

In the opinion of bond counsel, assuming compliance by the City with certain covenants, under existing statutes, regulations, and judicial decisions, the interest on the Bonds will be excluded from gross income for federal income tax purposes of the holders thereof and will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, interest on the Bonds shall be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations. See “TAX MATTERS” herein for a description of other tax consequences to holders of the Bonds.



**\$25,500,000
CITY OF WINTER PARK, FLORIDA
General Obligation Bonds,
Series 2017**

Dated: Date of Delivery

Due: As shown on inside cover

The City of Winter Park, Florida (the “City”) is issuing its \$25,500,000 General Obligation Bonds, Series 2017 (the “Bonds”). The Bonds are being issued as fully registered bonds, in denominations of \$5,000 or integral multiples thereof. Interest on the Bonds is payable semiannually on January 1 and July 1, commencing on January 1, 2018, and on each maturity date thereof, by check or draft of U.S. Bank National Association, as Bond Registrar and Paying Agent (or by wire transfer to registered Owners of at least \$1,000,000 principal amount of the Bonds requesting payment by such means), mailed to the person in whose name the Bonds are registered, at his or her address as it appears on the registration books maintained by the Bond Registrar and Paying Agent at the close of business on the 15th day of the month (whether or not a business day) next preceding the Bond Service Payment Date. The principal of and premium, if any, on the Bonds will be payable upon presentation and surrender thereof on the maturity date or the date fixed for redemption thereof at the designated corporate trust office of the Bond Registrar and Paying Agent.

Upon initial issuance, the Bonds will be registered in the name of and held by Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), an automated depository for securities and clearinghouse for securities transactions. So long as DTC or its nominee, Cede & Co., is the registered owner of the Bonds, payments of the principal of, premium, if any, and interest on the Bonds will be mailed directly to DTC or its nominee, Cede & Co., which is to remit such payments to the DTC Participants (as defined herein), which in turn are to remit such payments to the Beneficial Owners (as defined herein) of the Bonds. See “DESCRIPTION OF THE BONDS - Book-Entry Only System” herein.

Certain of the Bonds are subject to redemption prior to their stated maturity as set forth herein.

The Bonds are being issued under the authority of, and in full compliance with, the Constitution and Statutes of the State of Florida, including particularly Chapter 166, Florida Statutes, Sections 100.201-100.351, Florida Statutes, the municipal Charter of the City, Ordinance No. 3020-15 duly enacted by the City Commission of the City (the “City Commission”) on November 23, 2015, and other applicable provisions of law, and Resolution No. 2184-17 duly adopted by the City Commission on May 8, 2017 (the “Bond Resolution”) for the purpose of paying, together with other available funds of the City, (i) the costs of the acquisition and construction of certain capital improvements in the City including a new library and events center consisting of library facilities, civic meeting and gathering facilities and a related parking structure and the demolition and removal of the City’s existing civic center (the “Project”) and (ii) certain costs and expenses relating to the issuance of the Bonds.

The Bonds are general obligations of the City. The principal of and interest on the Bonds shall be secured by a pledge of the full faith, credit and taxing power of the City without limitation. For so long as the Bonds are outstanding, the City Commission shall, each year, levy an ad valorem tax, without limitation as to rate or amount, on all taxable property within the City (excluding homestead exemptions and other exemptions as heretofore or hereafter provided by applicable law) at least equal to the Debt Service Requirement (as defined in the Bond Resolution) for the ensuing Bond Year (as defined in the Bond Resolution). Such tax shall be levied, assessed and collected at the same time and in the same manner as ad valorem taxes for the operating expenses of the City and shall be in addition to all other taxes authorized to be levied by the City.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Bonds are offered for delivery when, as and if issued and received by the purchaser, subject to approval of legality by Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel. Certain other legal matters will be passed upon for the City by Fishback, Dominick, Bennett, Ardaman, Ahlers, Langley & Geller LLP, City Attorney, and by Bryant Miller Olive P.A., Tampa, Florida, Disclosure Counsel. Public Financial Management, Inc., Orlando, Florida, is serving as Financial Advisor to the City in connection with the issuance of the Bonds. It is expected that settlement for the Bonds will occur through the facilities of DTC in New York, New York on or about July 3, 2017.

Stifel, Nicolaus & Company, Incorporated

**MATURITY DATES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES, YIELDS,
INITIAL CUSIP NUMBERS**

**\$25,500,000
City of Winter Park, Florida
General Obligation Bonds, Series 2017**

\$25,500,000 Serial Bonds

Maturity Date	Principal	Interest			Initial
<u>July 1</u>	<u>Amount</u>	<u>Rate</u>	<u>Price</u>	<u>Yield</u>	<u>Number*</u>
2018	\$ 810,000	5.000%	104.070	0.880%	975893CX4
2019	850,000	5.000	107.941	0.970	975893CY2
2020	890,000	5.000	111.676	1.030	975893CZ9
2021	935,000	5.000	114.819	1.190	975893DA3
2022	980,000	5.000	117.995	1.270	975893DB1
2023	1,030,000	5.000	120.630	1.400	975893DC9
2024	1,080,000	5.000	122.934	1.530	975893DD7
2025	1,135,000	5.000	124.654	1.690	975893DE5
2026	1,195,000	5.000	125.895	1.860	975893DF2
2027	1,255,000	5.000	127.470	1.960	975893DG0
2028	1,315,000	4.000	116.558**	2.150**	975893DH8
2029	1,370,000	4.000	115.101**	2.300**	975893DJ4
2030	1,425,000	3.000	104.397**	2.500**	975893DK1
2031	1,465,000	3.000	103.500**	2.600**	975893DL9
2032	1,510,000	3.000	102.171**	2.750**	975893DM7
2033	1,555,000	3.000	100.000	3.000	975893DN5
2034	1,600,000	3.000	99.603	3.030	975893DP0
2035	1,650,000	3.000	99.037	3.070	975893DQ8
2036	1,700,000	3.000	98.572	3.100	975893DR6
2037	1,750,000	3.000	98.078	3.130	975893DS4

* The City is not responsible for the use of the CUSIP Numbers referenced herein nor is any representation made by the City as to their correctness. The CUSIP Numbers provided herein are included solely for the convenience of the readers of this Official Statement.

** Prices and yields are to the first optional call date of July 1, 2027.

CITY OF WINTER PARK, FLORIDA

401 South Park Avenue
Winter Park, Florida 32789
(407) 599-3235

CITY COMMISSION

Steve Leary, Mayor
Carolyn Cooper, Commissioner
Gregory Seidel, Commissioner
Sarah Sprinkel, Commissioner
Pete Weldon, Commissioner

CITY MANAGER

Randy B. Knight, C.P.A.

ASSISTANT CITY MANAGER

Michelle Neuner

CITY CLERK

Cynthia S. Bonham

FINANCE DIRECTOR

Charles W. Hamil, III, C.P.A.

CITY ATTORNEY

Fishback, Dominick, Bennett, Ardaman, Ahlers, Langley & Geller LLP
Winter Park, Florida

BOND COUNSEL

Bryant Miller Olive P.A.
Orlando, Florida

DISCLOSURE COUNSEL

Bryant Miller Olive P.A.
Tampa, Florida

FINANCIAL ADVISOR

Public Financial Management, Inc.
Orlando, Florida

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations in connection with the Bonds other than as contained in this Official Statement, and, if given or made, such information or representations must not be relied upon as having been authorized by the City. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the City, DTC and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness by and is not to be construed as representation by the City with respect to any information provided by others. The information and expressions of opinion stated herein are subject to change, and neither the delivery of this Official Statement nor any sale made hereunder shall create, under any circumstances, any implication that there has been no change in the matters described herein since the date hereof.

All summaries herein of documents and agreements are qualified in their entirety by reference to such documents and agreements, and all summaries herein of the Bonds are qualified in their entirety by reference to the form thereof included in the aforesaid documents and agreements.

NO REGISTRATION STATEMENT RELATING TO THE BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "SEC") OR WITH ANY STATE SECURITIES COMMISSION. IN MAKING ANY INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATIONS OF THE CITY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS OFFICIAL STATEMENT CONSTITUTE "FORWARD LOOKING STATEMENTS." SUCH STATEMENTS GENERALLY ARE IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS "PLAN," "EXPECT," "ESTIMATE," "BUDGET" OR OTHER SIMILAR WORDS. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, SUBJECT TO ANY CONTRACTUAL OR LEGAL RESPONSIBILITIES TO THE CONTRARY.

THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE A CONTRACT BETWEEN THE CITY AND ANY ONE OR MORE OF THE OWNERS OF THE BONDS.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
THE CITY.....	2
General.....	2
Municipal Government	2
Administration.....	2
Pension Liability and Other Post-Employment Benefits	3
THE PROJECT.....	3
ESTIMATED SOURCES AND USES OF FUNDS	4
DESCRIPTION OF THE BONDS.....	5
General.....	5
Book-Entry Only System	5
Negotiability, Registration and Transfer of Bonds	7
Mutilated, Destroyed, Stolen or Lost Bonds.....	8
Redemption.....	8
DEBT SERVICE SCHEDULE	11
SECURITY FOR THE BONDS	12
General.....	12
Assessed Value and Property Tax Levies and Collection.....	12
Flow of Funds and Funds and Accounts	14
No Reserve Funding	16
AD VALOREM TAXATION	16
Property Assessment by County Property Appraiser.....	16
Millage Set by Local Governing Body	18
Tax Collection and Distribution by County Tax Collector	19
Exemptions from Ad Valorem Taxation	20
Legislation Relating to Ad Valorem Taxation.....	23
CERTAIN FINANCIAL MATTERS	23
AUDITED FINANCIAL STATEMENTS	23
TAX MATTERS.....	24
General.....	24
Information Reporting and Backup Withholding.....	25
Other Tax Matters.....	25
Tax Treatment of Original Issue Discount	26
Tax Treatment of Bond Premium.....	26
LITIGATION	26
COMPETITIVE SALE.....	27
LEGAL MATTERS.....	27

VALIDATION.....	27
FINANCIAL ADVISOR.....	28
RATINGS.....	28
CONTINUING DISCLOSURE.....	28
DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS	29
CONTINGENT FEES	29
ENFORCEABILITY OF REMEDIES.....	29
ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT.....	30
CERTIFICATE CONCERNING OFFICIAL STATEMENT	31
APPENDIX A - CITY OF WINTER PARK, FLORIDA GENERAL INFORMATION	
APPENDIX B - COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE CITY OF WINTER PARK, FLORIDA FISCAL YEAR ENDED SEPTEMBER 30, 2016	
APPENDIX C - BOND RESOLUTION	
APPENDIX D - FORM OF BOND COUNSEL OPINION	
APPENDIX E - FORM OF CONTINUING DISCLOSURE CERTIFICATE	

OFFICIAL STATEMENT
relating to
\$25,500,000
CITY OF WINTER PARK, FLORIDA
General Obligation Bonds,
Series 2017

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and appendices attached hereto, is to furnish information with respect to the issuance and sale by the City of Winter Park, Florida (the "City") of \$25,500,000 aggregate principal amount of its General Obligation Bonds, Series 2017 (the "Bonds").

The Bonds are being issued under the authority of, and in full compliance with, the Florida Constitution (the "State Constitution") and Statutes of the State of Florida, including particularly Chapter 166, Florida Statutes, Sections 100.201-100.351, Florida Statutes, the municipal Charter of the City, Ordinance No. 3020-15 duly enacted by the City Commission of the City (the "City Commission") on November 23, 2015, and other applicable provisions of law, and Resolution No. 2184-17 duly adopted by the City Commission on May 8, 2017 (the "Bond Resolution") for the purpose of paying, together with other available funds of the City, (i) the costs of the acquisition and construction of certain capital improvements in the City including a new library and events center consisting of library facilities, civic meeting and gathering facilities and a related parking structure and the demolition and removal of the City's existing civic center (the "Project") and (ii) certain costs and expenses relating to the issuance of the Bonds.

An election was held on March 15, 2016, whereby electors of the City approved the issuance of not exceeding \$30,000,000 of general obligation bonds of the City for the purpose of financing the Project, payable from ad valorem taxes on all of the taxable property within the City (the "Bond Referendum"). The Bond Referendum was duly held and conducted in all respects according to law, and a majority of electors casting a ballot voted in favor of the issuance of such bonds for such purpose.

The Bonds are general obligations of the City. The principal of and interest on the Bonds shall be secured by a pledge of the full faith, credit and taxing power of the City without limitation in the manner and to the extent described in the Bond Resolution. For so long as the Bonds are outstanding, the City Commission shall, each year, levy an ad valorem tax, without limitation as to rate or amount, on all taxable property within the City (excluding homestead exemptions and other exemptions as heretofore or hereafter provided by applicable law) at least equal to the Debt Service Requirement for the ensuing Bond Year. Such tax shall be levied, assessed and collected at the same time and in the same manner as ad valorem taxes for the operating expenses of the City and shall be in addition to all other taxes authorized to be levied by the City. See "SECURITY FOR THE BONDS" herein.

The Bonds were validated by judgment of the Circuit Court of the Ninth judicial Circuit of the State of Florida, Case No. 2016-CA-006063-0, in and for Orange County, Florida rendered on December 7, 2016. The period for filing an appeal to such judgment has expired and no appeal has been filed.

Capitalized terms used but not defined herein have the same meaning as when used in the Bond Resolution unless the context clearly indicates otherwise. A copy of the Bond Resolution is included as APPENDIX C attached hereto. The descriptions of the Bonds, the documents authorizing the same and securing the same, and the information from various reports and statements contained herein are not comprehensive or definitive. All references herein to such documents, reports and statements are qualified by the entire, actual content of such documents, reports and statements. Copies of such documents, reports and statements referred to herein that are not included in their entirety in this Official Statement may be obtained from the City at 401 South Park Avenue, Winter Park, Florida 32789, Attention: City Clerk. The attached Appendices are integral parts of the Official Statement and must be read together with all the statements contained herein.

THE CITY

General

The City is located in the center of the State in north Orange County adjacent to and northeast of the City of Orlando, Florida, and is considered a part of the Orlando Metropolitan Area. The City is within 15 miles of the Orlando International Airport and 25 miles of Disney World. The City has a resident population of approximately 29,308. The City's growth rate has been modest as the number of vacant sites available for development is limited. See "CITY OF WINTER PARK, FLORIDA GENERAL INFORMATION" attached hereto as APPENDIX A for additional information regarding the City.

Municipal Government

The charter of the City provides for a "Commission/Manager" form of government. The City Commission is a legislative body, with the power to enact ordinances and adopt resolutions, and the City Manager is the chief executive officer and head of the administrative branch of the City.

The City Commission consists of four Commissioners and the Mayor. The City Commission is elected on a non-partisan basis. Commissioners and the Mayor are elected at large by the voters for 3-year staggered terms.

Listed below are the current Mayor and Commissioners and their respective term expiration dates:

<u>Name</u>	<u>Expiration of Term</u>
Steve Leary, Mayor	March, 2018
Carolyn Cooper	March, 2019
Greg Seidel	March, 2020
Sarah Sprinkel	March, 2020
Pete Weldon	March, 2019

Administration

The City Manager is appointed by the City Commission. The City Manager is responsible for the administration, operation and maintenance of the City, excepting those responsibilities specifically delegated to other appointed officials. There is no definite term of office of the City Manager, as he or she

holds office at the pleasure of the City Commission. Among the duties of the City Manager are the appointment of subordinate officers and employees, the supervision of departments, the making of recommendations to the City Commission, the submission of an annual budget, and the submission of an annual report of the operations of the City for the preceding fiscal year.

The Finance Department is directed by the Finance Director, who is appointed by and is subject to the supervision and control of the City Manager. The Finance Director has supervision over all financial transactions of the City. The responsibilities of the Finance Director also include furnishing the City Manager such reports and budgets as may be necessary to fully inform the City Manager as to the financial condition of the City, and such estimates of the revenues and expenses of the City as may be necessary to form the basis of the annual budget and to determine the revenue necessary to be raised each year.

Pension Liability and Other Post-Employment Benefits

The City maintains two separate single-employer, defined benefit pension plans for police officers and firefighters and a single-employer, defined contribution pension plan for the General Employees. Information regarding liabilities of the City related to such plans, as well as other post employment benefits, is included in APPENDIX A hereto and in Note 17 to the audited financial statements included in APPENDIX B hereto.

THE PROJECT

The Project shall consist of the acquisition and construction of certain capital improvements in the City to include a new library and events center consisting of library facilities, civic meeting and gathering facilities and related parking structure, and all purposes incidental thereto and the demolition and removal of the existing civic center.

[Reminder of page intentionally left blank.]

ESTIMATED SOURCES AND USES OF FUNDS

The proceeds to be received from the sale of the Bonds are expected to be applied as follows:

Estimated Sources of Funds:	
Principal Amount	\$25,500,000.00
Net Original Issue Premium	2,404,666.65
Total Estimated Source of Funds	<u>\$27,904,666.65</u>

Estimated Uses of Funds:	
Deposit to Project Fund	\$27,500,000.00
Costs of Issuance ⁽¹⁾	404,666.65
Total Estimated Uses of Funds	<u>\$27,904,666.65</u>

(1) Includes legal and financial advisory fees and expenses, purchaser's discount and other costs associated with the issuance of the Bonds.

[Reminder of page intentionally left blank.]

DESCRIPTION OF THE BONDS

General

The Bonds shall be dated as of their date of delivery, will bear interest at the rates per annum set forth on the inside cover page hereof, payable on January 1, 2018 and semiannually thereafter on January 1 and July 1 of each year and on each maturity date thereof (each, a "Bond Service Payment Date") to maturity by wire transfer or check of U.S. Bank National Association, with an office in Orlando, Florida, as Bond Registrar and Paying Agent (the "Bond Registrar and Paying Agent"), payable to the registered owners thereof, as shown on the registration books of the City on the 15th day of the calendar month (whether or not a business day) next preceding each Bond Service Payment Date. The Bonds will mature on the dates and in the principal amounts set forth on the inside cover page hereof. The Bonds will be issued in fully registered form in the denominations of \$5,000 each and integral multiples thereof. Principal of the Bonds and premium, if any, will be payable to the registered owners thereof upon presentation and surrender of such Bonds at the designated corporate trust office of the Bond Registrar and Paying Agent.

The Bonds will be issued initially as book-entry obligations and held by The Depository Trust Company ("DTC") as securities depository. The ownership of one fully registered Bond for each maturity as set forth on the inside cover page hereof, in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee for DTC. For more information regarding DTC and DTC's Book-Entry System, see "Book-Entry Only System" below.

Each Bond shall bear interest from the Bond Service Payment Date next preceding the date on which it is authenticated, unless authenticated on a Bond Service Payment Date, in which case it shall bear interest from such Bond Service Payment Date, or, unless authenticated prior to the first Bond Service Payment Date, in which case it shall bear interest from its date; provided, however, that if at the time of authentication, interest is in default, such Bond shall bear interest from the date to which interest shall have been paid.

Book-Entry Only System

THE FOLLOWING INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE CITY BELIEVES TO BE RELIABLE, BUT THE CITY TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS, AS NOMINEE OF DTC, CERTAIN REFERENCES IN THIS OFFICIAL STATEMENT TO THE BONDHOLDERS OR REGISTERED OWNERS OF THE BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS. THE DESCRIPTION WHICH FOLLOWS OF THE PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE BONDS, PAYMENT OF INTEREST AND PRINCIPAL ON THE BONDS TO DIRECT PARTICIPANTS (AS HEREINAFTER DEFINED) OR BENEFICIAL OWNERS OF THE BONDS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE BONDS, AND OTHER RELATED TRANSACTIONS BY AND BETWEEN DTC, THE DIRECT PARTICIPANTS AND BENEFICIAL OWNERS OF THE BONDS IS BASED SOLELY ON INFORMATION FURNISHED BY

DTC. ACCORDINGLY, THE CITY DOES NOT MAKE ANY REPRESENTATIONS CONCERNING THESE MATTERS.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds as set forth in the inside cover of this Official Statement, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others, such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Direct Participants and the Indirect Participants are collectively referred to herein as the "DTC Participants." DTC has an S&P Global Inc. ("S&P") rating of AA+. The DTC Rules applicable to its DTC Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may

not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a series or maturity of a series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such series or maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments, as applicable, on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Bond Registrar and Paying Agent on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the City, or the Bond Registrar and Paying Agent, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City and/or the Bond Registrar and Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or paying agent. Under such circumstances, in the event that a successor depository is not obtained, the Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, the Bond certificates will be printed and delivered to DTC.

Negotiability, Registration and Transfer of Bonds

So long as the Bonds are registered in the name of DTC or its nominee, the following paragraphs relating to registration, transfer and exchange of Bonds do not apply.

The Bond Registrar and Paying Agent shall keep books for the registration of transfers of the Bonds as provided in the Bond Resolution. The transfer of any Bonds may be registered only upon such books and only upon surrender thereof to the Bond Registrar and Paying Agent together with an

assignment duly executed by the Bondholder or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar and Paying Agent. Upon any such registration of transfer, the City shall execute and the Bond Registrar and Paying Agent shall authenticate and deliver in exchange for such Bond, a new Bond or Bonds registered in the name of the transferee, and in an aggregate principal amount equal to the principal amount of such Bond or Bonds so surrendered.

In all cases in which Bonds shall be exchanged, the City shall execute and the Bond Registrar and Paying Agent shall authenticate and deliver, at the earliest practicable time, a new Bond or Bonds in accordance with the provisions of the Bond Resolution. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Bond Registrar and Paying Agent. The City or the Bond Registrar and Paying Agent may make a charge for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made to any Bondholder for the privilege of exchanging or registering the transfer of Bonds under the provisions of the Bond Resolution. Neither the City nor the Bond Registrar and Paying Agent shall be required to make any such exchange, registration or transfer of Bonds during fifteen (15) days immediately preceding any Bond Service Payment Date or, in the case of any proposed redemption of the Bonds, then, for any Bonds called for redemption, during the fifteen (15) days preceding the date of the mailing of notice of such redemption and continuing until the redemption date.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or redemption price of any such Bond, and the interest on any such Bonds, shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond including the premium, if any, and interest thereon to the extent of the sum or sums so paid.

Mutilated, Destroyed, Stolen or Lost Bonds

In case any Bond shall become mutilated, or be destroyed, stolen or lost, the City may, in its sole discretion, cause to be executed, and the Bond Registrar and Paying Agent shall authenticate and deliver, a new Bond of like date and tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the City and the Bond Registrar and Paying Agent proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the City and the Bond Registrar and Paying Agent may prescribe and paying such expenses as the City and the Bond Registrar and Paying Agent may incur. All Bonds so surrendered shall be canceled by the City. If any of the Bonds shall have matured or be about to mature, instead of issuing a substitute Bond, the City may pay the same, upon being indemnified as aforesaid, and if such Bond is lost, stolen or destroyed, without surrender thereof.

Redemption

Optional Redemption. The Bonds maturing on or prior to July 1, 2027 will not be subject to optional redemption prior to maturity. The Bonds maturing on and after July 1, 2028 shall be subject to redemption prior to their respective maturities, at the option of the City, on or after July 1, 2027, in whole or in part at any time, in such manner as shall be determined by the Bond Registrar and Paying Agent, at

a redemption price equal to the principal amount thereof, plus accrued interest to the date fixed for redemption, without premium.

Selection of Bonds to be Redeemed. The Bonds shall be redeemed only in the principal amount of \$5,000 each and integral multiples thereof. The City shall, at least sixty (60) days prior to the redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar and Paying Agent) notify the Bond Registrar and Paying Agent of such redemption date and of the principal amount of the Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of the Bonds to be redeemed shall be selected not more than forty-five (45) days prior to the redemption date by the Bond Registrar from the outstanding Bonds of the maturity or maturities designated by the City by such method as the Bond Registrar shall deem fair and appropriate and which may provide for the selection for redemption of the Bonds or portions of the Bonds in the principal amounts of \$5,000 and integral multiples thereof.

Redemption of Portions of the Bonds. Any Bond which is to be redeemed only in part shall be surrendered at any place of payment specified in the notice of redemption (with due endorsement by, or written instrument of transfer in form satisfactory to, the Bond Registrar duly executed by, the Holder thereof or such Holder's attorney duly authorized in writing) and the City shall execute and the Bond Registrar shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds, of the same interest rate and maturity, and of any authorized denomination as requested by the Holder, in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bonds so surrendered.

Notice of Redemption. Notice of redemption shall be given by the deposit in the United States mail of a copy of the redemption notice, postage prepaid, at least thirty (30) and not more than sixty (60) days before the redemption date, to all registered owners of the Bonds or portions of the Bonds to be redeemed at their addresses as they appear on the registration books to be maintained in accordance with the Bond Resolution. Failure to mail any such notice or any defect therein shall not affect the validity of the proceedings for redemption of any Bond or portion thereof with respect to which no failure or defect occurred. Any notice mailed as provided in the Bond Resolution shall be conclusively presumed to have been duly given, whether or not the owner of such Bond receives such notice.

Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of such Bonds, of one maturity are to be called, the distinctive numbers of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed.

Any notice of optional redemption given pursuant to the Bond Resolution may state that it is conditional upon receipt by the Bond Registrar and Paying Agent of moneys sufficient to pay the redemption price, plus interest accrued to the redemption date, or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such redemption price and accrued interest if any such condition so specified is not satisfied or if any such other event occurs. Notice of such rescission shall be given by the Bond Registrar and Paying Agent to affected Holders of such Bonds as promptly as practicable upon the failure of such condition or the occurrence of such other event.

So long as the Bonds are registered in the name of Cede & Co., as nominee of DTC (or in the name of any successor securities depository), notices of redemption and notices of revocation of

redemption notices shall only be given on behalf of the City to Cede & Co., or any such successor securities depository.

Effect of Notice of Redemption; Payment. Notice having been given in the manner and under the conditions provided under the Bond Resolution, subject to the right of revocation as heretofore described, the Bonds or portions of the Bonds so called for redemption shall, on the redemption date designated in such notice, become due and payable at the redemption price provided for redemption of such Bonds or portions of the Bonds on such date. On the date so designated for redemption, moneys for payment of the redemption price being held in separate accounts by the Paying Agent in trust for the registered owners of the Bonds or portions of the Bonds to be redeemed, interest on the Bonds or portions of the Bonds so called for redemption shall cease to accrue, such Bonds and portions of the Bonds shall cease to be entitled to any lien, benefit or security under the Bond Resolution, and the registered owners of such Bonds or portions of the Bonds shall have no right in respect thereof except to receive payment of the redemption price thereof and to receive the Bonds for any unredeemed portions of such Bonds. All Bonds which have been redeemed shall be canceled by the Bond Registrar and shall not be reissued.

[Reminder of page intentionally left blank.]

DEBT SERVICE SCHEDULE

The following table sets forth the annual Debt Service Requirements for the Bonds:

Bond Year Ending July 1	Principal	Interest	Total Debt Service
2018	\$ 810,000	\$ 989,522	\$1,799,522
2019	850,000	954,550	1,804,550
2020	890,000	912,050	1,802,050
2021	935,000	867,550	1,802,550
2022	980,000	820,800	1,800,800
2023	1,030,000	771,800	1,801,800
2024	1,080,000	720,300	1,800,300
2025	1,135,000	666,300	1,801,300
2026	1,195,000	609,550	1,804,550
2027	1,255,000	549,800	1,804,800
2028	1,315,000	487,050	1,802,050
2029	1,370,000	434,450	1,804,450
2030	1,425,000	379,650	1,804,650
2031	1,465,000	336,900	1,801,900
2032	1,510,000	292,950	1,802,950
2033	1,555,000	247,650	1,802,650
2034	1,600,000	201,000	1,801,000
2035	1,650,000	153,000	1,803,000
2036	1,700,000	103,500	1,803,500
2037	1,750,000	52,500	1,802,500
TOTAL	<u>\$25,500,000</u>	<u>\$10,550,872</u>	<u>\$36,050,872</u>

SECURITY FOR THE BONDS

General

The Bonds are general obligations of the City. The principal of and interest on the Bonds shall be secured by a pledge of the full faith, credit and taxing power of the City without limitation in the manner and to the extent described in the Bond Resolution. For so long as the Bonds are outstanding, the City Commission shall, each year, levy an ad valorem tax, without limitation as to rate or amount, on all taxable property within the City (excluding homestead exemptions and other exemptions as heretofore or hereafter provided by applicable law) at least equal to the Debt Service Requirement for the ensuing Bond Year. Such tax shall be levied, assessed and collected at the same time and in the same manner as ad valorem taxes for the operating expenses of the City and shall be in addition to all other taxes authorized to be levied by the City. The City covenanted in the Bond Resolution that it will not accept payment of taxes levied for operating expenses of the City unless there shall be paid at the same time the taxes required by the Bond Resolution.

Assessed Value and Property Tax Levies and Collection

The following four tables show the historical Assessed Value and Estimated Actual Value of Taxable Property, Property Tax Levies and Collections, the Direct and Overlapping Property Tax Rates for the City and the principal tax payers in the City for Fiscal Year ended September 30, 2016.

[Remainder of page intentionally left blank.]

City of Winter Park, Florida
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years ⁽¹⁾

Fiscal Year Ended Sept. 30,	Real Property	Personal Property	Centrally Assessed Property ⁽³⁾	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2007	\$5,381,449,024	\$255,814,961	\$1,232,368	\$1,653,577,239	\$3,984,919,114	5.0900	\$6,797,466,978	58.62%
2008	6,092,025,651	270,877,113	459,411	1,911,127,287	4,452,234,888	4.3073	7,660,052,254	58.12
2009	6,167,795,263	266,018,186	1,383,948	1,937,693,755	4,497,503,642	4.3858	7,741,283,098	58.10
2010	5,767,510,307	253,659,029	1,483,032	1,687,749,821	4,334,902,547 ⁽²⁾	4.3980	7,247,987,510	59.81
2011	5,023,964,968 ⁽²⁾	237,399,202	1,241,100	1,354,442,999	3,908,162,271 ⁽²⁾	4.4336	6,343,423,034	61.61
2012	4,524,708,901 ⁽²⁾	236,563,359	1,216,162	968,447,814	3,794,040,608 ⁽²⁾	4.4166	5,754,518,303	65.93
2013	4,508,441,021 ⁽²⁾	241,139,877	1,281,825	973,409,547	3,777,453,176 ⁽²⁾	4.4183	5,743,766,225	65.77
2014	4,642,490,933	241,913,558	1,347,341	941,956,617	3,943,795,215	4.4019	5,902,944,213	66.81
2015	4,872,492,250	249,157,424	1,398,347	938,478,394	4,184,569,627	4.3907	6,186,755,669	67.64
2016	5,233,704,939	255,752,935	1,414,234	962,440,637	4,528,431,471	4.3673	6,623,719,499	68.37

(1) Assessed values are determined as of January 1 for each fiscal year. Real Property is assessed at 85% of estimated market value and personal property is assessed at 55%. Estimated actual value is determined by dividing assessed value by those percentages.

(2) The decrease in value of taxable property during these years was due to the real estate crisis experienced throughout the State of Florida and the United States at such time.

(3) Centrally assessed property consists of railroad lines which are assessed by the State of Florida.

Source: City of Winter Park, Florida Comprehensive Annual Financial Report Fiscal Year Ended September 30, 2016.

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

Fiscal Year Ended Sept. 30	Tax Levied for the Fiscal Year ⁽¹⁾	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	\$20,283,238	\$19,873,611	98.0%	\$23,126	\$19,896,737	98.1%
2008	19,177,111	18,463,803	96.3	49,710	18,513,513	96.5
2009	19,725,151	19,331,226	98.0	49,588	19,380,814	98.3
2010	19,064,901	18,456,523 ⁽²⁾	96.8	43,654	18,500,177 ⁽²⁾	97.0
2011	17,327,228	16,758,247 ⁽²⁾	96.7	32,927	16,791,174 ⁽²⁾	96.9
2012	16,756,760	16,170,799 ⁽²⁾	96.5	51,216	16,222,015 ⁽²⁾	96.8
2013	16,689,921	16,083,083 ⁽²⁾	96.4	25,197	16,108,280 ⁽²⁾	96.5
2014	17,424,870	16,807,610	96.5	21,521	16,829,131	96.6
2015	18,420,057	17,751,760	96.4	48,079	17,799,839	96.6
2016	19,777,019	19,080,582	96.5	49,723	19,130,305	96.7

(1) Gross Taxes before discounts.

(2) The decrease in levies and collections during these years was due to the real estate crisis experienced throughout the State of Florida and the United States at such time.

Source: City of Winter Park, Florida Comprehensive Annual Financial Report Fiscal Year Ended September 30, 2016.

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

Fiscal Year Ended Sept. 30	Tax Roll	Direct			Overlapping			Total Direct and Overlapping Millage
		City Operating Millage	City Debt Service	Total City Millage	Orange County	Orange School Board	St. Johns Water Management District	
2007	2006	4.7580	0.3320	5.0900	5.1639	7.1690	0.4620	17.8849
2008	2007	3.9950	0.3123	4.3073	5.1639	7.1210	0.4158	17.0080
2009	2008	4.0923	0.2935	4.3858	4.4347	7.1500	0.4158	16.3863
2010	2009	4.0923	0.3057	4.3980	4.4347	7.6373	0.4158	16.8858
2011	2010	4.0923	0.3413	4.4336	4.4347	7.8940	0.4158	17.1781
2012	2011	4.0923	0.3243	4.4166	4.4347	8.5450	0.3313	17.7276
2013	2012	4.0923	0.3260	4.4183	4.4347	8.4780	0.3313	17.6623
2014	2013	4.0923	0.3096	4.4019	4.4347	8.3620	0.3283	17.5269
2015	2014	4.0923	0.2984	4.3907	4.4347	8.4740	0.3164	17.6158
2016	2015	4.0923	0.2750	4.3673	4.4347	8.2180	0.3023	17.3223

Source: City of Winter Park, Florida Comprehensive Annual Financial Report Fiscal Year Ended September 30, 2016.

City of Winter Park, Florida
Principal Property Tax Payers
Fiscal Year Ended September 30, 2016

Taxpayer	Type of Business	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Winter Park Town Center (Winter Park Village)	Shopping Mall	\$55,808,639	1.23%
Presbyterian Retirement Communities Inc.	Retirement Community	40,213,896	0.89
Winter Park Town Center Development LLC	Paseo Apartments	39,803,831	0.88
Rollins College/Langford RCI LLC	Education / Hospitality	29,181,777	0.64
Embarq FL (Sprint United Management Co)	Telephone Carrier	28,353,083	0.63
Mayflower Retirement Center Inc.	Retirement Community	26,581,791	0.59
UP Fieldgate US Investments-Winter Park LLC	Real Estate Developer	20,865,406	0.46
SVAP Winter Park, LP	General Contractors	20,849,591	0.46
Proteggere LLC	Real Estate Developer	16,678,000	0.37
Publix Supermarket Inc.	Food Retailer	16,198,177	0.36

Source: City of Winter Park, Florida Comprehensive Annual Financial Report Fiscal Year Ended September 30, 2016.

For information regarding procedures for property assessment, setting the millage, tax collection, delinquent taxes and tax deeds, see "AD VALOREM TAXATION" herein.

Flow of Funds and Funds and Accounts

For so long as any of the principal of and interest on any of the Bonds shall be outstanding and unpaid or until there shall have been set apart in the Debt Service Fund, a sum sufficient to pay when

due, the entire principal of the Bonds remaining unpaid, together with interest accrued or to accrue thereon, the City has covenanted with the Holders of each and all of the Bonds as follows:

Levy of Ad Valorem Taxes. All taxes levied pursuant to the Bond Resolution, as collected shall immediately be deposited into the Debt Service Fund and held in trust for the payments of the principal of and interest on the Bonds as they severally become due and shall be expended for no other purpose. See APPENDIX C "Bond Resolution" hereto.

Debt Service Fund. The City has covenanted and agreed to establish a special fund to be designated the "City of Winter Park, Florida General Obligation Bonds, Series 2017 Debt Service Fund" (the "Debt Service Fund"). From the Debt Service Fund shall be paid each installment of interest on and principal of the Bonds as they become due. No further payments shall be required to be made into the Debt Service Fund when the aggregate amount of moneys in the Debt Service Fund is at least equal to the aggregate principal amount of the Bonds then outstanding plus the amount of interest then due or thereafter to become due on such Bonds then outstanding. At such time as the Bonds are no longer outstanding, any moneys remaining in the Debt Service Fund may be transferred to the "general fund" of the City, and shall be used for any lawful purpose. Moneys on deposit in the Debt Service Fund may be invested in Permitted Investments or held in cash.

Costs of Issuance Fund. The City has covenanted and agreed to establish a special fund to be designated "City of Winter Park, Florida General Obligation Bonds, Series 2017, Costs of Issuance Fund" (the "Costs of Issuance Fund"). The City is required to deposit from the proceeds of the sale of the Bonds into the Costs of Issuance Fund an amount sufficient to pay the costs of issuance pursuant to invoices received and approved by the City. Any moneys remaining in the Costs of Issuance Fund after 6 months from the date of issuance of the Bonds shall be transferred to the Debt Service Fund.

Project Fund. The City has covenanted and agreed to establish a special fund to be designated "City of Winter Park, Florida General Obligation Bonds, Series 2017, Project Fund" (the "Project Fund"). The City is required to deposit the remaining funds from the proceeds of the sale of the Bonds into the Project Fund to pay the costs of the Project. Upon completion of the Project any monies remaining in the Project Fund are required to be deposited into the Debt Service Fund. Moneys on deposit in the Project Fund may be invested in Permitted Investments or held in cash.

Special Funds. Each of the funds and accounts established and created under the Bond Resolution constitute trust funds for the purposes provided therein for such funds and accounts, respectively. All such funds are required to be continuously secured in the manner by which the deposit of City funds are authorized to be secured by the laws of the State of Florida. Earnings on investments in the funds and accounts created under the Bond Resolution shall be retained in the funds and accounts from which such earnings derive.

The moneys required to be accounted for in each of the funds and accounts established under the Bond Resolution may be deposited in a single bank account, and funds allocated to the various funds and accounts established therein may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds and accounts as provided in the Bond Resolution.

Books and Records. Books and records of the City shall be kept in which complete and correct entries shall be made, in accordance with generally accepted accounting principles. At least once a year, on or before March 31 of the year following the close of each fiscal year, the books, records and accounts of the City shall be properly audited by an independent firm of certified public accountants. The results of such audit shall be mailed, upon request, and made available, at all reasonable times, to any Holder or Holders of Bonds or anyone acting for and on behalf of the Holders of such Bonds; provided, however, that any such costs shall be borne by such Holder or Holders as the case may be.

No Reserve Funding

The City has not established a reserve fund or account under the Bond Resolution to secure the Bonds.

AD VALOREM TAXATION

Property Assessment by County Property Appraiser

General. Ad valorem taxes may be levied only by counties, school districts, municipalities and certain special districts (railroad properties are centrally assessed at the State level). No State ad valorem taxes shall be levied upon real estate or tangible personal property. State law requires that all ad valorem taxation be assessed at a uniform rate within each taxing unit and, with certain exceptions, that real and personal property subject to ad valorem taxation be assessed at 100% of its just value. See "*Limitation on Increase in Assessed Value of Property*" below. The following property is generally subject to taxation in the manner provided by law: (1) all real and personal property in the State and all personal property belonging to persons residing in the State; and (2) all leasehold interests in property of the United States, of the State, or any political subdivision, municipality, agency, authority, or other public body corporate of the State. Pursuant to the State Constitution and State law, certain of such property may be exempt from ad valorem taxation. See "*Exemptions from Ad Valorem Taxation*" below.

Determination of Property Valuation. The Property Appraiser of the County (the "Property Appraiser") determines property valuation on real and tangible personal property subject to ad valorem taxation as of January 1 of each year. By July 1 of each year, the Property Appraiser notifies the County, each municipality, and each other legally constituted special taxing district as to its just valuation, the legal adjustments and exemptions, and the taxable valuation. The taxable valuation is then used by each taxing body to calculate its ad valorem millage for the budget year. See "*Setting the Millage*" and "*Limitation on Increase in Assessed Value of Property*" below for limitations on increases in assessed value of property.

Limitation on Increase in Assessed Value of Property. The State Constitution limits the increases in assessed just value of homestead property to the lower of (1) three percent of the assessment for the prior year or (2) the 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 accumulated difference between the assessed value and the just value is known as the "Save Our Homes Benefit." Further, any change of ownership of homestead property or upon termination of homestead status such property shall be reassessed at just value as of January 1 of the year following the year of sale or change of status; new homestead property shall be assessed at just value as of January 1 of the year following the establishment

of the homestead; and changes, additions, reductions or improvements to the homestead shall initially be assessed as provided for by general law.

Owners of homestead property may transfer up to \$500,000 of their Save Our Homes Benefit to a new homestead property purchased within two years of the sale of their previous homestead property to which such benefit applied if the just value of the new homestead is greater than or is equal to the just value of the prior homestead. If the just value of the new homestead is less than the just value of the prior homestead, then owners of homestead property may transfer a proportional amount of their Save Our Homes Benefit, such proportional amount equaling the just value of the new homestead divided by the just value of the prior homestead multiplied by the assessed value of the prior homestead.

For all levies other than school district levies, assessment increases for specified nonhomestead real property may not exceed ten percent (10%) of the assessment for the prior year. This assessment limitation is, by its terms, to be repealed effective January 1, 2019; however, the legislature by joint resolution has proposed an amendment abrogating such repeal, which is required to be submitted to the electors of this state for approval or rejection at the general election of 2018 and, if approved, shall take effect January 1, 2019.

Preparation of Tax Roll. The Property Appraiser applies the final certified millage of each taxing body to the assessed valuation on each item of real and tangible personal property, and prepares the final tax roll which is certified to the County Tax Collector (the "Tax Collector") by October 1. This permits the printing of tax bills for delivery on November 1 of each year. The tax bills contain all of the overlapping and underlying millages set by the various taxing bodies. All ad valorem taxes are collected by the Tax Collector and distributed to the various taxing bodies. See "- Tax Collection and Distribution by County Tax Collector" below.

Appealing Property Valuation. Concurrently with notification to the various taxing bodies, the Property Appraiser notifies each property owner of the proposed valuation and the proposed millage on his or her property. If the individual property owner believes that his or her property has not been appraised at just value, the owner may (1) request an informal conference with the Property Appraiser to resolve the issue, or (2) file a petition with the clerk of the County value adjustment board (the "Adjustment Board"), or (3) appeal to the Circuit Court within 60 days of the certification for collection of the tax roll or within 60 days of the issuance of a final decision by the Adjustment Board. A petition to the Adjustment Board must be signed by the taxpayer or be accompanied at the time of filing by the taxpayer's written authorization for representation by a qualified person. A taxpayer receives notice of the hearing and is required to provide the Property Appraiser with a list of evidence, copies of documentation, and summaries of testimony prior to the hearing before the Adjustment Board. The Adjustment Board holds public hearings on such petitions and may make adjustments to the valuations made by the Property Appraiser if such valuations are found not to be fair and at market value. The Adjustment Board must complete all required hearings and certify its decision with regard to all petitions and certify to the Property Appraiser the valuation to be used by June 1 following the tax year in which the assessments were made. The June 1 requirement shall be extended until December 1 in each year in which the number of petitions filed with the Adjustment Board increased by more than 10 percent over the previous year. These changes are then made to the final tax roll.

Property owners appealing the assessed value or assigned classification of their property must make a required partial payment of taxes (generally equal to 75% of the ad valorem taxes due, less the applicable statutory discount, if any) with respect to the properties that will have a petition pending on or

after the delinquency date (normally April 1). A property owner's failure to make the required partial payment before the delinquency date will result in the denial of the property owner's petition.

Millage Set by Local Governing Body

General. The State Constitution provides that ad valorem taxes, exclusive of taxes levied for the payment of voter-approved general obligation bonds (such as the Bonds), shall not be levied in excess of the following millages upon the assessed value of real estate and tangible personal property: for all county purposes, ten mills; for all municipal purposes, ten mills; for all school purposes, ten mills; for water management purposes for the northwest portion of the state lying west of the line between ranges two and three east, 0.05 mill; for water management purposes for the remaining portions of the state, 1.0 mill; and for all other special districts a millage authorized by law approved by voters. There is no limit on the amount of ad valorem taxes a local government may levy for the payment of debt service on voter-approved general obligation bonds (such as the Bonds).

As described above, the Property Appraiser is required to certify to each taxing authority the aggregate taxable value of all non-exempt property within the jurisdiction of the taxing authority, as well as the prior year's tax revenues, for use in connection with the determination of the forthcoming budget and millage levy. The form on which such certification is made by the Property Appraiser is required to include instructions to each taxing authority describing the proper method of computing a millage rate, which, exclusive of new construction, additions to structures, deletions and property added due to geographic boundary changes, will provide the same ad valorem tax revenues for each taxing authority as was levied during the prior fiscal year. See “- *Millage Rollback Legislation*” below.

Each respective millage rate, except as limited by law, is set on the basis of estimates of revenue needs and the total taxable property valuation within the taxing authority's respective jurisdiction. Ad valorem taxes are not levied in excess of actual budget requirements. By law, budget expenditures cannot exceed 95% of estimated revenues except for cash carry forward amounts. In adopting an annual budget, the taxing authority must first adopt tentative millage rates within 35 days of receipt from the Property Appraiser of the preliminary certificate of taxable value. A notice of the impact of the tentative millage rates adopted by each taxing authority on the proposed tax statement for each taxpayer is then mailed to each individual taxpayer. Next, the taxing authority must hold a public hearing to adopt a tentative budget with the tentative millage rate. A second public hearing is held to adopt a final budget and millage rate.

Millage Rollback Legislation. In 2007, the State Legislature adopted a property tax plan which significantly impacted ad valorem tax collections for State local governments (the “Millage Rollback Legislation”). One component of the Millage Rollback Legislation required counties, cities and special districts to rollback their millage rates for the 2007-2008 fiscal year to a level that, with certain adjustments and exceptions, would generate the same level of ad valorem tax revenue as in fiscal year 2006-2007; provided, however, depending upon the relative growth of each local government's own ad valorem tax revenues from 2001 to 2006, such rolled back millage rates were determined after first reducing 2006-2007 ad valorem tax revenues by zero to nine percent (0% to 9%). In addition, the Rollback Legislation also limited how much the aggregate amount of ad valorem tax revenues may increase in future fiscal years. A local government may override certain portions of these requirements by a supermajority, and for certain requirements, a unanimous vote of its governing body.

Tax Collection and Distribution by County Tax Collector

General. All real and tangible personal property taxes are based on assessed values as certified and delivered to the Tax Collector by the Property Appraiser as described above. The Tax Collector mails to each property owner on the tax roll a tax bill for the taxes levied by the various taxing authorities in the County. Taxes may be paid upon receipt of such notice with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount. Because several tax payers pay taxes in the months where a discount is applicable, taxes collected will likely never be 100% of the tax levy.

The Tax Collector is required to distribute the taxes collected to each governmental unit levying the tax. Such distribution is to be made four times during the first two months after the tax roll comes into its possession, and once per month thereafter.

Delinquent Taxes. All unpaid taxes on real and tangible property become delinquent on April 1 of the year following the year in which taxes were levied. Delinquent real property taxes bear interest at the rate of eighteen percent (18%) per year from April 1 until paid, or until payment is no longer required or until a tax certificate is sold at auction (from which time the interest rate shall be as bid by the buyer of the tax certificate). Delinquent tangible personal property taxes also bear interest at the rate of 18% per year from April 1 until paid. Delinquent personal property taxes must be advertised within 45 days after delinquency, and after May 1, the property is subject to warrant, levy, seizure and sale.

Tax Certificates and Tax Deeds. On or before June 1 or the sixtieth day after the date of delinquency, whichever is later, the Tax Collector must advertise once each week for three weeks and must sell tax certificates on all real property that is the subject of delinquent taxes. The tax certificates are sold to those bidding the lowest interest rate. Such certificates include the amount of delinquent taxes, the penalty interest accrued thereon and the cost of advertising. Delinquent tax certificates not sold at auction become the property of the County. State law provides that real property tax liens are superior to all other liens, except prior Internal Revenue Service liens.

To redeem a tax certificate, the owner of the property must pay all delinquent taxes, the interest that accrued prior to the date of the sale of the tax certificate, charges incurred in connection with the sale of the tax certificate, omitted taxes, if any, and interest at the rate shown on the tax certificate (or interest at the rate of 5%, whichever is higher) from the date of the sale of the tax certificate to the date of redemption. If such tax certificates or liens are not redeemed by the property owner within two years, the holder of the tax certificates can cause the property to be sold to pay off the outstanding certificates and the interest thereon.

At any time after two years have elapsed since April 1 of the year of the issuance of a tax certificate and before the expiration of seven years, the holder of the tax certificate may apply for a tax deed with respect to any tax certificate it holds. Two years after such April 1, the County may make application for a tax deed with respect to any tax certificate it holds. Upon receipt of such applications, a public sale is advertised and held (unless the property is redeemed), and the highest bidder at such sale receives a tax deed for the property. Provisions are also made for the collection of delinquent tangible personal property taxes, but in a different manner which includes the possible seizure of the tangible personal property.

Exemptions from Ad Valorem Taxation

General. State law provides for numerous exemptions and limitations on ad valorem taxation of real property and tangible personal property. Real property used for the following purposes is generally exempt from ad valorem taxation: religious, educational, literary, charitable, scientific, and governmental uses. Certain additional exemptions and limitations are described below. This description does not purport to describe all exemptions available to property owners in the State, and reference is made to the State Constitution and Chapter 196, Florida Statutes, for a full description of such exemptions. In addition, State law allows for, but does not mandate, the imposition of some exemptions by local governments by ordinance. Where applicable, it is noted where the City has imposed such optional exemptions or limitations. Certain recent amendments to existing provisions relating to ad valorem tax exemptions are described under “Legislation Regarding Ad Valorem Taxes - *Recent Amendments Relating to Ad Valorem Taxation*” below.

Constitutional Exemptions.

Exempt Entities/Exempt Purposes. The State Constitution provides that all property owned by a municipality and used exclusively by it for municipal or public purposes shall be exempt from taxation. A municipality, owning property outside the municipality, may be required by general law to make payment to the taxing unit in which the property is located. Such portions of property as are used predominantly for educational, literary, scientific, religious or charitable purposes (exempt purposes) may be exempted by general law from taxation. State law provides that all property owned by an exempt entity, including educational institutions, and used exclusively for exempt purposes shall be totally exempt from ad valorem taxation and all property owned by an exempt entity, including educational institutions, and used predominantly for exempt purposes (at least 50%) shall be exempted from ad valorem taxation to the extent of the ratio that such predominant use bears to the nonexempt use.

Household Goods and Personal Effects. The State Constitution provides that there shall be exempt from taxation, cumulatively, to every head of a family residing in the State, household goods and personal effects to the value fixed by general law, not less than one thousand dollars and to every widow or widower or person who is blind or totally and permanently disabled, property to the value fixed by general law not less than five hundred dollars. State law exempts from taxation to every person residing and making his or her permanent home in the State, all household goods and personal effects and exempt property up to the value of \$500 of every widow, widower, blind person, or totally and permanently disabled person who is a resident of the State.

Economic Development. The State Constitution provides that any county or municipality may, for the purpose of its respective tax levy and subject to the State Constitution and general law, grant community and economic development ad valorem tax exemptions to new businesses and expansions of existing businesses, as defined by general law. Such an exemption may be granted only by ordinance of the county or municipality, and only after the electors of the county or municipality voting on such question in a referendum authorize the county or municipality to adopt such ordinance. An exemption so granted shall apply to improvements to real property made by or for the use of a new business and improvements to real property related to the expansion of an existing business and shall also apply to tangible personal property of such new business and tangible personal property related to the expansion of an existing business. The amount or limits of the amount of such exemption shall be specified by general law (up to 100% in certain circumstances) and the period of time for which such exemption may be granted to a new business or expansion of an existing business shall be determined by general law.

State law provides that the authority to grant such exemption shall expire ten years from the date of approval by the electors of the county or municipality, and may be renewable by referendum as provided by general law and that exemptions may be granted for up to 10 or 20 years depending on the use of the applicable facility. This exemption does not apply to the levy of taxes for the payment of bonds (such as the Bonds). **The City has not enacted an ordinance granting the exemption described in this paragraph.**

Historic Preservation. The State Constitution provides that any county or municipality may, for the purpose of its respective tax levy and subject to the provisions of the State Constitution and general law, grant historic preservation ad valorem tax exemptions to owners of historic properties. This exemption may be granted only by ordinance of the county or municipality. The amount or limits of the amount of this exemption and the requirements for eligible properties must be specified by general law. State law provides that such exemption may be for an amount up to 50% of the assessed value of the property. The period of time for which this exemption may be granted may continue until the ordinance is repealed or the property no longer qualifies for the exemption. This exemption does not apply to the levy of taxes for the payment of bonds (such as the Bonds). **The City has not enacted an ordinance granting the exemption described in this paragraph.**

Tangible Personal Property and Solar Devices. The State Constitution provides that by general law and subject to conditions specified therein, \$25,000 of the assessed value of property subject to tangible personal property tax shall be exempt from ad valorem taxation. Effective January 1, 2018 through December 31, 2037, the assessed value of solar devices or renewable energy source devices subject to tangible personal property tax may be exempt from ad valorem taxation, subject to limitations provided by general law.

Property Dedicated In Perpetuity for Conservation. The State Constitution provides that there shall be granted an ad valorem tax exemption for certain real property dedicated in perpetuity for conservation purposes, including real property encumbered by perpetual conservation easements or by other perpetual conservation protections, as defined by general law.

Homestead Exemption. In addition to the exemptions described above, the State Constitution also provides for a homestead exemption. Every person who has the legal title or beneficial title in equity to real property in the State and who resides thereon and in good faith makes the same his or her permanent residence or the permanent residence of others legally or naturally dependent upon such person is eligible to receive a homestead exemption of up to \$50,000. The first \$25,000 applies to all property taxes, including school district taxes. The additional exemption, up to \$25,000, applicable to the assessed value of the property between \$50,000 and \$75,000, applies to all levies other than school district levies. See “-Legislative Amendments Relating to Ad Valorem Taxation – *Recent Amendments Relating to Ad Valorem Taxation*” below for a description of a recent amendment to the State Constitution, subject to voter approval, authorizing an additional \$25,000 homestead exemption. A person who is receiving or claiming the benefit of an ad valorem tax exemption or a tax credit in another state where permanent residency, or residency of another legally or naturally dependent upon the owner, is required as a basis for the granting of that ad valorem tax exemption or tax credit is not entitled to the homestead exemption. In addition to the general homestead exemption described in this paragraph, the following additional homestead exemptions are authorized by State law:

Certain Persons 65 or Older. A board of county commissioners or the governing authority of any municipality may adopt an ordinance to allow an additional homestead exemption equal to (i) of up to

\$50,000 for persons age 65 or older with household income that does not exceed the statutory income limitation of \$20,000 (as increased by the percentage increase in the average cost of living index each year since 2001) or (ii) the assessed value of the property with a just value less than \$250,000, as determined the first tax year that the owner applies and is approved, for any person 65 or older who has maintained the residence as his or her permanent residence for not less than 25 years and whose household income does not exceed the statutory income. In addition, veterans 65 or older who are partially or totally permanently disabled may receive a discount from tax on homestead property if the disability was combat related and the veteran was honorably discharged upon separation from military service. The discount is a percentage equal to the percentage of the veteran's permanent, service-connected disability as determined by the United States Department of Veteran's Affairs. **Pursuant to Ordinance No. 2448-01, as amended, the City enacted an ordinance providing for the exemption described in this paragraph from City ad valorem taxes.**

Deployed Military Personnel. The State Constitution provides that by general law and subject to certain conditions specified therein, each person who receives a homestead exemption; who was a member of the United States military or military reserves, the United States Coast Guard or its reserves, or the Florida National Guard; and who was deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature shall receive an additional exemption equal to a percentage of the taxable value of his or her homestead property. The applicable percentage shall be calculated as the number of days during the preceding calendar year the person was deployed on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature divided by the number of days in that year.

Certain Active Duty Military and Veterans. A military veteran who was honorably discharged, is a resident of the State, and who is disabled to a degree of 10% or more because of misfortune or while serving during wartime may be entitled to a \$5,000 reduction in the assessed value of his or her property. This exemption is not limited to homestead property. A military veteran who was honorably discharged with a service-related total and permanent disability may be eligible for a total exemption from taxes on homestead property. A similar exemption is available to disabled veterans confined to wheelchairs. Under certain circumstances, the veteran's surviving spouse may be entitled to carry over these exemptions.

Certain Totally and Permanently Disabled Persons. Real estate used and owned as a homestead by a quadriplegic, less any portion used for commercial purposes, is exempt from all ad valorem taxation. Real estate used and owned as a homestead by a paraplegic, hemiplegic, or other totally and permanently disabled person, who must use a wheelchair for mobility or who is legally blind, is exempt from taxation if the gross household income is below statutory limits.

Survivors of First Responders. Any real estate that is owned and used as a homestead by the surviving spouse of a first responder (law enforcement officer, correctional officer, firefighter, emergency medical technician or paramedic), who died in the line of duty may be granted a total exemption on homestead property if the first responder and his or her surviving spouse were permanent residents of the State on January 1 of the year in which the first responder died.

Other Exemptions. Other exemptions include, but are not limited to, nonprofit homes for the aged (subject to income limits for residents), proprietary continuing care facilities, not for profit sewer

water/waste water systems, certain hospital facilities and nursing homes for special services, charter schools, certain historic property used for commercial purposes and certain tangible personal property.

Legislation Relating to Ad Valorem Taxation

Recent Amendments Relating to Ad Valorem Taxation. In the 2016 legislative session, several amendments were passed affecting ad valorem taxation, including classification of agricultural lands during periods of eradication or quarantine, deleting requirements that conservation easements be renewed annually, providing that just value of real property shall be determined in the first tax year for income restricted persons age 65 or older who have maintained such property as the permanent residence for at least 25 years, authorizing a first responder who is totally and permanently disabled as a result of injuries sustained in the line of duty to receive relief from ad valorem taxes assessed on homestead property, revising procedures with respect to assessments, hearings and notifications by the value adjustment board, and revising the interest rate on unpaid ad valorem taxes.

In the 2017 State legislative session, which concluded on May 8, 2017, the State legislature passed House Joint Resolution 7105 which proposes an amendment to Section 6, Article VII of the State Constitution that would increase the homestead exemption by exempting the assessed valuation of homestead property greater than \$100,000 and up to \$125,000 for all levies other than school district levies. If approved by the voters in November, 2018, such amendment would be effective beginning with the 2019 tax roll. The City estimates that this amendment would result in a negative revenue impact to the City of approximately \$710,000 annually. However, the City does not believe that the impact will adversely affect the City's ability to pay debt service on the Series 2017 Bonds.

Future Amendments Relating to Ad Valorem Taxation. Historically, various legislative proposals and constitutional amendments relating to ad valorem taxation have been introduced in each session of the State legislature. Many of these proposals have provided for new or increased exemptions to ad valorem taxation and limited increases in assessed valuation of certain types of property or otherwise restricted the ability of local governments in the State to levy ad valorem taxes at current levels. There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would have a material adverse effect upon the collection of ad valorem taxes by the City, the City's finances in general or the City's ad valorem taxing power.

CERTAIN FINANCIAL MATTERS

Certain matters relating to the City's debt management policy, investment policy, pension liability and other post-employment benefits can be found in "APPENDIX A – City of Winter Park, Florida General Information" attached hereto and in "APPENDIX B – Comprehensive Annual Financial Report Fiscal Year Ended September 30, 2016" attached hereto.

AUDITED FINANCIAL STATEMENTS

The audited financial statements of the City as of September 30, 2016 and for the year then ended, included in the attached APPENDIX B, have been audited by Moore Stephens Lovelace, P.A., independent auditors (the "Auditor"), as stated in their report appearing therein. The Auditor has not

participated in the preparation or review of this Official Statement and the financial statements are included as a publicly available record and the consent of the Auditor to such inclusion was not requested by the City.

TAX MATTERS

General

The Code establishes certain requirements which must be met subsequent to the issuance of the Bonds in order that interest on the Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the Bonds to be included in federal gross income retroactive to the date of issuance of the Bonds, regardless of the date on which such non-compliance occurs or is ascertained. These requirements include, but are not limited to, provisions which prescribe yield and other limits within which the proceeds of the Bonds and the other amounts are to be invested and require that certain investment earnings on the foregoing must be rebated on a periodic basis to the Treasury Department of the United States. The City has covenanted in the Bond Resolution with respect to the Bonds to comply with such requirements in order to maintain the exclusion from federal gross income of the interest on the Bonds.

In the opinion of Bond Counsel, assuming compliance with certain covenants, under existing laws, regulations, judicial decisions and rulings, interest on the Bonds is excluded from gross income for purposes of federal income taxation. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals or corporations; however, interest on the Bonds may be subject to the federal alternative minimum tax when any Bond is held by a corporation. The federal alternative minimum taxable income of a corporation must be increased by seventy-five percent (75%) of the excess of such corporation's adjusted current earnings over its alternative minimum taxable income (before this adjustment and the alternative tax net operating loss deduction). "Adjusted Current Earnings" will include interest on the Bonds.

Except as described above, Bond Counsel will express no opinion regarding other federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of Bonds. Prospective purchasers of Bonds should be aware that the ownership of Bonds may result in collateral federal income tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry Bonds; (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by fifteen percent (15%) of certain items, including interest on Bonds; (iii) the inclusion of interest on Bonds in earnings of certain foreign corporations doing business in the United States for purposes of the branch profits tax; (iv) the inclusion of interest on Bonds in passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year; and (v) the inclusion of interest on Bonds in "modified adjusted gross income" by recipients of certain Social Security and Railroad Retirement benefits for the purposes of determining whether such benefits are included in gross income for federal income tax purposes.

As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon representations and covenants made on behalf of the City, certificates of appropriate officers and certificates of public officials (including certifications as to the use of proceeds of the Bonds and of the

property financed or refinanced thereby), without undertaking to verify the same by independent investigation.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Information Reporting and Backup Withholding

Interest paid on tax-exempt bonds, such as the Bonds, is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the Bonds and proceeds from the sale of Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Bonds. This withholding generally applies if the owner of Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Other Tax Matters

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Bonds. For example, in connection with federal deficit reduction, job creation and tax law reform efforts, proposals have been and others are likely to be made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Bonds. There can be no assurance that any such legislation or proposal will be enacted, and if enacted, what form it may take. The introduction or enactment of any such legislative proposals may affect, perhaps significantly, the market price for, or marketability of, the Bonds.

Prospective purchasers of the Bonds should consult their own tax advisors as to the tax consequences of owning the Bonds in their particular state or local jurisdiction and regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Tax Treatment of Original Issue Discount

Under the Code, the difference between the maturity amount of the Bonds maturing on July 1 in the years 2034 through and including 2037 (collectively, the "Discount Bonds"), and the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bonds of the same maturity and, if applicable, interest rate, was sold is "original issue discount." Original issue discount will accrue over the term of the Discount Bonds at a constant interest rate compounded periodically. A purchaser who acquires the Discount Bonds in the initial offering at a price equal to the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he or she holds the Discount Bonds, and will increase his or her adjusted basis in the Discount Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or disposition of the Discount Bonds. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of the Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Holders of the Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of the Discount Bonds and with respect to the state and local tax consequences of owning and disposing of the Discount Bonds.

Tax Treatment of Bond Premium

The difference between the principal amount of the Bonds maturing on July 1 in the years 2018 through and including 2032 (collectively, the "Premium Bonds") and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Premium Bonds of the same maturity and, if applicable, interest rate, was sold constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each of the Premium Bonds, which ends on the earlier of the maturity or call date for each of the Premium Bonds which minimizes the yield on such Premium Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Premium Bonds. Holders of the Premium Bonds are advised that they should consult with their own tax advisors with respect to the state and local tax consequences of owning the Premium Bonds.

LITIGATION

There is no pending or, to the knowledge of the City, threatened, litigation against the City which in any way questions or affects the validity of the Bonds, or any proceedings or transactions relating to their issuance, sale or delivery or the adoption of the Bond Resolution, or the pledge of the full faith and

credit of the City. Neither the creation, organization or existence, nor the title of the present members of the City Commission, or other officers of the City is being contested.

The City experiences claims, litigation and various legal proceedings which individually are not expected to have a material adverse effect on the operations or financial condition of the City, but may, in the aggregate, have a material impact thereon. In the opinion of the City Attorney, however, the City will either successfully defend such actions or otherwise resolve such matters without any material adverse consequences on the City's ability to pay debt service on the Bonds.

COMPETITIVE SALE

The Bonds are being purchased at competitive sale by Stifel, Nicolaus & Company, Incorporated (the "Purchaser") at an aggregate price of \$27,705,996.15 (representing the par amount of the Bonds plus net original issue premium of \$2,404,666.65 and less Purchaser's discount of \$198,670.50). The Purchaser's obligations are subject to certain conditions precedent described in the Official Notice of Sale, and it will be obligated to purchase all of the Bonds if any are purchased. The yields shown on the inside cover page hereof were furnished by the Purchaser.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approval of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel. The proposed legal opinion, in the form attached hereto as APPENDIX D, will be delivered with the Bonds. The actual legal opinion to be delivered by Bond Counsel may vary from the form attached hereto if necessary to reflect facts and law on the date of delivery of the opinion. The opinion will speak only as of its date, and subsequent distribution by recirculation of this Official Statement or otherwise shall create no implication that Bond Counsel has renewed or expressed any opinion concerning any of the matters referenced in the opinion subsequent to the date of the opinion. Certain other legal matters will be passed upon for the City by the City Attorney, Fishback, Dominick, Bennett, Ardaman, Ahlers, Langley & Geller LLP, Winter Park, Florida, and by Bryant Miller Olive P.A., Tampa, Florida, Disclosure Counsel.

The legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment of the transaction on which the opinion is rendered or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

VALIDATION

The Bonds were validated by judgment of the Circuit Court of the Ninth judicial Circuit of the State of Florida, Case No. 2016-CA-006063-0, in and for Orange County, Florida rendered on December 7, 2016. The period for filing an appeal to such judgment has expired and no appeal has been filed.

FINANCIAL ADVISOR

Public Financial Management, Inc. is employed as Financial Advisor to the City in connection with the issuance of the Bonds, is an SEC registered municipal advisor and is not engaged in the business of underwriting, marketing or trading of municipal securities or any other negotiable instruments. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information in this Official Statement.

RATINGS

The Bonds have been assigned ratings of "Aa1" by Moody's Investors Service and "AA+" (stable outlook) by Fitch Ratings. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Moody's Investors Service, 7 World Trade Center, 250 Greenwich Street, New York, New York 10007 and Fitch Ratings, 33 Whitehall Street, New York, New York 10004. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

CONTINUING DISCLOSURE

The City has covenanted for the benefit of the Bondholders to provide certain financial information and operating data relating to the City and the Bonds in each year, and to provide notices of the occurrence of certain enumerated material events. The City has agreed to file annual financial information and operating data and the audited financial statements with each entity authorized and approved by the SEC to act as a repository (each a "Repository") for purposes of complying with Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934 (the "Rule") either itself or through its dissemination agent. Effective July 1, 2009, the sole Repository is the Municipal Securities Rulemaking Board. The City has agreed to file notices of certain enumerated events, when and if they occur, with the Repository either itself or through its dissemination agent.

The specific nature of the financial information, operating data, and of the type of events which trigger a disclosure obligation, and other details of the undertaking are described in "APPENDIX E - Form of Continuing Disclosure Certificate" attached hereto. The Continuing Disclosure Certificate shall be executed by the City upon the issuance of the Bonds. These covenants have been made in order to assist the Underwriters in complying with the continuing disclosure requirements of the Rule.

With respect to the Bonds, no party other than the City is obligated to provide, nor is expected to provide, any continuing disclosure information with respect to the Rule.

In 2013, the City inadvertently failed to file a rating change regarding the insured rating on its Electric Refunding and Revenue Bonds, Series 2007 Bonds which were insured by Financial Security

Assurance Inc., which failure has been cured. The City fully anticipates satisfying all future obligations required pursuant to the Rule.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, and the regulations promulgated thereunder, require that the City make full and fair disclosure of any bonds or other debt obligations of such entities that have been in default as to payment of principal or interest at any time after December 31, 1975. The City is not and has not, since December 31, 1975, been in default as to payment of principal and interest on its bonds or other debt obligations.

Although the City is not aware of any defaults with respect to bonds or other debt obligations as to which it has served only as a conduit issuer, it has not undertaken an independent review or investigation of such bonds or other obligations. The City does not believe that any information about any default would be considered material by a reasonable investor in the Bonds because the City was not liable to pay the principal of or interest on any such bonds except from payments made to it by the private companies on whose behalf such bonds were issued and no funds of the City were pledged to pay such bonds or the interest thereon.

CONTINGENT FEES

The City has retained Bond Counsel, Disclosure Counsel and the Financial Advisor with respect to the authorization, sale, execution and delivery of the Bonds. Payment of the fees of such professionals and an underwriting discount to the Purchaser (hereafter defined) are contingent upon the issuance of the Bonds.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Bonds upon an Event of Default under the Bond Resolution are in many respects dependent upon judicial actions, which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code, the remedies specified by the Federal Bankruptcy Code, the Bond Resolution, the Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Bonds (including Bond Counsel's approving opinion) will be qualified, as to the enforceability of the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery.

ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT

The City has furnished all information in this Official Statement except where attributed to other sources. References herein to the Bond Resolution, the Bonds and certain other contracts, agreements and other materials not purporting to be quoted in full are brief summaries of certain provisions thereof, and do not purport to describe all the provisions thereof. Reference is hereby made to such documents and other materials for the complete provisions thereof, copies of which will be furnished by the City upon written request.

The information herein is subject to change without notice and neither the delivery of the Official Statement nor any sale of the Bonds made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City, except as stated herein, since the date hereof.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. Statements herein, while not guaranteed, are based upon information which the City believes to be reliable.

[Remainder of page intentionally left blank.]

CERTIFICATE CONCERNING OFFICIAL STATEMENT

The execution and delivery of this Official Statement has been duly authorized and approved by the City. At the time of delivery of the Bonds, the City will furnish a certificate to the effect that nothing has come to its attention which would lead it to believe that the Official Statement (excluding the information regarding DTC and its book-entry only system of registration as to all of which no certification is made), as of its date and as of the date of delivery of the Bonds, contains an untrue statement of a material fact or omits to state a material fact which should be included herein for the purpose for which the Official Statement is intended to be used, or which is necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading.

CITY OF WINTER PARK, FLORIDA

By: /s/ Steve Leary
Steve Leary, Mayor

By: /s/ Randy B. Knight
Randy B. Knight, C.P.A., City Manager

By: /s/ Charles W. Hamil, III
Charles W. Hamil, III, Finance Director

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX A

**City of Winter Park, Florida
General Information**

[THIS PAGE INTENTIONALLY LEFT BLANK]

**APPENDIX A
CITY OF WINTER PARK, FLORIDA
GENERAL INFORMATION**

General Information

THE FOLLOWING INFORMATION CONCERNING THE CITY OF WINTER PARK, FLORIDA, IS INCLUDED ONLY FOR THE PURPOSE OF PROVIDING GENERAL BACKGROUND INFORMATION. THE INFORMATION HAS BEEN COMPILED ON BEHALF OF THE CITY AND SUCH COMPILATION INVOLVED ORAL AND WRITTEN COMMUNICATION WITH VARIOUS SOURCES INDICATED. THE INFORMATION IS SUBJECT TO CHANGE.

EXCEPT AS OTHERWISE NOTED, THE TABLES THAT FOLLOW IN THIS APPENDIX HAVE BEEN DERIVED FROM THE STATISTICAL SECTION OF THE CITY'S COMPREHENSIVE ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED SEPTEMBER 30, 2016.

Demographic and Economic Statistics

Year	City Population	Orange County Population	City Personal Income (Thousands)	City Per Median Household Income	Orange County Median Household Income	City Education		Unemployment Rate			
						High School Graduates	College Graduates	City of Winter Park	Orlando- Kissimmee MSA	Orange County	Florida
2007	28,486	1,105,603	\$1,270,933	\$45,155	\$23,963	3,358	14,249	2.9	4.1	4.1	4.4
2008	28,921	1,114,979	1,367,573	48,227	23,776	2,686	8,033	5.0	6.5	6.4	6.9
2009	28,581	1,108,882	1,292,919	45,237	25,560	2,582	8,935	8.5	11.6	11.5	11.3
2010	28,434	1,145,956	1,260,678	44,337	28,117	3,071	10,368	9.1	11.8	11.8	12.1
2011	27,727	1,157,342	1,303,751	47,021	39,394	3,429	14,154	7.9	10.2	10.1	10.6
2012	27,728	1,175,941	1,311,673	47,305	52,624	3,419	12,136	6.9	8.5	8.4	8.6
2013	28,847	1,199,801	1,289,503	45,753	45,968	3,418	15,991	5.4	6.3	6.2	6.9
2014	29,073	1,227,995	1,393,865	44,504	50,738	3,700	12,485	4.6	5.7	5.6	6.1
2015	28,967	1,200,241	1,432,389	49,449	47,556	3,595	12,918	4.5	4.3	4.7	5.6
2016	29,308	1,229,039	1,472,170	59,405	47,943	2,962	12,950	4.4	4.4	4.3	4.9

[Remainder of page intentionally left blank]

Principal Employers

Principal Employers Fiscal Year Ended 9/30/2016

Employer	Type of Business	Employees	City Rank	Percentage of Total City Employment
Florida Hospital Winter Park	Health	1,550	1	10.04%
Orange County Schools	Education	649	2	4.21
City of Winter Park	Government	517	3	3.35
Gecos Inc	Construction	450	4	2.92
Publix	Food Retailer/Supermarket Chain	301	5	1.95
Rollins College	Education	298	6	1.93
Other Employers	Various	11,667		75.60
Total Labor Force		15,432		

Fire and Police Pension Liabilities

The City maintains two separate single-employer, defined benefit pension plans for police officers and firefighters which are maintained as Pension Trust Funds and included as part of the City's reporting entity.

The City recognized pension expense for the police pension plan and the firefighter pension plan for the fiscal year ended September 30, 2016 of \$2,310,712 and \$1,947,653, respectively. The City's net pension liability for each plan was measured as of September 30, 2016, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of that date with projected amounts through September 30, 2016. The following assumptions were applied by the actuary in determining the net pension liability.

	Police Pension	Firefighter Pension
Investment Earnings	7.75%	7.75%
Salary Increases:		
Inflation	3.50%	4.00%
Merit	3.75%-6.00%	5.50%-9.50%
Postretirement Increase	3.00%	3.00%

Schedule of Employer's Net Pension Liability (Measurement Date 9/30/16 – projected – actual will be available after fiscal year end)

	Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position As a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
Police Pension	\$58,221,880	\$44,270,277	\$13,951,603	76.04%	\$4,286,032	325.51%
Firefighter Pension	\$60,267,923	\$51,161,839	\$9,106,084	84.89%	\$4,275,632	212.98%

The following table shows actuarially determined contributions and actual contributions to the fire and police pension benefit plans by the City.

**Schedule of Employer Contributions
Fiscal Year Ending September 30, 2016**

	Actuarially Determined Contribution	Actual Contributions	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
Police Pension	\$2,248,187	\$2,248,187	--	\$4,286,000	52.45%
Firefighter Pension	\$1,887,964	\$1,887,964	--	4,275,000	44.16%

For more information on the police pension plan and firefighter pension plan, see Note 17- Employee Benefit Plans to the audited financial statements contained in "APPENDIX B – Comprehensive Annual Financial Report of the City of Winter Haven, Florida Fiscal Year ended September 30, 2016" attached hereto.

General Employee Contribution Plan

The City maintains a single-employer, defined contribution pension plan for the General Employees. This is a tax-qualified plan pursuant to Section 401(a) of the Internal Revenue Code. All full-time general employees hired after January 1, 1992 are eligible for participation in the plan. All employees hired before January 1, 1992 were brought into the plan. As of September 30, 2016, there were 355 employees enrolled in the 401(a) pension plan.

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

Payroll for covered employees	\$18,717,018
Total City payroll	30,437,618
Employer contributions required (net) and actually made	1,231,467
Employee contributions actually made – 3% of covered payroll	561,511

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

Other Post-Employment Benefits (OPEB)

The Other Post-Employment Benefit Plan ("OPEB Plan") is a single-employer benefit plan administered by the City. Currently, the City's OPEB benefits are unfunded. The required contributions are based on a pay-as-you-go financing requirements. There is no Trust Fund or equivalent arrangement into which the City would make contributions to advance-fund the obligation. Therefore, ultimate subsidies, which are provided over time, are financed directly by general assets of the City, which are invested in accordance with the City's investment policy. The interest rate used to calculate the present values and costs of OPEB must be the long-range expected return on those investments. The City selected an interest rate of 4% for this purpose.

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

The City's annual OPEB costs, the percentage of annual expected employers' contribution toward OPEB cost and the net OPEB obligation for 2016 and the two preceding years are as follows:

Fiscal Year Ending	Annual OPEB Cost	Employer Contributions Toward OPEB Cost	Percentage of Annual OPEB Cost Contributed	Unfunded OPEB Obligation
September 30, 2016	\$917,415	\$142,608	15.5%	\$7,865,378
September 30, 2015	877,408	100,460	11.4	7,147,419
September 30, 2014	909,208	308,212	33.9	7,765,914

As of September 30, 2016, the OPEB Plan was unfunded. The actuarial accrued liability for benefits was \$7,865,378. Assets of the OPEB Plan are valued at market; however, the current value is \$0, resulting in an unfunded actuarial accrued liability ("UAAL") of \$7,865,378. The covered payroll (annual payroll of active employees covered by the OPEB Plan) was \$26,703,980. The ratio of the UAAL to the covered payroll was 29.5%.

In any long-term actuarial valuation, certain assumptions are made regarding the population, the investment discount rates, and the benefits provided. The actuarial assumptions included healthcare cost trend rates of 7.5%, decreased annually to an ultimate rate of 4.5% after six years. The Entry Age actuarial cost method was used, with amortization of the UAAL as a level percent of expected payroll (open over 30 years). A table summarizing the actuarial assumptions used is included below:

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

* Includes inflation at 2.5%

Budgetary Process

The public's input to the budget process is invited at the beginning of each Commission meeting beginning in July. A proposed budget is presented to the City Commission and a tentative millage cap is set in July. The Commission is required to hold two public hearings on the budget and millage rate in September and adopt a final budget and millage rate by no later than September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund. Transfers between accounts within the same fund may be made with the City Manager approval. Transfers between funds and adjustments that increase the overall budget of a fund require approval of the City Commission. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated budget has been adopted. For the General Fund and other major special revenue fund (Community Redevelopment Agency), this comparison is presented as required supplemental information. For nonmajor governmental funds, this comparison is presented in the combining financial statements. The Finance Department monitors all financial activity on an ongoing basis. Monthly reports summarizing the City's financial activities are prepared for the City Commission. Each quarter, the City provides an update of its key performance metrics as a communication outreach to the City Commission and the public.

State law requires a balanced budget for municipalities and prohibits the governing body of any municipality from making appropriations in any one fiscal year which exceed the revenues available in such fiscal year.

Debt Management Policy

The City has adopted a debt management policy. Staff will annually review and amend such policy from time to time as necessary with the approval of the City Commission. The City Manager and the Finance Director are responsible for administering the City's financial policies. The City Commission is responsible for the approval of any form of City borrowing. Unless otherwise designated, the Finance Director coordinates the administration and issuance of debt.

Investment Policy

The City has adopted an investment policy. The Finance Director is responsible for the administration of the investment program based on such policy. City public funds in excess of amounts needed to meet current expenditures may, pursuant to the City's investment policy, be invested in the following, subject to certain portfolio composition and maturity restrictions:

- (i) The Florida Local Government Surplus Funds Trust Fund.
- (ii) Negotiable direct obligations, or obligations the principal and interest of which are unconditionally guaranteed by the United States Government. Such securities will include, but not be limited to, the following:
 - (a) Cash Management Bills;
 - (b) Treasury Securities — State and Local Government Series;
 - (c) Treasury Bills;

- (d) Treasury Notes;
- (e) Treasury Bonds; and
- (f) Treasury Strips.

(iii) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by United States agencies, provided such obligations are backed by the full faith and credit of the United States Government. Such securities will include, but not be limited to, the following:

- (a) United States Export-Import Bank Direct obligations or fully guaranteed certificates of beneficial ownership;
- (b) Farmers Home Administration Certificates of beneficial ownership;
- (c) Federal Financing Bank Discount notes and bonds;
- (d) Federal Housing Administration Debentures;
- (e) General Services Administration Participation Certificates;
- (f) Government National Mortgage Association ("GNMA") guaranteed mortgage-backed bonds;
- (g) GNMA guaranteed pass-through obligations;
- (h) United States Maritime Administration Guaranteed Title XI Financing;
- (i) New Communities Debentures;
- (j) United States Government guaranteed debentures;
- (k) United States Public Housing Notes and Bonds;
- (l) United States Government guaranteed public housing notes and bonds; and
- (m) United States Department of Housing and Urban Development Project notes and local authority bonds.

(iv) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by United States Government agencies (Federal Instrumentalities) which are non-full faith and credit agencies limited to the following:

- (a) Federal Farm Credit Bank;
- (b) Federal Home Loan Bank or its district bank;
- (c) Federal National Mortgage Association;

- (d) Federal Home Loan Mortgage Corporation including Federal Home Loan Mortgage Corporation participation certificates; and
- (e) Student Loan Marketing Association.

(v) Non-negotiable interest bearing time certificates of deposit or savings accounts in banks or savings associations organized under the laws of Florida and/or in national banks or savings associations organized under the laws of the United States and doing business and situated in Florida, provided that only such deposits are secured by the Florida Security of Public Deposits Act, Chapter 280, Florida Statutes and provided that the bank or savings association is not listed with any recognized credit watch information service.

(vi) Repurchase agreements comprised of only those investments as authorized in paragraphs (ii) and (iii) above. The use of reverse repurchase agreements or other forms of leverage are prohibited.

(vii) Bankers' Acceptances which are inventory-based and issued by a domestic bank which has an unsecured, uninsured and unguaranteed obligation rating of at least "Prime-1" and "A" by Moody's Investors Service and ranked in the top 50 United States banks in terms of total assets by the American Banker's yearly report.

(viii) Commercial Paper rated, at the time of purchase, "Prime-1" by Moody's and "A-1" by Standard & Poor's (prime commercial paper).

(ix) State and/or local government taxable and tax-exempt debt, General Obligation and/or Revenue Bonds rated at least "Aa" by Moody's and "AA" by Standard & Poor's for long-term debt, or rated at least "MIG-2" by Moody's and "SP-2" by Standard & Poor's for short-term debt.

(x) Fixed income mutual funds comprised of only those investment instruments as authorized in paragraphs (ii), (iii), (iv), (vi) and (ix) above.

(xi) Intergovernmental Investment Pools.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX B

Comprehensive Annual Financial Report Fiscal Year Ended September 30, 2016

[THIS PAGE INTENTIONALLY LEFT BLANK]

Comprehensive VISION



COMPREHENSIVE
Annual FINANCIAL REPORT

fiscal year ended
09.30
2016

COMPREHENSIVE ANNUAL FINANCIAL REPORT



The City of Winter Park, Florida
For The Year Ended September 30, 2016

Prepared by the Finance Department



INTRODUCTORY SECTION

PRINCIPAL CITY OFFICIALS
TABLE OF CONTENTS
LETTER OF TRANSMITTAL
CERTIFICATE OF ACHIEVEMENT
ORGANIZATIONAL CHART

City of Winter Park, Florida Principal City Officials

September 30, 2016

City Commission

MAYORSteven J. Leary
VICE MAYORSarah C. Sprinkel
COMMISSIONERSCarolyn A. Cooper
Gregory S. Seidel
Peter J. Weldon

Administrative

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

Administrative Staff

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

This page intentionally left blank.



The City of Winter Park, Florida
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2016

TABLE OF CONTENTS

I. INTRODUCTORY SECTION

Principal City Officials	1
Table of Contents	3
Letter of Transmittal	7
Certificate of Achievement	15
Organizational Chart	16

II. FINANCIAL SECTION

Independent Auditor's Report	17
Management's Discussion and Analysis (Unaudited)	19
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	33
Statement of Activities	34
Fund Financial Statements:	
Balance Sheet – Governmental Funds	36
Reconciliation of the Balance Sheet to the Statement of Net Position – Governmental Funds	37
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	38
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	39
Statement of Net Position – Proprietary Funds	40
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	41
Statement of Cash Flows – Proprietary Funds	42
Statement of Net Position – Fiduciary Funds	43
Statement of Changes in Net Position – Fiduciary Funds	44
Notes to Financial Statements	45

Required Supplemental Information (Unaudited):

Budget to Actual Comparison – Major Funds (General and Special Revenue):

 General Fund.....91

 Community Redevelopment Fund.....92

Pension Schedules:

 Schedule of City Contributions.....95

 Schedule of Changes in Net Pension Liability and Related Ratios:

 Police Pension Plan.....96

 Firefighter Pension Plan.....98

 Schedule of Investment Returns100

Other Post-Employment Benefits:

 Schedule of Funding Progress and Contributions from the Employer102

Combining and Individual Fund Statements and Schedules:

 Combining Balance Sheet – Nonmajor Governmental Funds106

 Combining Statement of Revenues, Expenditures and Changes
 in Fund Balances – Nonmajor Governmental Funds108

Budget to Actual Comparison – Nonmajor Governmental Funds:

 Stormwater Utility Fund110

 Grant Fund111

 Cemetery Trust Fund112

 Combining Statement of Net Position – Internal Service Funds114

 Combining Statement of Revenues, Expenses and Changes in
 Fund Net Position – Internal Service Funds115

 Combining Statement of Cash Flows – Internal Service Funds116

III. STATISTICAL SECTION (UNAUDITED)

Table 1 - Net Position by Component119

Table 2 - Changes in Net Position.....120

Table 3 - Fund Balances, Governmental Funds122

Table 4 - Changes in Fund Balances, Governmental Funds123

Table 5 - Assessed and Estimated Actual Value of
Taxable Property124

Table 6 - Direct and Overlapping Property Tax Rates125

Table 7 - Principal Property Tax Payers126

Table 8 - Property Tax Levies and Collections.....127

Table 9 - Ratios of Outstanding Debt by Type128

Table 10 - Ratios of General Obligation Bonds Outstanding129

Table 11 – Direct and Overlapping Governmental Activities Debt130

Table 12 - Legal Debt Margin Information131

Table 13 - Tax Increment Revenue Bonds Coverage.....132

Table 14 - Water and Sewer Revenue Debt Coverage133

Table 15 - Electric Services Revenue Debt Coverage134

Table 16 - Demographic and Economic Statistics135

Table 17 - Principal Employers.....136

Table 18 - Full-time Authorized City Government Employees by Function.....137

Table 19 - Operating Indicators by Function/Program138

Table 20 - Supplemental Information for Water and Sewer - Customers.....139

Table 21 - Supplemental Information for Water and Sewer - Usage140

Table 22 - Water and Sewer Rates, Fees and Charges141

Table 23 - Supplemental Information for Electric – Customers and Usage143

Table 24 - Residential Electric Service Rates, Fees and Charges144

Table 25 - General Service Electric Rates, Fees and Charges145

Table 26 - Capital Asset Statistics by Function/Program.....146

IV. OTHER REPORTS

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*.....147

Independent Auditor’s Report on Compliance for Each Major Federal Program
and Report on Internal Control over Compliance and Report on the Schedule
of Expenditures of Federal Awards Required by the Uniform Guidance.....149

Schedule of Expenditures of Federal Awards.....152

Schedule of Findings and Questioned Costs.....153

Independent Auditor’s Management Letter155

Independent Accountant’s Report.....157

This page intentionally left blank.



CITY OF WINTER PARK

401 Park Avenue South

Winter Park, Florida

32789 4386

March 21, 2017

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

The Comprehensive Annual Financial Report (CAFR) of the City of Winter Park, Florida (City) for the fiscal year ended September 30, 2016, is hereby submitted. This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Moore Stephens Lovelace, P.A., a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

Profile of the City

The City, incorporated in 1887, is located in Central Florida in north Orange County and is considered part of the Orlando Metropolitan Area. Although the Orlando Metropolitan Area has been one of the top growth areas in the country, generally, Winter Park has seen only modest population growth since 1970. The City currently occupies a land area of approximately nine square miles and serves a population of 29,308. The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Commission.

The City operates under the commission-manager form of government. Policy-making and legislative authority are vested in the City Commission (Commission) consisting of the Mayor and four commissioners. The Commission is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the City Manager and Attorney. The City Manager is responsible for carrying out the policies and ordinances of the Commission, for overseeing the day-to-day operations of the City, and for appointing the heads of various departments. The Commission is elected on a non-partisan basis. Commission members serve three-year staggered terms, with two commission seats or the mayor's seat up for election each year. The mayor and commissioners are elected at large.

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

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

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

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

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

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

Budgetary and Internal Accounting Controls

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

The Finance Department monitors all financial activity on an ongoing basis. Monthly reports summarizing the City's financial activities are prepared for the City Commission. Each quarter, the City provides an update of its key performance metrics as a communication outreach to the City Commission and the public. The report is organized by the five core objectives outlined in the City Commission's Strategy Map (Exceptional Quality of Life, Intelligent Growth & Development, Fiscal Stewardship, Public Health & Safety, and Investment in Public Assets & Infrastructure). These core objectives fit nicely within the Vision Statement adopted in FY 2016 of "Winter Park is the City of Arts and Culture, cherishing its traditional scale and charm while building a healthy and sustainable future for all generations".

Factors Affecting Financial Condition

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

Local economy.

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

The following table includes trend information on some key data:

	2012	2013	2014	2015	2016
Taxable value of property (in thousands)	\$ 3,794,041	\$ 3,777,453	\$ 3,943,795	\$ 4,184,570	\$ 4,528,431
Estimated costs of permitted construction (in thousands)	\$ 100,106	\$ 123,802	\$ 169,854	\$ 116,072	\$ 201,985
Population	27,728	28,847	29,073	28,967	29,308
Unemployment rate for Orange County	8.4%	6.2%	5.6%	4.7%	4.3%
Building permit revenues	\$ 1,626,382	\$ 1,976,975	\$ 2,224,934	\$ 1,746,308	\$ 2,449,973
Half-cent sales tax revenues	\$ 3,610,003	\$ 3,821,379	\$ 4,029,181	\$ 4,281,355	\$ 4,470,609

The taxable value of property increased nicely again in fiscal year 2016. Property tax valuations are generally a lagging indicator of the health of the economy as January 1 valuations are the basis for tax revenues for the fiscal year beginning the following October 1. The City has held its operating millage rate at 4.0923 since fiscal year 2009.

Half cent sales tax revenue which is dependent on consumer spending reached a new peak in FY 2016.

FY 2016 was a boom year for construction activity with record high estimated costs of permitted construction. This trend has continued into FY 2017 with permitting for a 268 unit apartment complex in the Ravadauge development area and expansion of the Winter Park Memorial Hospital occurring in the first quarter. In addition, there continue to be a large number of substantial residential remodel projects.

Major Initiatives.

On March 15, 2016, the voters of Winter Park approved a bond referendum authorizing the issuance of not to exceed \$30,000,000 in general obligation bonds for the purpose of building the Winter Park Library and Events Center, to include library facilities, civic meeting and gathering facilities and related parking structure. The new 21st Century library and state-of-the-art adjoining events center will offer the community a destination for gatherings, learning, meetings and education. The City expects to issue the bonds in the upcoming fiscal year.

The newly renovated Winter Park Golf Course held a grand reopening on October 1, 2016. The new course has received a tremendous reception from the golfing community and revenues for the first four months of FY 2017 were more than twice those of the corresponding period in the prior year.

Showalter Field has been renovated as part of a joint effort between the City, Rollins College, Orange County Public Schools and the Winter Park High School Foundation. The improvements included a new artificial turf for the field, a new high tech rubber track, scoreboard and other facility enhancements.

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

Placing overhead power lines underground continues to be a major priority of the City with a goal of completing five miles of undergrounding each year. A little over six miles of overhead lines were underground in FY 2016. This effort is expected to take approximately nine more years to complete and is being funded by current operating revenues of the electric utility.

Long-term financial planning.

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

NEW ACCOUNTING STANDARDS

In February 2015, the Government Accounting Standards Board (GASB) issued Statement No. 72 *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The City implemented the requirements of GASB Statement 72 in the 2016 fiscal year.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2015. This was the thirty sixth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning October 1, 2015. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide and a communications device.

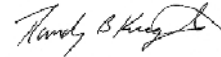
The in-house preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. The significant amount of year-end closing procedures and report preparation could not have been accomplished without much hard work and personal sacrifice. Special thanks must be given to Karen Cockerham, Franco Catalan and Marisol Pereira for their dedication in the creation and compilation of this document.

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

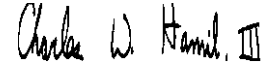
Appreciation must also be expressed to the City's auditors, Moore Stephens Lovelace, P.A., whose suggestions and attention to detail enhanced the quality of this report.

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

Respectfully submitted,



Randy B. Knight, CPA
City Manager



Charles W. Hamil, III, CPA
Finance Director

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Winter Park for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2015. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reporting.

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

A Certificate of Achievement is valid for a period of one year only. The City of Winter Park has received a Certificate of Achievement for the last thirty six consecutive years (fiscal years 1980 - 2015). We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

B-9



Government Finance Officers Association

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

Presented to

**City of Winter Park
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2015

A handwritten signature in black ink, reading "Jeffrey R. Egan".

Executive Director/CEO

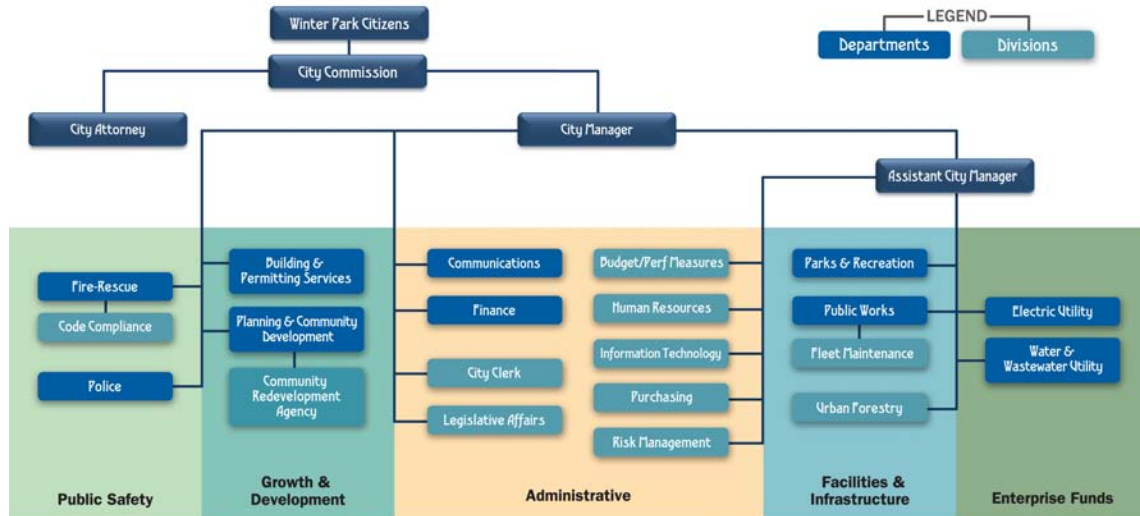


ORGANIZATIONAL

chart

adopted NOVEMBER 2011

updated February 2016



[THIS PAGE INTENTIONALLY LEFT BLANK]

FINANCIAL SECTION

INDEPENDENT AUDITOR’S REPORT

**MANAGEMENT’S DISCUSSION AND ANALYSIS
(UNAUDITED)**

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

NOTES TO FINANCIAL STATEMENTS

**REQUIRED SUPPLEMENTAL INFORMATION
(UNAUDITED)**

**COMBINING AND INDIVIDUAL FUND STATEMENTS
AND SCHEDULES**



INDEPENDENT AUDITOR’S REPORT

Mayor and City Commission
City of Winter Park, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Winter Park, Florida (the “City”) as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, as listed in the table of contents.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof, and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITOR'S REPORT
(Concluded)

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual major and non-major fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual major and non-major fund financial statements and schedules are fairly stated, in all material respects, in relation to the financial statements as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 21, 2017

Management's Discussion and Analysis (Unaudited)

As management of the City of Winter Park (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$170,142,612 (net position). Of this amount, \$28,136,223 (unrestricted net position) may be used to meet the City's ongoing obligations to its citizens and creditors.
- The City's total net position increased by \$10,713,714 (or 6.72%). The governmental net position increased by \$2,701,402 (or 4.02%) and the business-type net position increased by \$8,012,312 (or 8.68%).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$8,044,529, or 17.26% of total expenditures and transfers out for recurring operational costs reported in other funds as compared to 24.61% in the prior year. Unassigned fund balance in the General Fund decreased by \$2,998,517 in fiscal year 2016. This was due in large part to the purchase of property at 2111 W. Fairbanks adjacent to MLK Park which required \$1,900,000 from the General Fund and \$1,000,000 from the Community Redevelopment Agency Fund. Also, \$1,200,000 from the General Fund was used to renovate the Winter Park Golf Course.

Overview of the Financial Statements

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

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

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

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, communications, financial services, planning, building, community redevelopment agency, public works, police, fire, parks and recreation, and culture and community services. The business-type activities of the City include water and sewer and electric services.

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

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

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

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

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

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

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and Electric Services Fund. The Water and Sewer Fund and Electric Services Fund are considered to be major funds of the City. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

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

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

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

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

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$170,142,612 at the close of the most recent fiscal year.

A significant portion of the City's net position (76.34%) reflects its investment in capital assets (e.g., land, buildings, improvements other than buildings, machinery and equipment) and other assets (goodwill, sewer capacity rights, etc.), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current assets	\$ 32,597,985	\$ 36,014,119	\$ 51,649,992	\$ 49,054,307	\$ 84,247,977	\$ 85,068,426
Other assets	202,583	202,583	274,000	274,000	476,583	476,583
Capital assets	86,639,447	79,772,782	184,748,544	183,656,696	271,387,991	263,429,478
Total assets	119,440,015	115,989,484	236,672,536	232,985,003	356,112,551	348,974,487
Deferred outflow of resources	7,596,275	1,213,023	9,987,761	9,455,211	17,584,036	10,668,234
Current and other liabilities	9,063,322	9,970,675	16,604,081	16,130,556	25,667,403	26,101,231
Long-term liabilities	47,436,466	38,354,307	129,765,211	134,030,965	177,201,677	172,385,272
Total liabilities	56,499,788	48,324,982	146,369,292	150,161,521	202,869,080	198,486,503
Deferred inflow of resources	684,895	1,727,320	-	-	684,895	1,727,320
Net position:						
Net Investment in Capital Assets	67,758,859	57,725,822	62,131,622	57,759,700	129,890,481	115,485,522
Assets						
Restricted	3,713,163	4,052,195	8,402,745	8,227,365	12,115,908	12,279,560
Unrestricted	(1,620,415)	5,372,188	29,756,638	26,291,628	28,136,223	31,663,816
Total net position	\$ 69,851,607	\$ 67,150,205	\$ 100,291,005	\$ 92,278,693	\$ 170,142,612	\$ 159,428,898

An additional portion of the City's net position (7.12%) represents resources that are subject to external restrictions on how they may be used. The remaining 16.54% is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

Unrestricted net position of the City's governmental activities decreased from \$5,372,188 to a deficit of (\$1,620,415). This decrease of \$6,992,603 is due to the following factors:

Purchase of 2111 W. Fairbanks Avenue:	
General Fund reserves	(\$1,900,000)
Community Redevelopment Agency reserves	(1,000,000)
Net change in pension liability and related deferred outflows and inflows	(2,591,076)
Portion of other post-employment benefit obligation recognized as expense in the current year	(774,807)
Construction of new facilities at the Public Works Complex to warehouse Electric operations, renovate Fire Station 64 and administrative offices	(999,421)
Other factors	272,701
Total decrease in unrestricted net position of the City's governmental activities	(\$6,992,603)

Unrestricted net position of the City's business-type activities column increased from \$26,291,628 to \$29,756,638.

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

	Changes in Net position					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	\$ 15,867,106	\$ 14,570,621	\$ 76,877,931	\$ 76,070,089	\$ 92,745,037	\$ 90,640,710
Operating grants and contributions	1,545,558	1,375,192	-	-	1,545,558	1,375,192
Capital grants and contributions	302,768	848,494	1,028,170	368,584	1,330,938	1,217,078
General revenues:						
Property taxes	19,130,305	17,799,839	-	-	19,130,305	17,799,839
Franchise fees	1,267,143	1,216,596	-	-	1,267,143	1,216,596
Utility taxes	6,582,206	6,560,897	-	-	6,582,206	6,560,897
Intergovernmental revenues	7,084,112	6,541,019	-	-	7,084,112	6,541,019
Investment earnings	487,430	852,853	311,975	747,072	799,405	1,599,925
Other	1,589,377	1,443,298	66,196	349,473	1,655,573	1,792,271
Total revenues	53,856,005	51,208,809	78,284,272	77,535,218	132,140,277	128,744,027
Expenses:						
General government	1,543,467	1,472,552	-	-	1,543,467	1,472,552
Communications	202,072	224,445	-	-	202,072	224,445
Finance	310,721	340,604	-	-	310,721	340,604
Planning	766,226	717,671	-	-	766,226	717,671
Building	1,226,086	1,143,945	-	-	1,226,086	1,143,945
Community redevelopment agency	994,743	863,140	-	-	994,743	863,140
Public works	10,387,523	10,822,523	-	-	10,387,523	10,822,523
Police	16,117,463	13,244,698	-	-	16,117,463	13,244,698
Fire	13,803,911	11,456,335	-	-	13,803,911	11,456,335
Parks and recreation	8,665,307	8,450,715	-	-	8,665,307	8,450,715
Cultural & community services	1,715,872	1,651,580	-	-	1,715,872	1,651,580
Interest on long-term debt	624,338	717,353	-	-	624,338	717,353
Water and sewer	-	-	24,332,244	24,233,429	24,332,244	24,233,429
Electric services	-	-	40,736,590	40,597,171	40,736,590	40,597,171
Total expenses	56,357,729	51,105,561	65,068,834	64,830,600	121,426,563	115,936,161
Change in net position before transfers	(2,501,724)	103,248	13,215,438	12,704,618	10,713,714	12,807,866
Transfers	5,203,126	6,589,700	(5,203,126)	(6,589,700)	-	-
Change in net position	2,701,402	6,692,948	8,012,312	6,114,918	10,713,714	12,807,866
Net position - beginning, as restated	67,150,205	60,457,257	92,278,693	86,163,775	159,428,898	146,621,032
Net position - ending	\$ 69,851,607	\$ 67,150,205	\$ 100,291,005	\$ 92,278,693	\$ 170,142,612	\$ 159,428,898

Governmental activities. Governmental activities increased the City's net position by \$2,701,402 as compared to an increase of \$6,692,948 in the prior year. Explanations for some of the significant variances from the prior year are as follows:

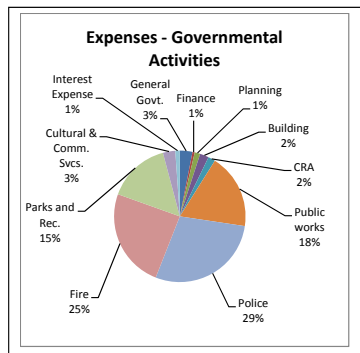
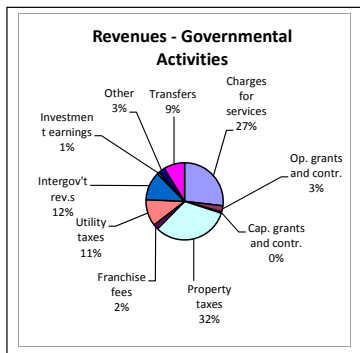
Charges for services increased due to even greater construction activity impacting permitting revenue. Licenses and permit revenues in the General Fund increased by \$728,440. Some of the larger commercial projects permitted include a new Whole Foods at Lee Road and 17-92 and redevelopment in the former K-Mart shopping plaza on 17-92. Significant residential remodels were also responsible for much of this revenue increase.

Prior year capital grants and contributions included \$402,770 passed through the Florida Department of Environmental Protection for the Mead Grove Wetland Restoration Project.

Property tax revenues increased as a result of taxable valuation increasing from \$4,184,569,627 to \$4,528,431,471, an increase of 8.22%.

Police and fire expense were impacted significantly in both the prior and current year by changes in pension liabilities and related deferred outflows and inflows. The most significant factor in these changes was investment returns on pension plan assets. The table below illustrates the impact these changes had on expenses and the investment returns each plan experienced:

	Police Officer's Pension Plan	Firefighter's Pension Plan
Prior year net change in pension liability and related deferred outflows and inflows – reductions in expense	(\$1,459,232)	(\$820,135)
Current year net change in pension liability and related deferred outflows and inflows – increases in expense	1,550,058	1,041,018
Difference in impact on police and fire expense from prior to current year	\$3,009,290	\$1,861,153
Investment returns from actuarial valuation dated October 1, 2014 (impacts FY 2015 pension expense)	10.07%	9.95%
Investment returns from actuarial valuation dated October 1, 2015 (impacts FY 2016 pension expense)	(2.53%)	(2.98%)



Business-type activities. Business-type activities increased the City's net position by \$8,012,312 as compared to an increase of \$6,114,918 in the prior year. Explanations for some of the significant variances from the prior year are as follows:

Current year capital grants and contributions included significant water and sewer impact fees resulting from the increased construction activity discussed above. Some of the larger impact fees were \$70,929 from the Lakeside Crossing Development and \$341,243 from a development at 3500 Goldenrod Avenue (service territory outside the city limits). In addition, the City received \$111,315 from the Florida Department of Transportation for installation of additional street lighting along Aloma Avenue between Pennsylvania and Lakemont Avenues.

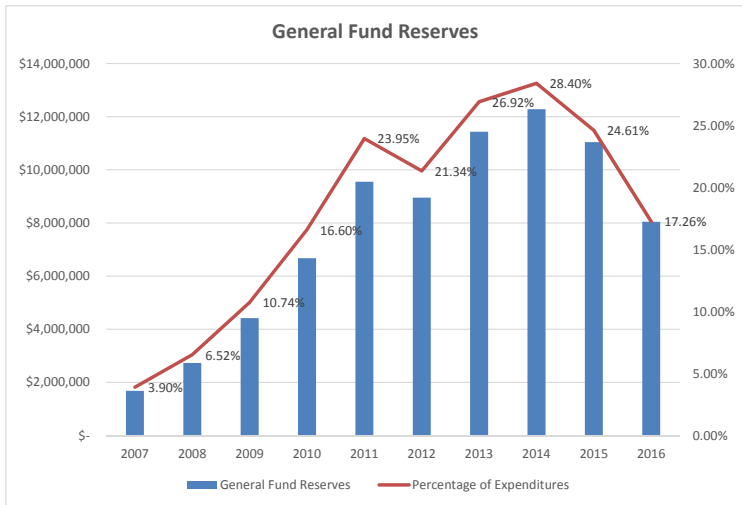
Financial Analysis of the City's Major Governmental Funds

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

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

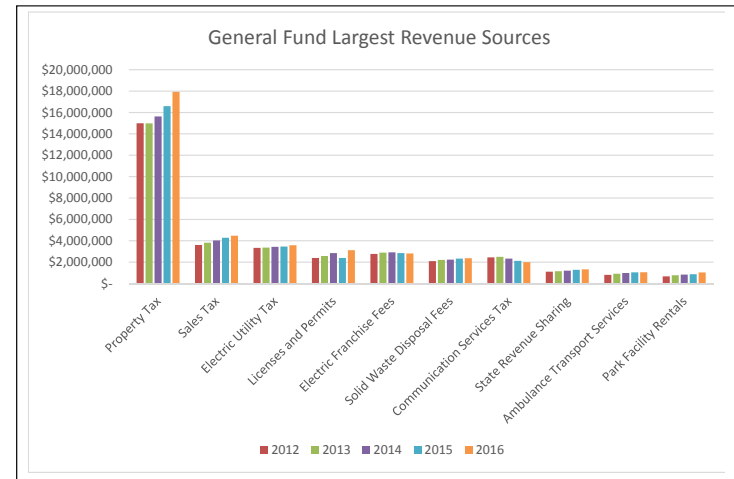
General Fund. The General Fund is the primary operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$8,044,529, while total fund balance was \$10,463,064. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the fund's total current expenditures. Unassigned fund balance represents 17.26% of total expenditures and transfers out for recurring operational costs reported in other funds, while total fund balance represents 22.45% of that same amount. Total fund balance includes non-spendable balances such as property held for resale (\$830,000), inventory (\$96,179), prepaid items (\$3,530), and spendable balances such as permit revenues restricted for enforcing the Florida Building Code (\$965,513) and balances assigned via purchase order commitments that were re-appropriated in FY 2017 (\$523,313).

The General Fund's fund balance decreased by \$2,282,253 during the current fiscal year. This is most significantly due to \$1,900,000 being used to purchase the property at 2111 W. Fairbanks (together with \$1,000,000 from the Community Redevelopment Agency Fund) and \$1,200,000 for renovation of the Winter Park Golf Course. These uses of fund balance were partially offset by permitting revenues from construction activity. While the permit revenues increased total General Fund balance, a large portion of this revenue is restricted for Building Code Enforcement and did not increase unassigned General Fund Balance. The following chart presents the General Fund's unassigned fund balance as a percentage of total expenditures and transfers out for recurring operational costs reported in other funds for each of the past ten years.



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

The following graph presents the General Fund’s largest revenue sources over the past five years, excluding transfers in, which can identify growth trends. These revenue sources comprised greater than 80% of General Fund revenues each year. For purposes of this graph, electric franchise fees reported as revenue in the Electric Services Fund and subsequently transferred to the General Fund were included in the franchise fee revenue below.



The property tax is by far the most significant single revenue source over which the City can exercise some control. The City’s operating millage rate was increased from 3.9950 mills to 4.0923 mills in FY 2009 where it has remained since. Property values have continued to increase which boosted General Fund property tax revenues by \$1,335,884 as a result of an 8.22% increase in taxable value of property.

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

License and permit fee revenues improved due to greater construction activity.

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

Community Redevelopment Agency. Tax increment revenues increased by \$595,004. Property valuations which determine tax increment revenues increased by 25.07%.

Capital Projects Fund. Fiscal year 2016 was a year of greater than normal capital project activity. Some of the largest included the purchase of 2111 W. Fairbanks Avenue (\$2,900,000), renovation of the Winter Park Golf Course (\$1,253,284), new facilities at the Public Works Complex (\$999,421), and renovations to Showalter Field (\$861,155).

General Fund Budgetary Highlights

Final amended appropriations for the General Fund were \$51,663,324 and actual expenditures were \$51,144,476.

	Budgeted Amounts			Final vs. Original Budget	Final Budget vs. Actual
	Original	Final	Actual		
General administration	\$ 1,756,671	\$ 1,756,671	\$ 1,531,507	\$ -	\$ 225,164
Communications	179,390	185,855	151,830	6,465	34,025
Financial services	337,467	337,467	314,696	-	22,771
Planning	552,252	694,401	676,015	142,149	18,386
Building	1,212,538	1,212,538	1,234,567	-	(22,029)
Public works	6,229,002	6,448,398	6,401,761	219,396	46,637
Police	13,385,918	13,388,511	12,820,778	2,593	567,733
Fire	11,814,541	11,828,181	12,075,338	13,640	(247,157)
Parks and recreation	7,171,614	7,191,614	7,527,019	20,000	(335,405)
Culture and community services	1,422,472	1,422,472	1,423,872	-	(1,400)
Non-departmental	255,000	255,000	-	-	255,000
Transfers to other funds	4,904,457	6,942,216	6,987,093	2,037,759	(44,877)
Total	\$ 49,221,322	\$ 51,663,324	\$ 51,144,476	\$ 2,442,002	\$ 518,848

The General Fund budget was increased by \$2,442,002 from the original budget to the final budget. The following table summarizes these adjustments:

Appropriate funding for purchase of 2111 W. Fairbanks Avenue	\$ 1,900,000
Increase for open purchase orders re-appropriated in the following fiscal year	384,242
Appropriate additional funding for track at Showalter Field	99,000
Appropriate additional funding for artificial turf at Showalter Field	38,760
Appropriate grant funding provided for completion of an inventory of trees on City property and rights-of-way	20,000
Total increase in General Fund budget	\$ 2,442,002

The variance between the final budget and actual expenditures for the general fund for the year was \$518,848. The positive variance in General Administration was primarily achieved in the Information Technology Services Division. Savings in the Police Department resulted from both planned vacancies as well as ones that occurred during the year. The negative variance in the Fire Department is also personnel related. The Parks Department overspent some on tree care. The Non-Departmental budget is a budget item for likely vacancies not linked to any specific department.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2016, amounts to \$271,387,991 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, furniture and fixtures, vehicles, streets and drainage, water and sewer transmission lines and facilities and construction in progress.

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

- \$2,900,000 for the purchase of 2111 W. Fairbanks Avenue.
- \$999,421 for construction of new facilities at the Public Works Complex to warehouse Electric operations, renovate Fire Station 64 and provide administrative offices.
- \$1,253,284 was invested in renovations to the Winter Park Golf Course. The course reopened on October 1, 2016.
- \$861,155 was spent on renovations to Showalter Field. This project will be fully completed in the coming fiscal year.
- \$423,071 was spent on stormwater drainage improvements.
- Routine Water and Sewer system improvements in the current year included water main upgrades and extensions (\$1,036,581), sewer main upgrades and extensions (\$998,651), and the relocation of water and sewer mains required by the I-4 Ultimate project (\$416,363).
- \$1,269,669 was invested in routine capital improvements of the electric distribution system. These capital expenditures were funded through electric rate revenues and contributions from private parties to connect to the City's electric system.
- \$2,887,073 was spent on undergrounding power lines. This is a long-term effort and a primary focus of the Electric Utility.
- \$3,128,568 in replacement vehicles were acquired in the current year.

	Governmental Activities		Capital Assets Business-type Activities		Totals	
	2016	2015	2016	2015	2016	2015
	Land	\$ 18,038,402	\$ 15,136,501	\$ 12,194,774	\$ 12,194,774	\$ 30,233,176
Buildings and production facilities	43,555,432	43,103,210	3,506,065	3,506,065	47,061,497	46,609,275
Improvements other than buildings	19,133,177	17,008,366	238,188,262	230,962,010	257,321,439	247,970,376
Machinery and equipment	20,554,726	20,312,055	6,934,517	6,655,660	27,489,243	26,967,715
Furniture and fixtures	735,301	727,579	42,657	42,657	777,958	770,236
Vehicles	21,011,419	18,830,838	-	-	21,011,419	18,830,838
Streets and drainage	61,533,907	61,533,907	-	-	61,533,907	61,533,907
System acquisition costs	-	-	19,885,843	19,885,843	19,885,843	19,885,843
Sewer contract costs	-	-	3,394,035	3,394,035	3,394,035	3,394,035
Sewer capacity rights	-	-	19,661,103	19,661,103	19,661,103	19,661,103
Construction in progress	5,377,490	2,816,685	643,786	82,016	6,021,276	2,898,701
Less: accum. depreciation	(103,300,407)	(99,696,359)	(119,702,498)	(112,727,467)	(223,002,905)	(212,423,826)
Net capital assets	\$ 86,639,447	\$ 79,772,782	\$ 184,748,544	\$ 183,656,696	\$ 271,387,991	\$ 263,429,478

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

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$150,095,000. Of this amount, \$3,725,000 comprises debt backed by the full faith and credit of the City and the remainder represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

	Outstanding Debt					
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
General obligation bonds	\$ 3,725,000	\$ 4,780,000	\$ -	\$ -	\$ 3,725,000	\$ 4,780,000
Revenue bonds						
Non-ad valorem	2,695,000	3,547,389	-	-	2,695,000	3,547,389
Community						
Redevelopment Agency	11,315,000	12,400,000	-	-	11,315,000	12,400,000
Water and Sewer	-	-	64,195,000	67,085,000	64,195,000	67,085,000
Electric	-	-	68,165,000	70,285,000	68,165,000	70,285,000
Total bonds	\$ 17,735,000	\$ 20,727,389	\$ 132,360,000	\$ 137,370,000	\$ 150,095,000	\$ 158,097,389

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

On May 12, 2016 the City refunded \$18,155,000 in outstanding Electric Refunding and Revenue Bonds, Series 2007 with proceeds from the Electric Refunding Revenue Bond, Series 2016. This left \$1,110,000 from the 2007 series bonds outstanding as of September 30, 2016. This refunding transaction was undertaken to achieve net present value savings of \$2,548,057 and reduce future debt service payments by \$3,308,463.

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

- General obligation bonds
- Revenue bonds intended to finance enterprises or projects which involve the purchase, lease and/or acquisition of real property, with the exception of property for parks.
- Revenue bonds which pledge specific non-ad valorem taxes as the primary source(s) to pay the principal and interest and which have a principal value in excess of one million dollars. This dollar limitation is adjusted annually as of the end of the fiscal year in accordance with changes in the cost-of-living index as published by the federal government. This limitation, as adjusted, was \$2,385,652 at the close of the most recent fiscal year.

The City received the following recent bond ratings:

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

Additional information on the City's long-term liabilities can be found in Notes 6 to 15 in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

City staff monitors economic indicators on a continual basis. Taxable values went up by 8.29% for the FY 2017 tax levy. The FY 2017 budget was prepared holding the operating millage rate at 4.0923 mills where it has been since FY 2009.

Adjustments to water and sewer rates were implemented effective October 1, 2016. The newly adopted rates are projected to increase water and sewer revenues by 1.21% which is the Price Index increase as published by the Florida Public Service Commission.

Electric fuel cost recovery rates are adjusted up or down as necessary based on fuel costs. These rates were reduced effective October 1, 2016.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all of those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 401 Park Avenue South, Winter Park, Florida 32789. Other financial information can be found at the City's website (www.cityofwinterpark.org).

This page intentionally left blank.



The City of Winter Park, Florida
Statement of Net Position
September 30, 2016

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash, Cash Equivalents and Investments	\$ 25,201,391	\$ 10,220,943	\$ 35,422,334
Accounts Receivable - Net	2,105,066	5,329,431	7,434,497
Unbilled Service Charges	376,151	5,945,301	6,321,452
Accrued Interest Receivable	65,504	34,241	99,745
Internal Balances	(185,107)	185,107	-
Due from Other Governments	1,958,262	111,359	2,069,621
Property Acquired for Resale	830,000	-	830,000
Inventories	304,645	3,433,634	3,738,279
Prepaid Items	3,530	106,686	110,216
Notes Receivable	17,400	-	17,400
Special Assessments Receivable	1,921,143	267,453	2,188,596
Restricted Assets:			
Cash, Cash Equivalents and Investments	-	25,991,476	25,991,476
Accrued Interest Receivable	-	21,980	21,980
Accounts Receivable - Net	-	2,381	2,381
Deposits	202,583	274,000	476,583
Capital Assets:			
Non-depreciable	23,415,892	12,838,560	36,254,452
Depreciable - Net	63,223,555	171,909,984	235,133,539
Total Assets	119,440,015	236,672,536	356,112,551
Deferred Outflows of Resources			
Deferred Expense on Refunding Bonds	19,250	9,987,761	10,007,011
Pension Related Deferred Outflows	7,577,025	-	7,577,025
Total Deferred Outflows of Resources	7,596,275	9,987,761	17,584,036
LIABILITIES			
Accounts Payable	2,406,712	3,723,043	6,129,755
Accrued Liabilities	2,561,381	300,962	2,862,343
Due to Other Governments	80,583	1,164,039	1,244,622
Deposits	164,104	3,487,550	3,651,654
Accrued Interest Payable	141,091	2,211,266	2,352,357
Unearned Revenue	496,458	-	496,458
Long-term Liabilities:			
Due Within One Year:			
Current Portion of Notes Payable	1,455,000	-	1,455,000
Current Portion of Capital Lease Obligations	166,998	-	166,998
Current Portion of Bonds Payable	700,000	5,460,000	6,160,000
Accumulated Unused Compensated Absences	890,995	257,221	1,148,216
Due In More Than One Year:			
Notes Payable	12,555,000	-	12,555,000
Capital Lease Obligations	865,810	-	865,810
Bonds Payable	3,157,030	129,305,799	132,462,829
Pension Liability	23,057,687	-	23,057,687
Other Post-Employment Benefits	4,202,321	-	4,202,321
Accumulated Unused Compensated Absences	3,598,618	459,412	4,058,030
Total Liabilities	56,499,788	146,369,292	202,869,080
Deferred Inflows of Resources			
Pension Related Deferred Inflows	684,895	-	684,895
NET POSITION			
Net Investment in Capital Assets	67,758,859	62,131,622	129,890,481
Restricted for:			
Capital Projects (expendable)	-	6,024,990	6,024,990
Renewal & Replacement (expendable)	-	2,377,755	2,377,755
Community Redevelopment (expendable)	1,756,759	-	1,756,759
Public Safety (expendable)	626,512	-	626,512
Maintenance and Improvements to Parks (expendable)	904,656	-	904,656
Community Enhancement Items (expendable)	425,236	-	425,236
Unrestricted	(1,620,415)	29,756,638	28,136,223
Total Net Position	\$ 69,851,607	\$ 100,291,005	\$ 170,142,612

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

The City of Winter Park, Florida
Statement of Activities
For the Year Ended September 30, 2016

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:								
General Government	\$ 3,257,748	\$ (1,714,281)	\$ 808	\$ -	\$ -	\$ (1,542,659)	\$ -	\$ (1,542,659)
Communications	521,188	(319,116)	-	-	-	(202,072)	-	(202,072)
Financial Services	842,011	(531,290)	-	-	-	(310,721)	-	(310,721)
Planning	1,014,251	(248,025)	13,695	-	-	(752,531)	-	(752,531)
Building	1,226,086	-	3,186,388	-	-	1,960,302	-	1,960,302
Community Redevelopment Agency	994,743	-	-	-	-	(994,743)	-	(994,743)
Public Works	11,201,332	(813,809)	6,937,613	185,328	266,473	(2,998,109)	-	(2,998,109)
Police	16,117,463	-	1,661,158	1,293,960	17,421	(13,144,924)	-	(13,144,924)
Fire	13,803,911	-	1,411,951	31,270	18,874	(12,341,816)	-	(12,341,816)
Parks and Recreation	8,768,986	(103,679)	2,655,493	35,000	-	(5,974,814)	-	(5,974,814)
Cultural and Community Services	1,715,872	-	-	-	-	(1,715,872)	-	(1,715,872)
Interest on Long-Term Debt	624,338	-	-	-	-	(624,338)	-	(624,338)
Total Governmental Activities	60,087,929	(3,730,200)	15,867,106	1,545,558	302,768	(38,642,297)	-	(38,642,297)
Business-type Activities:								
Water and Sewer	22,007,415	2,324,829	29,020,089	-	916,855	-	5,604,700	5,604,700
Electric Services	39,331,219	1,405,371	47,857,842	-	111,315	-	7,232,567	7,232,567
Total Business-type Activities	61,338,634	3,730,200	76,877,931	-	1,028,170	-	12,837,267	12,837,267
	\$ 121,426,563	\$ -	\$ 92,745,037	\$ 1,545,558	\$ 1,330,938	(38,642,297)	12,837,267	(25,805,030)
General Revenues:								
Property Taxes						19,130,305	-	19,130,305
Franchise Fees						1,267,143	-	1,267,143
Utility Taxes						6,582,206	-	6,582,206
Intergovernmental Revenues, unrestricted						7,084,112	-	7,084,112
Investment Earnings						487,430	311,975	799,405
Miscellaneous Revenue						1,589,377	66,196	1,655,573
Transfers						5,203,126	(5,203,126)	-
Total General Revenues and Transfers						41,343,699	(4,824,955)	36,518,744
Change in Net Position						2,701,402	8,012,312	10,713,714
Net Position - Beginning						67,150,205	92,278,693	159,428,898
Net Position - Ending						\$ 69,851,607	\$ 100,291,005	\$ 170,142,612

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

The City of Winter Park, Florida
Balance Sheet
Governmental Funds
September 30, 2016

	General	Community Redevelopment	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash, Cash Equivalents and Investments	\$ 9,768,716	\$ 1,764,760	\$ 1,824,449	\$ 7,580,793	\$ 20,938,718
Accounts Receivable - Net	1,129,034	7,500	669,588	276,310	2,082,432
Unbilled Service Charges	165,196	-	-	210,955	376,151
Accrued Interest Receivable	26,498	4,367	5,503	18,585	54,953
Due from Other Funds	153,546	-	-	-	153,546
Due from Other Governments	1,240,458	-	493,663	224,141	1,958,262
Property Acquired for Resale	830,000	-	-	-	830,000
Inventories	96,179	-	-	38,080	134,259
Prepaid Items	3,530	-	-	-	3,530
Note Receivable	-	-	-	17,400	17,400
Special Assessments Receivable	-	390,000	-	1,531,143	1,921,143
Total Assets	\$ 13,413,157	\$ 2,166,627	\$ 2,993,203	\$ 9,897,407	\$ 28,470,394
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 1,298,091	\$ 44,559	\$ 670,436	\$ 185,933	\$ 2,199,019
Accrued Liabilities	910,857	5,309	-	28,421	944,587
Due to Other Funds	-	-	-	114,216	114,216
Due to Other Governments	80,583	-	-	-	80,583
Deposits	164,104	-	-	-	164,104
Unearned Revenue	496,458	-	-	-	496,458
Total Liabilities	2,950,093	49,868	670,436	328,570	3,998,967
Deferred Inflow of Resources:					
Unavailable Revenue on Long-Term Receivables	-	360,000	-	1,319,943	1,679,943
Fund Balances:					
Non Spendable					
Inventories	96,179	-	-	38,080	134,259
Prepaid Items	3,530	-	-	-	3,530
Property Acquired for Resale	830,000	-	-	-	830,000
Spendable					
Restricted					
Building Code Enforcement	965,513	-	-	-	965,513
Community Redevelopment	-	1,756,759	-	-	1,756,759
Public Safety	-	-	-	626,512	626,512
Maintenance and Improvements to Parks	-	-	-	904,656	904,656
Community Enhancement Items	-	-	-	425,236	425,236
Committed					
Maintenance and Improvements to Parks	-	-	-	2,432,951	2,432,951
Construction Projects	-	-	2,322,767	2,904,293	5,227,060
Assigned					
General Government	140,525	-	-	-	140,525
Communications	680	-	-	-	680
Planning	58,290	-	-	-	58,290
Public Works	185,294	-	-	-	185,294
Public Safety	135,281	-	-	42,987	178,268
Maintenance and Improvements to Parks	3,243	-	-	275,192	278,435
Special Assessments	-	-	-	598,987	598,987
Unassigned	8,044,529	-	-	-	8,044,529
Total Fund Balances	10,463,064	1,756,759	2,322,767	8,248,894	22,791,484
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 13,413,157	\$ 2,166,627	\$ 2,993,203	\$ 9,897,407	\$ 28,470,394

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

The City of Winter Park, Florida
Reconciliation of the Balance Sheet
to the Statement of Net Position
Governmental Funds
September 30, 2016

Fund Balances - Total Governmental Funds \$ **22,791,484**

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

Receivables not expected to be received within 180 days of fiscal year end are not considered as "available" revenue in the governmental funds, and therefore, reported as deferred revenue. In the Statement of Net Position, which is presented on the accrual basis, no deferral is reported since the revenue is fully recognized in the Statement of Activities 1,679,943

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Governmental Capital Assets \$ 164,106,465
Less: Accumulated Depreciation (85,291,582) 78,814,883

Certain amounts related to the net pension liability are deferred and amortized over time
Deferred outflows of resources 7,577,025
Deferred inflows of resources (684,895) 6,892,130

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Governmental Bonds Payable (3,857,030)
Deferred Amount on Refunding 19,250
Governmental Notes Payable (14,010,000)
Capital Lease Obligations (1,032,808)
Accrued Interest Payable on Long-Term Liabilities (141,091)
Pension Liability (23,057,687)
Other Post Employment Benefits Obligation (4,202,321)
Compensated Absences (4,397,108) (50,678,795)

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

The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. 10,351,962

Net Position of Governmental Activities \$ **69,851,607**

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

The City of Winter Park, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2016

	General	Community Redevelopment	Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property Taxes	\$ 17,929,160	\$ -	\$ -	\$ 1,201,145	\$ 19,130,305
Utility Taxes	6,582,206	-	-	-	6,582,206
Franchise Fees	1,267,143	-	-	-	1,267,143
Fines and Forfeitures	1,242,855	-	-	252,885	1,495,740
Licenses and Permits	3,121,261	-	-	-	3,121,261
Intergovernmental:					
Sales Tax	4,470,609	-	-	-	4,470,609
Local Option Gas Tax	1,009,683	-	-	-	1,009,683
Other Intergovernmental	1,801,489	1,550,967	140,893	2,024,634	5,517,983
Charges for Services	5,938,788	157,335	-	3,252,428	9,348,551
Investment Earnings	281,693	42,467	517	106,026	430,703
Other	219,109	28,701	-	1,022,693	2,165,593
Total Revenues	43,863,996	1,779,470	1,164,103	7,732,208	54,539,777
EXPENDITURES					
Current:					
General Administration	1,531,507	-	-	2,021	1,533,528
Communications	151,830	-	-	-	151,830
Financial Services	314,696	-	-	-	314,696
Planning	676,015	933,508	-	76,436	1,685,959
Building	1,234,567	-	-	-	1,234,567
Public Works	6,401,761	-	-	2,551,733	8,953,494
Police	12,820,778	-	-	1,661,081	14,481,859
Fire	12,075,338	-	-	441,405	12,516,743
Parks and Recreation	7,527,019	-	-	386,924	7,913,943
Cultural and Community Services	1,423,872	49,929	-	292,000	1,765,801
Debt Service:					
Principal	-	1,085,000	-	2,069,388	3,154,388
Interest and Other Charges	-	409,053	-	246,330	655,383
Capital Improvements	-	67,704	8,053,418	459,752	8,580,874
Total Expenditures	44,157,383	2,545,194	8,053,418	8,187,070	62,943,065
Deficiency of Revenues Over Expenditures	(293,387)	(765,724)	(6,889,315)	(454,862)	(8,403,288)
OTHER FINANCING SOURCES AND (USES)					
Transfers In	4,998,227	1,435,305	6,021,060	1,246,692	13,701,284
Transfers Out	(6,987,093)	(1,003,993)	-	(507,072)	(8,498,158)
Total Other Financing Sources and (Uses)	(1,988,866)	431,312	6,021,060	739,620	5,203,126
Net Change in Fund Balances	(2,282,253)	(334,412)	(868,255)	284,758	(3,200,162)
Fund Balances - Beginning	12,745,317	2,091,171	3,191,022	7,964,136	25,991,646
Fund Balances - Ending	\$ 10,463,064	\$ 1,756,759	\$ 2,322,767	\$ 8,248,894	\$ 22,791,484

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

The City of Winter Park, Florida
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended September 30, 2016

Net Change in Fund Balances - Total Governmental Funds \$ (3,200,162)

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

Special assessment revenues in the governmental funds were recognized as revenues in
prior periods in the government-wide financial statements since they are on the accrual
basis of accounting (258,600)

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

Expenditures for Capital Assets \$ 8,350,573
Less: Current Year Depreciation (3,334,900) 5,015,673

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

Change in Accrued Interest on Governmental Debt 19,061
Amortization of Bond Premium 28,292
Amortization of Bond Discount (1,863)
Amortization of Deferred Loss on Bond Refunding (14,445)
Principal Payments on General Obligation Bonds 1,055,000
Principal Payments on Notes Payable 852,389
Principal Payments on Community Redevelopment Debt 1,085,000
Principal Payments on Capital Lease Obligations 161,999
Change in Other Post-Employment Benefits Obligation (774,807) 2,410,626

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

Change in Net Pension Liability and Related Deferred Outflows and Inflows (2,591,076)
Change in Long-term Compensated Absences (689,774)

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

Change in net position of the internal service funds are included in
governmental activities in the Statement of Activities. 2,014,715

Change in Net Position of Governmental Activities \$ **2,701,402**

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

The City of Winter Park, Florida
Statement of Net Position
Proprietary Funds
September 30, 2016

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Water and Sewer	Electric Services	Total	
ASSETS				
Current Assets:				
Cash, Cash Equivalents and Investments	\$ 9,363,900	\$ 857,043	\$ 10,220,943	\$ 4,262,673
Restricted Cash, Cash Equivalents and Investments	296,817	-	296,817	-
Accounts Receivable - Net	1,402,323	3,927,108	5,329,431	22,634
Liability Service Charges	2,362,938	3,582,263	5,945,201	-
Accrued Interest Receivable	27,509	6,732	34,241	10,551
Due from Other Governments	44	111,315	111,359	-
Inventories	1,046,291	2,387,343	3,433,634	170,386
Prepaid Items	49,167	57,519	106,686	-
Total current assets	14,548,989	10,929,423	25,478,412	4,466,244
Non-Current Assets:				
Restricted Assets:				
Cash, Cash Equivalents and Investments:				
Sinking Funds	3,423,884	3,692,434	7,116,318	-
Renewal and Replacement Funds	2,372,557	-	2,372,557	-
Impact Fee Funds	6,213,240	-	6,213,240	-
Capital Project Funds	161,630	-	161,630	-
Customer Deposits	1,679,942	1,807,608	3,487,550	-
Investments:				
Sinking Funds	1,830,853	2,513,025	4,343,878	-
Capital Project Funds	1,999,486	-	1,999,486	-
Accrued Interest Receivable:				
Impact Fee Funds	15,977	-	15,977	-
Renewal and Replacement Funds	6,003	-	6,003	-
Accounts Receivable - Net:				
Impact Fee Funds	2,381	-	2,381	-
Special Assessments Receivable	-	267,453	267,453	-
Capital Assets:				
Non-depreciable	2,838,560	10,000,000	12,838,560	-
Depreciable - Net	99,932,398	71,977,586	171,909,984	7,824,564
Other Assets:				
Deposits	274,000	-	274,000	202,583
Total non-current assets	120,750,911	90,258,106	211,009,017	8,027,147
Total Assets	135,299,900	101,187,529	236,487,429	12,493,391
DEFERRED OUTFLOW OF RESOURCES				
Deferred Expense on Refunding Bonds	4,695,406	5,292,355	9,987,761	-
LIABILITIES				
Current Liabilities:				
Accounts Payable	599,745	3,123,298	3,723,043	207,693
Accrued Liabilities	248,783	52,179	300,962	1,616,794
Due to Other Funds	-	-	-	39,330
Due to Other Governments	517,689	646,350	1,164,039	-
Accumulated Unused Compensated Absences	192,244	64,977	257,221	24,957
Accrued Interest Payable	971,889	1,239,377	2,211,266	-
Current Portion of Revenue Bonds Payable	3,010,000	2,450,000	5,460,000	-
Customer Deposits	1,679,942	1,807,608	3,487,550	-
Total current liabilities	7,220,292	9,383,789	16,604,081	1,888,774
Noncurrent Liabilities:				
Bonds Payable	62,499,555	66,806,244	129,305,799	-
Accumulated Unused Compensated Absences	439,974	19,438	459,412	67,548
Total noncurrent liabilities	62,939,529	66,825,682	129,765,211	67,548
Total Liabilities	70,159,821	76,209,471	146,369,292	1,956,322
NET POSITION				
Net Investment in Capital Assets	44,117,925	18,013,697	62,131,622	7,824,564
Restricted for:				
Capital Projects (expendable)	6,024,990	-	6,024,990	-
Renewal and Replacement (expendable)	2,377,755	-	2,377,755	-
Unrestricted	17,314,815	12,256,716	29,571,531	2,712,505
Total Net Position	\$ 69,835,485	\$ 30,270,413	100,105,898	\$ 10,537,069
Adjustment to reflect the consolidation of cumulative internal service fund activities related to enterprise funds			185,107	
Net position of business-type activities			\$ 100,291,005	

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

The City of Winter Park, Florida
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended September 30, 2016

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Water and Sewer	Electric Services	Total	
Operating Revenues:				
Charges for Services	\$ 29,020,089	\$ 47,857,842	\$ 76,877,931	\$ 13,430,779
Total Operating Revenues	29,020,089	47,857,842	76,877,931	13,430,779
Operating Expenses:				
General and Administrative Operations	1,757,791	1,544,591	3,302,382	-
Depreciation and Amortization	15,843,509	33,251,798	49,095,307	9,829,251
	4,019,207	2,955,824	6,975,031	1,240,239
Total Operating Expenses	21,620,507	37,752,213	59,372,720	11,069,490
Operating Income	7,399,582	10,105,629	17,505,211	2,361,289
Nonoperating Revenues (Expenses):				
Intergovernmental Revenue	-	111,315	111,315	-
Investment Earnings	294,789	17,186	311,975	47,131
Gain on Disposal of Assets	6,710	31,455	38,165	223,314
Interest and Fiscal Charges	(3,237,061)	(3,080,695)	(6,317,756)	-
Miscellaneous Revenue	1,730	26,301	28,031	4,623
Total Nonoperating Revenues (Expenses)	(2,933,832)	(2,894,438)	(5,828,270)	275,068
Income Before Contributions and Transfers	4,465,750	7,211,191	11,676,941	2,636,357
Contributions and Transfers:				
Capital Contributions	916,855	-	916,855	-
Transfers Out	(2,354,943)	(2,848,183)	(5,203,126)	-
Total Contributions and Transfers	(1,438,088)	(2,848,183)	(4,286,271)	-
Change in Net Position	3,027,662	4,363,008	7,390,670	2,636,357
Total Net Position - Beginning	66,807,823	25,907,405		7,900,712
Total Net Position - Ending	\$ 69,835,485	\$ 30,270,413		\$ 10,537,069

Adjustment to reflect the consolidation of current fiscal year internal service fund activities related to enterprise funds

621,642

Change in net position of business-type activities

\$ 8,012,312

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

The City of Winter Park, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2016

	Business-type Activities Enterprise Funds			Governmental Activities
	Water and Sewer	Electric Services	Total	Internal Service Funds
Cash Flows from Operating Activities				
Receipts from Customers	\$ 28,768,493	\$ 47,741,534	\$ 76,510,027	\$ 35,073
Receipts from Interfund Services Provided	-	-	-	13,475,319
Loans from Other Funds	-	-	-	21,708
Repayment of Loans from (to) Other Funds	1,280,583	(1,280,583)	-	(107,779)
Payments to Suppliers	(9,614,662)	(32,228,245)	(41,842,907)	(6,875,828)
Payments to Employees	(5,580,181)	(1,564,799)	(7,144,980)	(762,739)
Payments for Interfund Services Used	(2,324,241)	(354,509)	(2,678,750)	(174,140)
Claims Paid	-	-	-	(1,995,228)
Other Receipts	1,730	26,301	28,031	4,623
Net Cash Provided by Operating Activities	12,531,722	12,339,699	24,871,421	3,621,009
Cash Flows from Noncapital Financing Activities				
Transfers Out	(2,354,943)	(2,848,183)	(5,203,126)	-
Net Cash Used in Noncapital Financing Activities	(2,354,943)	(2,848,183)	(5,203,126)	-
Cash Flows from Capital and Related Financing Activities				
Capital Grant Receipts	-	111,315	111,315	-
Proceeds from Sale of Assets	6,710	31,455	38,165	284,440
Purchases of Capital Assets	(2,850,587)	(5,170,371)	(8,020,958)	(3,138,220)
Proceeds from Debt Issued	-	19,494,954	19,494,954	-
Debt Refunded	-	(19,691,994)	(19,691,994)	-
Principal Payments - Capital Debt	(2,890,000)	(2,225,000)	(5,115,000)	-
Interest Paid	(2,975,388)	(2,571,562)	(5,546,950)	-
Impact Fees Collected	916,855	-	916,855	-
Net Cash Used in Capital and Related Financing Activities	(7,792,410)	(10,021,203)	(17,813,613)	(2,853,780)
Cash Flows from Investing Activities				
Purchases of Investments	-	(2,518,000)	(2,518,000)	-
Proceeds from Sales & Maturities of Investments	-	3,690,000	3,690,000	-
Interest Earnings (Losses) on Investments	494,293	(3,347)	490,946	47,441
Net Cash Provided by Investing Activities	494,293	1,168,653	1,662,946	47,441
Net Increase in Cash, Cash Equivalents and Investments	2,878,662	638,966	3,517,628	814,670
Cash, Cash Equivalents and Investments - Beginning	20,633,308	5,718,119	26,351,427	3,448,003
Cash, Cash Equivalents and Investments - Ending	\$ 23,511,970	\$ 6,357,085	\$ 29,869,055	\$ 4,262,673
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating Income	\$ 7,399,582	\$ 10,105,629	\$ 17,505,211	\$ 2,361,289
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation and Amortization	4,019,207	2,955,824	6,975,031	1,240,239
(Increase) Decrease in Assets:				
Accounts Receivable	(89,907)	154,219	64,312	79,613
Unbilled Service Charges	(213,068)	(233,511)	(446,579)	-
Due from Other Funds	1,280,583	-	1,280,583	-
Due from Other Governments	-	(111,315)	(111,315)	-
Inventories	(148,872)	778,373	629,501	(12,922)
Prepaid Items	(16)	2,576	2,560	-
Special Assessments Receivable	-	54,135	54,135	-
Increase (Decrease) in Liabilities:				
Accounts Payable	260,359	(149,645)	110,714	67,635
Accrued Liabilities	(239,416)	(10,346)	(249,762)	(26,064)
Due to Other Funds	-	(1,280,583)	(1,280,583)	(86,071)
Due to Other Governments	205,286	(5,167)	200,119	(5,340)
Accumulated Unused Compensated Absences	(24,148)	33,045	8,897	(1,993)
Customer Deposits	80,402	20,164	100,566	-
Other Receipts	1,730	26,301	28,031	4,623
Net Cash Provided by Operating Activities	\$ 12,531,722	\$ 12,339,699	\$ 24,871,421	\$ 3,621,009

Note: There were no significant non-cash transactions.

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

The City of Winter Park, Florida
Statement of Net Position
Fiduciary Funds
September 30, 2016

	Employee Retirement Funds
ASSETS	
Cash and Short-term Investments	\$ 4,116,139
Investments, at Fair Value	
Fixed Income Mutual Funds	1,306,669
Equity Mutual Funds	14,008,893
Common Collective Trusts	64,875,550
Stocks	1,337,286
Real Estate Commingled Funds	5,093,396
Corporate Bonds	3,843,707
Accrued Income	23,112
Total Investments	90,488,613
Total Assets	94,604,752
NET POSITION	
Net Position Held in Trust for Pension Benefits	\$ 94,604,752

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

The City of Winter Park, Florida
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended September 30, 2016

	Employee Retirement Funds
ADDITIONS	
Contributions:	
Employer Contributions	\$ 4,218,052
Employee Contributions	567,072
Total Contributions	4,785,124
Investment Income:	
Net Increase in Fair Value of Investments	7,753,560
Interest and Dividends	809,939
	8,563,499
Less Investment Expenses:	
Investment Management Fees	156,032
Custodian Fees	52,269
Net Investment Income	8,355,198
Total Additions	13,140,322
DEDUCTIONS	
Employee Benefits	7,531,404
Refunds of Contributions	1,833
Administrative Expense	175,186
Total Deductions	7,708,423
Change in Net Position	5,431,899
Net Position Held in Trust for Pension Benefits - Beginning	89,172,853
Net Position Held in Trust for Pension Benefits - Ending	\$ 94,604,752

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

The City of Winter Park, Florida
Notes to Financial Statements
September 30, 2016

INDEX

Topic	Note(s)
Bond Refundings	10A & 12
Budgetary	1E
Cash and Cash Equivalents	1G
Capital Assets	1L, 1S & 4
Capital Lease Obligations	14A
Commitments and Contingencies	19
Community Redevelopment Agency	1A, 1C, 8 & 11
Compensated Absences	1P
Deferred Outflows/Inflows of Resources	1M & 17A
Deposits	1G
Encumbrances and Commitments	19B
Electric Services	1C, 10 & 11
Fund Balances	1R
General Obligation Bonds	6, 11 & 13
Interfunds	5 & 16
Interlocal Agreements	19A
Inventories	1J
Investments	1G
Litigation	19D
Long-term Liabilities	1O, 1S & 6-15
Non-Ad Valorem Revenue Notes	7 & 11
Net Position	1E2, 1S & 1T
New Accounting Pronouncements	1D
Other Post-Employment Benefits	18
Pension Plans	1C, 1Q, 17 & 19E
Prepaid Items	1K
Property Taxes	1I
Receivables	1H, 2 & 3
Reporting Entity	1A
Risk Management	19C
Summary of Significant Accounting Policies	1
Unearned Revenue	1N
Water & Sewer	1C, 9 & 11

THE CITY OF WINTER PARK, FLORIDA

Notes to Financial Statements

September 30, 2016

I. Summary of Significant Accounting Policies

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

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

A. REPORTING ENTITY:

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

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

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

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

Blended Component Unit:

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

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS:

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

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

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

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION:

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other governmental revenues are considered available if they are collected within 180 days of the end of the current fiscal period. For special assessments receivable, only the portion due within the subsequent fiscal year is considered to be available for recognition as revenue in the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

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

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

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

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

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

Major Governmental Funds:

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

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

The Capital Projects Fund accounts for financial resources used for the acquisition or construction of significant capital assets.

Non-Major Governmental Fund Types:

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

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

The Stormwater Capital Projects Fund accounts for stormwater fees segregated for the acquisition or construction of major stormwater drainage or treatment facilities.

Major Proprietary Funds:

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

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

Non-Major Proprietary Funds:

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

Fiduciary Fund Types:

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

D. NEW ACCOUNTING PRONOUNCEMENTS:

In February 2015, the GASB issued Statement No. 72, *Fair Value Measurement and Application*, effective for the City's fiscal year beginning October 1, 2015. This Statement addresses accounting and financial reporting issues related to fair value measurements. It provides guidance for determining a fair value measurement for financial reporting purposes and for applying fair value to certain investments and disclosures related to fair value measurements. This pronouncement resulted in expanded footnote disclosures around fair value including the fair value hierarchy and valuation techniques.

E. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:

1) Budgetary information:

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

Expenditures of the Grant non-major special revenue fund exceeded the annual budget by \$111,742. Revenues of this fund exceeded the annual budget by \$145,750.

2) Deficit net position balances:

The Fleet Maintenance Fund is accounted for as an internal service fund. At September 30, 2016, this fund had a \$14,383 deficit net position balance. This deficit is expected to be liquidated in future years through charges to user departments.

The General Insurance Fund is accounted for as an internal service fund. At September 30, 2016, this fund had a \$193,259 deficit net position balance. This deficit is expected to be liquidated in future years through charges to user departments.

F. USE OF ESTIMATES:

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

G. DEPOSITS AND INVESTMENTS:

Cash and Cash Equivalents

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

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

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

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

Deposits

Deposits consist of interest bearing demand accounts. All deposits with financial institutions were 100% insured by Federal depository insurance or by collateral pursuant to the Public Depository Security Act of the State of Florida. The carrying amount of the demand deposits and cash on hand at September 30, 2016 was \$5,481,322 (excluding Pension Trust Funds).

Investments

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

The following is a summary of cash and investments held by the City at September 30, 2016:

Investment Type	Investment Maturities (in Years)				
	Fair Value	Less Than 1	1 - 5	6 - 10	More Than 10
U.S. Treasury Securities	\$ 9,043,920	\$ 999,770	\$ 7,011,260	\$ 1,032,890	\$ -
Government National Mortgage Assoc	2,823,619	-	-	44,410	2,779,209
Federal Farm Credit Bank	11,152,430	999,900	7,653,080	2,499,450	-
Federal Home Loan Bank	6,797,600	-	4,295,850	2,501,750	-
Federal Home Loan Mortgage Corp	8,104,770	-	8,052,042	-	52,728
Federal National Mortgage Association	11,147,517	-	10,026,215	1,121,302	-
Florida Surplus Asset Fund Trust	500,133	500,133	-	-	-
Local Government Surplus Trust Fund	19,136	19,136	-	-	-
Pooled Investments	49,589,125	2,518,939	37,038,447	7,199,802	2,831,937
Carrying amount of deposits	5,481,322	5,481,322	-	-	-
Cash, Cash Equivalents & Investments	55,070,447	8,000,261	37,038,447	7,199,802	2,831,937
U.S. Treasury Securities	4,343,877	2,867,904	1,475,973	-	-
Federal Farm Credit Bank	999,684	-	999,684	-	-
Federal Home Loan Bank	999,802	-	999,802	-	-
Other Investments	6,343,363	2,867,904	3,475,459	-	-
Total Cash and Investments	\$ 61,413,810	\$ 10,868,165	\$ 40,513,906	\$ 7,199,802	\$ 2,831,937

Investment Type	Police Officers' Pension Investment Maturities (in Years)				
	Fair Value	Less Than 1	1 - 5	6 - 10	More Than 10
Fixed Income Mutual Funds	\$ 860,978	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Equity Mutual Funds	6,736,212	N/A	N/A	N/A	N/A
Common Collective Trusts	31,437,331	N/A	N/A	N/A	N/A
Stocks	267,400	N/A	N/A	N/A	N/A
Real Estate Commingled Funds	2,241,094	N/A	N/A	N/A	N/A
Corporate Bonds	884,420	12,112	568,792	100,367	203,149
Pooled Investments	42,417,435	12,112	568,792	100,367	203,149
Carrying amount of deposits	2,532,507	-	-	-	-
Total Cash and Investments	\$ 44,949,942	\$ 12,112	\$ 568,792	\$ 100,367	\$ 203,149

The City of Winter Park, Florida
Notes to Financial Statements - September 30, 2016

Investment Type	Firefighters' Pension				
	Investment Maturities (in Years)				
	Fair Value	Less Than 1	1 - 5	6 - 10	More Than 10
Fixed Income Mutual Funds	\$ 445,691	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Equity Mutual Funds	7,282,681	N/A	N/A	N/A	N/A
Common Collective Trusts	33,438,219	N/A	N/A	N/A	N/A
Stocks	1,069,886	N/A	N/A	N/A	N/A
Real Estate Commingled Funds	2,852,302	N/A	N/A	N/A	N/A
Corporate Bonds	2,959,287	88,719	1,884,830	275,868	709,870
Pooled Investments	48,048,066	88,719	1,884,830	275,868	709,870
Carrying amount of deposits	1,583,632	-	-	-	-
Total Cash and Investments	\$ 49,631,698	\$ 88,719	\$ 1,884,830	\$ 275,868	\$ 709,870

Fair Value of Investments - Investments are stated at fair value with the exception of investments in the Florida Surplus Asset Fund Trust (FLSAFE) and State Board of Administration's Local Government Surplus Funds Trust Fund (SBA - an external 2a7-like fund) which are presented at share price.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The level in the fair value hierarchy within which a fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The following is a summary of the City's financial assets carried at fair value by level within the valuation hierarchy as of September 30, 2016:

Investment Type	Fair Value by Level			
	Fair Value	Level 1	Level 2	N/A
U.S. Treasury Securities	\$ 9,043,920	\$ 9,043,920	\$ -	\$ -
Government National Mortgage Assoc	2,823,619	-	2,823,619	-
Federal Farm Credit Bank	11,152,430	-	11,152,430	-
Federal Home Loan Bank	6,797,600	-	6,797,600	-
Federal Home Loan Mortgage Corp	8,104,770	-	8,104,770	-
Federal National Mortgage Association	11,147,517	-	11,147,517	-
Florida Surplus Asset Fund Trust	500,133	-	-	500,133
Local Government Surplus Trust Fund	19,136	-	-	19,136
Pooled Investments	49,589,125	9,043,920	40,025,936	519,269
Carrying amount of deposits	5,481,322	-	-	5,481,322
Cash, Cash Equivalents & Investments	55,070,447	9,043,920	40,025,936	6,000,591
U.S. Treasury Securities	4,343,877	4,343,877	-	-
Federal Farm Credit Bank	999,684	-	999,684	-
Federal Home Loan Bank	999,802	-	999,802	-
Other Investments	6,343,363	4,343,877	1,999,486	-
Total Cash and Investments	\$ 61,413,810	\$ 13,387,797	\$ 42,025,422	\$ 6,000,591

The City of Winter Park, Florida
Notes to Financial Statements - September 30, 2016

Investment Type	Police Officers' Pension				
	Fair Value	Fair Value by Level			
		Level 1	Level 2	Level 3	N/A
Fixed Income Mutual Funds	\$ 860,978	\$ -	\$ 860,978	\$ -	\$ -
Equity Mutual Funds	6,726,212	6,726,212	-	-	-
Common Collective Trusts	31,437,331	-	31,437,331	-	-
Stocks	267,400	267,400	-	-	-
Real Estate Commingled Funds	2,241,094	-	-	2,241,094	-
Corporate Bonds	884,420	-	884,420	-	-
Pooled Investments	42,417,435	6,993,612	33,182,729	2,241,094	-
Carrying amount of deposits	2,532,507	-	-	-	2,532,507
Total Cash and Investments	\$ 44,949,942	\$ 6,993,612	\$ 33,182,729	\$ 2,241,094	\$ 2,532,507

Investment Type	Fair Value	Fair Value by Level			
		Level 1	Level 2	Level 3	N/A
Fixed Income Mutual Funds	\$ 445,691	\$ -	\$ 445,691	\$ -	\$ -
Equity Mutual Funds	7,282,681	7,282,681	-	-	-
Common Collective Trusts	33,438,219	-	33,438,219	-	-
Stocks	1,069,886	1,069,886	-	-	-
Real Estate Commingled Funds	2,852,302	-	-	2,852,302	-
Corporate Bonds	2,959,287	-	2,959,287	-	-
Pooled Investments	48,048,066	8,352,567	36,843,197	2,852,302	-
Carrying amount of deposits	1,583,632	-	-	-	1,583,632
Total Cash and Investments	\$ 49,631,698	\$ 8,352,567	\$ 36,843,197	\$ 2,852,302	\$ 1,583,632

The City has the following recurring fair value measurements as of September 30, 2016:

- U.S. Treasury Securities and Stocks - Valued using quoted prices in an active market for identical assets (Level 1 inputs).
- Equity Mutual Funds - Valued at market prices for similar assets in active markets (Level 1 inputs).
- Debt Securities - Valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features and ratings. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices (Level 2 inputs).
- Fixed Income Mutual Funds - Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yield currently available on comparable securities of issuers with similar credit ratings (Level 2 inputs).
- Common Collective Trusts - Valued on the basis of the relative interest of each participating investor in the fair value of the underlying assets of each of the respective common collective trusts. The underlying assets are valued based on the net asset value as provided by the investment account manager (Level 2 inputs).
- Real Estate Commingled Funds - Valued using a combination of external appraisals and internal valuations (Level 3 inputs).

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

Credit Risk - Although the City's investment policy does not address specific investment-related risk, to mitigate credit risk, the City primarily invests in the U.S. Government Securities and the State of Florida local government surplus trust fund pool as well as other investments allowed in the investment ordinance referred to above. Credit quality distribution for investments, with credit exposure as a percentage of total investments, are as follows at September 30, 2016:

Investment Type	Standard & Poor's Ratings	Moody's Ratings	Percentage of Total
Pooled Investments			
U.S. Treasury Securities	Not Rated	Aaa	16%
Government National Mortgage Assoc	Not Rated	Not Rated	5%
Federal Farm Credit Bank	AA+	Aaa	20%
Federal Home Loan Bank	AA+	Aaa	12%
Federal Home Loan Mortgage Corp	AA+	Aaa	15%
Federal National Mortgage Association	AA+	Aaa	20%
Florida Surplus Asset Fund Trust	AAAm	Not Rated	0%
Local Government Surplus Trust Fund	AAAm	Not Rated	0%
Other Investments			
U.S. Treasury Securities	Not Rated	Aaa	8%
Federal Farm Credit Bank	AA+	Aaa	2%
Federal Home Loan Bank	AA+	Aaa	2%

Credit Ratings for Investments in Debt Securities by the Police Officers' Pension			
	Amount Invested	Standard & Poor's Ratings	Percentage of Total
Fixed Income Mutual Funds	\$ 860,978	AAA	49%
Total Fixed Income Mutual Funds	\$ 860,978		
Corporate Bonds	\$ 43,311	A	2%
	95,442	B	5%
	123,888	BB	8%
	114,868	BBB	7%
	9,810	CCC	0%
	497,101	Not Rated	29%
Total Corporate Bonds	\$ 884,420		

Credit Ratings for Investments in Debt Securities by the Firefighters' Pension			
	Amount Invested	Standard & Poor's Ratings	Percentage of Total
Fixed Income Mutual Funds	\$ 445,691	AAA	13%
Total Fixed Income Mutual Funds	\$ 445,691		
Corporate Bonds	\$ 11,388	AAA	0%
	156,061	A	5%
	309,091	B	9%
	391,825	BB	12%
	493,498	BBB	15%
	26,160	CCC	0%
	1,571,264	Not Rated	46%
Total Corporate Bonds	\$ 2,959,287		

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

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

H. RECEIVABLES:

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

I. PROPERTY TAXES:

Under Florida Law, the assessment of all properties and the collection of all City property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method statewide. State Statutes permit cities to levy property taxes at a rate of up to ten (10) mills. The operating millage rate in effect for the fiscal year ended September 30, 2016 was 4.0923. A debt service millage was also in effect of 0.2750 mills.

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

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

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

J. INVENTORIES:

Inventories are stated at cost using the first-in/first-out (FIFO) method and are charged as expenditures/expenses when used.

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

K. PREPAID ITEMS:

Prepaid items represent payments made to vendors that will benefit periods beyond September 30, 2016. The costs of governmental fund type prepaid items are recorded using the consumption method, that is, as expenditures when consumed rather than when purchased.

L. CAPITAL ASSETS:

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

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

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

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

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

Capacity rights and sewer contract costs consist of purchased rights to specified percentages in existing and future water and sewer treatment capacity as described in Note 19. The capacity rights were recorded at cost and amortized using the straight-line method over a period of 13 to 30 years.

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

M. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

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

N. UNEARNED REVENUE:

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

O. LONG-TERM DEBT:

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

P. ACCUMULATED UNUSED COMPENSATED ABSENCES:

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

Q. PENSION PLANS:

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

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

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

General employees are enrolled in a defined contribution 401(a) pension plan established January 1, 1992, as described in Note 17(C). The assets, liabilities, fund equity and operations of this plan are not presented on the City's financial statements as the plan is independently administered.

R. CATEGORIES AND CLASSIFICATION OF FUND BALANCE:

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

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

Spendable Fund Balance:

- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as donors or amounts constrained by enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of City Commission. Such formal action may be in the form of an ordinance or resolution and may only be modified or rescinded by taking the same formal action that imposed the original constraint. These commitments must be in place prior to September 30.
- Assigned – includes amounts that are intended to be used for specific purposes that are neither restricted nor committed. Assignments may be made by City Commission or management based on the purpose of the fund.
- Unassigned – includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories.

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

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

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

Net investment in capital assets component of net position consisted of the following components as of September 30, 2016:

	Governmental Activities	Business-type Activities
Capital assets, net	\$ 86,639,447	\$ 184,748,544
Related debt, net	(18,880,588)	(124,778,038)
Unspent proceeds from capital related debt	-	2,161,116
Totals	\$ 67,758,859	\$ 62,131,622

T. RESTRICTED COMPONENT OF NET POSITION:

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

2. Receivables

The accounts receivable and allowance for uncollectibles at September 30, 2016 were as follows:

	Accounts Receivable	Allowance for Uncollectibles	Net
General Fund	\$ 3,079,771	\$ 1,950,737	\$ 1,129,034
Community Redevelopment Fund	23,000	15,500	7,500
Capital Projects Fund	669,588	-	669,588
Non-Major Governmental Funds:			
Designations Trust Fund	35,551	34,231	1,320
Stormwater Utility Fund	218,060	66	217,994
Debt Service Fund	1,339	-	1,339
Stormwater Capital Projects Fund	55,657	-	55,657
Enterprise Funds:			
Water and Sewer Fund	1,535,183	132,860	1,402,323
Electric Services Fund	4,041,719	114,611	3,927,108
Internal Service Funds:			
Fleet Maintenance Fund	1,801	1,801	-
Vehicle Replacement Fund	18,465	-	18,465
Employee Insurance Fund	4,280	111	4,169
Totals	\$ 9,684,414	\$ 2,249,917	\$ 7,434,497

B-33

3. Special Assessments Receivable

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

Special assessments receivable at September 30, 2016 were as follows:

	Interest Rate	Principal		Interest Receivable	Total
		Current Receivable	Deferred Receivable		
Governmental Activities:					
Major Fund					
Community Redevelopment Fund:					
Community redevelopment	-	\$ 30,000	\$ 360,000	\$ -	\$ 390,000
Non-Major Funds					
Designations Trust Fund:					
Street bricking improvements	6.00%	\$ 34,553	\$ 18,641	\$ 1,086	\$ 54,280
Debt Service Fund:					
Park Avenue improvements	1.57%	57,213	228,851	8,981	295,045
Orange Avenue improvements	2.09%	97,089	970,891	113,838	1,181,818
		\$ 154,302	\$ 1,199,742	\$ 122,819	\$ 1,476,863
Business-Type Activities:					
Major Fund					
Electric Services Fund:					
Undergrounding electric and cable utilities	4.00% & 4.25%	\$ 236,067	-	\$ 31,386	\$ 267,453

4. Capital Assets

The following is a summary of changes in capital assets during the year ended September 30, 2016:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 15,136,501	\$ 2,901,901	\$ -	\$ 18,038,402
Construction in progress	2,816,685	8,179,248	(5,618,443)	5,377,490
Total capital assets, not being depreciated	17,953,186	11,081,149	(5,618,443)	23,415,892
Capital assets, being depreciated:				
Buildings	43,103,210	452,222	-	43,555,432
Improvements other than buildings	17,008,366	2,124,811	-	19,133,177
Machinery and equipment	20,312,055	423,883	(181,212)	20,554,726
Furniture and fixtures	727,579	33,135	(25,413)	735,301
Vehicles	18,830,838	3,031,586	(851,005)	21,011,419
Streets and drainage	61,533,907	-	-	61,533,907
Total capital assets being depreciated	161,515,955	6,065,637	(1,057,630)	166,523,962
Less accumulated depreciation for:				
Buildings	(20,258,356)	(1,255,075)	-	(21,513,431)
Improvements other than buildings	(12,461,901)	(352,049)	-	(12,813,950)
Machinery and equipment	(16,799,773)	(832,907)	136,200	(17,496,480)
Furniture and fixtures	(721,023)	(2,547)	-	(723,570)
Vehicles	(13,590,997)	(1,135,078)	834,892	(13,891,183)
Streets and drainage	(35,864,309)	(997,484)	-	(36,861,793)
Total accumulated depreciation	(99,696,359)	(4,575,140)	971,092	(103,300,407)
Total capital assets, being depreciated, net	61,819,596	1,490,497	(86,538)	63,223,555
Governmental activities capital assets, net	\$ 79,772,782	\$ 12,571,646	\$ (5,704,981)	\$ 86,639,447
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 12,194,774	\$ -	\$ -	\$ 12,194,774
Construction in progress	82,016	7,742,100	(7,180,330)	643,786
Total capital assets, not being depreciated	12,276,790	7,742,100	(7,180,330)	12,838,560
Capital assets, being depreciated:				
Buildings and production facilities	3,506,065	-	-	3,506,065
Machinery and equipment	6,655,660	278,857	-	6,934,517
Furniture and fixtures	42,657	-	-	42,657
Improvements other than buildings	230,962,010	7,226,252	-	238,188,262
System acquisition costs	19,885,843	-	-	19,885,843
Sewer contract costs	3,394,035	-	-	3,394,035
Sewer capacity rights	19,661,103	-	-	19,661,103
Total capital assets, being depreciated	284,107,373	7,505,109	-	291,612,482
Less accumulated depreciation for:				
Buildings and production facilities	(3,096,561)	(54,243)	-	(3,150,804)
Machinery and equipment	(6,630,308)	(451,118)	-	(7,081,426)
Furniture and fixtures	(42,356)	(115)	-	(42,471)
Improvements other than buildings	(85,630,175)	(5,148,816)	-	(90,778,991)
System acquisition costs	(6,912,624)	(660,177)	-	(7,572,801)
Sewer contract costs	(3,394,035)	-	-	(3,394,035)
Sewer capacity rights	(7,021,408)	(660,562)	-	(7,681,970)
Total accumulated depreciation, net	(112,727,467)	(6,975,031)	-	(119,702,498)
Total capital assets, being depreciated, net	171,379,906	530,078	-	171,909,984
Business-type activities capital assets, net	\$ 183,656,696	\$ 8,272,178	\$ (7,180,330)	\$ 184,748,544

Depreciation expense was charged to governmental functions as follows:

Planning	\$ 7,185
Public Works	1,803,795
Police	410,668
Fire	599,553
Parks and Recreation	513,700
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets	1,240,239
Total depreciation expense	\$ 4,575,140

5. Interfund Balances

Interfund receivable and payable balances at September 30, 2016 consist of:

	Due From Other Funds	Due To Other Funds
Major Funds:		
General Fund	\$ 153,546	\$ -
Nonmajor Governmental Funds	-	114,216
Internal Service Funds	-	39,330
Totals	\$ 153,546	\$ 153,546

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

6. General Obligation Bonds

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

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

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

A. GENERAL OBLIGATION BONDS CONSIST OF THE FOLLOWING:

Description	Interest Rates and Dates	Final Maturity	Original Amount Issued	Amount Outstanding at 9/30/2016
Series 2011	2.50% to 3.00% 1/1; 7/1	07/01/21	\$6,955,000	\$3,725,000

B. EARLY REDEMPTION:

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

7. Non-Ad Valorem Revenue Notes

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

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

A. NON-AD VALOREM REVENUE NOTES CONSIST OF THE FOLLOWING:

Description	Interest Rates and Dates	Final Maturity	Original Amount Issued	Amount Outstanding at 9/30/2016
Series 2012A	2.09% 1/1; 7/1	07/01/28	\$1,870,000	\$1,535,000
Series 2012B	1.57% 1/1; 7/1	07/01/21	\$2,060,000	\$1,160,000

B. EARLY REDEMPTION:

Description	Call Date	Call Rate
Series 2012A	Note may be prepaid	The Note contains a make whole call provision
Series 2012B	Note may be prepaid	The Note contains a make whole call provision

8. Community Redevelopment Agency Notes

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

Total principal and interest remaining on the notes is \$13,264,735, payable through January 2026. For the current year, principal and interest paid and total incremental tax revenue was \$1,494,053 and \$2,986,272, respectively.

A. COMMUNITY REDEVELOPMENT AGENCY NOTES CONSIST OF THE FOLLOWING:

Description	Interest Rates and Dates	Final Maturity	Original Amount Issued	Amount Outstanding at 9/30/2016
Series 2006	3.89%, 1/1; 7/1	01/01/25	\$2,155,000	\$1,245,000
Series 2010	4.48%, 1/1; 7/1	01/01/26	\$8,100,000	\$5,735,000
Series 2012	1.99% 1/1; 7/1	01/01/25	\$5,870,000	\$4,335,000

B. EARLY REDEMPTION:

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

9. Water and Sewer Revenue Bonds

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

Description	Interest Rates and Dates	Final Maturity	Original Amount Issued	Amount Outstanding at 9/30/2016
Water & Sewer Revenue Bonds, Series 2009	3.00% to 5.00% 6/1; 12/1	12/01/34	\$45,685,000	\$37,730,000
Water & Sewer Revenue Bonds, Series 2010	4.08% 6/1; 12/1	12/01/30	\$16,500,000	\$16,500,000
Water & Sewer Refunding Revenue Bonds, Series 2011	2.00% to 5.00% 6/1; 12/1	12/01/21	\$14,155,000	\$9,965,000

The City has pledged future water and sewer customer revenue, net of specified operating expenses, to repay the debt above. Proceeds from the bonds provided financing for major improvements to the City's water treatment plants as well as its share of costs for improvements to facilities owned by other entities through which the City participates via interlocal agreements. The bonds are payable solely from water and sewer customer revenues and are payable through 2035. Annual principal and interest payments on the bonds are expected to require less than 50 percent of net revenues. The total principal and interest remaining on the bonds is \$93,493,613. Principal and interest paid for the current year and total net revenues were \$5,865,388 and \$11,620,701, respectively.

B. BOND COVENANTS:

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

1) ESTABLISHMENT AND MAINTENANCE OF VARIOUS FUNDS:

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

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

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

3) EARLY REDEMPTION:

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

4) INVESTMENT RESTRICTIONS:

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

10. Electric Revenue Bonds

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

Description	Interest Rates and Dates	Final Maturity	Original Amount Issued	Amount Outstanding at 9/30/2016
Electric Revenue Bonds, Series 2005A	Variable rates*; Payable weekly	10/01/33	\$42,025,000	\$1,050,000
Electric Revenue Bonds, Series 2007	3.375% to 4.25%; 4/1; 10/1	10/01/37	\$22,135,000	\$1,110,000
Electric Revenue Bonds, Series 2009A	2.000% to 5.000%; 4/1;10/1	10/01/35	\$28,020,000	\$24,310,000
Electric Revenue Bonds, Series 2009B	2.000% to 5.000%; 4/1;10/1	10/01/35	\$6,965,000	\$6,215,000
Electric Revenue Bonds, Series 2010	3.20% 4/1;10/1	10/01/35	\$5,245,000	\$4,260,000
Electric Revenue Bonds, Series 2014	2.74% 4/1;10/1	10/01/33	\$7,680,000	\$7,275,000
Electric Revenue Bonds, Series 2014A	2.99% 4/1;10/1	10/01/33	\$5,900,000	\$5,685,000
Electric Revenue Bonds, Series 2016	2.000% to 5.000%; 4/1;10/1	10/01/37	\$18,260,000	\$18,260,000

* Variable rates ranged from 0.333% - .938% for the fiscal year ended September 30, 2016. The average rate was .709%. The interest rate is reset weekly and is 175% of the thirty day London Interbank Offering Rate.

The City has pledged future electric customer revenue, net of specified operating expenses, to repay the debt above. Proceeds from the bonds provided financing for the acquisition of the electric utility in 2005, improvements to the system to allow it to function as a stand-alone distribution system, and undergrounding of some of the major feeder lines. The bonds are payable solely from electric customer revenues and are payable through 2037. Annual principal and interest payments on the bonds are expected to require less than 50 percent of net revenues. The total principal and interest remaining on the bonds is \$96,792,050. Principal and interest paid for the current year and total customer net revenues were \$6,322,341 and \$12,217,701, respectively.

B. BOND COVENANTS:

The Electric Revenue Bonds, Series 2005A, Series 2007, Series 2009A, Series 2009B, Series 2010, Series 2014, Series 2014A and Series 2016, resolution provides for:

1) ESTABLISHMENT AND MAINTENANCE OF VARIOUS FUNDS:

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

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

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

3) EARLY REDEMPTION:

Description	Call Date	Call Rate
Series 2005A	On any interest payment date	100%
Series 2007	10/01/17 and thereafter	100%
Series 2009A	10/01/19 and thereafter	100%
Series 2009B	10/01/19 and thereafter	100%
Series 2010	Any payment date	101%
Series 2014	10/01/22 and thereafter	100%
Series 2014A	10/01/22 and thereafter	100%
Series 2016	10/01/26 and thereafter	100%

4) INVESTMENT RESTRICTIONS:

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

11. Bonded Indebtedness

A. FUTURE REQUIREMENTS

Debt service requirements for all bonded debt outstanding as of September 30, 2016 are as follows:

	Governmental Activities							
	General Obligation Bonds		Non-Ad Valorem Revenue Notes		Community Redevelopment Agency Notes			
	Principal	Interest	Principal	Interest	Principal	Interest		
2017	\$ 700,000	\$ 111,750	\$ 335,000	\$ 49,144	\$ 1,120,000	\$ 373,552		
2018	725,000	90,750	340,000	43,260	1,160,000	336,648		
2019	745,000	69,000	350,000	37,272	1,185,000	298,491		
2020	1,555,000	70,350	355,000	31,153	1,230,000	259,029		
2021	-	-	370,000	24,903	1,265,000	218,115		
2022 - 2026	-	-	660,000	64,999	5,355,000	463,900		
2027 - 2028	-	-	285,000	6,009	-	-		
Totals	\$ 3,725,000	\$ 341,850	\$ 2,695,000	\$ 256,740	\$ 11,315,000	\$ 1,949,735		

	Business-type Activities			
	Water & Sewer Bonds		Electric Services Bonds	
	Principal	Interest	Principal	Interest
2017	\$ 3,010,000	\$ 2,855,463	\$ 2,450,000	\$ 2,511,716
2018	3,130,000	2,732,663	2,530,000	2,508,404
2019	3,255,000	2,604,963	2,670,000	2,421,835
2020	2,700,000	2,477,055	2,780,000	2,317,116
2021	2,815,000	2,348,702	2,885,000	2,205,435
2022 - 2026	16,745,000	9,662,139	16,275,000	9,129,341
2027 - 2031	20,835,000	5,422,253	19,455,000	5,610,142
2032 - 2036	11,705,000	1,195,375	16,735,000	1,850,986
2037 - 2038	-	-	2,385,000	72,075
Totals	\$ 64,195,000	\$ 29,298,613	\$ 68,165,000	\$ 28,627,050

B. CAPITALIZATION OF INTEREST

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

Interest costs on long-term debt incurred and capitalized during the year ended September 30, 2016 were as follows:

	Total Interest Costs Incurred	Less: Interest Costs Capitalized	Net Interest Expense
Business-type Activities:			
Water and Sewer	\$ 3,237,061	\$ -	\$ 3,237,061
Electric Services	3,126,616	45,921	3,080,695
Total business-type activities	\$ 6,363,677	\$ 45,921	\$ 6,317,756

12. Bond Refunding Transactions

On May 12, 2016 the City refunded \$18,155,000 in outstanding Electric Refunding and Revenue Bonds, Series 2007 with proceeds from the Electric Refunding Revenue Bond, Series 2016. This left \$1,110,000 from the 2007 series bonds outstanding as of September 30, 2016. This refunding transaction was undertaken to achieve net present value savings of \$2,548,057 and reduce future debt service payments by \$3,308,463.

13. Authorized but Unissued Debt

On March 15, 2016, a bond referendum was approved by the voters of Winter Park approving the issuance of not to exceed \$30,000,000 in general obligation bonds for the purpose of building the Winter Park Library and Events Center, to include library facilities, civic meeting and gathering facilities and related parking structure. The City expects to issue these bonds in the next fiscal year.

14. Other Long-Term Liabilities

A. CAPITAL LEASE OBLIGATIONS:

In 2011, the City entered into a capital lease agreement to finance air conditioning and lighting improvements for City Hall and other City facilities. The process of installing these improvements was completed in 2011 at a cumulative cost of \$2,489,592. As of September 30, 2016, accumulated depreciation on these improvements was \$335,403, leaving a net book value of \$2,154,189. A capital lease obligation in the amount of \$1,725,656 is providing a portion of the funding for this project. Future principal and interest payments are due as follows:

	Principal	Interest
2017	\$ 166,998	\$ 29,605
2018	172,150	24,453
2019	177,461	19,142
2020	182,937	13,668
2021	188,579	8,025
2022	144,683	2,206
Totals	\$ 1,032,808	\$ 97,099

B. NOTES PAYABLE BUSINESS-TYPE ACTIVITIES:

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

15. Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2016 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 4,780,000	\$ -	(1,055,000)	\$ 3,725,000	\$ 700,000
Unamortized discount	(1,861)	-	1,861	-	-
Unamortized premium	160,321	-	(28,291)	132,030	-
Non-ad valorem revenue notes	3,547,389	-	(852,389)	2,695,000	335,000
CRA notes	12,400,000	-	(1,085,000)	11,315,000	1,120,000
Capital lease obligations	1,194,807	-	(161,999)	1,032,808	166,998
Compensated absences	3,801,832	1,335,343	(647,562)	4,489,613	890,995
Governmental activity Long-term liabilities	\$ 25,882,488	\$ 1,335,343	\$ (3,828,380)	\$ 23,389,451	\$ 3,212,993
Business-type activities:					
Bonds payable:					
Revenue bonds	\$ 137,370,000	\$ 18,260,000	\$ (23,270,000)	\$ 132,360,000	\$ 5,460,000
Unamortized discount	(465,871)	-	333,376	(132,495)	-
Unamortized premium	1,588,965	1,223,739	(274,410)	2,538,294	-
Compensated absences	707,736	385,497	(376,600)	716,633	257,221
Business-type activity Long-term liabilities	\$ 139,200,830	\$ 19,869,236	\$ (23,587,634)	\$ 135,482,432	\$ 5,717,221

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for the governmental activities. At year end, \$92,505 of compensated absences of internal service funds was included in the above amounts. Compensated absences for governmental activities will be liquidated in future periods by the General Fund, Stormwater Utility Fund, Community Redevelopment Agency, Fleet Maintenance Fund and General Insurance Fund.

16. Transfers to/from Other Funds

Transfers to/from other funds for the year ended September 30, 2016 were as follows:

Recipient Fund	Transferring Fund	Amount	Purpose
General Fund:			
General	Water and Sewer	\$2,193,038	Contribution of 15% on average annual non-sewer revenues for the thirty six months ended March 31, 2015 as stipulated in City Ordinance 2752-08
General	Electric Services	2,556,617	Transfer of electric franchise fee equivalent (6% of charges for electric service) as stipulated in City Ordinance 2617-05
General	Cemetery Trust	248,572	Transfer to cover the cost of operating and maintaining Palm and Pineywood Cemeteries
Total transfers to General Fund		\$4,998,227	
Community Redevelopment Fund:			
Community Redevelopment	General	\$1,435,305	Tax increment revenue payment to Community Redevelopment Agency
Total transfers to Community Redevelopment Fund		\$1,435,305	
Capital Projects Fund:			
Capital Projects	General	\$4,531,043	Funding for various capital projects
Capital Projects	Community Redevelopment	1,003,993	Funding for purchase of 2111 W Fairbanks (\$1,000,000) and for purchase of new Enterprise Resource Planning (ERP) software (\$3,993)
Capital Projects	Designations Trust	75,000	Funding for athletic field lighting
Capital Projects	Law Enforcement Trust	77,730	Funding for purchase of new ERP software
Capital Projects	Cemetery Trust	45,000	Funding for construction of a storage and office building at Pineywood Cemetery
Capital Projects	Stormwater Capital	18,523	Funding for purchase of new ERP software
Capital Projects	Water and Sewer	95,000	Funding for public facility maintenance items (\$50,000), and information technology infrastructure upgrades (\$45,000)
Capital Projects	Electric Services	174,771	Purchase of new ERP software (\$129,771), information technology infrastructure upgrades (\$45,000)
Total transfers to Capital Projects Fund		\$6,021,060	
Nonmajor Governmental Funds:			
Designations Trust	General	109,736	General Fund share of contribution to support outside organizations
Designations Trust	Help Our Park Expand	42,247	Transfer funding remaining in the Help Our Park Expand Fund to the Designations Trust Fund. Funding still held for same purpose.
Designations Trust	Water and Sewer	66,905	Water and Sewer Fund share of contribution to support outside organizations
Designations Trust	Electric Services	116,795	Electric Fund share of contribution to support outside organizations
Debt Service	General	911,009	Principal and interest due on various debt instruments
Total transfers to nonmajor governmental funds		\$1,246,692	
Total transfers out to other funds		\$13,701,284	

17. Employee Benefits Plans

A. POLICE AND FIREFIGHTER EMPLOYEE PENSION PLANS:

Plan Description

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

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

ACCOUNTING POLICIES AND PLAN ASSETS:

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

Benefits Provided

The following schedule is derived from the respective actuarial reports and City information for the two pension plans as of October 1, 2014 and with regard to contributions for fiscal year 2015/2016, based on the October 1, 2014 actuarial reports:

NORMAL RETIREMENT BENEFITS:

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

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

	Police	Firefighter
MEMBERS:		
Active Participants:		
Vested	32	36
Non Vested	36	20
Service Retirees and Beneficiaries	58	35
Disability Retirees	4	1
Terminated Vested	3	1
Deferred Retired Option Plan	10	16

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

Contribution Requirements

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

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

The amounts legally required as of September 30, 2016 to be reserved for the PPP and FPP funds are \$44,955,785 and \$49,648,967 respectively.

	Police	Firefighter
CONTRIBUTIONS:		
Rate:		
City (4)	54.9%	46.5%
Participants	6.0%	6.0%
Contributions Made	\$2,248,187	\$1,969,865
ACTUARIAL VALUATION:		
Frequency	Annual	Annual
Latest Date	10/01/2015	10/01/2015
Basis for Contribution	10/01/2014	10/01/2014
Cost Method	Entry Age	Entry Age

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

- (4) City contributions for Police and Firefighters include excise taxes on gross receipts of casualty insurance premiums for Police and property insurance premiums for Firefighters. Revenues from these taxes in fiscal year 2016 were \$293,834 and \$406,405, respectively. These payments were reported as revenue and expense in the Police and Fire Premium Tax Trust Special Revenue Fund.

**Schedule of Employer's Contributions
Fiscal Year Ending September 30, 2016**

	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
Police Pension	\$ 2,248,187	\$ 2,248,187	-	\$ 4,286,032	52.45%
Firefighter Pension	\$ 1,887,964	\$ 1,887,964	-	\$ 4,275,632	44.16%

Investments

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

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocations as of September 30, 2016, are summarized in the following table:

Asset Class	Police		Firefighter	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap Core	27%	10.2%	20%	10.2%
Mid Cap Core	7%	11.5%	7%	11.5%
Small Cap Core	7%	9.3%	6%	9.3%
Master Limited Partnerships	5%	13.1%	5%	13.1%
Convertibles	5%	8.9%	8%	8.9%
International Equity	15%	6.1%	13%	6.1%
Fixed Income	25%	6.6%	29%	6.6%
Treasury Inflation Protected	2%	5.8%	4%	5.8%
Real Estate (Private)	5%	7.3%	6%	7.3%
Cash	2%	3.6%	2%	3.6%
Total	100%		100%	

The long-term expected rate of return is the thirty year average return, unless the asset class did not exist prior to 1986, in which case since-inception return was used as a substitute.

For the year ended September 30, 2016, the annual money-weighted rate of return for the PPP and FPP investments, net of pension plan investment expense was 9.84% and 9.43%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability

The City's net pension liability was measured as of September 30, 2016 and was based on projected actuarial valuations as of that date. Update procedures were used to roll forward Total Pension Liability amounts excluding DROP account balances and reserve for excess State Funds (FPP) to the measurement date – actual DROP account balances and reserve for excess State funds (FPP) as of the measurement date included in Total Pension Liability. The PPP and FPP DROP account balances determined by actuarial valuations dated September 30, 2015 were \$1,448,751 and \$5,077,353, respectively.

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

Schedule of Employer's Net Pension Liability
(Measurement Date 09/30/2016 – projected – actual will be available after fiscal year end)

	Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
Police Pension	\$ 58,221,880	\$ 44,270,277	\$ 13,951,603	76.04%	\$ 4,286,032	325.51%
Firefighter Pension	\$ 60,267,923	\$ 51,161,839	\$ 9,106,084	84.89%	\$ 4,275,632	212.98%

Changes in Net Pension Liability

Police Pension	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at 09/30/15*	\$ 56,211,878	\$ 42,256,882	\$ 13,954,996
Changes for the year:			
Service cost	846,677	-	846,677
Interest	4,318,067	-	4,318,067
Difference between expected and actual experience	471,628	-	471,628
Contributions - employer	-	2,248,187	(2,248,187)
Contributions - member	-	257,162	(257,162)
Net investment income	-	3,227,848	(3,227,848)
Benefit payments and refunds	(3,626,370)	(3,626,370)	-
Administrative expenses	-	(93,432)	93,432
Net changes	2,010,002	2,013,395	(3,393)
Balances at 09/30/16	\$ 58,221,880	\$ 44,270,277	\$ 13,951,603

Firefighter Pension	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at 09/30/15*	\$ 55,504,181	\$ 46,938,709	\$ 8,565,472
Changes for the year:			
Service cost	1,094,871	-	1,094,871
Interest	4,388,515	-	4,388,515
Difference between expected and actual experience	773,536	-	773,536
Contributions - employer	-	1,887,964	(1,887,964)
Contributions - member	-	256,538	(256,538)
Net investment income	-	3,659,587	(3,659,587)
Benefit payments and refunds	(1,493,180)	(1,493,180)	-
Administrative expenses	-	(87,779)	87,779
Net changes	4,763,742	4,223,130	540,612
Balances at 09/30/16	\$ 60,267,923	\$ 51,161,839	\$ 9,106,084

* The net pension liability reported in the prior year was based on actuarial projections. It has been updated in the current year.

Discount Rate

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

Sensitivity of the Net Pension Liability to the Discount Rate Assumption
(measurement date 09/30/2016 – projected – actual amounts will be available after fiscal year end)

		Current		
		1% Decrease (6.75%)	Discount Rate (7.75%)	1% Increase (8.75%)
Police Pension	Net Pension Liability	\$ 21,603,677	\$ 13,951,603	\$ 7,682,598
Firefighters Pension	Net Pension Liability	\$ 16,350,008	\$ 9,106,084	\$ 3,180,013

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

For the year ended September 30, 2016, the City recognized pension expense for the PPP and FPP funds of \$2,310,712 and \$1,947,653, respectively. At September 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows	Police	Firefighter	Total
Differences between expected and actual experience on liabilities	\$ 52,972	\$ 129,566	\$ 182,538
Changes of assumptions or other inputs	798,764	-	798,764
Net difference between projected and actual earnings on pension plan investments	3,039,814	3,555,909	6,595,723
Total	\$ 3,891,550	\$ 3,685,475	\$ 7,577,025

Deferred Inflows	Police	Firefighter	Total
Differences between expected and actual experience on liabilities	\$ 525,111	\$ 159,784	\$ 684,895
Total	\$ 525,111	\$ 159,784	\$ 684,895

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

Year ending September 30,	Police	Firefighter	Total
2017	\$ 902,332	\$ 821,551	\$ 1,723,883
2018	902,332	821,551	1,723,883
2019	771,295	832,967	1,604,262
2020	790,480	1,049,622	1,840,102
2021	-	-	-
Thereafter	-	-	-

B. COMBINING STATEMENTS OF PENSION TRUST FUNDS:

City of Winter Park, Florida
Combining Statement of Fiduciary Net Position
Pension Trust Funds
September 30, 2016

	Police Pension Fund	Firefighter Pension Fund	Total
Assets			
Cash and Short-term Investments	\$ 2,532,507	\$ 1,583,632	\$ 4,116,139
Investments, at Fair Value			
Fixed Income Mutual Funds	860,978	445,691	1,306,669
Equity Mutual Funds	6,726,212	7,282,681	14,008,893
Common Collective Trusts	31,437,331	33,438,219	64,875,550
Stocks	267,400	1,069,886	1,337,286
Real Estate Commingled Funds	2,241,094	2,852,302	5,093,396
Corporate Bonds	884,420	2,959,287	3,843,707
Accrued Income	5,843	17,269	23,112
Total Investments	42,423,278	48,065,335	90,488,613
Total Assets	44,955,785	49,648,967	94,604,752
Net Position			
Net Position Held in Trust for Pension Benefits	\$ 44,955,785	\$ 49,648,967	\$ 94,604,752

City of Winter Park, Florida
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Year Ended September 30, 2016

	Police Pension Fund	Firefighter Pension Fund	Total
Additions			
Contributions			
Employer	\$ 1,954,353	\$ 1,563,460	\$ 3,517,813
State	293,834	406,405	700,239
Employee	278,480	288,592	567,072
Total Contributions	2,526,667	2,258,457	4,785,124
Investment Income			
Net Increase in Fair Value of Investments	3,793,268	3,960,292	7,753,560
Interest and Dividends	375,534	434,405	809,939
	4,168,802	4,394,697	8,563,499
Less Investment Expenses			
Investment Management Fees	70,948	85,084	156,032
Custodian Fees	25,820	26,449	52,269
Net Investment Income	4,072,034	4,283,164	8,355,198
Total Additions	6,598,701	6,541,621	13,140,322
Deductions			
Employee Benefits	3,798,339	3,733,065	7,531,404
Refunds of Contributions	1,833	-	1,833
Administrative Expense	87,796	87,390	175,186
Total Deductions	3,887,968	3,820,455	7,708,423
Change in Net Position	2,710,733	2,721,166	5,431,899
Net Position Held in Trust for Pension Benefits - Beginning	42,245,052	46,927,801	89,172,853
Net Position Held in Trust for Pension Benefits - Ending	\$ 44,955,785	\$ 49,648,967	\$ 94,604,752

C. GENERAL EMPLOYEE 401(a) PENSION PLAN:

The City maintains a single-employer, defined contribution pension plan for the General Employees. This is a tax-qualified plan pursuant to Section 401(a) of the Internal Revenue Code. This plan was established as of January 1, 1992 by adoption of the City Commission through Ordinance No. 1987. The Plan Ordinance may be amended by the City Commission after public notice has been made, and two public hearings are held. All full-time general employees hired after January 1, 1992 are eligible for participation in the plan. All employees hired before January 1, 1992 were brought into the plan. As of September 30, 2016, there were 355 employees enrolled in the 401(a) pension plan.

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

Payroll for covered employees	\$ 18,717,018
Total City payroll	\$ 30,437,618
Employer contributions required (net) and actually made	\$ 1,231,467
Employee contributions actually made – 3% of covered payroll	\$ 561,511

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

18. Other Post-Employment Benefits (OPEB)

Plan Description

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

Funding Policy

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

Annual OPEB Cost and Net OPEB Obligation

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

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

	FY 2016 Valuation as of 10/01/14	FY 2015 Valuation as of 10/01/14	FY 2014 Valuation as of 10/01/12
Normal cost (service cost for one year)	\$ 531,260	\$ 519,762	\$ 555,179
Amortization of unfunded actuarial accrued liability	388,215	352,779	318,549
Interest on normal cost and amortization	36,779	34,902	34,949
Annual required contribution (ARC)	956,254	907,443	908,677
Interest on net OPEB obligation	137,101	106,023	81,983
Adjustments to ARC	(175,940)	(136,058)	(81,452)
Annual OPEB cost (expense)	917,415	877,408	909,208
Employer contributions made	(142,608)	(100,460)	(308,212)
Increase in net OPEB obligation	774,807	776,948	600,996
Net OPEB obligation beginning of year	3,427,514	2,650,566	2,049,570
Net OPEB obligation end of year	\$ 4,202,321	\$ 3,427,514	\$ 2,650,566

Calculations are based upon the types of benefits provided under the terms of the OPEB Plan at the time of the valuation and on the pattern of sharing of costs between the employer and plan members to that point. The City's annual OPEB cost, the percentage of annual expected employer contribution toward OPEB cost, and the net OPEB obligation for 2016 and the preceding years were as follows:

Fiscal Year Ending	Annual OPEB Cost	Employer Contributions Toward OPEB Cost	Percentage of Annual OPEB Cost Contributed	Unfunded OPEB Obligation
September 30, 2016	\$917,415	\$142,608	15.5%	\$7,865,378
September 30, 2015	\$877,408	\$100,460	11.4%	\$7,147,419
September 30, 2014	\$909,208	\$308,212	33.9%	\$7,765,914

Funded Status and Funding Progress

As of September 30, 2016, the OPEB Plan was unfunded. The actuarial accrued liability ("AAL") for benefits was \$7,865,378. Assets of the OPEB Plan are valued at market; however, the current value is \$0, resulting in an unfunded actuarial accrued liability ("UAAL") of \$7,865,378. The covered payroll (annual payroll of active employees covered by the OPEB Plan) was \$26,703,980. The ratio of the UAAL to the covered payroll was 29.5%.

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

Actuarial Methods and Assumptions

In any long-term actuarial valuation, certain assumptions are made regarding the population, the investment discount rates, and the benefits provided. The actuarial assumptions included healthcare cost trend rates of 7.5%, decreased annually to an ultimate rate of 4.5% after six years. The remaining amortization period at September 30, 2016 was 30 years. The Entry Age actuarial cost method was used, with amortization of the UAAL as a level percent of expected payroll (open over 30 years). This is the most common method used for government pension valuations (and, likely, for OPEB valuations). The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

A table summarizing the actuarial assumptions used is included below:

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

19. Commitments and Contingencies

A. INTERLOCAL AGREEMENTS:

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

Source	Capacity
Orlando McLeod	1,000,000
Orlando Iron Bridge I	4,962,000
Orlando Iron Bridge II	1,000,000
Altamonte Springs	413,524
Total Committed Capacity	7,375,524

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

B. ENCUMBRANCES AND COMMITMENTS:

Encumbrance accounting is employed as an extension of formal budgetary integration for the Governmental Funds. The encumbrance balances at September 30, 2016 were as follows:

	Encumbrances
General Fund	\$ 523,313
Community Redevelopment Fund	7,400
Capital Projects Fund	352,374
Non-Major Governmental Funds:	
Designations Trust Fund	1,650
Stormwater Utility Fund	43,000
Stormwater Capital Projects Fund	557,130
Total Encumbrances	\$ 1,484,867

The most significant of these contracts and purchase orders are outlined in the table below:

Project	Funding Source	Outstanding Commitment
Microsoft License and Server Cost	General Fund	\$137,805
Replacement of SCBA Fire Equipment	General Fund	\$125,000
Construction of Ward Park Restrooms	Capital Projects	\$187,583
Construction of Showalter Stadium Track	Capital Projects	\$82,500
Lake Osceola Alum System Upgrade	Stormwater Capital Projects	\$101,680
Lake Mizell Alum System Upgrade	Stormwater Capital Projects	\$100,189
St. Andrews Trail Safe Routes to School Sidewalk Project - Design Services	Stormwater Capital Projects	\$322,383

C. RISK MANAGEMENT:

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

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

Type of Risk	Amount of Risk Retained by City
Property Liability	\$ 25,000
General Liability	\$ 50,000
Police Liability	\$ 50,000
Automobile Liability	\$ 50,000
Public Officials Liability	\$ 50,000
Workers' Compensation Liability	\$ 250,000
Crime Liability	\$ 50,000
Maximum Aggregate Claim Loss	\$ 1,000,000

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

	Fiscal Year Ending September 30, 2016	Fiscal Year Ending September 30, 2015
Unpaid claims, beginning of fiscal year	\$ 993,000	\$ 993,000
Incurred claims (including IBNRs)	680,838	793,634
Claim payments	(680,838)	(793,634)
Unpaid claims, end of fiscal year	\$ 993,000	\$ 993,000

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

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

D. LITIGATION:

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

E. PENSION INVESTMENT RISKS:

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

The City of Winter Park, Florida
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Taxes				
Property Taxes	\$ 17,927,507	\$ 17,927,507	\$ 17,929,160	\$ 1,653
Utility Taxes	6,680,726	6,680,726	6,582,206	(98,520)
Franchise Fees	1,181,603	1,181,603	1,267,143	85,540
Fines and Forfeitures	937,797	937,797	1,242,855	305,058
Licenses and Permits	2,437,975	2,437,975	3,121,261	683,286
Intergovernmental				
Sales Tax	4,525,403	4,525,403	4,470,609	(54,794)
Local Option Gas Tax	925,363	925,363	1,009,683	84,320
Other Intergovernmental	1,695,171	1,715,171	1,801,489	86,318
Charges for Services	5,796,308	5,796,308	5,938,788	142,480
Investment Earnings	317,000	317,000	281,693	(35,307)
Other	202,000	202,000	219,109	17,109
Transfers from Other Funds	5,081,185	5,081,185	4,998,227	(82,958)
Amounts available for appropriation	47,708,038	47,728,038	48,862,223	1,134,185
Charges to appropriations (outflows):				
General Administration	1,756,671	1,756,671	1,531,507	225,164
Communications	179,390	185,855	151,830	34,025
Financial Services	337,467	337,467	314,696	22,771
Planning	552,252	694,401	676,015	18,386
Building	1,212,538	1,212,538	1,234,567	(22,029)
Public Works	6,229,002	6,448,398	6,401,763	46,637
Police	13,385,918	13,388,511	12,820,778	567,733
Fire	11,814,541	11,828,181	12,075,338	(247,157)
Parks and Recreation	7,171,614	7,191,614	7,527,019	(335,405)
Cultural and Community Services	1,422,472	1,422,472	1,422,872	(1,400)
Non-Departmental Charges	255,000	255,000	-	255,000
Transfers to Other Funds	4,904,457	6,942,216	6,987,093	(44,877)
Total charges to appropriations	49,221,322	51,663,324	51,144,476	518,848
Excess (Deficiency) of Resources Over Charges to Appropriations	(1,513,284)	(3,935,286)	(2,282,253)	1,653,033
Fund Balance Allocation	1,513,284	3,935,286	-	(3,935,286)
Deficiency of Resources Over Charges to Appropriations	\$ -	\$ -	\$ (2,282,253)	\$ (2,282,253)
Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures				
Sources/inflows of resources				
Actual amounts "available for appropriation" from the budgetary comparison schedule.			\$ 48,862,223	
Differences - budget to GAAP:				
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.			(4,998,227)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.			\$ 43,863,996	
Uses/outflows of resources				
Actual amounts "total charges to appropriations" from the budgetary comparison schedule.			\$ 51,144,476	
Differences - budget to GAAP:				
Transfers to other funds are outflows for budgetary resources but are not expenditures for financial reporting purposes.			(6,987,093)	
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.			\$ 44,157,383	

The City of Winter Park, Florida
 Required Supplementary Information
 Budgetary Comparison Schedule
 Community Redevelopment Fund
 For the Year Ended September 30, 2016

The City of Winter Park, Florida
 Required Supplementary Information
 Notes to Budgetary Comparison Schedules – September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Intergovernmental	\$ 1,506,764	\$ 1,506,764	\$ 1,550,967	\$ 44,203
Charges for Services	225,000	225,000	157,335	(67,665)
Investment Earnings	30,000	30,000	42,467	12,467
Other	30,000	30,000	28,701	(1,299)
Transfers from Other Funds	1,390,428	1,390,428	1,435,305	44,877
Amounts available for appropriation	3,182,192	3,182,192	3,214,775	32,583
Charges to appropriations (outflows):				
Planning and Development	1,100,220	1,294,052	933,508	360,544
Cultural and Community Services	63,000	63,000	49,929	13,071
Debt Service - Principal	1,085,000	1,085,000	1,085,000	-
Debt Service - Interest and Other Charges	409,053	409,053	409,053	-
Capital Improvements	1,327,183	1,283,662	67,704	1,215,958
Transfers to Other Funds	3,993	1,003,993	1,003,993	-
Total charges to appropriations	3,988,449	5,138,760	3,549,187	1,589,573
Excess (Deficiency) of Resources Over Charges to Appropriations	(806,257)	(1,956,568)	(334,412)	1,622,156
Fund Balance Allocation	806,257	1,956,568	-	(1,956,568)
Deficiency of Resources Over Charges to Appropriations	\$ -	\$ -	\$ (334,412)	\$ (334,412)

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

Sources/inflows of resources

Actual amounts "available for appropriation" from the budgetary comparison schedule.	\$ 3,214,775
Differences - budget to GAAP:	
Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting purposes.	(1,435,305)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	\$ 1,779,470

Uses/outflows of resources

Actual amounts "total charges to appropriations" from the budgetary comparison schedule.	\$ 3,549,187
Differences - budget to GAAP:	
Transfers to other funds are outflows for budgetary resources but are not expenditures for financial reporting purposes.	(1,003,993)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	\$ 2,545,194

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

- a) In April of each year, the City Manager presents draft budget goals to the City Commission for their consideration and revision if the Commission chooses. These goals become part of the foundation for developing the proposed budget and capital improvement plan.
- b) At the first City Commission meeting in July, the City Manager presents a recommended budget for the next succeeding fiscal year to the City Commission. The recommended budget includes proposed expenditures and the sources of receipts to finance them as well as a capital improvement plan.
- c) Public hearings are conducted to obtain taxpayers comments.
- d) The budget is approved by the Commission and becomes the basis for the millage levied by the Commission.
- e) The City Manager is authorized to transfer budgeted amounts between line items within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Commission. Expenditures may not exceed legal appropriations at the fund level. All appropriations lapse at year-end. For the fiscal year ended September 30, 2016, Building, Fire Department and Parks and Recreation Department had budget overages due to the following reasons:
 - 1) Building – costs of merchant fees paid to credit card companies and payroll exceeded budget estimate. Both were directly caused by increased construction activity and more than offset by related permit fee revenues.
 - 2) Fire – costs of payroll exceeded the budget estimate.
 - 3) Parks and Recreation – spending on tree care caused the budget to be exceeded.
- f) Formal budgetary integration is employed as a management control device during the year for the General Fund and certain Special Revenue Funds. Formal budgetary integration is not employed for the Designations Trust Fund, Affordable Housing Fund, Law Enforcement Trust Fund, Parks Impact Fees Fund, Help Our Park Expand Fund, Police and Firefighter Premium Tax Trust Fund, Debt Service Fund, Capital Projects Fund and Stormwater Capital Projects Fund.
- g) The budgets for the General Fund and certain Special Revenue Funds (Stormwater Utility Fund, Grant Fund and Cemetery Trust Fund) are legally adopted on a basis consistent with generally accepted accounting principles with the exception that budgetary basis expenditures include purchase orders

(encumbrances) issued for goods or services not received at year-end.

- h) Budgeted amounts are as originally adopted, or as amended, in accordance with City ordinance. The General Fund budget for the current year was increased by \$2,442,002 subsequent to its original adoption.
- i) General administration includes divisions that are under the City Manager and do not have their own departmental director.
- j) The Budgetary Comparison Schedules shown in the accompanying supplemental information present comparisons of the legally adopted budget, as amended, with actual results. The originally adopted budget is presented for purposes of comparison to the final, amended budget. The original budget includes the adjustments necessary to bring forward the carry forward appropriation (for unexpended projects and encumbrances) as authorized in the annual budget ordinance. The nonmajor Special Revenue Fund budget comparisons are presented in the Combining Statements section.

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

Police Pension Plan					
Year Ended 9/30	Actuarially Determined Contribution (ADC)	Contributions in relation to the ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2007	\$1,270,195	\$1,244,452	\$25,743	\$5,082,000	24.49%
2008	1,116,967	1,116,967	-	5,152,000	21.68%
2009	1,178,954	1,178,954	-	5,166,000	22.82%
2010	1,448,115	1,448,115	-	5,254,000	27.56%
2011	1,570,089	1,730,694	(160,605)	4,703,000	36.80%
2012	1,701,669	1,837,683	(136,014)	4,261,000	43.13%
2013	2,155,966	2,155,966	-	4,052,000	53.21%
2014	2,261,252	2,261,252	-	5,209,000	43.41%
2015	2,355,980	2,355,980	-	5,306,000	44.40%
2016	2,248,187	2,248,187	-	4,286,000	52.45%

Fire Pension Plan					
Year Ended 9/30	Actuarially Determined Contribution (ADC)	Contributions in relation to the ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2007	\$1,354,977	\$1,354,977	\$-	\$4,941,000	27.42%
2008	1,324,691	1,324,691	-	5,323,000	24.89%
2009	1,529,032	1,529,032	-	5,085,000	30.07%
2010	1,537,037	1,537,037	-	4,838,000	31.77%
2011	1,701,327	1,851,293	(149,966)	4,556,000	40.64%
2012	1,742,515	1,853,995	(111,480)	4,148,000	44.69%
2013	2,038,955	2,038,955	-	4,289,000	47.54%
2014	2,029,490	2,029,490	-	5,553,000	36.55%
2015	1,956,076	1,956,076	-	5,490,000	35.63%
2016	1,887,964	1,887,964	-	4,275,000	44.16%

See Notes to Required Supplementary Information.

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

Schedule of Changes in Net Pension Liability and Related Ratios			
Police Pension Plan			
Last 10 Fiscal Years			
	2016 *	2015**	2014
A. Total Pension Liability:			
Service Cost	\$ 846,677	\$ 801,632	\$ 762,017
Interest	4,318,067	4,168,995	4,089,843
Benefit Changes	-	-	-
Difference Between Actual and Expected Experience	471,628	(663,298)	93,720
Assumption Changes	-	-	1,413,198
Benefit Payments, including Refunds of Member Contributions	(3,626,370)	(3,449,577)	(2,963,743)
Net Change in Total Pension Liability (TPL)	2,010,002	857,752	3,395,035
TPL beginning of year	56,211,878	55,354,126	51,959,091
TPL end of year	\$ 58,221,880	\$ 56,211,878	\$ 55,354,126
B. Plan Fiduciary Net Position:			
Contributions - City and State	\$ 2,248,187	\$ 2,355,980	\$ 2,261,252
Contributions - Member	257,162	258,906	240,151
Net Investment Income	3,227,848	(1,108,385)	4,077,752
Benefit Payments, including Refunds of Member Contributions	(3,626,370)	(3,449,577)	(2,963,743)
Administrative Expenses	(93,432)	(93,432)	(67,201)
Net Change in Plan Fiduciary Net Position	2,013,395	(2,036,508)	3,548,211
Plan Fiduciary Net Position beginning of year	42,256,882	44,293,390	40,745,179
Plan Fiduciary Net Position end of year	\$ 44,270,277	\$ 42,256,882	\$ 44,293,390
C. Net Pension Liability (NPL) end of year (A-B)	13,951,603	13,954,996	11,060,736
D. Plan Fiduciary Net Position as a Percentage of TPL (B/A)	76.04%	75.17%	80.02%
E. Covered Employee Payroll	\$ 4,286,032	\$ 4,315,097	\$ 3,999,782
F. NPL as a Percentage of Covered Employee Payroll (C/E)	325.51%	323.40%	276.53%

96

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

Schedule of Changes in Net Pension Liability and Related Ratios			
Police Pension Plan			
Last 10 Fiscal Years			
(Continued)			
	2016 *	2015**	2014
G. Notes to Schedule:			
Valuation Date	10/01/2015	10/01/2014	10/01/2013
Update procedures used to roll forward the TPL excluding DROP account balances to the measurement dates – actual DROP account balances as of measurement dates included in TPL.			
During 2014, assumption change to investment rate of return (from 8.25% to 7.75%) – no benefit changes. No assumption or benefit changes during 2015 or 2016.			
* Projected - actual amounts will be available after fiscal year end			
** The amounts reported in the prior year were based on actuarial projections. These amounts were updated in the current year.			

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

See Notes to Required Supplementary Information.

97

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

Schedule of Changes in Net Pension Liability and Related Ratios Firefighter Pension Plan Last 10 Fiscal Years			
	2016 *	2015**	2014
A. Total Pension Liability:			
Service Cost	\$ 1,094,871	\$ 1,038,799	\$ 1,034,774
Interest	4,388,515	4,027,050	3,762,630
Benefit Changes	-	-	-
Difference Between Actual and Expected Experience	773,536	166,585	(273,916)
Assumption Changes	-	-	-
Benefit Payments, including Refunds of Member Contributions	(1,493,180)	(1,559,126)	(1,452,381)
Net Change in Total Pension Liability (TPL)	4,763,742	3,673,308	3,071,107
TPL beginning of year	55,504,181	51,830,873	48,759,766
TPL end of year	\$ 60,267,923	\$ 55,504,181	\$ 51,830,873
B. Plan Fiduciary Net Position:			
Contributions - City and State	\$ 1,887,964	\$ 2,020,802	\$ 2,029,490
Contributions - Member	256,538	305,022	353,350
Net Investment Income	3,659,587	(1,433,057)	4,278,932
Benefit Payments, including Refunds of Member Contributions	(1,493,180)	(1,559,126)	(1,452,381)
Administrative Expenses	(87,779)	(87,779)	(73,301)
Net Change in Plan Fiduciary Net Position	4,223,130	(754,138)	5,136,090
Plan Fiduciary Net Position beginning of year	46,938,709	47,692,847	42,556,757
Plan Fiduciary Net Position end of year	\$ 51,161,839	\$ 46,938,709	\$ 47,692,847
C. Net Pension Liability (NPL) end of year (A-B)	9,106,084	8,565,472	4,138,026
D. Plan Fiduciary Net Position as a Percentage of TPL (B/A)	84.89%	84.57%	92.02%
E. Covered Employee Payroll	\$ 4,275,632	\$ 4,351,071	\$ 4,130,864
F. NPL as a Percentage of Covered Employee Payroll (C/E)	212.98%	196.86%	100.17%

98

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

Schedule of Changes in Net Pension Liability and Related Ratios Firefighter Pension Plan Last 10 Fiscal Years (Continued)			
	2016 *	2015**	2014
G. Notes to Schedule:			
Valuation Date	10/01/2015	10/01/2014	10/01/2013
Update procedures used to roll forward the TPL excluding DROP account balances and reserve for excess State funds to the measurement dates – actual DROP account balances and reserve for excess State funds as of measurement dates included in TPL.			
No assumption or benefit changes during 2014, 2015 or 2016.			
* Projected - actual amounts will be available after fiscal year end			
** The amounts reported in the prior year were based on actuarial projections. These amounts were updated in the current year.			

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

See Notes to Required Supplementary Information.

99

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

Schedule of Investment Returns

Annual Money Weighted Rate of Return		
<u>Year Ended</u>	<u>Police Pension</u>	<u>Fire Pension</u>
<u>9/30</u>	<u>Fund</u>	<u>Fund</u>
2009	0.0%	0.3%
2010	9.2%	9.1%
2011	(0.6%)	(1.1%)
2012	17.2%	16.5%
2013	12.9%	12.7%
2014	10.3%	10.2%
2015	(2.7%)	(2.9%)
2016	9.8%	9.4%

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

See Notes to Required Supplementary Information.

The City of Winter Park, Florida
 Required Supplementary Information
 Notes to Pension Schedules – September 30, 2016

- (1) All recommended trend information has been calculated using the Entry Age Actuarial Cost Method.
- (2) For information regarding contribution percentage rates, assumptions, amortization method, etc. (See Note 17A).
- (3) As of the 10/01/95 actuarial valuation date, the following benefit accrual rate change was made to the police and firefighter pension funds:

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

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

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

SCHEDULE OF FUNDING PROGRESS

Year Ended 9/30	Actuarial Value of Assets	Actuarial Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
2010	\$0	\$1,595,582	\$1,595,582	0.0%	\$25,208,613	6.33%
2011	0	6,510,991	6,510,991	0.0%	26,691,335	24.4%
2012	0	7,188,159	7,188,159	0.0%	27,910,706	25.8%
2013	0	7,763,903	7,763,903	0.0%	26,842,887	28.9%
2014	0	8,336,252	8,336,252	0.0%	27,860,769	29.9%
2015	0	7,147,419	7,147,419	0.0%	25,864,249	27.6%
2016	0	7,865,378	7,865,378	0.0%	26,703,980	29.5%

SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER

Year Ended 9/30	Annual Required Contribution	Amount Contributed	Percentage of Annual Required Contribution Contributed	Net OPEB Obligation
2010	\$269,616	\$164,850	61.1%	\$205,292
2011	845,041	273,204	32.3%	777,183
2012	900,407	213,282	23.7%	1,464,509
2013	869,324	284,642	32.7%	2,049,570
2014	908,677	308,212	33.9%	2,650,566
2015	907,443	100,460	11.1%	3,427,514
2016	956,254	142,608	14.9%	4,202,321

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

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

See Notes to Required Supplementary Information

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

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

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

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

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

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

This page intentionally left blank.



Nonmajor Governmental Funds (continued)

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

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

Debt Service Fund

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

Stormwater Capital Projects Fund

The Stormwater Capital Projects Fund is used to account for the Stormwater Capital Project revenues and the related expenditures for Stormwater projects.

The City of Winter Park, Florida
 Combining Balance Sheet
 Nonmajor Governmental Funds
 September 30, 2016

	Special Revenue Funds					
	Designations Trust	Stormwater Utility	Affordable Housing	Law Enforcement Trust	Grant	Parks Impact Fees
ASSETS						
Cash, Cash Equivalents and Investments	\$ 1,048,467	\$ -	\$ 406,175	\$ 443,289	\$ 35,626	\$ 676,072
Accounts Receivable - Net	1,320	217,994	-	-	-	-
Unbilled Service Charges	-	210,955	-	-	-	-
Accrued Interest Receivable	2,605	6,325	1,005	1,096	-	1,672
Due from Other Governments	21,289	19,759	-	-	183,093	-
Inventories	-	38,080	-	-	-	-
Note Receivable	-	-	17,400	-	-	-
Special Assessments Receivable	54,280	-	-	-	-	-
Total Assets	\$ 1,127,961	\$ 493,113	\$ 424,580	\$ 444,385	\$ 218,719	\$ 677,744
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 16,750	\$ 51,963	\$ -	\$ 29,929	\$ 79,440	\$ -
Accrued Liabilities	-	27,198	-	-	1,223	-
Due to Other Funds	-	114,216	-	-	-	-
Total Liabilities	16,750	193,377	-	29,929	80,663	-
Deferred Inflow of Resources:						
Unavailable Revenue on Long-Term Receivables	9,527	-	-	-	-	-
Fund Balances:						
Non Spendable						
Inventories	-	38,080	-	-	-	-
Spendable						
Restricted						
Public Safety	74,000	-	-	414,456	138,056	-
Maintenance and Improvements to Parks	226,912	-	-	-	-	677,744
Community Enhancement Items	656	-	424,580	-	-	-
Committed						
Maintenance and Improvements to Parks	481,937	-	-	-	-	-
Construction Projects	-	261,656	-	-	-	-
Assigned						
Public Safety	42,987	-	-	-	-	-
Maintenance and Improvements to Parks	275,192	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Total Fund Balances	1,101,684	299,736	424,580	414,456	138,056	677,744
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 1,127,961	\$ 493,113	\$ 424,580	\$ 444,385	\$ 218,719	\$ 677,744

Special Revenue Funds (cont.)					Total Nonmajor Governmental Funds
Cemetery Trust	Total	Debt Service	Stormwater Capital Projects		
\$ 1,946,200	\$ 4,555,829	\$ 430,133	\$ 2,594,831	\$	7,580,793
-	219,314	1,339	55,657		276,310
-	210,955	-	-		210,955
4,814	17,517	1,068	-		18,585
-	224,141	-	-		224,141
-	38,080	-	-		38,080
-	17,400	-	-		17,400
-	54,280	1,476,863	-		1,531,143
\$ 1,951,014	\$ 5,337,516	\$ 1,909,403	\$ 2,650,488	\$	9,897,407
\$ -	\$ 178,082	\$ -	\$ 7,851	\$	185,933
-	28,421	-	-		28,421
-	114,216	-	-		114,216
-	320,719	-	7,851		328,570
-	9,527	1,310,416	-		1,319,943
-	38,080	-	-		38,080
-	626,512	-	-		626,512
-	904,656	-	-		904,656
-	425,236	-	-		425,236
1,951,014	2,432,951	-	-		2,432,951
-	261,656	-	2,642,637		2,904,293
-	42,987	-	-		42,987
-	275,192	-	-		275,192
-	-	598,987	-		598,987
1,951,014	5,007,270	598,987	2,642,637		8,248,894
\$ 1,951,014	\$ 5,337,516	\$ 1,909,403	\$ 2,650,488	\$	9,897,407

B-56

The City of Winter Park, Florida
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended September 30, 2016

	Special Revenue Funds					
	Designations Trust	Stormwater Utility	Affordable Housing	Law Enforcement Trust	Grant	Parks Impact Fees
Revenues						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and Forfeitures	135,923	-	-	116,962	-	-
Intergovernmental	33,874	58,352	-	-	1,106,589	-
Charges for Services	68,347	2,457,548	-	-	-	-
Investment Earnings	15,624	35,968	5,843	7,329	3,205	9,719
Other	404,297	-	17,400	-	-	28,000
Total Revenues	658,065	2,551,868	23,243	124,291	1,109,794	37,719
Expenditures						
Current:						
General Administration	2,021	-	-	-	-	-
Planning	76,436	-	-	-	-	-
Public Works:						
Stormwater Management	-	304,463	-	-	-	-
Lakes	-	1,150,805	-	-	-	-
Street Drainage and Maintenance	-	767,938	-	-	-	-
Street Sweeping	-	328,527	-	-	-	-
Police	48,464	-	-	242,272	1,076,511	-
Fire	35,000	-	-	-	-	-
Parks and Recreation	361,924	-	-	-	-	-
Cultural and Community Services	292,000	-	-	-	-	-
Debt Service:						
Principal	-	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-	-
Capital Improvements	-	-	-	-	-	-
Total Expenditures	815,845	2,551,733	-	242,272	1,076,511	-
Excess (Deficiency) of Revenues Over Expenditures	(157,780)	135	23,243	(117,981)	33,283	37,719
Other Financing Sources and (Uses)						
Transfers from Other Funds	335,683	-	-	-	-	-
Transfers to Other Funds	(75,000)	-	-	(77,730)	-	-
Total Other Financing Sources and (Uses)	260,683	-	-	(77,730)	-	-
Net Change in Fund Balances	102,903	135	23,243	(195,711)	33,283	37,719
Fund Balances - Beginning	998,781	299,601	401,337	610,167	104,773	640,025
Fund Balances - Ending	\$ 1,101,684	\$ 299,736	\$ 424,580	\$ 414,456	\$ 138,056	\$ 677,744

Special Revenue Funds (continued)				Debt Service	Stormwater Capital Projects	Total Nonmajor Governmental Funds
Help Our Park Expand	Police and Firefighter Premium Tax Trust	Cemetery Trust	Total			
\$ -	\$ -	\$ -	\$ -	\$ 1,201,145	\$ -	\$ 1,201,145
-	-	-	252,885	-	-	252,885
-	700,239	-	1,899,054	-	125,580	2,024,634
-	-	-	2,525,895	-	726,533	3,252,428
544	-	28,077	106,509	(283)	-	106,026
-	-	282,223	731,920	163,170	-	895,090
544	700,239	310,300	5,516,063	1,364,032	852,113	7,732,208
-	-	-	2,021	-	-	2,021
-	-	-	76,436	-	-	76,436
-	-	-	304,463	-	-	304,463
-	-	-	1,150,805	-	-	1,150,805
-	-	-	767,938	-	-	767,938
-	-	-	328,527	-	-	328,527
-	-	293,834	1,661,081	-	-	1,661,081
-	406,405	-	441,405	-	-	441,405
25,000	-	-	386,924	-	-	386,924
-	-	-	292,000	-	-	292,000
-	-	-	-	2,069,388	-	2,069,388
-	-	-	-	246,330	-	246,330
-	-	-	-	-	459,752	459,752
25,000	700,239	-	5,411,600	2,315,718	459,752	8,187,070
(24,456)	-	310,300	104,463	(951,686)	392,361	(454,862)
-	-	-	335,683	911,009	-	1,246,692
(42,247)	-	(293,572)	(488,549)	-	(18,523)	(507,072)
(42,247)	-	(293,572)	(152,866)	911,009	(18,523)	739,620
(66,703)	-	16,728	(48,403)	(40,677)	373,838	284,758
66,703	-	1,934,286	5,055,673	639,664	2,268,799	7,964,136
-	-	\$ 1,951,014	\$ 5,007,270	\$ 598,987	\$ 2,642,637	\$ 8,248,894

B-57

The City of Winter Park, Florida
 Budgetary Comparison Schedule
 Stormwater Utility Fund
 For the Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Intergovernmental	\$ 12,500	\$ 12,500	\$ 58,352	\$ 45,852
Charges for Services	2,479,127	2,479,127	2,457,548	(21,579)
Investment Earnings	45,000	45,000	35,968	(9,032)
Amounts available for appropriation	2,536,627	2,536,627	2,551,868	15,241
Charges to appropriations (outflows):				
Public Works:				
Stormwater Management	303,484	303,484	304,463	(979)
Lakes	1,147,398	1,171,716	1,150,805	20,911
Street Drainage and Maintenance	772,981	772,981	767,938	5,043
Street Sweeping	312,764	312,764	328,527	(15,763)
Total charges to appropriations	2,536,627	2,560,945	2,551,733	9,212
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(24,318)	135	24,453
Fund Balance Allocation	-	24,318	-	(24,318)
Excess of Resources Over Charges to Appropriations	\$ -	\$ -	\$ 135	\$ 135

The City of Winter Park, Florida
 Budgetary Comparison Schedule
 Grant Fund
 For the Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Intergovernmental	\$ 964,044	\$ 964,044	\$ 1,106,589	\$ 142,545
Investment Earnings	-	-	3,205	3,205
Amounts available for appropriation	964,044	964,044	1,109,794	145,750
Charges to appropriations (outflows):				
Police	964,044	964,769	1,076,511	(111,742)
Total charges to appropriations	964,044	964,769	1,076,511	(111,742)
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(725)	33,283	34,008
Fund Balance Allocation	-	725	-	(725)
Excess of Resources Over Charges to Appropriations	\$ -	\$ -	\$ 33,283	\$ 33,283

B-58

The City of Winter Park, Florida
 Budgetary Comparison Schedule
 Cemetery Trust Fund
 For the Year Ended September 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (inflows):				
Investment Earnings	\$ 40,000	\$ 40,000	\$ 28,077	\$ (11,923)
Other	324,000	324,000	282,223	(41,777)
Amounts available for appropriation	364,000	364,000	310,300	(53,700)
Charges to appropriations (outflows):				
Transfers to Other Funds	294,147	294,147	293,572	575
Total charges to appropriations	294,147	294,147	293,572	575
Excess (Deficiency) of Resources Over Charges to Appropriations	69,853	69,853	16,728	(53,125)
Fund Balance Allocation	(69,853)	(69,853)	-	69,853
Excess of Resources Over Charges to Appropriations	\$ -	\$ -	\$ 16,728	\$ 16,728

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

Sources/inflows of resources

Actual amounts "available for appropriation" from the budgetary comparison schedule.	\$ 310,300
Differences - budget to GAAP:	
None	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 310,300</u>

Uses/outflows of resources

Actual amounts "total charges to appropriations" from the budgetary comparison schedule.	\$ 293,572
Differences - budget to GAAP:	
Transfers to other funds are outflows for budgetary resources but are not expenditures for financial reporting purposes.	<u>(293,572)</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ -</u>

INTERNAL SERVICE FUNDS

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

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

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

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

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

The City of Winter Park, Florida
Combining Statement of Net Position
Internal Service Funds
September 30, 2016

	Governmental Activities Internal Service Funds				Total Internal Service Funds
	Fleet Maintenance	Vehicle Replacement	Employee Insurance	General Insurance	
ASSETS					
Current Assets:					
Cash, Cash Equivalents and Investments	\$ -	\$ -	\$ 3,454,753	\$ 807,920	\$ 4,262,673
Accounts Receivable - Net	-	18,465	4,169	-	22,634
Accrued Interest Receivable	-	3	8,549	1,999	10,551
Inventories	170,386	-	-	-	170,386
Total current assets	<u>170,386</u>	<u>18,468</u>	<u>3,467,471</u>	<u>809,919</u>	<u>4,466,244</u>
Non-Current Assets:					
Capital Assets:					
Depreciable - Net	786	7,818,286	-	5,492	7,824,564
Other Assets:					
Deposits	-	-	202,583	-	202,583
Total non-current assets	<u>786</u>	<u>7,818,286</u>	<u>202,583</u>	<u>5,492</u>	<u>8,027,147</u>
Total Assets	<u>171,172</u>	<u>7,836,754</u>	<u>3,670,054</u>	<u>815,411</u>	<u>12,493,391</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	68,171	27,200	106,571	5,751	207,693
Accrued Liabilities	14,412	618	606,000	995,764	1,616,794
Due to Other Funds	17,622	21,708	-	-	39,330
Accumulated Unused Compensated Absences	20,397	-	-	4,560	24,957
Total Liabilities	<u>185,555</u>	<u>49,526</u>	<u>712,571</u>	<u>1,008,670</u>	<u>1,956,322</u>
Noncurrent Liabilities:					
Accumulated Unused Compensated Absences	64,953	-	-	2,595	67,548
Total Liabilities	<u>185,555</u>	<u>49,526</u>	<u>712,571</u>	<u>1,008,670</u>	<u>1,956,322</u>
NET POSITION					
Net Investment in Capital Assets	786	7,818,286	-	5,492	7,824,564
Unrestricted (Deficit)	(15,169)	(31,058)	2,957,483	(198,751)	2,712,505
Total Net Position	<u>\$ (14,383)</u>	<u>\$ 7,787,228</u>	<u>\$ 2,957,483</u>	<u>\$ (193,259)</u>	<u>\$ 10,537,069</u>

The City of Winter Park, Florida
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Year Ended September 30, 2016

	Governmental Activities Internal Service Funds				Total Internal Service Funds
	Fleet Maintenance	Vehicle Replacement	Employee Insurance	General Insurance	
Operating Revenues:					
Charges for Services	\$ 1,474,572	\$ 1,855,299	\$ 7,793,460	\$ 2,307,448	\$ 13,430,779
Total Operating Revenues	<u>1,474,572</u>	<u>1,855,299</u>	<u>7,793,460</u>	<u>2,307,448</u>	<u>13,430,779</u>
Operating Expenses:					
Operations	1,390,109	-	6,288,281	2,150,861	9,829,251
Depreciation	655	1,238,323	-	1,261	1,240,239
Total Operating Expenses	<u>1,390,764</u>	<u>1,238,323</u>	<u>6,288,281</u>	<u>2,152,122</u>	<u>11,069,490</u>
Operating Income	<u>83,808</u>	<u>616,976</u>	<u>1,505,179</u>	<u>155,326</u>	<u>2,361,289</u>
Nonoperating Revenues (Expenses):					
Investment Earnings (Losses)	(1,751)	(7,176)	50,441	5,617	47,131
Gain on Disposal of Assets	-	223,314	-	-	223,314
Miscellaneous Revenues	-	1,749	2,874	-	4,623
Total Nonoperating Revenues (Expenses)	<u>(1,751)</u>	<u>217,887</u>	<u>53,315</u>	<u>5,617</u>	<u>275,068</u>
Change in Net Position	<u>82,057</u>	<u>834,863</u>	<u>1,558,494</u>	<u>160,943</u>	<u>2,636,357</u>
Total Net Position - Beginning	<u>(96,440)</u>	<u>6,952,365</u>	<u>1,398,989</u>	<u>(354,202)</u>	<u>7,900,712</u>
Total Net Position - Ending	<u>\$ (14,383)</u>	<u>\$ 7,787,228</u>	<u>\$ 2,957,483</u>	<u>\$ (193,259)</u>	<u>\$ 10,537,069</u>

B-60

The City of Winter Park, Florida
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2016

	Fleet Maintenance	Vehicle Replacement	Employee Insurance	General Insurance	Total Internal Service Funds
Cash Flows from Operating Activities					
Receipts from Customers	\$ 35,073	\$ -	\$ -	\$ -	\$ 35,073
Receipts from Interfund Services Provided	1,474,572	1,860,593	7,832,706	2,307,448	13,475,319
Loans from Other Funds	-	21,708	-	-	21,708
Repayment of Loans to Other Funds	(107,779)	-	-	-	(107,779)
Payments to Suppliers	(606,188)	-	(6,224,637)	(45,003)	(6,875,828)
Payments to Employees	(636,969)	-	-	(125,770)	(762,739)
Payments for Interfund Services Used	(156,958)	-	-	(17,182)	(174,140)
Claims Paid	-	-	-	(1,995,228)	(1,995,228)
Other Receipts	-	1,749	2,874	-	4,623
Net Cash Provided by Operating Activities	1,751	1,884,050	1,610,943	124,265	3,621,009
Cash Flows from Capital and Related Financing Activities					
Proceeds from Sale of Assets	-	284,440	-	-	284,440
Purchases of Capital Assets	-	(3,138,220)	-	-	(3,138,220)
Net Cash Used in Capital and Related Financing Activities	-	(2,853,780)	-	-	(2,853,780)
Cash Flows from Investing Activities					
Investment Earnings (Losses)	(1,751)	(4,647)	48,074	5,765	47,441
Net Cash Provided by (Used in) Investing Activities	(1,751)	(4,647)	48,074	5,765	47,441
Net Increase (Decrease) in Cash and Cash Equivalents	-	(974,377)	1,659,017	130,030	814,670
Cash, Cash Equivalents and Investments - Beginning	-	974,377	1,795,736	677,890	3,448,003
Cash, Cash Equivalents and Investments - Ending	\$ -	\$ -	\$ 3,454,753	\$ 807,920	\$ 4,262,673
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:					
Operating Income	\$ 83,808	\$ 616,976	\$ 1,505,179	\$ 155,326	\$ 2,361,289
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:					
Depreciation	655	1,238,323	-	1,261	1,240,239
(Increase) Decrease in Assets:					
Accounts Receivable	35,073	5,294	39,246	-	79,613
Inventories	(12,922)	-	-	-	(12,922)
Increase (Decrease) in Liabilities:					
Accounts Payable	21,462	-	63,644	(17,471)	67,635
Accrued Liabilities	(23,756)	-	-	(2,308)	(26,064)
Due to Other Funds	(107,779)	21,708	-	-	(86,071)
Due to Other Governments	-	-	-	(5,340)	(5,340)
Accumulated Unused Compensated Absences	5,210	-	-	(7,203)	(1,993)
Other Receipts	-	1,749	2,874	-	4,623
Net Cash Provided by Operating Activities	\$ 1,751	\$ 1,884,050	\$ 1,610,943	\$ 124,265	\$ 3,621,009

Note: There were no significant non-cash transactions.

STATISTICAL SECTION (UNAUDITED)

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

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

STATISTICAL SECTION

This part of the City’s Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, not disclosures, and required supplementary information says about the City’s overall financial health.

Contents **Page**

Financial Trends

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

Table 1 – Net Position by Component.....119
 Table 2 – Changes in Net Position.....120
 Table 3 – Fund Balances, Governmental Funds122
 Table 4 – Changes in Fund Balances, Governmental Funds123

Revenue Capacity

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

Table 5 – Assessed and Estimated Actual Value of Taxable Property.....124
 Table 6 – Direct and Overlapping Property Tax Rates.....125
 Table 7 – Principal Property Tax Payers126
 Table 8 – Property Tax Levies and Collections.....127

Debt Capacity

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

Table 9 – Ratios of Outstanding Debt by Type128
 Table 10 – Ratios of General Obligation Bonds Outstanding129
 Table 11 – Direct and Overlapping Governmental Activities Debt130
 Table 12 – Legal Debt Margin Information.....131
 Table 13 – Tax Increment Revenue Bonds Coverage132
 Table 14 – Water and Sewer Revenue Debt Coverage.....133
 Table 15 – Electric Services Revenue Debt Coverage134

Contents (continued)

Page

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 and to help make comparisons over time and with other governments.

Table 16 – Demographic and Economic Statistics135
 Table 17 – Principal Employers.....136

Operating Information

These schedules contain information about the City’s operations and resources to help the reader understand how the City’s financial information relates to the services the City provides and the activities it performs.

Table 18 – Full-time Authorized City Government Employees by Function.....137
 Table 19 – Operating Indicators by Function/Program138
 Table 20 – Supplemental Information for Water and Sewer - Customers139
 Table 21 – Supplemental Information for Water and Sewer - Usage140
 Table 22 – Water & Sewer Rates, Fees and Charges141
 Table 23 – Supplemental Information for Electric – Customers and Usage143
 Table 24 – Residential Electric Service Rates, Fees and Charges144
 Table 25 – General Service Electric Rates, Fees and Charges145
 Table 26 – Capital Asset Statistics by Function/Program146

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

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

	2007	2008	2009	2010	2011	2012	2013	2014 ⁽¹⁾	2015	2016
Governmental activities										
Invested in capital assets, net of related debt	\$ 38,664,090	\$ 41,212,111	\$ 39,073,313	\$ 42,543,338	\$ 44,104,358	\$ 50,151,230	\$ 53,481,088	\$ 55,213,639	\$ 57,725,822	\$ 67,758,859
Restricted	7,106,502	970,414	1,151,993	1,419,405	4,064,284	4,379,320	3,973,362	4,541,982	4,052,195	3,713,163
Unrestricted	5,208,858	12,027,786	16,208,314	18,224,924	18,460,698	14,637,700	14,579,692	701,636	5,372,188	(1,620,415)
Total governmental activities net position	\$ 50,979,450	\$ 54,210,311	\$ 56,433,620	\$ 62,187,667	\$ 66,629,340	\$ 69,168,250	\$ 72,034,142	\$ 60,457,257	\$ 67,150,205	\$ 69,851,607
Business-type activities										
Invested in capital assets, net of related debt	\$ 43,160,902	\$ 45,934,339	\$ 43,191,242	\$ 37,331,556	\$ 41,405,685	\$ 41,715,121	\$ 48,314,979	\$ 52,701,567	\$ 57,759,700	\$ 62,131,622
Restricted	7,109,628	6,109,315	5,581,678	7,436,321	6,059,347	6,427,550	4,539,237	7,295,121	8,227,365	8,402,745
Unrestricted	6,248,968	(1,338,456)	2,810,470	21,766,539	36,699,640	38,165,304	37,730,957	26,808,723	31,663,816	28,136,223
Total business-type activities net position	\$ 56,519,498	\$ 50,705,198	\$ 51,583,390	\$ 55,911,492	\$ 65,413,974	\$ 71,670,275	\$ 76,005,481	\$ 86,163,775	\$ 92,278,693	\$ 100,291,005
Primary government										
Invested in capital assets, net of related debt	\$ 81,824,992	\$ 87,146,450	\$ 82,264,555	\$ 79,874,894	\$ 85,510,043	\$ 91,866,351	\$ 101,796,067	\$ 107,915,206	\$ 115,485,522	\$ 129,890,481
Restricted	14,216,130	7,079,729	6,733,671	8,855,726	10,123,631	10,806,870	8,512,599	11,837,103	12,279,560	12,115,908
Unrestricted	11,457,826	10,690,330	19,018,785	21,236,539	36,699,640	38,165,304	37,730,957	26,808,723	31,663,816	28,136,223
Total primary government activities net position	\$ 107,498,948	\$ 104,915,509	\$ 108,017,010	\$ 118,099,159	\$ 132,043,314	\$ 140,838,525	\$ 148,039,623	\$ 146,621,032	\$ 159,428,898	\$ 170,142,612

⁽¹⁾ As restated.

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

	2007	2008	2009	2010	2011	2012	2013	2014 ⁽¹⁾	2015	2016
Expenses										
Governmental activities:										
General Government	\$ 1,804,748	\$ 1,468,885	\$ 1,363,363	\$ 1,514,171	\$ 1,732,952	\$ 1,435,102	\$ 1,577,803	\$ 1,544,488	\$ 1,472,552	\$ 1,543,467
Communications	239,148	103,384	237,695	172,619	182,525	221,254	167,827	169,636	223,445	202,072
Financial Services	500,859	410,607	390,067	408,181	415,070	443,962	419,939	428,669	340,604	310,721
Planning	1,519,057	1,459,383	832,999	692,737	418,942	624,632	408,618	439,168	717,671	766,226
Building and Code Enforcement	1,529,473	1,571,357	1,384,537	1,245,028	1,290,115	1,288,129	1,010,237	1,101,614	1,143,945	1,226,086
Community Redevelopment Agency	2,138,429	929,999	1,589,300	1,377,840	1,176,585	896,561	789,666	841,240	863,140	994,743
Public Works	15,344,477	11,637,771	11,712,138	10,990,759	10,726,522	10,660,808	10,531,465	10,700,127	10,822,523	10,387,523
Police	12,227,960	11,980,137	12,373,419	12,148,312	12,399,481	12,786,524	13,648,230	14,185,031	13,244,698	16,117,463
Fire	9,565,096	9,612,269	9,854,608	9,975,455	10,161,440	10,179,839	11,071,383	9,227,090	11,456,335	13,803,911
Parks and Recreation	11,421,005	7,820,779	6,951,474	6,561,709	6,534,841	7,082,497	7,986,724	8,499,745	8,450,715	8,665,307
Cultural and Community Services	1,394,350	1,372,698	1,428,712	1,386,212	1,411,212	1,550,212	1,536,560	1,534,560	1,651,580	1,715,872
Interest on Long-Term Debt	1,267,739	1,259,425	1,295,694	1,138,234	1,489,669	1,244,371	1,115,909	808,838	717,333	624,338
Total governmental activities expenses	56,952,341	49,626,394	49,413,806	47,611,227	47,939,354	48,414,391	50,264,361	49,480,206	51,105,561	56,357,729
Business-type activities:										
Water and Sewer	23,290,755	24,949,787	25,592,464	24,335,784	24,204,194	25,142,530	24,576,002	24,115,597	24,233,429	24,332,244
Electric Services	44,014,284	50,356,561	49,404,425	50,901,278	44,740,659	38,582,336	41,777,043	42,742,181	40,597,171	40,736,990
Golf Course	577,615	570,832	541,388	588,025	561,269	-	-	-	-	-
Total business-type activities expenses	67,882,654	75,877,180	75,538,277	75,825,087	69,506,122	63,724,866	66,353,045	66,857,778	64,830,600	65,068,834
Total primary government expenses	124,834,995	125,503,574	124,952,083	123,436,314	117,445,476	112,139,257	116,617,406	116,337,984	115,936,161	121,426,563
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	586	393	2,345	3,085	7,335	714	3,727	322	808	808
Financial Services	-	-	-	3,594	4,140	4,070	3,707	-	-	-
Planning	-	183,659	133,124	121,843	178,842	229,527	242,942	194,717	18,875	13,695
Building	2,949,176	2,106,266	1,529,856	1,533,642	1,823,890	2,269,925	2,599,468	2,899,884	2,455,932	3,186,888
Community Redevelopment Agency	-	-	-	2,852	-	-	-	-	-	-
Public Works	5,490,603	6,011,615	6,059,206	6,593,303	6,228,043	6,383,854	6,497,654	6,425,527	6,764,070	6,937,613
Police	1,194,632	1,138,641	1,393,257	2,003,645	947,721	1,537,583	1,737,712	2,314,133	1,231,448	1,661,158
Fire	536,732	438,801	484,126	581,723	1,138,327	1,228,860	1,292,533	1,407,493	1,260,994	1,411,951
Parks and Recreation	1,764,400	1,897,517	1,479,041	1,363,750	1,679,446	2,199,513	2,577,551	3,230,314	2,839,082	2,655,493
Cultural and Community Services	3,104,461	895,225	1,229,626	1,467,727	1,295,306	1,304,045	3,441,376	1,358,456	1,375,192	1,545,558
Operating Grants and Contributions	1,368,819	1,968,406	711,610	918,976	2,039,034	584,322	824,870	858,465	848,494	302,768
Capital Grants and Contributions	1,368,819	1,968,406	711,610	918,976	2,039,034	584,322	824,870	858,465	848,494	302,768
Total governmental activities program revenues	\$ 16,409,309	\$ 14,640,223	\$ 13,024,043	\$ 14,591,268	\$ 15,341,894	\$ 15,742,413	\$ 19,221,540	\$ 18,689,311	\$ 16,794,895	\$ 17,715,432

⁽¹⁾ As restated.

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

Program Revenues	2007	2008	2009	2010	2011	2012	2013	2014 ⁽¹⁾	2015	2016
Business-type activities:										
Charges for services:										
Water and Sewer	\$ 25,767,241	\$ 24,916,588	\$ 25,005,283	\$ 25,527,710	\$ 26,550,502	\$ 27,401,520	\$ 27,037,647	\$ 27,635,066	\$ 28,138,903	\$ 29,020,089
Electric	50,026,149	47,832,294	54,230,350	58,044,816	53,033,287	46,033,982	49,007,283	49,459,325	47,931,186	47,857,842
Golf Course	439,282	490,210	475,465	441,180	431,373	-	-	-	-	-
Capital Grants and Contributions	1,600,635	343,697	625,364	1,172,909	1,192,206	429,345	1,327,477	2,835,720	368,584	1,028,170
Total business-type activities program revenues	77,833,307	73,882,789	80,336,462	85,186,615	81,207,268	73,864,847	77,372,407	79,980,111	76,438,673	77,906,101
Total primary government program revenues	96,212,016	89,272,012	93,360,920	99,777,883	96,549,262	89,607,500	96,593,917	98,609,422	93,253,568	95,612,133
Net Expenses/Revenue										
Governmental activities	(40,543,032)	(34,986,171)	(36,389,763)	(33,019,959)	(32,597,460)	(32,671,978)	(31,042,821)	(30,790,895)	(34,310,660)	(38,642,297)
Business-type activities	9,850,653	(2,294,391)	4,798,185	9,361,528	11,701,246	10,139,981	11,019,362	13,072,333	11,608,073	12,837,267
Total primary government net expense	(30,692,379)	(37,280,562)	(31,591,578)	(23,658,431)	(20,896,214)	(22,531,997)	(20,023,459)	(17,718,562)	(22,702,587)	(25,805,030)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property Taxes	19,896,736	18,804,953	19,147,853	18,500,179	16,803,908	16,234,482	16,120,619	16,819,797	17,799,839	19,130,305
Franchise Fees	924,327	946,322	1,014,864	1,044,072	1,103,636	1,080,258	1,082,856	1,146,843	1,216,596	1,207,143
Utility Taxes	6,265,881	6,298,905	6,497,752	6,907,742	6,685,087	6,597,923	6,686,075	6,671,552	6,560,897	6,582,206
Intergovernmental Revenues	6,157,197	6,111,079	5,828,029	5,863,195	5,817,003	5,540,171	5,752,828	6,079,159	6,341,019	7,084,112
Investment Earnings	1,246,191	767,091	819,748	678,723	518,879	432,768	658,279	628,969	822,853	487,430
Miscellaneous Revenue	615,934	424,015	445,859	377,815	611,673	871,360	498,086	685,163	1,443,298	1,389,377
Transfer from/to other funds	3,871,732	5,162,067	4,858,967	5,279,280	3,859,424	4,453,926	4,670,444	4,783,217	6,580,780	5,203,126
Total government activities	38,977,998	38,211,032	38,633,072	38,774,006	35,679,610	35,210,888	34,152,676	36,813,700	41,094,202	41,343,699
Business-type activities:										
Investment Earnings	1,161,327	599,208	786,379	360,215	443,248	434,155	(546,674)	468,272	747,072	311,975
Miscellaneous Revenue	82,939	1,042,950	41,525	96,709	1,317,402	136,091	249,824	1,400,966	349,473	66,196
Transfer from/to other funds	(3,871,732)	(5,162,067)	(4,858,967)	(5,279,280)	(3,859,424)	(4,453,926)	(4,670,444)	(4,783,217)	(6,580,780)	(5,203,126)
Total business-type activities	(2,878,466)	(3,519,909)	(4,031,063)	(4,858,356)	(2,189,574)	(3,883,480)	(4,960,291)	(2,910,436)	(5,493,135)	(4,834,955)
Total primary government	36,350,532	34,691,123	34,582,009	33,885,650	33,480,036	31,327,208	29,182,385	33,893,661	35,511,047	36,518,744
Change in Net Position										
Government activities	(1,565,034)	3,230,861	2,221,309	5,754,047	3,082,150	2,538,910	3,109,858	6,022,805	6,693,536	2,701,402
Business-type activities	7,323,187	(8,814,300)	767,122	4,449,172	9,502,482	6,286,301	6,052,068	10,188,294	6,114,918	8,012,312
Total primary government	5,758,153	(5,583,439)	2,992,631	10,203,219	12,584,632	8,795,211	9,161,926	16,211,099	12,808,454	10,713,714

⁽¹⁾ As restated.

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

	2007	2008	2009	2010	2011 ⁽¹⁾	2012	2013	2014	2015	2016
General Fund										
Reserved	\$ 4,444,584	\$ 4,174,934	\$ 3,737,939	\$ 2,880,670	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	1,683,072	2,731,283	4,411,116	6,675,058	-	-	-	-	-	-
Nonspendable	-	-	-	-	138,209	120,909	260,608	104,366	922,405	929,709
Restricted	-	-	-	-	-	-	-	473,532	395,624	965,513
Assigned	-	-	-	-	636,907	584,076	234,842	218,066	384,242	523,313
Unassigned	-	-	-	-	9,553,104	8,953,558	11,432,259	12,380,561	11,043,046	8,044,529
Total general fund	\$ 6,127,656	\$ 6,906,217	\$ 8,149,055	\$ 9,555,728	\$ 10,328,220	\$ 9,658,543	\$ 11,927,709	\$ 13,076,525	\$ 12,745,317	\$ 10,463,064
All Other Governmental Funds										
Reserved	\$ 1,942,932	\$ 1,686,316	\$ 1,043,637	\$ 8,898,038	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	6,573,550	7,248,629	6,868,655	7,019,560	-	-	-	-	-	-
Capital projects funds	1,655,500	3,019,934	3,427,122	3,174,350	-	-	-	-	-	-
Nonspendable	-	-	-	-	79,291	69,617	74,108	55,862	53,547	38,080
Restricted	-	-	-	-	4,581,633	4,252,198	3,945,871	4,541,982	4,052,195	3,713,163
Committed	-	-	-	-	7,927,259	6,175,563	5,204,782	5,438,148	8,079,902	7,660,011
Assigned	-	-	-	-	375,172	318,401	399,972	1,266,420	1,060,685	917,166
Unassigned	-	-	-	-	(139,627)	-	-	-	-	-
Total all other governmental funds	\$ 10,171,982	\$ 11,954,879	\$ 11,339,414	\$ 19,091,948	\$ 12,823,728	\$ 10,815,779	\$ 9,624,733	\$ 11,302,412	\$ 13,246,329	\$ 12,328,420

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

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
REVENUES										
Taxes:										
Property Taxes	\$ 21,216,955	\$ 19,952,957	\$ 21,092,354	\$ 20,148,016	\$ 17,989,570	\$ 17,309,030	\$ 17,150,192	\$ 16,807,610	\$ 17,799,839	\$ 19,130,305
Utility Taxes	6,265,881	6,208,905	6,497,752	6,930,742	6,885,088	6,597,925	6,886,075	6,671,552	6,560,897	6,582,206
Franchise Fees	924,327	946,322	1,014,864	1,044,071	1,103,636	1,080,258	1,082,857	1,146,843	1,216,596	1,267,143
Fines and Forfeitures	1,024,106	920,829	979,206	1,654,709	674,365	1,219,867	1,502,638	2,084,029	1,111,301	1,495,740
Licenses and Permits	2,766,065	2,197,365	1,574,789	1,622,739	1,989,469	2,591,654	2,797,995	3,026,360	2,392,821	3,121,261
Intergovernmental:										
Sales Tax	3,863,459	3,761,241	3,314,364	3,415,838	3,623,327	3,610,003	3,821,379	4,029,181	4,281,355	4,470,609
Local Option Gas Tax	1,027,780	1,002,879	947,843	958,913	914,851	938,926	919,444	928,112	953,010	1,009,683
Other Intergovernmental	5,036,468	4,410,283	3,808,474	4,148,071	5,180,264	3,669,472	5,943,110	5,253,090	5,493,747	5,517,983
Charges for Services	5,595,392	5,590,603	6,333,460	6,785,179	7,500,761	8,227,105	8,697,785	9,101,436	9,054,668	9,348,551
Other	3,994,395	2,532,683	1,586,820	1,704,225	1,825,512	1,676,089	1,003,540	2,579,336	2,860,031	2,596,296
Total Revenues	51,714,828	48,014,067	47,149,926	48,412,503	47,666,843	46,920,329	49,605,015	51,627,549	51,724,265	54,539,777
EXPENDITURES										
Current:										
General Administration	1,810,279	1,499,908	1,535,789	1,645,189	1,840,906	1,706,778	1,557,470	1,590,619	1,448,791	1,533,528
Communications	239,148	107,452	183,229	173,357	176,416	170,485	161,456	116,420	183,808	151,830
Financial Services	506,223	420,670	413,199	370,931	399,555	374,810	353,453	353,522	336,147	314,696
Planning	2,520,238	2,012,060	1,765,193	1,968,578	1,614,178	1,496,927	1,169,709	1,369,843	1,627,552	1,685,959
Building and Code Enforcement	1,562,205	1,580,666	1,416,717	1,239,430	1,261,818	1,293,544	996,040	1,086,410	1,168,623	1,234,567
Public Works	10,553,570	8,930,830	8,770,903	8,372,375	8,205,126	8,570,518	8,236,047	8,407,696	8,417,868	8,953,494
Police	12,417,350	12,348,317	12,732,022	12,922,520	12,815,962	13,085,189	14,036,634	14,116,889	14,969,739	14,481,859
Fire	9,395,706	9,416,751	9,623,766	9,682,588	9,800,694	10,238,541	10,898,091	11,266,113	12,036,331	12,516,743
Parks and Recreation	10,863,374	7,884,895	6,517,654	5,954,608	5,993,814	6,737,713	7,216,629	7,302,925	7,697,189	7,913,943
Capital and Community Services	1,436,850	1,397,698	1,465,712	1,413,185	1,438,337	1,567,880	1,555,190	1,537,193	1,662,580	1,765,801
Debt Service:										
Principal	1,638,377	1,762,890	1,931,427	2,608,779	2,182,201	2,940,878	2,388,425	2,848,631	3,056,638	3,154,388
Interest and Other Charges	1,317,739	1,259,424	1,250,694	1,385,459	1,553,872	1,253,339	912,633	953,194	752,331	655,383
Capital Improvements	6,941,597	4,623,115	4,367,770	5,030,577	11,996,793	4,940,379	3,714,237	2,784,816	3,168,866	8,580,874
Total Expenditures	61,204,656	53,244,676	51,974,075	52,767,576	59,279,673	54,376,881	53,196,014	53,734,271	56,526,463	62,943,065
Deficiency of Revenues Over Expenditures	(9,489,828)	(5,230,609)	(4,824,149)	(4,355,073)	(11,612,830)	(7,456,552)	(3,590,999)	(2,106,722)	(4,802,198)	(8,403,288)
OTHER FINANCING SOURCES AND (USES)										
Transfers In	12,278,784	8,752,166	7,943,086	8,481,819	7,627,958	7,939,728	7,950,094	8,968,353	11,152,166	13,701,284
Transfers Out	(7,907,052)	(3,190,099)	(2,491,564)	(3,067,539)	(3,163,534)	(3,160,802)	(2,854,650)	(4,035,136)	(4,562,466)	(8,498,158)
Impairment of Assets Held for Resale	-	-	-	-	-	-	-	-	(174,793)	-
Issuance of Debt	-	2,230,000	-	8,100,000	-	7,207,770	-	9,800,000	-	-
Pmt to Refunded Bond Escrow Agent	-	-	-	-	-	(7,625,000)	-	(10,226,325)	-	-
Capital Lease Obligation	-	-	-	-	-	1,725,656	-	-	-	-
Total Other Financing Sources and (Uses)	4,371,732	7,792,067	5,451,522	13,514,280	5,772,850	4,778,926	4,669,119	4,933,217	6,414,907	5,203,126
Net Change in Fund Balances	(5,118,096)	2,561,458	627,373	9,159,207	(6,839,980)	(2,677,626)	1,078,120	2,826,495	1,612,709	(3,200,162)
Fund Balances - Beginning	21,417,734	16,299,638	18,861,096	19,488,469	28,991,928	23,151,948	20,474,322	21,552,442	24,378,937	25,991,646
Fund Balances - Ending	\$ 16,299,638	\$ 18,861,096	\$ 19,488,469	\$ 28,647,677	\$ 23,151,948	\$ 20,474,322	\$ 21,552,442	\$ 24,378,937	\$ 25,991,646	\$ 22,791,484
Debt service as a percentage of noncapital expenditures	5.30%	6.23%	6.55%	8.69%	8.03%	8.54%	6.73%	7.36%	7.06%	6.98%

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

Fiscal Year Ended Sept. 30.	Real Property	Personal Property	Centrally Assessed Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2007	\$ 5,381,449,024	\$ 255,814,961	\$ 1,232,368	\$ 1,653,577,239	\$ 3,984,919,114	5.0900	\$ 6,797,466,978	58.62%
2008	6,092,025,651	270,877,113	459,411	1,911,127,287	4,452,234,888	4.3073	7,660,052,254	58.12%
2009	6,167,795,263	266,018,186	1,383,948	1,937,693,755	4,497,503,642	4.3858	7,741,283,098	58.10%
2010	5,767,510,307	253,659,029	1,483,032	1,687,749,821	4,334,902,547	4.3980	7,247,987,510	59.81%
2011	5,023,964,968	237,399,202	1,241,100	1,354,442,999	3,908,162,271	4.4336	6,343,423,034	61.61%
2012	4,524,708,901	236,563,359	1,216,162	968,447,814	3,794,040,608	4.4166	5,754,518,303	65.93%
2013	4,508,441,021	241,139,877	1,281,825	973,409,547	3,777,453,176	4.4183	5,743,766,225	65.77%
2014	4,642,490,933	241,913,558	1,347,341	941,956,617	3,943,795,215	4.4019	5,902,944,213	66.81%
2015	4,872,492,250	249,157,424	1,398,347	938,478,394	4,184,569,627	4.3907	6,186,755,669	67.64%
2016	5,233,704,939	255,752,935	1,414,234	962,440,637	4,528,431,471	4.3673	6,623,719,499	68.37%

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

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

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

Fiscal Year Ended Sept. 30,	Tax Roll	Direct			Overlapping			Total Direct and Overlapping Millage
		City Operating Millage	City Debt Service	Total City Millage	Orange County	Orange County School Board	St. Johns Water Management District	
2007	2006	4.7580	0.3320	5.0900	5.1639	7.1690	0.4620	17.8849
2008	2007	3.9950	0.3123	4.3073	5.1639	7.1210	0.4158	17.0080
2009	2008	4.0923	0.2935	4.3858	4.4347	7.1500	0.4158	16.3863
2010	2009	4.0923	0.3057	4.3980	4.4347	7.6373	0.4158	16.8858
2011	2010	4.0923	0.3413	4.4336	4.4347	7.8940	0.4158	17.1781
2012	2011	4.0923	0.3243	4.4166	4.4347	8.5450	0.3313	17.7276
2013	2012	4.0923	0.3260	4.4183	4.4347	8.4780	0.3313	17.6623
2014	2013	4.0923	0.3096	4.4019	4.4347	8.3620	0.3283	17.5269
2015	2014	4.0923	0.2984	4.3907	4.4347	8.4740	0.3164	17.6158
2016	2015	4.0923	0.2750	4.3673	4.4347	8.2180	0.3023	17.3223

Source: Orange County Property Appraiser's Office

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

Taxpayer	Type of Business	2016			2007		
		Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Winter Park Town Center (Winter Park Village)	Shopping Mall	\$ 55,808,639	1	1.23%	\$ 51,489,552	1	1.29%
Presbyterian Retirement Communities Inc	Retirement Community	40,213,896	2	0.89%	11,016,415	9	0.28%
Winter Park Town Center Development LLC	Paseo Apartments	39,803,831	3	0.88%			0.00%
Rollins College / Langford RCI LLC	Education / Hospitality	29,181,777	4	0.64%	22,226,541	2	0.56%
Embarq FL (Sprint United Management Co)	Telephone Carrier	28,353,083	5	0.63%			0.00%
Mayflower Retirement Center Inc	Retirement Community	26,581,791	6	0.59%	20,211,514	4	0.51%
UP Fieldgate US Investments-Winter Park LLC	Real Estate Developer	20,865,406	7	0.46%			0.00%
SVAP Winter Park, LP	General Contractors	20,849,591	8	0.46%			0.00%
Proteggere LLC	Real Estate Developer	16,678,000	9	0.37%			0.00%
Publix Supermarket Inc	Food Retailer	16,198,177	10	0.36%			0.00%
BFC Park Avenue (250 park Ave)	Trustee				15,933,876	5	0.40%
Elizabeth Morse Genius Foundation	Foundation				21,184,320	3	0.53%
Winter Park Business LLC	Developer				12,490,384	6	0.31%
Holler, Roger W. Jr	Estate				12,227,106	7	0.31%
CD90 Mercantile Plaza	Shopping Mall				11,436,081	8	0.29%
GMS Venture LLC	Real Estate Developer				10,764,500	10	0.27%
Other Taxpayers	-	4,233,897,280	-	93.50%	3,795,938,825	-	95.26%
Total Assessed Value		\$ 4,528,431,471		100.00%	\$ 3,984,919,114		100.00%

Source: Orange County Property Appraiser's Office

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

Fiscal Year Ended Sept. 30,	Tax Levied for the Fiscal Year ⁽¹⁾	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	\$ 20,283,238	\$ 19,873,611	98.0%	\$ 23,126	\$ 19,896,737	98.1%
2008	19,177,111	18,463,803	96.3%	49,710	18,513,513	96.5%
2009	19,725,151	19,331,226	98.0%	49,588	19,380,814	98.3%
2010	19,064,901	18,456,523	96.8%	43,654	18,500,177	97.0%
2011	17,327,228	16,758,247	96.7%	32,927	16,791,174	96.9%
2012	16,756,760	16,170,799	96.5%	51,216	16,222,015	96.8%
2013	16,689,921	16,083,083	96.4%	25,197	16,108,280	96.5%
2014	17,424,870	16,807,610	96.5%	21,521	16,829,131	96.6%
2015	18,420,057	17,751,760	96.4%	48,079	17,799,839	96.6%
2016	19,777,019	19,080,582	96.5%	49,723	19,130,305	96.7%

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

Notes: (1) Gross Taxes before discounts

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

Fiscal Year Ended Sept. 30	Governmental Activities				Business-type Activities		Total Government	Percentage of Personal Income	Per Capita
	General Obligation Bond	Capital Improvement Bonds	Capital Lease Obligations	Notes Payable	Water & Wastewater Revenue Bonds	Electric Revenue Bonds			
2007	\$ 12,120,000	\$ 13,210,077	\$ 283,169	\$ 4,016,951	\$ 62,060,000	\$ 52,890,000	\$ 144,580,197	11.38%	\$ 5,075
2008	11,330,000	12,622,710	239,593	5,861,428	60,990,000	70,760,000	161,803,731	11.83%	5,595
2009	10,520,000	12,015,762	198,194	5,391,949	78,895,000	80,010,000	187,030,905	14.47%	6,544
2010	9,685,000	7,273,009	832,583	16,828,984	77,745,000	79,530,000	191,894,576	15.22%	6,749
2011	8,700,000	6,574,083	2,178,392	16,037,117	78,435,000	78,145,000	190,069,592	14.58%	6,855
2012	7,760,000	5,864,631	1,713,181	15,164,883	75,155,000	76,525,000	182,182,695	13.89%	6,570
2013	6,943,732	5,174,090	1,513,264	14,465,000	68,206,115	68,437,108	164,739,309	12.78%	5,711
2014	5,984,889	4,371,877	1,351,957	13,455,000	71,728,159	71,662,000	168,553,882	12.09%	5,798
2015	4,938,460	3,547,389	1,194,807	12,400,000	68,673,965	69,819,129	160,573,750	11.21%	5,543
2016	3,857,030	2,695,000	1,032,808	11,315,000	65,509,555	69,256,244	153,665,637	10.44%	5,243

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

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

Fiscal Year Ended Sept. 30.	General Obligation Bonds	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2007	\$ 12,120,000	0.18%	\$ 425
2008	11,330,000	0.15%	392
2009	10,520,000	0.14%	368
2010	9,685,000	0.13%	341
2011	8,700,000	0.14%	314
2012	7,760,000	0.13%	280
2013	6,943,732	0.12%	241
2014	5,984,889	0.10%	206
2015	4,938,460	0.08%	170
2016	3,857,030	0.06%	132

Source: City of Winter Park Finance Department

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

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

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ⁽¹⁾	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Orange County District School Board ⁽²⁾	\$ 1,283,016,298	4.02%	\$ 51,624,517
City Direct Debt (Governmental Activities)			<u>18,899,838</u>
Total Direct and Overlapping Debt			<u>\$ 70,524,355</u>

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

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

⁽²⁾ Debt outstanding as of June 30, 2016

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

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

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

- * General obligation bonds.
- * Revenue bonds intended to finance enterprises or projects which involve the purchase, lease and/or acquisition of real property.
- * Revenue bonds which pledge specific non-ad valorem taxes as the primary source(s) of revenue to pay the principal and interest which have a principal value in excess of one million dollars. This dollar limitation is adjusted annually as of the end of the fiscal year in accordance with changes in the cost-of-living index as published by the federal government. The limitation, as adjusted, at September 30, 2016 is \$2,385,652

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

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

Fiscal Year Ended Sept. 30,	Tax Increment Revenue ⁽¹⁾	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2007	\$ 2,536,662	\$ 351,924	\$ 416,460	\$ 768,384	3.30
2008	2,736,168	422,366	419,331	841,697	3.25
2009	3,283,329	436,948	400,498	837,446	3.92
2010	3,172,003	456,778	517,908	974,686	3.25
2011	2,309,577	791,868	718,129	1,509,997	1.53
2012	2,090,103	872,234	683,013	1,555,247	1.34
2013	2,003,379	490,000	435,864	925,864	2.16
2014	2,127,789	1,010,000	476,425	1,486,425	1.43
2015	2,391,268	1,055,000	443,378	1,498,378	1.60
2016	2,986,272	1,085,000	409,053	1,494,053	2.00

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

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

Fiscal Year Ended Sept. 30.	Gross Revenue	Less: Operation and Maintenance Expense	Net Pledge Revenue Available for Debt Services	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2007	\$ 27,221,990	\$ 17,160,641	\$ 10,061,349	\$ 1,035,000	\$ 2,980,168	\$ 4,015,168	2.51
2008	25,589,426	18,520,255	7,069,171	1,070,000	3,657,461	4,727,461	1.50
2009	25,441,139	18,534,852	6,906,287	1,105,000	3,214,962	4,319,962	1.60
2010	25,807,742	16,546,462	9,261,280	1,150,000	2,563,648	3,713,648	2.49
2011	26,847,541	16,109,450	10,738,091	2,410,000	3,284,962	5,694,962	1.89
2012	27,684,531	16,655,358	11,029,173	2,495,000	3,150,076	5,645,076	1.95
2013	26,736,801	16,665,960	10,070,841	2,590,000	3,282,121	5,872,121	1.72
2014	28,626,592	16,750,478	11,876,114	2,700,000	3,183,842	5,883,842	2.02
2015	28,737,710	16,913,674	11,824,036	2,780,000	3,085,768	5,865,768	2.02
2016	29,222,001	17,601,300	11,620,701	2,890,000	2,975,388	5,865,388	1.98

- Notes:
- Schedule includes debt service requirements for Water and Sewer Revenue Bonds, Series 1996, 2002, 2004, 2009, 2010 and 2011. Minimum debt service coverage is net revenues of 1.25 times debt service becoming due and payable in each year.

The bonds and interest due thereon are payable from and secured by a prior lien upon a pledge of the net revenues derived by the City from the operation of the Water and Suburban Sewer System.
 - Gross Revenues are defined by the bond covenants as all income and earnings derived by the City from the ownership, operation, leasing, or use of the system and investment income, excluding impact fees and interest earned thereon.
 - Operation and maintenance expenses are defined as the cost of operation and maintenance as defined by the bond covenant, as current expenses, paid or accrued, less depreciation and amortization expenses.

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

Fiscal Year Ended Sept. 30.	Gross Revenue	Less: Operation and Maintenance Expense	Net Pledge Revenue Available for Debt Services	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2007	\$ 49,694,293	\$ 39,067,324	\$ 10,626,969	\$ 575,000	\$ 2,629,729	\$ 3,204,729	3.32
2008	47,901,111	44,365,015	3,536,096	600,000	4,228,044	4,828,044	0.73
2009	54,774,922	44,042,317	10,732,605	625,000	3,350,348	3,975,348	2.70
2010	57,655,512	45,345,525	12,309,987	480,000	2,057,171	2,537,171	4.85
2011	53,560,437	38,783,305	14,777,132	1,430,000	2,680,183	4,110,183	3.60
2012	45,725,647	32,285,000	13,440,647	1,620,000	2,747,512	4,367,512	3.08
2013	48,382,824	35,382,805	13,000,019	2,430,000	2,691,964	5,121,964	2.54
2014	49,253,533	36,664,439	12,589,094	1,765,000	2,652,149	4,417,149	2.85
2015	48,205,402	34,597,872	13,607,530	1,735,000	2,784,944	4,519,944	3.01
2016	47,014,090	34,796,389	12,217,701	2,225,000	2,571,562	4,796,562	2.55

- Notes:
- Schedule includes debt service requirements for Electric Revenue Bonds, Series 2005A, 2005B, 2007, 2009A, 2009B, 2010, 2014 and 2014A. Minimum debt service coverage is net revenues of 1.25 times debt service becoming due and payable in each year.

The bonds and interest due thereon are payable from and secured by a prior lien upon a pledge of the net revenues derived by the City from the operation of the Electric System.
 - Gross Revenues are defined by the bond covenants as all income and earnings derived by the City from the ownership, operation, leasing, or use of the system and investment income, excluding capital expansion and system improvement grants.
 - Operation and maintenance expenses are defined as the cost of operation and maintenance as defined by the bond covenant, as current expenses, paid or accrued, less depreciation and amortization expenses.
 - Pledge revenues are defined as gross revenues less operation and maintenance expense.
 - Debt service coverage fell below the required minimum of 1.25 in fiscal year 2008 due to high interest costs on auction rate bonds and underrecovery of fuel costs. The City has since refunded most of the auction rate bonds with fixed rate bonds and reviews its fuel cost recovery rates on a quarterly basis and adjusts as necessary.

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

Year	City Population	Orange County Population ¹	City Personal Income (Thousand)	City Per Median Household Income	Orange County Median Household Income	City Education		Unemployment Rate			
						High School Graduates	College Graduates	City of Winter Park	Orlando- Kissimmee MSA	Orange County	Florida
2007	28,486	1,105,603	\$ 1,270,933	\$ 45,155	\$ 23,963	3,358	14,249	2.9	4.1	4.1	4.4
2008	28,921	1,114,979	1,367,573	48,227	23,776	2,686	8,033	5.0	6.5	6.4	6.9
2009	28,581	1,108,882	1,292,919	45,237	25,560	2,582	8,935	8.5	11.6	11.5	11.3
2010	28,434	1,145,956	1,260,678	44,337	28,117	3,071	10,368	9.1	11.8	11.8	12.1
2011	27,727	1,157,342	1,303,751	47,021	39,394	3,429	14,154	7.9	10.2	10.1	10.6
2012	27,728	1,175,941	1,311,673	47,305	52,624	3,419	12,136	6.9	8.5	8.4	8.6
2013	28,847	1,199,801	1,289,503	45,753	45,968	3,418	15,991	5.4	6.3	6.2	6.9
2014	29,073	1,227,995	1,393,865	44,504	50,738	3,700	12,485	4.6	5.7	5.6	6.1
2015	28,967	1,200,241	1,432,389	49,449	47,556	3,595	12,918	4.5	4.3	4.7	5.6
2016	29,308	1,229,039	1,472,170	59,405	47,943	2,962	12,950	4.4	4.4	4.3	4.9

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

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

Notes: N/A - Information is not available.

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

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

Employer	Type of Business	2016		
		Employees	City Rank	Percentage of Total City Employment
Florida Hospital Winter Park ¹	Health	1,550	1	10.04%
Orange County Schools ¹	Education	649	2	4.21%
City of Winter Park	Government	517	3	3.35%
Gecos Inc	Construction	450	4	2.92%
Publix	Food Retailer/Supermarket chain	301	5	1.95%
Rollins College	Education	298	6	1.93%
Other Employers	Various	11,667		75.60%
Total Labor Force		15,432		100.00%

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

¹ Source used for employees is Dun & Bradstreet reports.

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

Function/Program	Full-time authorized Employees as of September 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
City Manager	4	4	3	3	3	3	4	3	3	4
Budget								1	1	1
City Clerk	2	2	2	2	2	2	2	2	2	1
Communications	4	4	3.5	3.5	3.5	3.5	3.5	4	4	4
Human Resources	4	4	4	4	4	4	3	3	3	3
Purchasing	4	4	3	3	3	3	3	3	3	3
Information Technology Services	7	7	7.5	7.5	7.5	7.5	7.5	7.5	8	8
Finance	10	10	9	9	9	9	9	9	9	9
Forestry										4
Police	120	120	118	115	115	114	114	114	114	115
Fire	73	74	74	77	77	76	78	81	82	82
Public Works	36	36	34	34	35	35	35	35	34	35
Planning/Building & Code Enforcement	26	26	22	18	20	20	20	20	19	16
Parks/Recreation	85	85	74	72	74	77	71	62	62	62
Subtotal for General Fund	375	376	354	348	353	354	350	344	344	347
Special Revenue										
Stormwater Utility	27	27	21	21	21	22	22	22	22	22
Community Redevelopment	4	3	5	4	3	3	3	2	4	4
Subtotal for Special Revenue	31	30	26	25	24	25	25	24	26	26
Business-Type										
Water/Sewer Service	137	138	134	131	125	125	119	119	116	114
Electric Service	4	4	4	4	3	3	6	3	3	3
Golf Course	6	6	6	6	6	0	0	-	-	-
Subtotal for Business-Type	147	148	144	141	134	128	125	122	119	117
Internal Service										
Fleet	13	13	13	12	12	12	12	10	10	10
General Insurance	1	1	1	1	1	1	1	1	1	2
Subtotal for Internal Services	14	14	14	13	13	13	13	11	11	12
Total	567	568	538	527	524	520	516	501	500	501

Source: City Annual Budget

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

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police⁽¹⁾										
# of 911 Calls Received	N/A	N/A	N/A	N/A	N/A	N/A	20,812	23,820	23,922	22,130
Average Response times, Priority one	2:05	2:27	2:18	2:16	2:17	2:32	2:26	2:51	2:25	2:33
Felony & misdemeanor arrests	1,496	1,295	1,331	928	519	942	1,125	883	495	1,233
Traffic accidents and citations	13,804	14,297	14,364	12,716	10,059	10,347	13,026	14,317	15,351	10,677
Fire⁽²⁾										
Baseline Measurement (Fire) at 90%										
Call Handling-Pick-up to dispatch	N/A	N/A	.64	.63	.65	.47	.54	.55	.50	.55
Turnout-1st Unit-All Priority One Calls	N/A	N/A	2:03	2:07	2:07	.53	.58	1:11	1:30	.70
Travel	N/A	N/A	6:06	5:55	5:55	4:09	7:33	6:30	6:10	4:54
Travel 1st Unit-Distribution	N/A	N/A	8:24	8:24	8:38	5:43	6:09	5:33	5:50	5:19
Travel Time Effective Response-Concentration	N/A	N/A	8:36	8:25	8:25	7:38	7:56	7:35	7:30	8:04
Total Response Time	N/A	N/A	11:24	11:24	11:33	9:53	8:01	9:41	8:50	8:29
Travel 1st Unit on Scene-Distribution	N/A	N/A	2:44	2:03	2:07	1:14	.58	1:14	0:50	0:73
Travel Time Effective Response-Concentration	N/A	N/A	6:25	6:06	5:55	4:07	5:57	5:19	5:25	4:49
Total Response Time	N/A	N/A	9:12	11:53	8:38	5:54	5:33	5:32	6:49	4:52
Travel 1st Unit on Scene-Distribution	N/A	N/A	8:58	8:36	8:25	7:24	7:15	7:13	7:54	8:21
Travel Time Effective Response-Concentration	N/A	N/A	11:18	14:38	11:33	9:38	8:05	7:40	8:41	8:24
Public Works										
Traffic Control										
New signs made/installed	731	1,022	1,802	1,989	532	427	654	498	953	1,181
Signs repaired	148	191	295	515	160	199	87	176	306	58
Environmental Protection										
Linear feet of new pipe installed	1,132	2,869	2,495	2,086	1,008	2,074	1,008	340	1,480	475
Linear feet of damaged pipe replaced	184	163	140	136	215	230	104	96	64	200
Standard inlets installed	15	28	20	40	15	12	4	6	12	5
Street sweepers (miles per week)	161	162	130	130	130	130	125	125	125	162
Leaves removed and hauled (cubic yards)	1,469	2,035	1,462	1,750	2,700	2,700	5,040	4,070	3,701	3,890
Fleet										
Percent of entire fleet availability	99.15%	99.21%	99.37%	99.11%	99.20%	99.26%	98.23%	98.05%	98.33%	98.36%
Preventive maintenance completed	1,698	1,741	1,484	1,259	1,672	1,171	1,176	1,108	1,450	1,497
Building and Code Enforcement										
Permits issued	5,490	4,242	3,417	4,351	3,684	3,700	4,880	6,336	6,437	6,150
Estimated construction value of permits issued (millions)	\$ 123	\$ 98	\$ 65	\$ 172	\$ 176	\$ 100	\$ 124	\$ 170	\$ 116	\$ 202
Parks and Recreation										
Venue Rentals-All Venues	4,051	4,385	4,082	4,083	3,621	4,425	4,335	4,425	6,628	6,234
Recreation ID's Issued	N/A	N/A	N/A	N/A	N/A	2,615	2,513	2,679	2,692	2,092
Community Center Programming Count	N/A	N/A	26,298	16,248	16,759	38,685	55,813	72,960	73,484	71,381
Rounds of Golf	36,458	27,914	27,916	22,933	22,755	23,745	29,940	33,623	32,988	13,624

Source: Various City departments.

Notes:

⁽¹⁾ Provided for calendar year.

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

N/A - Information is not available.

City of Winter Park, Florida
Table 20
 Supplemental Operating Indicators for:
 Water & Sewer-Customers
 September 30, 2016

NUMBER OF WATER SYSTEM CUSTOMERS						
		11-12	12-13	13-14	14-15	15-16
Commercial:						
	Inside	1,692	1,727	1,745	1,747	1,800
	Outside	1,146	1,149	1,136	1,150	1,148
Multi-Dwelling:						
	Inside	347	351	344	337	333
	Outside	586	593	583	584	580
Public Authority:						
	Inside	218	222	220	223	225
	Outside	53	58	58	61	62
Residential:						
	Inside	10,702	10,754	10,824	10,840	10,846
	Outside	8,541	8,499	8,493	8,540	8,583
Total Inside		12,959	13,054	13,133	13,147	13,204
Total Outside		10,326	10,299	10,270	10,335	10,372
Total Customers		23,285	23,353	23,403	23,482	23,576

MAJOR WATER AND SEWER USERS (CONSUMPTION = 1,000 GALLONS)					
Inside City Limits					
	Adventist Health Systems				42,863
	Rollins College				38,083
	Winter Park Town Center LTD				18,897
	Winter Park Towers				18,343
	City of Winter Park				13,807
	Mayflower Retirement Center				12,410
	Orange County Schools, Court, Rec				10,508
	Four Seasons Condo				10,043
	Waterfall Cove At Winter Park				8,208
	The Meadows				7,561
	Total Inside				180,919
Outside City Limits					
	BRK Winter Park L.P.				25,784
	Sun Key Holdings, LLC				21,032
	Picene Development Corp				19,670
	W P 436 Apartments				17,238
	Anne Winter Park				16,079
	Sutton Place Property Holdings				14,843
	ZMG Property Mgmt Division, LLC				14,598
	Hidden Oaks Condo				14,228
	BRK Florida Partners, The Shoals				12,595
	Summerlin At Winter Park				12,538
	Total Outside				168,605
Total Consumption of Largest Users (Inside and Outside)					349,524

City of Winter Park, Florida
Table 21
 Supplemental Operating Indicators for:
 Water & Sewer Operation-Usage
 September 30, 2016

ANNUAL WATER USAGE (thousands of gallons)						
		11-12	12-13	13-14	14-15	15-16
Commercial:						
	Inside	497,614	484,688	504,058	540,449	539,612
	Outside	372,445	370,758	365,205	316,713	357,058
Multi-Dwelling:						
	Inside	140,486	146,245	138,511	147,862	132,366
	Outside	414,817	408,503	409,315	432,894	575,295
Public Authority:						
	Inside	181,129	199,302	76,646	73,424	77,181
	Outside	11,913	11,599	12,424	13,695	11,526
Residential:						
	Inside	1,367,466	1,283,305	1,275,171	1,331,913	1,323,310
	Outside	617,308	580,116	566,790	601,610	560,746
Total Inside		2,186,695	2,113,540	1,994,386	2,093,648	2,072,469
Total Outside		1,416,483	1,370,976	1,353,734	1,364,912	1,304,625
Total Consumption		3,603,178	3,484,516	3,348,120	3,458,560	3,377,094

ANNUAL SEWER USAGE (thousands of gallons)						
		11-12	12-13	13-14	14-15	15-16
Commercial:						
	Inside	268,598	270,927	285,728	292,262	313,993
	Outside	206,816	210,318	215,618	213,816	210,177
Multi-Dwelling:						
	Inside	122,041	120,867	121,805	115,907	116,404
	Outside	381,908	348,278	350,603	353,673	363,583
Public Authority:						
	Inside	22,214	22,418	20,097	20,271	20,760
	Outside	4,673	7,213	5,413	3,876	5,335
Residential:						
	Inside	555,785	544,054	539,222	539,665	553,609
	Outside	264,088	293,563	257,599	287,836	289,588
Total Inside		968,638	958,266	966,852	968,105	1,004,766
Total Outside		857,485	859,372	829,233	859,201	868,683
Total Consumption		1,826,123	1,817,638	1,796,085	1,827,306	1,873,449

**City of Winter Park, Florida
Table 22
Water and Sewer Rates, Fees and Charges
September 30, 2016**

Inside the City Limits				
	Water (Residential)	Water (Commercial/ Public Authority)	Water (Irrigation)	Sewer
Rates per 1,000 gallons of consumption				
Block 1	\$ 1.18	\$ 1.18	\$ 2.50	\$ 4.61
Block 2	1.75	1.75	3.34	4.61
Block 3	2.50	2.50	4.28	4.61
Block 4	3.34	3.34	6.20	4.61
Block 5	4.28	4.28	6.20	4.61
Block 6	6.20	4.28	6.20	4.61
Base ERM Charge	8.62	8.62	8.62	10.19
Additional Unit Charge	4.64	4.64	4.64	5.48

Outside the City Limits				
	Water (Residential)	Water (Commercial/ Public Authority)	Water (Irrigation)	Sewer
Rates per 1,000 gallons of consumption				
Block 1	\$ 1.47	\$ 1.47	\$ 3.12	\$ 5.76
Block 2	2.18	2.18	4.17	5.76
Block 3	3.12	3.12	5.35	5.76
Block 4	4.17	4.17	7.75	5.76
Block 5	5.35	5.35	7.75	5.76
Block 6	7.75	5.35	7.75	5.76
Base ERM Charge	10.78	10.78	10.78	12.73
Additional Unit Charge	5.80	5.80	5.80	6.85

ERM = Equivalent Residential Meter

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

Notes:

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

**City of Winter Park, Florida
Table 22 (continued)
Water and Sewer Rates, Fees and Charges
September 30, 2016**

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

Block Structure Price Breaks by Meter Size:

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

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

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

Notes:

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

B-74

City of Winter Park, Florida
 Table 23
 Supplemental Operating Indicators
 for Electric Operations
 September 30, 2016

ELECTRIC SYSTEM CUSTOMERS AND USAGE										
	11-12		12-13		13-14		14-15		15-16	
	# Customers	Kilowatt Hours	# Customers	Kilowatt Hours	# Customers	Kilowatt Hours	# Customers	Kilowatt Hours	# Customers	Kilowatt Hours
Commercial:	2,329	213,918,639	2,366	212,962,006	2,374	218,597,990	2,383	217,765,411	2,387	220,923,995
Public Authority:	284	24,338,908	285	22,939,766	287	23,753,687	290	23,345,813	295	24,736,381
Residential:	11,648	177,778,338	11,828	177,364,535	12,021	183,271,300	12,292	187,371,272	12,265	191,571,478
Total Customers	14,261	416,035,885	14,479	413,266,307	14,682	425,622,977	14,965	428,482,496	14,947	437,231,854

MAJOR ELECTRIC USERS		Kilowatt Hours
Rollins College		23,869,736
Adventist Health Systems		21,644,921
Orange County Schools, Court, Rec		11,897,220
City of Winter Park		10,281,273
Publix Markets		8,917,782
Embarq Florida, Inc		8,088,549
Mayflower Retirement Center		6,673,990
Presbyterian Retirement Center (Wpark Towers)		5,684,497
Alford Inn		2,888,880
250 Park Avenue Trustee, Inc		2,853,104
Charles H. Elizabeth Morse Genius		2,554,454
Central Florida YMCA		2,538,160
Whole Foods Market Group, Inc		2,379,443
Winter Park Retirement Center, Inc		2,094,000
Regal Cinemas, Inc		1,993,400
Total Consumption of Largest Users		114,359,409

[THIS PAGE INTENTIONALLY LEFT BLANK]

**City of Winter Park, Florida
Table 24
Residential Electric Service Rates, Fees and Charges
September 30, 2016**

Residential Rates		
Customer charge	\$ 9.55	per month
1st 1,000 kWh	\$ 0.066250	per kWh
All kWh above 1,000	\$ 0.078150	per kWh
Fuel Cost Recovery Factor, 1st 1,000 kWh	\$ 0.031490	per kWh
Fuel Cost Recovery Factor, all kWh above 1,000	\$ 0.041490	per kWh
Gross Receipts Tax	2.5641%	
Franchise Fee Equivalent	6.0000%	
Electric Utility Tax	10.0000%	

Service Charges		
Opening an account at a new service location	\$ 61.00	
Reconnect service	\$ 28.00	
Reconnect service after a disconnection for nonpayment or violation of a rule or regulation	\$ 42.50	
Reconnection after normal business hours	\$ 85.00	
Dishonored check	\$ 25.00	or 5% of the check amount, whichever is greater

Lighting Service (LS)		
This service is available from dusk to dawn with various automatically controlled light fixtures		
Fixture and Maintenance Charge		Depends upon fixture type
Customer charges (per line of billing):		
Metered Accounts	\$ 3.49	per month
Non Metered Accounts	\$ 1.22	per month
Energy and Demand Charge	\$ 0.023490	per kWh
Fuel Cost Recovery Factor	\$ 0.035390	per kWh
Gross Receipts Tax	\$ 0.025641	
Franchise Fee Equivalent	\$ 0.060000	
Electric Utility Tax	\$ 0.100000	

Notes:

- (1) Fuel Cost Recovery Factors are adjusted periodically, if necessary, based on actual fuel costs.
- (2) Rates on this table became effective Oct 1, 2015

**City of Winter Park, Florida
Table 25
General Service Electric Rates, Fees and Charges
September 30, 2016**

Non-Demand (GS-1) Rates will also apply to Temporary Service (TS-1)		
Customer charges:		
Non Metered Accounts	\$ 7.11	per month
Metered Accounts:		
Secondary Delivery Voltage	\$ 12.61	per month
Primary Delivery Voltage	\$ 159.44	per month
Energy and Demand Charge	\$ 0.066930	per kWh
Fuel Cost Recovery Factor	\$ 0.035390	per kWh
Gross Receipts Tax	\$ 0.025641	
Franchise Fee Equivalent	\$ 0.060000	
Electric Utility Tax	\$ 0.100000	
Electric State Sales Tax	\$ 0.070000	Commercial Only
Electric State Sales Tax Surcharge	\$ 0.005000	Commercial Only

Non-Demand (100% Load Factor Usage (GS-2) (For customers with fixed wattage loads operating continuously throughout the billing period)		
Customer charges:		
Non Metered Accounts	\$ 7.45	per month
Metered Accounts	\$ 13.21	per month
Energy and Demand Charge	\$ 0.033090	per kWh
Fuel Cost Recovery Factor	\$ 0.035390	per kWh
Gross Receipts Tax	\$ 0.025641	
Franchise Fee Equivalent	\$ 0.060000	
Electric Utility Tax	\$ 0.100000	
Electric State Sales Tax	\$ 0.070000	Commercial Only
Electric State Sales Tax Surcharge	\$ 0.005000	Commercial Only

Demand (GSD-1) Rates will also apply to Temporary Service (TS)		
Applicable to any customer other than residential with a measurable annual kWh consumption of 24,000 kWh or greater per		
Customer charges:		
Secondary Delivery Voltage	\$ 13.14	per month
Primary Delivery Voltage	\$ 166.20	per month
Demand Charge	\$ 4.590000	per kWh
Energy Charge	\$ 0.038300	per kWh
Fuel Cost Recovery Factor	\$ 0.035390	per kWh
Gross Receipts Tax	\$ 0.025641	
Franchise Fee Equivalent	\$ 0.060000	
Electric Utility Tax	\$ 0.100000	
Electric State Sales Tax	\$ 0.070000	Commercial Only
Electric State Sales Tax Surcharge	\$ 0.005000	Commercial Only

Notes:

- (1) Rate changes on this table became effective on Oct 1, 2015.

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

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Function										
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	3	3	3	3	3	3	3	3	3	3
City Limits										
Square Miles	10	10	10	10	10	10	10	10	10	10
Streets										
Paved (miles)	133.0	133.0	133.0	133.0	133.0	133.0	133.0	133.0	133.0	133.0
Unpaved (miles)	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Sidewalks (miles)	137.0	137.3	155.0	155.0	155.0	155.0	155.0	156.0	156.0	156.0
Bikepaths (miles)	23.3	23.3	23.3	23.3	23.3	23.3	23.3	23.3	23.3	23.3
Culture and Recreation										
Recreation centers	6	6	3	3	4	6	6	6	6	6
Major Parks	7	7	7	12	9	13	13	15	15	15
Mini Parks & playgrounds	48	48	42	45	45	46	37	41	49	49
Parks acreage	293	293	298	298	298	298	298	336	346	346
Fleet										
Vehicles and other heavy equipment	400	400	400	400	400	400	400	413	413	413
Water & Sewer										
Water Plants	3	3	3	3	3	3	3	3	3	3
Re-pump station	1	1	1	1	1	1	1	1	1	1
Water mains (miles)	555	555	556	558	558	559	559	560	560	560
Water maximum capacity (thousands of gallons)	28,800	28,800	28,800	28,800	28,800	28,400	28,400	28,800	28,800	28,800
Deep wells	8	8	8	8	8	8	6	6	6	6
Sewer force mains (miles)	44	44	44	44	44	45	45	45	45	45
Sewer gravity lines (miles)	140	142	142	143	143	143	143	147	147	147
Lift stations	87	87	87	87	86	101	101	104	104	104
Stormwater stations	2	2	2	2	2	2	2	2	2	2
Disposal (Wastewater) plants	1	1	1	1	1	1	1	1	1	1
Electric										
Electric Substations	2	2	2	2	2	2	2	2	2	2

Sources: Various City departments

[THIS PAGE INTENTIONALLY LEFT BLANK]



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

Mayor and City Commission
City of Winter Park, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Winter Park, Florida (the "City") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 21, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Mayor and City Commission
City of Winter Park, Florida

Compliance and Other Matters

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

We noted certain matters that we have reported to management of the City in a separate letter dated March 21, 2017.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 21, 2017

B-78



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Mayor and City Commission
City of Winter Park, Florida

Report on Compliance for Each Major Federal Program

We have audited the compliance of the City of Winter Park, Florida (the "City") with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2016. The City's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2016.

Mayor and City Commission
City of Winter Park, Florida

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 21, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis, as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

B-79

Mayor and City Commission
City of Winter Park, Florida

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance (Cont.)

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



MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 21, 2017

[THIS PAGE INTENTIONALLY LEFT BLANK]

The City of Winter Park, Florida
 Schedule of Expenditures of Federal Awards
 For the Year Ended September 30, 2016

Agency/Federal Program	CFDA Number	Grant/Contract Number	Award Amount	Federal Expenditures
U.S. Department of Homeland Security				
Pass-through State of Florida, Department of Financial Services, Division of Emergency Management				
Homeland Security Grant Program	97.067	16-DS-T9-06-58-01-385	\$ 28,800	21,289
Total U.S. Department of Homeland Security				<u>21,289</u>
U.S. Department of Transportation				
Pass-through State of Florida, Department of Transportation				
St. Andrews Trail	20.205	G0070	450,000	125,580
Joint Participation Agreement - Aloma Gap Decorative Street Lighting	20.205	ARX03	288,685	111,315
Pedestrian and Bicycle Safety Enforcement Campaign	20.205	BDV25	19,470	4,905
Brookshire Elementary School Sidewalk	20.205	G0001	95,108	94,337
Better Late Than Never SPEED Campaign	20.600	GO533	37,700	11,425
Total U.S. Department of Transportation				<u>347,562</u>
U.S. Department of Agriculture				
Pass-through State of Florida, Department of Agriculture				
Urban and Community Forestry	10.664	21537	20,000	20,000
Total U.S. Department of Agriculture				<u>20,000</u>
U.S. Department of Justice				
Edwards Byrne Memorial Justice Assistance Grant Program	16.738	2016-JAGC-ORAN-8-H3-088	10,000	10,000
Edwards Byrne Memorial Justice Assistance Grant Program	16.738	2016-JAGD-ORAN-3-H4-025	7,421	7,421
Edwards Byrne Memorial Justice Assistance Grant Program	16.738	2017-JAGE-ORAN-1-E8-001	26,683	26,683
Bulletproof Vest Partnership Program-OJP Vest Partnership	16.607	OMB #1121-0235	5,800	5,800
HIDTA - High Intensity Drug Traffic Area	95.001	G14CF0011A	833,825	7,269
HIDTA - High Intensity Drug Traffic Area	95.001	G15CF0011A	958,674	511,637
HIDTA - High Intensity Drug Traffic Area	95.001	G16CF0011A	951,674	579,790
Total U.S. Department of Justice				<u>1,148,600</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ <u>1,537,451</u>

NOTE 1 Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes federal awards activity of the City of Winter Park, Florida. Grant revenues are recognized only when allowable program costs have been incurred. This revenue recognition criteria for grants is applied to all funds. In addition, grant revenues are recognized in governmental funds when the availability criteria has been met. The information in this schedule is presented in accordance with the Uniform Guidance. The City did not elect to use the 10% de minimis indirect cost rate.

[THIS PAGE INTENTIONALLY LEFT BLANK]

CITY OF WINTER PARK, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2016

CITY OF WINTER PARK, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
For the Year Ended September 30, 2016

Section I - Summary of Independent Auditor's Results

Financial Statements

Type of Auditor's Report Issued: **Unmodified Opinion**

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

Internal control over major programs:

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

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

Any audit findings disclosed that are required to be reported in accordance with Section 200.516 of the Uniform Guidance? ___ Yes X No

Identification of Major Program:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
95.001	HIDTA – High Intensity Drug Traffic Area

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

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

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

No matters are reported.

Section III - Federal Award Findings and Questioned Costs Section reported in accordance with the Uniform Guidance.

No matters are reported.

Section IV - Status of Prior Year Findings

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

B-82



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Mayor and City Commission
City of Winter Park, Florida

Report on the Financial Statements

We have audited the basic financial statements of the City of Winter Park, Florida (the "City") as of and for the fiscal year ended September 30, 2016, and have issued our report thereon dated March 21, 2017.

Auditor's Responsibility

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

Other Reports and Schedule

We have also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance, Schedule of Findings and Questioned Costs, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 21, 2017, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition

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

Mayor and City Commission
City of Winter Park, Florida

Financial Condition (Cont.)

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

Annual Financial Report

Sections 10.554(1)(i)5.b. and 10.556(7), *Rules of the Auditor General*, require that we report the results of our determination as to whether the annual financial report for the City for the fiscal year ended September 30, 2016, filed with the Florida Department of Financial Services, pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2016. In connection with our audit, we determined that these two reports were in agreement.

Special District Component Units

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

Other Matters

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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

Purpose of this Letter

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

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 21, 2017

B-83



INDEPENDENT ACCOUNTANT'S REPORT

Mayor and City Commission
City of Winter Park, Florida

We have examined the City of Winter Park, Florida's (the "City") compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2016. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
March 21, 2017

This page intentionally left blank.



B-84

APPENDIX C

Bond Resolution

[Exhibits to Bond Resolution Intentionally Omitted]

[THIS PAGE INTENTIONALLY LEFT BLANK]

RESOLUTION NO. 2184-17

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WINTER PARK, FLORIDA AUTHORIZING THE ISSUANCE IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$30,000,000 GENERAL OBLIGATION BONDS, SERIES 2017 FOR THE PURPOSE OF FINANCING THE ACQUISITION AND CONSTRUCTION OF THE WINTER PARK LIBRARY AND EVENTS CENTER AND RELATED IMPROVEMENTS IN THE CITY; PROVIDING THAT SUCH BONDS SHALL BE PAYABLE FROM AD VALOREM TAXATION; PROVIDING FOR THE LEVY OF NECESSARY AD VALOREM TAXES; AUTHORIZING THE AWARDED OF SAID BONDS PURSUANT TO A PUBLIC BID; DELEGATING CERTAIN AUTHORITY FOR THE AWARD OF THE BONDS, AND THE APPROVAL OF THE TERMS AND DETAILS OF SAID BONDS; AUTHORIZING THE PUBLICATION OF A NOTICE OF SALE FOR THE BONDS OR A SUMMARY THEREOF; APPOINTING THE PAYING AGENT AND BOND REGISTRAR FOR SAID BONDS; AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND THE EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT WITH RESPECT TO SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

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

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the Florida Constitution, Chapter 166, Florida Statutes, Sections 100.201-100.351, Florida Statutes, the Charter of the City of Winter Park, Florida (the "Issuer") and other applicable provisions of law (hereinafter collectively referred to as the "Act"), and a majority vote of the electors of the Issuer on March 15, 2016.

SECTION 2. FINDINGS. It is hereby found and determined:

(A) It serves a paramount public purpose and is in the best interest of the Issuer and the general public to issue General Obligation Bonds, Series 2017 in an aggregate principal amount not to exceed \$30,000,000 (the "Bonds") to finance all or a portion of the costs of the acquisition and construction of certain capital improvements in the City to include a new library and events center consisting of library facilities, civic meeting and gathering facilities and related parking structure, and all purposes incidental thereto and the demolition and removal of the existing civic center (collectively, the "Project") so long as such bonds are approved by a majority vote of the electors who are owners of freeholds therein not wholly exempt from taxation.

(B) Pursuant to Ordinance No. 3020-15 enacted by the City Commission on November 23, 2015 (the "Ordinance"), an election was held on March 15, 2016 to determine if the electors of the Issuer approved of the issuance of not exceeding \$30,000,000 of general obligation bonds of the Issuer for the purpose of financing the Project, payable from ad valorem taxes on all the taxable property within the Issuer (the "Bond Referendum"). The Bond Referendum was duly held and conducted in all respects according to law, and a majority of electors casting a ballot voted in favor of the issuance of such bonds for such purpose.

(C) Article VII, Section 12 of the Florida Constitution provides that upon approval by a majority vote of the electors municipalities may issue bonds payable from ad valorem taxation to finance capital projects authorized by law.

(D) The Issuer deems it necessary, beneficial and in its best interest to provide for the issuance of the Bonds to finance the Project and to pay the costs of issuance related thereto, including reimbursing the Issuer for certain costs previously paid by the Issuer pursuant to Resolution No. 2180-17 adopted by the Issuer on February 27, 2017 (the "Reimbursement Resolution").

(E) Ad valorem taxes levied by the Issuer in accordance with this Resolution should be sufficient to pay all principal of and interest and redemption premium, if any, on the Bonds to be issued hereunder, as the same become due, and to make all required deposits or payments required by this Resolution.

(F) The full faith, credit and unlimited taxing power and the ad valorem taxes of the Issuer are expected to be sufficient to pay principal of and interest on the Bonds.

(G) Upon the advice of Public Financial Management, Inc. the City's Financial Advisor (the "Financial Advisor") and in light of the current interest rate market, the City deems it to be in its best interest to issue the Bonds for the purposes described herein.

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

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

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

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

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

(M) The issuance of the Bonds and their sale to the Underwriters will serve a public purpose and in all respects conform to the provisions and requirements of the Act.

SECTION 3. DEFINITIONS. As used in this Resolution:

“AUTHORIZED OFFICER” means the City Manager or the Finance Director of the City, or their designees, or with respect to the Bond Registrar, shall mean any officer authorized by the bylaws or other official action of the Bond Registrar to perform the applicable function or services.

“BOND COUNSEL” means Bryant Miller Olive P.A., or any other attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

“BOND REFERENDUM” shall have the same meaning as set forth above in Section 2.

“BOND REGISTRAR AND PAYING AGENT” means initially, U.S. Bank National Association and its successors and assigns or any trust company or bank with trust powers appointed from time to time by supplemental resolution of the City Commission to serve under this Resolution.

“BOND SERVICE PAYMENT DATE” means the date in which any component of Debt Service Requirement becomes due.

“BOND YEAR” means each twelve-month period ending on July 1st of each year.

“BONDS” means the City of Winter Park, Florida General Obligation Bonds, Series 2017, to be issued pursuant to this Resolution.

“CITY” means the City of Winter Park, Florida.

“CITY ATTORNEY” means the City Attorney of the Issuer.

“CITY MANAGER” means the City Manager of the Issuer, or his or her designee.

“CITY COMMISSION” means the City Commission of the Issuer.

“CLERK” means the City Clerk of the Issuer, any Deputy Clerk, or his or her designee.

“CODE” means the Internal Revenue Code of 1986, as amended.

“COSTS OF ISSUANCE FUND” means the “City of Winter Park, Florida General Obligation Bonds, Series 2017, Costs of Issuance Fund” created pursuant to Section 17(B) hereof.

“DEBT SERVICE FUND” means the “City of Winter Park, Florida General Obligation Bonds, Series 2017, Debt Service Fund” created pursuant to Section 17(A) hereof.

“DEBT SERVICE REQUIREMENT,” for any Bond Year, means the sum of the amount required to be deposited into the Debt Service Fund in such year.

“FEDERAL SECURITIES” means direct obligations of the United States of America and obligations the principal of and interest on which are fully guaranteed by the United States of America, none of which permit redemption prior to maturity at the option of the obligor.

“FINANCE DIRECTOR” means the Finance Director of the Issuer, any Assistant Finance Director, or his or her designee.

“FINANCIAL ADVISOR” shall mean Public Financial Management Inc. or such other persons or firms appointed by the Issuer.

“HOLDER” or “HOLDER OF BONDS” or “BONDHOLDER” or any similar term means any person who shall be the registered owner of any outstanding Bonds.

“ISSUER” means the City of Winter Park, Florida.

“MAYOR” means the Mayor or Vice Mayor of the City of Winter Park, Florida.

“PERMITTED INVESTMENTS” means investments permitted by applicable law and the written investment policy of the Issuer.

“PROJECT” shall have the same meaning as set forth above in Section 2.

“PROJECT FUND” means the “City of Winter Park, Florida General Obligation Bonds, Series 2017, Project Fund” created pursuant to Section 17(C) hereof.

“RESOLUTION” means this Resolution, as the same may be amended and supplemented from time to time.

The terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof” and any similar terms, shall refer to herein; the term heretofore shall mean before the date of enactment of this Resolution; and the term “hereafter” shall mean after the date of enactment of this Resolution. Words importing the masculine gender include every other gender. Words importing the singular number include the plural number, and vice versa.

SECTION 4. AUTHORIZATION OF THE BONDS. (A) There is hereby authorized to be issued the “City of Winter Park, Florida General Obligation Bonds, Series 2017,” in one or more series as shall be designated by the City, in an aggregate principal amount not to exceed Thirty Million Dollars (\$30,000,000). The Mayor shall determine the aggregate principal amount of the Bonds prior to their issuance in accordance with the Official Notice of Sale, or as provided in a supplemental resolution as described in Section 4(C) below, provided the aggregate principal amount does not exceed \$30,000,000. The Bonds are issued for the principal purposes of financing all or a portion of the Project and paying certain costs of issuance incurred with respect to the Bonds.

The Bonds shall be dated as of their date of delivery (or such other date as the Mayor may determine), shall be numbered consecutively from one upward in order of maturity preceded by the letter “R”, shall be issued in the form of fully registered Bonds in denominations of \$5,000 and any integral multiple thereof, shall be issued initially in book-entry only form of registration, shall bear interest from their date of delivery (or such other date as the Mayor may determine), payable semi-annually on each January 1 and July 1, commencing on January 1, 2018 (or such other date as the Mayor may determine) and on each maturity date thereof. The Bonds shall bear interest computed on the basis of a 360-day year consisting of twelve 30-day months.

(B) The City hereby delegates to the Mayor and the City Manager the authority to determine the terms of the Bonds, including, but not limited to, (i) the dated date, (ii) the principal amount and whether such Bonds are issued as serial or term Bonds, (iii) the maturity dates and amounts, (iv) the interest payment dates, (v) the amortization installments and other mandatory redemption features, if any, (vi) the sale date and the delivery date, (vii) whether to establish a reserve account for the Bonds, and (viii) all other details of the Bonds, and to take

such further action as shall be required for carrying out the purposes of this Resolution. The City hereby authorizes the newspaper publication of the Summary Notice of Sale pursuant to the requirements of law, and the distribution of the Official Notice of Sale based on the advice of the Financial Advisor. The award of the sale of the Bonds by the Mayor and the City Manager to underwriters by competitive sale is subject to satisfaction of the following criteria: (i) all applicable disclosure information required by Section 218.385, Florida Statutes, is provided by the purchasers, (ii) the aggregate principal amount of the Bonds does not exceed \$30,000,000, and (iii) the final maturity of the Bonds shall not have a term longer than 20 years from their date of issuance in accordance with the Bond Referendum.

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

(C) Notwithstanding anything in this Resolution to the contrary, the Bonds may be issued in one or more series pursuant to certain terms and provisions, including, but not limited to, the type of sale of such Bonds as shall be provided in a subsequent resolution to be adopted by the City, and the issuance of such Bonds shall not be inconsistent with the Ordinance or the Bond Referendum.

SECTION 5. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Resolution shall be deemed to be and shall constitute a contract between the Issuer and such Holders. The covenants and agreements herein set forth to be performed by the Issuer shall be for the equal benefit, protection and security of the legal Holders of any and all of such Bonds, all of which shall be of equal rank and without preference, priority or distinction of any of the Bonds over any other thereof, except as expressly provided therein and herein.

SECTION 6. DESCRIPTION OF THE BONDS. The Bonds shall be issued in fully registered form, shall be dated, shall be numbered consecutively from R-1 upward and shall be in the denomination of \$5,000 each, or integral multiples thereof, shall bear interest at a rate or rates not exceeding the maximum rate allowed by law, payable semiannually in each year on such dates, shall be serial bonds or term bonds, shall mature on such dates with a final maturity not later than 20 years from their date of issuance, and may be subject to redemption prior to maturity, all as shall be fixed by the Official Notice of Sale, provided, however, the Bonds shall not be awarded to any bidder unless the true interest cost set forth in the winning bid (as calculated by the Financial Advisor) is equal to or less than 5.00%.

Each Bond shall bear interest from the Bond Service Payment Date next preceding the date on which it is authenticated, unless authenticated on a Bond Service Payment Date, in which case it shall bear interest from such Bond Service Payment Date, or, unless authenticated prior to the first Bond Service Payment Date, in which case it shall bear interest from its date;

provided, however, that if at the time of authentication, interest is in default, such Bond shall bear interest from the date to which interest shall have been paid.

The principal of and the interest on the Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The principal of the Bonds shall be payable only to the registered Holder or his legal representative at the principal corporate trust office of the Bond Registrar and Paying Agent, and payment of the interest on the Bonds shall be made by the Bond Registrar and Paying Agent on each Bond Service Payment Date to the person appearing on the registration books of the Issuer hereinafter provided for as the registered Holder thereof, by wire transfer or check mailed to such registered Holder at his address as it appears on such registration books maintained by the Bond Registrar on the 15th day of the calendar month (whether or not a business day) preceding the interest payment date. Payment of the principal of all Bonds shall be made upon the presentation and surrender of such Bonds as the same shall become due and payable. Interest on the Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

SECTION 7. EXECUTION. Said Bonds shall be signed by, or bear the facsimile signature of the Mayor, shall be attested and countersigned by or bear the facsimile signature of the Clerk. The official seal of the Issuer shall be imprinted on each Bond.

SECTION 8. SIGNATURES; REGISTRATION. In the event that any officer whose signature, or a facsimile of whose signature, shall appear on any Bond shall cease to be such officer before the delivery of such Bonds, said signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he or she had remained in office until such delivery. Any Bond may bear the facsimile signature of, or may be signed by, such person who, at the actual time of the execution of such Bonds, shall be the proper officer to sign such Bonds although, at the date of said Bonds, such person may not have been such an officer.

Only such of the Bonds as shall have been endorsed thereon, a certificate of authentication substantially in the form hereinbelow set forth, duly executed by the Bond Registrar and Paying Agent, as authenticating agent, shall be entitled to any benefit or security under this Resolution. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly and manually executed by the Bond Registrar and Paying Agent, and such certificate of the Bond Registrar and Paying Agent upon any such Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Resolution. The certificate of authentication on any Bond shall be deemed to have been duly executed if signed by an authorized officer of the Bond Registrar and Paying Agent, but it shall not be necessary that the same officer sign the certificate of authentication of all of the Bonds that may be issued hereunder at any one time.

Any Bonds, upon surrender thereof at the principal corporate trust office of the Bond Registrar and Paying Agent, together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar

and Paying Agent, may, at the option of the Bondholder, be exchanged for an aggregate principal amount of Bonds equal to the designated amount of the Bond or Bonds so surrendered.

The Bond Registrar and Paying Agent shall make provision for the exchange of Bonds at the principal corporate trust office of the Bond Registrar and Paying Agent.

SECTION 9. NEGOTIABILITY, REGISTRATION AND TRANSFER OF BONDS. The Bond Registrar and Paying Agent shall keep books for the registration of transfers of Bonds as provided in this Resolution. The transfer of any Bonds may be registered only upon such books and only upon surrender thereof to the Bond Registrar and Paying Agent together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar and Paying Agent. Upon any such registration of transfer, the Issuer shall execute, and the Bond Registrar and Paying Agent shall authenticate and deliver in exchange for such Bond, a new Bond or Bonds registered in the name of the transferee, and in an aggregate principal amount equal to the principal amount of such Bond or Bonds so surrendered.

In all cases in which Bonds shall be exchanged, the Issuer shall execute, and the Bond Registrar and Paying Agent shall authenticate and deliver, at the earliest practicable time, Bonds in accordance with the provision of this Resolution. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Bond Registrar and Paying Agent. The Issuer or the Bond Registrar and Paying Agent may make a charge for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made to any Bondholder for the privilege of exchanging or registering the transfer of Bonds under the provisions of this Resolution. Neither the Issuer nor the Bond Registrar and Paying Agent shall be required to make any such exchange or registration of transfer of Bonds during fifteen (15) days immediately preceding any Bond Service Payment Date or, in the case of any proposed redemption of the Bonds then, for the Bonds called for redemption, during the fifteen (15) days preceding the date of the mailing of notice of such redemption and continuing until such redemption date.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or redemption price of any such Bond, and the interest on any such Bonds, shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond including the premium, if any, and interest thereon to the extent of the sum or sums so paid.

SECTION 10. BONDS MUTILATED, DESTROYED, STOLEN OR LOST. In case any Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer may, in its sole discretion, cause to be executed, and the Bond Registrar and Paying Agent shall authenticate and deliver, a new Bond of like date and tenor as the Bond so mutilated, destroyed, stolen or

lost, in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the Issuer and the Bond Registrar and Paying Agent proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer and the Bond Registrar and Paying Agent may prescribe and paying such expenses as the Issuer and the Bond Registrar and Paying Agent may incur. All Bonds so surrendered shall be canceled by the Issuer. If any of the Bonds shall have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same, upon being indemnified as aforesaid, and if such Bond is lost, stolen or destroyed, without surrender thereof.

SECTION 11. REDEMPTION PROVISIONS. The terms of this Section 11 shall apply to redemption of the Bonds.

(A) Prior Redemption. The Bonds may be subject to redemption prior to their maturity as shall be fixed by the Official Notice of Sale.

(B) Selection of the Bonds to be Redeemed. The Bonds shall be redeemed only in the principal amount of \$5,000 each and integral multiples thereof. The Issuer shall, at least sixty (60) days prior to the redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount of the Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of the Bonds to be redeemed shall be selected not more than forty-five (45) days prior to the redemption date by the Bond Registrar from the outstanding Bonds of the maturity or maturities designated by the Issuer by such method as the Bond Registrar shall deem fair and appropriate and which may provide for the selection for redemption of the Bonds or portions of the Bonds in the principal amounts of \$5,000 and integral multiples thereof.

If less than all of the outstanding Bonds of a single maturity are to be redeemed, the Bond Registrar shall promptly notify the Issuer and Paying Agent (if the Bond Registrar is not the Paying Agent for such Bonds) in writing of the Bonds or portions of the Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

(C) Notice of Redemption. Notice of redemption shall be given by the deposit in the United States mail of a copy of the redemption notice, postage prepaid, at least thirty (30) and not more than sixty (60) days before the redemption date, to all registered owners of the Bonds or portions of the Bonds to be redeemed at their addresses as they appear on the registration books to be maintained in accordance with this Section 11. Failure to mail any such notice or any defect therein shall not affect the validity of the proceedings for redemption of any Bond or portion thereof with respect to which no failure or defect occurred. Any notice mailed as provided in this Section 11 shall be conclusively presumed to have been duly given, whether or not the owner of such Bond receives such notice.

Each such notice shall set forth the date fixed for redemption, the redemption price to be paid and, if less than all of such Bonds, of one maturity are to be called, the distinctive numbers of such Bonds to be redeemed and, in the case of Bonds to be redeemed in part only, the portion of the principal amount thereof to be redeemed.

Any notice of optional redemption given pursuant to this Section 11 may state that it is conditional upon receipt by the Paying Agent of moneys sufficient to pay the redemption price, plus interest accrued to the redemption date, or upon the satisfaction of any other condition, or that it may be rescinded upon the occurrence of any other event, and any conditional notice so given may be rescinded at any time before payment of such redemption price and accrued interest if any such condition so specified is not satisfied or if any such other event occurs. Notice of such rescission shall be given by the Paying Agent to affected Holders of such Bonds as promptly as practicable upon the failure of such condition or the occurrence of such other event.

So long as the Bonds are registered in the name of Cede & Co., as nominee of DTC (as defined in Section 24) (or in the name of any successor securities depository), notices of redemption and notices of revocation of redemption notices shall only be given on behalf of the Issuer to Cede & Co., or any such successor securities depository.

(D) Effect of Notice of Redemption; Payment. Notice having been given in the manner and under the conditions provided under this Section 11, subject to the right of revocation as heretofore described, the Bonds or portions of the Bonds so called for redemption shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Bonds or portions of the Bonds on such date. On the date so designated for redemption, moneys for payment of the redemption price being held in separate accounts by the Paying Agent in trust for the registered owners of the Bonds or portions of the Bonds to be redeemed, interest on the Bonds or portions of the Bonds so called for redemption shall cease to accrue, such Bonds and portions of the Bonds shall cease to be entitled to any lien, benefit or security under this Resolution, and the registered owners of such Bonds or portions of the Bonds shall have no right in respect thereof except to receive payment of the redemption price thereof and to receive the Bonds for any unredeemed portions of such Bonds. All Bonds which have been redeemed shall be canceled by the Bond Registrar and shall not be reissued.

(E) Redemption of Portions of the Bonds. Any Bond which is to be redeemed only in part shall be surrendered at any place of payment specified in the notice of redemption (with due endorsement by, or written instrument of transfer in form satisfactory to, the Bond Registrar duly executed by, the Holder thereof or such Holder's attorney duly authorized in writing) and the Issuer shall execute and the Bond Registrar shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds, of the same interest rate and maturity, and of any authorized denomination as requested by the Holder, in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bonds so surrendered.

SECTION 12. FORM OF BONDS. The Bonds shall be in substantially the following form, with such omissions, insertions and variations as may be necessary and desirable and authorized or permitted in this Resolution or in any supplemental resolution of the City Commission enacted prior to the issuance thereof:

[Form of Fully Registered Bond]

Unless this certificate is presented by an authorized representative of The Depository Trust Company to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

NO. R-__ \$ _____

CITY OF WINTER PARK, FLORIDA
GENERAL OBLIGATION BOND, SERIES 2017

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
--------------------------	--------------------------	-----------------------------------	--------------

REGISTERED HOLDER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The City of Winter Park, Florida (herein called the "Issuer"), a municipal corporation of the State of Florida (herein called the "State"), is justly indebted and for value received hereby promises to pay to the Registered Holder shown above or registered assigns or legal representative on the Maturity Date specified above (or earlier as hereinafter referred to), upon the presentation and surrender hereof, at the principal office of U.S. Bank National Association, in the City of _____, Florida (the "Bond Registrar" and "Paying Agent"), the Principal Amount shown above, and to pay to the Registered Holder hereof, by check or draft mailed to the Registered Holder at his address as it appears on the Bond registration books of the Issuer, or by wire transfer to the Registered Holder of at least \$1,000,000 aggregate Principal Amount of the Bonds (as hereinafter defined), interest on such Principal Amount from the date hereof or from the January 1 or the July 1 next preceding the date of authentication to which interest shall have been paid, unless such date of authentication is January 1 or July 1 to which interest shall have been paid, in which case from such date, such interest to the maturity hereof being payable on January 1 and July 1 in each year, commencing January 1, 2018, and on each maturity date thereof, at the Interest Rate per annum specified above, until payment of such Principal Amount.

This Bond is one of an authorized issue of Bonds, in the aggregate principal amount of \$ _____ of like date, tenor and effect, except as to number, interest rate and maturity,

issued to finance all or a portion of the costs of the acquisition and construction of certain capital improvements in the City of Winter Park, Florida, to include a new library and events center consisting of library facilities, civic meeting and gathering facilities and related parking structure, and all purposes incidental thereto and the demolition and removal of the existing civic center (collectively, the "Project"), under the authority of and in full compliance with the Constitution and laws of the State of Florida.

The Bonds are issued pursuant to the Constitution of the State of Florida, Chapter 166, Florida Statutes, Sections 100.201-100.351, Florida Statutes, and other applicable provisions of law, a majority vote of the electors of the Issuer on March 15, 2016, and Ordinance No. 3020-15 enacted by the City Commission of the Issuer on November 23, 2015, as amended and supplemented from time to time (the "Ordinance") and Resolution No. [____]-17 duly adopted by the City Commission of the Issuer on May 8, 2017 (the "Resolution" and together with the Ordinance, the "Bond Legislation"), and are subject to all the terms and conditions of said Bond Legislation.

The Bonds are payable from ad valorem taxes on all the taxable property within the Issuer, as provided in the Bond Legislation and herein. The Bond Legislation requires that in each year while any of the Bonds are outstanding, there shall be levied and collected an ad valorem tax, without limitation as to rate or amount, on all taxable property within the Issuer (excluding homestead exemptions and other exemptions as heretofore or hereafter provided by applicable law), in an amount which will be sufficient to pay the principal of and interest on the Bonds as they become due.

For the prompt payment of the principal of and interest on this Bond as the same shall become due, the full faith, credit and unlimited taxing power of the City of Winter Park, Florida is hereby irrevocably pledged.

It is hereby certified and recited that all acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of this Bond, have happened, exist and have been performed in due time, form and manner as required by the Constitution and the laws of the State of Florida applicable thereto; that the total indebtedness of said Issuer, including the issue of Bonds of which this Bond is one, does not exceed any constitutional or statutory limitation; and that provision has been made for the levy and collection of a direct annual ad valorem tax without limitation as to rate or amount upon all taxable property within the Issuer, sufficient to pay, together with other moneys available, if any, the principal of and interest on the Bonds as the same shall become due, which tax shall be levied, assessed and collected at the same time, and in the same manner as other ad valorem taxes are levied, assessed and collected.

This Bond is and has all the qualities and incidents of a negotiable instrument under the Uniform Commercial Code - Investment Securities Law of the State of Florida.

[Insert Redemption Provisions]

Any such redemption, either in whole or in part, shall be made in the manner and upon the terms and conditions provided in the Resolution. Notice of such redemption shall be given in the manner provided in the Resolution.

This transfer of this Bond is registrable by the registered owner hereof or his duly authorized attorney or legal representative at the office of the Bond Registrar and Paying Agent, but only in the manner and subject to the conditions provided in the Resolution and upon surrender and cancellation of this Bond.

The Bond Registrar shall not be required to exchange or register any transfer of this Bond after this Bond has been selected for redemption.

IN WITNESS WHEREOF, the City of Winter Park, Florida, has issued this Bond and has caused the same to be executed by its Mayor, and its corporate seal to be impressed, imprinted or otherwise reproduced hereon and attested by its City Clerk, all as of June [__], 2017.

CITY OF WINTER PARK, FLORIDA

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds issued under the provisions of the within-mentioned Bond Legislation.

U. S. BANK NATIONAL ASSOCIATION,
Bond Registrar

By: _____
Authorized Officer

Date of authentication: _____, 2017

ASSIGNMENT AND TRANSFER

For value received the undersigned hereby sells, assigns and transfers unto _____
_____(Please insert Social Security or other identifying number of transferee) _____
_____ the attached bond of the City of Winter Park, Florida, and does hereby constitute
and appoint, _____, attorney, to transfer the said Bond on the books kept for
registration thereof, with full power of substitution in the premises.

Date: _____

Signature Guaranteed by _____
[member firm of the New York Stock
Exchange or a commercial bank or a trust
company.]

By: (manual or facsimile) _____
Authorized Officer

NOTICE: No transfer will be registered and no new Bonds will be issued in the name of the transferee, unless the signature to this assignment corresponds with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the transferee is supplied.

CERTIFICATE OF VALIDATION

This Bond was one of a series of bonds which were validated by judgment of the Circuit Court of the Ninth Judicial Circuit of the State of Florida, in and for Orange County, Florida (Case No. 2016-CA-006063-O) rendered on December 7, 2016.

CITY OF WINTER PARK, FLORIDA

By: _____
Its: Mayor

[END OF FORM OF BOND]

SECTION 13. SUMMARY NOTICE OF SALE AND OFFICIAL NOTICE OF SALE; DELEGATED AWARD.

(A) The Issuer hereby approves the forms of the Summary Notice of Sale and the Official Notice of Sale attached hereto as Exhibit "A", each made a part hereof as if set forth herein in their entirety, subject to such modifications, amendments, changes and filling of blanks therein as shall be approved by the Mayor and the City Manager. The Issuer hereby authorizes the newspaper publication of the Summary Notice of Sale pursuant to the requirements of law, and the distribution of the Official Notice of Sale based on the advice of the Financial Advisor.

(B) In addition to other items described herein, the Issuer hereby delegates to the Mayor and the City Manager of the Issuer the authority to determine the interest rates, the prices and yields and the delivery date for the Bonds, and all other details of the Bonds, and to take such further action as shall be required for carrying out the purposes of this Resolution, all with respect to the Bonds.

(C) Subject to full satisfaction of the conditions set forth in Section 4 hereof, the Issuer hereby authorizes a delegated award of the Bonds to the successful bidder in accordance with the terms of the Official Notice of Sale and the bid of the successful bidder, with such changes, amendments, modifications, omissions and additions thereto as shall be approved by the City Manager in accordance with the provisions of the Official Notice of Sale.

SECTION 14. RESERVED.

SECTION 15. SECURITY FOR BONDS. The Bonds are general obligations of the Issuer. The principal of and interest on the Bonds shall be secured by a pledge of the full faith, credit and taxing power of the Issuer without limitation in the manner and to the extent described herein.

SECTION 16. LEVY OF AD VALOREM TAXES. For so long as the Bonds are outstanding, the City Commission shall, each year, levy an ad valorem tax, without limitation as to rate or amount, on all taxable property within the Issuer (excluding homestead exemptions and other exemptions as heretofore or hereafter provided by applicable law) at least equal to the Debt Service Requirement for the ensuing Bond Year. Such tax shall be levied, assessed and collected at the same time and in the same manner as ad valorem taxes for the operating expenses of the Issuer and shall be in addition to all other taxes authorized to be levied by the Issuer. The Issuer covenants that it will not accept payment of taxes levied for operating expenses of the Issuer unless there shall be paid at the same time the taxes required by this Resolution.

All taxes levied pursuant to this Resolution, as collected, shall immediately be deposited into the Debt Service Fund (hereinafter created) and held in trust for the payment of the

principal of and interest on the Bonds as they severally become due and shall be expended for no other purpose.

SECTION 17. COVENANTS OF ISSUER; ESTABLISHMENT OF CERTAIN FUNDS; APPLICATION OF PROCEEDS. For so long as any of the principal of and interest on any of the Bonds shall be outstanding and unpaid or until there shall have been set apart in the Debt Service Fund, a sum sufficient to pay when due, the entire principal of the Bonds remaining unpaid, together with interest accrued or to accrue thereon, the Issuer covenants with the Holders of each and all of the Bonds as follows:

(A) Debt Service Fund. The Issuer covenants and agrees to establish a special fund to be designated "City of Winter Park, Florida General Obligation Bonds, Series 2017, Debt Service Fund."

From the Debt Service Fund shall be paid each installment of interest on and principal of the Bonds as they become due. No further payments shall be required to be made into the Debt Service Fund when the aggregate amount of moneys in the Debt Service Fund is at least equal to the aggregate principal amount of the Bonds then outstanding, plus the amount of interest then due or thereafter to become due on such Bonds then outstanding. At such time as the Bonds are no longer outstanding, any moneys remaining in the Debt Service Fund may be transferred to the "general fund" of the Issuer, and shall be used for any lawful purpose. Moneys on deposit in the Debt Service Fund may be invested in Permitted Investments or held in cash.

(B) Costs of Issuance Fund. The Issuer covenants and agrees to establish a special fund to be designated "City of Winter Park, Florida General Obligation Bonds, Series 2017, Costs of Issuance Fund."

The Issuer shall deposit from the proceeds of the sale of the Bonds into the Costs of Issuance Fund an amount sufficient to pay the costs issuance pursuant to invoices received and approved by the Issuer. Any moneys remaining in the Costs of Issuance Fund after 6 months from the date of issuance of the Bonds shall be transferred to the Debt Service Fund.

(C) Project Fund. The Issuer covenants and agrees to establish a special fund to be designated "City of Winter Park, Florida General Obligation Bonds, Series 2017, Project Fund."

The Issuer shall deposit the remaining funds from the proceeds of the sale of the Bonds into the Project Fund to pay the costs of the Project. Upon completion of the Project any monies remaining in the Project Fund shall be deposited into the Debt Service Fund. Moneys on deposit in the Project Fund may be invested in Permitted Investments or held in cash.

(D) Special Funds. Each of the funds and accounts herein established and created shall constitute trust funds for the purposes provided herein for such funds and accounts, respectively. All such funds shall be continuously secured in the manner by which the deposit

of Issuer funds are authorized to be secured by the laws of the State of Florida. Earnings on investments in funds and accounts created under this Resolution shall be retained in the funds and accounts from which such earnings derive.

The moneys required to be accounted for in each of the foregoing funds and accounts established herein may be deposited in a single bank account, and funds allocated to the various funds and accounts established herein may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds and accounts as herein provided.

The designation and establishment of the various funds and accounts in and by this Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

(E) Books and Records. Books and records of the Issuer shall be kept in which complete and correct entries shall be made, in accordance with generally accepted accounting principles.

At least once a year, on or before March 31 of the year following the close of each fiscal year, the books, records and accounts of the Issuer shall be properly audited by an independent firm of certified public accountants. The results of such audit shall be mailed, upon request, and made available, at all reasonable times, to any Holder or Holders of Bonds or anyone acting for and on behalf of the Holders of such Bonds; provided, however, that any such costs shall be borne by such Holder or Holders as the case may be.

SECTION 18. DEFEASANCE. If, at any time, the Issuer shall have paid, or shall have made provision for payment of, the principal, interest, and redemption premiums, if any, with respect to any Bonds, then, and in that event, the pledge of and lien on the funds pledged in favor of the Holders of such Bonds shall be no longer in effect. For purposes of the preceding sentence, deposit of sufficient cash and/or Federal Securities in irrevocable trust with a banking institution or trust company, for the sole benefit of the Bondholders in respect to which such Federal Securities, the principal and interest received will be sufficient to make timely payment of the principal, interest and redemption premiums, if any, on the outstanding Bonds, shall be considered "provision for payment." Nothing herein shall be deemed to require the Issuer to call any of the outstanding Bonds for redemption prior to maturity pursuant to any applicable optional redemption provisions, if applicable, or to impair the discretion of the Issuer in determining whether to exercise any such option for early redemption, if applicable.

SECTION 19. DEFAULTS; EVENTS OF DEFAULT AND REMEDIES. Except as provided below, if any of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default:"

(A) Default in the due and punctual payment of any interest on the Bonds;

(B) Default in the due and punctual payment of the principal of and premium, if any, on any Bond, at the stated maturity thereof, or upon proceedings for redemption thereof, if applicable;

(C) Default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer contained in this Resolution or in the Bonds and the continuance thereof for a period of thirty (30) days after written notice to the Issuer given by the Holders of not less than twenty-five percent (25%) of aggregate principal amount of Bonds then outstanding (provided, however, that with respect to any obligation, covenant, agreement or condition which requires performance by a date certain, if the Issuer performs such obligation, covenant, agreement or condition within thirty (30) days of written notice as provided above, the default shall be deemed to be cured);

(D) Failure by the Issuer promptly to remove any execution, garnishment or attachment of such consequence as will materially impair its ability to carry out its obligations hereunder; or

(E) Any act of bankruptcy or the rearrangement, adjustment or readjustment of the obligations of the Issuer under the provisions of any bankruptcy or moratorium laws or similar laws relating to or affecting creditors' rights.

The term "default" shall mean default by the Issuer in the performance or observance of any of the covenants, agreements or conditions on its part contained in this Resolution, any supplemental resolution or in the Bonds, exclusive of any period of grace required to constitute a default or an "Event of Default" as hereinabove provided.

Any Holder of Bonds issued under the provisions hereof or any trustee acting for the Holders of such Bonds may, either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights, including the right to the appointment of a receiver, existing under state or federal law, or granted and contained herein, and may enforce and compel the performance of all duties required herein or by any applicable law to be performed by the Issuer or by any officer thereof.

The foregoing notwithstanding:

(i) No remedy conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy, but each remedy shall be cumulative and shall be in addition to any other remedy given to the Bondholders hereunder.

(ii) No delay or omission to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of

any such default or acquiescence therein, and every such right and power may be exercised as often as may be deemed expedient.

(iii) No waiver of any default or Event of Default hereunder by the Bondholders shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

(iv) Acceleration of the payment of principal of and interest on the Bonds shall not be a remedy hereunder in the case of an Event of Default.

Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Bondholders under this Resolution, the Bondholders shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Issuer and the funds pending such proceedings, with such powers as the court making such appointment shall confer.

On the occurrence of an Event of Default, to the extent such rights may then lawfully be waived, neither the Issuer nor anyone claiming through or under it, shall set up, claim or seek to take advantage of any stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of this Resolution, and the Issuer, for itself and all who may claim through or under it, hereby waives, to the extent it may lawfully do so, the benefit of all such laws and all right of redemption to which it may be entitled.

SECTION 20. MODIFICATION OR AMENDMENT. No material modification or amendment of this Resolution may be made without the consent in writing of the Holders of fifty-one percent (51%) or more in principal amount of the Bonds then outstanding; provided, however, that no modification or amendment shall permit a change in the maturity of such Bonds or a reduction in the rate of interest thereon, or in the amount of the principal obligation, or affecting the unconditional promise of the Issuer to levy taxes, in the manner and to the extent provided herein, or to pay the principal of and interest on the Bonds, as the same shall become due, from the sources herein provided, or reduce such percentage of Holders of such Bonds required above for such modifications or amendments without the consent of all the Holders of the Bonds to be affected.

SECTION 21. SEVERABILITY OF INVALID PROVISION. If any one or more of the covenants, agreements or provisions of this Resolution should be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Resolution or of the Bonds issued hereunder.

SECTION 22. ARBITRAGE. No use will be made of the proceeds of the Bonds which will cause the same to be "arbitrage bonds" within the meaning of the Code. The Issuer, at all

times while the Bonds and the interest thereon are outstanding, will comply with the requirements of Section 103(c) of the Code and applicable rules and regulations of the Internal Revenue Service.

SECTION 23. TAX COVENANT. With respect to any Bonds for which the Issuer intends on the date of issuance thereof for the interest thereon to be excluded from gross income for purposes of federal income taxation:

(A) The Issuer shall not use or permit the use of any proceeds of the Bonds or any other funds of the Issuer, directly or indirectly, to acquire any securities or obligations, and shall not use or permit the use of any amounts received by the Issuer with respect to the Bonds in any manner, and shall not take or permit to be taken any other action or actions, which would cause any such Bonds to be a "private activity bond" within the meaning of Section 141 or an "arbitrage bond" within the meaning of Section 148, or "federally guaranteed" within the meaning of Section 149(b), of the Code, or otherwise cause interest on such Bonds to become subject to federal income taxation.

(B) The Issuer shall, at all times, do and perform all acts and things permitted by law and this Resolution which are necessary or desirable in order to ensure that interest paid on such Bonds will be excluded from gross income for purposes of federal income taxes and shall take no action that would result in such interest not being so excluded.

(C) The Issuer shall pay or cause to be paid to the United States Government any amounts required by Section 148(f) of the Code and the regulations thereunder (the "Regulations").

SECTION 24. BOOK-ENTRY ONLY SYSTEM. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or redemption price, if applicable, of any such Bond, and the interest on any such Bonds shall be made only to or upon the order of the registered owner thereto or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond including the premium, if any, and interest thereon to the extent of the sum or sums so paid.

It is intended that the Bonds be registered so as to participate in a global book-entry system with The Depository Trust Company ("DTC") as set forth herein and in a Blanket Issuer Letter of Representation on file with DTC (the "Letter of Representation"). The Bonds shall be initially issued in the form of a single fully registered Bond of each maturity. Upon initial issuance, the ownership of such Bonds shall be registered by the Bond Registrar and Paying Agent in the name of Cede & Co., as nominee for DTC. With respect to Bonds registered by the Bond Registrar and Paying Agent in the name of Cede & Co., as nominee of DTC, the Issuer and the Bond Registrar and Paying Agent shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred

to herein as a "Depository Participant") or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds (each such person being herein referred to as an "Indirect Participant"). Without limiting the immediately preceding sentence, the Issuer and the Bond Registrar and Paying Agent shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co., or any Depository Participant with respect to the ownership interest in the Bonds, (b) the delivery to any Depository Participant or any Indirect Participant or any other person, other than a registered owner of a Bond as shown in the Bond register, of any notice with respect to the Bonds, including any notice of redemption, if applicable, or (c) the payment to any Depository Participant or Indirect Participant or any other person, other than a registered owner of a Bond as shown in the Bond register, of any amount with respect to principal of, premium, if any, or interest on, the Bonds. No person other than a registered owner of a Bond as shown in the Bond register shall receive a Bond certificate with respect to any Bond. Upon delivery by DTC to the Bond Registrar and Paying Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions hereof with respect to the payment of interest by the mailing of checks or drafts to the registered owners of Bonds appearing as registered owners in the registration books maintained by the Bond Registrar and Paying Agent at the close of business on a regular record date, the name "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

In the event that (a) the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the Letter of Representation, (b) the agreement among the Issuer, the Bond Registrar and Paying Agent and DTC evidenced by the Letter of Representation shall be terminated for any reason or (c) the Issuer determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Issuer shall notify DTC of the availability through DTC of Bond certificates and the Bonds shall no longer be restricted to being registered in the Bond register in the name of Cede & Co., as nominee of DTC. At that time, the Issuer may determine that the Bonds shall be registered in the name of and deposited with a successor depository operating a universal book-entry system, as may be acceptable to the Issuer, or such depository's agent or designee, and if the Issuer does not select such alternate universal book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or changing Bonds designate, in accordance with the provisions hereof. Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Letter of Representation.

As long as any Bonds are outstanding in book-entry form, the provisions of this Resolution inconsistent with such system of book-entry registration shall not be applicable to such Bonds, and the Issuer covenants to cause adequate records to be kept with respect to the ownership of the Bonds issued in book-entry form or the beneficial ownership of Bonds issued in the name of a nominee.

SECTION 25. PRELIMINARY OFFICIAL STATEMENT. (A) The City hereby authorizes the distribution and use of the Preliminary Official Statement in substantially the form attached hereto as Exhibit B in connection with the offering of the Bonds for sale. If between the date hereof and the mailing of the Preliminary Official Statement, it is necessary to make insertions, modifications or changes in the Preliminary Official Statement, any Authorized Officer is hereby authorized to approve such insertions, changes and modifications. Any Authorized Officer is hereby authorized to deem the Preliminary Official Statement "final" within the meaning of Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934 in the form as mailed. Execution of a certificate by an Authorized Officer deeming the Preliminary Official Statement "final" as described above shall be conclusive evidence of the approval of any insertions, changes or modifications.

(B) Subject in all respects to the satisfaction of the conditions set forth in Section 4 hereof, the Mayor, City Manager and the Finance Director are hereby authorized and directed to execute and deliver a final Official Statement, dated the date of the sale of the Bonds, which shall be in substantially the form of the Preliminary Official Statement relating to the Bonds, in the name and on behalf of the City, and thereupon to cause such Official Statement to be delivered to the Underwriter with such changes, amendments, modifications, omissions and additions as may be approved by the Mayor, the City Manager and the Finance Director. Said Official Statement, including any such changes, amendments, modifications, omissions and additions as approved by the Mayor, the City Manager and the Finance Director, and the information contained therein are hereby authorized to be used in connection with the sale of the Bonds to the public. Execution by the Mayor, the City Manager and the Finance Director of the Official Statement shall be deemed to be conclusive evidence of approval of such changes.

SECTION 26. CONTINUING DISCLOSURE. The City hereby authorizes the Mayor to execute the Continuing Disclosure Certificate. All of the provisions of the Continuing Disclosure Certificate when executed and delivered by the City as authorized herein shall be deemed to be a part of this Resolution as fully and to the same extent as if incorporated verbatim herein, and the Continuing Disclosure Certificate shall be in substantially the form attached hereto as Exhibit C, with such changes, amendments, modifications, omissions and additions, including the date of such Continuing Disclosure Certificate, as may be approved by the Mayor. Execution by the Mayor of the Continuing Disclosure Certificate shall be deemed to be conclusive evidence of the approval of such changes.

SECTION 26. APPOINTMENT OF BOND REGISTRAR AND PAYING AGENT. U.S. Bank National Association is hereby appointed as Bond Registrar and Paying Agent. The Mayor or any Authorized Officer are hereby authorized and directed for and in the name of the Issuer to execute and deliver any agreement between the Issuer and U.S. Bank National Association, as Bond Registrar and Paying Agent, in such form as shall be approved by the Mayor and the City Manager consistent with this Resolution and the terms of the Act, such execution to constitute conclusive evidence of such approval.

SECTION 27. GENERAL AUTHORITY. The Mayor, Vice Mayor, City Manager, Finance Director and any member of the City Commission, the City Clerk and such other officials and employees of the City as may be designated by the City are each designated as agents of the City in connection with the issuance and delivery of the Bonds and are authorized and empowered, collectively or individually, to take all actions and steps and to execute all instruments, documents, and contracts on behalf of the City that are necessary or desirable in connection with the execution and delivery of the Bonds, and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution.

SECTION 28. NO THIRD PARTY BENEFICIARIES. Except as may be expressly described herein or in a supplemental resolution of the City Commission, nothing in this Resolution, or in the Bonds, expressed or implied, is intended or shall be construed to confer upon anyone of another entity other than the Issuer and the Holders any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, or of the Bonds, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Holders from time to time.

SECTION 29. NO PERSONAL LIABILITY. No recourse under or upon any obligation, covenant or agreement of this Resolution, the Official Notice of Sale, the Official Statement or the Bonds or for any claim based thereon or otherwise in respect thereof, shall be had against any City official, officer or employee or any member of the City Commission, as such, of the City, past, present or future, either directly or through the City it being expressly understood (a) that no personal liability whatsoever shall attach to, or is or shall be incurred by, any City official, officer or employee or members of the City Commission, as such, under or by reason of the obligations, covenants or agreements contained in this Resolution, the Official Notice of Sale, the Official Statement or the Bonds or implied therefrom, and (b) that any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, any City official, officer or employee or member of the City Commission, as such, are waived and released as a condition of, and as a consideration for, the execution of this Resolution and the and the issuance of the Bonds, on the part of the City.

SECTION 30. REPEAL OF INCONSISTENT INSTRUMENTS. All resolutions, or parts thereof, in conflict herewith are hereby repealed to the extent of such conflict.

[Remainder of page intentionally left blank]

SECTION 31. EFFECTIVE DATE. The provisions of this Resolution shall take effect immediately upon its passage and adoption.

ADOPTED after reading by title at a regular meeting of the City Commission of the City of Winter Park, Florida, held in City Hall, Winter Park, Florida, on this 8th day of May, 2017.

CITY OF WINTER PARK, FLORIDA

(SEAL)

By _____
Mayor

ATTESTED:

By _____
City Clerk

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX D

Form of Bond Counsel Opinion

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX D
FORM OF BOND COUNSEL OPINION

Upon delivery of the Bonds in definitive form, Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel, proposes to render its opinion with respect to the Series 2017 Bonds in substantially the following form:

[Date of Delivery]

City Commission of the
City of Winter Park, Florida
Winter Park, Florida

Re: \$25,500,000 City of Winter Park, Florida General Obligation Bonds, Series 2017

Ladies and Gentlemen:

We have acted as Bond Counsel to the City of Winter Park, Florida (the "Issuer") in connection with the issuance by the Issuer of its \$25,500,000 General Obligation Bonds, Series 2017 (the "Series 2017 Bonds") pursuant to and under the authority of the Constitution of the State of Florida, Chapter 166, Florida Statutes, Sections 100.201 – 100.351, Florida Statutes, the Charter of the Issuer, and other applicable provisions of law, and pursuant to the terms and conditions of Ordinance No. 3020-15 enacted by the City Commission of the Issuer (the "City Commission") on November 23, 2015 (the "Ordinance") and Resolution No. 2184-17 adopted by the City Commission of the Issuer on May 8, 2017 (the "Resolution" and together with the Ordinance, the "Bond Legislation"). In such capacity, we have examined such law and certified proceedings, certifications and other documents as we have deemed necessary to render this opinion. Any capitalized undefined terms used herein shall have the meaning set forth in the Bond Legislation.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the Bond Legislation and in the certified proceedings and other certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation. We have not undertaken an independent audit, examination, investigation or inspection of such matters and have relied solely on the facts, estimates and circumstances described in such proceedings and certifications. We have assumed the genuineness of signatures on all documents and instruments, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies.

In rendering this opinion, we have examined and relied upon the opinion of even date herewith of Fishback, Dominick, Bennett, Ardaman, Ahlers, Langley & Geller LLP as to the due

creation and valid existence of the Issuer, the due enactment of the Ordinance and the adoption of the Resolution, the due execution and delivery of the Series 2017 Bonds and the compliance by the Issuer with all conditions contained in ordinances and resolutions of the Issuer precedent to the issuance of the Series 2017 Bonds.

The opinions set forth below are expressly limited to, and we opine only with respect to, the laws of the State of Florida and the federal income tax laws of the United States of America.

Based on our examination, we are of the opinion, that, under existing law:

1. The Ordinance and Resolution each constitute a valid and binding obligation of the Issuer enforceable against the Issuer in accordance with its respective terms.

2. The Series 2017 Bonds have been duly authorized, executed and delivered by the Issuer and are a valid and binding general obligation of the Issuer, and the Series 2017 Bonds are secured by a pledge of the full faith, credit and taxing power of the Issuer, without limitation, in the manner and to the extent described in the Bond Legislation. Subject to Section 16 of the Resolution, for so long as the Series 2017 Bonds are outstanding, the Issuer is obligated, each year, to levy an ad valorem tax, without limitation as to the rate or amount, on all taxable property within the Issuer (excluding homestead exemptions and other exemptions as theretofore or thereafter provided by applicable law) at least equal to the Debt Service Requirement for the ensuing Bond Year.

3. Interest on the Series 2017 Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, interest on the Series 2017 Bonds will be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations. The opinions set forth in the preceding two sentences are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended, (the "Code") that must be satisfied subsequent to the issuance of the Series 2017 Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted in the Resolution to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Series 2017 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2017 Bonds.

It is to be understood that the rights of the owners of the Series 2017 Bonds and the enforceability thereof may be subject to the exercise of judicial discretion in accordance with general principles of equity, to the valid exercise of the sovereign police powers of the State of Florida and of the constitutional powers of the United States of America and to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted.

For purposes of this opinion, we have not been engaged or undertaken to review and, therefore, express no opinion herein regarding the accuracy, completeness or adequacy of the Official Statement or any other offering material relating to the Series 2017 Bonds. This opinion should not be construed as offering material, an offering circular, prospectus or official statement and is not intended in any way to be a disclosure statement used in connection with the sale or delivery of the Series 2017 Bonds. Furthermore, we are not passing on the accuracy or sufficiency of any CUSIP numbers appearing on the Series 2017 Bonds. In addition, we have not been engaged to and, therefore, express no opinion as to compliance by the Issuer or the underwriter with any federal or state statute, regulation or ruling with respect to the sale and distribution of the Series 2017 Bonds or regarding the perfection or priority of the lien created by the Bond Legislation. Further, we express no opinion regarding federal income or state tax consequences arising with respect to the Series 2017 Bonds other than as expressly set forth herein.

Our opinions expressed herein are predicated upon present law, facts and circumstances, and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof.

Respectfully submitted,

BRYANT MILLER OLIVE P.A.

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX E

Form of Continuing Disclosure Certificate

[THIS PAGE INTENTIONALLY LEFT BLANK]

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Winter Park, Florida (the "City") in connection with the issuance of its \$25,500,000 General Obligation Bonds, Series 2017 (the "Bonds"). The Bonds are being issued pursuant to Ordinance No. 3020-15 enacted by the Commission of the City (the "City Commission") on November 23, 2015, and Resolution No. 2184-17, adopted by the City Commission on May 8, 2017 (the "Bond Resolution").

SECTION 1. PURPOSE OF THE DISCLOSURE CERTIFICATE. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with the continuing disclosure requirements of the Rule (hereafter defined).

SECTION 2. DEFINITIONS. In addition to the definitions set forth in the Bond Resolution which apply to any capitalized term used in this Disclosure Certificate, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" shall mean the City, or any successor Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

"Event of Bankruptcy" shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"Obligated Person" shall mean any person, including the City, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities).

"Participating Underwriters" shall mean the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean each entity authorized and approved by the Securities and Exchange Commission from time to time to act as a repository for purposes of complying with the Rule. The Repositories currently approved by the Securities and Exchange Commission may be found by visiting the Securities and Exchange Commission's website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the Repository recognized by the Securities and Exchange Commission for such purpose is the Municipal Securities Rulemaking Board, which currently accepts continuing disclosure submissions through its Electronic Municipal Market Access ("EMMA") web portal at "http://emma.msrb.org."

"Rule" shall mean the continuing disclosure requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of Florida.

SECTION 3. PROVISION OF ANNUAL REPORTS.

(a) The City shall, or shall cause the Dissemination Agent to, provide to any Repository in electronic format as prescribed by such Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate for each fiscal year ending on or after September 30, 2017, not later than the following May 1. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date provided, further, in such event unaudited financial statements are required to be delivered as part of the Annual Report in accordance with Section 4(a) below. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) Not later than fifteen (15) Business Days prior to the date set forth in (a) above, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If the City is unable to provide to any Repository an Annual Report as required in subsection (a), the City shall send a notice to any Repository, in electronic format as prescribed by such Repository in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of any Repository; and

(ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing any Repository to which it was provided.

SECTION 4. CONTENT OF ANNUAL REPORTS. The City's Annual Report shall contain or include by reference the following:

(a) the audited financial statements of the City for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement dated June 1, 2017 (the "Official Statement"), and the audited financial statements shall be filed in the same manner as the Annual Report when they become available; and

(b) updates of the historical financial and operating data set forth in the Official Statement in tables under the captions:

(i) Assessed and Estimated Value of Taxable Property;

(ii) Property Tax Levies and Collections;

(iii) Direct and Overlapping Property Tax Rates; and

(iv) Principal Property Tax Payers.

The information provided under Section 4(b) may be included by specific reference to documents, including official statements of debt issues of the City or related public entities, which are available to the public on the Repository's Internet Web site or filed with the Securities and Exchange Commission.

The City reserves the right to modify from time to time the specific types of information provided in its Annual Report or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the City; provided that the City agrees that any such modification will be done in a manner consistent with the Rule.

SECTION 5. REPORTING OF SIGNIFICANT EVENTS.

(a) Pursuant to the provisions of this Section 5, the City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds. Such notice shall be given in a timely manner not in excess of ten (10) business days after the occurrence of the event, with the exception of the event described in number 15 below, which notice shall be given in a timely manner:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. modifications to rights of the holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Bonds, if material;
11. ratings changes;
12. an Event of Bankruptcy or similar event of an Obligated Person;
13. the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

14. appointment of a successor or additional trustee or the change of name of a trustee, if material; and
15. notice of any failure on the part of the City to meet the requirements of Section 3 hereof.

(b) The notice required to be given in paragraph 5(a) above shall be filed with any Repository, in electronic format as prescribed by such Repository.

SECTION 6. IDENTIFYING INFORMATION. In accordance with the Rule, all disclosure filings submitted pursuant to this Disclosure Certificate to any Repository must be accompanied by identifying information as prescribed by the Repository. Such information may include, but not be limited to:

- (a) the category of information being provided;
- (b) the period covered by any annual financial information, financial statement or other financial information or operation data;
- (c) the issues or specific securities to which such documents are related (including CUSIPs, City name, state, issue description/securities name, dated date, maturity date, and/or coupon rate);
- (d) the name of any Obligated Person other than the City;
- (e) the name and date of the document being submitted; and
- (f) contact information for the submitter.

SECTION 7. TERMINATION OF REPORTING OBLIGATION. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds or if the Rule is repealed or no longer in effect. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5.

SECTION 8. DISSEMINATION AGENT. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the City pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the City.

SECTION 9. AMENDMENT; WAIVER. Notwithstanding any other provision of this Disclosure Certificate, the City and the Dissemination Agent may amend this Disclosure Certificate and any provision of this Disclosure Agreement may be waived, if the following conditions are satisfied: (a) the amendment or waiver may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the City, or the type of business conducted; (b) the undertaking, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering of the Series 2017A Certificates, after taking into account any

amendments or interpretations of the Rule, as well as any change in circumstances; and (c) the amendment does not materially impair the interests of the holders, as determined either by parties unaffiliated with the City (such as the trustee or bond counsel), or by approving vote of bondholders pursuant to the terms of the governing instrument at the time of the amendment. Neither the City nor the Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than twenty (20) days written notice of the intent to do so together with a copy of the proposed amendment to the City. No such amendment shall become effective if the City shall, within ten (10) days following the giving of such notice, send a notice to the Dissemination Agent in writing that it objects to such amendment.

SECTION 10. ADDITIONAL INFORMATION. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. DEFAULT. The continuing disclosure obligations of the City set forth herein constitute a contract with the holders of the Bonds. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, any holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate; provided, however, the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with the provisions of this Disclosure Certificate shall be an action to compel performance. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Bond Resolution.

SECTION 12. DUTIES, IMMUNITIES AND LIABILITIES OF DISSEMINATION AGENT. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 13. BENEFICIARIES. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriters and holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated as of July 3, 2017

CITY OF WINTER PARK, FLORIDA

[SEAL]

By: _____
Steve Leary, Mayor

ATTEST:

Cynthia S. Bonham, City Clerk

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of City: City of Winter Park, Florida

Name of Bond Issue: General Obligation Bonds, Series 2017

Date of Issuance: _____, 2017

NOTICE IS HEREBY GIVEN that the City has not provided an Annual Report with respect to the above-named Bonds as required by Sections 3 and 4(b) of the Continuing Disclosure Certificate dated as of _____, 2017. The City anticipates that the Annual Report will be filed by _____.

Dated: _____

CITY OF WINTER PARK, FLORIDA

By: _____
Name: _____
Title: _____

