however, that the Escrow Agent shall not have any liability to any party in connection with any failure to timely post any such notice on EMMA and the sole remedy available for such failure shall be an action by the holders of the Refunded Bonds in mandamus for specific performance or similar remedy to compel performance. Such notice shall be in substantially the form of Schedule D attached hereto.

SECTION 8. Indemnification. To the extent that it may legally do so, without waiving its sovereign immunity nor the limits of its liability beyond the amount set forth in Section 768.28, Florida Statutes, and without consenting to be sued by third parties, the Issuer hereby agrees to indemnify the Escrow Agent and hold it harmless from any and all claims, liabilities, losses, action, suits, or proceedings at law or in equity, or any other expenses, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Escrow Agent under this Agreement, unless caused by its negligence or willful misconduct; and in connection therewith to indemnify the Escrow Agent against any and all expenses, including attorneys' fees, costs and expenses and the costs of defending an action, suit, or proceeding, or resisting any claim. The Issuer's obligations hereunder shall survive any termination of this Agreement or the sooner resignation or removal of the Escrow Agent and shall inure to the benefit of the Escrow Agent's successors and assigns.

SECTION 9. Escrow Fund Irrevocable. The Escrow Fund hereby created shall be irrevocable and the holders of the Refunded Bonds shall have an express lien on all Federal Securities deposited in the Escrow Fund pursuant to the terms hereof and the interest earnings thereon until paid out, used and applied in accordance with this Agreement or the Refunded Bonds Resolution. Neither the Issuer nor the Escrow Agent shall cause nor permit any other lien or interest whatsoever to be imposed upon the Escrow Fund.

SECTION 10. Responsibilities of Escrow Agent. The Escrow Agent and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Agreement, the establishment of the Escrow Fund, the acceptance of the funds deposited therein, the purchase of the Federal Securities, the retention of the Federal Securities or the proceeds thereof or for any payment, transfer or other application of moneys or securities by the Escrow Agent in accordance with the provisions of this Agreement or by reason of any non-negligent or non-willful act, omission or error of the Escrow Agent made in good faith in the conduct of its duties. The Escrow Agent shall, however, be responsible for its negligent or willful failure to comply with its duties required hereunder, and its negligent or willful acts, omissions or errors

hereunder. Notwithstanding any provision herein to the contrary, in no event shall the Escrow Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits). The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement and no implied covenants or obligations shall be read into this Agreement against the Escrow Agent. The Escrow Agent may consult with counsel, at the Issuer's expense, who may or may not be counsel to the Issuer, and in conclusive reliance upon the opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer. Any payment obligation of the Escrow Agent hereunder shall be paid from and is limited to funds available, established and maintained hereunder and the Escrow Agent shall not be required to expend its own funds for the performance of its duties under this Agreement. The Escrow Agent may act through its agents and attorneys and shall not be responsible for any misconduct or negligence on the part of any such person so appointed with due care. The Escrow Agent may conclusively rely upon and shall be fully protected in acting and relying upon any notice, order, requisition, request, consent, certificate, order, opinion (including an opinion of counsel), affidavit, letter, telegram or other paper or document in good faith deemed by it to be genuine and correct and to have been signed or sent by the proper person or persons. The Escrow Agent shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Escrow Agent shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

The Escrow Agent shall have the right to accept and act upon directions or instructions given by an Authorized Officer pursuant to this Agreement or any other document reasonably relating to the Refunded Bonds and delivered using Electronic Means (defined below). If the Issuer elects to give the Escrow Agent directions or instructions using Electronic Means and the Escrow Agent in its discretion elects to act upon such directions or instructions, the Escrow Agent's understanding of such directions or instructions shall be deemed controlling. The Issuer understands and agrees that the Escrow Agent cannot determine the identity of the actual sender of such directions or instructions and that the Escrow Agent shall conclusively presume that directions or instructions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Agent have been sent by such Authorized Officer. The Issuer shall be responsible for ensuring that only Authorized Officers transmit such directions or instructions to the Escrow Agent and that all Authorized Officers

treat applicable user and authorization codes, passwords and/or authentication keys as confidential and with extreme care. The Escrow Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such directions or instructions notwithstanding such directions or instructions conflict or are inconsistent with a subsequent written direction or written instruction. The Issuer agrees: (i) to assume all risks arising out of the use of Electronic Means to submit directions or instructions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized directions or instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting directions or instructions to the Escrow Agent and that there may be more secure methods of transmitting directions or instructions; (iii) that the security procedures (if any) to be followed in connection with its transmission of directions or instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances and (iv) to notify the Escrow Agent immediately upon learning of any compromise or unauthorized use of the security procedures. "Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys, or another method or system specified by the Escrow Agent as available for use in connection with its services hereunder.

SECTION 11. Resignation of Escrow Agent. The Escrow Agent may resign and thereby become discharged from the duties and obligations hereby created, by notice in writing given to the Issuer not less than sixty (60) days before such resignation shall take effect. Such resignation shall not take effect until the appointment of a new Escrow Agent hereunder.

SECTION 12. Removal of Escrow Agent.

(a) The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, executed by the holders of not less than fifty-one percent (51%) in aggregate principal amount of the Refunded Bonds then outstanding, such instruments to be filed with the Issuer, and notice in writing given by such holders to the original purchaser or purchasers of the Bonds. A photographic copy of any instrument filed with the Issuer under the provisions of this paragraph shall be delivered by the Issuer to the Escrow Agent.

(b) The Escrow Agent may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provisions of this Agreement with respect to the duties and obligations of the Escrow Agent by any court of competent jurisdiction upon the application of the Issuer or the holders of not less than five percent (5%) in aggregate principal amount of the Bonds then outstanding, or the holders of not less than five percent (5%) in aggregate principal amount of the Refunded Bonds then outstanding.

(c) The Escrow Agent may not be removed until a successor Escrow Agent has been appointed in the manner set forth herein.

SECTION 13. Successor Escrow Agent.

(a) If at any time hereafter the Escrow Agent shall resign, be removed, be dissolved or otherwise become incapable of acting, or shall be taken over by any governmental official, agency, department or board, the position of Escrow Agent shall thereupon become vacant. If the position of Escrow Agent shall become vacant for any of the foregoing reasons or for any other reason, the Issuer shall appoint an Escrow Agent to fill such vacancy. The Issuer shall mail a notice of any such appointment made by it to the holders of the Refunded Bonds within thirty (30) days after such appointment.

(b) At any time within one year after such vacancy shall have occurred, the holders of a majority in principal amount of the Bonds then outstanding or a majority in principal amount of the Refunded Bonds then outstanding, by an instrument or concurrent instruments in writing, executed by either group of such bondholders and filed with the governing body of the Issuer, may appoint a successor Escrow Agent, which shall supersede any Escrow Agent theretofore appointed by the Issuer. Photographic copies of each such instrument shall be delivered promptly by the Issuer, to the predecessor Escrow Agent and to the Escrow Agent so appointed by the bondholders. In the case of conflicting appointments made by the bondholders under this paragraph, the first effective appointment made during the one year period shall govern.

(c) If no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this Section within sixty (60) days of the delivery of a notice of resignation or removal, the holder of any Refunded Bonds then outstanding, or any retiring Escrow Agent may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Escrow Agent.

SECTION 14. Payment to Escrow Agent. The Escrow Agent hereby acknowledges that it has agreed to accept compensation under the Agreement in the sum of \$[____], payable at delivery, for services to be performed by the Escrow Agent pursuant to this Agreement, plus out-of-pocket expenses (including attorneys' fees, costs and expenses) to be reimbursed at cost from legally available funds of the Issuer. The Escrow Agent agrees that it shall have no interest in or right to payment of such compensation or out of pocket expenses from the Escrow Fund.

SECTION 15. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Refunded Bonds have been paid and discharged in accordance with the proceedings authorizing the Refunded Bonds, except as provided in Section 8 hereof.

SECTION 16. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the Issuer or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant

or agreements herein contained shall be null and void and shall in no way affect the validity of the remaining provisions of this Agreement.

SECTION 17. Amendments to this Agreement. This Agreement is made for the benefit of the Issuer and the holders from time to time of the Refunded Bonds and the Bonds and it shall not be repealed, revoked, altered or amended in whole or in part without the written consent of all affected holders, the Insurer of the Refunded Bonds, the Escrow Agent, the holder of the Bonds and the Issuer; provided, however, that the Issuer, the Insurer of the Refunded Bonds and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Escrow Agent, for the benefit of the holders of the Bonds and the Refunded Bonds any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall, at its option, be entitled to request at the Issuer's expense and rely exclusively upon an opinion of nationally recognized attorneys on the subject of municipal bonds acceptable to the Issuer with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Refunded Bonds or that any instrument executed hereunder complies with the conditions and provisions of this Section.

SECTION 18. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

SECTION 19. Governing Law. This Agreement shall be construed under the laws of the State of Florida without regard to conflict of law principles.

[Reminder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have each caused this Escrow Deposit Agreement to be executed by their duly authorized officers and appointed officials and their seals to be hereunder affixed and attested as of the date first above written.

[SEAL]

CITY OF WINTER PARK, FLORIDA

By: _____
Steve Leary, Mayor

ATTEST:

By: _____
Cynthia S. Bonham, City Clerk

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.** as Escrow Agent

By: _____
Name: _____
Title: _____

[Signature page to Escrow Deposit Agreement]

**SCHEDULE A
SCHEDULE OF DEBT SERVICE FOR
CITY OF WINTER PARK, FLORIDA
ELECTRIC REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2007**

PAYMENT <u>DATE</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>PRINCIPAL REDEEMED</u>	<u>TOTAL DEBT SERVICE</u>
	\$	\$	\$	\$

SCHEDULE B

ESCROW SECURITIES

United States Treasury Securities

<u>Type</u>	<u>Maturity</u> <u>Date</u>	<u>Par Amount</u>	<u>Coupon</u> <u>Rate</u>	<u>Total</u> <u>Cost</u>
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SCHEDULE C

NOTICE OF REDEMPTION CITY OF WINTER PARK, FLORIDA ELECTRIC REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2007

NOTICE IS HEREBY GIVEN, pursuant to that certain Resolution No. 1898-05 adopted by the City Commission on May 9, 2005, as amended and supplemented from time to time, that the following outstanding Electric Refunding and Improvement Revenue Bonds, Series 2007, originally issued on November 15, 2007, will be called for early redemption on October 1, 2017 at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption (the "Redemption Price").

CUSIP Number	Maturity (October 1)	Principal Amount	Interest Rate (%)
976002 AL9	2018	\$585,000	4.000
976002 AM7	2019	\$610,000	4.125
976002 AN5	2020	\$635,000	4.100
976002 AP0	2021	\$660,000	4.000
976002 AQ8	2022	\$690,000	4.250

\$3,925,000 - 4.500% - Term Bonds - Due October 1, 2027 - CUSIP Number 976002 AR6

\$2,810,000 - 4.750% - Term Bonds - Due October 1, 2030 - CUSIP Number 976002 AS4

\$8,240,000 - 4.500% - Term Bonds - Due October 1, 2037 - CUSIP Number 976002 AT2

The owners and holders of the designated bonds are directed to surrender same for payment of the Redemption Price to The Bank of New York Mellon Trust Company, N.A., 10161 Centurion Parkway, Jacksonville, Florida, where such bonds and the interest accrued thereon will be paid on and after October 1, 2017.

CUSIP numbers have been assigned by CUSIP Service Bureau and are included solely for the convenience of the bondholders. Neither the Issuer nor The Bank of New York Mellon Trust Company, N.A., shall be responsible for the selection or use of the CUSIP numbers, nor is any representation made as to its correctness on any bond or as indicated in any notice.

Notice is further given that on such redemption date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof together with interest accrued thereon to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable.

IMPORTANT TAX NOTICE

Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Jobs and Growth Tax Relief Reconciliation Act of 2003 (the "Act"), unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your securities.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.

As Paying Agent

Publication Date: _____

SCHEDULE D

NOTICE OF DEFEASANCE CITY OF WINTER PARK, FLORIDA ELECTRIC REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2007

DATED: NOVEMBER 15, 2007

NOTICE IS HEREBY GIVEN to the holders of the City of Winter Park, Florida Electric Refunding and Improvement Revenue Bonds, Series 2007 described below (the "Defeased Bonds") that the Defeased Bonds have been legally defeased and will be called for early redemption on October 1, 2017 at the principal amount thereof, plus accrued interest to the date of redemption;

<u>CUSIP Number</u>	<u>Maturity (October 1)</u>	<u>Principal Amount</u>	<u>Interest Rate (%)</u>
976002 AL9	2018	\$585,000	4.000
976002 AM7	2019	\$610,000	4.125
976002 AN5	2020	\$635,000	4.100
976002 AP0	2021	\$660,000	4.000
976002 AQ8	2022	\$690,000	4.250

\$3,925,000 - 4.500% - Term Bonds - Due October 1, 2027 - CUSIP Number 976002 AR6

\$2,810,000 - 4.750% - Term Bonds - Due October 1, 2030 - CUSIP Number 976002 AS4

\$8,240,000 - 4.500% - Term Bonds - Due October 1, 2037 - CUSIP Number 976002 AT2

and that the deposit required by Section 11.07 of Resolution No. 1898-05 adopted by the City Commission on May 9, 2005, as amended and supplemented from time to time, (the "Resolution") of moneys has been made and the Defeased Bonds are no longer Outstanding under the Resolution. Said deposit was made on _____, 2016 in irrevocable escrow with The Bank of New York Mellon Trust Company, N.A., as Escrow Agent, at the following address:

The Bank of New York Mellon Trust Company, N.A.
10161 Centurion Parkway
Jacksonville, Florida 32256

Dated this _____ day of _____, 2016.