Comprehensive Annual Financial Report
For The City of Fruitland Park, Florida
For the Year Ended September 30, 2014

CITY OF FRUITLAND PARK, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2014

Prepared by:
Tannette Gayle
City Treasurer

CITY OF FRUITLAND PARK, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2014

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INTRODUCTORY SECTION

CITY OF FRUITLAND PARK
THE FRIENDLY CITY

506 W. Berckman Street
Fruitland Park, Florida 34731

Tel. (352) 360-6727
Fax. (352) 360-6686

March 3, 2015

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

The Comprehensive Annual Financial Report (CAFR) for the City of Fruitland Park, Florida, for the fiscal year ended September 30, 2014 is hereby submitted pursuant to Florida Statutes Chapter 218.39 and Chapter 10.550 of the Rules of the Auditor General of the State of Florida. State law requires that an annual financial audit of local government entities be completed no later than nine months after the end of the fiscal year. This CAFR is published to fulfill this requirement for the fiscal year ended September 30, 2014 and to provide the citizens, city commission, city staff, creditors and other interested parties with detailed information concerning the financial condition and activities of the City.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, which is based on a comprehensive framework of internal controls established for this purpose. Because the cost of the internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. In addition, we believe the information contained in this report is presented in a manner designed to fairly set forth the financial position and results of operation of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain a maximum understanding of the City's financial affairs are included.

The City of Fruitland Park maintains budgetary controls to ensure compliance with legal provisions contained in the annual appropriated budget approved by the City Commission. Annual budgets are legally adopted for the activities of the General Fund, Redevelopment Fund, Capital Projects Fund, Utility Fund and the Recreation Programs Fund. Budgets are controlled at the department level and total expenditures may not legally exceed appropriations for each budgeted department without Commission approval. Encumbrance accounting is utilized to reserve the encumbered portion of the appropriation.

The City of Fruitland Park's financial statements have been audited in accordance with generally accepted auditing standards by Shumacker, Johnston & Ross, P.A., Certified Public Accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Fruitland Park are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used

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THE FRIENDLY CITY
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Fruitland Park, Florida 34731
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Fax. (352) 360-6686

and estimates made by management; and evaluating the overall financial statement presentation. Shumacker Johnston & Ross concluded, based upon the audit, that there is reasonable basis for rendering an unqualified ("clean report") opinion that the City of Fruitland Park's financial statements for the fiscal year ending September 30, 2014, are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A), immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A provides "financial highlights" and interprets the financial report by analyzing trends and by explaining changes, fluctuations and variances in the financial data. This letter of transmittal complements the MD&A and should be read in conjunction with it.

Profile of the City

The City of Fruitland Park is operated under a Commission-Manager form of government. Policymaking and legislative authorities are vested in the City Commission that consists of a Mayor and four other members. The Mayor presides over commission meetings and public ceremonies. The Commission is non-partisan and the members are elected to four year staggered terms. The City Commission is responsible, among other things, for passing ordinances, adopting the budget, appointing boards, and hiring the City Manager, City Treasurer, City Clerk, City Attorney and the City Auditor. The City Manager is responsible for carrying out the policies of the Commission, overseeing the day-to-day operations and appointing department heads.

The City of Fruitland Park, incorporated in 1927, is located in central Florida. It is empowered by Florida Statute to extend its corporate limits by annexation, which it does from time to time. Fruitland Park has a population of 4,182 and a land area of approximately 6.83 square miles. The City's property tax millage rate is 4.7371 mills for fiscal year 2014.

The City of Fruitland Park provides a full range of services to its residents. These services include a public library, police and fire protection, the construction and maintenance of local streets, and recreational and cultural activities. The City also maintains and operates water and wastewater utilities. Garbage collection and disposal services are provided by way of an exclusive franchise agreement with Waste Management Inc.

The annual budget serves as the foundation for the City of Fruitland Park's financial planning and control. All department heads are required to submit requests for appropriation to the City Manager. The City Manager uses these requests as a starting point for developing a proposed budget and then presents the proposed budget to the City Commission for review. The City Commission is required to hold public hearings on the proposed budget and adopt

a final budget by no later than September 30th, the close of the fiscal year. The City Manager and Department Heads may transfer resources within a department as necessary; however transfers between departments require special approval (budget amendment by resolution) from the City Commission. The City of Fruitland Park utilizes an encumbrance accounting system to maintain budgetary control. These encumbrances lapse at year-end.

Local economy

Fruitland Park, which is located in northwest Lake County, is essentially residential in character and its economy is primarily centered in retail trade and service industries. Fruitland Park is located in the triangle between Leesburg, Lady Lake and The Villages, the largest residential retirement community in the state.

Evidence of growth has begun to show all over the City of Fruitland Park. One of the most visible signs of this event is taking place on the north western boundaries of the City. In 2008, approximately 989 acres of property was annexed into the City of Fruitland Park. This development is referred to as the "Pine Ridge Dairy". In May 2014, 780 of those acres were purchased by The Villages and approved for development as the "Villages of Fruitland Park". The approved plan will include 2,074 residential homes, 3 recreation centers, and an 18-hole golf course. The residential home values will range from $225,000 to over $2,000,000.

The Villages is known for causing an economic domino effect to all of its surrounding areas. The City of Fruitland Park should experience a growth pattern similar to Lady Lake over the next 5-8 years. Several other parcels in Fruitland Park are making plans because of the growth brought by The Villages to develop commercial infrastructures such as warehouses, retail shops, apartments, family housing, and restaurants.

Lake County made a three phase expansion design for the City's second major thorough fare, County Road 466A, from two to four lanes in 2012. However, due to budget constraints the project was placed on hold. The County has now teamed up with the City of Fruitland Park and the Villages to get this roadway completed. Lake County is scheduled to begin construction on Phase I (from US Highway 27/441 to Sunny Court) in 2015. The Villages has agreed to handle all of the road construction in Phase 2 (from Cutoff Road to the Sumter County Line) in 2015, with an estimated cost of $5.32 million. The City of Fruitland Park is currently soliciting the help of the State of Florida for Phase 3 (from Sunny Court to Cutoff Road). There is a total of 3.05 miles of roadway that will be widened once the project is complete.

The Florida Department of Transportation began its construction on U.S. Highway 27/441 in Fruitland Park in 2011. This project expanded the City's main corridor from four to six lanes and was completed in June 2014. This expansion will also facilitate the expected growth.

There are 401 licensed businesses in Fruitland Park as of September 30, 2014. As previously stated, the City of Fruitland Park expects that number to grow because the

area will be more attractive for several industries around the country.

Businesses looking to build or relocate in Lake County can take advantage of various incentives. Lake County's Department of Economic Growth and Redevelopment sponsors several Business Incentive programs.

Lake County's Business Opportunity Centers (BOC) offer full-service business support to all businesses in Lake County, regardless of size, industry or business cycle. Whether you are an entrepreneur with the next big idea or a successful business owner looking to take your company to the next level, the Lake County BOC has a program or service designed to help you achieve your economic goals.

High Value Job Creation Program (HVJCP) is a new program designed to encourage and target industry businesses that offer significant economic benefit and create high-value jobs. This program provides a cash award for the creation of jobs that pay a minimum of 115% of the County's average annual wage.

The Artist Relocation Program (ARP) is designed to encourage arts and culture in downtown art districts by providing matching funds to new or relocating art businesses to offset building improvement costs.

Lake County along with Lake-Sumter State College, the Sumter County Economic Development Council, and other local economic development-oriented agencies established the Business Assistance Center; a partnership to help new and nurture existing businesses. This partnership provides small-business mentoring and is a resource when small businesses hit the inevitable bump or hurdle.

Affordable land and a pro-business approach contributes to the areas overall success in attracting new business. Large distributors such as Marriott, Domino's Pizza, Toyota and Goodyear Tire and Rubber Company have located in Lake County because of the central location, which allows for easy and efficient distribution throughout the state.

Lake County's September 2014 unemployment rate was 6.3%. This is down from 7.3% for the same time period last year. This rate is slightly higher than the state average of 5.8% and higher than the national average of 5.9% for the same period.

Major Initiatives

The City of Fruitland Park is taking a proactive stance to promote the economic development in the area. The Commission is revitalizing the City for residents of all ages to enjoy. There were several properties acquired that will be used for recreational purposes in the future. Additionally, Community Redevelopment Agency funds were utilized to resurface 10 streets in Fruitland Park.

Long Term Financial Planning

Lake County voters renewed a One-Cent Discretionary Infrastructure Surtax on November 6, 2002. This tax, authorized through December 31, 2017, provides a

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Fax. (352) 360-6686

funding source for infrastructure and capital projects. These funds were used to make the tenth and final payment for City Hall. If the tax is renewed, the City would like to undertake one of several major Capital Improvement Projects.

At September 30, 2014 the unassigned fund balance in the General Fund decreased from 3.75 to 1 month of current General Fund expenditures. This figure is under the "no less than one to two months of regular general fund operating expenditures" provided for in the Government Finance Officers Association's Appropriate Level of Unreserved Fund Balance recommendation. Also, it is less than the minimum range of the 3-6 months of operating expenditures informally established by the City for budgetary and planning purposes.

Awards

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 Fruitland Park for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ending September 30, 2014. This is the fourteenth consecutive year that the City of Fruitland Park has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe this Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and will submit it to GFOA to determine its eligibility for another Certificate.

This report represents numerous hours of preparation and it would not have been possible without the dedicated efforts of the finance department staff. We would like to express our appreciation to staff members who assisted and contributed to the preparation of this report. Special recognition is given to finance department employees and to the Certified Public Accounting Firm of Shumacker, Johnston & Ross, who worked diligently to ensure the timeliness and accuracy of this report. We also thank the Mayor and Commission Members for their interest and support in planning and conducting the operations of the City in a responsible and professional manner.

Respectfully Submitted,

Gary La Venia

Gary La Venia, City Manager

Tannette Gayle

Tannette Gayle, City Treasurer

CITY COMMISSION AND OFFICIALS

September 30, 2014

Mayor ..... Christopher "Chris" Bell

Vice Mayor-Commissioner..... Albert "Al" Goldberg

Commissioner..... John Gunter

Commissioner..... Sharon Kelly

Commissioner.....Christopher "Chris" Cheshire

City Manager..... Gary La Venia

City Treasurer.....Tannette Gayle

City Clerk.....Esther Lewin-Coulson

Police Chief.....Terry Isaacs

Community Development Director.....Charles "Charlie" Rector

Public Works Director..... Allen "Dale" Bogle

Library Director..... Jo-Ann D. Glendinning

Recreation Director.....C. Michelle Yoder

City Attorney.....Scott A. Gerken

CITIZENS OF THE CITY OF FRUITLAND PARK
CITY COMMISSION
CITY CLERK Esther Coulson
DEPUTY CLERK/HR ADMIN Marie Azzolino
CITY MANAGER Gary La Venia
Admin Assistant Jennie Potenzone
TREASURER Tannette Gayle
FINANCE CLERK Marian Leaphart
Assist Treasurer Susan Parker
FINANCE CLERK Amanda Perez
POLICE DEPARTMENT CHIEF Terry Isaacs
CUSTODIAN Marilyn Warren
LIEUTENANT-PATROL Dennis Cutter
LIEUTENANT- ADMIN Becky Sirolli
SERGEANT David Cox
SERGEANT Eric Luce
CORPORAL Eugene Howard
SENIOR OFFICER David Brown
SENIOR OFFICER Kenneth Prater
OFFICER Sarah Hurst
OFFICER Henry Rains
RESERVE OFFICER Tim Lundy
RESERVE OFFICER Jeff Rose
RESERVE OFFICER Larry Foreman
RESERVE OFFICER Bryan Wilson
OFFICER Thomas Bowman
OFFICER Adam Gamble
COMMUNITY DEVELOPMENT DIRECTOR Charlie Rector
ADMIN ASSIST Tracy Kelley
FIRE DEPARTMENT CHIEF Steve Whitaker
ADMIN LIEUTENANT Donald Gilpin
TRAINING CAPTAIN Vacant
DEPUTY FIRE CHIEF Vacant
STATION/TECHNOLOGY LIEUTENANT George Fernandez
EMS/TRAINING LIEUTENANT Michael Laming
APPARATUS LIETENANT Tim Yoder
FIREFIGHTER Michael Howard
FIREFIGHTER Josh Ranize
FIREFIGHTER Stephen Ogden
FIREFIGHTER Christopher Liar
FIREFIGHTER James Langlois
FIREFIGHTER Vacant
FIREFIGHTER Tyler Ramsey
FIREFIGHTER Kevin Lanier
FIREFIGHTER Sean Parker
FIREFIGHTER Christina Armas
FIREFIGHTER Christopher Burris
FIREFIGHTER Vacant
FIREFIGHTER Taylor Luttfring
FIREFIGHTER Madison Leary
FIREFIGHTER Mitchell LeFleur
FIREFIGHTER Brian Braddock
FIREFIGHTER Kevin Ducharme
FIREFIGHTER Vacant
PARKS & RECREATION DIRECTOR Michelle Yoder
RECREATIONAL AID Debbie Green
PUBLIC WORKS DIRECTOR Dale Bogle
PUBLIX WORKS ASSIST DIRECTOR Terry Ribble
MECHANIC Ron Smith
WATER Jim Rennard
WATER Robb Dicus
WATER David Nolden
PARKS MAINTENANCE Taylor Luttfring
PARKS MAINTENANCE Noel (Pete) Pierre
LIBRARY DIRECTOR Jo Ann Glendinning
CIRCULATION / REFERENCE COORDINATOR Terry Dohrn
TECH PROCESSOR Annie Kelley
CIRCULATION ASSIST Tina Salazar
CIRCULATION ASSIST Sherri Lamb

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Fruitland Park

Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Jeffrey R. Emer

Executive Director/CEO

FINANCIAL SECTION

Shumacker, Johnston & Ross, PA

Certified Public Accountants

J. Cecil Shumacker, CPA
Robert E. Johnston, CPA (1982-2001)
W. Chet Ross, CPA

American Institute of
Certified Public Accountants

Florida Institute of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

March 3, 2015

Honorable Mayor and Members of
the City Commission
City of Fruitland Park, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Fruitland Park, Florida as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and the individual fund financial statements of the City of Fruitland Park, Florida as of and for the years ended September 30, 2014 and 2013, 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.

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

911 West North Boulevard • Leesburg, Florida 34748-5054 • (352) 326-2161 • Fax (352) 326-0740

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 in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the City of Fruitland Park, Florida as of September 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and the Community Redevelopment Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Also, in our opinion, the individual fund financial statements as of September 30, 2014 and 2013, and for the years then ended, present fairly, in all material respects, the financial position of each of the individual funds of the City of Fruitland Park, Florida, as of September 30, 2014 and 2013, and the results of operations of such funds and the cash flows of individual proprietary funds for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 through 14, and 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 Government 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 Stated of America, which consisted of inquiries of management about the methods of preparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge 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 of Fruitland Park, Florida's basic financial statements and on the individual fund financial statements. The financial information listed in the table of contents as Schedule of Budgetary Compliance, Capital Assets Used in the Operation of Governmental Activities, Schedule of Expenditures of Federal Awards and State Financial Assistance, and the Statistical Section are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget CircularA-133, *Audits of States, Local Governments, and Non-Profit Organizations.* The Schedule of Budgetary Compliance, Capital Assets Used in the Operation of Governmental Activities, and the Schedule of Expenditures of Federal Awards and State Financial Assistance are the responsibility of

management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic and individual fund financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Budgetary Compliance, Capital Assets Used in the Operation of Governmental Activities, and the Schedule of Expenditures of Federal Awards and State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements and to the financial statements of each of the respective individual funds taken as a whole.

The Statistical Section as listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic and individual fund financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2015 on our consideration of the City of Fruitland Park's internal control over financial reporting and 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 of Fruitland Park's internal control over financial reporting and compliance.

Shumacker, Johnston & Ross, PA

Shumacker, Johnston & Ross, PA

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As management of the City of Fruitland Park, Florida (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Fruitland Park for the fiscal year ended September 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which can be found on pages i – v of this report.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. We encourage readers to consider all sections of this report including the financial statements, the notes to the financial statements and other supplementary information that is provided in addition to this MD&A.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at the close of the fiscal year by $9,682,237 (net position). Of this amount, $856,056 or 8.84% is unrestricted which may be used to meet the City's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.

- The City's total net position decreased $50,370. Net position for governmental activities increased $98,862 and net position for business activities decreased $149,232.

- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $1,951,086. Eight percent of this amount or $168,941 is unassigned and available for spending in accordance with the City's fund designation and fiscal policies.

- At the end of the current fiscal year, unassigned fund balance for the General Fund was $168,941 or 4% of total General Fund expenditures. This is an $810,375 decrease from the $979,316 balance for the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Fruitland Park'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.

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

The *statement of net position* presents information on all of the City of Fruitland Park'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 related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Fruitland Park that are principally supported by taxes and intergovernmental revenues *(governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities).* The governmental activities of the City of Fruitland Park include general government, public safety, transportation (which includes roads and street maintenance), sanitation and culture and recreation. The business-type activities of the City of Fruitland Park include an enterprise fund to account for the water and wastewater utility services. The government-wide financial statements do not include any component units and can be found on pages 15-17 of this report.

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

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Fruitland Park maintains three 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, Community Redevelopment Fund and the Capital Projects Fund. The General, Redevelopment and Capital Project funds are major funds.

The City of Fruitland Park adopts an annual appropriated budget for all governmental funds. Budgetary comparison schedules are provided for these funds to demonstrate budgetary compliance. Governmental fund financial statements can be found on pages 19-23 of this report.

Proprietary Funds. The City of Fruitland Park maintains two proprietary funds; the Utility Fund and the Recreation Programs Fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government–wide financial statements. The City of Fruitland Park uses an enterprise fund to account for its water and sewer operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Utility Fund is a major fund of the City. The basic proprietary fund financial statements can be found on pages 24-28 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City of Fruitland Park's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary funds include a pension trust fund for the volunteer firefighters and a pension trust fund for the City's general employees. The basic fiduciary fund financial statements can be found on pages 29-30 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31-49 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City of Fruitland Park. Required supplementary information can be found on page 50 of this report.

Individual fund statements and schedules can be found on pages 54-82 of this report.

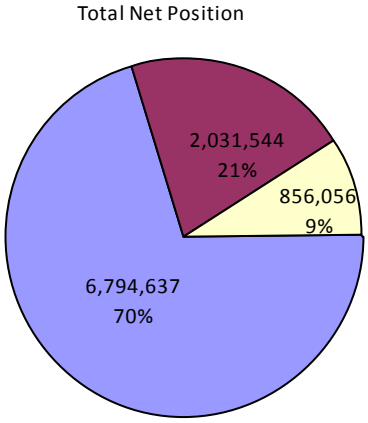
GOVERNMENT-WIDE FINANCIAL ANAYLSIS

Statement of Net Position. As noted earlier, over time net position may serve as a useful indicator of a government's financial position. In the case of the City of Fruitland Park, assets exceeded liabilities by$9,682,237 as of September 30, 2014. The following table reflects the condensed statement of net assets for the current fiscal year compared to the prior year.

CITY OF FRUITLAND PARK - NET ASSETS

	Governmental Activities		Business-type Activities		Total	
	2013	2014	2013	2014	2013	2014
Current and other assets	$2,724,726	$2,278,693	$1,336,168	$1,265,070	$4,060,894	$3,543,763
Capital Assets	3,770,300	3,780,058	4,974,660	4,590,803	$8,744,960	$8,370,861
Net Pension Obligation	11,707	71,166		0	$11,707	$71,166
Total Assets	6,506,733	6,129,917	6,310,828	5,855,873	$12,817,561	$11,985,790
Current and other liabilities	730,831	354,988	264,336	270,135	$995,167	$625,123
Long-term liabilities outstanding	9,294	7,937	1,982,015	1,671,493	$1,991,309	$1,679,430
Total liabilities	740,125	362,925	2,246,351	1,941,628	$2,986,476	$2,304,553
Net Assets:					$0	$0
Invested in capital assets, net of related debt	3,770,300	3,780,058	3,160,882	3,014,579	$6,931,182	$6,794,637
Restricted	1,477,718	1,779,314	507,046	252,230	$1,984,764	$2,031,544
Unrestricted	420,112	207,620	396,549	648,436	$816,661	$856,056
Total net assets	$5,668,130	$5,766,992	$4,064,477	$3,915,245	$9,732,607	$9,682,237

The largest portion of the City's net position ($6,794,637 or 70.2%) reflects its investment in capital assets (e.g., land, buildings and system improvements other than buildings, equipment, and infrastructure); less any related debt used to acquire those assets that is outstanding. The City of Fruitland Park uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Fruitland Park's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.



An additional portion of the City of Fruitland Park's net position ($2,031,544 or 21%) represents resources that are subject to external restrictions on how they may be used. The remaining balance, unrestricted net assets ($856,056 or 9%), may be used to meet the government's ongoing obligations to citizens and creditors.

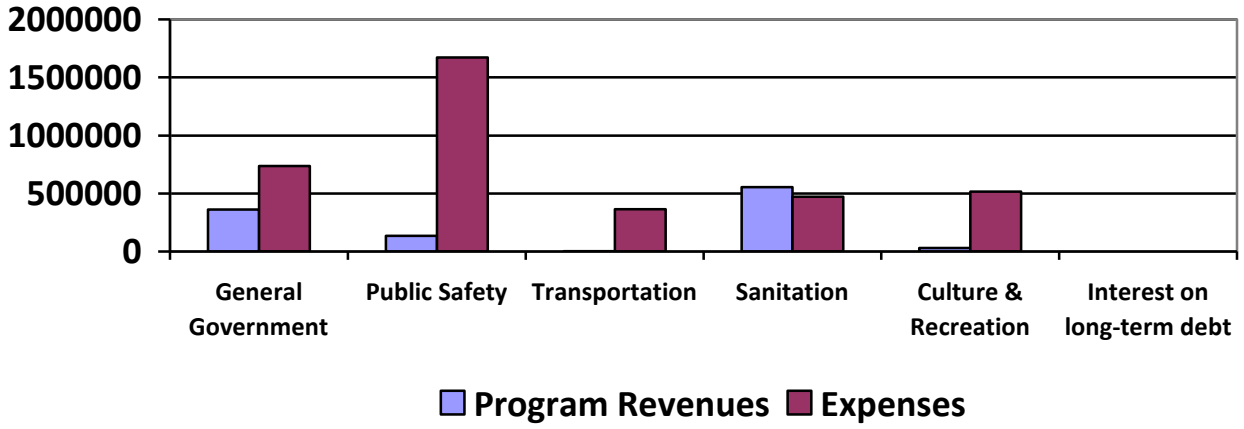
At the end of the current fiscal year, the City of Fruitland Park is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Statement of Activities. As noted earlier, the statement of activities presents information showing how the City's net assets changed during the year. The following table reflects the condensed statement of activities for the current fiscal year as compared to the prior fiscal year.

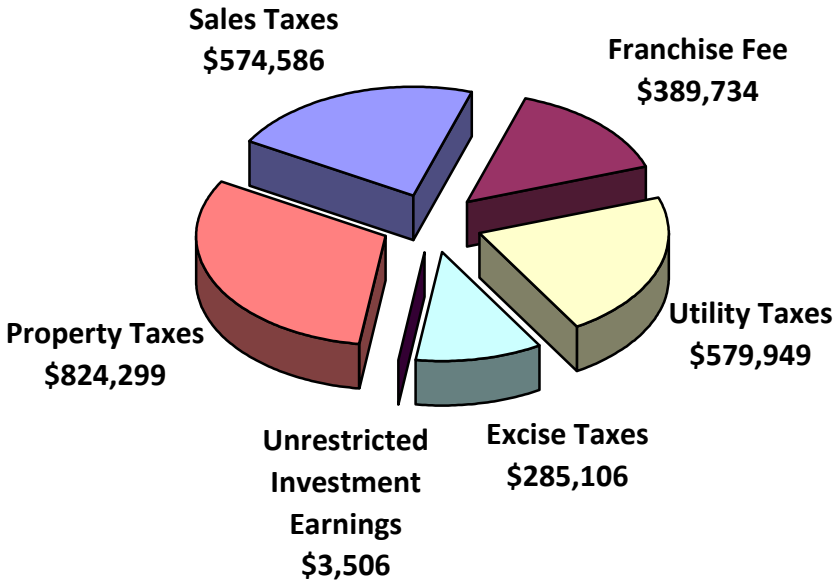
CITY OF FRUITLAND PARK'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2013	2014	2013	2014	2013	2014
Revenues:						
Program revenues:						
Charges for services	915,692	1,082,437	982,086	755,832	1,897,778	1,838,269
Operating grants and contributions	76,471	77,493	-	-	76,471	77,493
Capital grants and contributions	26,576	19,653	24,390	22,097	50,966	41,750
General revenues:						
Property taxes	818,830	824,299	-	-	818,830	824,299
Sales Taxes	531,599	574,586	-	-	531,599	574,586
Franchise fees and utility taxes	961,164	969,683	-	-	961,164	969,683
Exise taxes	269,926	285,106	-	-	269,926	285,106
Unrestricted investment earnings	3,819	3,506	12,121	(1,510)	15,940	1,996
Gain on Sale of Capital Assets	-	11,805	-	-	-	11,805
Total revenues	3,604,077	3,848,568	1,018,597	776,419	4,622,674	4,624,987
Expenses:						
General Government	1,265,453	737,827	-	-	1,265,453	737,827
Public Safety	1,347,613	1,672,643	-	-	1,347,613	1,672,643
Transportation	342,471	363,034	-	-	342,471	363,034
Sanitation	450,306	471,391	-	-	450,306	471,391
Culture and Recreation	484,525	515,382	-	-	484,525	515,382
Water	-	-	744,457	673,008	-	673,008
Sewer	-	-	332,126	204,558	-	204,558
Recreation Programs	-	-	29,163	37,344	-	37,344
Interest on Long-term Debt	1,870	170	-	-	1,870	170
Total expenses	3,892,238	3,760,447	1,105,746	914,910	3,892,238	4,675,357
Change in net position before transfers	-288,161	88,121	-87,149	-138,491	-375,310	-50,370
Transfers	6,996	10,741	-6,996	-10,741	0	0
Change in net position	-281,165	98,862	-94,145	-149,232	-375,310	-50,370
Net assets - 10/01/2013	5,949,295	5,668,130	4,158,622	4,064,477	10,107,917	9,732,607
Net assets - 09/30/2014	$5,668,130	$5,766,992	$4,064,477	$3,915,245	$9,732,607	$9,682,237

Program Revenues and Expenses-Governmental Activites



Revenues by Source-Governmental Activities



Business-Type Activities. Business-type activities decreased the City's net position by $149,232. The main reason for the decrease was a net loss of 146,762 from Water and Sewer Utilities.

Governmental-Type Activities. Governmental-type activities increased net position $98,862 for fiscal year 2014. The main reason for the increase was higher General Revenues in all categories.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City of Fruitland Park 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, the *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of fiscal year 2014 the City's governmental funds reported combined ending fund balances of $1,951,086. Approximately 8.7% of this total amount ($168,941) constitutes the unassigned fund balance. The remainder of the fund balance has certain degrees of spending constraints to indicate that it is not available for new spending. Restricted: 1) to provide for police education ($24,079), 2) police equipment and automation ($8,287), 3) public safety capital improvements ($226,533), 4) redevelopment ($366,424) 5) infrastructure ($704,143); Committed: 1) cemetery care ($142,522), 2) storm-water utility ($176,947); Nonspendable: 1) prepaid items ($2,831).

The General Fund is the primary operating fund of the City. As of the end of fiscal year 2014 the fund balance of the General Fund decreased $628,653, from $1,509,172 to $880,519. As a measure of the General Fund's liquidity, it is useful to compare the unassigned fund balance to total expenditures. The unassigned fund balance, which represents 31% of General Fund's current expenditures, decreased $810,375 from $979,316 to $168,941.

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

At the end of fiscal year 2014 the City's Utility Fund reported total net assets of $3,900,921. Of this amount $3,014,579 or 77% is invested in capital assets (net of related debt); $187,846 is restricted for utility capital improvements; $64,384 is restricted for debt service and $634,112 is unrestricted. Utility Fund operating revenues decreased $8,839 or .11%. Operating expenses increased $912 or 9%, primarily due to more spending on personal services.

As of September 30, 2014 the City's Recreation Programs Fund reported unrestricted net assets of $14,324 a decrease of $937 compared to the prior fiscal year.

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2014, amounts to $8,370,861 (net of depreciation). Capital assets are summarized below.

CITY OF FRUITLAND PARK'S Capital Assets
(net of depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2013	2014	2013	2014	2013	2014
Land	962,718	1,105,823	339,699	339,699	1,302,417	1,445,522
Design in Progress	0		0		0	0
Buildings	1,730,530	1,668,992	92,280	86,069	1,822,810	1,755,061
Improvements other than buildings	156,698	124,900	0	-	156,698	124,900
Utility Systems	0	-	4,434,233	4,062,859	4,434,233	4,062,859
Equipment	347,340	329,603	108,448	102,176	455,788	431,779
Infrastructure	573,014	550,740	0	-	573,014	550,740
Total Capital Assets	$3,770,300	3,780,058	$4,974,660	$4,590,803	$8,744,960	$8,370,861

Additional information on the City's capital assets can be found in Note 5 on page 38 & 39 of this report.

LONG-TERM DEBT

The City owns and operates a municipal water supply system which provides service to both the incorporated and unincorporated areas of Fruitland Park. To encourage and provide for commercial growth along the US 27/441 corridor, the City purchased approximately 19.3 acres off of Spring Lake Road to construct a wastewater collection, transmission and treatment plant.

In 2005 the City executed an agreement with Florida Department of Environmental Protection under the State Revolving Loan Program for $2,347,338 to fund the construction of this project. Semiannual loan payments each in the amount of $68,834 ($8,165 for the pre-construction; $60,669 for the construction loan) began in August 2006. The City is using sewer impact fees and/or discretionary sales tax to repay the debt.

At the end of fiscal year 2014, the City's long-term liabilities decreased $296,925 from $2,145,536 to $1,848,611. The outstanding balance includes $144,957 State Revolving Fund (SRF) loan balance for preconstruction planning and engineering of the sewer utility system, and

$1,113,315 for a SRF loan for the construction of the wastewater collection and treatment system. The City also reports a long-term liability of $13,221 for compensated absences.

The Florida Department of Transportation began a major construction project for U.S. Highway 27/441 in Fruitland Park in 2011. The cost of the project was estimated at $619,882. However after completion the promissory note was executed in September 2014 for $425,587.87. There will be 29 payments of $14,186.27 starting October 2014 and 1 payment of $14,186.04 in October 2044. The City is using discretionary sales tax to repay the debt.

Additional information on the City's long-term debt can be found in Note 6 on pages 40-42 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's final taxable value of commercial and residential property increased $8,151,457 or 5.15% from $158,178,786 in fiscal year 2013 to $166,330,243 in fiscal year 2014. Considering this the City's ad-valorem tax rate remained the same at 4.7371 mills for 2014 in a 5-0 vote, the City still collected 96.45% of the prior year. This includes collection of delinquent taxes.

On January 29, 2008 the Florida electorate approved an amendment to the Florida Constitution relative to property taxes. This amendment (referred to as Amendment 1) became effective on January 1, 2008. With respect to homestead property, Amendment 1 increases the current $25,000 homestead exemption another $25,000 (for property values between $50,000 - $75,000), except for school district taxes. Amendment 1 also allows property owners to transfer (make portable) up to $500,000 of their Save Our Homes benefits to their next homestead when they move. Save Our Homes became effective in 1992 and limits or caps the annual increase in assessed value for homestead property to three percent (3%) or the percentage change in the Consumer Price Index, whichever is less.

With respect to non-homestead property, Amendment 1 limits or caps the annual increase in assessed value for non-homestead property (business, industrial property, rental property, second homes, etc.) to ten percent (10%), except for school district taxes. The ten percent (10%) assessment cap on non-homestead property became effective January 1, 2009. Amendment 1 also provides a $25,000 exemption for tangible personal property.

The City's 2014 adopted budget totals, $5,523,490 which is $148,874.54 (2.7%) more than the adopted 2013 budget.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances and for accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the City Treasurer, 506 W. Berckman Street, Fruitland Park, Florida 34731.

BASIC FINANCIAL STATEMENTS

CITY OF FRUITLAND PARK, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash	$ 1,687,533	$ 291,348	$ 1,978,881
Certificates of Deposit	305,651	200,000	505,651
Restricted Cash	-	374,195	374,195
Receivables (net of allowance for uncollectibles)	199,379	93,300	292,679
Due from Other Governments	83,299	-	83,299
Inventory and Prepaids	2,831	68,234	71,065
Deferred Charges	-	238,993	238,993
Capital Assets (net of accumulated depreciation):			
Land	1,105,823	339,699	1,445,522
Buildings	1,668,992	86,069	1,755,061
Improvements Other Than Buildings	124,900	-	124,900
Utility Systems	-	4,062,859	4,062,859
Equipment	329,603	102,176	431,779
Infrastructure	550,740	-	550,740
Net Pension Obligation	71,166	-	71,166
TOTAL ASSETS	6,129,917	5,856,873	11,986,790
LIABILITIES			
Accounts Payable	140,630	10,382	151,012
Accrued Liabilities	36,421	7,355	43,776
Accrued Interest Payable	-	4,450	4,450
Due to Other Governments	28,926	-	28,926
Customer Deposits	-	117,515	117,515
Unearned Revenue	110,263	-	110,263
Noncurrent Liabilities:			
Due within one year	38,748	130,433	169,181
Due in more than one year	7,937	1,671,493	1,679,430
TOTAL LIABILITIES	362,925	1,941,628	2,304,553
NET POSITION			
Net Investment in Capital Assets	3,780,058	3,014,579	6,794,637
Restricted for:			
Capital Improvements	930,676	187,846	1,118,522
Redevelopment Projects	366,424	-	366,424
Debt Service	-	64,384	64,384
Cemetery Care	142,522	-	142,522
Police	32,366	-	32,366
Stormwater	176,947	-	176,947
Police/Fire Fee Refunds	130,379	-	130,379
Unrestricted	207,620	648,436	856,056
TOTAL NET POSITION	$ 5,766,992	$ 3,915,245	$ 9,682,237

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

CITY OF FRUITLAND PARK, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

		PROGRAM REVENUES		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
GOVERNMENTAL ACTIVITIES:				
General Government	$ 737,827	$ 361,584	$ -	$ -
Public Safety	1,672,643	134,130	12,360	19,653
Transportation	363,034	1,431	3,353	-
Sanitation/Other Utility	471,391	553,905	-	-
Culture and Recreation	515,382	31,387	61,780	-
Interest on Long-term Debt	170	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	3,760,447	1,082,437	77,493	19,653
BUSINESS-TYPE ACTIVITIES:				
Water Utility	673,008	590,322	-	13,997
Sewer Utility	204,558	118,385	-	8,100
Recreation Programs	37,344	47,125	-	-
TOTAL BUSINESS-TYPE ACTIVITIES	914,910	755,832	-	22,097
TOTAL	$ 4,675,357	$ 1,838,269	$ 77,493	$ 41,750

GENERAL REVENUES:
- Property Taxes
- Sales Taxes
- Franchise Taxes
- Utility Taxes
- Excise Taxes
- Unrestricted Investment Earnings
- Gain on Sale of Capital Assets

TRANSFERS

TOTAL GENERAL REVENUES AND TRANSFERS

CHANGES IN NET POSITION

NET POSITION - Beginning

NET POSITION - Ending

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

NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
$ (376,243)	$ -	$ (376,243)
(1,506,500)	-	(1,506,500)
(358,250)	-	(358,250)
82,514	-	82,514
(422,215)	-	(422,215)
(170)	-	(170)
(2,580,864)	-	(2,580,864)
-	(68,689)	(68,689)
-	(78,073)	(78,073)
-	9,781	9,781
-	(136,981)	(136,981)
(2,580,864)	(136,981)	(2,717,845)
824,299	-	824,299
574,586	-	574,586
389,734	-	389,734
579,949	-	579,949
285,106	-	285,106
3,506	(1,510)	1,996
11,805	-	11,805
10,741	(10,741)	-
2,679,726	(12,251)	2,667,475
98,862	(149,232)	(50,370)
5,668,130	4,064,477	9,732,607
$ 5,766,992	$ 3,915,245	$ 9,682,237

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CITY OF FRUITLAND PARK, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

	GENERAL	COMMUNITY REDEVELOPMENT	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash	$ 840,291	$ 267,174	$ 580,068	$ 1,687,533
Certificates of Deposit	105,651	100,000	100,000	305,651
Accounts Receivable (net of allowance for uncollectibles)	199,379	-	-	199,379
Due from Other Governments	47,857	-	35,442	83,299
Prepaid Items	2,831	-	-	2,831
TOTAL ASSETS	$ 1,196,009	$ 367,174	$ 715,510	$ 2,278,693
LIABILITIES				
Accounts Payable	$ 139,880	$ 750	$ -	$ 140,630
Accrued Liabilities	36,421	-	-	36,421
Due to Other Governments	28,926	-	-	28,926
Unearned Revenue	110,263	-	-	110,263
TOTAL LIABILITIES	315,490	750	-	316,240
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	11,367	11,367
FUND BALANCES				
Nonspendable	2,831	-	-	2,831
Restricted	389,278	366,424	704,143	1,459,845
Committed	319,469	-	-	319,469
Unassigned	168,941	-	-	168,941
TOTAL FUND BALANCES	880,519	366,424	704,143	1,951,086
TOTAL LIABILITIES AND FUND BALANCES	$ 1,196,009	$ 367,174	$ 704,143	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. Cost of capital assets $6,876,676 less accumulated depreciation of $3,096,618.	3,780,058
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	11,367
Net pension obligation is not an available financial resource and therefore, is not reported as an asset in the funds.	71,166
Liabilities for claims and judgments are not liquidated with current financial resources and, therefore, are not reported in the funds.	(130,379)
Long-term liabilities are not due and payable in the current-period and, accordingly, are not reported in the governmental funds. Long-term liabilities consist of compensated absences.	(46,685)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 5,636,613

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

CITY OF FRUITLAND PARK, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	GENERAL	COMMUNITY REDEVELOPMENT	CAPITAL PROJECTS	TOTAL GOVERNMENTAL FUNDS
REVENUES:				
Taxes	$ 1,808,347	$ -	$ 353,896	$ 2,162,243
License and Permits	47,558	-	-	47,558
Intergovernmental	462,410	193,797	-	656,207
Charges for Services	683,389	-	-	683,389
Fines and Forfeitures	38,522	-	-	38,522
Miscellaneous Revenues	325,363	9,417	1,347	336,127
TOTAL REVENUES	3,365,589	203,214	355,243	3,924,046
EXPENDITURES:				
Current				
General Government	1,293,569	22,296	-	1,315,865
Public Safety	1,651,946	-	-	1,651,946
Transportation	193,303	139,042	-	332,345
Sanitation/Other Utility	471,391	-	-	471,391
Culture and Recreation	456,471	-	-	456,471
Capital Outlay	-	-	228,495	228,495
Debt Service:				
Interest	-	-	170	170
TOTAL EXPENDITURES	4,066,680	161,338	228,665	4,456,683
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(701,091)	41,876	126,578	(532,637)
OTHER FINANCING SOURCES (USES):				
Transfers In	60,633	-	-	60,633
Transfers Out	-	(49,892)	-	(49,892)
Sale of Capital Assets	11,805	-	-	11,805
TOTAL OTHER FINANCING SOURCES (USES)	72,438	(49,892)	-	22,546
NET CHANGE IN FUND BALANCES	(628,653)	(8,016)	126,578	(510,091)
FUND BALANCES:				
Beginning of Year	1,509,172	374,440	577,565	2,461,177
End of Year	$ 880,519	$ 366,424	$ 704,143	$ 1,951,086

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

CITY OF FRUITLAND 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, 2014

Amounts reports for governmental activities in the Statement of Activities (pages 16-17) are different because:	
NET CHANGE IN FUND BALANCES-TOTAL GOVERNMENTAL FUNDS	$ (510,091)
Governmental funds report capital outlays as expenditures. In the Statement of Activities the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays, $255,758, exceeded depreciation, $246,000, in the current period.	9,758
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	1,751
The expenditure for the class action lawsuit judgment was liquidated with current financial resources and, therefore, is not reported as an expense in the Statement of Activities.	530,000
Compensated absences reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	7,985
Changes in the Net Pension Obligation do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	59,459
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 98,862

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

CITY OF FRUITLAND PARK, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Taxes	$ 1,698,295	$ 1,742,595	$ 1,808,347	$ 65,752
Licenses and Permits	69,975	41,475	47,558	6,083
Intergovernmental	435,348	436,548	462,410	25,862
Charges for Services	721,220	631,370	683,389	52,019
Fines and Forfeitures	65,800	40,500	38,522	(1,978)
Miscellaneous	35,695	185,155	325,363	140,208
TOTAL REVENUES	3,026,333	3,077,643	3,365,589	287,946
EXPENDITURES:				
Current:				
General Government	856,518	846,258	1,293,569	(447,311)
Public Safety	1,346,051	1,400,251	1,651,946	(251,695)
Transportation	178,531	191,141	193,303	(2,162)
Sanitation/Other Utility	433,190	433,190	471,391	(38,201)
Culture and Recreation	453,979	457,339	456,471	868
Capital Outlay	250,200	250,200	-	250,200
TOTAL EXPENDITURES	3,518,469	3,578,379	4,066,680	(488,301)
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(492,136)	(500,736)	(701,091)	(200,355)
OTHER FINANCING SOURCES (USES):				
Transfers In	186,936	186,936	60,633	(126,303)
Sale of Capital Assets	5,000	13,600	11,805	(1,795)
TOTAL OTHER FINANCING SOURCES (USES)	191,936	200,536	72,438	(128,098)
NET CHANGE IN FUND BALANCES	(300,200)	(300,200)	(628,653)	(328,453)
FUND BALANCE, Beginning of Year	1,509,172	1,509,172	1,509,172	-
FUND BALANCE, End of Year	$ 1,208,972	$ 1,208,972	$ 880,519	$ (328,453)

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

CITY OF FRUITLAND PARK, FLORIDA
COMMUNITY REDEVELOPMENT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Intergovernmental	$ 184,608	$ 190,409	$ 193,797	$ 3,388
Miscellaneous	12,500	12,500	9,417	(3,083)
TOTAL REVENUES	197,108	202,909	203,214	305
EXPENDITURES:				
General Government:				
Other General Government	38,770	49,441	22,296	27,145
Contingency	88,398	88,398	-	88,398
Transportation:				
Roads and Streets	10,000	10,000	139,042	(129,042)
TOTAL EXPENDITURES	137,168	147,839	161,338	(13,499)
EXCESS OF REVENUES OVER EXPENDITURES	59,940	55,070	41,876	(13,194)
OTHER FINANCING SOURCES (USES):				
Transfers Out	(59,940)	(59,940)	(49,892)	10,048
NET CHANGE IN FUND BALANCE	-	(4,870)	(8,016)	(3,146)
FUND BALANCE, Beginning of Year	374,440	374,440	374,440	-
FUND BALANCE, End of Year	$ 374,440	$ 369,570	$ 366,424	$ (3,146)

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

CITY OF FRUITLAND PARK, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2014

	ENTERPRISE FUNDS		
	UTILITY FUND	RECREATION PROGRAMS FUND	TOTAL
ASSETS			
CURRENT ASSETS			
Cash	$ 276,485	$ 14,863	$ 291,348
Certificates of Deposit	200,000	-	200,000
Restricted Cash:			
SRF Loan Reserves	68,834	-	68,834
Customer Deposits	117,515	-	117,515
Customer Accounts Receivable (net of allowance for uncollectibles)	76,279	-	76,279
Inventory	43,370	-	43,370
Prepaid Items	24,864	-	24,864
TOTAL CURRENT ASSETS	807,347	14,863	822,210
NONCURRENT ASSETS			
RESTRICTED CASH:			
Water and Sewer Impact Fees	187,846	-	187,846
SEWER IMPACT FEE RECEIVABLES	17,021	-	17,021
LOAN COSTS	28,331	-	28,331
CONSUMPTIVE USE PERMIT (net of accumulated amortization)	210,662	-	210,662
CAPITAL ASSETS:			
Land	339,699	-	339,699
Buildings	243,408	-	243,408
Water System	3,320,644	-	3,320,644
Sewer System	2,791,046	-	2,791,046
Equipment	458,776	-	458,776
	7,153,573	-	7,153,573
Less Accumulated Depreciation	2,562,770	-	2,562,770
NET CAPITAL ASSETS	4,590,803	-	4,590,803
TOTAL NONCURRENT ASSETS	5,034,663	-	5,034,663
TOTAL ASSETS	5,842,010	14,863	5,856,873

CITY OF FRUITLAND PARK, FLORIDA
STATEMENT OF NET POSITION (continued)
PROPRIETARY FUNDS
SEPTEMBER 30, 2014

	ENTERPRISE FUNDS		
	UTILITY FUND	RECREATION PROGRAMS FUND	TOTAL
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable	$ 9,843	$ 539	$ 10,382
Accrued Payroll	7,355	-	7,355
Customer Deposits	117,515	-	117,515
State Revolving Fund Loans:			
Accrued Interest	4,450	-	4,450
Current Portion	103,026	-	103,026
FDOT Note Current Portion	14,186	-	14,186
Compensated Absences	13,221	-	13,221
TOTAL CURRENT LIABILITIES	269,596	539	270,135
NONCURRENT LIABILITIES			
COMPENSATED ABSENCES	1,819	-	1,819
SRF LOANS PAYABLE	1,258,272	-	1,258,272
FDOT NOTE PAYABLE	411,402	-	411,402
TOTAL LIABILITIES	1,941,089	539	1,941,628
NET POSITION			
Net Investment in Capital Assets	3,014,579	-	3,014,579
Restricted for Utility Capital Improvements	187,846	-	187,846
Restricted for Debt Service	64,384	-	64,384
Unrestricted	634,112	14,324	648,436
TOTAL NET POSITION	$ 3,900,921	$ 14,324	$ 3,915,245

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

CITY OF FRUITLAND PARK, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	ENTERPRISE FUNDS		
	UTILITY FUND	RECREATION PROGRAMS FUND	TOTAL
OPERATING REVENUES:			
Charges for Services	$ 649,358	$ 46,672	$ 696,030
Other Operating Revenues	59,349	453	59,802
TOTAL OPERATING REVENUES	708,707	47,125	755,832
OPERATING EXPENSES:			
Personal Services	327,910	-	327,910
Other Operating Expenses	301,932	37,344	339,276
Depreciation	208,420	-	208,420
TOTAL OPERATING EXPENSES	838,262	37,344	875,606
OPERATING INCOME (LOSS)	(129,555)	9,781	(119,774)
NONOPERATING REVENUES (EXPENSES):			
Interest Income	2,939	23	2,962
Decrease in Fair Value of Investments	(4,472)	-	(4,472)
Interest Expense	(36,933)	-	(36,933)
Debt Issuance Costs	(2,371)	-	(2,371)
TOTAL NONOPERATING REVENUES (EXPENSES)	(40,837)	23	(40,814)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(170,392)	9,804	(160,588)
CONTRIBUTIONS	22,097	-	22,097
TRANSFERS OUT	-	(10,741)	(10,741)
CHANGE IN NET POSITION	(148,295)	(937)	(149,232)
NET POSITION, Beginning of Year	4,049,216	15,261	4,064,477
NET POSITION, End of Year	$ 3,900,921	$ 14,324	$ 3,915,245

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

CITY OF FRUITLAND PARK, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	ENTERPRISE FUNDS		
	UTILITY FUND	RECREATION PROGRAMS FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	$ 729,455	$ 47,125	$ 776,580
Cash payments to suppliers for goods and services	(295,800)	(38,832)	(334,632)
Cash payments to employees for services	(320,129)	-	(320,129)
NET CASH PROVIDED BY OPERATING ACTIVITIES	113,526	8,293	121,819
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers out to General Fund	-	(10,741)	(10,741)
NET CASH USED IN NONCAPITAL FINANCING ACTIVITIES	-	(10,741)	(10,741)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Impact Fees received	22,097	-	22,097
SRF Loan principal repayments	(100,408)	-	(100,408)
SRF Loan interest paid	(37,260)	-	(37,260)
Acquisition and construction of capital assets	(18,857)	-	(18,857)
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	(134,428)	-	(134,428)
CASH FLOWS FROM INVESTING ACTIVITIES:			
State Board Pool B investment	33,717	-	33,717
Interest received on investments	2,939	23	2,962
NET CASH PROVIDED BY INVESTING ACTIVITIES	36,656	23	36,679
NET INCREASE (DECREASE) IN CASH	15,754	(2,425)	13,329
CASH, Beginning of Year	634,926	17,288	652,214
CASH, End of Year	$ 650,680	$ 14,863	$ 665,543

continued on next page

CITY OF FRUITLAND PARK, FLORIDA
STATEMENT OF CASH FLOWS (continued)
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	ENTERPRISE FUNDS		
	UTILITY FUND	RECREATION PROGRAMS FUND	TOTAL
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating Income (Loss)	$ (129,555)	$ 9,781	$ (119,774)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and Amortization	243,050	-	243,050
Changes in Assets and Liabilities:			
Decrease in Customer Receivables	13,373	-	13,373
Increase in Inventory	(2,790)	-	(2,790)
Increase in Prepaid Items	(2,346)	-	(2,346)
Decrease in Accounts Payable	(23,362)	(1,488)	(24,850)
Increase in Accrued Payroll	2,019	-	2,019
Increase in Customer Deposits	7,375	-	7,375
Increase Compensated Absences	5,762	-	5,762
TOTAL ADJUSTMENTS	243,081	(1,488)	241,593
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 113,526	$ 8,293	$ 121,819
NONCASH CAPITAL AND FINANCING ACTIVITIES:			
FDOT Note adjustment	$ (194,294)	$ -	$ (194,294)

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

CITY OF FRUITLAND PARK, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2014

	PENSION TRUST FUNDS
ASSETS	
Cash	$ 149,499
Investments with Trustees:	
Cash management funds	100,868
US Government securities	21,000
Corporate equity funds	362,414
Corporate bond funds	67,056
TOTAL ASSETS	700,837
LIABILITIES	
LIABILITIES	
Refunds Payable	1,846
NET POSITION	
Held in trust for City's Contributions	20,457
Held in trust for Firefighters' Contributions	7,903
Held in trust for Pension Benefits	670,631
TOTAL NET POSITION	$ 698,991

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

CITY OF FRUITLAND PARK, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	PENSION TRUST FUNDS
ADDITIONS	
CONTRIBUTIONS:	
City	$ 31,102
Employees	1,947
State of Florida	20,202
Total Contributions	53,251
INVESTMENT INCOME:	
Net Appreciation in Fair Value of Investments	1,055
Interest/Dividend Income	5,298
Total Investment Income	6,353
Less Investment Expenses	-
Net Investment Income	6,353
TOTAL ADDITIONS	59,604
DEDUCTIONS	
Benefit Payments	56,371
Refund of Contributions	2,608
TOTAL DEDUCTIONS	58,979
CHANGE IN NET POSITION	625
NET POSITION HELD IN TRUST FOR PENSION BENEFITS:	
Beginning of Year	698,366
End of Year	$ 698,991

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Fruitland Park, Florida was created by charter in 1927. The City operates under a Commission-Manager form of government and provides the following services as authorized by its charter: public safety (police, fire and building inspections), roads and streets, culture (library) and recreation, planning and zoning, and water, sewer and garbage utility services. Except for a few customers, utility services are provided only within the incorporated boundaries of the City.

The financial statements of the City of Fruitland Park, Florida conform to generally accepted accounting principles (GAAP) as applicable to governmental entities. Effective October 1, 2003, the City implemented Government Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local governments.*

Management uses estimates and assumptions in preparing these financial statements in conformity with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported revenues and expenditures or expenses. Actual results could vary from the estimates that were used.

Significant accounting policies are described below:

A. Reporting Entity

The City of Fruitland Park is a political subdivision of the State of Florida, governed by an elected board of 5 City commissioners. These financial statements present all the entities for which the City is considered financially accountable. The financial statements include the activities of the Fruitland Park Community Redevelopment Agency, a dependent special district, as a component unit blended into the primary government. A majority of the Redevelopment Agency's board members are City commissioners. Separate financial statements are not issued for the Redevelopment Agency. There are no other legally separate entities that could be included as component units of the City.

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. *Governmental activities,* which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities,* which rely to a significant extent on fees and charges for support.

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 imposed by the provider have been met. Unbilled utility service receivables are estimated and recorded at year end.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized when they become both measurable and available. *Measurable* means the amount of the transaction can be determined, and *available* means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues available if they are collected within 30 days of year end. Revenues that are susceptible to accrual in the governmental funds include property taxes, sales taxes, franchise fees, municipal utility taxes, and State and County shared revenues. All other revenue items are considered to be measurable and available only when cash is received by the City.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The Capital Projects Fund reports unavailable revenue from infrastructure sales taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Expenditures are generally recorded when a related 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.

The City reports the following governmental funds:

General Fund - The General Fund (a major fund) is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Community Redevelopment Fund - This special revenue fund (a major fund) reports activities within the City's community redevelopment project area. The fundamental revenues accounted for in this fund are incremental ad-valorem taxes appropriated for use on redevelopment projects.

Capital Projects Fund - This fund is used to account for financial resources segregated for the acquisition or construction of major capital facilities. The fund also accounts for discretionary sales surtax revenues that are legally restricted for expenditure on infrastructure and related debt.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The City reports the following proprietary funds:

Utility Fund - This enterprise fund (a major fund) is used to account for the activities of the City's water and sewer utility operations.

Recreation Programs Fund - This enterprise fund accounts for the receipt of recreation programs fees and related direct costs associated with each recreation program (except for activities of the City's municipal swimming pool) sponsored by the City.

The City reports the following fiduciary funds:

Firemen's Retirement Trust Fund - This pension trust fund accounts for the accumulation of resources for pension benefit payments to qualified City volunteer firefighters.

ICMA Retirement Trust Fund - This pension trust fund accounts for the accumulation of resources for retirement benefit payments to qualified City employees.

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

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes. The City collects franchise fees from electric, gas, and garbage utility providers based on gross receipts. These franchise fees are also reported as general revenues.

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 conjunction with a proprietary fund's principal ongoing operations. Principal operating revenues of the City's Utility Fund and Recreation Programs Fund are charges for providing water and sewer services, and recreation program user fees, respectively. Operating expenses include the cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Investments

Cash includes amounts in bank demand deposits as well as funds on deposit with the State Board of Administration Local Government Surplus Funds Trust Fund (Fund A) investment pool bearing interest at 0.16% as of September 30, 2014. The State Board of Administration pool is an external 2a7-like investment pool. The fair value of the City's deposits in the pool is the same as the value of the pool shares. Oversight of the State Board of Administration pool is provided by the Florida Auditor General.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in the State Board of Administration Fund B Surplus Funds Trust Fund are accounted for as a fluctuating net asset value pool. At September 30, 2014, all shares in the Fund B pool were liquidated. Pension trust fund investments are reported at fair value, determined by the last reported sales price for securities traded on a national exchange.

E. Inventory

Inventory held in the Utility Fund consists of water and sewer system supplies and is valued at cost (first-in, first-out). Governmental fund-type inventory (office supplies) is valued at cost (first-in, first-out), and recorded as expenditures when consumed rather than when purchased.

F. Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (roads, sidewalks, drainage systems, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $500 and an estimated useful life of more than two years.

In the case of the initial capitalization of general infrastructure assets, the City chose to include such items beginning October 1, 2003, the year of implementation of GASB Statement No. 34. The City completed construction if its first infrastructure assets under this policy during 2008. As the City constructs or acquires additional capital assets, including infrastructure assets, they are capitalized and reported at historical cost. Donated capital assets are recorded at their estimated fair value on the date donated.

Interest incurred during construction of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the year ended September 30, 2014.

Depreciation is provided using the straight-line method over the estimated useful lives of the various classes of depreciable assets as follows:

Buildings	30 to 40 years
Improvements other than Buildings	10 to 20 years
Water & Sewer Systems	20 to 50 years
Equipment	5 to 10 years
Infrastructure	30 years

G. Amortization

The cost of the water consumptive use permit (CUP) agreed to in November 2010 with the St. Johns River Water Management District is amortized over its ten year term using the straight line method.

Costs incurred in obtaining the State Revolving Fund (SRF) loans are amortized straight line over the 18-year lives of the loans.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Compensated Absences

The City accrues accumulated unpaid vacation benefits when incurred in the government-wide and proprietary fund financial statements. Vacation benefits are generally not reported in the governmental fund financial statements, as these liabilities would not normally be liquidated with expendable available financial resources. A liability for vacation benefits is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Personnel policies allow employees to accumulate a maximum of 20 days vacation leave. Upon termination, employees are paid for their unused vacation leave. Compensated absences for governmental activities are generally liquidated by the General Fund.

I. Long-term Obligations

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

J. Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts reported as Restricted-Net Position and Unrestricted-Net Position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to use restricted resources before any unrestricted resources are applied.

K. Fund Equity

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable fund balance - amounts that are not in spendable form, such as prepaid items.

Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors or higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance - amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest level action to remove or change the restraint.

Assigned fund balance - amounts the City intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. As of September 30, 2013, the City Commission is the only body that may assign fund balance through a majority vote.

Unassigned fund balance - amounts that are available for any purpose. The General Fund is the only governmental fund that reports a positive unassigned fund balance amount.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The City Commission establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance. Assigned fund balance is established by the City Commission by passage of a resolution.

It is the City's general policy to use restricted fund balance before using any components of unrestricted fund balance. However, City management may determine on a case by case basis whether restricted funds will be used for expenditure when there is choice to use restricted or unrestricted fund balance. The City Commission, through establishment of the budget, considers committed amounts to be used for an expenditure when there is a choice to use committed or unassigned fund balance.

L. Transfers

Transfers are made from the enterprise funds to the General Fund for administrative costs. Transfers are made from the Community Redevelopment Fund to the General Fund for administrative costs. Transfers are made from the Capital Projects Fund to other funds in order to use infrastructure surtax revenues on qualified ''infrastructure'' expenditures.

M. Comparative data/reclassifications

Comparative individual fund financial statements are presented as supplementary information. Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

NOTE 2 BUDGETING

The following procedures are used in establishing budgetary data reflected in the financial statements:

1) Prior to September 30, the City Manager submits a proposed operating budget for the upcoming fiscal year. The budget includes proposed expenditures and the means of financing them.

2) Public workshops are held where the Commission, City Manager and department heads refine budget detail items. Public hearings are held to obtain taxpayer comments. The budget is then enacted through passage of a resolution no later than September 30.

3) Appropriations are authorized by resolution at the major department level. These are the legal levels of budgetary control. Administrative control is maintained through the establishment of more detailed line-item budgets.

4) The City Manager is authorized to transfer budgeted amounts between line items within any department; however, any revisions that alter the total expenditures of a department must be approved by a majority vote of the City Commission.

5) Formal budgetary integration is employed as a management control device during the year for governmental funds. Total budgeted appropriations within a governmental fund type may not be exceeded legally.

6) Encumbrance accounting is currently employed by the City. Encumbrances outstanding at year end do not constitute expenditures or liabilities and are not reported as committed or assigned fund balances. All appropriations and encumbrances lapse at year end.

NOTE 3 CASH AND INVESTMENTS

Cash Deposits

At September 30, 2014, the carrying amount of the City's cash deposits, including cash on deposit with the State Board of Administration Fund A pool, was $2,353,076 and was entirely insured by Federal depository insurance or by a State collateral insurance pool held by the Treasurer, State of Florida, in the Public Deposit Security Trust Fund.

Investments

Florida Statutes authorize the City to invest without limitation in bonds, notes, or other obligations of the United States. Additionally, investments of the ICMA Retirement Trust Fund may be held in stocks and bonds issued by a corporation if the corporation meets certain rating and profitability criteria. All of the City's investments are insured, or are securities held by the City or its agent in the City's name. At September 30, 2014 the City's investments at fair value are:

Certificates of Deposit	$ 505,651
US Government Securities (GNMA)	21,000
Mutual Funds	530,338
	$ 1,056,989

Credit Risk. The City's investment policy limits its investments to the State Board of Administration investment pool, certificates of deposit, highly rated money market funds, government obligations, and mutual funds. The City's mutual bond fund investments are not rated. The State Board of Administration investment pool is not rated by any nationally recognized statistical rating agency.

Interest Rate Risk. Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The City's investment policy does not specifically address interest rate risk.

Custodial credit risk - certificates of deposit. Custodial credit risk is the risk that in the event of a bank failure, the City's certificates of deposit may not be returned to it. The City's investment policy limits the investments in certificates of deposit to be made only with state-certified qualified public depositories. As of September 30, 2014, all of the City's certificates of deposit were with Citizens First Bank and CenterState Bank, which are included on the listing of state-certified qualified public depositories.

NOTE 4 ACCOUNTS RECEIVABLE

Accounts receivable at September 30, 2014 are as follows:

	General Fund	Utility Fund
Customer Accounts Receivable	$ 49,771	$ 74,779
Franchise and Utility Taxes	139,693	-
Other Receivables	9,915	26,205
Less Allowance for Uncollectibles	-	(7,684)
Net Receivables	$ 199,379	$ 93,300

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2014:

	October 1, 2013	Additions	Transfers/ Deletions	Sept 30, 2014
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated:				
Land	$ 962,718	$ 143,105	$ -	$ 1,105,823
Capital assets being depreciated:				
Buildings	2,590,160	-	-	2,590,160
Improvements	764,143	8,902	(23,977)	749,068
Equipment	1,752,111	103,751	(105,463)	1,750,399
Infrastructure	681,226	-	-	681,226
	5,787,640	112,653	(129,440)	5,770,853
Less accumulated depreciation for:				
Buildings	(859,630)	(61,538)	-	(921,168)
Improvements	(607,445)	(40,700)	23,977	(624,168)
Equipment	(1,404,771)	(121,488)	105,463	(1,420,796)
Infrastructure	(108,212)	(22,274)	-	(130,486)
Total accumulated depreciation	(2,980,058)	(246,000)	129,440	(3,096,618)
Total capital assets being depreciated, net	2,807,582	(133,347)	-	2,674,235
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 3,770,300	$ 9,758	$ -	$ 3,780,058

NOTE 5 CAPITAL ASSETS (continued)

	October 1, 2013	Additions	Transfers/ Deletions	Sept 30, 2014
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated:				
Land	$ 339,699	$ -	$ -	$ 339,699
Capital assets being depreciated:				
Buildings	243,408	-	-	243,408
Water System	3,417,791	-	(97,147)	3,320,644
Sewer System	2,888,193	-	(97,147)	2,791,046
Equipment	446,474	18,857	(6,555)	458,776
	6,995,866	18,857	(200,849)	6,813,874
Less accumulated depreciation for:				
Buildings	(151,128)	(6,211)	-	(157,339)
Water System	(1,384,384)	(83,875)	-	(1,468,259)
Sewer System	(487,367)	(93,205)	-	(580,572)
Equipment	(338,026)	(25,129)	6,555	(356,600)
Total accumulated depreciation	(2,360,905)	(208,420)	6,555	(2,562,770)
Total assets being depreciated, net	4,634,961	(189,563)	(194,294)	4,251,104
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	$ 4,974,660	$ (189,563)	$ (194,294)	$ 4,590,803

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

GOVERNMENTAL ACTIVITIES:	
General Government	$ 40,774
Public Safety	106,252
Transportation	29,507
Culture and Recreation	69,467
Total Depreciation Expense- Governmental Activities	$ 246,000
BUSINESS-TYPE ACTIVITIES:	
Water	$ 102,184
Sewer	106,236
Total Depreciation Expense- Business-type Activities	$ 208,420

NOTE 6 LONG-TERM DEBT

State Revolving Fund Loans

On September 17, 2001, the City entered into a loan agreement with the State of Florida Department of Environmental Protection under the Clean Water State Revolving Fund (SRF) loan program. The purpose of the loan was to provide funding for preconstruction planning and engineering activities for a sewer utility system for the City's highway commercial corridor. Maximum borrowing under this agreement was $237,108. All preconstruction activities have been completed, and all loan disbursements have been received.

Interest accrues on the outstanding balance at a rate of 3.16% per year. For the year ended September 30, 2014, interest totaling $5,207 was paid on the loan.

Semi-annual loan payments of $8,165 are due each February 15 and August 15 through February 15, 2026. At September 30, 2014, the repayment schedule is as follows:

Date	Principal	Interest	Payment
2/15/2015	$ 5,694	$ 2,471	$ 8,165
8/15/2015	5,783	2,382	8,165
2/15/2016	5,875	2,290	8,165
8/15/2016	5,967	2,198	8,165
2/15/2017	6,062	2,103	8,165
8/15/2017	6,157	2,008	8,165
2/15/2018	6,255	1,910	8,165
8/15/2018	6,354	1,811	8,165
2/15/2019	6,454	1,711	8,165
8/15/2019	6,556	1,609	8,165
Thereafter	95,277	10,868	106,145
	$ 156,434	$ 31,361	$ 187,795

On March 29, 2005, the City entered into a second loan agreement with the State under the Clean Water SRF loan program. The purpose of the loan was to provide funding for construction of a sewer utility system, consisting of a 98,000 gallons per day wastewater treatment plant and a low-pressure sewer collection system along the City's highway commercial corridor. Maximum borrowing under this agreement is $2,393,745. All loan disbursements have been received. The total amount borrowed was $1,937,529.

Interest accrues on the outstanding balance at a rate of 2.52% per year. For the year ended September 30, 2014, interest totaling $32,053 was paid on the loan.

The annual gross revenues of the City's water and sewer systems, including related connection fees, net of operating expenses except depreciation, are pledged for repayment of these loans. For the year ended September 30, 2014, utility system gross revenues were $708,707, and the net amount of pledged revenue was $78,665. The City actually used sewer impact fees to make the entire $137,668 in debt service payments for the year. Therefore, at September 30, 2014, none of the pledged revenues were subject to the loan repayment.

NOTE 6 LONG-TERM DEBT (continued)

Semi-annual loan payments of $76,589 began on August 15, 2006. Beginning February 15, 2010, the semi-annual loan payments were reduced to $60,669, and continue each February 15 and August 15 thereafter through February 15, 2026. The current repayment schedule is as follows:

Date	Principal	Interest	Payment
2/15/2015	$ 45,488	$ 15,181	$ 60,669
8/15/2015	46,061	14,608	60,669
2/15/2016	46,641	14,028	60,669
8/15/2016	47,229	13,440	60,669
2/15/2017	47,824	12,845	60,669
8/15/2017	48,427	12,242	60,669
2/15/2018	49,037	11,632	60,669
8/15/2018	49,655	11,015	60,670
2/15/2019	50,281	10,389	60,670
8/15/2019	50,914	9,755	60,669
Thereafter	723,307	65,393	788,700
	$ 1,204,864	$ 190,528	$ 1,395,392

Covenants of the SRF loans require creation of separate accounts. A ''loan debt service account'' accumulates the upcoming semi-annual payment. The City has fully funded this account for both loans, totaling $68,834 at September 30, 2014.

Florida Department of Transportation Note

On May 2, 2011 the City signed a promissory note with the State of Florida Department of Transportation (FDOT) in the amount of $913,460. In exchange the City agreed to have FDOT move water and sewer utility lines out of State highway right-of-way in order to allow FDOT to complete a highway widening project. The note carries a 0% interest rate and is payable in 30 equal annual installments beginning October 15, 2014. The amount of the note was an estimate of the utility construction cost, and the note states that in the event that the actual cost of the utility relocation work is different, that a new promissory note will be executed for the actual cost amount.

At September 30, 2013, the utility work was complete, and the City recorded estimated costs of $619,882. The highway project was completed in June 2014, and FDOT adjusted the note to the actual costs of $425,588. The City has adjusted the utility construction and the related liability to the actual amount.

At September 30, 2014 the repayment schedule is as follows:

Date	Principal Payment
10/15/14	$ 14,186
10/15/15	14,186
10/15/16	14,186
10/15/17	14,187
10/15/18	14,186
Thereafter	354,657
	$ 425,588

NOTE 6 LONG-TERM DEBT (continued)

Changes in Long-term Liabilities

	Balances 09/30/13	Additions	Repayments	Balances 09/30/14	Due in one year
GOVERNMENTAL ACTIVITIES:					
Vacation Leave	$ 54,670	$ 51,586	$ (59,571)	$ 46,685	$ 38,748
GOVERNMENTAL ACTIVITY LONG-TERM LIABILITIES	$ 54,670	$ 51,586	$ (59,571)	$ 46,685	$ 38,748
BUSINESS-TYPE ACTIVITIES:					
SRF Loan-preconstruct	$ 167,557	$ -	$ (11,123)	$ 156,434	$ 11,477
SRF Loan-construction	1,294,149	-	(89,285)	1,204,864	91,549
FDOT Note	619,882	-	(194,294)	425,588	14,186
Vacation Leave	9,278	12,582	(6,820)	15,040	13,221
BUSINESS-TYPE ACTIVITY LONG-TERM LIABILITIES	$ 2,090,866	$ 12,582	$ (301,522)	$ 1,801,926	$ 130,433

NOTE 7 FUND BALANCES

The following details the various constraints placed on fund balances in the governmental funds:

General Fund	
Nonspendable for Prepaid Items	$ 2,831
Restricted for Police Education	24,079
Restricted for Police Equipment and Automation	8,287
Restricted for Public Safety Capital Improvements	226,533
Restricted for Police and Fire Fee Refunds	130,379
	389,278
Committed to Cemetery Care	142,522
Committed to Stormwater Utility	176,947
	319,469
Unassigned	168,941
Total General Fund	$ 880,519
Community Redevelopment Fund	
Restricted for Redevelopment Projects	$ 366,424
Capital Projects Fund	
Restricted for Infrastructure	$ 704,143

NOTE 7 FUND BALANCES (continued)

Fund balances reserved for infrastructure represent unspent discretionary sales surtax amounts that are required by Florida Statute to be spent on *infrastructure*. Infrastructure is defined as public facilities with a useful life of at least five years, as well as certain emergency vehicles. The statute permits these funds to be spent on debt related to the construction or acquisition of infrastructure.

NOTE 8 RETIREMENT COMMITMENTS

A. The Municipal Firemen's Retirement Plan

The Municipal Firemen's Retirement Plan was established to conform to provisions of the Florida Statutes for all sworn firefighters. The Plan is a single-employers, defined benefit pension plan, and is administered by the City. There is no separately issued report on the Plan.

Firefighters attaining the age of 55 who have completed 10 or more creditable years of service or attaining the age of 52 who have completed 25 years of creditable service are entitled to annual benefits of 3.0 percent of their average final compensation times years of credited service. The Plan permits early retirement at the completion of 10 years of continuous service and attaining the age of 50 years. Active firefighters who retire disabled receive not less than 42 percent of their average monthly earnings at the time of disability.

Disability benefits are paid for ten years certain or life or recovery from disability. If a firefighter dies prior to retirement but has at least 10 years of contributing service, his or her beneficiary is entitled to the benefits payable to the firefighter at early or normal retirement age.

As of September 30, 2014, there were no retirees currently receiving benefits, and 4 terminated firefighters were entitled to benefits but not yet receiving them. Out of the 23 active volunteer firefighters, none have vested retirement benefits. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Effective January 1, 1995, each firefighter is required by local ordinance to contribute five percent of his/her compensation to the Plan. The City also contributes five percent of each plan member's compensation to the Plan. Additionally, the Plan is funded by a 1% State excise tax on all fire insurance premiums collected from policyholders insuring property within the City limits. For the year ended September 30, 2014, the City collected $20,202 in fire insurance premium taxes, which are reported as tax revenue in the General Fund. The City is required by State statute to contribute these taxes to the plan within 5 days of receipt. The corresponding contribution to the pension fund is reported as a fire department expenditure in the General Fund.

The total required contribution to the Plan for the year ended September 30, 2014 was zero. Employee and City contributions for the year ended September 30, 2014 were each $1,947.

The City's contribution requirements are not actuarially determined, and the actuarial implication of the City's funding policy has also not been determined. There were no changes during the year ended September 30, 2014 in the method used to calculate or establish contribution requirements. Most administrative costs of the Plan are absorbed by the General Fund.

NOTE 8 RETIREMENT COMMITMENTS (continued)

Actuarial valuations for the Plan are provided and paid for by the State of Florida Division of Retirement on a triennial basis. City management and the pension board of trustees do not believe the cost, which would have to be paid by the pension fund, of obtaining more frequent actuarial valuations or updates, is worth the benefit provided by current funding status information for this small pension fund. Information as of the latest (10/1/13) actuarial valuation follows:

Funded status of the plan:

Actuarial accrued liability		$ 99,499
Actuarial value of plan assets		445,394
Unfunded actuarial accrued liability		(345,895)
Funded ratio	448%	
Covered payroll		42,415
UAAL as a percent of covered payroll	816%	

The Plan uses the ''aggregate actuarial cost method'' for determining the actuarial value of assets. This method does not identify or separately amortize unfunded actuarial liabilities. Therefore, information about funded status and funding progress is presented using the ''entry age actuarial cost method'', which is intended to serve as a surrogate for the funded status and funding progress of the Plan.

Additional related information:

Valuation date:	10/1/2013	Actuarial Assumptions:	
Actuarial cost method:	Aggregate	Investment rate of return	4.0%
Amortization method:	N/A	Projected salary increases*	4.5%
Remaining amortization period:	N/A	Cost-of-living adjustments	None
Asset valuation method:	Market Value	*Includes inflation at 3.0%	

Three-Year Trend Information:

Year Ending	Annual Pension Cost	Percentage of Annual Pension Cost Contributed	Net Pension Obligation
9/30/13	$2,102	911%	$(71,166)
9/30/12	1,361	1503%	(54,124)
9/30/11	426	5574%	(35,028)

Development of Net Pension Obligation (NPO):

This municipal defined benefit plan has been subject to the minimum funding standards since the adoption of the ''Florida Protection of Public Employee Retirement Benefits Act'' (Part VII of Chapter 112, Florida Statutes) in 1980. Accordingly, the City has funded the actuarially determined required contributions for all years from October 1, 1987 through the transition date; October 1, 1997 is zero.

NOTE 8 RETIREMENT COMMITMENTS (continued)

The development of the NPO through September 30, 2013 (which is the latest actuarial information available) is as follows:

	9/30/11	9/30/12	9/30/13
Actuarially determined contribution	$ -	$ -	$ -
Interest on NPO	(468)	(1,401)	(2,166)
Adjustment to actuarially determined contribution	894	2,762	4,267
Annual Pension Cost	426	1,361	2,101
Contributions made	23,747	20,457	19,143
Increase in NPO	(23,321)	(19,096)	(17,042)
NPO, beginning of year	(11,707)	(35,028)	(54,124)
NPO, end of year	$ (35,028)	$ (54,124)	$ (71,166)

Although the NPO calculation for September 30, 2014 is not available, management believes it will not be materially different from the September 30, 2013 balance.

B. ICMA 401-a Retirement Plan

Effective January 1, 1997, the City established, by resolution, a money purchase plan and trust called ''the City of Fruitland Park 401-a Plan'' in the form of the ICMA Retirement Corporation Prototype Money Purchase Plan and Trust. The plan is a defined contribution pension plan administered by the ICMA Retirement Corporation. The City Commission must authorize plan amendments to benefit provisions or the obligation to make contributions.

All full-time employees at least 18 years of age are eligible to participate in this plan once they have completed a 90-day period of service. An employee does not become vested in any benefits until the completion of five years of service, at which time the employee becomes 100% vested. At September 30, 2014 there were 20 members in the plan, 9 of which had vested benefits.

Contributions into the plan are made only by the City. The City will contribute a minimum of 2% of a participant's earnings, not including overtime or bonuses, into the plan. The City will contribute up to 5% into the plan, depending upon (and matching) a participant's contribution into the City's ICMA 457 deferred compensation plan. During the year ended September 30, 2014, the City contributed $29,155 into the plan.

Participant's separating from service with the City before the five year vesting period of service is complete forfeit their entire account balance in the plan. The City may use forfeited amounts to reduce the City's required payment of contributions for current plan participants. During the year ended September 30, 2014, the City did not use any forfeited amounts for payment of contributions for current plan participants, but has $35,446 in forfeited amounts included in plan assets that could be used toward future contributions. Distributions of the account balances of vested participants that separate from service are subject to the Internal Revenue Code rules for distributions from qualified plans.

NOTE 8 RETIREMENT COMMITMENTS (continued)

C. Financial Statements for Individual Pension Funds

STATEMENT OF FIDUCIARY NET POSITION
AS OF SEPTEMBER 30, 2014

	Firemen's Retirement Trust Fund	ICMA Retirement Trust Fund	Total
ASSETS			
Cash	$ 149,499	$ -	$ 149,499
Investments with Trustees	310,181	241,157	551,338
TOTAL ASSETS	459,680	241,157	700,837
LIABILITIES			
Refunds Payable	1,846	-	1,846
NET POSITION			
Held in trust for Pension Benefits	$ 457,834	$ 241,157	$ 698,991

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2014

ADDITIONS			
Contributions:			
City	$ 1,947	$ 29,155	$ 31,102
Employees	1,947	-	1,947
State of Florida	20,202	-	20,202
Total Contributions	24,096	29,155	53,251
Investment Income:			
Net Appreciation in Fair Value of Investments	(9,379)	10,434	1,055
Interest/Dividend Income	5,298	-	5,298
Net Investment Income	(4,081)	10,434	6,353
TOTAL ADDITIONS	20,015	39,589	59,604
DEDUCTIONS			
Benefit Payments	4,967	51,404	56,371
Refund of Contributions	2,608	-	2,608
TOTAL DEDUCTIONS	7,575	51,404	58,979
NET INCREASE (DECREASE)	12,440	(11,815)	625
NET POSITION			
Beginning of Year	445,394	252,972	698,366
End of Year	$ 457,834	$ 241,157	$ 698,991

NOTE 9 ICMA 457 DEFERRED COMPENSATION PLAN

Effective May 18, 1990, the City participates in and offers to its employees a multiple-employer retirement system which is administered by the ICMA Retirement Corporation. This deferred compensation plan was created in accordance with Internal Revenue Code Section 457. The plan permits the City's employees to defer a portion of their salary until future years.

All of the City's employees are eligible to participate in the ICMA deferred compensation plan after completion of a three month probationary period upon their first date of employment. Participation is strictly on a voluntary basis. Participants become immediately 100% vested in contributions credited to their account. At September 30, 2014 there were 16 participants in the plan.

The City does not make any contributions to this plan for participants who entered the plan after January 1, 1997. For those employees (2 as of September 30, 2014) participating in the plan on January 1, 1997, The City contributes a minimum of 2% and will match up to 5% of a participant's contribution into the plan.

Participants have a choice of designating among various investment types for their contributions. Investments are managed by the ICMA Retirement Corporation. Contributions are made through voluntary payroll deductions. Upon retirement or termination of employment with the City, participants must decide within sixty days of that date as to the disposition of their account balance as follows:

1) Take a lump-sum distribution
2) Leave their funds in the plan until mandatory retirement age
3) Select a series of payments

On January 1, 1997, the plan document was amended to conform to Internal Revenue Code changes pertaining to Section 457 deferred compensation plans contained in the 1996 Small Business Tax/Minimum Wage Bill (H.R. 3448). Prior to these changes, assets held in the plan were solely the property of the City (until paid or made available to the employee or other beneficiary), and were subject to the claims of the City's general creditors. Accordingly, the City previously reported the plan in an agency fund. The plan amendment established a trust to hold the assets of the plan for the exclusive benefit of plan participants and their beneficiaries. Plan assets at September 30, 2014, which totaled $585,885 are therefore no longer subject to the claims of the City's general creditors. Since the City does not have fiduciary accountability for the Section 457 plan, the fund is not reported in the City's financial statements.

NOTE 10 INSURANCE COVERAGE

The City 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 manages its various risks of loss by the purchase of commercial insurance coverages primarily through Preferred Government Insurance. During the year ended September 30, 2014 there were no significant reductions in coverages from the prior year.

Insurance claim settlements have not exceeded coverages on any policies during the past three fiscal years.

NOTE 11 BUDGETARY BASIS OF ACCOUNTING

The City Commission adopts budget resolutions for all governmental and proprietary funds. The budget for the Utility Fund was adopted on an accounting basis other than in accordance with generally accepted accounting principles. Adjustments necessary to convert the results of operations for the year ended September 30, 2014 from the GAAP basis to the budget basis are as follows:

Change in net position, GAAP Basis	$ (148,295)
Decrease due to debt principal payments	(100,408)
Decrease due to accrued interest	(327)
Increase due to depreciation expense	208,420
Increase due to debt issuance costs	2,371
Decrease due to equipment purchases	(18,857)
Deficiency of Revenues under Expenses, Budget Basis	$ (57,096)

NOTE 12 PROPERTY TAXES

Under Florida law, the assessment of all properties and the collection of all county, municipal, and school board property taxes are consolidated in the offices of the Lake County Property Appraiser and Lake County Tax Collector. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method state wide. State statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The millage rate assessed by the City for taxes collected during the fiscal year ended September 30, 2014 was 4.7371. The millage rate assessed by the City on taxable property to be levied on November 1, 2014 was 4.7371.

All property is assessed according to its fair market value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State statutes.

The current year taxes for the fiscal year, beginning October 1, are billed in the month of November and are due no later than March 31. On April 1, all unpaid amounts become delinquent and are subject to interest and penalties. Discounts are allowed for early payment as follows:

November	4%	January	2%
December	3%	February	1%

Delinquent taxes on real property bear interest of 18% per year. On or prior to June 1 of the following tax year, certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear interest of 18% per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property, or by the five year statute of limitations.

NOTE 12 PROPERTY TAXES (continued)

The City's tax calendar is as follows:

Valuation Date:	January 1
Levy Date:	November 1
Due Date:	March 31, Succeeding Year
Lien Date:	April 1, Succeeding Year

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS

The City does not provide its employees any postemployment benefits other than pensions. Florida Statutes require local governments which provide group insurance to its employees the option of continuing to participate in the group plan following retirement. The City does not contribute to the premium cost for retired employees, so the entire cost must be paid by the retiree. At September 30, 2014, the City had no retirees continuing to participate in its group insurance plan and has never had a retiree request to continue on the group plan. Management does not anticipate a significant number of future retirees to request continued coverage. Therefore, no material other postemployment benefits liability is recognized or recorded.

NOTE 14 CLAIMS AND JUDGMENTS

The City is a defendant in a class action lawsuit filed during the year that sought a judgment to declare police and fire service fees imposed by the City to be invalid, and to have the fees previously collected be refunded. On April 11, 2014, Lake County Circuit Court ordered the City to stop charging these fees, and to establish a ''common fund'' in the amount of $530,000 to refund these fees, less pro rata expenses for attorney fees ($255,000), class representative awards ($3,400), and expenses for the City to administer the fund ($1,000).

As of September 30, 2014, the City paid the attorney fees, the class representative awards, administration expenses of $620, and customer refunds of $140,601 to current customers. The City is preparing a second mailing of refund applications to former customers. It has not been determined how much of the $130,379 remaining in the common fund will be refunded to former customers.

NOTE 15 SUBSEQUENT EVENTS

City management has evaluated events occurring subsequent to the financial statement date through March 3, 2015.

Effective February 1, 2015, the City joined the State of Florida Retirement System (FRS) for the covered groups of Police and General Employees. The FRS is a multi-employer retirement system administered by the State of Florida. The City established the agreement prospectively (without any past service cost). Each eligible employee elected to either participate in the FRS or remain in the City's ICMA 401-a retirement plan.

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
10/1/2013	$ 445,394	$ 99,499	$ (345,895)	448%	$ 42,415	-816%
10/1/2010	366,544	139,529	(227,015)	263%	35,926	-632%
10/1/2007	277,943	107,341	(170,602)	259%	27,321	-624%

The plan used the "aggregate actuarial cost method" for determining the actuarial value of assets. This method does not identify or separately amortize unfunded actuarial liabilities. Beginning with the 10/01/07 actuarial valuation report, GASB Statement 50 requires that plans using the aggregate actuarial cost method disclose the funded ratio the plan would have if it were utilizing the entry age normal cost method.

SCHEDULE OF CONTRIBUTIONS FROM EMPLOYER AND OTHERS

Year Ended Sept. 30	Annual Required Contribution	City (Employer) Contribution	State Contribution	Percentage Contributed
2014	$ -	$ 1,947	$ 20,202	100%
2013	-	1,820	17,323	100%
2012	-	1,762	18,695	100%
2011	-	1,638	22,109	100%
2010	-	1,723	19,523	100%
2009	-	1,747	24,178	100%

The information presented in the above required supplementary schedules was determined as part of the actuarial valuation date 10/01/2013, which is the latest actuarial valuation available.

FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS.

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GENERAL FUND

To account for resources traditionally associated with governments which are not required legally or by sound financial management to be accounted for in another fund.

CITY OF FRUITLAND PARK, FLORIDA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
SEPTEMBER 30, 2014 AND 2013

	2014	2013
ASSETS		
Cash	$ 840,291	$ 1,097,163
Certificates of Deposit	105,651	405,861
Accounts Receivable:		
Franchise/Utility Taxes	139,693	138,151
Garbage/Stormwater Customers	49,771	48,828
Public Safety Service Fees	675	9,213
Cemetery Lots	1,237	120
Miscellaneous	8,003	1,377
Due from other Governments:		
State of Florida	39,884	40,428
Lake County	7,973	8,371
Prepaid Items	2,831	4,143
TOTAL ASSETS	$ 1,196,009	$ 1,753,655
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts Payable	$ 139,880	$ 114,546
Accrued Payroll and Related Liabilities	36,421	26,573
Due to State of Florida	4,157	4,886
Due to Lake County	24,769	-
Unearned Building & Zoning Revenue	29,364	22,145
Unearned Business Tax Revenue	24,974	18,977
Unearned Street Light Rental Revenue	55,925	57,356
TOTAL LIABILITIES	315,490	244,483
FUND BALANCE:		
Nonspendable:		
For Prepaid Items	2,831	4,143
Restricted:		
For Police Education	24,079	30,203
For Police Equipment and Automation	8,287	6,985
For Public Safety Capital Improvements	226,533	206,880
For Police and Fire Fee Refunds	130,379	-
Committed:		
To Cemetery Care	142,522	134,322
To Stormwater Utility	176,947	147,323
Unassigned	168,941	979,316
TOTAL FUND BALANCE	880,519	1,509,172
TOTAL LIABILITIES AND FUND BALANCE	$ 1,196,009	$ 1,753,655

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

CITY OF FRUITLAND PARK, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014
With comparative actual amounts for the year ended September 30, 2013

	2014			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2013 ACTUAL
REVENUES:				
Taxes	$ 1,742,595	$ 1,808,347	$ 65,752	$ 1,790,361
Licenses and Permits	41,475	47,558	6,083	41,446
Intergovernmental	436,548	462,410	25,862	443,715
Charges for Services	631,370	683,389	52,019	773,687
Fines and Forfeitures	40,500	38,522	(1,978)	58,885
Miscellaneous	185,155	325,363	140,208	60,858
TOTAL REVENUES	3,077,643	3,365,589	287,946	3,168,952
EXPENDITURES:				
Current:				
General Government	846,258	1,293,569	(447,311)	776,202
Public Safety	1,400,251	1,651,946	(251,695)	1,268,791
Transportation	191,141	193,303	(2,162)	210,819
Sanitation/Other Utility	433,190	471,391	(38,201)	450,306
Culture and Recreation	457,339	456,471	868	424,768
Capital Outlay	250,200	-	250,200	-
TOTAL EXPENDITURES	3,578,379	4,066,680	(488,301)	3,130,886
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(500,736)	(701,091)	(200,355)	38,066
OTHER FINANCING SOURCES (USES):				
Transfers in from Community Redevelopment Fund	59,940	49,892	(10,048)	59,940
Transfers in from Utility Fund	120,000	-	(120,000)	-
Transfers in from Recreation Programs Fund	6,996	10,741	3,745	6,996
Sale of Capital Assets	13,600	11,805	(1,795)	2,419
TOTAL OTHER FINANCING SOURCES (USES)	200,536	72,438	(128,098)	69,355
NET CHANGE IN FUND BALANCES	(300,200)	(628,653)	(328,453)	107,421
FUND BALANCE, Beginning of Year	1,509,172	1,509,172	-	1,401,751
FUND BALANCE, End of Year	$ 1,208,972	$ 880,519	$ (328,453)	$ 1,509,172

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

CITY OF FRUITLAND PARK, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES COMPARED TO BUDGET
FOR THE YEAR ENDED SEPTEMBER 30, 2014
With comparative actual amounts for the year ended September 30, 2013

	2014			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2013 ACTUAL
TAXES				
Ad-Valorem Taxes	$ 745,981	$ 719,536	$ (26,445)	$ 716,857
Local Option Gas Tax	80,814	76,901	(3,913)	75,584
Fire Insurance Premium Tax	12,000	20,202	8,202	17,323
Franchise Fees:				
Electric	295,000	318,062	23,062	301,254
Gas	20,000	20,564	564	19,249
Solid Waste	44,500	51,108	6,608	49,563
Utility Taxes:				
Electric	277,500	310,447	32,947	296,418
Water	46,000	48,178	2,178	48,595
Gas	18,000	22,974	4,974	21,676
Propane	1,300	2,265	965	2,996
Communications Services Tax	173,000	196,085	23,085	221,413
City Business Tax	28,500	22,025	(6,475)	19,433
TOTAL TAXES	1,742,595	1,808,347	65,752	1,790,361
LICENSES AND PERMITS:				
Building Permits	41,000	46,943	5,943	40,936
Burn/Clearing Permits	25	-	(25)	-
Cemetery Permits	50	300	250	120
Golf Cart Permits	400	315	(85)	390
TOTAL LICENSES AND PERMITS	41,475	47,558	6,083	41,446
INTERGOVERNMENTAL REVENUE:				
Federal Law Enforcement Grants	8,800	7,060	(1,740)	7,254
Federal Forestry Grant	-	5,300	5,300	-
County Recycling/Education Grant	400	-	(400)	17
State Revenue Sharing	110,589	115,657	5,068	107,507
Mobile Home Licenses	14,900	11,557	(3,343)	11,337
Alcoholic Beverage Licenses	1,500	1,486	(14)	2,636
Local Government 1/2 Cent Sales Tax	204,829	218,939	14,110	202,350
FDOT Traffic Signal Maintenance	1,200	3,353	2,153	1,391
County Library Agreement	61,780	61,780	-	72,562
County Business Tax	2,550	3,950	1,400	4,004
County Gas Tax	30,000	33,328	3,328	34,657
TOTAL INTERGOVERNMENTAL REVENUE	436,548	462,410	25,862	443,715

CITY OF FRUITLAND PARK, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES COMPARED TO BUDGET (continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2014
With comparative actual amounts for the year ended September 30, 2013

	2014			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2013 ACTUAL
CHARGES FOR SERVICES:				
Zoning Fees	$ 3,000	$ 8,355	$ 5,355	$ 7,065
Annexation Fees	750	-	(750)	200
Land Development Procedure	20,600	20,600	-	-
Site Plan and Review Fees	5,500	6,966	1,466	8,580
Certification and Copying	2,250	2,133	(117)	3,714
Law Enforcement Service Fees	19,000	19,174	174	82,280
Fire Service Fees	19,000	19,190	190	82,280
Fire Inspection Fees	9,000	7,350	(1,650)	7,581
Other Public Safety Fees	-	-	-	2,078
Garbage Fees	417,700	457,530	39,830	442,823
Garbage Billing Admin Fees	50,500	52,741	2,241	52,430
Impact Fee Collection Fees	500	800	300	300
Stormwater Fees	47,520	43,634	(3,886)	43,284
Repairs/Maint Vacant Property	6,000	15,500	9,500	14,250
Library Fees	150	140	(10)	200
Pool Admissions and Fees	13,700	15,043	1,343	10,899
Special Event Fees (FP Day)	5,700	2,869	(2,831)	4,825
Casino Fees	10,500	10,224	(276)	10,898
Lien Search Fees	-	1,140	1,140	-
TOTAL CHARGES FOR SERVICES	631,370	683,389	52,019	773,687
FINES AND FORFEITURES:				
Court Fines	30,000	27,933	(2,067)	49,710
Police Education	2,700	2,497	(203)	3,841
Library Fines	4,000	3,111	(889)	3,460
Parking Violation Fines	1,800	15	(1,785)	25
Forfeitures	2,000	4,966	2,966	1,849
TOTAL FINES AND FORFEITURES	40,500	38,522	(1,978)	58,885
MISCELLANEOUS REVENUES:				
Interest Earnings	1,900	1,342	(558)	1,072
Street Light Fixture Rental	-	1,431	1,431	-
Cemetery Lot Sales	6,200	8,900	2,700	12,970
Police Impact Fees	2,500	7,511	5,011	8,324
Fire Impact Fees	6,500	12,142	5,642	13,457
Planning/Zoning Reimbursements	154,460	279,442	124,982	11,493
Donations	500	-	(500)	42
Other Police Revenue	4,450	6,062	1,612	5,988
Fuel Tax Refunds	3,500	3,936	436	3,703
Other Revenue	5,145	4,597	(548)	3,809
TOTAL MISCELLANEOUS REVENUE	185,155	325,363	140,208	60,858
TOTAL REVENUES	$ 3,077,643	$ 3,365,589	$ 287,946	$ 3,168,952

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

CITY OF FRUITLAND PARK, FLORIDA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET
FOR THE YEAR ENDED SEPTEMBER 30, 2014
With comparative actual amounts for the year ended September 30, 2013

	2014			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2013 ACTUAL
GENERAL GOVERNMENT SERVICES:				
Legislative (City Commission):				
Personal Services	$ 39,272	$ 37,636	$ 1,636	$ 39,246
Operating Expenses	28,871	18,960	9,911	40,221
Total Legislative	68,143	56,596	11,547	79,467
Executive:				
Personal Services	188,006	184,677	3,329	150,402
Operating Expenses	15,565	31,580	(16,015)	16,017
Capital Outlay	-	1,554	(1,554)	-
Total Executive	203,571	217,811	(14,240)	166,419
Finance:				
Personal Services	146,235	134,353	11,882	118,038
Operating Expenses	28,446	26,811	1,635	25,559
Total Finance	174,681	161,164	13,517	143,597
Legal Counsel:				
Operating Expenses	136,900	209,080	(72,180)	123,399
Other General Government:				
Personal Services	76,930	41,166	35,764	44,186
Operating Expenses	96,933	119,097	(22,164)	130,100
Redevelopment Taxes	89,100	89,034	66	89,034
Police and Fire Fee Refunds	-	399,621	(399,621)	-
Total Other General Government	262,963	648,918	(385,955)	263,320
TOTAL GENERAL GOVERNMENT SERVICES	846,258	1,293,569	(447,311)	776,202
PUBLIC SAFETY:				
Police Department:				
Personal Services	848,003	771,783	76,220	772,543
Operating Expenses	213,401	205,098	8,303	202,444
Operating Expenses - Federal Grants	3,000	7,060	(4,060)	4,795
Capital Outlay	6,000	4,554	1,446	4,379
Total Police Department:	1,070,404	988,495	81,909	984,161

CITY OF FRUITLAND PARK, FLORIDA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2014
With comparative actual amounts for the year ended September 30, 2013

	2014			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2013 ACTUAL
PUBLIC SAFETY (CONTINUED):				
Fire Department:				
Personal Services	$ 78,195	$ 67,523	$ 10,672	$ 61,533
Operating Expenses	84,355	95,103	(10,748)	61,575
Capital Outlay	10,851	4,072	6,779	11,521
Total Fire Department	173,401	166,698	6,703	134,629
Protective Building Inspections:				
Personal Services	74,786	101,524	(26,738)	80,247
Operating Expenses	79,930	393,558	(313,628)	69,754
Capital Outlay	1,730	1,671	59	-
Total Protective Inspections	156,446	496,753	(340,307)	150,001
TOTAL PUBLIC SAFETY	1,400,251	1,651,946	(251,695)	1,268,791
TRANSPORTATION:				
Roads and Streets:				
Personal Services	62,231	63,535	(1,304)	42,384
Street Lighting	86,220	84,852	1,368	82,940
Operating Expenses	41,190	42,698	(1,508)	46,550
Capital Outlay	1,500	2,218	(718)	38,945
Total Roads and Streets	191,141	193,303	(2,162)	210,819
TOTAL TRANSPORTATION	191,141	193,303	(2,162)	210,819
SANITATION/OTHER UTILITY:				
Garbage Collection/Disposal:				
Operating Expenses	418,715	457,381	(38,666)	441,650
Stormwater Management:				
Operating Expenses	11,975	14,010	(2,035)	8,656
Capital Outlay	2,500	-	2,500	-
Total Stormwater Management	14,475	14,010	465	8,656
TOTAL SANITATION/OTHER UTILITY	433,190	471,391	(38,201)	450,306

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CITY OF FRUITLAND PARK, FLORIDA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2014
With comparative actual amounts for the year ended September 30, 2013

	2014			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2013 ACTUAL
CULTURE AND RECREATION:				
Library:				
Personal Services	$ 109,736	$ 119,545	$ (9,809)	$ 109,944
Operating Expenses	36,472	39,496	(3,024)	41,214
Library Books	27,946	29,317	(1,371)	28,297
Capital Outlay	250,200	-	250,200	-
Total Library	424,354	188,358	235,996	179,455
Municipal Pool:				
Personal Services	27,571	19,973	7,598	16,055
Operating Expenses	24,208	25,640	(1,432)	22,909
Capital Outlay	4,518	3,575	943	4,771
Total Municipal Pool	56,297	49,188	7,109	43,735
Recreation Facilities Maintenance:				
Personal Services	93,633	78,242	15,391	89,699
Operating Expenses	50,500	54,909	(4,409)	46,500
Capital Outlay	1,450	6,918	(5,468)	3,799
Total Recreation Facilities Maintenance	145,583	140,069	5,514	139,998
Recreation:				
Personal Services	63,206	58,996	4,210	47,528
Operating Expenses	17,877	17,159	718	14,052
Capital Outlay	222	2,701	(2,479)	-
Total Recreation	81,305	78,856	2,449	61,580
TOTAL CULTURE AND RECREATION	707,539	456,471	251,068	424,768
TOTAL EXPENDITURES	$ 3,578,379	$ 4,066,680	$ (488,301)	$ 3,130,886

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

SPECIAL REVENUE FUND

Community Redevelopment Fund - To account for financial resources segregated for the rehabilitation, conservation and redevelopment of the City's redevelopment project area. This fund also includes the activities of the Fruitland Park Community Redevelopment Agency, a Florida dependent special district.

CITY OF FRUITLAND PARK, FLORIDA
COMMUNITY REDEVELOPMENT FUND
COMPARATIVE BALANCE SHEETS
SEPTEMBER 30, 2014 AND 2013

	2014	2013
ASSETS		
Cash	$ 267,174	$ 283,890
Certificates of Deposit	100,000	100,000
TOTAL ASSETS	$ 367,174	$ 383,890
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts Payable	$ -	$ 8,700
Rental Security Deposit	750	750
TOTAL LIABILITIES	750	9,450
FUND BALANCE:		
Restricted for Redevelopment Projects	366,424	374,440
TOTAL FUND BALANCE	366,424	374,440
TOTAL LIABILITIES AND FUND BALANCE	$ 367,174	$ 383,890

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

CITY OF FRUITLAND PARK, FLORIDA
COMMUNITY REDEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014
With comparative actual amounts for the year ended September 30, 2013

	2014			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2013 ACTUAL
REVENUES:				
Intergovernmental:				
Appropriated Incremental Ad-Valorem Taxes	$ 190,409	$ 193,797	$ 3,388	$ 191,007
Miscellaneous:				
Interest Earnings	3,500	817	(2,683)	1,391
Building Rental Fees	9,000	8,600	(400)	10,913
TOTAL REVENUES	202,909	203,214	305	203,311
EXPENDITURES:				
General Government:				
Other General Government:				
Operating Expenditures	49,441	22,296	27,145	14,162
Contingency	88,398	-	88,398	-
Transportation:				
Roads and Streets:				
Streetscape Project	10,000	139,042	(129,042)	54,944
Capital Outlay:				
Land Improvements	-	-	-	19,624
TOTAL EXPENDITURES	147,839	161,338	(13,499)	88,730
EXCESS OF REVENUES OVER EXPENDITURES	55,070	41,876	(13,194)	114,581
OTHER FINANCING SOURCES (USES):				
Transfers out to General Fund	(59,940)	(49,892)	10,048	(59,940)
TOTAL OTHER FINANCING SOURCES (USES)	(59,940)	(49,892)	10,048	(59,940)
NET CHANGE IN FUND BALANCE	(4,870)	(8,016)	(3,146)	54,641
FUND BALANCE, Beginning of Year	374,440	374,440	-	319,799
FUND BALANCE, End of Year	$ 369,570	$ 366,424	$ (3,146)	$ 374,440

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

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CAPITAL PROJECTS FUND

To account for financial resources segregated for the acquisition or construction of major capital facilities.

CITY OF FRUITLAND PARK, FLORIDA
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
SEPTEMBER 30, 2014 AND 2013

	2014	2013
ASSETS		
Cash	$ 580,068	$ 453,876
Certificate of Deposit	100,000	100,000
Due from State of Florida	35,442	33,305
TOTAL ASSETS	$ 715,510	$ 587,181
LIABILITIES		
Liabilities	$ -	$ -
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue - Infrastructure Surtax	11,367	9,616
FUND BALANCE		
Restricted for Infrastructure	704,143	577,565
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 715,510	$ 587,181

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

CITY OF FRUITLAND PARK, FLORIDA
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014
With comparative actual amounts for the year ended September 30, 2013

	2014			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2013 ACTUAL
REVENUES:				
Local Government Infrastructure Surtax	$ 296,800	$ 353,896	$ 57,096	$ 328,366
County Library Grant	250,200	-	(250,200)	-
Interest Earnings	1,450	1,347	(103)	1,356
TOTAL REVENUES	548,450	355,243	(193,207)	329,722
EXPENDITURES:				
Capital Outlay:				
General Government:				
Contingency	111,030	-	111,030	-
Police Department:				
Police Vehicles	87,220	81,381	5,839	125,383
Library:				
Land Acquisition	100,000	41,355	58,645	-
Recreation:				
Land Acquisition	200,000	101,750	98,250	-
Facility Lighting	-	-	-	6,705
Soccer Field	-	4,009	(4,009)	-
Debt Service:				
Principal	-	-	-	117,300
Interest	-	170	(170)	4,422
TOTAL EXPENDITURES	498,250	228,665	269,585	253,810
EXCESS OF REVENUES OVER EXPENDITURES	50,200	126,578	76,378	75,912
OTHER FINANCING SOURCES (USES):				
Transfers out to General Fund	(250,200)	-	250,200	-
TOTAL OTHER FINANCING SOURCES (USES)	(250,200)	-	250,200	-
NET CHANGE IN FUND BALANCES	(200,000)	126,578	326,578	75,912
FUND BALANCE, Beginning of Year	577,565	577,565	-	501,653
FUND BALANCE, End of Year	$ 377,565	$ 704,143	$ 326,578	$ 577,565

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

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ENTERPRISE FUNDS

Utility Fund - To account for the provision of water and sewer utility services to the residents of the City and some residents of the County. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

Recreation Programs Fund - To account for the receipt of recreation program fees for activities sponsored by the City's Recreation Department, and the direct costs associated with each program. Administrative costs of maintaining the various recreation facilities are accounted for in the General Fund.

CITY OF FRUITLAND PARK, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF NET POSITION
SEPTEMBER 30, 2014 AND 2013

	2014	2013
ASSETS		
CURRENT ASSETS		
Cash	$ 276,485	$ 12,963
Certificates of Deposit	200,000	200,000
Investments	-	38,189
Restricted Cash:		
State Revolving Fund Loan Reserves	68,834	68,834
Customer Deposits	117,515	110,140
Customer Accounts Receivable:		
Billed Utility Service, net of allowance for uncollectibles of $7,684 and $8,349 for 2014 and 2013, respectively	54,846	53,001
Unbilled Utility Service	12,249	12,396
Other Customer Receivables	9,184	13,394
Inventory	43,370	40,580
Prepaid Items	24,864	22,518
TOTAL CURRENT ASSETS	807,347	572,015
NONCURRENT ASSETS		
RESTRICTED CASH:		
Water Impact Fees	163,991	151,251
Sewer Impact Fees	23,855	291,738
Total Restricted Cash	187,846	442,989
SEWER IMPACT FEE RECEIVABLES	17,021	27,882
SRF LOAN COSTS	28,331	30,702
CONSUMPTIVE USE PERMIT, net of accumulated amortization of $135,634 and $101,004 in 2014 and 2013, respectively	210,662	245,292
PROPERTY, PLANT AND EQUIPMENT:		
Land	339,699	339,699
Buildings	243,408	243,408
Water System	3,320,644	3,417,791
Sewer System	2,791,046	2,888,193
Equipment	458,776	446,474
	7,153,573	7,335,565
Less Accumulated Depreciation	2,562,770	2,360,905
Net Property, Plant and Equipment	4,590,803	4,974,660
TOTAL NONCURRENT ASSETS	5,034,663	5,721,525
TOTAL ASSETS	5,842,010	6,293,540

CITY OF FRUITLAND PARK, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF NET POSITION (continued)
SEPTEMBER 30, 2014 AND 2013

	2014	2013
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	$ 9,843	$ 33,205
Accrued Payroll	7,355	5,336
Customer Deposits	117,515	110,140
State Revolving Fund Loans:		
Accrued Interest Payable	4,450	4,777
Current Portion	103,026	100,408
FDOT Note Current Portion	14,186	-
Vacation Leave Payable	13,221	8,443
TOTAL CURRENT LIABILITIES	269,596	262,309
NONCURRENT LIABILITIES		
VACATION LEAVE PAYABLE	1,819	835
SRF LOANS PAYABLE:		
Preconstruction	144,957	156,434
Construction	1,113,315	1,204,864
Total SRF Loans Payable	1,258,272	1,361,298
FDOT NOTE PAYABLE	411,402	619,882
TOTAL LIABILITIES	1,941,089	2,244,324
NET POSITION		
Net Investment in Capital Assets	3,014,579	3,160,882
Restricted for Utility Capital Improvements	187,846	442,989
Restricted for Debt Service	64,384	64,057
Unrestricted	634,112	381,288
TOTAL NET POSITION	$ 3,900,921	$ 4,049,216

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

CITY OF FRUITLAND PARK, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
OPERATING REVENUES:		
Water Sales	$ 530,905	$ 539,386
Sewer Revenue	103,969	100,462
Connection Fees	9,684	4,882
Septic Decommission Fees	4,800	9,148
Other Operating Revenues	59,349	63,668
TOTAL OPERATING REVENUES	708,707	717,546
OPERATING EXPENSES:		
Personal Services	327,910	353,619
Depreciation	208,420	205,334
Contractual Services	72,852	66,170
Utilities	53,396	52,496
Operating Supplies and Fuel	48,525	50,354
Consumptive Use Permit	40,599	36,650
Insurance	22,911	16,735
Repairs and Maintenance	29,925	15,558
Engineering and Professional Fees	8,795	14,105
Bad Debt Expense	1,020	3,150
Other Operating Expenses	23,909	23,179
TOTAL OPERATING EXPENSES	838,262	837,350
OPERATING LOSS	(129,555)	(119,804)
NONOPERATING REVENUES (EXPENSES):		
Interest Income	2,939	3,868
Increase (Decrease) in Fair Value of Investments	(4,472)	8,230
Sewer Claim Proceeds	-	224,120
Interest Expense	(36,933)	(39,493)
Debt Issuance Costs	(2,371)	(2,371)
Loss on Asset Disposition	-	(197,369)
TOTAL NONOPERATING REVENUES (EXPENSES)	(40,837)	(3,015)
LOSS BEFORE CAPITAL CONTRIBUTIONS	(170,392)	(122,819)
CAPITAL CONTRIBUTIONS:		
Water Impact Fees	13,997	5,910
Sewer Impact Fees	8,100	18,480
CHANGE IN NET POSITION	(148,295)	(98,429)
TOTAL NET POSITION, Beginning of Year	4,049,216	4,147,645
TOTAL NET POSITION, End of Year	$ 3,900,921	$ 4,049,216

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

CITY OF FRUITLAND PARK, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS SEPTEMBER 30, 2014 AND 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	$ 729,455	$ 731,375
Cash payments to suppliers for goods and services	(295,800)	(215,166)
Cash payments to employees for services	(320,129)	(354,898)
NET CASH PROVIDED BY OPERATING ACTIVITIES	113,526	161,311
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Advances (repayments) from General Fund	-	(258,040)
NET CASH USED IN NONCAPITAL FINANCING ACTIVITIES	-	(258,040)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING: ACTIVITIES:		
Water and Sewer Impact Fees received	22,097	26,382
SRF Loan principal repayments	(100,408)	(97,856)
SRF Loan interest paid	(37,260)	(39,813)
Sewer System claim proceeds	-	224,120
Purchase of Equipment	(18,857)	(16,648)
NET CASH PROVIED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	(134,428)	96,185
CASH FLOWS FROM INVESTING ACTIVITIES:		
State Board Fund B pool investment	33,717	39,933
Interest received on investments	2,939	3,868
NET CASH PROVIDED BY INVESTING ACTIVITIES	36,656	43,801
NET INCREASE IN CASH	15,754	43,257
CASH, Beginning of Year	634,926	591,669
CASH, End of Year	$ 650,680	$ 634,926
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Loss	$ (129,555)	$ (119,804)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and Amortization	243,050	239,964
Changes in Assets and Liabilities:		
Decrease in Customer Receivables	13,373	5,329
Increase in Inventory	(2,790)	(188)
Increase in Prepaid Items	(2,346)	-
Increase (Decrease) in Accounts Payable	(23,362)	28,789
Increase (Decrease) in Accrued Payroll	2,019	(1,299)
Increase in Customer Deposits	7,375	8,500
Increase in Vacation Leave Payable	5,762	20
	$ 113,526	$ 161,311
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:		
FDOT Note adjustment	$ 194,294	$ -

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

CITY OF FRUITLAND PARK, FLORIDA
RECREATION PROGRAMS FUND
COMPARATIVE STATEMENTS OF NET POSITION
SEPTEMBER 30, 2014 AND 2013

	2014	2013
ASSETS		
CURRENT ASSETS		
Cash	$ 14,863	$ 17,288
TOTAL ASSETS	14,863	17,288
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	539	2,027
TOTAL LIABILITIES	539	2,027
NET POSITION		
Unrestricted	14,324	15,261
TOTAL NET POSITION	$ 14,324	$ 15,261

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

CITY OF FRUITLAND PARK, FLORIDA
RECREATION PROGRAMS FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014
With comparative actual amounts for the year ended September 30, 2013

	2014			
	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	2013 ACTUAL
OPERATING REVENUES:				
Adult Softball Fees	$ 27,761	$ 29,670	$ 1,909	$ 23,280
Soccer Fees	4,850	6,230	1,380	6,205
T Ball Fees	2,500	2,175	(325)	2,775
Summer Camp	5,750	1,800	(3,950)	3,550
5K Event	6,250	6,797	547	3,715
Other Revenue	2,170	453	(1,717)	895
TOTAL OPERATING REVENUES	49,281	47,125	(2,156)	40,420
OPERATING EXPENSES:				
Softball Program	19,498	22,590	(3,092)	18,040
Soccer Program	3,640	6,244	(2,604)	4,395
T Ball Program	3,780	839	2,941	1,498
Summer Camp	4,150	25	4,125	2,028
5K Event	3,400	7,239	(3,839)	2,689
Baseball	2,372	-	2,372	-
Other Expenses	1,700	407	1,293	513
TOTAL OPERATING EXPENSES	38,540	37,344	1,196	29,163
OPERATING INCOME	10,741	9,781	(960)	11,257
NONOPERATING INCOME:				
Interest Income	-	23	23	23
INCOME BEFORE TRANSFERS	10,741	9,804	(937)	11,280
TRANSFERS OUT TO GENERAL FUND	(10,741)	(10,741)	-	(6,996)
CHANGE IN NET POSITION	-	(937)	(937)	4,284
NET POSITION, Beginning of Year	15,261	15,261	-	10,977
NET POSITION, End of Year	$ 15,261	$ 14,324	$ (937)	$ 15,261

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

CITY OF FRUITLAND PARK, FLORIDA
RECREATION PROGRAMS FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from program participants	$ 47,125	$ 40,420
Cash payments to suppliers for goods and services	(38,832)	(28,048)
NET CASH PROVIDED BY OPERATING ACTIVITIES	8,293	12,372
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers out to General Fund	(10,741)	(6,996)
NET CASH USED IN NONCAPITAL FINANCING ACTIVITIES	(10,741)	(6,996)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received on cash investments	23	23
NET CASH PROVIDED BY INVESTING ACTIVITIES	23	23
NET INCREASE (DECREASE) IN CASH	(2,425)	5,399
CASH, Beginning of Year	17,288	11,889
CASH, End of Year	$ 14,863	$ 17,288
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Income	$ 9,781	$ 11,257
Changes in Assets and Liabilities:		
Increase (Decrease) in Accounts Payable	(1,488)	1,115
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 8,293	$ 12,372

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

UTILITY FUND
SCHEDULE OF BUDGETARY COMPLIANCE

The City Commission adopted budget resolutions for all governmental and proprietary funds. The budget for the Utility Fund is adopted on an accounting basis other than in accordance with generally accepted accounting principles (GAAP). The following schedule is presented to report legal compliance with the City's budget resolutions.

CITY OF FRUITLAND PARK, FLORIDA
UTILITY FUND
SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL (BASIS OTHER THAN GAAP)
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:			
Sale of Water	$ 540,300	$ 530,905	$ (9,395)
Installation of Meters/Connections	5,100	9,684	4,584
Other Revenues	57,000	59,349	2,349
Sewer Revenue	89,000	103,969	14,969
Sewer Decommission	5,600	4,800	(800)
Interest Earnings	3,600	2,939	(661)
Change in Fair Value of Investments	11,000	(4,472)	(15,472)
Water Impact Fees	4,000	13,997	9,997
Sewer Impact Fees	6,000	8,100	2,100
TOTAL REVENUES	721,600	729,271	7,671
EXPENSES:			
Water Utility Services:			
Personal Services	403,239	327,910	75,329
Operating Expenses	217,103	201,294	15,809
Bad Debt Expense	750	1,020	(270)
Sewer Utility Services:			
Operating Expenses	54,786	59,019	(4,233)
Consumptive Use Permit	10,000	40,599	(30,599)
Equipment Purchases - Water	4,364	8,095	(3,731)
Equipment Purchases - Sewer	31,650	10,762	20,888
Sewer Contingency	15,050	-	15,050
Debt Service Payments	137,668	137,668	-
Transfer out to General Fund	120,000	-	120,000
TOTAL EXPENSES	994,610	786,367	208,243
DEFICIENCY OF REVENUES UNDER EXPENSES	$ (273,010)	$ (57,096)	$ 215,914

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

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL ACTIVITIES

CITY OF FRUITLAND PARK, FLORIDA
COMPARATIVE SCHEDULES OF CAPITAL ASSETS
USED IN GOVERNMENTAL ACTIVITIES - BY SOURCE
SEPTEMBER 30, 2014 AND 2013

	2014	2013
CAPITAL ASSETS:		
Land	$ 1,105,823	$ 962,718
Buildings	2,590,160	2,590,160
Improvements other than Buildings	749,068	764,143
Equipment	1,750,399	1,752,111
Infrastructure	681,226	681,226
TOTAL CAPITAL ASSETS	$ 6,876,676	$ 6,750,358
INVESTMENT IN CAPITAL ASSETS FROM:		
Federal Grants	$ 246,816	$ 246,816
State and Local Grants	881,419	881,419
Infrastructure Surtaxes	3,160,659	2,978,201
Redevelopment Taxes	1,391,764	1,391,764
Gifts	80,828	80,828
Special Assessments	22,320	22,320
General Fund	1,092,870	1,149,010
TOTAL INVESTMENT IN CAPITAL ASSETS	$ 6,876,676	$ 6,750,358

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

CITY OF FRUITLAND PARK, FLORIDA
SCHEDULE OF CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES
BY FUNCTION AND ACTIVITY
SEPTEMBER 30, 2014

FUNCTION AND ACTIVITY	TOTAL	LAND	BUILDINGS	IMPROVEMENTS OTHER THAN BUILDINGS	EQUIPMENT	INFRA-STRUCTURE
GENERAL GOVERNMENT:						
Legislative	$ 1,879,203	$ 419,578	$ 1,379,290	$ 16,753	$ 63,582	$ -
Executive	40,825	15,000	-	-	25,825	-
Finance	37,665	-	-	-	37,665	-
Other General Government	554,668	428,081	94,931	24,438	7,218	-
TOTAL GENERAL GOVERNMENT	2,512,361	862,659	1,474,221	41,191	134,290	-
PUBLIC SAFETY:						
Police Department	770,635	-	-	150	770,485	-
Fire Department	588,171	1,000	74,381	2,425	510,365	-
Building Inspections	13,933	-	-	-	13,933	-
TOTAL PUBLIC SAFETY	1,372,739	1,000	74,381	2,575	1,294,783	-
TRANSPORTATION:						
Roads and Streets	849,726	-	4,709	-	163,791	681,226
CULTURE AND RECREATION:						
Library	792,485	41,355	698,834	-	52,296	-
Municipal Pool	274,965	-	143,356	118,853	12,756	-
Recreation Facilities	1,074,400	200,809	194,659	586,449	92,483	-
TOTAL CULTURE AND RECREATION	2,141,850	242,164	1,036,849	705,302	157,535	-
TOTAL CAPITAL ASSETS	$ 6,876,676	$ 1,105,823	$ 2,590,160	$ 749,068	$ 1,750,399	$ 681,226

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

CITY OF FRUITLAND PARK, FLORIDA
SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN
GOVERNMENTAL ACTIVITIES - BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED SEPTEMBER 30, 2014

FUNCTION AND ACTIVITY	CAPITAL ASSETS 10/1/2013	ADDITIONS	TRANSFERS/ DELETIONS	CAPITAL ASSETS 9/30/2014
GENERAL GOVERNMENT:				
Legislative	$ 1,879,203	$ -	$ -	$ 1,879,203
Executive	44,423	1,554	(5,152)	40,825
Finance	42,479	-	(4,814)	37,665
Other General Government	555,916	-	(1,248)	554,668
TOTAL GENERAL GOVERNMENT	2,522,021	1,554	(11,214)	2,512,361
PUBLIC SAFETY:				
Police Department	732,416	85,935	(47,716)	770,635
Fire Department	613,019	4,072	(28,920)	588,171
Building Inspections	13,878	1,671	(1,616)	13,933
TOTAL PUBLIC SAFETY	1,359,313	91,678	(78,252)	1,372,739
TRANSPORTATION:				
Roads and Streets	847,508	2,218	-	849,726
CULTURE AND RECREATION:				
Library	751,130	41,355	-	792,485
Municipal Pool	271,390	3,575	-	274,965
Recreation Facilities	998,996	115,378	(39,974)	1,074,400
TOTAL CULTURE AND RECREATION	2,021,516	160,308	(39,974)	2,141,850
TOTAL CAPITAL ASSETS	$ 6,750,358	$ 255,758	$ (129,440)	$ 6,876,676

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

STATISTICAL SECTION

STATISTICAL SECTION

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

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Financial Trends

These schedules contain trend information to help the reader understand how the City financial performance and well-being changed over time. 84-94

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant revenue source, the property tax. 95-98

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and ability to issue additional debt in the future. 99-102

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. 103-105

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. 106-108

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

The City implemented GASB Statement 34 in fiscal year 2004; schedules presenting government-wide information include information beginning in that year.

The City implemented GASB Statement 44 in fiscal year 2006; schedules presenting demographic, operating, and capital asset statistics include information beginning in that year.

CITY OF FRUITLAND PARK, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	$ 2,205,735	$ 2,236,620	$ 2,770,028	$ 3,115,183
Restricted for:				
Capital Improvements	245,637	394,978	454,785	442,765
Redevelopment Projects	293,918	474,701	799,763	1,005,215
Cemetery Care	90,735	95,145	105,807	109,577
Police	59,914	70,235	105,744	137,015
Building Inspections	-	67,910	41,843	42,285
Library	1,664	1,664	-	-
Stormwater	-	12,532	32,051	45,747
Police/Fire Fee Refunds	-	-	-	-
Unrestricted	1,145,548	1,492,180	1,116,382	846,324
Total Governmental Activities Net Position	$ 4,043,151	$ 4,845,965	$ 5,426,403	$ 5,744,111
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	$ 2,811,240	$ 2,666,774	$ 3,086,299	$ 3,029,311
Restricted for:				
Capital Improvements	-	730,630	907,847	707,438
Debt Service	3,495	76,884	85,234	85,425
Unrestricted	253,638	599,515	425,731	683,030
Total Business-type Activities Net Position	$ 3,068,373	$ 4,073,803	$ 4,505,111	$ 4,505,204
CITY OF FRUITLAND PARK				
Net Investment in Capital Assets	$ 5,016,975	$ 4,903,394	$ 5,856,327	$ 6,144,494
Restricted for:				
Capital Improvements	245,637	1,125,608	1,362,632	1,150,203
Redevelopment Projects	293,918	474,701	799,763	1,005,215
Cemetery Care	90,735	95,145	105,807	109,577
Debt Service	3,495	76,884	85,234	85,425
Police	59,914	70,235	105,744	137,015
Building Inspections	-	67,910	41,843	42,285
Library	1,664	1,664	-	-
Stormwater	-	12,532	32,051	45,747
Stormwater	-	-	-	-
Unrestricted	1,399,186	2,091,695	1,542,113	1,529,354
Total City of Fruitland Park Net Position	$ 7,111,524	$ 8,919,768	$ 9,931,514	$ 10,249,315

Note: This schedule reports trend information for all years beginning with the year the City implemented GASB 34.

Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
$ 3,525,988	$ 3,736,577	$ 3,747,502	$ 3,761,497	$ 3,770,300	$ 3,780,058
732,823	511,486	628,116	686,753	784,445	930,676
726,864	697,955	311,594	319,799	374,440	366,424
112,567	115,772	120,692	122,232	134,322	142,522
117,514	111,709	105,589	61,397	37,188	32,366
-	-	-	-	-	-
-	-	-	-	-	-
59,105	72,005	81,447	112,695	147,323	176,947
-	-	-	-	-	130,379
822,357	782,582	855,281	884,922	420,112	207,620
$ 6,097,218	$ 6,028,086	$ 5,850,221	$ 5,949,295	$ 5,668,130	$ 5,766,992
$ 2,937,548	$ 3,227,368	$ 3,256,788	$ 3,483,711	$ 3,160,882	$ 3,014,579
607,025	498,407	596,573	417,745	442,989	187,846
62,827	63,122	63,426	63,737	64,057	64,384
578,696	212,765	83,781	193,429	396,549	648,436
$ 4,186,096	$ 4,001,662	$ 4,000,568	$ 4,158,622	$ 4,064,477	$ 3,915,245
$ 6,463,536	$ 6,963,945	$ 7,004,290	$ 7,245,208	$ 6,931,182	$ 6,794,637
1,339,848	1,009,893	1,224,689	1,104,498	1,227,434	1,118,522
726,864	697,955	311,594	319,799	374,440	366,424
112,567	115,772	120,692	122,232	134,322	142,522
62,827	63,122	63,426	63,737	64,057	64,384
117,514	111,709	105,589	61,397	37,188	32,366
-	-	-	-	-	-
-	-	-	-	-	-
59,105	72,005	81,447	112,695	147,323	176,947
-	-	-	-	-	130,379
1,401,053	995,347	939,062	1,078,351	816,661	856,056
$ 10,283,314	$ 10,029,748	$ 9,850,789	$ 10,107,917	$ 9,732,607	$ 9,682,237

CITY OF FRUITLAND PARK, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008
EXPENSES				
Governmental Activities:				
General Government	$ 649,104	$ 724,409	$ 821,081	$ 973,800
Public Safety	923,960	1,142,069	1,258,599	1,536,379
Transportation	255,346	284,642	337,899	433,573
Sanitation/Other Utility	347,233	372,582	401,062	457,451
Culture and Recreation	412,294	448,416	547,970	604,994
Interest on Long-term Debt	34,175	40,783	32,105	28,174
Total Governmental Activities Expenses	2,622,112	3,012,901	3,398,716	4,034,371
Business-Type Activities:				
Water Utility	280,670	326,229	325,603	459,317
Sewer Utility	-	48,083	161,796	241,167
Recreation Programs	11,217	11,585	13,172	15,618
Total Business-Type Activities Expenses	291,887	385,897	500,571	716,102
Total Expenses	$ 2,913,999	$ 3,398,798	$ 3,899,287	$ 4,750,473
PROGRAM REVENUES				
Governmental Activities:				
Charges for Services:				
General Government	$ 92,918	$ 112,514	$ 111,499	$ 104,056
Public Safety	338,249	514,812	407,780	501,731
Transportation	-	-	-	-
Sanitation/Other Utility	408,708	434,975	472,207	483,985
Culture and Recreation	17,987	22,396	25,673	28,062
Operating Grants and Contributions	131,452	114,067	100,991	131,451
Capital Grants and Contributions	97,550	105,997	108,032	103,175
Total Governmental Activities Program Revenues	1,086,864	1,304,761	1,226,182	1,352,460
Business-Type Activities:				
Charges for Services:				
Water Utility	468,381	625,598	600,677	643,694
Sewer Utility	-	-	21,226	67,516
Recreation Programs	15,927	17,866	12,748	20,480
Operating Grants and Contributions	-	-	750	-
Capital Grants and Contributions	35,000	815,384	346,725	121,887
Total Business-Type Activities Program Revenues	519,308	1,458,848	982,126	853,577
Total Program Revenues	$ 1,606,172	$ 2,763,609	$ 2,208,308	$ 2,206,037
NET REVENUE (EXPENSE)				
Governmental Activities	$ (1,535,248)	$ (1,708,140)	$ (2,172,534)	$ (2,681,911)
Business-Type Activities	227,421	1,072,951	481,555	137,475
Total Net Expense	$ (1,307,827)	$ (635,189)	$ (1,690,979)	$ (2,544,436)

Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
$ 864,658	$ 872,323	$ 1,113,962	$ 821,330	$ 1,265,453	$ 737,827
1,326,793	1,550,621	1,411,552	1,460,689	1,347,613	1,672,643
362,253	366,990	426,154	707,159	342,471	363,034
454,723	448,014	429,297	780,765	450,306	471,391
595,253	558,258	526,532	488,131	484,525	515,382
22,766	17,495	11,973	6,249	1,870	170
3,626,446	3,813,701	3,919,470	4,264,323	3,892,238	3,760,447
482,437	649,113	572,667	599,304	744,457	673,008
322,279	364,080	277,985	209,103	332,126	204,558
22,645	18,899	18,490	28,308	29,163	37,344
827,361	1,032,092	869,142	836,715	1,105,746	914,910
$ 4,453,807	$ 4,845,793	$ 4,788,612	$ 5,101,038	$ 4,997,984	$ 4,675,357
$ 45,695	$ 50,483	$ 62,532	$ 45,703	$ 70,305	$ 361,584
242,303	318,461	287,375	293,282	276,568	134,130
-	-	-	2,335	-	1,431
494,231	488,063	486,420	504,210	538,537	553,905
27,793	30,475	35,302	33,179	30,282	31,387
108,020	100,267	89,210	80,987	76,471	77,493
78,277	91,892	49,133	681,142	26,576	19,653
996,319	1,079,641	1,009,972	1,640,838	1,018,739	1,179,583
569,723	542,438	588,343	645,894	598,184	590,322
75,381	104,851	117,859	109,829	343,482	118,385
22,726	22,200	27,665	34,855	40,420	47,125
-	-	-	-	-	-
37,254	45,492	235,835	386,625	24,390	22,097
705,084	714,981	969,702	1,177,203	1,006,476	777,929
$ 1,701,403	$ 1,794,622	$ 1,979,674	$ 2,818,041	$ 2,025,215	$ 1,957,512
$ (2,630,127)	$ (2,734,060)	$ (2,909,498)	$ (2,623,485)	$ (2,873,499)	$ (2,580,864)
(122,277)	(317,111)	100,560	340,488	(99,270)	(136,981)
$ (2,752,404)	$ (3,051,171)	$ (2,808,938)	$ (2,282,997)	$ (2,972,769)	$ (2,717,845)

Continued on Next Page

CITY OF FRUITLAND PARK, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008
GENERAL REVENUES AND TRANSFERS				
Governmental Activities:				
Property Taxes	$ 502,067	$ 658,866	$ 864,129	$ 1,133,802
Sales Taxes	528,069	579,235	529,045	499,811
Franchise and Utility Taxes	688,498	794,327	827,658	869,774
Excise Taxes	263,044	267,294	266,616	254,467
Unrestricted Investment Earnings	45,082	110,232	140,524	86,555
Gain on Sale of Capital Assets	-	-	-	1,346
Transfers	65,000	101,000	125,000	153,864
Total Governmental Activities	2,091,760	2,510,954	2,752,972	2,999,619
Business-Type Activities:				
Unrestricted Investment Earnings	6,183	33,479	74,753	16,482
Transfers	(65,000)	(101,000)	(125,000)	(153,864)
Total Business-Type Activities	(58,817)	(67,521)	(50,247)	(137,382)
Total General Revenues and Transfers	$ 2,032,943	$ 2,443,433	$ 2,702,725	$ 2,862,237
CHANGE IN NET POSITION				
Governmental Activities	$ 556,512	$ 802,814	$ 580,438	$ 317,708
Business-Type Activities	168,604	1,005,430	431,308	93
Total Change in Net Position	$ 725,116	$ 1,808,244	$ 1,011,746	$ 317,801

Note: This schedule reports trend information for all years beginning with the year the City implemented GASB 34.

Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
$ 1,087,169	$ 1,045,330	$ 910,495	$ 812,503	$ 818,830	$ 824,299
467,231	471,136	495,503	522,526	531,599	574,586
927,619	957,318	918,839	899,013	961,164	969,683
264,612	256,671	262,152	272,538	269,926	285,106
51,403	26,994	22,626	9,474	3,819	3,506
-	-	5,964	-	-	11,805
185,200	(92,521)	116,054	206,505	6,996	10,741
2,983,234	2,664,928	2,731,633	2,722,559	2,592,334	2,679,726
(11,631)	40,156	14,400	24,071	12,121	(1,510)
(185,200)	92,521	(116,054)	(206,505)	(6,996)	(10,741)
(196,831)	132,677	(101,654)	(182,434)	5,125	(12,251)
$ 2,786,403	$ 2,797,605	$ 2,629,979	$ 2,540,125	$ 2,597,459	$ 2,667,475
$ 353,107	$ (69,132)	$ (177,865)	$ 99,074	$ (281,165)	$ 98,862
(319,108)	(184,434)	(1,094)	158,054	(94,145)	(149,232)
$ 33,999	$ (253,566)	$ (178,959)	$ 257,128	$ (375,310)	$ (50,370)

CITY OF FRUITLAND PARK
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	2005	2006	2007	2008
GENERAL FUND				
Nonspendable	$ -	$ -	$ -	$ -
Restricted	-	-	-	-
Reserved	152,313	247,486	285,445	336,044
Committed	-	-	-	-
Unreserved	1,037,161	1,380,714	999,638	705,256
Unassigned	-	-	-	-
Total General Fund	$1,189,474	$1,628,200	$1,285,083	$1,041,300
ALL OTHER GOVERNMENTAL FUNDS				
Restricted	$ -	$ -	$ -	$ -
Reserved	539,555	869,679	1,254,548	1,446,560
Unreserved, reported in:				
Special revenue funds	7,149	16,836	27,184	37,275
Capital projects funds	32,376	111,973	150,733	159,442
Total all other governmental funds	$ 579,080	$ 998,488	$1,432,465	$1,643,277

Note: The City implemented GASB 54 in 2011.

2009	2010	2011	2012	2013	2014
$ -	$ -	$ 25,345	$ 24,325	$ 4,143	$ 2,831
-	-	366,630	246,497	244,068	389,278
555,561	607,249	-	-	-	-
-	-	202,139	234,927	281,645	319,469
674,625	766,608	-	-	-	-
-	-	851,850	896,002	979,316	168,941
$1,230,186	$1,373,857	$1,445,964	$1,401,751	$1,509,172	$ 880,519
$ -	$ -	$ 678,669	$ 821,452	$ 952,005	$1,070,567
1,220,279	950,568	-	-	-	-
18,132	-	-	-	-	-
161,189	-	-	-	-	-
$1,399,600	$ 950,568	$ 678,669	$ 821,452	$ 952,005	$1,070,567

CITY OF FRUITLAND PARK
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	2005	2006	2007	2008
REVENUES				
Taxes	$1,491,154	$1,760,394	$1,952,017	$2,164,168
Licenses and Permits	222,622	348,455	197,628	247,769
Intergovernmental Revenues	711,126	778,616	826,703	915,975
Charges for Services	456,927	500,752	525,949	540,892
Fines and Forfeitures	129,820	166,530	239,822	265,358
Investment Earnings	45,082	110,232	140,524	86,555
Miscellaneous	61,141	126,900	128,463	176,516
Total Revenues	3,117,872	3,791,879	4,011,106	4,397,233
EXPENDITURES				
General Government	613,061	676,348	888,340	1,143,641
Public Safety	893,853	1,283,673	1,257,098	1,523,693
Transportation	262,746	276,732	354,767	416,641
Sanitation/Other Utility	347,233	372,582	401,062	457,451
Culture and Recreation	367,407	382,016	484,968	536,252
Capital Outlay	90,581	68,012	490,989	355,977
Debt Service:				
Principal	121,702	130,973	132,634	142,461
Interest	37,074	37,050	35,388	30,468
Total Expenditures	2,733,657	3,227,386	4,045,246	4,606,584
Excess (Deficiency) of Revenues over (under) Expenditures	384,215	564,493	(34,140)	(209,351)
OTHER FINANCING SOURCES (USES)				
Capital Lease Financing	-	192,641	-	21,170
Transfers in	166,337	173,523	256,768	291,306
Transfers out	(101,337)	(72,523)	(131,768)	(137,442)
Sale of Capital Assets	-	-	-	1,346
Total Other Financing Sources (Uses)	65,000	293,641	125,000	176,380
Net Change in Fund Balances	$ 449,215	$ 858,134	$ 90,860	$ (32,971)
Debt service as a percentage of noncapital expenditures	6.4%	5.6%	5.1%	4.2%

2009	2010	2011	2012	2013	2014
$2,219,177	$2,240,183	$2,131,406	$2,041,898	$2,118,727	$2,162,243
35,244	50,576	22,681	31,890	41,446	47,558
855,926	807,693	671,529	1,317,217	634,722	656,207
532,335	615,395	680,152	738,772	773,687	683,389
203,153	176,977	109,903	81,118	58,885	38,522
51,403	26,994	22,626	9,474	3,819	3,821
55,929	52,313	67,472	45,861	70,699	332,306
3,953,167	3,970,131	3,705,769	4,266,230	3,701,985	3,924,046
1,006,079	965,583	1,175,409	864,126	790,364	1,315,865
1,353,010	1,421,232	1,317,661	1,453,169	1,394,174	1,651,946
344,005	337,216	394,143	246,107	265,763	332,345
454,723	448,014	429,297	421,815	450,306	471,391
518,319	504,703	456,868	425,421	431,473	456,471
344,082	348,022	96,010	805,324	19,624	228,495
146,263	137,074	142,435	148,014	117,300	-
26,677	21,127	15,756	10,189	4,422	170
4,193,158	4,182,971	4,027,579	4,374,165	3,473,426	4,456,683
(239,991)	(212,840)	(321,810)	(107,935)	228,559	(532,637)
-	-	-	-	-	-
701,875	434,607	359,406	336,866	66,936	60,633
(516,675)	(527,128)	(243,352)	(130,361)	(59,940)	(49,892)
-	-	5,964	-	2,419	11,805
185,200	(92,521)	122,018	206,505	9,415	22,546
$ (54,791)	$ (305,361)	$ (199,792)	$ 98,570	$ 237,974	$ (510,091)
4.7%	4.3%	4.2%	4.4%	3.7%	0.0%

CITY OF FRUITLAND PARK, FLORIDA
GENERAL GOVERNMENT TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

Fiscal Year	Property Taxes	Infra-structure Sales Surtax	Excise Tax	Franchise Fees	Utility Taxes	Communications Services Tax	Total Taxes
2005	$ 377,984	$ 323,797	$ 100,875	$ 274,300	$ 256,871	$ 157,327	$ 1,491,154
2006	498,241	363,227	104,599	330,041	280,321	183,965	1,760,394
2007	687,148	331,153	106,058	345,392	309,861	172,405	1,952,017
2008	876,669	313,664	104,061	388,272	328,890	152,612	2,164,168
2009	867,272	301,985	122,301	417,139	350,540	159,940	2,219,177
2010	871,530	296,393	114,942	414,864	377,853	164,601	2,240,183
2011	780,427	314,320	117,820	389,291	376,196	153,352	2,131,406
2012	698,287	328,648	115,950	346,938	361,385	190,690	2,041,898
2013	716,857	328,366	112,340	370,066	369,685	221,413	2,118,727
2014	719,536	353,896	119,128	389,734	383,864	196,085	2,162,243

CITY OF FRUITLAND PARK, FLORIDA
ESTIMATED JUST VALUE AND TAXABLE (ASSESSED) VALUE OF PROPERTY
LAST TEN FISCAL YEARS

	REAL PROPERTY		PERSONAL PROPERTY		TOTAL			
FISCAL YEAR	ESTIMATED JUST VALUE	TAXABLE VALUE	ESTIMATED JUST VALUE	TAXABLE VALUE	ESTIMATED JUST VALUE	TAXABLE VALUE	DIRECT TAX RATE	TAXABLE VALUE PERCENTAGE OF JUST VALUE
2005	$ 135,911,909	$ 92,292,023	$ 9,680,678	$ 7,903,447	$ 145,592,587	$ 100,195,470	3.89	68.82%
2006	153,933,598	108,770,742	9,877,594	8,121,282	163,811,192	116,892,024	4.39	71.36%
2007	215,124,077	152,967,325	10,028,294	8,266,214	225,152,371	161,233,539	4.39	71.61%
2008	278,220,681	209,424,410	10,603,907	8,833,218	288,824,588	218,257,628	4.14	75.57%
2009	287,912,447	202,464,548	11,777,264	7,663,663	299,689,711	210,128,211	4.36	70.11%
2010	268,807,843	190,360,656	11,984,667	7,989,575	280,792,510	198,350,231	4.36	70.64%
2011	245,295,181	174,746,180	11,527,662	7,542,665	256,822,843	182,288,845	4.36	70.98%
2012	222,183,352	158,742,662	11,351,352	7,201,748	233,534,704	165,944,410	4.328	71.06%
2013	N/A	151,764,456	N/A	6,414,330	N/A	158,178,786	4.644	N/A
2014	209,221,512	149,143,487	10,454,094	6,477,414	219,675,606	155,620,901	4.737	70.84%

Source-Lake County Property Appraiser's Office

The property appraiser is required to physically inspect the property at least once every 5 years. Homesteaded property is reassessed annually on January 1. Any change resulting from such reassessment shall not exceed the lower of 3% of the prior year's assessed value or the percentage change in percentage change in the Consumer Price Index for All Urban Consumers, U.S. City Average, all items 1967=100, or sucessor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics.

The estimated just value is adjusted down to the taxable value due to governmental exemptions, widows/widowers exemption, disability/blind exemption, institutional exemption for charitable, religious, scientific, literary and educational, $25,000 homestead exemption, additional $25,000 homestead expemption age 65 and older and the homestead assessment differential (just value minus capped value).

CITY OF FRUITLAND PARK, FLORIDA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
PER $1,000 OF ASSESSED VALUE
LAST TEN FISCAL YEARS

		OVERLAPPING RATES						
Fiscal Year	City Direct Rate	County School District	Lake County	Water Conservation Authority	Water Management District	Ambulance District	Hospital District	Total Taxes
2005	3.890	7.990	5.817	0.383	0.462	0.529	1.000	20.071
2006	4.390	7.981	5.797	0.337	0.462	0.529	1.000	20.496
2007	4.390	7.648	5.947	0.253	0.462	0.529	1.000	20.229
2008	4.140	7.698	4.941	0.213	0.416	0.465	1.000	18.873
2009	4.360	7.517	4.761	0.213	0.416	0.465	1.000	18.732
2010	4.360	7.532	4.761	0.213	0.416	0.465	1.000	18.747
2011	4.360	7.523	4.841	0.241	0.416	0.385	1.000	18.766
2012	4.328	7.394	4.841	0.241	0.331	0.385	1.000	18.521
2013	4.644	7.320	4.921	0.256	0.331	0.385	1.000	18.857
2014	4.737	7.170	4.921	0.256	0.328	0.385	1.000	18.797

Source - Lake County Property Appraiser

Florida Statutes permit municipalities to levy property taxes up to 10 mills. The City's direct rate does not have any separate components.

Overlapping rates are those of county and local governments that apply to property owners within the City of Fruitland Park.

CITY OF FRUITLAND PARK, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
SEPTEMBER 30, 2014
CURRENT YEAR COMPARED TO NINE YEARS AGO

	Fiscal Year 2014		Fiscal Year 2005	
Taxpayer	Taxable Assessed Valuation	Percentage of Total Assessed Valuation	Taxable Assessed Valuation	Percentage of Total Assessed Valuation
Fruitland Park LLC - L & R Prop	$ 3,813,295	2.45%	$ -	
Southern Spring Lake Cove LLC	3,347,090	2.15%	-	
FWB Investment Ltd	1,945,317	1.25%	2,211,878	2.21%
Wal-Mart Stores East LP	1,786,218	1.15%	2,109,913	2.11%
CRC Properties Inc	1,688,931	1.09%	-	
Etheredge Limited Partnership	1,608,445	1.03%	1,586,193	1.58%
Armentano Enterprises Inc	1,571,003	1.01%	-	
Larry M Phillips, Trustee	1,525,363	0.98%	1,435,285	1.43%
FP Property LLC	1,373,396	0.88%	-	
Chelsea Run Builders	1,153,620	0.74%	-	
Highland Associates	-		2,135,513	2.13%
Robert D & Leane E Rhodes	-		1,587,422	1.58%
Sprint-Florida Inc	-		1,576,687	1.57%
Fruitland Acres Limited	-		1,095,669	1.09%
C I Leesburg LLC	-		894,063	0.89%
Carl A. & Carol Denise Munn	-		861,173	0.86%
	$ 19,812,678	12.73%	$ 15,493,796	15.46%
TOTAL TAXABLE ASSESSED VALUATION	$ 155,620,901		$ 100,195,470	

Source - Lake County Property Appraiser

CITY OF FRUITLAND PARK, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
2005	$ 389,760	$ 377,409	96.8%	$ 575	$ 377,984	97.0%
2006	513,156	496,358	96.7%	1,883	498,241	97.1%
2007	707,815	686,563	97.0%	585	687,148	97.1%
2008	903,587	874,560	96.8%	2,109	876,669	97.0%
2009	916,159	863,272	94.2%	4,000	867,272	94.7%
2010	864,807	841,298	97.3%	30,232	871,530	100.8%
2011	794,779	773,372	97.3%	7,055	780,427	98.2%
2012	718,057	697,391	97.1%	896	698,287	97.2%
2013	734,614	714,578	97.3%	2,279	716,857	97.6%
2014	737,192	716,402	97.2%	3,134	719,536	97.6%

See **Note 12** for discounts allowed for early payment of property taxes.

CITY OF FRUITLAND PARK, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES			
Fiscal Year	Revenue Note	Capital Leases	Loans Payable	Total Primary Government	Percentage of Personal Income	Per Capita
2005	$ 828,423	$ 54,920	$ 854,311	$ 1,737,654	N/A	$ 502
2006	737,647	207,364	1,957,244	2,902,255	4.13%	800
2007	643,486	168,891	1,845,975	2,658,352	3.70%	694
2008	545,812	145,274	1,927,135	2,618,221	3.66%	684
2009	444,495	100,328	1,838,463	2,383,286	3.34%	599
2010	339,399	68,350	1,747,878	2,155,627	2.49%	522
2011	230,383	34,931	1,654,931	1,920,245	2.22%	498
2012	117,300	-	1,559,562	1,676,862	N/A	404
2013	-	-	2,081,588	2,081,588	N/A	498
2014	-	-	1,786,886	1,786,886	N/A	431

Details regarding the City's outstanding debt can be found in **Note 6** to the Financial Statements.

See pages 103 and 104 for personal income and population data.

N/A - Information is not available.

CITY OF FRUITLAND PARK, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

The City of Fruitland Park, Florida has had no general bonded debt during the last ten fiscal years.

CITY OF FRUITLAND PARK, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2013

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes	$ -	1.34%	$ -
Other debt			-
Subtotal, overlapping debt			-
Direct debt			-
Total direct and overlapping debt			$ -

Note: The City of Fruitland Park has no ordinance which limits general obligation debt to a percentage of assessed property values.

The estimated percentage applicable to the City of Fruitland Park is based upon City/Lake County population ratio.

CITY OF FRUITLAND PARK, FLORIDA
PLEDGED-REVENUE DEBT COVERAGE
INFRASTRUCTURE SALES SURTAXES
LAST TEN FISCAL YEARS

Fiscal Year	Infrastructure Sales Surtaxes Available for Debt Service	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2005	$ 323,797	$ 87,512	$ 34,129	$ 121,641	2.66
2006	363,227	90,776	30,873	121,649	2.99
2007	331,153	94,161	27,487	121,648	2.72
2008	313,664	97,674	23,972	121,646	2.58
2009	301,985	101,317	20,339	121,656	2.48
2010	296,393	105,096	16,590	121,686	2.44
2011	314,320	109,016	12,660	121,676	2.58
2012	328,648	113,083	8,605	121,688	2.70
2013	328,366	117,300	4,422	121,722	2.70
2014	338,896	-	170	170	N/A

CITY OF FRUITLAND PARK, FLORIDA
PLEDGED-REVENUE COVERAGE
UTILITY REVENUES
LAST TEN FISCAL YEARS

Fiscal Year	Gross Revenues	Operating Expenses 1	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2005	$ 468,381	$ 253,310	$ 215,071	$ -	$ -	$ -	N/A
2006	625,598	346,534	279,064	43,970	40,784	84,754	3.29
2007	621,903	407,239	214,664	111,269	58,239	169,508	1.27
2008	711,210	655,477	55,733	122,314	47,194	169,508	0.33
2009	645,104	734,332	(89,228)	88,672	48,997	137,669	0.00
2010	647,289	835,458	(188,169)	90,585	47,083	137,668	0.00
2011	706,202	809,609	(103,407)	92,947	44,722	137,669	0.00
2012	755,723	767,017	(11,294)	95,369	42,299	137,668	0.00
2013	717,546	632,016	85,530	97,856	39,813	137,669	0.62
2014	708,707	629,842	78,865	100,408	37,260	137,668	0.57

1 Utility operating expenses exclusive of depreciation but including transfers to the General Fund for administrative expenses.

Note: The City was not subject to any pledged-revenue coverage convenants for the year 2005. Beginning in fiscal year 2006, convenants on the State Revolving Fund loans require a coverage ratio of 1.15 to 1.

CITY OF FRUITLAND PARK, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST NINE FISCAL YEARS

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014
Population	3,628	3,829	3,879	3,978	4,129	3,853	4,148	4,182	4,173
Total Personal Income of all Fruitland Park Residents(in thousands)	$71,395	$71,778	$71,480	$71,463	$86,416	$86,483	N/A	N/A	N/A
Per Capita Personal Income	$19,679	$18,746	$18,427	$17,965	$20,929	$22,036	N/A	N/A	N/A
Median Age	35.5	36.6	40.3	40.3	41.7	41.9	42.0	42.0	45.1
School Enrollment									
Fruitland Park Elementary	670	632	630	633	632	623	640	656	656
Total Housing Units	1,580	1,485	1,452	1,453	1,739	1,772	1,662	1,662	N/A
Owner occupied	1,157	1,019	1,041	1,042	1,118	1,188	1,477	1,477	N/A
Renter occupied	379	408	287	287	414	359	469	469	N/A
Vacant	44	58	124	124	207	225	185	185	N/A
Lake County Unemployment Rate	3.0%	4.7%	8.5%	12.6%	11.9%	10.6%	8.9%	6.9%	5.4%

Note: The City implemented GASB 44 in fiscal year 2006.

Population from the Florida Bureau of Economic and Business Research (BEBR)
Unemployment rate from the Florida Research and Data Base (http:/fred/labormarketinfo.com)
Per Capita Income, Median Age, and Housing Units from Metro Orlando
Economic Development Commission

N/A - Information not available.

CITY OF FRUITLAND PARK, FLORIDA
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

POPULATION

	City of Fruitland Park		Lake County	
Year	Population	% Change	Population	% Change
2005	3,463	2.06%	263,017	4.42%
2006	3,628	4.76%	276,783	5.67%
2007	3,829	5.54%	285,422	3.12%
2008	3,879	1.31%	288,379	1.04%
2009	3,978	2.55%	291,993	1.25%
2010	4,129	3.80%	297,432	1.90%
2011	3,853	-1.07%	296,681	-0.13%
2012	4,148	7.11%	299,677	1.01%
2013	4,182	0.82%	308,034	2.78%
2014	4,153	-0.69%	309,736	0.55%

LAKE COUNTY POPULATION DISTRIBUTION

		Age Distribution (Percentage)			
Median age in Years		0-17	18-44	45-64	65+
1980	43.2	17.8%	33.9%	22.9%	25.4%
1990	44.5	16.8%	33.7%	22.1%	27.4%
2000	45.0	17.1%	32.9%	23.7%	26.3%
2009	40.3	16.4%	30.8%	27.1%	25.7%
2011	47.9	13.5%	32.6%	29.3%	24.6%
2013	42.0	22.4%	26.1%	26.7%	24.8%

Source - Bureau of Economic Business research, University of Florida

CITY OF FRUITLAND PARK, FLORIDA
PRINCIPAL EMPLOYERS
SEPTEMBER 30, 2014

Employer	Employees	Rank	Percent of Total City Employment
Wal-Mart	320	1	9.7%
Fruitland Park Elementary School	95	2	2.9%
Bill Bryan Chrysler	94	3	2.8%
City of Fruitland Park	76	4	2.2%
Phillips Buick/Pontiac	75	5	2.3%
Munn's Heating & Air	70	6	2.1%
Total	730		22.1%
Total City Employment	3,302		

Note: This is the City's ninth year of implementation under GASB 44. Principal employer information from 2005 is not available.

Source - Number of employees from direct calls to employers

- Total City Employment from Metro Orlando Economic Development

CITY OF FRUITLAND PARK, FLORIDA
CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST NINE FISCAL YEARS

	2006	2007	2008	2009	2010	2011	2012	2013	2014
GENERAL GOVERNMENT									
Legislative	10	10	10	10	10	9	11	11	11
Executive	3	3	3	3	3	3	3	3	3
Finance	4	4	4	4	4	4	4	4	4
Other General Government	1	1	1	1	1	1	1	1	1
PUBLIC SAFETY									
Police Department	21	22	23	23	23	22	21	21	21
Fire	25	25	25	25	25	20	20	21	23
Building Inspections	2	2	1	1	1	1	0	0	0
TRANSPORTATION									
Roads and Streets	5	5	5	5	3	2	2	2	2
CULTURE AND RECREATION									
Library	5	7	7	7	7	6	6	6	6
Municipal Pool	9	9	9	9	8	8	7	7	7
Recreation Maintenance	2	2	2	2	2	2	1	1	1
Recreation Programs	2	2	2	2	3	2	2	2	2
UTILITIES									
Water	3	3	3	3	5	5	5	5	5
Sewer	1	1	1	1	1	0	0	0	0
Total Employees	93	96	96	96	96	85	83	84	86

Full-Time 33
Part-Time 53

The City implemented GASB 44 in fiscal year 2006.

Source: City Finance Department

CITY OF FRUITLAND PARK, FLORIDA
OPERATING INDICATORS BY FUNCTION AND ACTIVITY
SEPTEMBER 30, 2014

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police Protection:									
Number of Sworn Police Officers	11	13	13	13	13	13	13	13	13
Number of Reserve Officers	5	5	5	5	5	4	4	4	4
Fire Protection:									
Number of Volunteer Firefighters	25	25	25	25	25	20	20	21	23
Building Inspections:									
Commercial Construction Permits	7	33	6	3	1	0	1	1	N/A
Residential Construction Permits	100	30	33	10	6	3	3	6	N/A
Roads and Streets:									
Street Resurfacing (miles)	None	None	.6	.8	.7	.25	.0	.0	1.31
Recreation:									
Number of City-wide events	2	2	2	2	2	2	2	3	3
Municipal Water System:									
Number of Consumers	1,610	1,617	1,728	1,712	1,739	1,749	1,779	1,785	1,799
New Connections	94	62	152	110	11	2	5	6	14

Note: The City implemented GASB 44 in fiscal year 2006.

Source: Various City departments

CITY OF FRUITLAND PARK, FLORIDA
CAPITAL ASSET AND INFRASTRUCTURE STATISTICS
SEPTEMBER 30, 2014

	2006	2007	2008	2009	2010	2011	2012	2013	2014
City Land Area (square miles)	5.9	6.0	6.5	6.6	6.6	6.6	6.83	6.83	6.83
Police Protection:									
Number of Stations	1	1	1	1	1	1	1	1	1
Number of Patrol Units	12	13	13	13	15	16	18	18	18
Fire Protection:									
Number of Stations	1	1	1	1	1	1	1	1	1
Number of Fire Trucks	2	2	2	2	2	2	2	2	2
Culture and Recreation:									
Number of Libraries	1	1	1	1	1	1	1	1	1
Number of Municipal Pools	1	1	1	1	1	1	1	1	1
Number of Parks	4	4	4	4	4	4	4	4	4
Number of Baseball/softball fields	3	3	3	3	3	3	3	3	3
Number of Soccer Fields	1	1	1	1	1	1	1	1	1
Number of Skate parks	1	1	1	1	1	1	1	1	1
Number of Community Centers	2	2	1	1	1	1	1	1	1
Municipal Water System:									
Wells	5	5	5	5	5	5	5	5	5
Water Towers	1	1	1	1	1	1	1	1	1

Note: The City implemented GASB 44 in fiscal year 2006.

Source: Various City departments

COMPLIANCE SECTION

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Certified Public Accountants

J. Cecil Shumacker, CPA
Robert E. Johnston, CPA (1982-2001)
W. Chet Ross, CPA

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

March 3, 2015

Honorable Mayor and Members of
The City Commission
City of Fruitland Park, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fruitland Park, Florida, as of and for the year ended September 30, 2014, which collectively comprise the City of Fruitland Park, Florida's basic financial statements, and have issued our report thereon dated March 3, 2015. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Fruitland Park, Florida's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Fruitland Park'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 City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged by governance.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identity all deficiencies in internal control that might be significant deficiencies or material weaknesses. 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.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Fruitland Park, Florida'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.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing on 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.

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Shumacker, Johnston & Ross, PA

CITY OF FRUITLAND PARK, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

FEDERAL AWARDS

FEDERAL GRANTOR/ PROGRAM TITLE	Federal CFDA Number	Federal Revenues	Federal Expenditures	Federal through State Receipts
U. S. DEPARTMENT OF JUSTICE				
Pass through the Florida Department of Law Enforcement:				
Justice Assistance Grant (total grant $5,874) Purchase Bullet Proof Vests Contract #2014-JAGC-LAKE-6-E5-141	16.738	$ 5,874	$ 5,874	$ 5,874
Justice Assistance Grant (total grant $1,186) Purchase Bullet Proof Vests Contract #2014-JAGD-LAKE-2-E6-108	16.738	1,186	1,186	1,186
U. S. ENVIRONMENTAL PROTECTION AGENCY				
Pass through the Florida Department of Environmental Protection:				
Clean Water State Revolving Fund Loan #WW91203S (maximum loan $2,393,745)	66.458	-	-	-
Clean Water State Revolving Fund Loan #CS12091201P (maximum loan $237,108)	66.458	-	-	-
Total Federal Awards		$ 7,060	$ 7,060	7,060

(Federal Single Audit not required)

Continued on next page

CITY OF FRUITLAND PARK, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2014

STATE OF FLORIDA FINANCIAL ASSISTANCE

State Agency/ PROGRAM TITLE	State Revenues	State Expenditures	State Receipts
FLORIDA DEPT OF AGRICULTURE AND CONSUMER SERVICES			
Volunteer Fire Assistance Grant Grant #10-664	5,300	5,300	5,300
Total State Financial Assistance	$ 5,300	$ 5,300	5,300
Total State Receipts			$ 12,360

(Florida Single Audit not required)

NOTE: This schedule was prepared using the modified accrual basis of accounting for *Federal and State Revenues and Expenditures*, and the cash basis for *Federal through State Receipts and State Receipts*.

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INDEPENDENT AUDITOR'S REPORT ON EXAMINATION OF MANAGEMENT'S ASSERTION ABOUT COMPLIANCE WITH SPECIFIED REQUIREMENTS

March 3, 2015

Honorable Mayor and Members of the
City Commission
City of Fruitland Park, Florida

We have examined management's assertion included in its representation letter dated March 3, 2015 that the City of Fruitland Park, Florida complied with the allowable cost requirements of the grants and aids appropriations identified in the Schedule of Expenditures of Federal Awards and State Financial Assistance for the year ended September 30, 2014. Management is responsible for the City of Fruitland Park, Florida's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the City's compliance based on our examination.

Our examination was made in accordance with 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, management's assertion that the City of Fruitland Park, Florida complied with the allowable cost requirements of the grants and aids appropriations identified in the Schedule of Expenditures of Federal Awards and State Financial Assistance during the year ended September 30, 2014 is fairly stated, in all material respects.

This report is intended for the information of the City Commission, management, and applicable State of Florida agencies and is not intended and should not be used by anyone other than these specified parties.

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MANAGEMENT LETTER

March 3, 2015

Honorable Mayor and Members of
the City Commission
City of Fruitland Park, Florida

We have audited the basic financial statements of the City of Fruitland Park, Florida as of and for the year ended September 30, 2014, and have issued our report thereon dated March 3, 2015.

The following comments and recommendations are provide as required by Chapter10.550, Section 10.554(1)(i) *Rules of the Auditor General*, which govern the conduct of local government entity audits performed in the State of Florida.

1. There were no significant findings or recommendations made in the preceding annual financial audit.

2. We have made no recommendations to improve the City's present financial management, accounting procedures, and internal controls.

3. We did not discover any violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse that have an effect on the financial statements that warrants the attention of those charged with governance.

4. The name of the primary government is the City of Fruitland Park, Florida, created by charter under the legal authority of Chapter 12755, Laws of Florida, Session 1927. The reporting entity includes the activities of the Fruitland Park Community Redevelopment Agency, a dependent special district, as a blended component unit.

5a. The City has not met any of the financial emergency conditions described in Section 218.503(1), *Florida Statutes*.

5b. The financial report 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 year ended September 30, 2014.

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5c. Financial condition assessment procedures pursuant to Rule 10.556(8) were applied during the audit of the basic financial statements. The City is not, and during the fiscal year, was not experiencing deteriorating financial conditions which may cause a financial emergency described in Section 218.503(1), *Florida Statutes*. Accordingly, we have made no recommendations addressing deteriorating financial conditions in accordance with Rule 10.557(4)(b).

This report is intended solely for the use of management, the City commission, and the state of Florida Auditor General and is not intended and should not be used by anyone other than these specified parties.

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INDEPENDENT AUDITOR'S REPORT

March 3, 2015

Honorable Mayor and Members of the
City Commission
City of Fruitland Park, Florida

We have examined the City of Fruitland Park, Florida's compliance with the requirements of Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2014. 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 Town'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, 2014.

Shumacker, Johnston & Ross, PA

Shumacker, Johnston & Ross, PA

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