



**Comprehensive Annual Financial Report
For The City of Fruitland Park, Florida
For the Year Ended September 30, 2015**

Prepared by:
Jeannine Racine Michaud
City Treasurer

CITY OF FRUITLAND PARK, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

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INTRODUCTORY SECTION



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February 29, 2016

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, 2015 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 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, 2015 and to provide our 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 and estimates made by management; and



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evaluating the overall financial statement presentation. Shumacker Johnston & Ross concluded, based upon the audit, that there is reasonable basis for rendering an unmodified (“clean report”) opinion that the City of Fruitland Park’s financial statements for the fiscal year ending September 30, 2015, 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 is designed to complement 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 Commission 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 4,214 and a land area of approximately 6.83 square miles. The City’s property tax millage rate is \$4.7371 per \$1000 for fiscal year 2015, the same as last year’s millage.

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 infrastructure, and recreational and cultural activities and events. The City also maintains and operates water and sewer 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 basis for developing a proposed budget and then presents the proposed budget to the City Commission for review. The City Commission is required to hold two public



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hearings, one on the proposed budget and a second to 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. There were

352 certificate of occupancy issued in the Villages of Fruitland Park in FY2015.

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 May 2016. The estimated cost of Phase 1 is \$2.3 million plus \$374,094 to relocate the utilities. The Villages has agreed to handle all of the road construction in Phase 2 (from Cutoff Road to the Sumter County Line) in 2015/2016, with an estimated cost of \$5.32 million. The City of Fruitland Park along with Lake County is currently soliciting the help of the State of Florida for Phase 3 (from Sunny Court to Cutoff Road). The County is receiving 2.5 million in state funding to complete the project. 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 439 licensed businesses in Fruitland Park as of September 30, 2015. 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 2015 unemployment rate was 5.4%. This is down from 6.3% for the same time period last year. This rate is slightly higher than the state average of 5.2% and higher than the national average of 5.1% for the same period.

The taxable values for real and personal property has decreased 32.7% since 2008, when property values were at its peak. Amendment 1 was approved in 2008 which limited growth in taxable values. Taxable values finally rose 7% in FY2015.



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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 2 more streets in Fruitland Park: Palm Ave and Rose St, additionally Berckman St was repaved.

The City purchased two properties, Rescue Equipment for the Fire Department, and two Police Vehicles with Sales Surtax funds in FY2015. The Fire Department kitchen was renovated and the Gardenia Park Skate Park was resurfaced and renovated.

Long Term Financial Planning

Lake County voters renewed a One-Cent Discretionary Infrastructure Surtax on November 6, 2002 and again on November 3, 2015. The original tax, was authorized through December 31, 2017 and is now authorized through December 31, 2032, provides a funding source for infrastructure and capital projects. These funds were used to construct City Hall. The City would like to undertake one of several major Capital Improvement Projects which includes the construction of two major sewer lines along 466a and Shiloh plus a sewer line to Lady Lake.

At September 30, 2015 the unassigned fund balance in the General Fund remained the same, 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, 2013 but the City did not apply for the award for FY2015 due to a several month vacancy for the Treasurer position. The City of Fruitland Park had received this prestigious award for fourteen consecutive years. 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.

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



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employees 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

Jeannine Racine Michaud

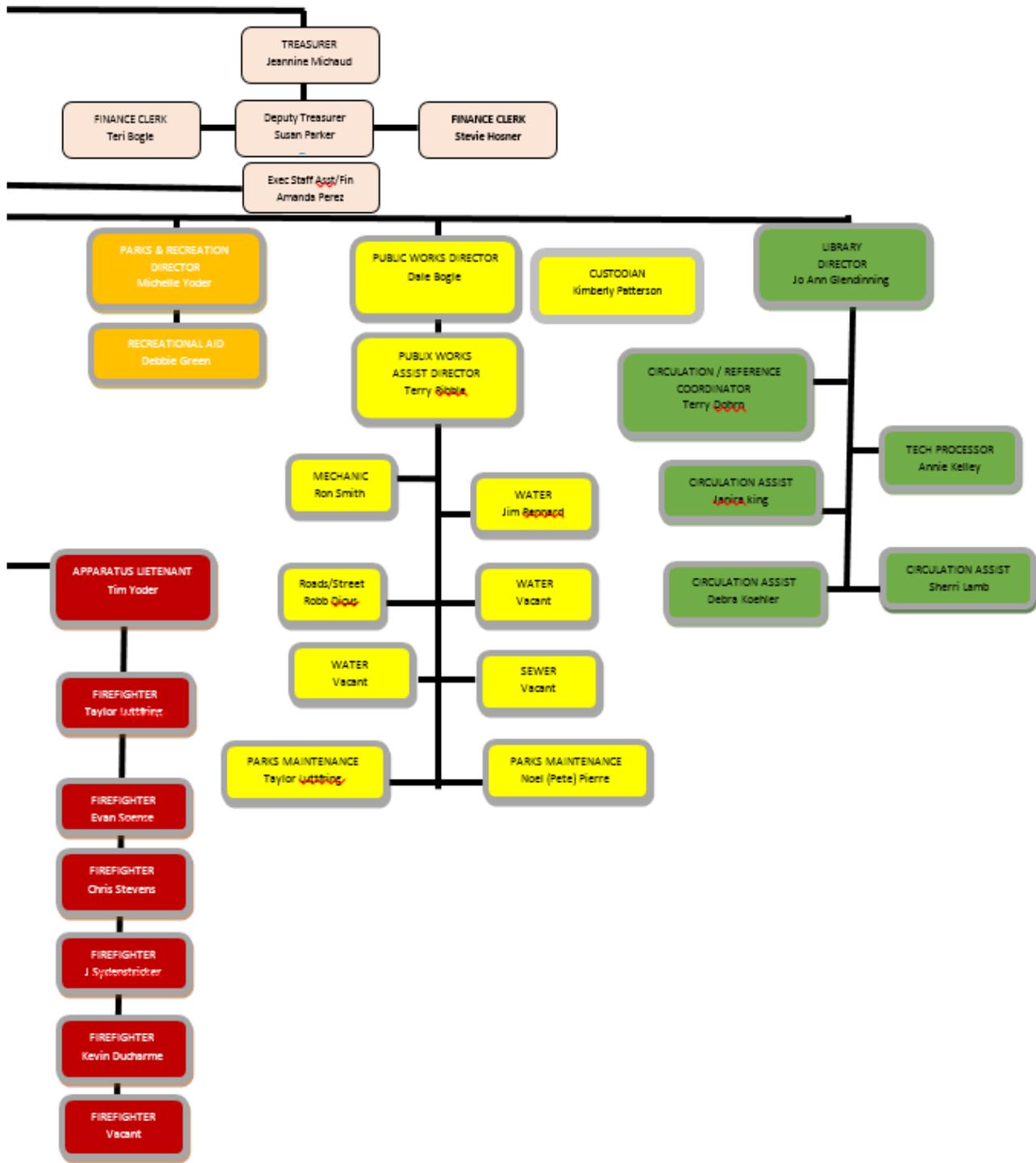
Jeannine Racine Michaud, City Treasurer

CITY COMMISSION AND OFFICIALS

September 30, 2015

Mayor	Christopher "Chris" Bell
Vice Mayor-Commissioner.....	John Gunter
Commissioner.....	Raymond "Ray" Lewis
Commissioner.....	Richard "Rick" Ranize
Commissioner.....	Christopher "Chris" Cheshire
City Manager.....	Gary La Venia
City Treasurer.....	Jeannine Racine Michaud
City Clerk.....	Esther Lewin-Coulson
Police Chief.....	Michael Fewless
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.....	Anita Geraci-Carver





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

August 15, 2016

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, 2015, 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, 2015 and 2014, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to 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, 2015, 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, 2015 and 2014, 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, 2015 and 2014, 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 States 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 Circular A-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 August 15, 2016 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

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CITY OF FRUITLAND PARK
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ending September 30, 2015

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, 2015. 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 – vi 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 \$10,515,176 (net position). Of this amount, \$720,124 or 6.84% 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 increased \$832,939. Net position for governmental activities increased \$998,504 and net position for business activities decreased \$165,565.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$2,560,743. Eleven percent of this amount or \$287,710 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 \$287,710 or 6.5% of total General Fund expenditures. This is an \$118,769 increase from the \$168,941 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

CITY OF FRUITLAND PARK
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ending September 30, 2015

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.

CITY OF FRUITLAND PARK
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ending September 30, 2015

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 ANALYSIS

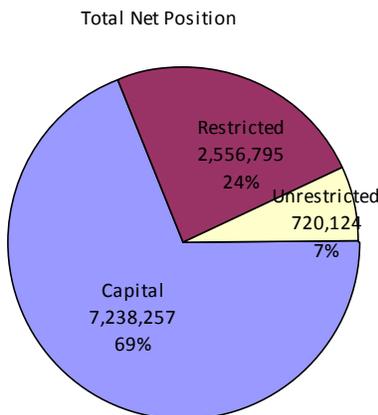
Statement of Net Position. As noted earlier, over time net position may serve as a useful indicator of a government's financial position. In the case of the City of Fruitland Park, assets exceeded liabilities by \$10,515,176 as of September 30, 2015. The following table reflects the condensed statement of net assets for the current fiscal year compared to the prior year.

CITY OF FRUITLAND PARK
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ending September 30, 2015

CITY OF FRUITLAND PARK - NET ASSETS

	Governmental Activities		Business-type Activities		Total	
	2014	2015	2014	2015	2014	2015
Current and other assets	2,278,693	3,139,028	1,266,070	1,324,641	\$3,544,763	\$4,173,669
Capital Assets	3,780,058	4,297,491	4,590,803	4,548,744	\$8,370,861	\$8,846,235
Net Pension Obligation	<u>71,166</u>	<u>71,166</u>	<u>0</u>	<u>0</u>	\$71,166	\$ 71,166
Total Assets	<u>6,129,917</u>	<u>7,507,685</u>	<u>5,856,873</u>	<u>5,583,385</u>	<u>\$11,986,790</u>	<u>\$13,091,070</u>
Current and other liabilities	354,988	636,210	270,135	282,987	\$625,123	\$919,197
Long-term liabilities outstanding	<u>7,937</u>	<u>105,979</u>	<u>1,671,493</u>	<u>1,550,718</u>	<u>\$1,679,430</u>	<u>\$1,656,697</u>
Total Liabilities	<u>362,925</u>	<u>742,189</u>	<u>1,941,628</u>	<u>1,833,705</u>	<u>\$2,304,553</u>	<u>\$2,575,894</u>
Net Position:						
Invested in capital assets, net of related debt	3,780,058	4,183,155	3,014,579	3,055,102	\$6,794,637	\$7,238,257
Restricted	1,779,314	2,251,021	252,230	305,774	\$2,031,544	\$2,556,795
Unrestricted	<u>207,620</u>	<u>331,320</u>	<u>648,436</u>	<u>388,804</u>	<u>\$856,056</u>	<u>\$ 720,124</u>
Total net assets	<u>\$5,766,992</u>	<u>\$6,765,496</u>	<u>\$3,915,245</u>	<u>\$3,749,680</u>	<u>\$9,682,237</u>	<u>\$10,515,176</u>

The largest portion of the City's net position (\$7,238,257 or 68.8%) 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.



CITY OF FRUITLAND PARK
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ending September 30, 2015

An additional portion of the City of Fruitland Park's net position (\$2,556,795 or 24.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance, unrestricted net assets (\$720,124 or 6.8%), may be used to meet the government's ongoing obligations to citizens and creditors.

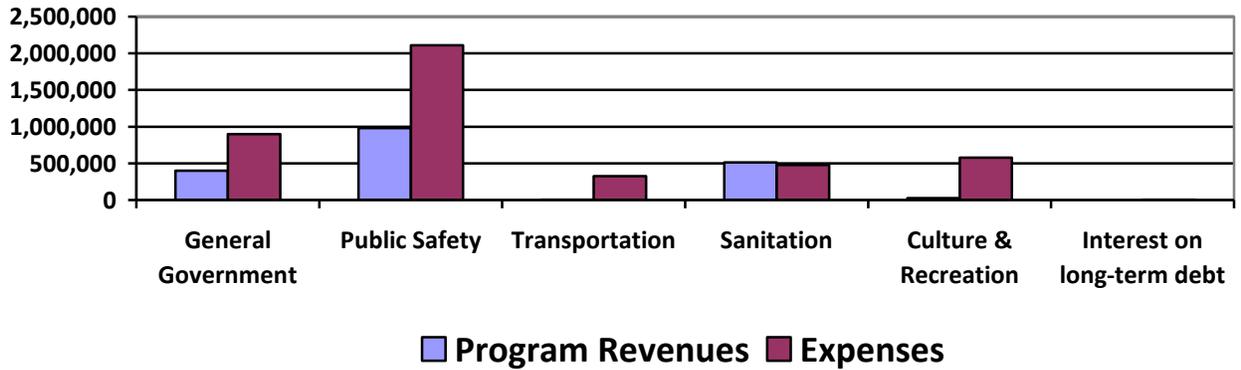
At the end of the current fiscal year, the City of Fruitland Park is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

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.

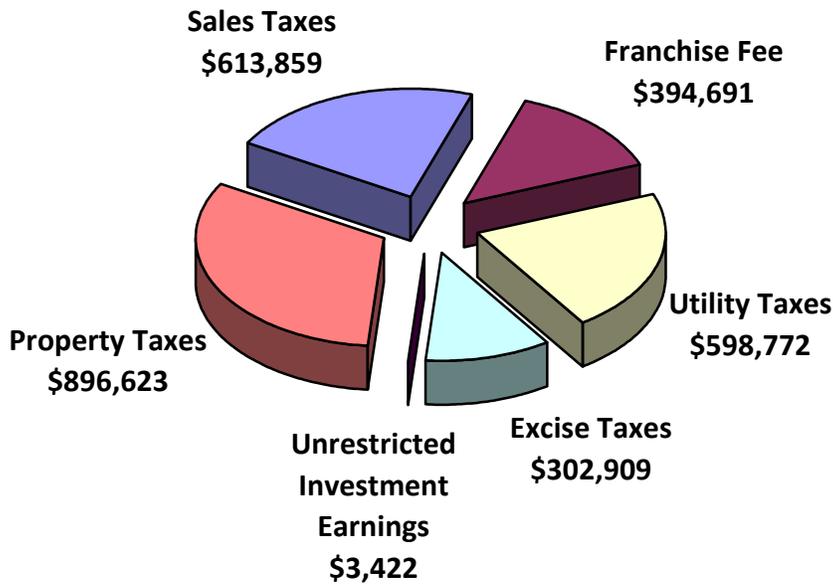
	CITY OF FRUITLAND PARK'S CHANGES IN NET POSITION					
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2014	2015	2014	2015	2014	2015
Revenues:						
Program revenues:						
Charges for services	1,082,437	1,923,416	755,832	770,004	1,838,269	2,693,420
Operating grants and contributions	77,493	68,394	-	-	77,493	68,394
Capital grants and contributions	19,653	466,669	22,097	140,976	41,750	607,645
General revenues:						
Property taxes	824,299	896,623	-	-	824,299	896,623
Sales Taxes	574,586	613,859	-	-	574,586	613,859
Franchise fees and utility taxes	969,683	993,463	-	-	969,683	993,463
Exise taxes	285,106	302,909	-	-	285,106	302,909
Unrestricted investment earnings	3,506	3,422	-1,510	10,456	1,996	13,878
Gain on Sale of Capital Assets	11,805	1,850	-	-	11,805	1,850
Total revenues	<u>3,848,568</u>	<u>5,270,605</u>	<u>776,419</u>	<u>921,436</u>	<u>4,624,987</u>	<u>6,192,041</u>
Expenses:						
General Government	737,827	898,643	-	-	737,827	898,643
Public Safety	1,672,643	2,110,533	-	-	1,672,643	2,110,533
Transportation	363,034	324,333	-	-	363,034	324,333
Sanitation	471,391	475,618	-	-	471,391	475,618
Culture and Recreation	515,382	577,976	-	-	515,382	577,976
Water	-	-	673,008	710,615	673,008	710,615
Sewer	-	-	204,558	219,554	204,558	219,554
Recreation Programs	-	-	37,344	37,712	37,344	37,712
Interest on Long-term Debt	170	4,118	-	-	170	4,118
Total expenses	<u>3,760,447</u>	<u>4,391,221</u>	<u>914,910</u>	<u>967,881</u>	<u>4,675,357</u>	<u>5,359,102</u>
Change in net position before transfers	88,121	879,384	-138,491	-46,445	-50,370	832,939
Transfers	10,741	119,120	-10,741	-119,120	0	0
<u>Change in net position</u>	98,862	998,504	-149,232	-165,565	-50,370	832,939
<u>Net assets - 10/01/2014</u>	5,668,130	5,766,992	4,064,477	3,915,245	9,732,607	9,682,237
<u>Net assets - 09/30/2015</u>	<u>\$5,766,992</u>	<u>\$6,765,496</u>	<u>\$3,915,245</u>	<u>\$3,749,680</u>	<u>\$9,682,237</u>	<u>\$10,515,176</u>

CITY OF FRUITLAND PARK
 Management's Discussion and Analysis (MD&A)
 For the Fiscal Year Ending September 30, 2015

Program Revenues and Expenses-Governmental Activities



Revenues by Source-Governmental Activities



CITY OF FRUITLAND PARK
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ending September 30, 2015

Business-Type Activities. Business-type activities decreased the City's net position by \$165,565. The main reason for the decrease was a transfer of 120,000 out to the General Fund.

Governmental-Type Activities. Governmental-type activities increased net position \$998,504 for fiscal year 2015. The main reason for the increase was higher General Revenues in all categories and specifically an increase in permits.

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 2015 the City's governmental funds reported combined ending fund balances of \$2,560,743. Approximately 11.2% of this total amount (\$287,710) 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 (\$14,160), 2) police equipment and automation (\$5,598), 3) public safety capital improvements (\$693,202), 4) building inspection (\$142,323) 5) redevelopment (\$447,109), 6) infrastructure (\$542,067), 7) Police and Fire Fee Refunds (\$112,757); Committed: 1) cemetery care (\$80,002), 2) storm-water utility (\$213,803); Non-spendable: 1) prepaid items (\$22,012).

The General Fund is the primary operating fund of the City. As of the end of fiscal year 2015 the fund balance of the General Fund increased \$691,048, from \$880,519 to \$1,571,567. 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 6% of General Fund's current expenditures, increased \$118,769 from \$168,941 to \$287,710.

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 2015 the City's Utility Fund reported total net assets of \$3,736,413. Of this amount \$3,055,102 or 81.7% is invested in capital assets (net of related debt); \$268,407 is restricted for utility capital improvements; \$37,367 is restricted for debt service and \$375,537 is unrestricted. Utility Fund operating revenues increased \$11,453 or 1.6%. Operating expenses increased \$55,230 or 6.5%

CITY OF FRUITLAND PARK
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ending September 30, 2015

As of September 30, 2015 the City's Recreation Programs Fund reported unrestricted net assets of \$13,267 a decrease of \$1,057 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, 2015, amounts to \$8,846,235 (net of depreciation). Capital assets are summarized below.

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2014	2015	2014	2015	2014	2015
Land	1,105,823	1,313,703	339,699	339,699	1,445,522	1,653,402
Buildings	1,668,992	1,607,454	86,069	79,858	1,755,061	1,687,312
Improvements other than buildings	124,900	194,309	-	-	124,900	194,309
Utility Systems	-	-	4,062,859	3,885,780	4,062,859	3,885,780
Equipment	329,603	653,559	102,176	132,730	431,779	786,289
Infrastructure	550,740	528,466	-	-	550,740	528,466
Construction in progress	-	-	-	110,677	-	110,677
Total Capital Assets	\$3,780,058	\$4,297,491	\$4,590,803	\$4,548,744	\$8,370,861	\$8,846,235

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 and constructed 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.

CITY OF FRUITLAND PARK
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ending September 30, 2015

At the end of fiscal year 2015, the City's long-term liabilities increased \$3,862 from \$1,848,611 to \$1,852,473. 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. A new addition of \$114,336 included in the balance is the payment plan for Self Contained Breathing Apparatuses (SCBA) plus the filling station. The City also reports a long-term liability of \$68,463 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 \$425,588. There will be 30 payments of \$14,186 starting October 2014. The FDOT balance is \$411,402. 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 \$10,888,887 or 7.0% from \$155,620,901 in fiscal year 2014 to \$166,509,788 in fiscal year 2015. Considering this the City's ad-valorem tax rate remained the same at 4.7371 mills for FY2015 in a 5-0 vote, the City still collected 97.27% of the prior year FY2014 and 97.0% of the current year FY2015. 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 increased 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.

CITY OF FRUITLAND PARK
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ending September 30, 2015

The City's 2015 adopted budget totals, \$5,827,940 which is \$304,450 (5.5%) more than the adopted 2014 budget of \$5,523,490.

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, 2015

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
ASSETS			
Cash	\$ 2,507,798	\$ 14,367	\$ 2,522,165
Certificates of Deposit	306,260	200,000	506,260
Restricted Cash	-	438,037	438,037
Receivables (net of allowance for uncollectibles)	201,094	103,513	304,607
Due from Other Governments	101,864	-	101,864
Inventory and Prepaids	22,012	76,732	98,744
Deferred Charges	-	201,992	201,992
Capital Assets (net of accumulated depreciation):			
Land	1,313,703	339,699	1,653,402
Buildings	1,607,454	79,858	1,687,312
Improvements Other Than Buildings	194,309	-	194,309
Utility Systems	-	3,885,780	3,885,780
Equipment	653,559	132,730	786,289
Infrastructure	528,466	-	528,466
Construction in Progress	-	110,677	110,677
Net Pension Obligation	71,166	-	71,166
TOTAL ASSETS	<u>7,507,685</u>	<u>5,583,385</u>	<u>13,091,070</u>
LIABILITIES			
Accounts Payable	203,212	16,064	219,276
Accrued Liabilities	48,460	9,494	57,954
Accrued Interest Payable	1,422	4,113	5,535
Due to Other Governments	31,209	-	31,209
Customer Deposits	-	128,150	128,150
Unearned Revenue	281,297	-	281,297
Noncurrent Liabilities:			
Due within one year	70,610	125,166	195,776
Due in more than one year	105,979	1,550,718	1,656,697
TOTAL LIABILITIES	<u>742,189</u>	<u>1,833,705</u>	<u>2,575,894</u>
NET POSITION			
Net Investment in Capital Assets	4,183,155	3,055,102	7,238,257
Restricted for:			
Capital Improvements	1,235,269	268,407	1,503,676
Redevelopment Projects	447,109	-	447,109
Debt Service	-	37,367	37,367
Cemetery Care	80,002	-	80,002
Police	19,758	-	19,758
Stormwater	213,803	-	213,803
Building Inspections	142,323	-	142,323
Police/Fire Fee Refunds	112,757	-	112,757
Unrestricted	331,320	388,804	720,124
TOTAL NET POSITION	<u>\$ 6,765,496</u>	<u>\$ 3,749,680</u>	<u>\$ 10,515,176</u>

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, 2015**

	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>		
		<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	<u>CAPITAL GRANTS AND CONTRIBUTIONS</u>
GOVERNMENTAL ACTIVITIES:				
General Government	\$ 898,643	\$ 398,065	\$ -	\$ -
Public Safety	2,110,533	981,400	7,471	466,669
Transportation	324,333	4,128	-	-
Sanitation/Other Utility	475,618	512,650	-	-
Culture and Recreation	577,976	27,173	60,923	-
Interest on Long-term Debt	<u>4,118</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u>4,391,221</u>	<u>1,923,416</u>	<u>68,394</u>	<u>466,669</u>
BUSINESS-TYPE ACTIVITIES:				
Water Utility	710,615	593,028	-	104,416
Sewer Utility	219,554	127,132	-	36,560
Recreation Programs	<u>37,712</u>	<u>49,844</u>	<u>-</u>	<u>-</u>
TOTAL BUSINESS-TYPE ACTIVITIES	<u>967,881</u>	<u>770,004</u>	<u>-</u>	<u>140,976</u>
TOTAL	<u>\$ 5,359,102</u>	<u>\$ 2,693,420</u>	<u>\$ 68,394</u>	<u>\$ 607,645</u>

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
\$ (500,578)	\$ -	\$ (500,578)
(654,993)	-	(654,993)
(320,205)	-	(320,205)
37,032	-	37,032
(489,880)	-	(489,880)
<u>(4,118)</u>	<u>-</u>	<u>(4,118)</u>
<u>(1,932,742)</u>	<u>-</u>	<u>(1,932,742)</u>
-	(13,171)	(13,171)
-	(55,862)	(55,862)
<u>-</u>	<u>12,132</u>	<u>12,132</u>
<u>-</u>	<u>(56,901)</u>	<u>(56,901)</u>
<u>(1,932,742)</u>	<u>(56,901)</u>	<u>(1,989,643)</u>
896,623	-	896,623
613,859	-	613,859
394,691	-	394,691
598,772	-	598,772
302,909	-	302,909
3,422	10,456	13,878
1,850	-	1,850
<u>119,120</u>	<u>(119,120)</u>	<u>-</u>
<u>2,931,246</u>	<u>(108,664)</u>	<u>2,822,582</u>
998,504	(165,565)	832,939
<u>5,766,992</u>	<u>3,915,245</u>	<u>9,682,237</u>
<u>\$ 6,765,496</u>	<u>\$ 3,749,680</u>	<u>\$ 10,515,176</u>

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**CITY OF FRUITLAND PARK, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015**

	<u>GENERAL</u>	<u>COMMUNITY REDEVELOPMENT</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS				
Cash	\$ 1,702,951	\$ 347,859	\$ 456,988	\$ 2,507,798
Certificates of Deposit	106,260	100,000	100,000	306,260
Accounts Receivable (net of allowance for uncollectibles)	201,094	-	-	201,094
Due from Other Governments	65,888	-	35,976	101,864
Prepaid Items	<u>22,012</u>	<u>-</u>	<u>-</u>	<u>22,012</u>
TOTAL ASSETS	<u>\$ 2,098,205</u>	<u>\$ 447,859</u>	<u>\$ 592,964</u>	<u>\$ 3,139,028</u>
LIABILITIES				
Accounts Payable	\$ 162,933	\$ 750	\$ 39,529	\$ 203,212
Accrued Liabilities	48,460	-	-	48,460
Due to Other Governments	31,209	-	-	31,209
Unearned Revenue	<u>281,297</u>	<u>-</u>	<u>-</u>	<u>281,297</u>
TOTAL LIABILITIES	<u>523,899</u>	<u>750</u>	<u>39,529</u>	<u>564,178</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	<u>2,739</u>	<u>-</u>	<u>11,368</u>	<u>14,107</u>
FUND BALANCES				
Nonspendable	22,012	-	-	22,012
Restricted	968,040	447,109	542,067	1,957,216
Committed	293,805	-	-	293,805
Unassigned	<u>287,710</u>	<u>-</u>	<u>-</u>	<u>287,710</u>
TOTAL FUND BALANCES	<u>1,571,567</u>	<u>447,109</u>	<u>542,067</u>	<u>2,560,743</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,098,205</u>	<u>\$ 447,859</u>	<u>\$ 592,964</u>	

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 \$7,535,940 less accumulated depreciation of \$3,238,449.	4,297,491
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	14,107
Net pension obligation is not an available financial resource and therefore, is not reported as an asset in the funds.	71,166
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 accrued interest \$1422, compensated absences \$62,253 and capital leases \$114,336.	<u>(178,011)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 6,765,496</u>

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, 2015

	<u>GENERAL</u>	<u>COMMUNITY REDEVELOPMENT</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES:				
Taxes	\$ 1,886,914	\$ -	\$ 380,103	\$ 2,267,017
License and Permits	942,358	-	-	942,358
Intergovernmental	480,383	228,335	-	708,718
Charges for Services	673,500	-	-	673,500
Fines and Forfeitures	27,840	-	-	27,840
Miscellaneous Revenues	<u>741,374</u>	<u>3,425</u>	<u>1,557</u>	<u>746,356</u>
TOTAL REVENUES	<u>4,752,369</u>	<u>231,760</u>	<u>381,660</u>	<u>5,365,789</u>
EXPENDITURES:				
Current				
General Government	1,020,480	22,691	-	1,043,171
Public Safety	2,161,552	-	-	2,161,552
Transportation	230,586	55,652	-	286,238
Sanitation/Other Utility	475,618	-	-	475,618
Culture and Recreation	519,682	-	-	519,682
Capital Outlay	-	4,144	498,337	502,481
Debt Service:				
Principal	-	-	28,603	28,603
Interest	<u>-</u>	<u>-</u>	<u>2,696</u>	<u>2,696</u>
TOTAL EXPENDITURES	<u>4,407,918</u>	<u>82,487</u>	<u>529,636</u>	<u>5,020,041</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>344,451</u>	<u>149,273</u>	<u>(147,976)</u>	<u>345,748</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	201,808	-	-	201,808
Transfers Out	-	(68,588)	(14,100)	(82,688)
Capital Lease	142,939	-	-	142,939
Sale of Capital Assets	<u>1,850</u>	<u>-</u>	<u>-</u>	<u>1,850</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>346,597</u>	<u>(68,588)</u>	<u>(14,100)</u>	<u>263,909</u>
NET CHANGE IN FUND BALANCES	<u>691,048</u>	<u>80,685</u>	<u>(162,076)</u>	<u>609,657</u>
FUND BALANCES:				
Beginning of Year	<u>880,519</u>	<u>366,424</u>	<u>704,143</u>	<u>1,951,086</u>
End of Year	<u>\$ 1,571,567</u>	<u>\$ 447,109</u>	<u>\$ 542,067</u>	<u>\$ 2,560,743</u>

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, 2015**

Amounts reports for governmental activities in the Statement of Activities (pages 16-17) are different because:

NET CHANGE IN FUND BALANCES-TOTAL GOVERNMENTAL FUNDS	\$ 609,657
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, \$783,837, exceeded depreciation, \$266,440, in the current period.	517,433
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	2,740
Interest accrued on long-term debt reported in the Statement of Activities does not require the use of current financial resources and therefore, is not reported as expenditures in governmental funds.	(1,422)
The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net assets. Capital lease financing recorded this year.	(142,939)
Repayment of long-term debt is reported as an expenditure in governmental funds, but a reduction of long-term liabilities in the Statement of Net Position.	28,603
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.	(15,568)
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.	<u> -</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 998,504</u></u>

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, 2015**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Taxes	\$ 1,798,474	\$ 1,922,650	\$ 1,886,914	\$ (35,736)
Licenses and Permits	128,903	662,483	942,358	279,875
Intergovernmental	462,963	471,924	480,383	8,459
Charges for Services	577,420	592,781	673,500	80,719
Fines and Forfeitures	38,600	41,015	27,840	(13,175)
Miscellaneous	151,648	280,949	741,374	460,425
TOTAL REVENUES	<u>3,158,008</u>	<u>3,971,802</u>	<u>4,752,369</u>	<u>780,567</u>
EXPENDITURES:				
Current:				
General Government	834,694	1,008,178	1,020,480	(12,302)
Public Safety	1,604,050	2,333,320	2,161,552	171,768
Transportation	242,985	245,270	230,586	14,684
Sanitation/Other Utility	433,690	433,690	475,618	(41,928)
Culture and Recreation	532,582	536,072	519,682	16,390
TOTAL EXPENDITURES	<u>3,648,001</u>	<u>4,556,530</u>	<u>4,407,918</u>	<u>148,612</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(489,993)</u>	<u>(584,728)</u>	<u>344,451</u>	<u>929,179</u>
OTHER FINANCING SOURCES (USES):				
Transfers In	245,996	247,796	201,808	(45,988)
Capital Lease	-	-	142,939	142,939
Sale of Capital Assets	-	150	1,850	1,700
TOTAL OTHER FINANCING SOURCES (USES)	<u>245,996</u>	<u>247,946</u>	<u>346,597</u>	<u>98,651</u>
NET CHANGE IN FUND BALANCES	<u>(243,997)</u>	<u>(336,782)</u>	<u>691,048</u>	<u>1,027,830</u>
FUND BALANCE, Beginning of Year	<u>880,519</u>	<u>880,519</u>	<u>880,519</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ 636,522</u>	<u>\$ 543,737</u>	<u>\$ 1,571,567</u>	<u>\$ 1,027,830</u>

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, 2015**

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:				
Intergovernmental	\$ 191,650	\$ 191,650	\$ 228,335	\$ 36,685
Miscellaneous	10,400	10,400	3,425	(6,975)
TOTAL REVENUES	<u>202,050</u>	<u>202,050</u>	<u>231,760</u>	<u>29,710</u>
EXPENDITURES:				
General Government:				
Other General Government	24,570	36,120	22,691	13,429
Contingency	50,876	2,876	-	2,876
Transportation:				
Roads and Streets	17,000	53,450	55,652	(2,202)
Capital Outlay	-	-	4,144	(4,144)
TOTAL EXPENDITURES	<u>92,446</u>	<u>92,446</u>	<u>82,487</u>	<u>9,959</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>109,604</u>	<u>109,604</u>	<u>149,273</u>	<u>39,669</u>
OTHER FINANCING SOURCES (USES):				
Transfers Out	(109,604)	(109,604)	(68,588)	41,016
NET CHANGE IN FUND BALANCE	-	-	80,685	80,685
FUND BALANCE, Beginning of Year	<u>366,424</u>	<u>366,424</u>	<u>366,424</u>	<u>-</u>
FUND BALANCE, End of Year	<u>\$ 366,424</u>	<u>\$ 366,424</u>	<u>\$ 447,109</u>	<u>\$ 80,685</u>

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, 2015

	ENTERPRISE FUNDS		
	UTILITY FUND	RECREATION PROGRAMS FUND	TOTAL
ASSETS			
<u>CURRENT ASSETS</u>			
Cash	\$ 580	\$ 13,787	\$ 14,367
Certificates of Deposit	200,000	-	200,000
Restricted Cash:			
SRF Loan Reserves	41,480	-	41,480
Customer Deposits	128,150	-	128,150
Customer Accounts Receivable (net of allowance for uncollectibles)	80,489	-	80,489
Inventory	51,868	-	51,868
Prepaid Items	24,864	-	24,864
	<u>527,431</u>	<u>13,787</u>	<u>541,218</u>
<u>NONCURRENT ASSETS</u>			
RESTRICTED CASH:			
Water and Sewer Impact Fees	268,407	-	268,407
SEWER IMPACT FEE RECEIVABLES	23,024	-	23,024
LOAN COSTS	25,960	-	25,960
CONSUMPTIVE USE PERMIT (net of accumulated amortization)	176,032	-	176,032
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	509,879	-	509,879
Construction in Progress	110,677	-	110,677
	7,315,353	-	7,315,353
Less Accumulated Depreciation	2,766,609	-	2,766,609
	<u>4,548,744</u>	<u>-</u>	<u>4,548,744</u>
NET CAPITAL ASSETS	<u>4,548,744</u>	<u>-</u>	<u>4,548,744</u>
TOTAL NONCURRENT ASSETS	<u>5,042,167</u>	<u>-</u>	<u>5,042,167</u>
TOTAL ASSETS	<u>5,569,598</u>	<u>13,787</u>	<u>5,583,385</u>

CITY OF FRUITLAND PARK, FLORIDA
STATEMENT OF NET POSITION (continued)
PROPRIETARY FUNDS
SEPTEMBER 30, 2015

	ENTERPRISE FUNDS		
	UTILITY FUND	RECREATION PROGRAMS FUND	TOTAL
LIABILITIES			
<u>CURRENT LIABILITIES</u>			
Accounts Payable	\$ 15,544	\$ 520	\$ 16,064
Accrued Payroll	9,494	-	9,494
Customer Deposits	128,150	-	128,150
State Revolving Fund Loans:			
Accrued Interest	4,113	-	4,113
Current Portion	105,712	-	105,712
FDOT Note Current Portion	14,186	-	14,186
Compensated Absences	<u>5,268</u>	<u>-</u>	<u>5,268</u>
TOTAL CURRENT LIABILITIES	<u>282,467</u>	<u>520</u>	<u>282,987</u>
<u>NONCURRENT LIABILITIES</u>			
COMPENSATED ABSENCES	942	-	942
SRF LOANS PAYABLE	1,152,560	-	1,152,560
FDOT NOTE PAYABLE	<u>397,216</u>	<u>-</u>	<u>397,216</u>
TOTAL LIABILITIES	<u>1,833,185</u>	<u>520</u>	<u>1,833,705</u>
NET POSITION			
Net Investment in Capital Assets	3,055,102	-	3,055,102
Restricted for Utility Capital			
Improvements	268,407	-	268,407
Restricted for Debt Service	37,367	-	37,367
Unrestricted	<u>375,537</u>	<u>13,267</u>	<u>388,804</u>
TOTAL NET POSITION	<u>\$ 3,736,413</u>	<u>\$ 13,267</u>	<u>\$ 3,749,680</u>

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, 2015**

	ENTERPRISE FUNDS		
	UTILITY FUND	RECREATION PROGRAMS FUND	TOTAL
OPERATING REVENUES:			
Charges for Services	\$ 663,779	\$ 48,636	\$ 712,415
Other Operating Revenues	56,381	1,208	57,589
TOTAL OPERATING REVENUES	<u>720,160</u>	<u>49,844</u>	<u>770,004</u>
OPERATING EXPENSES:			
Personal Services	358,333	-	358,333
Other Operating Expenses	326,901	37,712	364,613
Depreciation	208,258	-	208,258
TOTAL OPERATING EXPENSES	<u>893,492</u>	<u>37,712</u>	<u>931,204</u>
OPERATING INCOME (LOSS)	<u>(173,332)</u>	<u>12,132</u>	<u>(161,200)</u>
NONOPERATING REVENUES (EXPENSES):			
Interest Income	2,503	31	2,534
Increase in Fair Value of Investments	7,922	-	7,922
Interest Expense	(34,306)	-	(34,306)
Debt Issuance Costs	(2,371)	-	(2,371)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(26,252)</u>	<u>31</u>	<u>(26,221)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(199,584)	12,163	(187,421)
CONTRIBUTIONS	140,976	-	140,976
TRANSFERS IN	14,100	-	14,100
TRANSFERS OUT	(120,000)	(13,220)	(133,220)
CHANGE IN NET POSITION	(164,508)	(1,057)	(165,565)
NET POSITION, Beginning of Year	<u>3,900,921</u>	<u>14,324</u>	<u>3,915,245</u>
NET POSITION, End of Year	<u><u>\$ 3,736,413</u></u>	<u><u>\$ 13,267</u></u>	<u><u>\$ 3,749,680</u></u>

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, 2015**

	ENTERPRISE FUNDS		
	UTILITY FUND	RECREATION PROGRAMS FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 720,582	\$ 49,844	\$ 770,426
Cash payments to suppliers for goods and services	(295,068)	(37,731)	(332,799)
Cash payments to employees for services	<u>(365,024)</u>	<u>-</u>	<u>(365,024)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>60,490</u>	<u>12,113</u>	<u>72,603</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers in from Capital Projects Fund	14,100	-	14,100
Transfers out to General Fund	<u>(120,000)</u>	<u>(13,220)</u>	<u>(133,220)</u>
NET CASH USED IN NONCAPITAL FINANCING ACTIVITIES	<u>(105,900)</u>	<u>(13,220)</u>	<u>(119,120)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Impact Fees received	140,976	-	140,976
SRF and FDOT Loan principal repayments	(117,212)	-	(117,212)
SRF Loan interest paid	(34,643)	-	(34,643)
Acquisition and construction of capital assets	<u>(166,199)</u>	<u>-</u>	<u>(166,199)</u>
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(177,078)</u>	<u>-</u>	<u>(177,078)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
State Board Pool B investment	7,922	-	7,922
Interest received on investments	<u>2,503</u>	<u>31</u>	<u>2,534</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>10,425</u>	<u>31</u>	<u>10,456</u>
NET DECREASE IN CASH	<u>(212,063)</u>	<u>(1,076)</u>	<u>(213,139)</u>
CASH, Beginning of Year	<u>650,680</u>	<u>14,863</u>	<u>665,543</u>
CASH, End of Year	<u>\$ 438,617</u>	<u>\$ 13,787</u>	<u>\$ 452,404</u>

continued on next page

CITY OF FRUITLAND PARK, FLORIDA
STATEMENT OF CASH FLOWS (continued)
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	ENTERPRISE FUNDS		
	UTILITY FUND	RECREATION PROGRAMS FUND	TOTAL
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating Income (Loss)	\$ (173,332)	\$ 12,132	\$ (161,200)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and Amortization	242,888	-	242,888
Changes in Assets and Liabilities:			
Increase in Customer Receivables	(10,213)	-	(10,213)
Increase in Inventory	(8,498)	-	(8,498)
Increase in Accounts Payable	5,701	(19)	5,682
Increase in Accrued Payroll	2,139	-	2,139
Increase in Customer Deposits	10,635	-	10,635
Decrease Compensated Absences	(8,830)	-	(8,830)
TOTAL ADJUSTMENTS	233,822	(19)	233,803
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 60,490	\$ 12,113	\$ 72,603

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, 2015

	PENSION TRUST FUNDS
ASSETS	
Cash	\$ 143,180
Investments with Trustees:	
Cash management funds	69,195
US Government securities	21,200
Corporate equity funds	391,309
Corporate bond funds	<u>9,682</u>
 TOTAL ASSETS	 <u>634,566</u>
LIABILITIES	
LIABILITIES	 <u>-</u>
NET POSITION	
Held in trust for City's Contributions	22,430
Held in trust for Firefighters' Contributions	9,231
Held in trust for Pension Benefits	<u>602,905</u>
 TOTAL NET POSITION	 <u><u>\$ 634,566</u></u>

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, 2015

	PENSION TRUST FUNDS
ADDITIONS	
CONTRIBUTIONS:	
City	\$ 44,641
Employees	1,973
State of Florida	<u>15,250</u>
Total Contributions	<u>61,864</u>
INVESTMENT INCOME:	
Net Depreciation in Fair Value of Investments	(24,934)
Interest/Dividend Income	<u>14,809</u>
Total Investment Income	(10,125)
Less Investment Expenses	<u>-</u>
Net Investment Income	<u>(10,125)</u>
TOTAL ADDITIONS	<u>51,739</u>
DEDUCTIONS	
Benefit Payments	63,559
Refund of Contributions	<u>52,605</u>
TOTAL DEDUCTIONS	<u>116,164</u>
CHANGE IN NET POSITION	(64,425)
NET POSITION HELD IN TRUST FOR PENSION BENEFITS:	
Beginning of Year	<u>698,991</u>
End of Year	<u><u>\$ 634,566</u></u>

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

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

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.

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

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.

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

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 0.25% as of September 30, 2015. 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.

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, 2015, 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.

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 of 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, 2015.

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.

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 liquidated by the General Fund.

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 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.

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 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, 2015 from the GAAP basis to the budget basis are as follows:

Change in net position, GAAP Basis	\$ (164,508)
Decrease due to debt principal payments	(117,212)
Decrease due to accrued interest	(337)
Increase due to depreciation expense	208,258
Increase due to debt issuance costs	2,371
Decrease due to capital purchases	<u>(166,199)</u>
Deficiency of Revenues under Expenses, Budget Basis	<u><u>\$ (237,627)</u></u>

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 4 CASH AND INVESTMENTS

Cash Deposits

At September 30, 2015, the carrying amount of the City's cash deposits, including cash on deposit with the State Board of Administration Fund A pool, was \$3,103,382 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, 2015 the City's investments at fair value are:

Certificates of Deposit	\$	506,260
US Government Securities (GNMA)		21,200
Mutual Funds		<u>470,186</u>
	<u>\$</u>	<u>997,646</u>

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, 2015, 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 5 ACCOUNTS RECEIVABLE

Accounts receivable at September 30, 2015 are as follows:

	<u>General Fund</u>	<u>Utility Fund</u>
Customer Accounts Receivable	\$ 49,280	\$ 75,846
Franchise and Utility Taxes	123,212	-
Other Receivables	28,602	35,422
Less Allowance for Uncollectibles	<u>-</u>	<u>(7,755)</u>
Net Receivables	<u>\$ 201,094</u>	<u>\$ 103,513</u>

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2015:

	October 1, 2014	Additions	Transfers/ Deletions	Sept 30, 2015
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated:				
Land	\$ 1,105,823	\$ 207,880	\$ -	\$ 1,313,703
Capital assets being depreciated:				
Buildings	2,590,160	-	-	2,590,160
Improvements	749,068	101,949	(2,342)	848,675
Equipment	1,750,399	474,044	(122,267)	2,102,176
Infrastructure	681,226	-	-	681,226
	<u>5,770,853</u>	<u>575,993</u>	<u>(124,609)</u>	<u>6,222,237</u>
Less accumulated depreciation for:				
Buildings	(921,168)	(61,538)	-	(982,706)
Improvements	(624,168)	(32,540)	2,342	(654,366)
Equipment	(1,420,796)	(150,088)	122,267	(1,448,617)
Infrastructure	(130,486)	(22,274)	-	(152,760)
	<u>(3,096,618)</u>	<u>(266,440)</u>	<u>124,609</u>	<u>(3,238,449)</u>
Total capital assets being depreciated, net	<u>2,674,235</u>	<u>309,553</u>	<u>-</u>	<u>2,983,788</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 3,780,058</u>	<u>\$ 517,433</u>	<u>\$ -</u>	<u>\$ 4,297,491</u>

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 6 CAPITAL ASSETS (continued)

	October 1, 2014	Additions	Transfers/ Deletions	Sept 30, 2015
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated:				
Land	\$ 339,699	\$ -	\$ -	\$ 339,699
Construction in Progress	-	110,677	-	110,677
	339,699	110,677	-	450,376
Capital assets being depreciated:				
Buildings	243,408	-	-	243,408
Water System	3,320,644	-	-	3,320,644
Sewer System	2,791,046	-	-	2,791,046
Equipment	458,776	55,522	(4,419)	509,879
	6,813,874	55,522	(4,419)	6,864,977
Less accumulated depreciation for:				
Buildings	(157,339)	(6,211)	-	(163,550)
Water System	(1,468,259)	(83,874)	-	(1,552,133)
Sewer System	(580,572)	(93,205)	-	(673,777)
Equipment	(356,600)	(24,968)	4,419	(377,149)
Total accumulated depreciation	(2,562,770)	(208,258)	4,419	(2,766,609)
Total assets being depreciated, net	4,251,104	(152,736)	-	4,098,368
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 4,590,803	\$ (42,059)	\$ -	\$ 4,548,744

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

GOVERNMENTAL ACTIVITIES:	
General Government	\$ 41,726
Public Safety	130,398
Transportation	34,347
Culture and Recreation	59,969
	266,440
Total Depreciation Expense- Governmental Activities	\$ 266,440
 BUSINESS-TYPE ACTIVITIES:	
Water	\$ 100,743
Sewer	107,515
	208,258
Total Depreciation Expense- Business-type Activities	\$ 208,258

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 7 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, 2015, interest totaling \$4,853 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, 2015, the repayment schedule is as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>
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
2/15/2020	6,659	1,506	8,165
8/15/2020	6,765	1,400	8,165
Thereafter	<u>81,853</u>	<u>7,962</u>	<u>89,815</u>
	<u>\$ 144,957</u>	<u>\$ 26,508</u>	<u>\$ 171,465</u>

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, 2015, interest totaling \$29,789 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. The City actually used sewer impact fees to make \$60,414 in debt service payments for the year, with the balance of \$77,524 being paid with accumulated net utility revenues. Therefore, at September 30, 2015, none of the pledged revenues were subject to the loan repayment.

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 7 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:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Payment</u>
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
2/15/2020	51,555	9,114	60,669
8/15/2020	52,205	8,464	60,669
Thereafter	<u>619,547</u>	<u>47,815</u>	<u>667,362</u>
	<u>\$ 1,113,315</u>	<u>\$ 160,739</u>	<u>\$ 1,274,054</u>

Covenants of the SRF loans require creation of separate accounts. A "loan debt service account" accumulates the upcoming semi-annual payment. At September 30, 2015 this account has accumulated \$41,780 out of a total of \$68,334 to fully fund the reserve.

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, 2015 the repayment schedule is as follows:

<u>Date</u>	<u>Principal Payment</u>
10/15/15	\$ 14,186
10/15/16	14,186
10/15/17	14,187
10/15/18	14,186
10/15/19	14,186
Thereafter	<u>340,471</u>
	<u>\$ 411,402</u>

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 7 LONG-TERM DEBT (continued)

Changes in Long-term Liabilities

	Balances 09/30/14	Additions	Repayments	Balances 09/30/15	Due in one year
GOVERNMENTAL ACTIVITIES:					
Capital Lease	\$ -	\$ 142,939	\$ (28,603)	\$ 114,336	\$ 27,033
Vacation Leave	46,685	36,170	(20,602)	62,253	43,577
	<u>46,685</u>	<u>36,170</u>	<u>(20,602)</u>	<u>62,253</u>	<u>43,577</u>
GOVERNMENTAL ACTIVITY					
LONG-TERM LIABILITIES	<u>\$ 46,685</u>	<u>\$ 179,109</u>	<u>\$ (49,205)</u>	<u>\$ 176,589</u>	<u>\$ 70,610</u>
BUSINESS-TYPE ACTIVITIES:					
SRF Loan-preconstruct	\$ 156,434	\$ -	\$ (11,477)	\$ 144,957	\$ 11,842
SRF Loan-construction	1,204,864	-	(91,549)	1,113,315	93,870
FDOT Note	425,588	-	(14,186)	411,402	14,186
Vacation Leave	15,040	2,703	(11,533)	6,210	5,268
	<u>15,040</u>	<u>2,703</u>	<u>(11,533)</u>	<u>6,210</u>	<u>5,268</u>
BUSINESS-TYPE ACTIVITY					
LONG-TERM LIABILITIES	<u>\$ 1,801,926</u>	<u>\$ 2,703</u>	<u>\$ (128,745)</u>	<u>\$ 1,675,884</u>	<u>\$ 125,166</u>

NOTE 8 FUND BALANCES

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

General Fund

Nonspendable for Prepaid Items	\$ 22,012
Restricted for Police Education	14,160
Restricted for Police Equipment and Automation	5,598
Restricted for Public Safety Capital Improvements	693,202
Restricted for Building Inspections	142,323
Restricted for Police and Fire Fee Refunds	<u>112,757</u>
Total Restricted	<u>968,040</u>
Committed to Cemetery Care	80,002
Committed to Stormwater Utility	<u>213,803</u>
Total Committed	<u>293,805</u>
Unassigned	<u>287,710</u>
Total General Fund	<u>\$ 1,571,567</u>

Community Redevelopment Fund

Restricted for Redevelopment Projects	\$ 447,109
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Capital Projects Fund

Restricted for Infrastructure	\$ 542,067
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CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 8 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 9 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-employer, 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, 2015, there was one retiree currently receiving benefits, and 1 terminated firefighter was entitled to benefits but not yet receiving them. Out of the 21 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, 2015, the City collected \$15,250 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, 2015 was zero. Employee and City contributions for the year ended September 30, 2015 were each \$1,973.

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, 2015 in the method used to calculate or establish contribution requirements. Most administrative costs of the Plan are absorbed by the General Fund.

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 9 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		<u>445,394</u>
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:	
		Investment rate	
Actuarial cost method:	Aggregate	of return	4.0%
		Projected salary	
Amortization method:	N/A	increases*	4.5%
		Cost-of-living	
Remaining amortization		adjustments	None
period:	N/A		
		*Includes inflation at 3.0%	
Asset valuation method:	Market Value		

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.

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 9 RETIREMENT COMMITMENTS (continued)

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

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

Although the NPO calculation for September 30, 2015 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, 2015 there were 13 members in the plan, 8 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, 2015, the City contributed \$42,668 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, 2015, the City did not use any forfeited amounts for payment of contributions for current plan participants, but did receive a refund of forfeited amounts totaling \$51,960. At September 30, 2015, the City has \$1,884 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.

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 9 RETIREMENT COMMITMENTS (continued)

C. Financial Statements for Individual Pension Funds

	<u>Firemen's Retirement Trust Fund</u>	<u>ICMA Retirement Trust Fund</u>	<u>Total</u>
STATEMENT OF FIDUCIARY NET POSITION AS OF SEPTEMBER 30, 2015			
ASSETS			
Cash	\$ 143,180	\$ -	\$ 143,180
Investments with Trustees	<u>301,239</u>	<u>190,147</u>	<u>491,386</u>
TOTAL ASSETS	444,419	190,147	634,566
LIABILITIES			
	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Held in trust for Pension Benefits	<u>\$ 444,419</u>	<u>\$ 190,147</u>	<u>\$ 634,566</u>

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2015

ADDITIONS			
Contributions:			
City	\$ 1,973	\$ 42,668	\$ 44,641
Employees	1,973	-	1,973
State of Florida	<u>15,250</u>	<u>-</u>	<u>15,250</u>
Total Contributions	<u>19,196</u>	<u>42,668</u>	<u>61,864</u>
Investment Income:			
Net Depreciation in Fair Value of Investments	(22,953)	(1,981)	(24,934)
Interest/Dividend Income	<u>14,809</u>	<u>-</u>	<u>14,809</u>
Net Investment Income	<u>(8,144)</u>	<u>(1,981)</u>	<u>(10,125)</u>
TOTAL ADDITIONS	<u>11,052</u>	<u>40,687</u>	<u>51,739</u>
DEDUCTIONS			
Benefit Payments	23,822	39,737	63,559
Refund of Contributions	<u>645</u>	<u>51,960</u>	<u>52,605</u>
TOTAL DEDUCTIONS	<u>24,467</u>	<u>91,697</u>	<u>116,164</u>
NET DECREASE	(13,415)	(51,010)	(64,425)
NET POSITION			
Beginning of Year	<u>457,834</u>	<u>241,157</u>	<u>698,991</u>
End of Year	<u>\$ 444,419</u>	<u>\$ 190,147</u>	<u>\$ 634,566</u>

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 10 FLORIDA RETIREMENT SYSTEM PENSION PLAN

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 cost-sharing multi-employer defined benefit pension plan 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.

The FRS provides retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. That report may be obtained by writing to the Division of Retirement, PO Box 9000, Tallahassee, Florida 32315-9000, or by calling (850)488-6491.

Benefits Provided - Benefits under the pension plan are computed on the basis of age, average final compensation, and service credit. Plan members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk class members (sworn law enforcement officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of the final average compensation based on the five highest years of salary for each year of credited service.

Contributions - The FRS has 9 classes of membership. Only 2 classes are applicable to the City's eligible employees. All participants contribute 3% of their salary to the plan. The City contributed 22.04% for Police Officers and 7.26% for General Employees. Total contributions to FRS were \$106,100 for the year ended September 30, 2015.

Pension Liabilities - At September 30, 2015, the City's proportionate share of the FRS net pension liability was \$273,043. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The City's proportionate share of the net pension liability was based on the City's 2015 fiscal year contributions relative to the 2014 fiscal year contributions for all participating members. At June 30, 2015, the City's proportionate share was .0021 percent.

NOTE 11 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, 2015 there were 10 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 (1 as of September 30, 2015) 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.

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 11 ICMA 457 DEFERRED COMPENSATION PLAN (continued)

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
- 4)

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, 2015, which totaled \$515,192 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 12 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, 2015 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 13 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, 2015 was 4.7371. The millage rate assessed by the City on taxable property to be levied on November 1, 2015 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%

CITY OF FRUITLAND PARK, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 13 PROPERTY TAXES (continued)

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.

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 14 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, 2015, 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 15 CLAIMS AND JUDGMENTS

The City is a defendant in a class action lawsuit filed during 2013 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, 2015, the City paid the attorney fees, the class representative awards, the administration expenses, and customer refunds of \$157,843. The City is not aware of any additional unpaid claims against the \$112,757 remaining in the common fund.

NOTE 16 SUBSEQUENT EVENTS

City management has evaluated events occurring subsequent to the financial statement date through August 15, 2016.

On October 16, 2015, Lake County Circuit Court granted the City's motion to close the common fund (see Note 15), and ordered the remaining balance of \$112,757 to be used by the City for the provision of fire services.

On January 29, 2016, the City closed on a note payable to BB&T Bank in the amount of \$2,500,000. The proceeds are to be used for certain utility projects. Interest only payments are due for the first 2 years. Semi-annual payments of \$172,170 including interest at 2.33% are to begin June 1, 2018. The loan is secured by a pledge of the City's infrastructure sales surtax revenues.

**CITY OF FRUITLAND PARK, FLORIDA
FINANCIAL RETIREMENT TRUST FUND
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2015**

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial 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
2015	\$ -	\$ 1,973	\$ 15,250	100%
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%

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, 2015 AND 2014

	2015	2014
ASSETS		
Cash	\$ 1,702,951	\$ 840,291
Certificates of Deposit	106,260	105,651
Accounts Receivable:		
Franchise/Utility Taxes	123,212	139,693
Garbage/Stormwater Customers	49,280	49,771
Public Safety Service Fees	-	675
Cemetery Lots	551	1,237
Miscellaneous	28,051	8,003
Due from other Governments:		
Federal	3,950	-
State of Florida	55,416	39,884
Lake County	6,522	7,973
Prepaid Items	22,012	2,831
TOTAL ASSETS	\$ 2,098,205	\$ 1,196,009
LIABILITIES		
Accounts Payable	\$ 162,933	\$ 139,880
Accrued Payroll and Related Liabilities	48,460	36,421
Due to State of Florida	31,209	4,157
Due to Lake County	-	24,769
Unearned Building & Zoning Revenue	204,444	29,364
Unearned Business Tax Revenue	21,603	24,974
Unearned Street Light Rental Revenue	55,250	55,925
TOTAL LIABILITIES	523,899	315,490
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue - County Gas Tax	2,739	-
FUND BALANCE		
Nonspendable:		
For Prepaid Items	22,012	2,831
Restricted:		
For Police Education	14,160	24,079
For Police Equipment and Automation	5,598	8,287
For Public Safety Capital Improvements	693,202	226,533
For Building Inspections	142,323	-
For Police and Fire Fee Refunds	112,757	130,379
Committed:		
To Cemetery Care	80,002	142,522
To Stormwater Utility	213,803	176,947
Unassigned	287,710	168,941
TOTAL FUND BALANCE	1,571,567	880,519
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 2,098,205	\$ 1,196,009

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, 2015
With comparative actual amounts for the year ended September 30, 2014

	2015		VARIANCE WITH FINAL BUDGET	2014 ACTUAL
	FINAL BUDGET	ACTUAL		
REVENUES:				
Taxes	\$ 1,922,650	\$ 1,886,914	\$ (35,736)	\$ 1,808,347
Licenses and Permits	662,483	942,358	279,875	47,558
Intergovernmental	471,924	480,383	8,459	462,410
Charges for Services	592,781	673,500	80,719	683,389
Fines and Forfeitures	41,015	27,840	(13,175)	38,522
Miscellaneous	280,949	741,374	460,425	325,363
TOTAL REVENUES	3,971,802	4,752,369	780,567	3,365,589
EXPENDITURES:				
Current:				
General Government	1,008,178	1,020,480	(12,302)	1,293,569
Public Safety	2,333,320	2,161,552	171,768	1,651,946
Transportation	245,270	230,586	14,684	193,303
Sanitation/Other Utility	433,690	475,618	(41,928)	471,391
Culture and Recreation	536,072	519,682	16,390	456,471
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	4,556,530	4,407,918	148,612	4,066,680
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(584,728)	344,451	929,179	(701,091)
OTHER FINANCING SOURCES (USES):				
Transfers in from Community Redevelopment Fund	109,574	68,588	(40,986)	49,892
Transfers in from Capital Projects Fund	5,000	-	(5,000)	-
Transfers in from Utility Fund	120,000	120,000	-	-
Transfers in from Recreation Programs Fund	13,222	13,220	(2)	10,741
Capital Lease	-	142,939	142,939	-
Sale of Capital Assets	150	1,850	1,700	11,805
TOTAL OTHER FINANCING SOURCES (USES)	247,946	346,597	98,651	72,438
NET CHANGE IN FUND BALANCES	(336,782)	691,048	1,027,830	(628,653)
FUND BALANCE, Beginning of Year	880,519	880,519	-	1,509,172
FUND BALANCE, End of Year	\$ 543,737	\$ 1,571,567	\$ 1,027,830	\$ 880,519

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, 2015**

With comparative actual amounts for the year ended September 30, 2014

	2015		VARIANCE WITH FINAL BUDGET	2014 ACTUAL
	FINAL BUDGET	ACTUAL		
TAXES				
Ad-Valorem Taxes	\$ 787,164	\$ 768,062	\$ (19,102)	\$ 719,536
Local Option Gas Tax	76,810	85,977	9,167	76,901
Fire Insurance Premium Tax	16,000	15,250	(750)	20,202
Franchise Fees:				
Electric	334,610	323,494	(11,116)	318,062
Gas	20,000	18,674	(1,326)	20,564
Solid Waste	44,500	52,523	8,023	51,108
Utility Taxes:				
Electric	346,161	333,354	(12,807)	310,447
Water	48,000	56,301	8,301	48,178
Gas	24,905	18,767	(6,138)	22,974
Propane	1,300	1,610	310	2,265
Communications Services Tax	200,000	188,740	(11,260)	196,085
City Business Tax	23,200	24,162	962	22,025
TOTAL TAXES	1,922,650	1,886,914	(35,736)	1,808,347
LICENSES AND PERMITS:				
Building Permits	662,328	942,228	279,900	46,943
Burn/Clearing Permits	25	-	(25)	-
Cemetery Permits	130	130	-	300
Golf Cart Permits	-	-	-	315
TOTAL LICENSES AND PERMITS	662,483	942,358	279,875	47,558
INTERGOVERNMENTAL REVENUE:				
Federal Law Enforcement Grants	14,300	7,471	(6,829)	7,060
Federal Forestry Grant	-	-	-	5,300
County Recycling/Education Grant	100	-	(100)	-
State Revenue Sharing	120,151	126,588	6,437	115,657
Mobile Home Licenses	14,295	11,093	(3,202)	11,557
Alcoholic Beverage Licenses	1,511	1,535	24	1,486
Local Government 1/2 Cent Sales Tax	224,644	233,755	9,111	218,939
FDOT Traffic Signal Maintenance	3,450	3,453	3	3,353
County Library Agreement	60,923	60,923	-	61,780
County Business Tax	2,550	3,993	1,443	3,950
County Gas Tax	30,000	31,572	1,572	33,328
TOTAL INTERGOVERNMENTAL REVENUE	471,924	480,383	8,459	462,410

CITY OF FRUITLAND PARK, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES COMPARED TO BUDGET (continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2015
With comparative actual amounts for the year ended September 30, 2014

	2015		VARIANCE WITH FINAL BUDGET	2014 ACTUAL
	FINAL BUDGET	ACTUAL		
CHARGES FOR SERVICES:				
Zoning Fees	\$ 14,510	\$ 26,960	\$ 12,450	\$ 8,355
Annexation Fees	1,000	400	(600)	-
Land Development Procedure	900	900	-	20,600
Site Plan and Review Fees	7,005	8,180	1,175	6,966
Certification and Copying	2,250	2,138	(112)	2,133
Law Enforcement Service Fees	-	(389)	(389)	19,174
Fire Service Fees	-	(271)	(271)	19,190
Fire Inspection Fees	8,590	8,595	5	7,350
B & Z Admin Fees	-	16,605	16,605	-
Garbage Fees	412,700	468,234	55,534	457,530
Garbage Billing Admin Fees	50,500	54,214	3,714	52,741
Impact Fee Collection Fees	1,500	1,500	-	800
Stormwater Fees	47,520	44,416	(3,104)	43,634
Repairs/Maint Vacant Property	13,500	14,750	1,250	15,500
Library Fees	150	60	(90)	140
Pool Admissions and Fees	14,000	11,620	(2,380)	15,043
Special Event Fees (FP Day)	3,780	3,347	(433)	2,869
Casino Fees	12,735	9,820	(2,915)	10,224
Lien Search Fees	2,141	2,421	280	1,140
TOTAL CHARGES FOR SERVICES	592,781	673,500	80,719	683,389
FINES AND FORFEITURES:				
Court Fines	13,500	12,390	(1,110)	27,933
Police Education	6,500	1,527	(4,973)	2,497
Library Fines	3,000	2,326	(674)	3,111
Parking Violation Fines	7,015	7,015	-	15
Forfeitures	11,000	4,582	(6,418)	4,966
TOTAL FINES AND FORFEITURES	41,015	27,840	(13,175)	38,522
MISCELLANEOUS REVENUES:				
Interest Earnings	2,928	922	(2,006)	1,342
Street Light Fixture Rental	-	675	675	1,431
Cemetery Lot Sales	34,329	20,780	(13,549)	8,900
Police Impact Fees	15,000	178,167	163,167	7,511
Fire Impact Fees	20,000	288,502	268,502	12,142
Planning/Zoning Reimbursements	141,395	168,808	27,413	279,442
Donations	650	193	(457)	-
Other Police Revenue	6,377	5,723	(654)	6,062
Fuel Tax Refunds	5,000	3,102	(1,898)	3,936
Other Revenue	55,270	74,502	19,232	4,597
TOTAL MISCELLANEOUS REVENUE	280,949	741,374	460,425	325,363
TOTAL REVENUES	\$ 3,971,802	\$ 4,752,369	\$ 780,567	\$ 3,365,589

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, 2015**

With comparative actual amounts for the year ended September 30, 2014

	2015		VARIANCE WITH FINAL BUDGET	2014 ACTUAL
	FINAL BUDGET	ACTUAL		
GENERAL GOVERNMENT SERVICES:				
Legislative (City Commission):				
Personal Services	\$ 39,097	\$ 39,003	\$ 94	\$ 37,636
Operating Expenses	<u>22,274</u>	<u>23,846</u>	<u>(1,572)</u>	<u>18,960</u>
Total Legislative	<u>61,371</u>	<u>62,849</u>	<u>(1,478)</u>	<u>56,596</u>
Executive:				
Personal Services	202,022	197,657	4,365	184,677
Operating Expenses	25,385	25,709	(324)	31,580
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,554</u>
Total Executive	<u>227,407</u>	<u>223,366</u>	<u>4,041</u>	<u>217,811</u>
Finance:				
Personal Services	153,890	153,318	572	134,353
Operating Expenses	34,786	32,020	2,766	26,811
Capital Outlay	<u>1,152</u>	<u>2,350</u>	<u>(1,198)</u>	<u>-</u>
Total Finance	<u>189,828</u>	<u>187,688</u>	<u>2,140</u>	<u>161,164</u>
Legal Counsel:				
Operating Expenses	<u>164,650</u>	<u>172,418</u>	<u>(7,768)</u>	<u>209,080</u>
Other General Government:				
Personal Services	35,435	33,459	1,976	41,166
Operating Expenses	130,173	130,199	(26)	119,097
Redevelopment Taxes	99,893	99,774	119	89,034
Police and Fire Fee Refunds	-	17,622	(17,622)	399,621
Capital Outlay	<u>99,421</u>	<u>93,105</u>	<u>6,316</u>	<u>-</u>
Total Other General Government	<u>364,922</u>	<u>374,159</u>	<u>(9,237)</u>	<u>648,918</u>
TOTAL GENERAL GOVERNMENT SERVICES	<u>1,008,178</u>	<u>1,020,480</u>	<u>(12,302)</u>	<u>1,293,569</u>
PUBLIC SAFETY:				
Police Department:				
Personal Services	927,189	860,290	66,899	771,783
Personal Services - Federal Grants	6,143	6,143	-	-
Operating Expenses	249,771	199,097	50,674	205,098
Operating Expenses - Federal Grants	-	-	-	7,060
Capital Outlay	<u>7,800</u>	<u>18,319</u>	<u>(10,519)</u>	<u>4,554</u>
Total Police Department:	<u>1,190,903</u>	<u>1,083,849</u>	<u>107,054</u>	<u>988,495</u>

CITY OF FRUITLAND PARK, FLORIDA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2015
With comparative actual amounts for the year ended September 30, 2014

	2015		VARIANCE WITH FINAL BUDGET	2014 ACTUAL
	FINAL BUDGET	ACTUAL		
PUBLIC SAFETY (CONTINUED):				
Fire Department:				
Personal Services	\$ 84,070	\$ 65,551	\$ 18,519	\$ 67,523
Operating Expenses	86,263	81,442	4,821	95,103
Capital Outlay	<u>117,910</u>	<u>146,536</u>	<u>(28,626)</u>	<u>4,072</u>
Total Fire Department	<u>288,243</u>	<u>293,529</u>	<u>(5,286)</u>	<u>166,698</u>
Protective Building Inspections:				
Personal Services	168,430	155,565	12,865	101,524
Operating Expenses	680,744	609,923	70,821	393,558
Capital Outlay	<u>5,000</u>	<u>18,686</u>	<u>(13,686)</u>	<u>1,671</u>
Total Protective Inspections	<u>854,174</u>	<u>784,174</u>	<u>70,000</u>	<u>496,753</u>
TOTAL PUBLIC SAFETY	<u>2,333,320</u>	<u>2,161,552</u>	<u>171,768</u>	<u>1,651,946</u>
TRANSPORTATION:				
Roads and Streets:				
Personal Services	89,646	86,212	3,434	63,535
Street Lighting	86,680	93,445	(6,765)	84,852
Operating Expenses	61,544	50,929	10,615	42,698
Capital Outlay	<u>7,400</u>	<u>-</u>	<u>7,400</u>	<u>2,218</u>
Total Roads and Streets	<u>245,270</u>	<u>230,586</u>	<u>14,684</u>	<u>193,303</u>
TOTAL TRANSPORTATION	<u>245,270</u>	<u>230,586</u>	<u>14,684</u>	<u>193,303</u>
SANITATION/OTHER UTILITY:				
Garbage Collection/Disposal:				
Operating Expenses	<u>418,715</u>	<u>468,058</u>	<u>(49,343)</u>	<u>457,381</u>
Stormwater Management:				
Operating Expenses	<u>14,975</u>	<u>7,560</u>	<u>7,415</u>	<u>14,010</u>
TOTAL SANITATION/OTHER UTILITY	<u>433,690</u>	<u>475,618</u>	<u>(41,928)</u>	<u>471,391</u>

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CITY OF FRUITLAND PARK, FLORIDA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (continued)
FOR THE YEAR ENDED SEPTEMBER 30, 2015
With comparative actual amounts for the year ended September 30, 2014

	2015		VARIANCE WITH FINAL BUDGET	2014 ACTUAL
	FINAL BUDGET	ACTUAL		
CULTURE AND RECREATION:				
Library:				
Personal Services	\$ 136,722	\$ 136,552	\$ 170	\$ 119,545
Operating Expenses	50,228	55,053	(4,825)	39,496
Library Books	29,600	31,943	(2,343)	29,317
Total Library	<u>216,550</u>	<u>223,548</u>	<u>(6,998)</u>	<u>188,358</u>
Municipal Pool:				
Personal Services	27,607	24,604	3,003	19,973
Operating Expenses	26,153	22,977	3,176	25,640
Capital Outlay	10,825	1,190	9,635	3,575
Total Municipal Pool	<u>64,585</u>	<u>48,771</u>	<u>15,814</u>	<u>49,188</u>
Recreation Facilities Maintenance:				
Personal Services	85,699	85,230	469	78,242
Operating Expenses	52,113	47,738	4,375	54,909
Cemetery Expenses	15,329	15,329	-	-
Capital Outlay	700	1,206	(506)	6,918
Total Recreation Facilities Maintenance	<u>153,841</u>	<u>149,503</u>	<u>4,338</u>	<u>140,069</u>
Recreation:				
Personal Services	67,341	66,443	898	58,996
Operating Expenses	33,755	31,417	2,338	17,159
Capital Outlay	-	-	-	2,701
Total Recreation	<u>101,096</u>	<u>97,860</u>	<u>3,236</u>	<u>78,856</u>
TOTAL CULTURE AND RECREATION	<u>536,072</u>	<u>519,682</u>	<u>16,390</u>	<u>456,471</u>
TOTAL EXPENDITURES	<u>\$ 4,556,530</u>	<u>\$ 4,407,918</u>	<u>\$ 148,612</u>	<u>\$ 4,066,680</u>

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, 2015 AND 2014**

	<u>2015</u>	<u>2014</u>
ASSETS		
Cash	\$ 347,859	\$ 267,174
Certificates of Deposit	<u>100,000</u>	<u>100,000</u>
TOTAL ASSETS	<u>\$ 447,859</u>	<u>\$ 367,174</u>
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Rental Security Deposit	<u>\$ 750</u>	<u>\$ 750</u>
TOTAL LIABILITIES	<u>750</u>	<u>750</u>
FUND BALANCE:		
Restricted for Redevelopment Projects	<u>447,109</u>	<u>366,424</u>
TOTAL FUND BALANCE	<u>447,109</u>	<u>366,424</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 447,859</u>	<u>\$ 367,174</u>

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, 2015**

With comparative actual amounts for the year ended September 30, 2014

	2015		VARIANCE WITH FINAL BUDGET	2014 ACTUAL
	FINAL BUDGET	ACTUAL		
REVENUES:				
Intergovernmental:				
Appropriated Incremental Ad-Valorem Taxes	\$ 191,650	\$ 228,335	\$ 36,685	\$ 193,797
Miscellaneous:				
Interest Earnings	1,400	943	(457)	817
Building Rental Fees	9,000	2,482	(6,518)	8,600
TOTAL REVENUES	202,050	231,760	29,710	203,214
EXPENDITURES:				
General Government:				
Other General Government:				
Operating Expenditures	36,120	22,691	13,429	22,296
Contingency	2,876	-	2,876	-
Transportation:				
Roads and Streets:				
Streetscape Project	53,450	55,652	(2,202)	139,042
Capital Outlay:				
Improvements - Fencing	-	4,144	(4,144)	-
TOTAL EXPENDITURES	92,446	82,487	9,959	161,338
EXCESS OF REVENUES OVER EXPENDITURES	109,604	149,273	39,669	41,876
OTHER FINANCING SOURCES (USES):				
Transfers out to General Fund	(109,604)	(68,588)	41,016	(49,892)
TOTAL OTHER FINANCING SOURCES (USES)	(109,604)	(68,588)	41,016	(49,892)
NET CHANGE IN FUND BALANCE	-	80,685	80,685	(8,016)
FUND BALANCE, Beginning of Year	366,424	366,424	-	374,440
FUND BALANCE, End of Year	\$ 366,424	\$ 447,109	\$ 80,685	\$ 366,424

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, 2015 AND 2014

	2015	2014
ASSETS		
Cash	\$ 456,988	\$ 580,068
Certificate of Deposit	100,000	100,000
Due from State of Florida	35,976	35,442
TOTAL ASSETS	\$ 592,964	\$ 715,510
LIABILITIES		
Accounts Payable	\$ 39,529	\$ -
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue - Infrastructure Surtax	11,368	11,367
FUND BALANCE		
Restricted for Infrastructure	542,067	704,143
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 592,964	\$ 715,510

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, 2015**

With comparative actual amounts for the year ended September 30, 2014

	2015		VARIANCE WITH FINAL BUDGET	2014 ACTUAL
	FINAL BUDGET	ACTUAL		
REVENUES:				
Local Government Infrastructure				
Surtax	\$ 355,000	\$ 380,103	\$ 25,103	\$ 353,896
County Library Grant	572,700	-	(572,700)	-
Interest Earnings	1,000	1,557	557	1,347
TOTAL REVENUES	928,700	381,660	(547,040)	355,243
EXPENDITURES:				
Capital Outlay:				
General Government:				
Land Acquisition	200,030	207,880	(7,850)	-
Records/Recording Systems	29,671	29,671	-	-
Facility Upgrades	7,375	7,363	12	-
Public Safety:				
Police Vehicles	89,510	89,509	1	81,381
Police Security System	9,500	5,302	4,198	-
Fire Station Improvements	10,400	9,844	556	-
Fire Equipment	56,100	30,834	25,266	-
Roads and Streets:				
Vehicles	29,260	29,406	(146)	-
Equipment Purchases	44,140	40,482	3,658	-
Culture/Recreation:				
Land Acquisition	-	-	-	143,105
Library Expansion	589,370	16,661	572,709	-
Swimming Pool Equipment	5,345	15,290	(9,945)	-
Soccer Field	-	-	-	4,009
Roller Hockey Rink	12,630	12,627	3	-
Park Improvements	-	3,468	(3,468)	-
Debt Service:				
Principal	28,603	28,603	-	-
Interest	2,696	2,696	-	170
TOTAL EXPENDITURES	1,114,630	529,636	584,994	228,665
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(185,930)	(147,976)	37,954	126,578
OTHER FINANCING SOURCES (USES):				
Transfers out to Utility Fund	(14,100)	(14,100)	-	-
TOTAL OTHER FINANCING (USES)	(14,100)	(14,100)	-	-
NET CHANGE IN FUND BALANCES	(200,030)	(162,076)	37,954	126,578
FUND BALANCE, Beginning of Year	704,143	704,143	-	577,565
FUND BALANCE, End of Year	<u>\$ 504,113</u>	<u>\$ 542,067</u>	<u>\$ 37,954</u>	<u>\$ 704,143</u>

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, 2015 AND 2014

	2015	2014
ASSETS		
<u>CURRENT ASSETS</u>		
Cash	\$ 580	\$ 276,485
Certificates of Deposit	200,000	200,000
Restricted Cash:		
State Revolving Fund Loan Reserves	41,480	68,834
Customer Deposits	128,150	117,515
Customer Accounts Receivable:		
Billed Utility Service, net of allowance for uncollectibles of \$7,755 and \$7,684 for 2015 and 2014, respectively	55,842	54,846
Unbilled Utility Service	12,249	12,249
Other Customer Receivables	12,398	9,184
Inventory	51,868	43,370
Prepaid Items	24,864	24,864
TOTAL CURRENT ASSETS	527,431	807,347
<u>NONCURRENT ASSETS</u>		
RESTRICTED CASH:		
Water Impact Fees	268,407	163,991
Sewer Impact Fees	-	23,855
Total Restricted Cash	268,407	187,846
SEWER IMPACT FEE RECEIVABLES	23,024	17,021
SRF LOAN COSTS	25,960	28,331
CONSUMPTIVE USE PERMIT, net of accumulated amortization of \$170,264 and \$135,634 in 2015 and 2014, respectively	176,032	210,662
PROPERTY, PLANT AND EQUIPMENT:		
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	509,879	458,776
Construction in Progress	110,677	-
	7,315,353	7,153,573
Less Accumulated Depreciation	2,766,609	2,562,770
Net Property, Plant and Equipment	4,548,744	4,590,803
TOTAL NONCURRENT ASSETS	5,042,167	5,034,663
TOTAL ASSETS	5,569,598	5,842,010

CITY OF FRUITLAND PARK, FLORIDA
UTILITY FUND
COMPARATIVE STATEMENTS OF NET POSITION (continued)
SEPTEMBER 30, 2015 AND 2014

	2015	2014
LIABILITIES		
<u>CURRENT LIABILITIES</u>		
Accounts Payable	\$ 15,544	\$ 9,843
Accrued Payroll	9,494	7,355
Customer Deposits	128,150	117,515
State Revolving Fund Loans:		
Accrued Interest Payable	4,113	4,450
Current Portion	105,712	103,026
FDOT Note Current Portion	14,186	14,186
Vacation Leave Payable	5,268	13,221
TOTAL CURRENT LIABILITIES	282,467	269,596
<u>NONCURRENT LIABILITIES</u>		
VACATION LEAVE PAYABLE	942	1,819
SRF LOANS PAYABLE:		
Preconstruction	133,115	144,957
Construction	1,019,445	1,113,315
Total SRF Loans Payable	1,152,560	1,258,272
FDOT NOTE PAYABLE	397,216	411,402
TOTAL LIABILITIES	1,833,185	1,941,089
NET POSITION		
Net Investment in Capital Assets	3,045,102	3,014,579
Restricted for Utility Capital Improvements	268,407	187,846
Restricted for Debt Service	37,367	64,384
Unrestricted	385,537	634,112
TOTAL NET POSITION	\$ 3,736,413	\$ 3,900,921

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, 2015 AND 2014

	2015	2014
OPERATING REVENUES:		
Water Sales	\$ 534,479	\$ 530,905
Sewer Revenue	106,491	103,969
Connection Fees	11,535	9,684
Septic Decommission Fees	11,274	4,800
Other Operating Revenues	56,381	59,349
TOTAL OPERATING REVENUES	720,160	708,707
OPERATING EXPENSES:		
Personal Services	358,333	327,910
Depreciation	208,258	208,420
Contractual Services	93,492	72,852
Utilities	52,990	53,396
Operating Supplies and Fuel	59,076	48,525
Consumptive Use Permit	35,280	40,599
Insurance	23,772	22,911
Repairs and Maintenance	35,224	29,925
Engineering and Professional Fees	10,837	8,795
Bad Debt Expense	71	1,020
Other Operating Expenses	16,159	23,909
TOTAL OPERATING EXPENSES	893,492	838,262
OPERATING LOSS	(173,332)	(129,555)
NONOPERATING REVENUES (EXPENSES):		
Interest Income	2,503	2,939
Increase (Decrease) in Fair Value of Investments	7,922	(4,472)
Interest Expense	(34,306)	(36,933)
Debt Issuance Costs	(2,371)	(2,371)
TOTAL NONOPERATING REVENUES (EXPENSES)	(26,252)	(40,837)
LOSS BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(199,584)	(170,392)
CAPITAL CONTRIBUTIONS:		
Water Impact Fees	104,416	13,997
Sewer Impact Fees	36,560	8,100
TRANSFERS IN FROM CAPITAL PROJECTS FUND	14,100	-
TRANSFERS OUT TO GENERAL FUND	(120,000)	-
CHANGE IN NET POSITION	(164,508)	(148,295)
TOTAL NET POSITION, Beginning of Year	3,900,921	4,049,216
TOTAL NET POSITION, End of Year	\$ 3,736,413	\$ 3,900,921

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, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 720,582	\$ 729,455
Cash payments to suppliers for goods and services	(295,068)	(295,800)
Cash payments to employees for services	(365,024)	(320,129)
NET CASH PROVIDED BY OPERATING ACTIVITIES	60,490	113,526
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers from Capital Projects Fund	14,100	-
Transfers to General Fund	(120,000)	-
NET CASH USED IN NONCAPITAL FINANCING ACTIVITIES	(105,900)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Water and Sewer Impact Fees received	140,976	22,097
SRF and FDOT Loan principal repayments	(117,212)	(100,408)
SRF Loan interest paid	(34,643)	(37,260)
Construction of Capital Assets	(110,677)	-
Purchase of Equipment	(55,522)	(18,857)
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	(177,078)	(134,428)
CASH FLOWS FROM INVESTING ACTIVITIES:		
State Board Fund B pool investment	7,922	33,717
Interest received on investments	2,503	2,939
NET CASH PROVIDED BY INVESTING ACTIVITIES	10,425	36,656
NET INCREASE (DECREASE) IN CASH	(212,063)	15,754
CASH, Beginning of Year	650,680	634,926
CASH, End of Year	\$ 438,617	\$ 650,680
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Loss	\$ (173,332)	\$ (129,555)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and Amortization	242,888	243,050
Changes in Assets and Liabilities:		
(Increase) Decrease in Customer Receivables	(10,213)	13,373
Increase in Inventory	(8,498)	(2,790)
Increase in Prepaid Items	-	(2,346)
Increase (Decrease) in Accounts Payable	5,701	(23,362)
Increase in Accrued Payroll	2,139	2,019
Increase in Customer Deposits	10,635	7,375
Increase (Decrease) in Vacation Leave Payable	(8,830)	5,762
	\$ 60,490	\$ 113,526
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, 2015 AND 2014

	2015	2014
ASSETS		
<u>CURRENT ASSETS</u>		
Cash	\$ 13,787	\$ 14,863
TOTAL ASSETS	13,787	14,863
LIABILITIES		
<u>CURRENT LIABILITIES</u>		
Accounts Payable	520	539
TOTAL LIABILITIES	520	539
NET POSITION		
Unrestricted	13,267	14,324
TOTAL NET POSITION	\$ 13,267	\$ 14,324

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, 2015**

With comparative actual amounts for the year ended September 30, 2014

	2015		VARIANCE WITH FINAL BUDGET	2014 ACTUAL
	FINAL BUDGET	ACTUAL		
OPERATING REVENUES:				
Adult Softball Fees	\$ 27,285	\$ 26,860	\$ (425)	\$ 29,670
Soccer Fees	6,500	2,815	(3,685)	6,230
T Ball Fees	3,000	3,810	810	2,175
Summer Camp	1,600	1,800	200	1,800
5K Event	13,351	13,351	-	6,797
Other Revenue	1,920	1,208	(712)	453
TOTAL OPERATING REVENUES	53,656	49,844	(3,812)	47,125
OPERATING EXPENSES:				
Softball Program	19,030	21,498	(2,468)	22,590
Soccer Program	3,800	-	3,800	6,244
T Ball Program	3,780	2,347	1,433	839
Summer Camp	-	-	-	25
5K Event	13,351	13,351	-	7,239
Other Expenses	2,313	516	1,797	407
TOTAL OPERATING EXPENSES	42,274	37,712	4,562	37,344
OPERATING INCOME	11,382	12,132	750	9,781
NONOPERATING INCOME:				
Interest Income	40	31	(9)	23
INCOME BEFORE TRANSFERS	11,422	12,163	741	9,804
TRANSFERS OUT TO GENERAL FUND	(13,222)	(13,220)	2	(10,741)
CHANGE IN NET POSITION	(1,800)	(1,057)	743	(937)
NET POSITION, Beginning of Year	14,324	14,324	-	15,261
NET POSITION, End of Year	<u>\$ 12,524</u>	<u>\$ 13,267</u>	<u>\$ 743</u>	<u>\$ 14,324</u>

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, 2015 AND 2014**

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from program participants	\$ 49,844	\$ 47,125
Cash payments to suppliers for goods and services	(37,731)	(38,832)
NET CASH PROVIDED BY OPERATING ACTIVITIES	12,113	8,293
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers out to General Fund	(13,220)	(10,741)
NET CASH USED IN NONCAPITAL FINANCING ACTIVITIES	(13,220)	(10,741)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received on cash investments	31	23
NET CASH PROVIDED BY INVESTING ACTIVITIES	31	23
NET DECREASE IN CASH	(1,076)	(2,425)
CASH, Beginning of Year	14,863	17,288
CASH, End of Year	\$ 13,787	\$ 14,863
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Income	\$ 12,132	\$ 9,781
Changes in Assets and Liabilities:		
Decrease in Accounts Payable	(19)	(1,488)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 12,113	\$ 8,293

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, 2015**

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES:			
Sale of Water	\$ 541,040	\$ 534,479	\$ (6,561)
Installation of Meters/Connections	5,700	11,535	5,835
Other Revenues	60,000	56,381	(3,619)
Sewer Revenue	94,000	106,491	12,491
Sewer Decommission	7,000	11,274	4,274
Interest Earnings	2,826	2,503	(323)
Change in Fair Value of Investments	9,000	7,922	(1,078)
Water Impact Fees	6,000	104,416	98,416
Sewer Impact Fees	7,500	36,560	29,060
Transfer in from Capital Projects Fund	14,100	14,100	-
TOTAL REVENUES	747,166	885,661	138,495
EXPENSES:			
Water Utility Services:			
Personal Services	371,005	358,333	12,672
Operating Expenses	250,644	216,187	34,457
Bad Debt Expense	750	71	679
Sewer Utility Services:			
Operating Expenses	84,420	75,363	9,057
Consumptive Use Permit	10,000	35,280	(25,280)
Equipment Purchases - Water	18,500	19,517	(1,017)
Equipment Purchases - Sewer	36,050	36,005	45
Water System Improvements	125,670	66,900	58,770
Sewer System Improvements	160,338	43,777	116,561
Debt Service Payments	151,858	151,855	3
Transfer out to General Fund	120,000	120,000	-
TOTAL EXPENSES	1,329,235	1,123,288	205,947
DEFICIENCY OF REVENUES UNDER EXPENSES	\$ (582,069)	\$ (237,627)	\$ 344,442

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, 2015 AND 2014

	2015	2014
CAPITAL ASSETS:		
Land	\$ 1,313,703	\$ 1,105,823
Buildings	2,590,160	2,590,160
Improvements other than Buildings	848,675	749,068
Equipment	2,102,176	1,750,399
Infrastructure	681,226	681,226
TOTAL CAPITAL ASSETS	\$ 7,535,940	\$ 6,876,676
INVESTMENT IN CAPITAL ASSETS FROM:		
Federal Grants	\$ 248,212	\$ 246,816
State and Local Grants	881,419	881,419
Infrastructure Surtaxes	3,658,996	3,160,659
Redevelopment Taxes	1,395,908	1,391,764
Gifts	80,828	80,828
Special Assessments	22,320	22,320
General Fund	1,248,257	1,092,870
TOTAL INVESTMENT IN CAPITAL ASSETS	\$ 7,535,940	\$ 6,876,676

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, 2015

FUNCTION AND ACTIVITY	TOTAL	LAND	BUILDINGS	IMPROVEMENTS OTHER THAN BUILDINGS	EQUIPMENT	INFRA- STRUCTURE
GENERAL GOVERNMENT:						
Legislative	\$ 2,187,290	\$ 729,208	\$ 1,379,290	\$ 15,210	\$ 63,582	\$ -
Executive	40,825	15,000	-	-	25,825	-
Finance	32,420	-	-	-	32,420	-
Other General Government	<u>684,008</u>	<u>428,081</u>	<u>94,931</u>	<u>98,973</u>	<u>62,023</u>	<u>-</u>
TOTAL GENERAL GOVERNMENT	<u>2,944,543</u>	<u>1,172,289</u>	<u>1,474,221</u>	<u>114,183</u>	<u>183,850</u>	<u>-</u>
PUBLIC SAFETY:						
Police Department	881,482	-	-	150	881,332	-
Fire Department	679,752	1,000	74,381	12,269	592,102	-
Building Inspections	<u>28,558</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,558</u>	<u>-</u>
TOTAL PUBLIC SAFETY	<u>1,589,792</u>	<u>1,000</u>	<u>74,381</u>	<u>12,419</u>	<u>1,501,992</u>	<u>-</u>
TRANSPORTATION:						
Roads and Streets	<u>906,919</u>	<u>-</u>	<u>4,709</u>	<u>-</u>	<u>220,984</u>	<u>681,226</u>
CULTURE AND RECREATION:						
Library	813,290	41,355	698,834	4,144	68,957	-
Municipal Pool	291,445	-	143,356	118,853	29,236	-
Recreation Facilities	<u>989,951</u>	<u>99,059</u>	<u>194,659</u>	<u>599,076</u>	<u>97,157</u>	<u>-</u>
TOTAL CULTURE AND RECREATION	<u>2,094,686</u>	<u>140,414</u>	<u>1,036,849</u>	<u>722,073</u>	<u>195,350</u>	<u>-</u>
TOTAL CAPITAL ASSETS	<u>\$ 7,535,940</u>	<u>\$ 1,313,703</u>	<u>\$ 2,590,160</u>	<u>\$ 848,675</u>	<u>\$ 2,102,176</u>	<u>\$ 681,226</u>

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, 2015

<u>FUNCTION AND ACTIVITY</u>	<u>CAPITAL ASSETS 10/1/2014</u>	<u>ADDITIONS</u>	<u>TRANSFERS/ DELETIONS</u>	<u>CAPITAL ASSETS 9/30/2014</u>
GENERAL GOVERNMENT:				
Legislative	\$ 1,879,203	\$ 207,880	\$ 100,207	\$ 2,187,290
Executive	40,825	-	-	40,825
Finance	37,665	2,350	(7,595)	32,420
Other General Government	<u>554,668</u>	<u>130,139</u>	<u>(799)</u>	<u>684,008</u>
TOTAL GENERAL GOVERNMENT	<u>2,512,361</u>	<u>340,369</u>	<u>91,813</u>	<u>2,944,543</u>
PUBLIC SAFETY:				
Police Department	770,635	113,130	(2,283)	881,482
Fire Department	588,171	187,214	(95,633)	679,752
Building Inspections	<u>13,933</u>	<u>18,686</u>	<u>(4,061)</u>	<u>28,558</u>
TOTAL PUBLIC SAFETY	<u>1,372,739</u>	<u>319,030</u>	<u>(101,977)</u>	<u>1,589,792</u>
TRANSPORTATION:				
Roads and Streets	<u>849,726</u>	<u>69,888</u>	<u>(12,695)</u>	<u>906,919</u>
CULTURE AND RECREATION:				
Library	792,485	20,805	-	813,290
Municipal Pool	274,965	16,480	-	291,445
Recreation Facilities	<u>1,074,400</u>	<u>17,301</u>	<u>(101,750)</u>	<u>989,951</u>
TOTAL CULTURE AND RECREATION	<u>2,141,850</u>	<u>54,586</u>	<u>(101,750)</u>	<u>2,094,686</u>
TOTAL CAPITAL ASSETS	<u>\$ 6,876,676</u>	<u>\$ 783,873</u>	<u>\$ (124,609)</u>	<u>\$ 7,535,940</u>

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.

Contents

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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 <u>2006</u>	Fiscal Year <u>2007</u>	Fiscal Year <u>2008</u>	Fiscal Year <u>2009</u>
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	\$ 2,236,620	\$ 2,770,028	\$ 3,115,183	\$ 3,525,988
Restricted for:				
Capital Improvements	394,978	454,785	442,765	732,823
Redevelopment Projects	474,701	799,763	1,005,215	726,864
Cemetery Care	95,145	105,807	109,577	112,567
Police	70,235	105,744	137,015	117,514
Building Inspections	67,910	41,843	42,285	-
Library	1,664	-	-	-
Stormwater	12,532	32,051	45,747	59,105
Police/Fire Fee Refunds	-	-	-	-
Unrestricted	<u>1,492,180</u>	<u>1,116,382</u>	<u>846,324</u>	<u>822,357</u>
Total Governmental Activities				
Net Position	<u>\$ 4,845,965</u>	<u>\$ 5,426,403</u>	<u>\$ 5,744,111</u>	<u>\$ 6,097,218</u>
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	\$ 2,666,774	\$ 3,086,299	\$ 3,029,311	\$ 2,937,548
Restricted for:				
Capital Improvements	730,630	907,847	707,438	607,025
Debt Service	76,884	85,234	85,425	62,827
Unrestricted	<u>599,515</u>	<u>425,731</u>	<u>683,030</u>	<u>578,696</u>
Total Business-type Activities				
Net Position	<u>\$ 4,073,803</u>	<u>\$ 4,505,111</u>	<u>\$ 4,505,204</u>	<u>\$ 4,186,096</u>
CITY OF FRUITLAND PARK				
Net Investment in Capital Assets	\$ 4,903,394	\$ 5,856,327	\$ 6,144,494	\$ 6,463,536
Restricted for:				
Capital Improvements	1,125,608	1,362,632	1,150,203	1,339,848
Redevelopment Projects	474,701	799,763	1,005,215	726,864
Cemetery Care	95,145	105,807	109,577	112,567
Debt Service	76,884	85,234	85,425	62,827
Police	70,235	105,744	137,015	117,514
Building Inspections	67,910	41,843	42,285	-
Library	1,664	-	-	-
Stormwater	12,532	32,051	45,747	59,105
Stormwater	-	-	-	-
Unrestricted	<u>2,091,695</u>	<u>1,542,113</u>	<u>1,529,354</u>	<u>1,401,053</u>
Total City of Fruitland Park				
Net Position	<u>\$ 8,919,768</u>	<u>\$ 9,931,514</u>	<u>\$ 10,249,315</u>	<u>\$ 10,283,314</u>

Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015
\$ 3,736,577	\$ 3,747,502	\$ 3,761,497	\$ 3,770,300	\$ 3,780,058	\$ 4,183,155
511,486	628,116	686,753	784,445	930,676	1,235,269
697,955	311,594	319,799	374,440	366,424	447,109
115,772	120,692	122,232	134,322	142,522	80,002
111,709	105,589	61,397	37,188	32,366	19,758
-	-	-	-	-	142,323
-	-	-	-	-	-
72,005	81,447	112,695	147,323	176,947	213,803
-	-	-	-	130,379	112,757
<u>782,582</u>	<u>855,281</u>	<u>884,922</u>	<u>420,112</u>	<u>207,620</u>	<u>331,320</u>
<u>\$ 6,028,086</u>	<u>\$ 5,850,221</u>	<u>\$ 5,949,295</u>	<u>\$ 5,668,130</u>	<u>\$ 5,766,992</u>	<u>\$ 6,765,496</u>
\$ 3,227,368	\$ 3,256,788	\$ 3,483,711	\$ 3,160,882	\$ 3,014,579	\$ 3,055,102
498,407	596,573	417,745	442,989	187,846	268,407
63,122	63,426	63,737	64,057	64,384	37,367
<u>212,765</u>	<u>83,781</u>	<u>193,429</u>	<u>396,549</u>	<u>648,436</u>	<u>388,804</u>
<u>\$ 4,001,662</u>	<u>\$ 4,000,568</u>	<u>\$ 4,158,622</u>	<u>\$ 4,064,477</u>	<u>\$ 3,915,245</u>	<u>\$ 3,749,680</u>
\$ 6,963,945	\$ 7,004,290	\$ 7,245,208	\$ 6,931,182	\$ 6,794,637	\$ 7,238,257
1,009,893	1,224,689	1,104,498	1,227,434	1,118,522	1,503,676
697,955	311,594	319,799	374,440	366,424	447,109
115,772	120,692	122,232	134,322	142,522	80,002
63,122	63,426	63,737	64,057	64,384	37,367
111,709	105,589	61,397	37,188	32,366	19,758
-	-	-	-	-	142,323
-	-	-	-	-	-
72,005	81,447	112,695	147,323	176,947	213,803
-	-	-	-	130,379	112,757
<u>995,347</u>	<u>939,062</u>	<u>1,078,351</u>	<u>816,661</u>	<u>856,056</u>	<u>720,124</u>
<u>\$ 10,029,748</u>	<u>\$ 9,850,789</u>	<u>\$ 10,107,917</u>	<u>\$ 9,732,607</u>	<u>\$ 9,682,237</u>	<u>\$ 10,515,176</u>

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

	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009
EXPENSES				
Governmental Activities:				
General Government	\$ 724,409	\$ 821,081	\$ 973,800	\$ 864,658
Public Safety	1,142,069	1,258,599	1,536,379	1,326,793
Transportation	284,642	337,899	433,573	362,253
Sanitation/Other Utility	372,582	401,062	457,451	454,723
Culture and Recreation	448,416	547,970	604,994	595,253
Interest on Long-term Debt	40,783	32,105	28,174	22,766
Total Governmental Activities Expenses	<u>3,012,901</u>	<u>3,398,716</u>	<u>4,034,371</u>	<u>3,626,446</u>
Business-Type Activities:				
Water Utility	326,229	325,603	459,317	482,437
Sewer Utility	48,083	161,796	241,167	322,279
Recreation Programs	11,585	13,172	15,618	22,645
Total Business-Type Activities Expenses	<u>385,897</u>	<u>500,571</u>	<u>716,102</u>	<u>827,361</u>
Total Expenses	<u>\$ 3,398,798</u>	<u>\$ 3,899,287</u>	<u>\$ 4,750,473</u>	<u>\$ 4,453,807</u>
PROGRAM REVENUES				
Governmental Activities:				
Charges for Services:				
General Government	\$ 112,514	\$ 111,499	\$ 104,056	\$ 45,695
Public Safety	514,812	407,780	501,731	242,303
Transportation	-	-	-	-
Sanitation/Other Utility	434,975	472,207	483,985	494,231
Culture and Recreation	22,396	25,673	28,062	27,793
Operating Grants and Contributions	114,067	100,991	131,451	108,020
Capital Grants and Contributions	105,997	108,032	103,175	78,277
Total Governmental Activities Program Revenues	<u>1,304,761</u>	<u>1,226,182</u>	<u>1,352,460</u>	<u>996,319</u>
Business-Type Activities:				
Charges for Services:				
Water Utility	625,598	600,677	643,694	569,723
Sewer Utility	-	21,226	67,516	75,381
Recreation Programs	17,866	12,748	20,480	22,726
Operating Grants and Contributions	-	750	-	-
Capital Grants and Contributions	815,384	346,725	121,887	37,254
Total Business-Type Activities Program Revenues	<u>1,458,848</u>	<u>982,126</u>	<u>853,577</u>	<u>705,084</u>
Total Program Revenues	<u>\$ 2,763,609</u>	<u>\$ 2,208,308</u>	<u>\$ 2,206,037</u>	<u>\$ 1,701,403</u>
NET REVENUE (EXPENSE)				
Governmental Activities	\$ (1,708,140)	\$ (2,172,534)	\$ (2,681,911)	\$ (2,630,127)
Business-Type Activities	<u>1,072,951</u>	<u>481,555</u>	<u>137,475</u>	<u>(122,277)</u>
Total Net Expense	<u>\$ (635,189)</u>	<u>\$ (1,690,979)</u>	<u>\$ (2,544,436)</u>	<u>\$ (2,752,404)</u>

<u>Fiscal Year</u> <u>2010</u>	<u>Fiscal Year</u> <u>2011</u>	<u>Fiscal Year</u> <u>2012</u>	<u>Fiscal Year</u> <u>2013</u>	<u>Fiscal Year</u> <u>2014</u>	<u>Fiscal Year</u> <u>2015</u>
\$ 872,323	\$ 1,113,962	\$ 821,330	\$ 1,265,453	\$ 737,827	\$ 898,643
1,550,621	1,411,552	1,460,689	1,347,613	1,672,643	2,110,533
366,990	426,154	707,159	342,471	363,034	324,333
448,014	429,297	780,765	450,306	471,391	475,618
558,258	526,532	488,131	484,525	515,382	577,976
17,495	11,973	6,249	1,870	170	4,118
<u>3,813,701</u>	<u>3,919,470</u>	<u>4,264,323</u>	<u>3,892,238</u>	<u>3,760,447</u>	<u>4,391,221</u>
649,113	572,667	599,304	744,457	673,008	710,615
364,080	277,985	209,103	332,126	204,558	219,554
18,899	18,490	28,308	29,163	37,344	37,712
<u>1,032,092</u>	<u>869,142</u>	<u>836,715</u>	<u>1,105,746</u>	<u>914,910</u>	<u>967,881</u>
<u>\$ 4,845,793</u>	<u>\$ 4,788,612</u>	<u>\$ 5,101,038</u>	<u>\$ 4,997,984</u>	<u>\$ 4,675,357</u>	<u>\$ 5,359,102</u>
\$ 50,483	\$ 62,532	\$ 45,703	\$ 70,305	\$ 361,584	\$ 398,065
318,461	287,375	293,282	276,568	134,130	981,400
-	-	2,335	-	1,431	4,128
488,063	486,420	504,210	538,537	553,905	512,650
30,475	35,302	33,179	30,282	31,387	27,173
100,267	89,210	80,987	76,471	77,493	68,394
91,892	49,133	681,142	26,576	19,653	466,669
<u>1,079,641</u>	<u>1,009,972</u>	<u>1,640,838</u>	<u>1,018,739</u>	<u>1,179,583</u>	<u>2,458,479</u>
542,438	588,343	645,894	598,184	590,322	593,028
104,851	117,859	109,829	343,482	118,385	127,132
22,200	27,665	34,855	40,420	47,125	49,844
-	-	-	-	-	-
45,492	235,835	386,625	24,390	22,097	140,976
<u>714,981</u>	<u>969,702</u>	<u>1,177,203</u>	<u>1,006,476</u>	<u>777,929</u>	<u>910,980</u>
<u>\$ 1,794,622</u>	<u>\$ 1,979,674</u>	<u>\$ 2,818,041</u>	<u>\$ 2,025,215</u>	<u>\$ 1,957,512</u>	<u>\$ 3,369,459</u>
\$ (2,734,060)	\$ (2,909,498)	\$ (2,623,485)	\$ (2,873,499)	\$ (2,580,864)	\$ (1,932,742)
(317,111)	100,560	340,488	(99,270)	(136,981)	(56,901)
<u>\$ (3,051,171)</u>	<u>\$ (2,808,938)</u>	<u>\$ (2,282,997)</u>	<u>\$ (2,972,769)</u>	<u>\$ (2,717,845)</u>	<u>\$ (1,989,643)</u>

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

	Fiscal Year <u>2006</u>	Fiscal Year <u>2007</u>	Fiscal Year <u>2008</u>	Fiscal Year <u>2009</u>
GENERAL REVENUES AND TRANSFERS				
Governmental Activities:				
Property Taxes	\$ 658,866	\$ 864,129	\$ 1,133,802	\$ 1,087,169
Sales Taxes	579,235	529,045	499,811	467,231
Franchise and Utility Taxes	794,327	827,658	869,774	927,619
Excise Taxes	267,294	266,616	254,467	264,612
Unrestricted Investment Earnings	110,232	140,524	86,555	51,403
Gain on Sale of Capital Assets	-	-	1,346	-
Transfers	<u>101,000</u>	<u>125,000</u>	<u>153,864</u>	<u>185,200</u>
Total Governmental Activities	<u>2,510,954</u>	<u>2,752,972</u>	<u>2,999,619</u>	<u>2,983,234</u>
Business-Type Activities:				
Unrestricted Investment Earnings	33,479	74,753	16,482	(11,631)
Transfers	<u>(101,000)</u>	<u>(125,000)</u>	<u>(153,864)</u>	<u>(185,200)</u>
Total Business-Type Activities	<u>(67,521)</u>	<u>(50,247)</u>	<u>(137,382)</u>	<u>(196,831)</u>
Total General Revenues and Transfers	<u>\$ 2,443,433</u>	<u>\$ 2,702,725</u>	<u>\$ 2,862,237</u>	<u>\$ 2,786,403</u>
CHANGE IN NET POSITION				
Governmental Activities	\$ 802,814	\$ 580,438	\$ 317,708	\$ 353,107
Business-Type Activities	<u>1,005,430</u>	<u>431,308</u>	<u>93</u>	<u>(319,108)</u>
Total Change in Net Position	<u>\$ 1,808,244</u>	<u>\$ 1,011,746</u>	<u>\$ 317,801</u>	<u>\$ 33,999</u>

<u>Fiscal Year</u> <u>2010</u>	<u>Fiscal Year</u> <u>2011</u>	<u>Fiscal Year</u> <u>2012</u>	<u>Fiscal Year</u> <u>2013</u>	<u>Fiscal Year</u> <u>2014</u>	<u>Fiscal Year</u> <u>2015</u>
\$ 1,045,330	\$ 910,495	\$ 812,503	\$ 818,830	\$ 824,299	\$ 896,623
471,136	495,503	522,526	531,599	574,586	613,859
957,318	918,839	899,013	961,164	969,683	993,463
256,671	262,152	272,538	269,926	285,106	302,909
26,994	22,626	9,474	3,819	3,506	3,422
-	5,964	-	-	11,805	1,850
<u>(92,521)</u>	<u>116,054</u>	<u>206,505</u>	<u>6,996</u>	<u>10,741</u>	<u>119,120</u>
<u>2,664,928</u>	<u>2,731,633</u>	<u>2,722,559</u>	<u>2,592,334</u>	<u>2,679,726</u>	<u>2,931,246</u>
40,156	14,400	24,071	12,121	(1,510)	10,456
<u>92,521</u>	<u>(116,054)</u>	<u>(206,505)</u>	<u>(6,996)</u>	<u>(10,741)</u>	<u>(119,120)</u>
<u>132,677</u>	<u>(101,654)</u>	<u>(182,434)</u>	<u>5,125</u>	<u>(12,251)</u>	<u>(108,664)</u>
<u>\$ 2,797,605</u>	<u>\$ 2,629,979</u>	<u>\$ 2,540,125</u>	<u>\$ 2,597,459</u>	<u>\$ 2,667,475</u>	<u>\$ 2,822,582</u>
\$ (69,132)	\$ (177,865)	\$ 99,074	\$ (281,165)	\$ 98,862	\$ 998,504
<u>(184,434)</u>	<u>(1,094)</u>	<u>158,054</u>	<u>(94,145)</u>	<u>(149,232)</u>	<u>(165,565)</u>
<u>\$ (253,566)</u>	<u>\$ (178,959)</u>	<u>\$ 257,128</u>	<u>\$ (375,310)</u>	<u>\$ (50,370)</u>	<u>\$ 832,939</u>

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

	2006	2007	2008	2009
GENERAL FUND				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Reserved	247,486	285,445	336,044	555,561
Committed	-	-	-	-
Unreserved	1,380,714	999,638	705,256	674,625
Unassigned	-	-	-	-
Total General Fund	<u>\$ 1,628,200</u>	<u>\$ 1,285,083</u>	<u>\$ 1,041,300</u>	<u>\$ 1,230,186</u>
ALL OTHER GOVERNMENTAL FUNDS				
Restricted	\$ -	\$ -	\$ -	\$ -
Reserved	869,679	1,254,548	1,446,560	1,220,279
Unreserved, reported in:				
Special revenue funds	16,836	27,184	37,275	18,132
Capital projects funds	111,973	150,733	159,442	161,189
Total all other governmental funds	<u>\$ 998,488</u>	<u>\$ 1,432,465</u>	<u>\$ 1,643,277</u>	<u>\$ 1,399,600</u>

Note: The City implemented GASB 54 in 2011.

2010	2011	2012	2013	2014	2015
\$ -	\$ 25,345	\$ 24,325	\$ 4,143	\$ 2,831	\$ 22,012
-	366,630	246,497	244,068	389,278	968,040
607,249	-	-	-	-	-
-	202,139	234,927	281,645	319,469	293,805
766,608	-	-	-	-	-
-	851,850	896,002	979,316	168,941	287,710
<u>\$ 1,373,857</u>	<u>\$ 1,445,964</u>	<u>\$ 1,401,751</u>	<u>\$ 1,509,172</u>	<u>\$ 880,519</u>	<u>\$ 1,571,567</u>
\$ -	\$ 678,669	\$ 821,452	\$ 952,005	\$ 1,070,567	\$ 989,176
950,568	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 950,568</u>	<u>\$ 678,669</u>	<u>\$ 821,452</u>	<u>\$ 952,005</u>	<u>\$ 1,070,567</u>	<u>\$ 989,176</u>

**CITY OF FRUITLAND PARK
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

(Modified accrual basis of accounting)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
REVENUES				
Taxes	\$1,760,394	\$1,952,017	\$2,164,168	\$2,219,177
Licenses and Permits	348,455	197,628	247,769	35,244
Intergovernmental Revenues	778,616	826,703	915,975	855,926
Charges for Services	500,752	525,949	540,892	532,335
Fines and Forfeitures	166,530	239,822	265,358	203,153
Investment Earnings	110,232	140,524	86,555	51,403
Miscellaneous	126,900	128,463	176,516	55,929
Total Revenues	<u>3,791,879</u>	<u>4,011,106</u>	<u>4,397,233</u>	<u>3,953,167</u>
EXPENDITURES				
General Government	676,348	888,340	1,143,641	1,006,079
Public Safety	1,283,673	1,257,098	1,523,693	1,353,010
Transportation	276,732	354,767	416,641	344,005
Sanitation/Other Utility	372,582	401,062	457,451	454,723
Culture and Recreation	382,016	484,968	536,252	518,319
Capital Outlay	68,012	490,989	355,977	344,082
Debt Service:				
Principal	130,973	132,634	142,461	146,263
Interest	37,050	35,388	30,468	26,677
Total Expenditures	<u>3,227,386</u>	<u>4,045,246</u>	<u>4,606,584</u>	<u>4,193,158</u>
Excess (Deficiency) of Revenues over (under) Expenditures	564,493	(34,140)	(209,351)	(239,991)
OTHER FINANCING SOURCES (USES)				
Capital Lease Financing	192,641	-	21,170	-
Transfers in	173,523	256,768	291,306	701,875
Transfers out	(72,523)	(131,768)	(137,442)	(516,675)
Sale of Capital Assets	-	-	1,346	-
Total Other Financing Sources (Uses)	<u>293,641</u>	<u>125,000</u>	<u>176,380</u>	<u>185,200</u>
Net Change in Fund Balances	<u>\$ 858,134</u>	<u>\$ 90,860</u>	<u>\$ (32,971)</u>	<u>\$ (54,791)</u>
Debt service as a percentage of noncapital expenditures	5.6%	5.1%	4.2%	4.7%

2010	2011	2012	2013	2014	2015
\$ 2,240,183	\$ 2,131,406	\$ 2,041,898	\$ 2,118,727	\$ 2,162,243	\$ 2,267,017
50,576	22,681	31,890	41,446	47,558	942,358
807,693	671,529	1,317,217	634,722	656,207	708,718
615,395	680,152	738,772	773,687	683,389	673,500
176,977	109,903	81,118	58,885	38,522	27,840
26,994	22,626	9,474	3,819	3,821	3,422
52,313	67,472	45,861	70,699	332,306	742,934
<u>3,970,131</u>	<u>3,705,769</u>	<u>4,266,230</u>	<u>3,701,985</u>	<u>3,924,046</u>	<u>5,365,789</u>
965,583	1,175,409	864,126	790,364	1,315,865	1,043,171
1,421,232	1,317,661	1,453,169	1,394,174	1,651,946	2,161,552
337,216	394,143	246,107	265,763	332,345	286,238
448,014	429,297	421,815	450,306	471,391	475,618
504,703	456,868	425,421	431,473	456,471	519,682
348,022	96,010	805,324	19,624	228,495	502,481
137,074	142,435	148,014	117,300	-	28,603
21,127	15,756	10,189	4,422	170	2,696
<u>4,182,971</u>	<u>4,027,579</u>	<u>4,374,165</u>	<u>3,473,426</u>	<u>4,456,683</u>	<u>5,020,041</u>
(212,840)	(321,810)	(107,935)	228,559	(532,637)	345,748
-	-	-	-	-	142,939
434,607	359,406	336,866	66,936	60,633	201,808
(527,128)	(243,352)	(130,361)	(59,940)	(49,892)	(82,688)
-	5,964	-	2,419	11,805	1,850
<u>(92,521)</u>	<u>122,018</u>	<u>206,505</u>	<u>9,415</u>	<u>22,546</u>	<u>263,909</u>
<u>\$ (305,361)</u>	<u>\$ (199,792)</u>	<u>\$ 98,570</u>	<u>\$ 237,974</u>	<u>\$ (510,091)</u>	<u>\$ 609,657</u>
4.3%	4.2%	4.4%	3.7%	0.0%	0.7%

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

Fiscal Year	Property Taxes	Infrastructure Sales Surtax	Excise Tax	Franchise Fees	Utility Taxes	Communications Services Tax	Total Taxes
	2006	\$ 498,241	\$ 363,227	\$ 104,599	\$ 330,041	\$ 280,321	\$ 183,965
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
2015	768,062	380,103	125,389	394,691	410,032	188,740	2,267,017

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

FISCAL YEAR	REAL PROPERTY			PERSONAL PROPERTY			TOTAL		DIRECT TAX RATE	TAXABLE VALUE PERCENTAGE OF JUST VALUE
	ESTIMATED JUST VALUE	TAXABLE VALUE	ESTIMATED JUST VALUE	TAXABLE VALUE	ESTIMATED JUST VALUE	TAXABLE VALUE	TAXABLE VALUE			
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%	
2015	219,581,454	160,030,405	10,443,710	6,479,383	230,025,164	166,509,788		4.737	72.39%	

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 successor 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 exemption 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

Fiscal Year	City Direct Rate	OVERLAPPING RATES							Total Taxes
		County School District	Lake County	Water Conservation Authority	Water Management District	Ambulance District	Hospital District		
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	
2015	4.737	7.246	5.546	0.256	0.316	0.463	1.000	19.564	

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, 2015
 CURRENT YEAR COMPARED TO NINE YEARS AGO**

<u>Taxpayer</u>	<u>Fiscal Year 2015</u>		<u>Fiscal Year 2006</u>	
	<u>Taxable Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>	<u>Taxable Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Villages of Lake Sumter	\$ 6,424,950	3.86%	\$ -	
Fruitland Park LLC - L & R Prop	3,881,746	2.33%	-	
Southern Spring Lake Cove LLC	3,434,536	2.06%	-	
FWB Investment Ltd	2,033,196	1.22%	2,451,650	2.10%
Wal-Mart Stores East LP	1,957,086	1.18%	2,481,023	2.12%
CRC Properties Inc	1,840,832	1.11%	-	
Armentano Enterprises Inc	1,629,010	0.98%	-	
Etheredge Limited Partnership	1,607,963	0.97%	1,898,615	1.62%
Robert D & Leane E Rhodes	1,462,540	0.88%	1,989,642	1.70%
FP Property LLC	1,373,396	0.82%	-	
Chelsea Run Builders	1,153,620	0.69%	1,326,585	1.13%
Highland Associates	-		2,346,157	2.01%
Sprint-Florida Inc	-		1,411,623	1.21%
Maronda Homes Inc of FL	-		1,346,000	1.15%
Fruitland Acres Limited	-		1,251,775	1.07%
C I Leesburg LLC	-		1,203,788	1.03%
	<u>\$ 20,373,925</u>	<u>12.24%</u>	<u>\$ 17,706,858</u>	<u>15.15%</u>
 TOTAL TAXABLE ASSESSED VALUATION	 <u>\$ 166,509,788</u>		 <u>\$ 116,892,024</u>	

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
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%
2015	788,774	765,346	97.0%	2,716	768,062	97.4%

See **Note 13** for discounts allowed for early payment of property taxes.

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

Fiscal Year	GOVERNMENTAL ACTIVITIES			BUSINESS-TYPE ACTIVITIES			Total Primary Government	Percentage Of Personal Income	Per Capita
	Revenue Note	Capital Leases		Loans Payable					
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
2015	-	114,336		1,669,674			1,784,010	1.77%	423

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, 2015**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes	\$ -	1.33%	\$ -
Other debt			-
Subtotal, overlapping debt			-
Direct debt			-
Total direct and overlapping debt			<u>\$ -</u>

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**

<u>Fiscal Year</u>	Infrastructure Sales Surtaxes Available for <u>Debt Service</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
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	353,896	-	170	170	N/A
2015	380,103	-	-	-	N/A

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

<u>Fiscal Year</u>	<u>Gross Revenues</u>	<u>Operating Expenses</u> ¹	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
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
2015	720,160	805,234	(85,074)	103,026	34,643	137,669	0.00

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

Note: Beginning in fiscal year 2006, covenants 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 TEN FISCAL YEARS**

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Population	3,628	3,829	3,879	3,978	4,129	3,853	4,148	4,182	4,153	4,214
Total Personal Income of all Fruitland Park Residents (in thousands)	\$71,395	\$71,778	\$71,480	\$71,463	\$86,416	\$86,483	N/A	\$84,363	N/A	\$100,554
Per Capita Personal Income	\$19,679	\$18,746	\$18,427	\$17,965	\$20,929	\$22,036	N/A	\$20,173	N/A	\$ 23,862
Median Age	35.5	36.6	40.3	40.3	41.7	41.9	42.0	42.0	45.1	45.0
School Enrollment Fruitland Park Elementary	670	632	630	633	632	623	640	656	656	646
Total Housing Units	1,580	1,485	1,452	1,453	1,739	1,772	1,662	1,662	N/A	1,793
Owner occupied	1,157	1,019	1,041	1,042	1,118	1,188	1,477	1,477	N/A	1,032
Renter occupied	379	408	287	287	414	359	469	469	N/A	566
Vacant	44	58	124	124	207	225	185	185	N/A	198
Lake County Unemployment Rate	3.0%	4.7%	8.5%	12.6%	11.9%	10.6%	8.9%	6.9%	5.4%	5.4%

Population from the Florida Bureau of Economic and Business Research (BEBR)
 Unemployment rate from the Florida Research and Data Base (<http://Fred/labormarketinfo.com>)
 Median Age, and Housing Units from Metro Orlando
 Economic Development Commission
 Hometown Locator
 Per capita personal, total personal income from City-Data.com
 School enrollment from FP Elementary

N/A - Information not available.

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

POPULATION

<u>Year</u>	<u>City of Fruitland Park</u>		<u>Lake County</u>	
	<u>Population</u>	<u>% Change</u>	<u>Population</u>	<u>% Change</u>
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%
2015	4,214	1.47%	316,569	2.21%

LAKE COUNTY POPULATION DISTRIBUTION

<u>Median age in Years</u>	<u>Age Distribution (Percentage)</u>				
	<u>0-17</u>	<u>18-44</u>	<u>45-64</u>	<u>65+</u>	
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%
2014	46.0	21.8%	36.8%	15.2%	26.2%

Source - Bureau of Economic Business research, University of Florida

**CITY OF FRUITLAND PARK, FLORIDA
PRINCIPAL EMPLOYERS
SEPTEMBER 30, 2015**

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percent of Total City Employment</u>
Wal-Mart	320	1	9.7%
Bill Bryan Chrysler	107	2	3.2%
Fruitland Park Elementary School	100	3	3.0%
City of Fruitland Park	88	4	2.6%
Phillips Buick/Pontiac	80	5	2.4%
Munn's Heating & Air	70	6	2.1%
	<hr/>		<hr/>
Total	<u><u>765</u></u>		<u><u>23.2%</u></u>
Total City Employment	<u><u>3,302</u></u>		

Note: Principal employer information from 2006 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 TEN FISCAL YEARS**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GENERAL GOVERNMENT										
Legislative	10	10	10	10	10	9	11	11	11	10
Executive	3	3	3	3	3	3	3	3	3	3.5
Finance	4	4	4	4	4	4	4	4	4	4.5
Other General Government	1	1	1	1	1	1	1	1	1	1
PUBLIC SAFETY										
Police Department	21	22	23	23	23	22	21	21	21	20
Fire	25	25	25	25	25	20	20	21	23	21
Building Inspection	2	2	1	1	1	1	0	0	0	0
TRANSPORTATION										
Roads and Streets	5	5	5	5	3	2	2	2	2	2
CULTURE/RECREATION										
Library	5	7	7	7	7	6	6	6	6	6
Municipal Pool	9	9	9	9	8	8	7	7	7	7
Recreation Maintenance	2	2	2	2	2	2	1	1	1	2
Recreation Program	2	2	2	2	3	2	2	2	2	3
UTILITIES										
Water	3	3	3	3	5	5	5	5	5	4
Sewer	1	1	1	1	1	0	0	0	0	1
Total Employees	<u>93</u>	<u>96</u>	<u>96</u>	<u>96</u>	<u>96</u>	<u>85</u>	<u>83</u>	<u>84</u>	<u>86</u>	<u>85</u>
Full-Time	34									
Part-Time	51									

Source: City Finance Department

**CITY OF FRUITLAND PARK, FLORIDA
OPERATING INDICATORS BY FUNCTION AND ACTIVITY
LAST TEN FISCAL YEARS**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police Protection:										
Number of Sworn Police Officers	11	13	13	13	13	13	13	13	13	13
Number of Reserve Officers	5	5	5	5	5	4	4	4	4	2
Fire Protection:										
Number of Volunteer Firefighters	25	25	25	25	25	20	20	21	23	21
Building Inspections:										
Construction Permits:										
Commercials	7	33	6	3	1	0	1	1	1	9
Residential	100	30	33	10	6	3	3	6	9	529
Roads and Streets:										
Street Resurfacing (miles)	None	None	.6	.8	.7	.25	.0	.0	1.31	3
Recreation:										
Number of City-wide events	2	2	2	2	2	2	2	3	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	1,784
New Connections	94	62	152	110	11	2	5	6	14	12

Source: Various City departments

**CITY OF FRUITLAND PARK, FLORIDA
CAPITAL ASSET AND INFRASTRUCTURE STATISTICS
LAST TEN FISCAL YEARS**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
City Land Area (square miles)	5.9	6.0	6.5	6.6	6.6	6.6	6.83	6.83	6.83	6.83
Police Protection:										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of Patrol Units	12	13	13	13	15	16	18	18	18	18
Fire Protection:										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Number of Fire Trucks	2	2	2	2	2	2	2	2	2	2
Culture and Recreation:										
Number of Libraries	1	1	1	1	1	1	1	1	1	1
Number of Municipal Pools	1	1	1	1	1	1	1	1	1	1
Number of Parks	4	4	4	4	4	4	4	4	4	4
Number of Baseball/softball fields	3	3	3	3	3	3	3	3	3	3
Number of Soccer Fields	1	1	1	1	1	1	1	1	1	0
Number of Skate parks	1	1	1	1	1	1	1	1	1	1
Number of Community Centers	2	2	1	1	1	1	1	1	1	1
Municipal Water System:										
Wells	5	5	5	5	5	5	5	5	5	5
Water Towers	1	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

Shumacker, Johnston & Ross, PA

Certified Public Accountants

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

American Institute of
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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*

August 15, 2016

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, 2015, which collectively comprise the City of Fruitland Park, Florida's basic financial statements, and have issued our report thereon dated August 15, 2016. 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 identify 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.

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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**CITY OF FRUITLAND PARK, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

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 \$6,143)				
Safer City Initiative				
Contract #2015-JAGC-LAKE-3-R3-119	16.738	\$ 6,143	\$ 6,143	\$ 2,193
Justice Assistance				
Grant (total grant \$1,328)				
Gaining the Edge with Improved Technology				
Contract #2015-JAGD-LAKE-1-R1-007	16.738	1,328	1,328	1,328
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		<u>\$ 7,471</u>	<u>\$ 7,471</u>	<u>3,521</u>

(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, 2015

STATE OF FLORIDA FINANCIAL ASSISTANCE

State Agency/ PROGRAM TITLE	State Revenues	State Expenditures	State Receipts
Total State Financial Assistance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>
Total State Receipts			<u>\$ 3,521</u>

(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

August 15, 2016

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 August 15, 2016 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, 2015. 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, 2015 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

August 15, 2016

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, 2015, and have issued our report thereon dated August 15, 2016.

The following comments and recommendations are provide as required by Chapter 10.550, 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, 2015.

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.

A handwritten signature in blue ink, appearing to read "Shumacker, Johnston & Ross, PA".

Shumacker, Johnston & Ross, PA

Shumacker, Johnston & Ross, PA

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INDEPENDENT AUDITOR'S REPORT

August 15, 2016

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, 2015. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the 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, 2015.



Shumacker, Johnston & Ross, PA

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