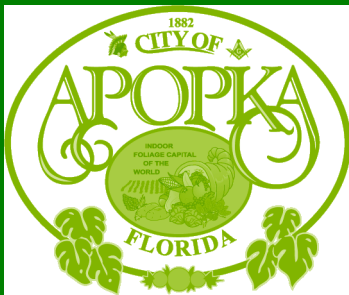
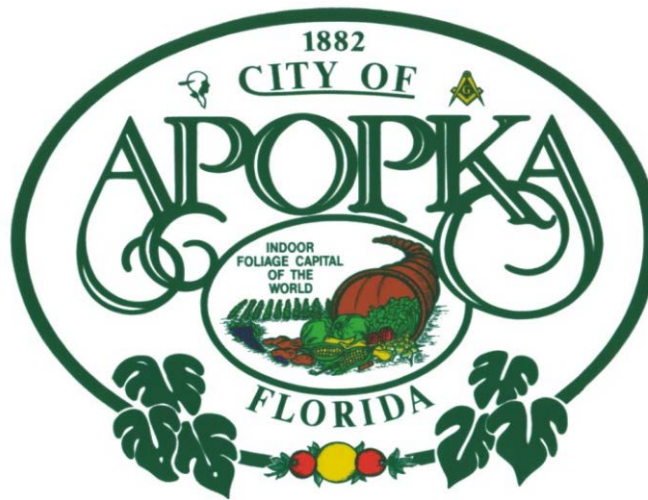


COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2013



CITY OF APOPKA, FLORIDA
THE INDOOR FOLIAGE CAPITAL OF THE WORLD

COMPREHENSIVE ANNUAL FINANCIAL REPORT



**FISCAL YEAR
ENDED SEPTEMBER 30, 2013**

**Prepared by
Finance Department**

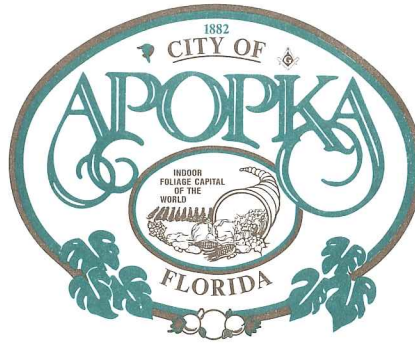
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INTRODUCTORY SECTION



P.O. BOX 1229 • APOPKA, FLORIDA 32704-1229
PHONE (407) 703-1700

April 21, 2014

To the Honorable Mayor, Members of the City Council,
and Citizens of the City of Apopka, Florida:

The Finance Department is pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Apopka, Florida for the fiscal year ended September 30, 2013, in accordance with the requirements of the City Charter, Florida Statutes, and Rules of the Florida Auditor General. The CAFR is published to provide the City Council, City staff, citizens, bondholders and other interested parties with detailed information concerning the financial condition and activities of the City.

This report reflects management's representations concerning the finances of the City. Ultimately, management is responsible for the completeness and reliability of the information presented in this report. To provide a reasonable basis for these representations, City management has established a comprehensive internal control framework designed 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 from 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. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

The City's financial statements have been audited by Shumacker, Johnston & Ross, PA, a firm of licensed certified public accountants. 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, 2013, 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 that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended September 30, 2013, 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.

The financial section also includes a narrative introduction, overview and analysis of the September 30, 2013 financial statements to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditor.

Profile of the City

The City of Apopka, incorporated in 1882, is located in northwest Orange County within the Orlando Metropolitan Area. The City is the second largest municipality in Orange County and continues to be one of the County's fastest growing municipalities. The City currently occupies a land area of 33.46 square miles and has a population of 44,129. 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 council.

The City operates under the council-mayor form of government. Policy-making and legislative authority are vested in a city council consisting of the mayor and four other members. The city council is responsible for establishing policy, passing ordinances and resolutions, adopting the budget, appointing committees, plus other duties. The mayor is responsible for carrying out the policies and ordinances of the city council, for overseeing the day-to-day operations of the government, and for appointing the chief administrative officer. The city council is elected on a non-partisan basis. City council members serve four-year staggered terms, with two council members elected every two years. The mayor is elected to serve a four-year term. The mayor and city council members 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 other infrastructure; engineering; planning and community development; code enforcement; recreational activities and cultural events; and administration and support services. In addition, the City operates enterprise funds for water, wastewater, reclaimed water and sanitation services.

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the City's chief administrative officer, who then uses these requests as the basis for developing a proposed budget. The mayor presents the proposed millage rate and budget to the city council on the third Wednesday in July. The city council is required to hold two public hearings on the millage rate and budget in September and to adopt a millage rate and final budget by no later than September 30th, the close of the City's fiscal year.

The appropriated budget is prepared by fund, department or division and function, thus establishing budgetary control at the individual fund level. Department heads may make transfers of appropriations within a department or division. However, transfers between funds or departments, require the approval of the chief administrative officer. Budget revisions that alter the total revenues, expenses or reserves of any fund must be approved by the city council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an annual budget has been adopted. For the General Fund, this comparison is presented on page 25, as part of the basic financial statements. For other governmental funds, this comparison is presented in the combining and individual fund statements and schedules section on pages 80-85.

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. The City continues to experience an economic slowdown consistent with other areas of the county. The condition appears to be cyclical, and is not expected to have a long-term negative impact to any greater extent locally than what is happening nationally. The local economy strongly benefits from its proximity to Orlando and related employment opportunities. The unemployment rate for the Apopka area was 5.6% for 2013.

Apopka's standards for services are considered excellent and its tax rates compare favorably to other areas. A stable growth rate for many recurring revenue sources, combined with an abundance of developable land and a stable local building industry should provide continued expansion of the City's revenue base.

Currently, the City has approximately 606 platted lots available for construction. There are numerous builders and developers who are either in the process of developing those lots or will be developing them in the near future.

It is expected that future residential and commercial construction will continue to have a major impact on the City. Increases in revenue from the associated utility taxes, franchise fees and intergovernmental revenues can be directly related to increases in population. Revenue from licenses and permits is also expected to remain stable.

Long-term financial planning and major initiatives. The City maintains a five-year Capital Improvement Program (CIP) which serves as its planning document to ensure that its facilities, equipment, and infrastructure are well maintained and operating in peak condition. In addition to the CIP, the City has master plans identifying the present and future capital expansion needs of various facilities and systems with funding levels necessary to meet those capital needs. Currently, the City maintains master plans for water, wastewater, reclaimed water, drainage, recreation and traffic circulation. These plans are periodically reviewed and updated.

In a collaborative effort between the Florida Department of Transportation (FDOT) and the Orlando-Orange County Expressway Authority, construction has begun on the \$1.7 billion Wekiva Parkway (SR 429). The Wekiva Parkway is a 25-mile toll road that will complete Central Florida's beltway around northwest metropolitan Orlando. The parkway will provide an alternative to Interstate 4, and relieve US 441, SR 46 and other area roads of traffic congestion resulting from growth and travel between Orange, Lake, and Osceola counties. The completion of the Wekiva Parkway will have a significant impact on the future growth of northwest Orange County.

The City has worked extensively to become a major player in Orange County by focusing on economic development programs. Common interests for economic development led the cities of Apopka, Ocoee and Winter Garden to form the Tri-Cities Partnership. An economic development consultant was retained to assess the qualities of our local business, government and educational environments to make recommendations regarding an economic development plan that will help existing businesses grow and to attract new businesses to our communities. This study is ongoing and will lead to recommendations for the Tri-Cities members to consider for further growth and improvement of our business climate.

In an effort to support eco-tourism for Lake Apopka's north shore wilderness, the City led the preparation of a strategic plan through a collaborative effort involving other interested local governments and environmental groups. This strategic plan outlines further recommended actions that bring Lake Apopka closer to a desired destination for tourists and local residents seeking outdoor recreation opportunities.

The City continues its vision for the 33 acre Town Center Project situated around the Highland Manor Restaurant. This project will have a positive impact on the economic future of the City with an anticipated \$138,000,000 capital investment.

With an announcement from Florida Hospital that a replacement hospital will be located at the corner of Harmon Road and Ocoee-Apopka Road, the City initiated planning activities to address both the re-purposing of the existing hospital campus and the urbanization of the area surrounding the new campus site. A small area study is underway and will address land use and transportation planning needs not only for the new hospital site, but also for new commercial, office and residential development that will follow it.

Due to the City's projected future growth rate, the City finds it necessary to expand its wastewater treatment facilities from its current capacity of 4.5 million gallons per day to 8 million gallons. The City has completed the design stage of the wastewater treatment plant and plans to begin construction in the near future.

Relevant financial policies. The City has established a comprehensive set of financial policies which it uses to achieve and maintain a long-term stable and positive financial condition. More specifically it provides guidelines for planning and directing the financial affairs of the City. A part of this policy requires the City to annually review its utility rates to ensure that sufficient revenues are generated to cover operating expenses, meet the legal restrictions of all applicable bond covenants, and provide for an adequate level of working capital.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Apopka for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2012. This was the thirtieth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles (GAAP) and applicable program requirements.

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

The City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated September 19, 2012. To qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

Acknowledgements

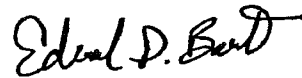
The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to its preparation. Also, appreciation is expressed to all employees throughout the City, particularly those employees who were instrumental in the successful completion of this report.

We would like to especially thank the Mayor and the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Richard D. Anderson
Chief Administrative Officer



Edward D. Bass II, CPA, CGFO
Finance Director

CITY OF AOPKA
PRINCIPAL CITY OFFICIALS
FISCAL YEAR ENDED 2013

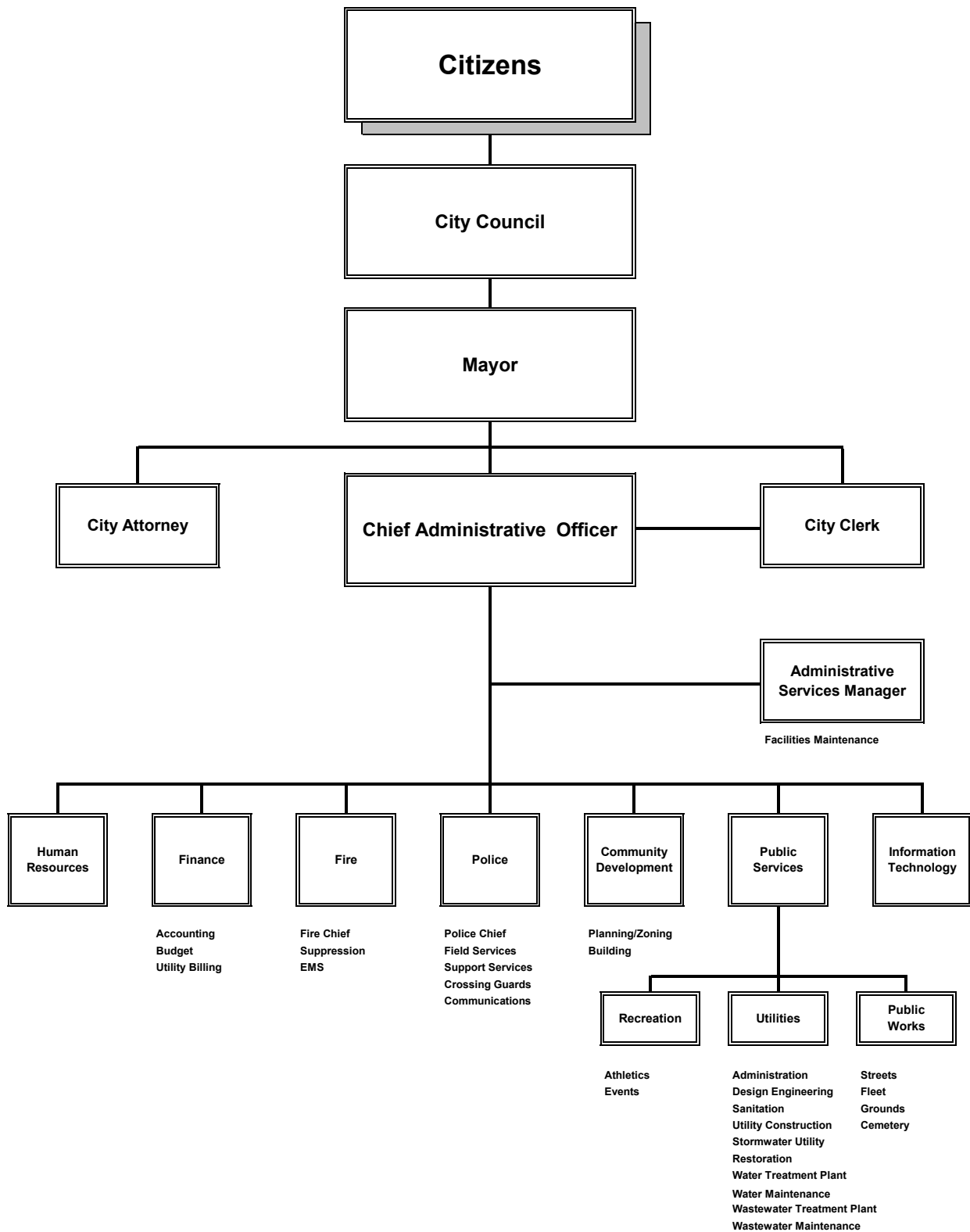
ELECTED OFFICIALS

Mayor	John H. Land
Vice-Mayor-Commissioner	J. William Arrowsmith
Commissioner	Billie L. Dean
Commissioner	Marilyn U. McQueen
Commissioner	Joe Kilsheimer

ADMINISTRATIVE OFFICIALS

Chief Administrative Officer	Richard D. Anderson
City Attorney	Frank Kruppenbacher
City Clerk	Janice G. Goebel
Fire Chief	George L. Bronson
Police Chief	Robert M. Manley
Community Development Director	R. Jay Davoll
Finance Director	Edward D. Bass, II
Human Resources Director	Sharon P. Thornton
Information Technology Director	Donald Kahrs
Public Services Director	John E. Jreij

CITY OF AOPKA
ORGANIZATIONAL CHART
 FISCAL YEAR ENDED 2013





Government Finance Officers Association

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

Presented to

**City of Apopka
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2012

Executive Director/CEO

FINANCIAL SECTION

Shumacker, Johnston & Ross, PA

Certified Public Accountants

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

American Institute of
Certified Public Accountants

Florida Institute of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

April 21, 2014

Honorable Mayor and Members of
the City Council
City of Apopka, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Apopka, Florida as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and the individual fund financial statements of the City of Apopka, Florida as of and for the year ended September 30, 2013, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the City of Apopka, Florida as of September 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 16, and the budgetary comparisons for the General Fund, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Apopka, Florida's basic financial statements and on the individual fund financial statements. The financial information listed in the table of contents as Schedule of Budgetary Compliance, Capital Assets Used in the Operation of Governmental Activities, Schedule of Expenditures of Federal Awards and State Financial Assistance, and the Statistical Section are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*

The Schedule of Budgetary Compliance, Capital Assets Used in the Operation of Governmental Activities, and the Schedule of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to

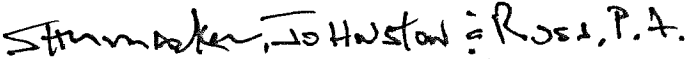
prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic and individual fund financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2014 on our consideration of the City of Apopka's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Apopka's internal control over financial reporting and compliance.


Shumacker, Johnston & Ross, PA

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Apopka, Florida, 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, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-v of this report.

As with other sections of this financial report, the information contained within this Management's Discussion and Analysis (MD&A) should be considered only a part of a greater whole. The reader of this statement should take time to read and evaluate all sections of this report, including the notes to the financial statements and the other required supplementary information that is provided in addition to this MD&A.

FINANCIAL HIGHLIGHTS

- The assets of the City of Apopka exceeded its liabilities at the close of the most recent fiscal year by \$214,428,727 (net position). Of this amount, \$30,010,002 (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.
- The City's total net assets decreased by \$1,445,375.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$23,910,157. Approximately 36% of this total amount or \$8,788,248 is unassigned and available for use within the City's fund designation and fiscal policies.
- At the end of the current fiscal year, the unrestricted fund balance (total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$10,346,516, or approximately 26% of the total general fund expenditures and transfers out for the year.
- The City's total capital assets at the close of the current fiscal year were \$202,244,313 (net of depreciation).
- The City's total outstanding debt decreased by \$2,334,187 during the current fiscal year.

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 assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected charges for services and earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, transportation, environmental, and culture and recreation. The business-type activities of the City include water, wastewater, reclaimed water, and sanitation operations.

The government-wide financial statements can be found on pages 17-20 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been identified 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 fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains seven 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, because it is considered a major fund. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual

fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its major governmental fund (General). Budgetary comparison statements have been provided for this fund to demonstrate compliance with the budget.

The basic governmental funds financial statements can be found on pages 21-25 of this report.

Proprietary funds. The City maintains two proprietary funds. An enterprise fund is a type of proprietary fund 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, wastewater, reclaimed water, and sanitation operations. The water, wastewater, and reclaimed water enterprise fund is referred to as the utility system fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the utility system fund and sanitation fund, both of which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 26-30 of this report.

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

The basic fiduciary fund financial statements can be found on pages 31-32 of this report.

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

The notes to the financial statements can be found on pages 33-71 of this report.

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

Required supplementary information can be found on pages 72-75 of this report.

Combining statements. The combining statements referred to earlier in connection with non-major governmental funds are presented following the required supplementary information.

Combining and individual fund statements and schedules can be found on pages 76-85 of this report.

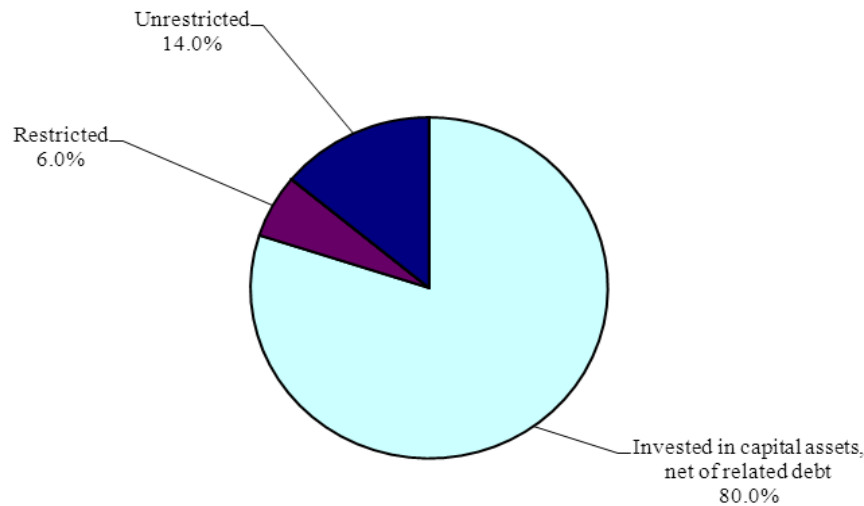
GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of net position. 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 of Apopka, assets exceeded liabilities by \$214,428,727 as of September 30, 2013. The following table reflects the condensed statement of net position for the current and preceding fiscal years.

CITY OF APOPKA’S NET POSITION

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 29,528,541	\$ 27,698,902	\$ 32,211,241	\$ 29,864,525	\$ 61,739,782	\$ 57,563,427
Capital assets	98,311,860	99,665,263	103,932,453	105,265,501	202,244,313	204,930,764
Noncurrent assets	2,359,724	1,888,379	684,283	536,025	3,044,007	2,424,404
Total assets	<u>130,200,125</u>	<u>129,252,544</u>	<u>136,827,977</u>	<u>135,666,051</u>	<u>267,028,102</u>	<u>264,918,595</u>
Current and other liabilities	6,367,336	4,480,254	2,354,821	1,954,874	8,722,157	6,435,128
Long-term liabilities outstanding	20,915,658	22,039,423	20,474,633	20,569,942	41,390,291	42,609,365
Total liabilities	<u>27,282,994</u>	<u>26,519,677</u>	<u>22,829,454</u>	<u>22,524,816</u>	<u>50,112,448</u>	<u>49,044,493</u>
Total deferred inflows of resources	2,330,550	-	156,377	-	2,486,927	-
Net position:						
Invested in capital assets, net of related debt	86,764,954	87,869,626	85,141,627	85,285,775	171,906,581	173,155,401
Restricted	2,174,523	2,032,131	10,337,621	9,842,130	12,512,144	11,874,261
Unrestricted	11,647,104	12,831,110	18,362,898	18,013,330	30,010,002	30,844,440
Total net position	<u>\$ 100,586,581</u>	<u>\$ 102,732,867</u>	<u>\$ 113,842,146</u>	<u>\$ 113,141,235</u>	<u>\$ 214,428,727</u>	<u>\$ 215,874,102</u>

Total Net Position



The largest portion of the City's net assets (\$171,906,581 or 80%) reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery, vehicles, equipment, intangible assets, and construction in progress), 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.

An additional portion of the City's net assets (\$12,512,144 or 6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$30,010,002 or 14%) may be used to meet the City's ongoing obligations to citizens and creditors.

As of September 30, 2013, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The City's total net assets decreased by \$1,445,375. There was a decrease of \$1,184,006 in unrestricted net assets reported in connection with the City's governmental activities. This decrease is primarily due to an increase in other postemployment benefits liability. The business-type activities increased by \$349,568 as a result of an increase in revenues that are earmarked for future capital outlay.

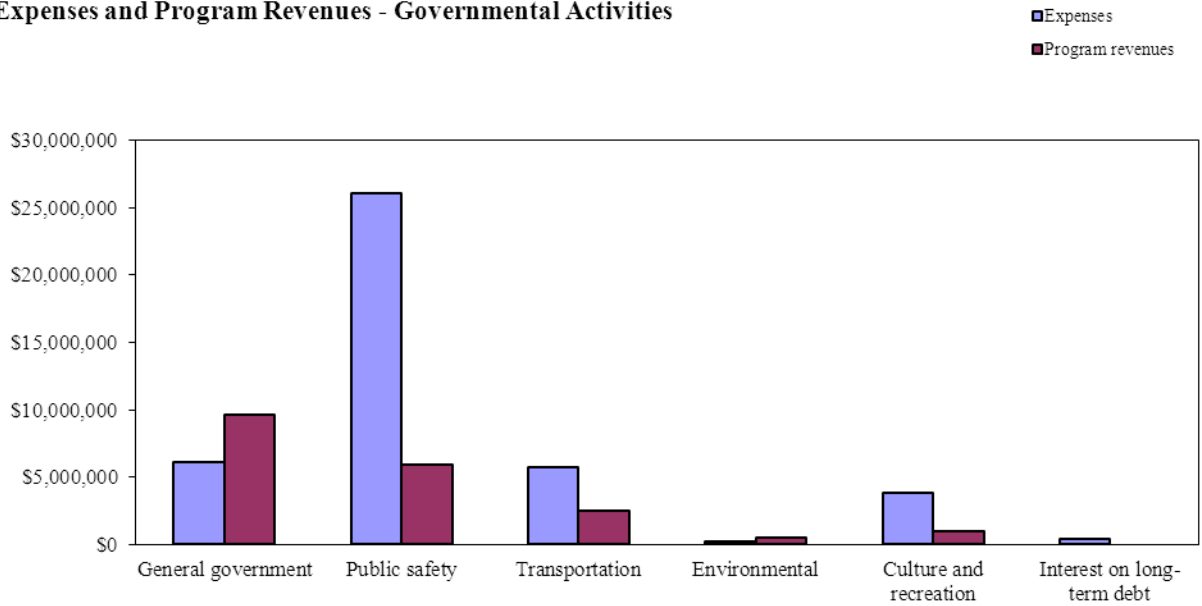
Statement of activities. As noted earlier, the statement of activities presents information showing how the City’s net position changed during the fiscal year. In the case of the City of Apopka, net position changed by (\$1,445,375) as of September 30, 2013. The following table reflects the condensed statement of activities for the current and preceding fiscal years.

CITY OF APOPKA’S CHANGES IN NET POSITION

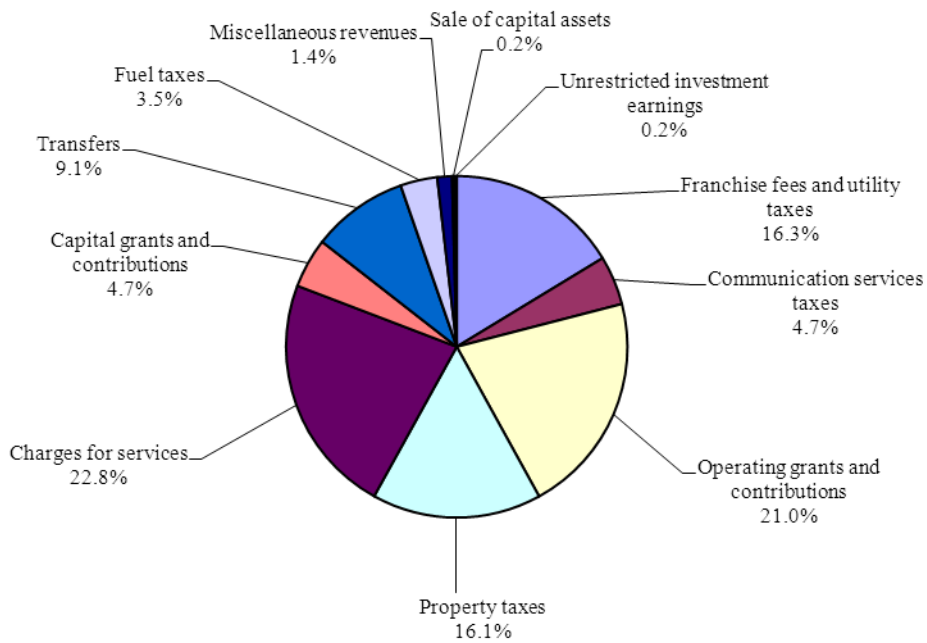
	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$ 9,176,065	\$ 8,217,915	\$ 18,641,254	\$ 18,752,359	\$ 27,817,319	\$ 26,970,274
Operating grants and contributions	8,468,829	7,658,910	158,505	205,628	8,627,334	7,864,538
Capital grants and contributions	1,904,213	2,474,554	3,901,342	2,107,631	5,805,555	4,582,185
General revenues:						
Property taxes	6,473,486	6,708,582	-	-	6,473,486	6,708,582
Fuel taxes	1,412,722	1,308,220	-	-	1,412,722	1,308,220
Communication services taxes	1,874,252	1,878,636	-	-	1,874,252	1,878,636
Franchise fees and utility taxes	6,576,352	6,449,976	42,346	34,695	6,618,698	6,484,671
Sale of capital assets	81,374	(100,645)	16,238	41,647	97,612	(58,998)
Unrestricted investment earnings	95,308	122,567	84,191	93,332	179,499	215,899
Miscellaneous revenues	561,578	490,664	-	-	561,578	490,664
Total revenues	36,624,179	35,209,379	22,843,876	21,235,292	59,468,055	56,444,671
Expenses:						
General government	6,148,920	6,995,371	-	-	6,148,920	6,995,371
Public safety	26,038,039	23,502,477	-	-	26,038,039	23,502,477
Transportation	5,781,288	5,440,391	-	-	5,781,288	5,440,391
Environmental	236,843	203,250	-	-	236,843	203,250
Culture and recreation	3,802,962	2,699,130	-	-	3,802,962	2,699,130
Interest on long-term debt	440,843	501,906	-	-	440,843	501,906
Utility system	-	-	15,066,790	13,793,770	15,066,790	13,793,770
Sanitation	-	-	3,397,745	3,397,041	3,397,745	3,397,041
Total expenses	42,448,895	39,342,525	18,464,535	17,190,811	60,913,430	56,533,336
Increase (decrease) in net position before transfers	(5,824,716)	(4,133,146)	4,379,341	4,044,481	(1,445,375)	(88,665)
Transfers	3,678,430	3,470,190	(3,678,430)	(3,470,190)	-	-
Increase (decrease) in net position	(2,146,286)	(662,956)	700,911	574,291	(1,445,375)	(88,665)
Net position– October 1	102,732,823	103,395,823	113,141,235	112,566,944	215,874,102	215,962,767
Net position – September 30	\$ 100,586,581	\$ 102,732,867	\$ 113,842,146	\$ 113,141,235	\$ 214,428,727	\$ 215,874,102

Governmental activities. Governmental activities decreased the City’s net position by \$2,146,286.

Expenses and Program Revenues - Governmental Activities

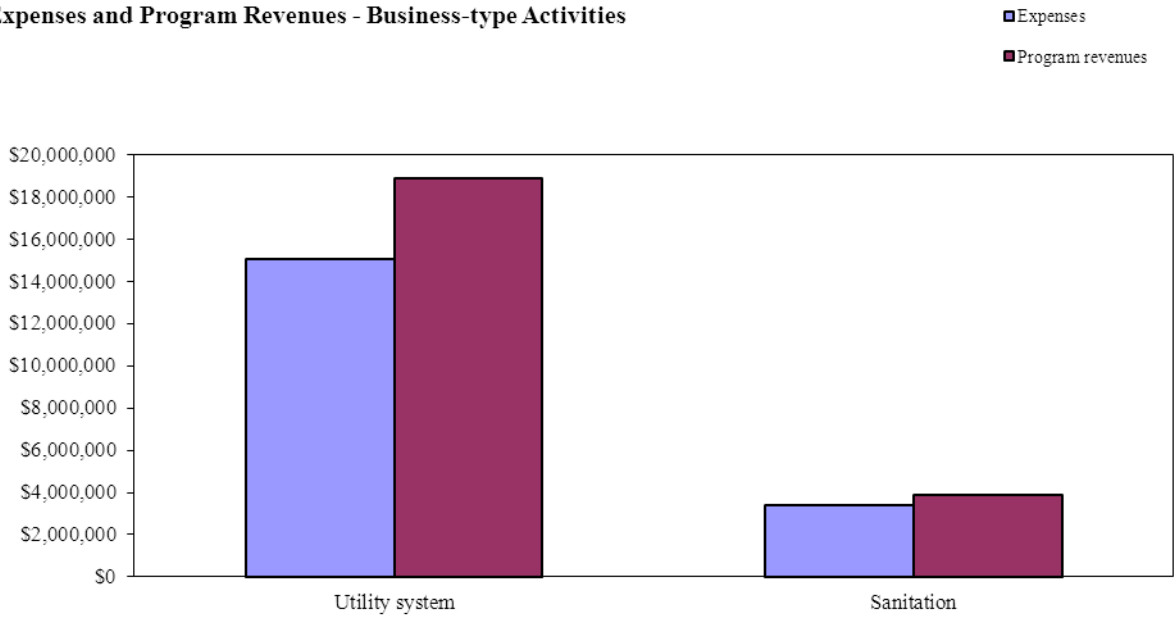


Revenues by Source - Governmental Activities

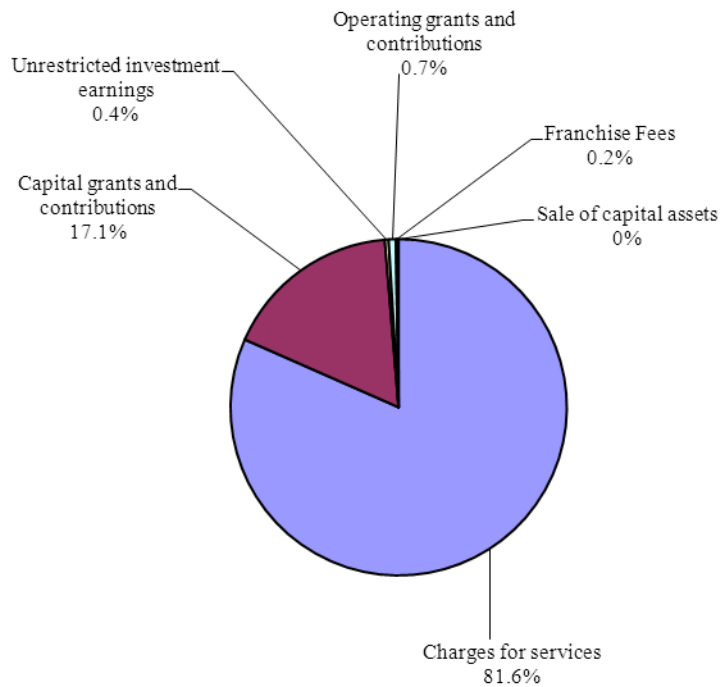


Business-type activities. Business-type activities increased the City's net position by \$700,911.

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Governmental activities. As of the end of the current fiscal year, the City of Apopka's governmental activities reported changes in net position of (\$2,146,286). A key factor for this decrease is due to the increase in other postemployment benefits liability. An additional factor for the overall decrease was the completion of phase one of the streetscape project and upgrade to the streetlights on Main Street.

Business-type activities. As of the end of the current fiscal year, the City of Apopka's business-type activities reported changes in net position of \$700,911. The majority of this increase was due to increased revenues in service charges earmarked for future capital outlay.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

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

As of the end of the current fiscal year, the City of Apopka's governmental funds reported combined ending fund balances of \$23,910,157. Approximately 40% of this total amount (\$9,643,071) constitutes the unassigned and assigned fund balance. The remainder of the fund balance consists of nonspendable funds totaling \$215,035, restricted funds of \$2,174,523 and committed funds of \$11,877,528.

The general fund is the chief operating fund of the City of Apopka. At the end of the current fiscal year, unassigned and assigned fund balance of the general fund was \$9,643,071, while total fund balance reached \$11,526,352. As a measure of the general fund's liquidity, it may be useful to compare both unassigned and assigned fund balance and total fund balance to total fund expenditures and transfers out. The unassigned and assigned fund balance represents 24% of total general fund expenditures and transfers out, while total fund balance represents 29% of that same amount.

The fund balance of the City of Apopka's general fund decreased by \$257,776 during the current fiscal year. This decrease in the general fund balance is reflective of a transfer to the streets improvement fund for completion of phase one of the streetscape project and upgrade to the streetlights on Main Street.

The fund balance of the City of Apopka's other governmental funds increased by \$518,314 during the current fiscal year. A key factor for this increase in other governmental funds balance is primarily due to an increase in transportation impact and stormwater fees earmarked for future capital improvements.

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

At the end of the current fiscal year, the City of Apopka's utility system and sanitation funds reported unrestricted net position of \$17,513,497 and \$849,401 respectively. The utility system reported an increase in net position of \$939,892 and the sanitation fund reported a decrease in net position of \$238,981.

The net assets of the City of Apopka's proprietary funds increased by \$700,911 during the current fiscal year. A key factor for this increase was due to increased revenues in service charges earmarked for future capital outlay.

GENERAL FUND BUDGETARY HIGHLIGHTS

The differences between the general fund original budgeted revenues and the final budgeted revenues was \$1,460,448 primarily due to (1) the insurance premium tax dollars received by the State of Florida for the public safety (Fire and Police) pension plans and (2) projected increases in charges for services. Actual revenues were \$1,633,165 more than budgetary expectations. The final budgeted expenditures were \$4,361,990 more than the original budget primarily due to (1) increases in public safety operations and (2) capital projects that were carried forward from 2012. The city has a policy that any capital project funded in a budget year is carried forward into future budgets until the project is completed. Actual expenditures of the general fund were \$434,282 more than the final budgeted amount.

During the year, overall revenues and other financing sources were more than budgetary estimates and actual expenditures and other financing uses were less than budgetary estimates, demonstrating an overall positive variance of \$1,153,895.

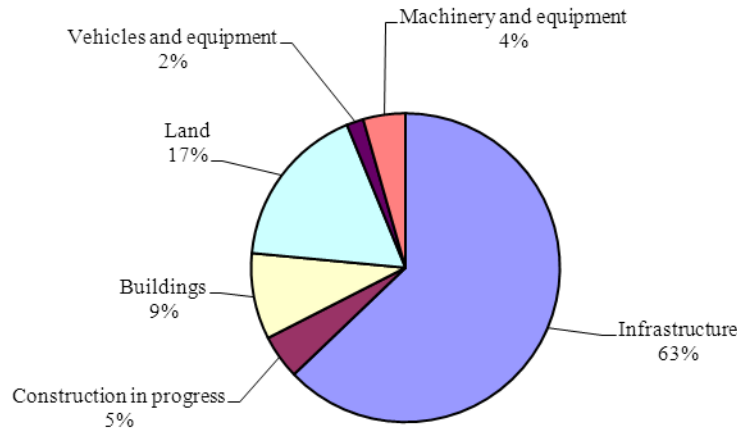
CAPITAL ASSETS

The City of Apopka's investment in capital assets for its governmental and business-type activities as of September 30, 2013, amounts to \$202,244,313 (net of depreciation). This investment in capital assets includes land, buildings, infrastructure, machinery, vehicles, equipment, intangible assets and construction in progress. The total net decrease in the City of Apopka's investment in capital assets for the current fiscal year was \$2,686,453 or 1.3%.

CITY OF APOPKA'S CAPITAL ASSETS
(net of depreciation)

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 27,064,603	\$ 26,779,361	\$ 7,924,275	\$ 7,924,275	\$ 34,988,878	\$ 34,703,636
Buildings	8,569,573	8,676,013	9,681,115	10,414,268	18,250,688	19,090,281
Infrastructure	53,360,758	55,600,080	73,769,530	74,811,809	127,130,288	130,411,889
Machinery and equipment	5,161,911	3,984,859	3,788,392	4,427,202	8,950,303	8,412,061
Vehicles and equipment	2,455,334	1,456,409	1,114,033	1,305,902	3,569,367	2,762,311
Construction in progress	1,699,681	3,168,543	7,655,108	6,382,045	9,354,789	9,550,588
Total capital assets	\$ 98,311,860	\$ 99,665,265	\$ 103,932,453	\$ 105,265,501	\$ 202,244,313	\$ 204,930,766

Total Capital Assets



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

- Capitalization of the public safety wi-fi system \$2,828,052.
- Purchase of two new fire trucks \$1,016,562
- Acquisition of property for future city improvements \$403,122.
- Various projects related to water and wastewater improvements \$223,968

Additional information on the City of Apopka's capital assets can be found in note 5 on pages 45-46 of this report.

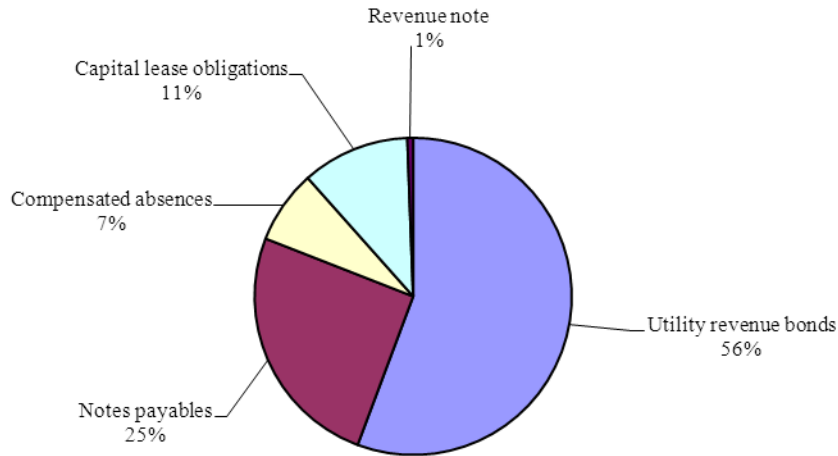
DEBT ADMINISTRATION

At the end of the current fiscal year, the City of Apopka had a total outstanding debt of \$31,301,558. Of this amount, \$17,435,000 represents debt secured by utility system revenues. The remainder of the City's debt except for compensated absences is secured by available revenue sources other than ad valorem taxes.

CITY OF APOPKA'S OUTSTANDING DEBT

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Utility revenue bonds	\$ -	\$ -	\$ 17,435,000	\$ 19,615,000	\$ 17,435,000	\$ 19,615,000
Revenue note	184,500	215,250	-	-	184,500	215,250
Capital lease obligations	3,439,297	3,954,566	-	-	3,439,297	3,954,566
Notes payables	7,900,500	7,600,000	-	-	7,900,500	7,600,000
Subtotals	11,524,297	11,769,816	17,435,000	19,615,000	28,959,297	31,384,816
Compensated absences	1,868,314	1,808,057	473,947	442,872	2,342,261	2,250,929
Total outstanding debt	\$ 13,392,611	\$ 13,577,873	\$ 17,908,947	\$ 20,057,872	\$ 31,301,558	\$ 33,635,745

Total Outstanding Debt



The City of Apopka's total debt decreased by \$2,334,187 or 6% over the prior fiscal year. The reason for this decrease was related to the issuance of utility revenue bonds to refinance previously outstanding utility revenue bonds reported in the business-type activities. This refinancing was done to take advantage of favorable interest rates. The result is expected to yield a decrease in future debt payments of approximately \$4,686,113 over the remaining life of the bonds.

The City's utility revenue bonds hold an "AA-" rating from Standard & Poor's and an "Aa2" credit rating from Moody's Investors Service.

Additional information on the City of Apopka's long-term debt can be found in note 6 on pages 47-53 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In the fiscal year (FY) 2013-14 budget, general fund revenues and transfers in are budgeted to increase by 6.18% over the preceding budget year with general property taxes making up about 19% of general fund budgeted revenues and transfers in. Certified assessed valuations increased by 3.06% over the preceding fiscal year. The operating millage rate for FY 2014 was set slightly below the prior year at 3.4727 mills. Due to a slight increase in new construction the projected property tax revenues were estimated to increase by \$136,000 or 2%. In order to take advantage of savings related to debt service, the City refinanced the public safety communications capital lease during FY 2014.

The recent events surrounding the slowdown of real estate activity, increased foreclosures, declining property values, and the financial market crisis will continue to have an effect on the City's future budgets. Retail sales are rebounding slightly so the City anticipates a modest increase in sales tax revenues.

The fiscal year 2013-14 utility system operation is budgeted to increase by 2.58%, while the sanitation operation is budgeted to increase by 2.45%. During FY 2014 there was no increase to the water, reclaimed water and wastewater rates. The City anticipates issuing debt for several new compressed natural gas sanitation trucks in order to provide a cleaner more efficient sanitation operation.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Apopka's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Department, P.O. Box 1229, Apopka, Florida 32704-1229.

BASIC FINANCIAL STATEMENTS

CITY OF APOPKA, FLORIDA
STATEMENT OF NET POSITION
September 30, 2013

ASSETS	Governmental Activities	Business-Type Activities	Total
Current Assets:			
Cash and cash equivalents	\$ 24,556,494	\$ 18,126,633	\$ 42,683,127
Internal balances	60,989	(60,989)	-
Receivables, net	1,875,402	2,155,128	4,030,530
Due from other governments	958,147	60,167	1,018,314
Inventories	161,842	820,934	982,776
Prepaid items	53,193	210	53,403
Other asset	250,000	-	250,000
Restricted Assets:			
Cash & cash equivalents	<u>1,612,474</u>	<u>11,109,158</u>	<u>12,721,632</u>
 Total Current Assets	 <u>29,528,541</u>	 <u>32,211,241</u>	 <u>61,739,782</u>
Noncurrent Assets:			
Bond issue costs, net	42,500	221,805	264,305
Land and other nondepreciable assets	28,764,284	15,579,383	44,343,667
Capital assets, net of depreciation	69,547,576	88,353,070	157,900,646
Net pension obligation	<u>2,317,224</u>	<u>462,478</u>	<u>2,779,702</u>
 Total Noncurrent Assets	 <u>100,671,584</u>	 <u>104,616,736</u>	 <u>205,288,320</u>
 Total Assets	 130,200,125	 136,827,977	 267,028,102

The accompanying notes are an integral part of the financial statements.

CITY OF APOPKA, FLORIDA
STATEMENT OF NET POSITION
September 30, 2013

LIABILITIES	Governmental Activities	Business-Type Activities	Total
Current Liabilities:			
Accounts payable	\$ 1,367,583	\$ 623,265	\$ 1,990,848
Due to other governments	827,103	164	827,267
Accrued liabilities	559,304	61,965	621,269
Retainage payable	139,876	-	139,876
Accrued interest payable	218,106	-	218,106
Capital leases payable	516,312	-	516,312
Bonds and notes payable	992,307	710,000	1,702,307
Due to pension beneficiaries	341,288	50,772	392,060
Compensated absences	1,352,777	293,495	1,646,272
Customer utility deposits	-	615,160	615,160
Deposits	52,680	-	52,680
Total Current Liabilities	6,367,336	2,354,821	8,722,157
Noncurrent Liabilities:			
Capital leases payable	2,922,985	-	2,922,985
Compensated absences	515,537	180,451	695,988
Bonds payable, net	-	18,080,826	18,080,826
Notes payable	7,115,302	-	7,115,302
Other postemployment benefits liability	10,361,834	2,213,356	12,575,190
Total Noncurrent Liabilities	20,915,658	20,474,633	41,390,291
Total Liabilities	27,282,994	22,829,454	50,112,448
DEFERRED INFLOWS OF RESOURCES			
Unearned revenues	712,671	-	712,671
Developer escrows	503,879	156,377	660,256
Unavailable revenues	1,114,000	-	1,114,000
Total deferred inflows of resources	2,330,550	156,377	2,486,927
NET POSITION			
Invested in capital assets, net of related debt	86,764,954	85,141,627	171,906,581
Restricted for:			-
Capital improvements	-	10,137,621	10,137,621
Renewal, replacements, & improvements	-	200,000	200,000
Streets Improvement	1,072,287	-	1,072,287
Law Enforcement	137,435	-	137,435
Public Safety	364,278	-	364,278
Culture & Recreation	38,474	-	38,474
Capital Projects	562,049	-	562,049
Unrestricted	11,647,104	18,362,898	30,010,002
Total Net Position	\$ 100,586,581	\$ 113,842,146	\$ 214,428,727

The accompanying notes are an integral part of the financial statements.

CITY OF APOPKA, FLORIDA
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2013

<u>FUNCTIONS/PROGRAMS</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Primary government			
Governmental activities:			
General government	\$ 6,148,920	\$ 1,935,229	\$ 7,503,362
Public safety	26,038,039	4,989,182	892,287
Transportation	5,781,288	959,100	-
Environmental	236,843	401,239	72,380
Culture/Recreation	3,802,962	891,315	800
Interest and other fiscal charges on long-term debt	440,843	-	-
Total governmental activities	<u>42,448,895</u>	<u>9,176,065</u>	<u>8,468,829</u>
Business-Type activities:			
Utility System	15,066,790	14,779,313	-
Sanitation	3,397,745	3,861,941	-
Total business-type activities	<u>18,464,535</u>	<u>18,641,254</u>	<u>-</u>
Total primary government	<u>\$ 60,913,430</u>	<u>\$ 27,817,319</u>	<u>\$ 8,468,829</u>

General revenues:
Property taxes
Gasoline taxes
Franchise fees
Communications services tax
Utility taxes
Gain on sale of capital assets
Unrestricted investment earnings
Miscellaneous revenues
Transfers

Total general revenues
and transfers

Changes in net position

Net position - beginning

Net position - ending

The accompanying notes are an integral part of the financial statements.

CITY OF APOPKA, FLORIDA
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2013

Program Revenues	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Capital Grants and Contributions			
\$ 204,149	\$ 3,493,820	\$ -	\$ 3,493,820
25,000	(20,131,570)	-	(20,131,570)
1,578,416	(3,243,772)	-	(3,243,772)
-	236,776	-	236,776
96,648	(2,814,199)	-	(2,814,199)
<u>-</u>	<u>(440,843)</u>	<u>-</u>	<u>(440,843)</u>
<u>1,904,213</u>	<u>(22,899,788)</u>	<u>-</u>	<u>(22,899,788)</u>
4,059,847	-	3,772,370	3,772,370
<u>-</u>	<u>-</u>	<u>464,196</u>	<u>464,196</u>
<u>4,059,847</u>	<u>-</u>	<u>4,236,566</u>	<u>4,236,566</u>
<u>\$ 5,964,060</u>	<u>(22,899,788)</u>	<u>4,236,566</u>	<u>(18,663,222)</u>
	6,473,486	-	6,473,486
	1,412,722	-	1,412,722
	3,541,536	42,346	3,583,882
	1,874,252	-	1,874,252
	3,034,816	-	3,034,816
	81,374	16,238	97,612
	95,308	84,191	179,499
	561,578	-	561,578
	<u>3,678,430</u>	<u>(3,678,430)</u>	<u>-</u>
	<u>20,753,502</u>	<u>(3,535,655)</u>	<u>17,217,847</u>
	<u>(2,146,286)</u>	<u>700,911</u>	<u>(1,445,375)</u>
	<u>102,732,867</u>	<u>113,141,235</u>	<u>215,874,102</u>
	<u>\$ 100,586,581</u>	<u>\$ 113,842,146</u>	<u>\$ 214,428,727</u>

The accompanying notes are an integral part of the financial statements.

CITY OF AOPKA, FLORIDA
BALANCE SHEET
ALL GOVERNMENTAL FUNDS
September 30, 2013

	Governmental Funds		
	General	Other	Total
ASSETS			
Cash and cash equivalents	\$ 12,908,050	\$ 11,648,444	\$ 24,556,494
Restricted assets:			
Cash and cash equivalents	402,752	1,209,722	1,612,474
Receivables	1,839,469	35,933	1,875,402
Due from other governments	808,393	149,754	958,147
Inventories	161,842	-	161,842
Prepaid items	53,193	-	53,193
Due from other funds	279,922	-	279,922
Other assets - deposit	250,000	-	250,000
Total Assets	\$ 16,703,621	\$ 13,043,853	\$ 29,747,474
LIABILITIES			
Accounts payable	\$ 1,078,274	\$ 289,309	\$ 1,367,583
Due to other governments	827,103	-	827,103
Accrued liabilities	554,674	4,630	559,304
Retainage payable	-	139,876	139,876
Due to pension beneficiaries	337,282	4,006	341,288
Due to other funds	-	218,933	218,933
Deposits	52,680	-	52,680
Total Liabilities	2,850,013	656,754	3,506,767
DEFERRED INFLOWS OF RESOURCES			
Unearned revenues	712,671	-	712,671
Developer escrows	500,585	3,294	503,879
Unavailable revenues	1,114,000	-	1,114,000
Total Deferred Inflows	2,327,256	3,294	2,330,550
FUND BALANCES			
Nonspendable:			
Prepays	53,193	-	53,193
Inventory	161,842	-	161,842
Restricted for:			
Streets Improvement	-	1,072,287	1,072,287
Law Enforcement	-	137,435	137,435
Public Safety	364,278	-	364,278
Culture & Recreation	38,474	-	38,474
Capital Projects	562,049	-	562,049
Committed for:			
Transportation Improvements	-	6,405,520	6,405,520
Recreation Improvements	-	171,245	171,245
Stormwater Improvements	-	2,507,235	2,507,235
Community Redevelopment	-	2,090,083	2,090,083
Public Safety	111,084	-	111,084
Storage Retention	175,563	-	175,563
Tree Bank	416,798	-	416,798
Assigned for:			
Culture & Recreation	24,184	-	24,184
Insurance	300,000	-	300,000
Capital Project	530,639	-	530,639
Unassigned	8,788,248	-	8,788,248
Total Fund Balances	11,526,352	12,383,805	23,910,157
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 16,703,621	\$ 13,043,853	\$ 29,747,474

The accompanying notes are an integral part of the financial statements.

CITY OF APOPKA, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2013

Total governmental funds, fund balances		\$ 23,910,157
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets net of depreciation used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		98,311,860
Long-term liabilities are not due and payable in the current period and, accordingly, are not reported in the governmental funds.		
Long-term liabilities at year-end consist of:		
Notes Payable	\$ (7,900,500)	
Capital Leases Payable	(3,439,297)	
Revenue Note Series 1999	(184,500)	
Compensated Absences	(1,868,314)	
Net Other Postemployment Benefit Obligations	<u>(10,361,834)</u>	(23,754,445)
Liabilities accrued related to long-term debt (interest) are recognized in the governmental funds as expenditures in the period when they are due.		(218,106)
Net Pension Obligation is not an available financial resource and, therefore, is not reported as an asset in the governmental funds.		2,317,224
Note premiums are reported in the governmental funds when first issued, whereas these amounts are deferred and amortized in the government-wide statements.		(22,609)
Note issuance costs and discounts are reported in the governmental funds when first issued, whereas these amounts are deferred and amortized in the government-wide statements.		<u>42,500</u>
Net position of governmental activities		<u><u>\$ 100,586,581</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF APOPKA, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
For the Year Ended September 30, 2013

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES			
Taxes	\$ 12,152,674	\$ 1,503,754	\$ 13,656,428
Licenses, fees and permits	5,346,169	-	5,346,169
Intergovernmental revenues	7,795,636	113,117	7,908,753
Charges for services	3,413,089	882,588	4,295,677
Fines and forfeitures	2,545,635	43,146	2,588,781
Impact Fees	43,150	1,381,905	1,425,055
Investment earnings	57,186	38,123	95,309
Miscellaneous revenues	1,057,374	13,389	1,070,763
 Total Revenues	 <u>32,410,913</u>	 <u>3,976,022</u>	 <u>36,386,935</u>
EXPENDITURES			
Current:			
General government	4,792,982	215,078	5,008,060
Public safety	23,032,974	38,300	23,071,274
Transportation	1,363,988	2,305,955	3,669,943
Environmental	97,004	102,787	199,791
Culture/Recreation	3,056,086	975	3,057,061
Capital outlay	2,477,104	1,534,040	4,011,144
Debt service - Principal payments	2,506,019	-	2,506,019
Debt service - Interest & Fees	499,535	-	499,535
Debt insurance costs	42,500	-	42,500
 Total Expenditures	 <u>37,868,192</u>	 <u>4,197,135</u>	 <u>42,065,327</u>
 Excess (Deficit) of Revenues Over (Under) Expenditures	 <u>(5,457,279)</u>	 <u>(221,113)</u>	 <u>(5,678,392)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	3,969,256	1,044,548	5,013,804
Transfers out	(1,030,253)	(305,121)	(1,335,374)
Debt issuance	2,260,500	-	2,260,500
 Total Other Financing Sources (Uses)	 <u>5,199,503</u>	 <u>739,427</u>	 <u>5,938,930</u>
 Net Change in Fund Balances	 (257,776)	 518,314	 260,538
 Fund Balances at Beginning of Year	 <u>11,784,128</u>	 <u>11,865,491</u>	 <u>23,649,619</u>
 Fund Balances at End of Year	 <u><u>\$ 11,526,352</u></u>	 <u><u>\$ 12,383,805</u></u>	 <u><u>\$ 23,910,157</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF APOPKA, 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, 2013

Amounts reported for governmental activities in the Statement of Activities (pages 18 - 19) are different because:

Net Change in Fund Balances--Total Governmental Funds	\$ 260,538
Governmental funds report capital outlays as expenditures. In the Statement of Activities the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation, \$5,601,791, exceeded capital outlay, \$4,011,144 and developers contributions, \$237,244 in the current period.	(1,353,403)
Repayment of long-term debt is reported as an expenditure in governmental funds, but a reduction of long-term liabilities in the Statement of Net Position.	2,506,019
In the Statement of Activities, changes in interest accrued on outstanding notes and capital leases, whereas in governmental funds, interest expenditures are recorded when due.	55,480
Changes in compensated absences reported in the Statement of Activities do not require the use of current financial resources and, therefore are not reported as expenditures in the governmental funds.	(60,257)
Changes in the Net Pension Obligation reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.	428,845
Changes in Other Postemployment Benefits Liability reported in the Statement of Activities do not require the use of current financial resources and , therefore are not reported as expenditures in the governmental funds.	(1,768,720)
Issuance of long-term debt is reported as an other financing in governmental funds, but an increase of long-term liabilities in the Statement of Net Position.	(2,260,500)
Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	<u>45,712</u>
Change in Net Position of Governmental Activities	<u><u>\$ (2,146,286)</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF APOPKA, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 11,579,100	\$ 12,150,555	\$ 12,152,674	\$ 2,119
Licenses and permits	4,844,300	4,844,300	5,346,169	501,869
Intergovernmental revenues	7,416,700	7,497,115	7,795,636	298,521
Charges for services	2,353,600	2,676,122	3,413,089	736,967
Fines and forfeitures	2,218,100	2,232,490	2,545,635	313,145
Impact Fees	21,000	21,000	43,150	22,150
Investment income	98,000	98,000	57,186	(40,814)
Miscellaneous revenues	786,500	1,258,166	1,057,374	(200,792)
	<u>29,317,300</u>	<u>30,777,748</u>	<u>32,410,913</u>	<u>1,633,165</u>
EXPENDITURES				
Current:				
General government	4,741,080	4,955,964	4,792,982	162,982
Public safety	21,804,460	22,794,419	23,032,974	(238,555)
Transportation	890,900	896,600	1,363,988	(467,388)
Environmental	132,330	132,330	97,004	35,326
Culture/Recreation	2,803,130	3,172,320	3,056,086	116,234
Capital outlay	753,800	2,417,850	2,477,104	(59,254)
Debt service - Principal payments	1,461,105	2,561,605	2,506,019	55,586
Debt service - Interest & Fees	485,115	502,822	499,535	3,287
Debt issuance costs	-	-	42,500	(42,500)
	<u>33,071,920</u>	<u>37,433,910</u>	<u>37,868,192</u>	<u>(434,282)</u>
Excess (Deficit) of Revenues over (Under) Expenditures	<u>(3,754,620)</u>	<u>(6,656,162)</u>	<u>(5,457,279)</u>	<u>1,198,883</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,939,900	3,939,900	3,969,256	29,356
Transfers out	(435,280)	(955,909)	(1,030,253)	(74,344)
Debt issuance	-	2,260,500	2,260,500	-
	<u>3,504,620</u>	<u>5,244,491</u>	<u>5,199,503</u>	<u>(44,988)</u>
Net Change in Fund Balance	(250,000)	(1,411,671)	(257,776)	1,153,895
Fund Balances at Beginning of Year	<u>11,784,128</u>	<u>11,784,128</u>	<u>11,784,128</u>	<u>-</u>
Fund Balances at End of Year	<u><u>\$ 11,534,128</u></u>	<u><u>\$ 10,372,457</u></u>	<u><u>\$ 11,526,352</u></u>	<u><u>\$ 1,153,895</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF APOPKA, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2013

	Business Type Activities - Enterprise Funds		
	Utility System	Sanitation	Totals
CURRENT ASSETS			
Cash and cash equivalents	\$ 17,120,376	\$ 1,006,257	\$ 18,126,633
Restricted cash and cash equivalents:			
Customer utility deposits	615,160	-	615,160
Repair and maintenance escrows	156,377	-	156,377
Renewal, replacement, and improvement	200,000	-	200,000
Capital improvements	10,137,621	-	10,137,621
Accounts receivable, net	2,155,128	-	2,155,128
Inventories	348,474	472,460	820,934
Due from other governments	60,167	-	60,167
Prepaid items	-	210	210
	<u>30,793,303</u>	<u>1,478,927</u>	<u>32,272,230</u>
NON-CURRENT ASSETS			
Capital Assets:			
Land	7,924,275	-	7,924,275
Buildings	21,480,831	-	21,480,831
Infrastructure	102,786,872	-	102,786,872
Equipment and machinery	7,846,260	1,203,230	9,049,490
Vehicles	2,566,093	2,622,003	5,188,096
Construction in progress	7,655,108	-	7,655,108
	<u>150,259,439</u>	<u>3,825,233</u>	<u>154,084,672</u>
Less: accumulated depreciation	<u>(47,563,091)</u>	<u>(2,589,128)</u>	<u>(50,152,219)</u>
Net Capital Assets	<u>102,696,348</u>	<u>1,236,105</u>	<u>103,932,453</u>
Net pension obligation	381,228	81,250	462,478
Bond issue costs	229,819	-	229,819
Less accumulated amortization	<u>(8,014)</u>	<u>-</u>	<u>(8,014)</u>
Total Other Non-Current Assets	<u>603,033</u>	<u>81,250</u>	<u>684,283</u>
Total Non-Current Assets	<u>103,299,381</u>	<u>1,317,355</u>	<u>104,616,736</u>
Total Assets	<u>134,092,684</u>	<u>2,796,282</u>	<u>136,888,966</u>

The accompanying notes are an integral part of the financial statements.

CITY OF APOPKA, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2013

	Business Type Activities - Enterprise Funds		
	Utility System	Sanitation	Totals
CURRENT LIABILITIES			
Accounts payable	\$ 537,251	\$ 86,014	\$ 623,265
Accrued liabilities	52,492	9,473	61,965
Due to pension beneficiaries	41,862	8,910	50,772
Due to other funds	49,978	11,011	60,989
Compensated absences	198,623	94,872	293,495
Customer utility deposits	615,160	-	615,160
Current portion of bonds payable	710,000	-	710,000
Due to other government	164	-	164
	<u>2,205,530</u>	<u>210,280</u>	<u>2,415,810</u>
TOTAL CURRENT LIABILITIES			
	<u>2,205,530</u>	<u>210,280</u>	<u>2,415,810</u>
NON-CURRENT LIABILITIES			
Compensated absences	180,451	-	180,451
Bonds payable	18,080,826	-	18,080,826
Other postemployment benefits liability	1,712,860	500,496	2,213,356
	<u>19,974,137</u>	<u>500,496</u>	<u>20,474,633</u>
TOTAL NON-CURRENT LIABILITIES			
	<u>19,974,137</u>	<u>500,496</u>	<u>20,474,633</u>
TOTAL LIABILITIES			
	<u>22,179,667</u>	<u>710,776</u>	<u>22,890,443</u>
DEFERRED INFLOWS			
Repair and maintenance escrows	156,377		156,377
	<u>156,377</u>		<u>156,377</u>
NET POSITION			
Invested in capital assets, net of related debt	83,905,522	1,236,105	85,141,627
Restricted for:			
Capital improvements	10,137,621	-	10,137,621
Renewal, replacement and improvement	200,000	-	200,000
Unrestricted	17,513,497	849,401	18,362,898
	<u>17,513,497</u>	<u>849,401</u>	<u>18,362,898</u>
TOTAL NET POSITION			
	<u>\$ 111,756,640</u>	<u>\$ 2,085,506</u>	<u>\$ 113,842,146</u>

The accompanying notes are an integral part of the financial statements.

CITY OF APOPKA, FLORIDA
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2013

	Business Type Activities - Enterprise Funds		
	Utility System	Sanitation	Totals
OPERATING REVENUES			
Water sales	\$ 5,548,701	\$ -	\$ 5,548,701
Sewer charges	5,537,939	-	5,537,939
Reclaimed water sales	2,491,136	-	2,491,136
Sanitation fees	-	3,707,525	3,707,525
Miscellaneous revenues	1,201,537	154,416	1,355,953
	<u>14,779,313</u>	<u>3,861,941</u>	<u>18,641,254</u>
Total Operating Revenues			
OPERATING EXPENSES			
Utility administration	1,066,022	-	1,066,022
Water plant operations	1,877,188	-	1,877,188
Wastewater treatment plant operations	2,794,587	-	2,794,587
Utility construction operations	520,995	-	520,995
Water maintenance	1,353,992	-	1,353,992
Utility billing	781,254	-	781,254
Wastewater maintenance	1,101,023	-	1,101,023
Operating charges	-	3,097,420	3,097,420
Utility restoration	240,565	-	240,565
Design Engineering	550,288	-	550,288
Depreciation	3,571,678	321,775	3,893,453
	<u>13,857,592</u>	<u>3,419,195</u>	<u>17,276,787</u>
Total Operating Expenses			
Operating Income	<u>921,721</u>	<u>442,746</u>	<u>1,364,467</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest income	81,312	2,879	84,191
Gain on disposal of capital assets	8,415	7,823	16,238
Interest expense	(761,098)	-	(761,098)
Franchise fees	-	42,346	42,346
Bond issuance costs and discounts	(448,100)	-	(448,100)
Increase in net pension obligation	-	21,450	21,450
	<u>(1,119,471)</u>	<u>74,498</u>	<u>(1,044,973)</u>
Total Non-Operating Revenues (Expenses)			
Income (Loss) Before Transfers and Contributions	<u>(197,750)</u>	<u>517,244</u>	<u>319,494</u>
TRANSFERS AND CONTRIBUTIONS			
Transfers in	423,395	-	423,395
Transfers out	(3,345,600)	(756,225)	(4,101,825)
Developers contributions	744,818	-	744,818
Capital contributions - impact fees	3,156,524	-	3,156,524
Capital contributions - grant	158,505	-	158,505
	<u>1,137,642</u>	<u>(756,225)</u>	<u>381,417</u>
Total Transfers and Contributions			
CHANGE IN NET POSITION	939,892	(238,981)	700,911
Total Net Position at Beginning of Year	<u>110,816,748</u>	<u>2,324,487</u>	<u>113,141,235</u>
Total Net Position at End of Year	<u>\$ 111,756,640</u>	<u>\$ 2,085,506</u>	<u>\$ 113,842,146</u>

The accompanying notes are an integral part of the financial statements.

CITY OF AOPKA, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2013

	Business Type Activities - Enterprise Funds		
	Utility System	Sanitation	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 14,728,744	\$ 3,813,795	\$ 18,542,539
Cash paid to suppliers for goods and services	(4,489,045)	(1,855,149)	(6,344,194)
Cash paid to employees for services	(4,764,076)	(1,129,923)	(5,893,999)
Net Cash Provided by Operating Activities	<u>5,475,623</u>	<u>828,723</u>	<u>6,304,346</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	423,395	-	423,395
Transfers to other funds	(3,345,600)	(756,225)	(4,101,825)
Taxes	-	42,346	42,346
Net Cash Used in Noncapital Financing Activities	<u>(2,922,205)</u>	<u>(713,879)</u>	<u>(3,636,084)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(1,815,587)	-	(1,815,587)
Bond and note payable interest payments	(761,098)	-	(761,098)
Bond and note payable principal payments	(630,000)	-	(630,000)
Proceeds of bond issue	18,065,000	-	18,065,000
Bond issue costs	(427,078)	-	(427,078)
Bond premium	1,721,802	-	1,721,802
Escrow deposit-refunded bonds	(19,815,352)	-	(19,815,352)
Proceeds from sales of capital assets	8,415	7,823	16,238
Capital contributions - impact fees	3,156,524	-	3,156,524
Capital contributions - State	158,505	-	158,505
Net Cash Used in Capital and Related Financing Activities	<u>(338,869)</u>	<u>7,823</u>	<u>(331,046)</u>
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Interest on cash and cash equivalents	81,312	2,879	84,191
Net Cash provided by Investment Activities	<u>81,312</u>	<u>2,879</u>	<u>84,191</u>
Net Increase in Cash and Cash Equivalents	2,295,861	125,546	2,421,407
Cash and Cash Equivalents at Beginning of year	<u>25,933,673</u>	<u>880,711</u>	<u>26,814,384</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 28,229,534</u></u>	<u><u>\$ 1,006,257</u></u>	<u><u>\$ 29,235,791</u></u>
Reconciliation to the Financial Statements			
Unrestricted Cash and Cash Equivalents	\$ 17,120,376	\$ 1,006,257	\$ 18,126,633
Restricted Cash and Cash Equivalents	<u>11,109,158</u>	<u>-</u>	<u>11,109,158</u>
	<u><u>\$ 28,229,534</u></u>	<u><u>\$ 1,006,257</u></u>	<u><u>\$ 29,235,791</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF APOPKA, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2013

	Business Type Activities - Enterprise Funds		
	Utility System	Sanitation	Totals
RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating Income (Loss)	<u>\$ 921,721</u>	<u>\$ 442,746</u>	<u>\$ 1,364,467</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	3,571,678	321,775	3,893,453
Changes in Assets and Liabilities:			
(Increase) Decrease In - Assets:			
Accounts receivable, net	97,721	14,639	112,360
Inventories	(12,698)	-	(12,698)
Prepaid items	-	(210)	(210)
Increase (Decrease) In - Liabilities:			
Accounts payable	401,829	9,928	411,757
Accrued liabilities	1,259	932	2,191
Due to other funds	22,007	4,504	26,511
Customer utility deposits	39,181	-	39,181
Compensated absences	70,502	(39,428)	31,074
Due to pension beneficiaries	2,841	(1,013)	1,828
Other postemployment benefits liability	351,417	74,850	426,267
Repair and maintenance escrow	8,001	-	8,001
Due to other government	164	-	164
Total Adjustments	<u>4,553,902</u>	<u>385,977</u>	<u>4,939,879</u>
Net Cash Provided by Operating Activities	<u>\$ 5,475,623</u>	<u>\$ 828,723</u>	<u>\$ 6,304,346</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Contribution, at fair value, of water, sewer, and water reuse lines by developers	<u>\$ 744,818</u>	<u>\$ -</u>	<u>\$ 744,818</u>
Increase in net pension obligation	<u>\$ 114,498</u>	<u>\$ 21,450</u>	<u>\$ 135,948</u>

The accompanying notes are an integral part of the financial statements.

CITY OF AOPKA, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
As of September 30, 2013

ASSETS	<u>PENSION TRUST FUNDS</u>
Cash and cash equivalents	\$ 8,381,444
Investments at fair value:	
U.S. Corporate Stocks	49,648,270
International Corporate Stocks	12,460,931
U.S. Government Bonds & Bills	<u>28,142,588</u>
Total Investments	<u>90,251,789</u>
Contributions receivable	<u>392,060</u>
Total Assets	<u>99,025,293</u>
NET POSITION	
Held in trust for deferred retirement option plan (DROP)	1,345,675
Held in trust for employees' pension benefits	<u>97,679,618</u>
Total Net Position Held in Trust for Pension Benefits	<u><u>\$ 99,025,293</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF AOPKA, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2013

	PENSION TRUST FUNDS
ADDITIONS	
Contributions:	
Employee contributions	\$ 940,096
Additions to DROP	345,849
State excise tax	571,454
City contributions	3,976,625
Total Contributions	5,834,024
Investment Income (Loss):	
Interest, dividend and other income	1,012,346
Net appreciation in fair value of investments	9,604,441
Gains (Losses) on sales of investments, net	1,572,200
Investment return DROP	167,456
Net Investment Income	12,356,443
Total Additions	18,190,467
DEDUCTIONS	
Benefit payments	3,856,877
Lump - sum DROP payments	236,714
Termination payments	147,694
Administrative expense	51,612
Total Deductions	4,292,897
CHANGE IN NET POSITION	
For DROP	276,591
For pension benefits	13,620,979
TOTAL CHANGE IN NET POSITION	13,897,570
NET POSITION HELD IN TRUST	
Beginning of year:	
For DROP	1,069,084
For pension benefits	84,058,639
TOTAL NET POSITION, Beginning of year	85,127,723
End of year:	
For DROP	1,345,675
For pension benefits	97,679,618
TOTAL NET POSITION, End of year	\$ 99,025,293

The accompanying notes are an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Apopka (the “City”) is a political subdivision of the State of Florida located in Orange County. The legislative branch of the City of a four (4) member citywide elected Council and a citywide elected Mayor. The Mayor and the City Council are governed by the City Charter and by state and local laws and regulations. The Mayor and City Council are responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Mayor.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for the establishing governmental accounting and financial reporting principles. The more significant of the City’s accounting policies follow.

A. The Reporting Entity

The City is a municipal corporation with a five member council including the mayor, who acts as the presiding officer of the council.

The City provides a full range of municipal services, including: police and fire protection, public works activities, parks and recreation, planning and development, and general administrative services. In addition, the City operates a water, sewer and reuse utility, and also a sanitation enterprise.

The accompanying financial statements present the City’s primary government. The reporting entity for the City includes all functions of government for which the Mayor and City Council are considered to be financially accountable.

Based upon the application of the criteria as set forth in Government Accounting Standards Board Statement Number 14, *The Financial Reporting Entity*, there are no potential component units or related organizations of the City.

B. Government-Wide and Fund Financial Statements

The basic financial statements consist of the government-wide financial statements and fund financial statements. Both sets of statements distinguish between the governmental and business-type activities of the City.

Government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements report on the government as a whole, both the primary government and its component units, and provide a consolidated financial picture of the government. As part of the consolidation process, inter-fund activities are eliminated to avoid distorted financial results. Fiduciary funds of the government are also eliminated from this presentation since these resources are not available for general government funding purposes. The Statement of Net Position reports all financial and capital resources of the City’s governmental and business-type activities. It is presented in a net position format (assets less liabilities and deferred inflows of resources equal net position) and shown with three components: amounts invested in capital assets, net of related debt; restricted net position and unrestricted net position. The Statement of Activities reports functional categories of programs provided by the City and demonstrate how and to what degree those programs are supported by specific revenue.

Program revenues are classified into three categories: charges for services, operating grants and contributions, and capital grants and contributions. Charges for services refer to direct recovery from customers for services rendered. Grants and contributions refer to revenues restricted for specific programs whose use may be restricted further to operational or capital items. The general revenues section displays revenue collected that helps support all functions of our government and contribute to the change in net assets for the fiscal year.

The fund financial statements follow additional and detailed information about the City’s operations for the major funds individually and nonmajor funds in the aggregate for governmental, proprietary and fiduciary funds. A reconciliation is provided that converts the results of governmental fund accounting to the government-wide presentations. The preparation of financial statements in conformity with generally accepted accounting principles, as applicable to governmental units, requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements, as well as the fund financial statements for the proprietary funds and the fiduciary funds, are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period in which they are earned and expenses are recognized in the period incurred. Operating revenues shown for proprietary operations generally result from producing or providing goods and services such as water, sewer, reuse, and sanitation services. Operating expenses for these operations include all costs related to providing the service or product. These costs include salaries, supplies, travel, contract services, depreciation, administrative expenses or other expense directly related to costs of services. All other revenue and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days.

Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated sick pay and accumulated vacation pay, which are not recorded as expenditures; (2) prepaid insurance and similar items, which are reported only on the balance sheet and do not affect expenditures; and (3) principal and interest on long-term debt, which are recognized when due. Budgets for governmental funds are also prepared on the modified accrual basis.

Licenses and permits, charges for services, and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash, because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred inflows for business taxes collected for the following fiscal year, amounts received for developer escrows pertaining to repairs and maintenance, and for a settlement arrangement with Duke Energy earned but not received during the modified accrual availability period.

The following are reported as major governmental funds:

General Fund – The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not required either legally or by generally accepted accounting principles to be accounted for in other funds are accounted for in the General Fund.

The following are reported as major enterprise funds:

Utility System – The Utility System fund accounts for the operation of the City’s potable water, reuse, and wastewater services to residents and businesses.

Sanitation Fund – The Sanitation Fund accounts for the operations of the City’s waste and refuse management services to its residents and businesses.

CITY OF AOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The City also reported the following fund types:

Special Revenue Funds (Non major) – account for specific revenue sources that are restricted by law or administrative action to expenditures for specific purposes.

Pension Trust Funds – The Pension Trust funds accounts for the activities of the general employees, police officers and firefighters’ pension plans.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government’s business-type functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Cash, Cash Equivalents, and Investments

1. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased.

2. Deposits

The City’s deposits consist of demand accounts (interest and non-interest bearing). The deposits of the Pension Trust Funds are held separately from those of other City funds.

At year-end, the carrying amount of the City’s Governmental and Business-Type Activities cash deposits, including funds on deposit with the Florida Municipal Investment Trust, was \$55,404,759 and the depository balances were \$56,099,734. Of the balance, \$55,946,533 was covered by Federal depository insurance or by collateral pursuant to the Public Depository Security Act of the State of Florida with the ability to assess member institutions to provide protection. Accordingly, all of the City’s cash deposits are considered to be fully insured.

The Pension Trust Funds held \$8,381,444 in uninsured and uncollateralized cash deposits at September 30, 2013.

3. Investments

	Fair Value
Pension Trust Fund Investments:	
US Government Bonds & Bills	\$ 28,142,588
U.S. Corporate Stocks	49,648,270
International Corporate Stocks	<u>12,460,931</u>
	<u>\$ 90,251,789</u>

Interest Rate Risk – Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment’s fair value. The City’s mutual bond funds, at the Florida Municipal Investment Trust have weighted average maturities of one and one-half years (1-3 year bond fund) and three years (intermediate bond fund). The City’s investment/portfolio policy applies to all funds of the City except for its pension trust funds. Interest rate risk is managed by limiting maturity terms to one year or less on bank certificates of deposit and to five years or less on U.S. Treasury Bills, Notes, and Bonds. Further management is provided by limiting concentrations of types of investments not to exceed from 15% to 25% at any one time.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

D. Cash, Cash Equivalents, and Investments – continued

Credit Ratings for Florida Municipal Investments Trust Investments-

Credit Risk for FMIvT Funds

<u>Fixed Income Funds:</u>	<u>Fitch Rating</u>
0-2 Year High Quality Bond Fund	AAA/V1
1-3 Year High Quality Bond Fund	AAA/V2
Intermediate High Quality Bond Fund	AAA/V3
Broad Market High Quality Bond Fund	AA/V4
Expanded High Yield Bond Fund	Not Rated

<u>Equity Funds</u>	<u>Rating</u>
High Quality Growth Equity Portfolio	Not Rated
Diversified Value Portfolio	Not Rated
Russell 1000 Enhanced Index Portfolio	Not Rated
Diversified Small Cap Equity Portfolio	Not Rated
International Equity Portfolio	Not Rated

FMIvT Interest Rate Risk Information in Years

<u>Fixed Income Funds:</u>	<u>Effective Duration</u>	<u>WAMf*</u>
0-2 Year High Quality Bond Fund	0.72	0.68
1-3 Year High Quality Bond Fund	1.59	1.52
Intermediate High Quality Bond Fund	3.78	3.71
Broad Market High Quality Bond Fund	4.49	5.54
Expanded High Yield Bond Fund	3.84	6.97

* Weighted Average to final Maturity

Credit Ratings for Pension Trust Fund Investments -

All of the investments of the Pension Trust Funds are held by the Prudential Retirement Insurance and Annuity Company (PRIAC) in a diversified asset portfolio.

PRIAC has received the following independent credit ratings from the major rating agencies:

Moody's Ratings:	A2
Standard & Poor's	AAA
A.M. Best	A+
Fitch	A+

Credit Risk – Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to meet its obligations. The City's investment policy limits the maximum percentage that may be invested in any one entity or instrument at any one time. In addition, the City limits its investments to those authorized by Florida Statutes and City Ordinances and Resolutions as follows. The following is a current list of authorized securities for investment. Revisions to the authorized list of securities may change from time to time by City Council action. The City is permitted to invest in pools that in turn invest in items the City may not purchase directly.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of any outside party. Financial institutions, broker/dealers, intermediaries, and advisers with which the City will do business are prequalified in accordance with the City’s investment policy.

D. Cash, Cash Equivalents, and Investments - continued

The City is authorized under Florida Statutes to invest in the following:

- a. State Board of Administration Local Government Surplus Funds Investment Pool, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided for in Chapter 163.01 F.S.
- b. Money Market Funds registered with the Securities Exchange Commission and having the highest credit quality rating from a nationally recognized rating agency placed only with financial institutions qualifying as public depositories as provided for in Chapter 280 of the Florida Statutes.
- c. Savings accounts in state-certified qualified public depositories, as defined in Chapter 280.02, F.S.
- d. Insured or fully collateralized Certificates of Deposit of banks
 - The bank must be a registered public funds depository in the State of Florida
 - Maturities must be one year or less.
- e. U. S. Treasury Bills, Notes and Bonds.
 - Maturity dates must be within five years or less.
- f. Full faith or general faith and credit obligations of United States Government Agencies
 - Maximum maturity shall be five years or less.
 - Maximum portfolio mix shall not exceed 25% for these instruments, inclusive of all types.

The City is further authorized under Ordinance and/or Resolution to invest in the following:

- g. Repurchase agreements collateralized by U.S. Treasury Securities and Market-to-Market
 - Purchased only from authorized dealers as provided for in this policy.
 - Any authorized institution with whom the City transacts repurchase agreements must have on file a fully executed copy of the City’s Master Repurchase Agreements.
 - Maximum portfolio mix shall not exceed 25% at any one time.
- h. Securities of, or other interests in, any open-end or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, U.S.C. ss. 80a-1 et seq., as amended from time to time, provided the portfolio of such investment company or investment trust is limited to United States Government obligations and to repurchase agreements fully collateralized by such United States Government obligations and provided such investment company or investments trust takes delivery of such collateral either directly or through an authorized custodian (i.e. Mutual Funds)
 - Portfolio mix shall not exceed 15% at any one time.
- i. The City will invest all checking account balances in accordance with the bank contract then in effect.
- j. The City will not hold or purchase any form of derivatives. A “derivative” is defined as financial instrument, the value of which depends on, or is derived from the value of one or more underlying assets or index or asset values. The use of reverse repurchase agreements or other forms of leverage is likewise prohibited.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

D. Cash, Cash Equivalents, and Investments - continued

Assets of the General Employee’s Pension Trust Fund, Police Officers’ Pension Trust Fund and Firefighters’ Pension Trust Fund, may be invested in accordance with Florida Statutes as previously described or held in bonds, stocks, commingled funds administered by National or State Banks, or other evidence of indebtedness issued or guaranteed by a corporation under the laws of the United States provided the corporation is traded on a nationally recognized exchange and meets certain rating criteria. Investments may also include annuity and life insurance contracts of life insurance companies.

4. Deferred Compensation Plan

The City maintains an Employee Deferred Compensation Plan as a benefit to employees. Investments in the Deferred Compensation Plan are held separately from those of other City funds. As prescribed by the plan documents, the plan administrator is authorized to invest plan assets in obligations of the U.S. government and various mutual and money market funds, which are held by the plan administrator and not in the City’s name. At September 30, 2013 and during the year, deferred compensation plan assets were invested in various mutual funds under a custodial account. The City has no fiduciary responsibility for these accounts.

E. Budgets and Budgetary Accounting

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

- 1) The Mayor submits a proposed operating budget to the City Council for the fiscal year beginning the following October 1st.
- 2) Public hearings are held to obtain taxpayer comments.
- 3) Prior to October 1, the budget is legally enacted through passage of resolution.
- 4) Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for the General Fund and the Special Revenue Funds. The budgets adopted for the Enterprise Funds are to comply with bond covenants. The Pension Trust Funds is not budgeted.
- 5) Budgets for the governmental fund types are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for proprietary fund types are adopted on a non-GAAP basis to reflect budget versus actual information related to “operations and maintenance” as defined in bond covenants.
- 6) The Mayor of Apopka is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total revenues, reserves, or expenditures of any fund must be approved by a majority vote on the City Council. During the fiscal year ended, various appropriations were approved in accordance with this policy. Budgeted amounts shown in the financial statements are as originally adopted and as further amended. However, amendments were nominal and did not significantly change the originally adopted budget.
- 7) Appropriations are authorized by resolutions generally at the fund level. These are the legal levels of budgetary control. Administrative control is maintained through the establishment of more detailed line-item budgets.
- 8) Appropriations lapse at the close of the fiscal year.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

F. Receivables

Property Taxes

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. Florida Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The City's current millage is 3.5161 mills.

All real and tangible personal property taxes are due and payable on the levy date of November 1 (levy date) of each year or as soon thereafter as the assessment roll is certified by the Orange County Property Appraiser. Orange County mails to each property owner on the assessment roll a notice of taxes due and the County also collects the taxes for the City. Taxes may be paid upon receipt of such notice from the County, 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 and all unpaid taxes on real and tangible property become delinquent on April 1 (the lien date) of the year following the year in which taxes were assessed. Procedures for collecting delinquent taxes, including applicable tax certificate sales are provided for by the Laws of Florida.

Accounts Receivable

Utility System Enterprise Fund operating revenues are generally recognized on the basis of cycle billings rendered monthly. Revenues for services delivered during the last month of the fiscal year that have not been read September 30 are accrued based on meter readings for the applicable consumptions taken at the beginning of October and billed in October.

G. Inventories

Inventories in the General Fund are stated at cost (determined on the "weighted average" method), and the Utility System Enterprise Fund inventories are stated at the lower of cost or market (determined on the "weighted average" method). Inventories are accounted for by the consumption method, wherein inventories are charged as expenditures/expenses when used. Inventories of the General Fund consist of fuel and motor vehicle parts and supplies. Inventories of the Utility System Fund consist primarily of meters, meter boxes, pipes and maintenance supplies held for use in maintaining and expanding the system. Obsolete and unusable items have been reduced to estimated salvage values.

H. Prepaid Items

Prepays represent payments made to vendors for services that will benefit beyond September 30, 2013. These payments are recorded as expenditures or expenses when consumed rather than when purchased.

I. Restricted Assets

The use of certain assets of the Utility System Enterprise Fund are restricted by specific provisions of bond resolutions and other agreements. Assets so designated are identified as restricted assets on the balance sheet.

J. Capital Assets

Capital assets, which include property, plant, equipment, intangible assets and infrastructure assets (e.g. road, bridges, curbs and gutters, streets and sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Additions to capital assets are recorded at cost at the time of purchase. Gifts or contributions are recorded at fair market value at the time received. The City's thresholds for capitalization for individual capital assets is \$1,000, and for capital projects is \$10,000.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

J. Capital Assets - continued

Depreciation has been provided using the straight-line method. The estimated useful lives of the various classes of depreciable capital assets are as follows:

<u>Assets</u>	<u>Years</u>
Water and Sewer Systems	20-50
Buildings and Improvements	5-50
Machinery and Equipment	3-25
Automotive Equipment	2-20
Public Domain Infrastructure	5-50
Intangibles	5-7

K. Impact Fees – Proprietary Funds (Business-Type Activities)

The City’s water, sewer, and reuse capital facility fee ordinance requires restriction of all monies collected as impact fees. These fees represent a capacity charge for the proportionate share of the cost of expanding, oversizing, separating or constructing new additions to the Water, Wastewater and Reuse Systems. The City is obligated to expend these funds only to provide expanded capacity to the system and is permitted to pay applicable debt service on one or more series of bonds for the purposes as described in Note 6. Impact Fees are recorded as capital contributions upon receipt.

L. Amortization of Debt Issuance Costs, Premiums, and Discounts

Governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Amortization of issuance costs and premiums are computed by the outstanding principal method over the life of the debt and are recorded as either a reduction of the debt or as income respectively. Amortization of discounts on debt is determined by the outstanding principal method and is recorded as interest expense each year over the life of the debt.

M. Compensated Absences

The City grants hours of paid time off to all its full-time employees which they are eligible to use after six months of continuous employment. The City has set annual maximum hours of accrual per year and maximum hours payable based on the employee’s length of service to the City. The annual maximum accruals and payables have set increases at each five year anniversary of the employee’s qualifying hire date. The annual maximum accruals and payables are increased for those employees who work on the basis of a 24 hour shift.

As of January 1, 2011, the City “froze” all employee sick leave balances that were based on the City’s prior sick leave ordinance. Those frozen balances are payable to the employee only upon their termination of employment with the City with the maximum amount set at \$6,000. The City’s current sick leave ordinance requires that an employee must have 10 or more years of service to receive any payout of their accumulated sick leave upon termination of employment. The maximum payout under the current ordinance is \$6,000. Employees who work on the basis of a 24 hour shift may accumulate their hours of sick pay at an increase rate.

A more detailed narrative of the City’s policy on Paid Time Off (PTO) can be found in the City’s Personnel Rules and Regulations.

The City records compensated absences in its Governmental Fund Types as an expenditure when the amount is for reimbursable unused paid time off (vacation or sick leave) payable to employees who had terminated their employments as of the end of the fiscal year. Compensated absences are accrued when incurred in the government-wide and proprietary funds financial statements.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

N. Fund Equity

The City had implemented the provision of GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions* in fiscal year 2011, which revises the presentation of fund balance for governmental funds. In the fund financial statements, fund balance for governmental funds is now reported in classifications that are based on the relative strength of the constraints that control how amounts in the funds can be spent.

Fund balance is reported in the following five components:

Nonspendable – includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual requirements. This would include inventories, deposits, prepaid items, and long-term notes receivable.

Spendable Fund Balance

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by third – parties (creditors, grantors, contributors) or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that can be used only for specific purposes that are internally imposed by ordinance action by the Mayor and City Council in a formal meeting. Commitments may only be changed by establishing, modifying, or rescinding an ordinance. Contractual obligations are included to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual obligations.

Assigned – includes fund balance amounts that are intended and have been assigned, to be used for specific purposes that are neither considered restricted or committed. These constraints are imposed internally. These constraints are established by the Mayor and City Council. The Mayor and City Council have delegated the authority to assign fund balances to the City’s Chief Administrative Officer. In the General Fund assigned amounts represent intended uses established by the Mayor and City Council, or the City’s Chief Administrative Officer.

Unassigned – includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for other governmental funds besides the General Fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

When both restricted and unrestricted (committed, assigned, and unassigned) fund resources are available for use, it is the City’s policy to generally use restricted resources first, and then unrestricted resources. When unrestricted resources are available for use, it is the City’s policy to use committed resources first, then assigned, and then unassigned as they are needed.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

O. Grants

Grants received or used for purposes normally financed through governmental fund types are accounted for within the City’s existing governmental funds. Revenues received or used from grants for governmental fund types are recognized as intergovernmental revenues when they become susceptible to accrual, that is both measurable and available (modified accrual basis). Unrestricted grants, entitlements or shared revenues received in proprietary funds are reported as non operating revenues.

NOTE 2 – RECEIVABLES

The following is a detail listing of accounts receivable by type and fund at September 30, 2013:

	<u>General</u>	<u>Special Revenue</u>	<u>Enterprise</u>
Receivables:			
Utility Accounts Billed	\$ 91,792	\$ 35,867	\$ 1,685,204
Utility Unbilled Receivables	-	-	722,580
Other:			
Settlement - Duke			
Energy	1,114,000	-	-
Taxes - Franchise & Utility	637,759	-	-
Other	-	66	28,381
	<u>1,751,759</u>	<u>66</u>	<u>28,381</u>
Total other			
	<u>1,751,759</u>	<u>66</u>	<u>28,381</u>
Gross Receivables	1,843,551	35,933	2,436,165
Less Allowance for Uncollectibles	<u>(4,082)</u>	<u>-</u>	<u>(281,037)</u>
Net Total Receivables	<u>\$ 1,839,469</u>	<u>\$ 35,933</u>	<u>\$ 2,155,128</u>

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 3 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2013 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Streets Improvement Fund*	\$ 4,831
General Fund	Utility System Fund	49,978
General Fund	Sanitation Fund	11,011
General Fund	Community Development*	<u>214,103</u>
		<u>\$ 279,923</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

* Non-major governmental funds.

The composition of Contributions Receivable in the Pension Trust Funds and Due to Pension Beneficiaries in the corresponding funds as of September 30, 2013 is as follows:

<u>Receivable by Trust Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Firefighters' Pension	General Fund	\$ 77,805
Police Officers' Pension	General Fund	143,144
General Employees' Pension	General Fund	116,333
General Employees' Pension	Utility System Fund	41,862
General Employees' Pension	Sanitation Fund	8,910
General Employees' Pension	Streets Improvement Fund*	<u>4,006</u>
		<u>\$ 392,060</u>

* Nonmajor governmental funds.

Individual interfund transfers for the fiscal year ended at September 30, 2013 were:

	<u>Transfers Made To Other Funds</u>	<u>Transfers Received From Other Funds</u>
General Fund	\$ 1,030,253	\$ 3,969,256
Enterprise Funds:		
Utility System	3,345,600	423,395
Sanitation Fund	756,225	-
Special Revenue:		
Streets Improvement Fund*	107,190	1,044,548
Road Impact Fees*	64,356	-
Stormwater*	<u>133,575</u>	<u>-</u>
Total Interfund Transfers	<u>\$ 5,437,199</u>	<u>\$ 5,437,199</u>

*Nonmajor governmental funds.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 3 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Transfers are used to (1) move revenues from the Enterprise Funds and the Special Revenue Funds to the General Fund to assist in financing the costs of the general government of the City in accordance with budgetary authorizations, and (2) to move amounts to finance shared with projects whose expenditures are budgeted and recorded in another fund.

NOTE 4 – RESTRICTED ASSETS – ENTERPRISE FUND (UTILITY SYSTEM)

The use of certain Utility System Fund assets is restricted by specific provisions of the bond resolution authorizing the issuance of the \$18,065,000 Utility Refunding Revenue Bonds, Series 2012. In addition, the City restricts funds available for repayment of deposits as well as funds required by ordinance to be placed in special construction accounts (repair and maintenance escrow accounts). Restricted assets at September 30, 2013, are as follows:

Repair and maintenace escrows	\$ 156,377
Renewal, replacement and improvement	200,000
Customer utility deposits	615,160
Capital improvements	<u>10,137,621</u>
 Total Restricted Assets	 <u><u>\$ 11,109,158</u></u>

CITY OF AOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 5 – CAPITAL ASSETS

	<u>Beginning Balance</u>	<u>Reclassifications and Increases</u>	<u>Reclassifications and Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
<i>Capital Assets, not being Depreciated:</i>				
Land	\$ 26,779,361	\$ 285,242	\$ -	\$ 27,064,603
Construction in Progress	<u>3,168,543</u>	<u>1,490,421</u>	<u>(2,959,283)</u>	<u>1,699,681</u>
Total Capital Assets, not being depreciated	29,947,904	1,775,663	(2,959,283)	28,764,284
<i>Capital Assets, being Depreciated:</i>				
Buildings	13,025,693	184,044	-	13,209,737
Improvement Other Than Buildings	91,028,662	400,287	-	91,428,949
Machinery and Equipment	14,659,894	3,340,107	(58,332)	17,941,669
Automotive Equipment	<u>9,058,473</u>	<u>1,507,568</u>	<u>(620,231)</u>	<u>9,945,810</u>
Total Capital Assets, being depreciated	127,772,722	5,432,006	(678,563)	132,526,165
<i>Less Accumulated Depreciation for:</i>				
Buildings	(4,349,680)	(290,484)	-	(4,640,164)
Improvements Other than Buildings	(35,428,582)	(2,639,609)	-	(38,068,191)
Machinery and Equipment	(10,675,035)	(2,163,055)	58,332	(12,779,758)
Automotive Equipment	<u>(7,602,064)</u>	<u>(508,643)</u>	<u>620,231</u>	<u>(7,490,476)</u>
Total Accumulated Depreciation	<u>(58,055,361)</u>	<u>(5,601,791)</u>	<u>678,563</u>	<u>(62,978,589)</u>
Total Capital Assets, being Depreciated, Net	<u>69,717,361</u>	<u>(169,785)</u>	<u>-</u>	<u>69,547,576</u>
Governmental Activities Capital Assets, Net	<u>\$ 99,665,264</u>	<u>\$ 1,605,878</u>	<u>\$ (2,959,283)</u>	<u>\$ 98,311,860</u>

Depreciation was charged to the functions of governmental activities as follows:

General Government	\$ 881,862
Public Safety	2,019,519
Transportation	1,999,305
Environmental	37,052
Culture/Recreation	<u>664,053</u>
Total Governmental	<u>\$ 5,601,791</u>

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 5 – CAPITAL ASSETS – continued

	<u>Beginning Balance</u>	<u>Reclassification and Increases</u>	<u>Reclassification and Decreases</u>	<u>Ending Balance</u>
Business-Type Activities:				
<i>Capital Assets, not being Depreciated:</i>				
Land	\$ 7,924,275	\$ -	\$ -	\$ 7,924,275
Construction in Progress	6,382,045	1,606,459	(333,396)	7,655,108
Total Capital Assets, not being depreciated	14,306,320	1,606,459	(333,396)	15,579,383
<i>Capital Assets, being Depreciated:</i>				
Buildings	21,480,831	-	-	21,480,831
Improvements Other Than Buildings	101,702,758	1,084,114	-	102,786,872
Machinery and Equipment	9,009,972	102,518	(63,000)	9,049,490
Automotive Equipment	5,207,687	100,710	(120,301)	5,188,096
Total Capital Assets, being depreciated	137,401,248	1,287,342	(183,301)	138,505,289
<i>Less Accumulated Depreciation for:</i>				
Buildings	(11,066,563)	(733,153)	-	(11,799,716)
Improvements Other than Buildings	(26,934,919)	(2,082,423)	-	(29,017,342)
Machinery and Equipment	(4,551,240)	(772,858)	63,000	(5,261,098)
Automotive Equipment	(3,889,345)	(305,019)	120,301	(4,074,063)
Total Accumulated Depreciation	(46,442,067)	(3,893,453)	183,301	(50,152,219)
Total Capital Assets, being Depreciated, Net	90,959,181	(2,606,111)	-	88,353,070
Business-Type Activities				
Capital Assets, Net	<u>\$ 105,265,502</u>	<u>\$ (999,652)</u>	<u>\$ (333,396)</u>	<u>\$ 103,932,453</u>

Depreciation was charged to the types of business activities as follows:

Utility System	\$ 3,571,678
Sanitation	321,775
	<u>\$ 3,893,453</u>

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 6 – LONG-TERM DEBT

The following is a summary of long-term debt transactions of the City for the year ended September 30, 2013:

	Balance Sept. 30 2012	Additions	Deductions	Balance Sept. 30 2013	Balance Due Within One Year
Governmental activities:					
Capital lease obligations	\$ 3,954,566	\$ -	\$ 515,269	\$ 3,439,297	\$ 516,312
Revenue Note, Series 1999	215,250	-	30,750	184,500	30,750
Notes payable	7,600,000	2,260,500	1,960,000	7,900,500	961,557
Compensated absences	1,808,057	1,572,368	1,512,111	1,868,314	1,352,777
Total	13,577,873	3,832,868	4,018,130	13,392,611	2,861,396
Business-type activities:					
Utility revenue bonds	19,615,000	18,065,000	20,245,000	17,435,000	710,000
Compensated absences	442,872	386,698	355,623	473,947	293,495
Total	20,057,872	18,451,698	20,600,623	17,908,947	1,003,495
Total Long-Term Debt	\$ 33,635,745	\$ 22,284,566	\$ 24,618,753	\$ 31,301,558	\$ 3,864,891

Unamortized Issue Costs, Discounts, Deferred Losses, and Premiums

Governmental Activities:

The unamortized premium amounts on the 2003B Revenue Bonds amounts to \$25,821 at September 30, 2012 and \$22,609 at September 30, 2013.

The unamortized issuance costs on the governmental activity 2013B Special Obligation Refunds Revenue Note amounted to \$20,500 at September 30, 2013.

The unamortized issuance costs on the governmental activity 2013A Special Obligation Improvement Revenue Note amounted to \$22,000 at September 30, 2013.

Business-Type Activities:

The unamortized discount and deferred amounts on advance refundings of business-type activity revenue bonds amounted to \$364,726 at September 30, 2012 and \$305,937 at September 30, 2013.

The unamortized premium amount on the 2012 Utility System Refunding Revenue Bonds amounts to \$1,661,763 at September 30, 2013.

The unamortized bond issue costs on business-type revenue bonds amounts to \$209,495 at September 30, 2012 and \$221,805 at September 30, 2013.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

Advance Refundings:

Governmental Activities:

The City issued \$1,160,500 Series 2013B Special Obligation Refunding Revenue Note to Old Florida National Bank with interest rates of 1.15%. The proceeds were used to advance refund the \$1,140,000 outstanding note payable to Bank of America, N.A. which had an interest rate of 3.85%. The net proceeds of \$1,140,000 (after payments of \$20,500 in issuance costs) were deposited with an escrow agent and wire transferred to Bank of America, N.A. in complete defeasance of the refunded debt. As a result, the note payable to the Bank of America, N.A. has been removed from the statement of net position.

The City advance refunded the Bank of America, N.A. note to reduce its total debt service payments over 4 years by \$64,282. The costs of issuance (\$20,500) is amortized over the remaining life of the 2013B Note.

Business-Type Activities:

The City issued \$18,065,000 Utility System Refunding Revenue Bonds, Series 2012 with interest rates ranging from 2.00% to 5.00%. The proceeds were used to advance refund \$19,615,000 of outstanding 2001 Utility System Improvement and Refunding Revenue Bonds which had interest rates from 3.25% to 4.75%. The net proceeds of \$19,818,352 were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service on the refunded bonds. As a result, the 2001 Utility System Improvement and Refunding Revenue Bonds are considered defeased and the liability for those bonds has been removed from the financial statements.

The City advance refunded the 2001 Utility System Improvement and Refunding Revenue Bonds to reduce its total debt service payments over 19 years by \$4,686,114, and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$3,735,244.

For the governmental activities, claims and judgments and compensated absences are generally liquidated by the General Fund.

The City's Long-Term debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

Governmental Activities:

Florida Municipal Loan Council Note, due in annual principal installments ranging from \$135,000 to \$170,000, plus semi-annual interest ranging from 2.000% to 5.250% through December 1, 2018.

The note is secured by Non-Ad Valorem Revenues. This debt is serviced by the General Fund. \$ 915,000

Capital Improvement Revenue Note, Series 1999A. Non-Ad Valorem Revenues are pledged monies budgeted and appropriated pursuant to the loan agreement. Principal and interest are due in annual installments of \$30,750 principal plus interest at 4.870% through January 29, 2019. 184,500

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 6 – LONG-TERM DEBT – continued

Governmental Activities (continued):

Note payable to Bank of America, N.A., collateralized by pledge of recreational impact fees, due in annual principal installments ranging from \$450,000 to \$610,000, plus interest at 3.90% through March 1, 2022. This debt is serviced by the Recreational Impact Fees Fund (Special Revenue Fund) \$ 4,725,000

Capital Lease payable to Motorola, Inc. for Motorola Communications System Equipment (capitalized cost basis of \$5,316,963), due in annual installments of \$659,615 including interest at 4.165% through December 1, 2018. This debt is serviced by the General Fund. 3,439,297

Note Payable to Branch Banking and Trust Company (Special Obligation Improvement Revenue Note, Series 2013A), payable from the Non-Ad Valorem Revenues of the City. Interest is due semi-annually at 1.8%, and principal installments are due annually ranging from \$91,728 to \$120,189 through March 1, 2023. The proceeds of this note were used to purchase two new fire trucks. This note is serviced by the General Fund. 1,100,000

Note payable to Old Florida National Bank (Special Obligation Refunding Revenue Note, Series 2013B), payable from the Non-Ad Valorem Revenues of the City. Interest is due semi-annually at 1.15% and principal installments are due annually ranging from \$284,829 to \$294,202 through March 1, 2017. This note is serviced by the General Fund. 1,160,500

Total Governmental Activity Debt \$ 11,524,297

Business-Type Activities

Utility System Refunding Revenue Bonds, Series 2012 due in annual installments ranging from \$710,000 to \$1,135,000, plus interest ranging from 2.00% to 5.00%, on various maturities. The Series 2012 Bonds are secured by a pledge and are payable solely from the Pledged Revenues consisting of (i) the Net Revenues of the System, (ii) the Sewer System Development Charges, (iii) the Water System Development Charges, (iv) the Reuse System Development Charges, and (v) the monies on deposit in various funds and accounts created pursuant to the Series 2012 Bond Resolution with the exception of the Rebate Fund. This debt is serviced by the Utility System Fund. \$ 17,435,000

Less: Deferred amounts on refunding (305,937)
Unamortized premium 1,661,763

Total Business-Type Activity Debt \$ 18,790,826

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

The annual debt service payments required on outstanding debt at September 30, 2013 are as follows:

Governmental Activities									
Year Ending September 30	Capital Improvement Revenue Notes 1999A			FMLC Note 2003B			Capital Lease Motorola, Inc Communications System		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2014	\$ 30,750	\$ 8,985	\$ 39,735	\$ 135,000	\$ 44,494	\$ 179,494	\$ 516,312	\$ 143,303	\$ 659,615
2015	30,750	7,488	38,238	140,000	37,275	177,275	537,816	121,799	659,615
2016	30,750	5,990	36,740	150,000	29,663	179,663	560,216	99,399	659,615
2017	30,750	4,493	35,243	155,000	21,656	176,656	583,549	76,066	659,615
2018	30,750	2,995	33,745	165,000	13,255	178,255	607,854	51,761	659,615
2019	30,750	1,497	32,247	170,000	4,461	174,461	633,550	26,497	660,047
2020	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-
	<u>\$ 184,500</u>	<u>\$ 31,448</u>	<u>215,948</u>	<u>\$ 915,000</u>	<u>\$ 150,804</u>	<u>1,065,804</u>	<u>\$ 3,439,297</u>	<u>\$ 518,825</u>	<u>3,958,122</u>
Less: Amounts representing interest			<u>31,448</u>			<u>150,804</u>			<u>518,825</u>
Principal Outstanding			<u>\$ 184,500</u>			<u>\$ 915,000</u>			<u>\$ 3,439,297</u>

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

The annual debt service payments required on outstanding debt at September 30, 2013 are as follows:

Governmental Activities									
Year Ending September 30	Bank of America, N.A. Note 2007 A			BB&T Note 2013 A			Old Florida National Bank Note 2013B		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2014	\$ 450,000	\$ 184,275	\$ 634,275	\$ 91,728	\$ 18,974	\$ 110,702	\$ 284,829	\$ 11,708	\$ 296,537
2015	465,000	166,725	631,725	104,204	17,211	121,415	289,460	8,406	297,866
2016	485,000	148,590	633,590	106,079	15,319	121,398	292,009	5,062	297,071
2017	505,000	129,675	634,675	107,989	13,392	121,381	294,202	1,692	295,894
2018	520,000	109,980	629,980	109,933	11,431	121,364	-	-	-
2019	540,000	89,700	629,700	111,911	9,434	121,345	-	-	-
2020	565,000	68,640	633,640	113,926	7,401	121,327	-	-	-
2021	585,000	46,605	631,605	115,977	5,332	121,309	-	-	-
2022	610,000	23,790	633,790	118,064	3,226	121,290	-	-	-
2023	-	-	-	120,189	1,082	121,271	-	-	-
2024	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-
	<u>\$ 4,725,000</u>	<u>\$ 967,980</u>	5,692,980	<u>\$ 1,100,000</u>	<u>\$ 102,802</u>	1,202,802	<u>\$ 1,160,500</u>	<u>\$ 26,868</u>	1,187,368
Less: Amounts representing interest			<u>967,980</u>			<u>102,802</u>			<u>26,868</u>
Principal Outstanding			<u>\$ 4,725,000</u>			<u>\$ 1,100,000</u>			<u>\$ 1,160,500</u>

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

The annual debt service payments required on outstanding debt at September 30, 2013 are as follows:

Year Ending September 30	Governmental Activities		
	Grand Totals		
	Principal	Interest	Total
2014	\$ 1,508,619	\$ 411,739	\$ 1,920,358
2015	1,567,230	358,904	1,926,134
2016	1,624,054	304,023	1,928,077
2017	1,676,490	246,974	1,923,464
2018	1,433,537	189,422	1,622,959
2019	1,486,211	131,589	1,617,800
2020	678,926	76,041	754,967
2021	700,977	51,937	752,914
2022	728,064	27,016	755,080
2023	120,189	1,082	121,271
2024	-	-	-
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029	-	-	-
2030	-	-	-
2031	-	-	-
	<u>\$ 11,524,297</u>	<u>\$ 1,798,727</u>	<u>13,323,024</u>
Less: Amounts representing interest			<u>1,798,727</u>
Principal Outstanding			<u>\$ 11,524,297</u>

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

The annual debt service payments required on outstanding debt at September 30, 2013 are as follows:

Year Ending September 30	<u>Business-type Activities</u>			<u>Governmental and Business-type Activities Grand Total</u>		
	<u>Utility Revenue Bonds 2012</u>			<u>Principal</u>	<u>Interest</u>	<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>			
2014	\$ 710,000	\$ 623,400	\$ 1,333,400	\$ 2,218,619	\$ 1,035,139	\$ 3,253,758
2015	725,000	609,200	1,334,200	2,292,230	968,104	3,260,334
2016	750,000	587,450	1,337,450	2,374,054	891,473	3,265,527
2017	770,000	564,950	1,334,950	2,446,490	811,924	3,258,414
2018	800,000	534,150	1,334,150	2,233,537	723,572	2,957,109
2019	835,000	502,150	1,337,150	2,321,211	633,739	2,954,950
2020	860,000	477,100	1,337,100	1,538,926	553,141	2,092,067
2021	885,000	451,300	1,336,300	1,585,977	503,237	2,089,214
2022	920,000	415,900	1,335,900	1,648,064	442,916	2,090,980
2023	950,000	388,300	1,338,300	1,070,189	389,382	1,459,571
2024	995,000	340,800	1,335,800	995,000	340,800	1,335,800
2025	1,045,000	291,050	1,336,050	1,045,000	291,050	1,336,050
2026	1,085,000	249,250	1,334,250	1,085,000	249,250	1,334,250
2027	1,135,000	205,850	1,340,850	1,135,000	205,850	1,340,850
2028	1,185,000	149,100	1,334,100	1,185,000	149,100	1,334,100
2029	1,225,000	113,550	1,338,550	1,225,000	113,550	1,338,550
2030	1,260,000	76,800	1,336,800	1,260,000	76,800	1,336,800
2031	1,300,000	39,000	1,339,000	1,300,000	39,000	1,339,000
	<u>\$ 17,435,000</u>	<u>\$ 6,619,300</u>	24,054,300	<u>\$28,959,297</u>	<u>\$ 8,418,027</u>	37,377,324
Less: Amounts representing interest			<u>6,619,300</u>			<u>8,418,027</u>
Principal Outstanding			<u>\$ 17,435,000</u>			<u>\$28,959,297</u>

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS

The City maintains a single-employer defined benefit pension plan which covers substantially all of the City's full-time employees (General Employees' Retirement Plan), a single employer defined benefit plan which covers all of its full-time certified police officers (Municipal Police Officers' Retirement Plan) and a single-employer defined benefit plan which covers all of its full-time certified firefighters (Municipal Firefighters' Retirement Plan). Each of the retirement plans is administered by its Board of Trustees, subject, however, and in any event to the authority and power of the Apopka City Council. Each plan's assets may be used only for the payment of plan administrative costs and benefits to the members of that plan, in accordance with the terms of the plan. Benefits and refunds of contributions to the members of the applicable plan are recognized at the date when they become due and payable specific to the terms of the plan. None of the aforementioned retirement plans issues a stand-alone financial report, nor are they included in the report of a Public Employee Retirement System, or any other entity.

A. Plan Description

1. General Employees' Retirement plan

The General Employees' Retirement Plan ("Plan") was established on October 16, 1976 for all regular, full-time employees not covered by the Municipal Police Officer's Retirement Plan or the Municipal Firefighters' Retirement Plan.

All full-time employees who have attained the age of 57 and five years of credited service are entitled to annual benefits of 2.75% of the average of the five (5) final years of salary, times years of credited service, subject to a maximum of 100% of average final compensation in the form of a life annuity, ceasing upon death. Early retirement is available for employees attaining the age of 47 with ten (10) years of service. The early retirement benefit is in the form of a life annuity (options available). A delayed retirement may be elected where the employee remains actively employed and benefits continue to accrue after the normal retirement date. In the event of pre-retirement death and the employee is eligible for normal or early retirement, a beneficiary is eligible to receive a benefit as if the member retired on the date of death. If the employee is not eligible for the normal or early retirement at the time of pre-retirement death, the Plan provides for a refund of any employee contributions.

Vesting in the Plan is as follows:

- with less than ten years of service, a refund of accumulated contributions
- with ten years or more of continuous service, an accrued pension payable at either early or normal retirement age, or a refund of employee contributions.

2. Municipal Police Officers' Retirement Plan

The Municipal Police Officers' Retirement Plan ("Plan") was established to conform to provisions of the State Statutes of the State of Florida for all full-time sworn Police Officers.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS – continued

A. Plan Description (continued)

Employees attaining the age of 45 who have completed 10 or more years of credited service, or 20 years of credited service regardless of age are entitled to monthly benefits of 3.6% of their average final compensation times years of credited service for the first 10 years of credited service and 4% for each year in excess of 10 years. Average final compensation is the average salary for the best 3 of the 5 last years immediately preceding retirement or termination. The Plan permits early retirement at the completion of 10 years of contributed service and attaining the age of 40.

Active employees who retire disabled with a disability that occurred in the line of duty shall receive the greater of 42% of average final compensation or 3.6% per month of average final compensation multiplied by years of credited service. For a non-service incurred disability, a member with 10 years of credited service shall be eligible.

Disability benefits are paid for ten years certain or life or until recovery from disability. If an active police officer dies before retirement eligibility his or her beneficiary receives a refund of the police officer's contributions to the Plan. If the officer dies prior to retirement but has at least 10 years of credited service, his beneficiary is entitled to either early or normal retirement benefits. Minimum disability benefit resulting from an intentional act of violence assumes 20 years of credited service.

Retirees on or after March 1, 1998 receive a lump-sum payment of \$500 following 5 years of benefit payments and an additional \$500 payment on each 5 year anniversary.

If an employee terminates his or her employment with the police department and is not eligible for the other benefits under the Plan, the employee is entitled to the following:

- with less than 10 years of continuous service, a refund of accumulated contributions.
- with 10 or more years of continuous service, the pension accrued to the date of termination, payable commencing at his or her 45th birth date.

3. The Municipal Firefighters' Retirement Plan

The Municipal Firefighters' Retirement Plan ("Plan") was established to conform to provisions of the State of Florida for all sworn full-time firefighters. All of the City's full-time firefighters participate in the Plan.

Employees attaining the age of 55 who have completed 10 or more credited years of service or with 22 years of credited service are entitled to annual benefits of 3.0% of their average final compensation for the best 5 of the last 10 years times years of credited service. The Plan permits early retirement at the completion of 10 years of credited service and attaining the age of 50 years.

Active employees who retired disabled with disability that occurred in the line of duty shall receive the greater of monthly benefits of 2.5% of their average final compensation times years of credited service but not less than 42% of average final compensation. For non-service incurred disability, a member with 10 years of credited service shall receive the greater of 2.5% of average final compensation or the accrued benefit actuarially reduced but not less than 25% of average final compensation. Disability benefits are paid for ten years certain or life or until recovery from disability that can be provided by the single sum value of the deferred monthly retirement income beginning a normal retirement date, which has accrued to his date of disability.

If an active firefighter dies before retirement eligibility his or her beneficiary receives a refund of the firefighter's contributions to the Plan. If a firefighter dies prior to retirement but has at least 10 years of credited service, his beneficiary is entitled to early or normal retirement benefits for 10 years.

If an employee terminates his or her employment with the fire department and is not eligible for any other benefits under the Plan, the employee is entitled to the following:

- with less than 10 years of continuous service, a refund of accumulated member contributions.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS – continued

- with 10 or more years of continuous service, the pension accrued to the date of termination, payable commencing at his or her 55th birth date.

B. Membership

As of October 1, 2013 the date of the latest actuarial valuation, membership in the Plans consisted of the following:

	General Employees'	Police Officers'	Firefighters'	Total
Retirees and beneficiaries currently receiving benefits	80	36	23	139
Transfers	-	2	1	3
Terminated employees entitled to benefits, but not yet receiving them	20	1	5	26
Refund of employee contributions	15	1	8	24
Participants on disability	-	1	6	7
Delayed retirement option	10	-	2	12
Inactive employees	1	-	-	1
Active employees	200	88	73	361
Totals	<u>326</u>	<u>129</u>	<u>118</u>	<u>573</u>

The total payroll for the City of Apopka was \$22,093,299 for the fiscal year ended September 30, 2013. Covered payroll under the respective plans' assumed retirement ages for valuations at October 1, 2013, General employees Retirement Plan; Municipal Police Officers' Retirement Plan; and Municipal Firefighters' Retirement Plan were \$9,682,597; \$5,200,868; and \$4,606,154 respectively.

C. Funding Policy

1. General Employees' Retirement Plan

Contributions are established by local ordinance. Employees are required to contribute 4.9% of their annual salary to the Plan. The City is required to contribute the amount necessary to meet normal (current year's) costs and to fund the actuarial accrued (past service) liability, if any, over 30 years, adjusted for interest according to the timing of the contributions.

2. Municipal Police Officers' Retirement Plan

Contributions are established by local ordinance and include a 2% premium tax on all casualty insurance policies issued in the city limits. Employees are required to contribute 7% of their annual salary to the Plan. The City is required to contribute an actuarially determined rate that includes the state contribution; the current rate is 23.29% of annual covered payroll, subject to a minimum of 4%. Any unfunded accrued liability is amortized over no more than 30 years.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS – continued

3. *Municipal Firefighters’ Retirement Plan*

Contributions are established by local ordinance and include a 1.85% excise tax from policyholders on all premiums collected on property fire insurance covering property within the City limits. Employees are required to contribute 8.3% of their salary to the Plan. The City is required to contribute an actuarially determined rate that includes the state contribution; the current rate is 17.13% of annual covered payroll, subject to a minimum of 4%.

Municipalities that have established pension plans complying with the provisions of Chapters 175 and 185, Florida Statutes, and that have enacted appropriate taxing legislation are eligible to receive revenues generated from excise taxes on gross receipts of certain insurance premiums from policyholders covering property within the City limits. These are the Firefighters’ Pension Fund Excise Tax imposed on the gross receipts of property insurance policy premiums and the Police Officers’ Pension Fund Excise Tax imposed on the gross receipts of casualty insurance policy premiums. These revenues, reported in the City’s General Fund and expended as Public Safety activity, are \$269,750 and \$301,704 respectively, for the year ended September 30, 2013.

Insurance premium excise tax revenues collected in the 1997 calendar year represent an initial “frozen” State contribution. Until plan benefits are improved for the police officers’ and firefighters’ retirement plans, the City’s (the sponsor) contributions are determined based upon the lesser of: (1) the actual State contributions received in the plan year, or (2) the “frozen” State contribution amounts. State contributions received in any plan year in excess of the applicable “frozen” State contribution amounts are segregated from plan assets to be used exclusively to fund benefit improvements. These excess State contributions are accumulated in reserve balances titled “Excess State Monies Reserve”. For the plan year ended September 30, 2013, the City received actual State contributions in the amount of \$269,750 for the Firefighters’ Retirement Plan and \$301,704 for the Police Officers’ Retirement Plan. The applicable “frozen” amounts for the Firefighters’ Retirement Plan was \$165,010 and for the Police Officers’ Retirement Plan was \$252,841. The additions to the Excess State Monies Reserve were \$104,740 for the Firefighters’ Retirement Plan and \$48,863 for the Police Officers’ Retirement Plan. The accumulated total Excess State Monies Reserves as of September 30, 2013 for the Firefighters’ Retirement Plan is \$638,284, and for the Police Officers’ Retirement Plan is \$377,063.

D. Schedules of Funded Status and Funding Progress

The most recent actuarial valuation date for each Plan was October 1, 2013. The funded status and funding progress of each Plan at September 30, 2013 is presented below:

	General Employees	Police Officers	Firefighters
Actuarial Value of Assets	\$ 36,687,734	\$ 34,680,042	\$ 27,657,517
Actuarial Accrued Liability	44,786,454	37,839,348	31,080,526
Unfunded (Overfunded) Status (UAAL)	\$ 8,098,720	\$ 3,159,306	\$ 3,423,009
Funded Ratio	81.92%	91.65%	88.99%
Annual Covered Payroll	\$ 9,682,597	\$ 5,200,868	\$ 4,606,154
UAAL as Percent of Payroll	83.64%	60.75%	74.31%

Schedules of Funding Progress presented as RSI for the General Employees Trust Fund, the Police Officers Pension Trust Fund, and the Firefighters Pension Trust Fund are respectively presented on pages 72-74. These schedules present multi-year (2004-2013) trend information about whether the Actuarial Value of Assets for each plan is increasing or decreasing relative to the plan’s Actuarial Accrued Liability (AAL) Entry Age for benefits over time. In addition, these schedules present the funded status for each plan in the Funded Ratio Actuarial Value of Assets as a percentage of Actuarial Accrued Liability (AAL) Entry Age.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS – continued

E. Annual Pension Cost

The Board of Trustees of each Plan establishes, and may amend the contribution requirements of plan members and the City. The City's annual pension cost for the current year and related information for each plan is shown below:

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Firefighters'</u>
Contribution rates:			
Employer	17.62%	23.29%	17.13%
Employee	4.90%	7.00%	8.30%
Annual Pension Cost	<u>\$ 1,513,675</u>	<u>\$ 1,191,806</u>	<u>\$ 706,351</u>
Contributions made:			
City	\$ 1,706,074	\$ 1,481,729	\$ 788,822
Employees (not including DROP)	284,047	386,565	269,484
State Excise Tax (thru General Fund)	<u>-</u>	<u>301,704</u>	<u>269,750</u>
 Total	 <u>\$ 1,990,121</u>	 <u>\$ 2,169,998</u>	 <u>\$ 1,328,056</u>

*Applicable "Frozen" State Contributions.

Actuarial valuation date	10/1/11	10/1/11	10/1/11
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method	Level % of Pay Closed	Level % of Pay Closed	Level % of Pay Closed
Remaining amortization period	30	30	30
Asset valuation method	4-Yr Smooth Market	4-Yr Smooth Market	4-Yr Smooth Market
Actuarial assumptions:			
Investment rate of return (a)	8.0%	8.0%	8.0%
Projected salary increases (a)	7.0%	7.0%	5.0%
(a) includes inflation at cost-of-living adjustments	3.0%	3.0%	3.0%
(b) does not identify or separately amortize unfunded actuarial liabilities			
Post Retirement COLA	0.0%	0.0%	0.0%

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS – continued

F. 3-Year Trend Information

Three year trend information for the plans follows:

Plan	Fiscal Year Ending	Annual Pension Cost (A)	Percentage of (A) Contributed	Net Pension Obligation
General Employees'	9/30/13	\$ 1,513,675	113%	\$ (996,935)
	9/30/12	1,305,066	102%	(804,536)
	9/30/11	1,228,903	105%	(773,038)
Police Officers'	9/30/13	\$ 1,191,806	124%	\$ (1,029,443)
	9/30/12	1,089,157	110%	(739,520)
	9/30/11	1,053,192	105%	(627,086)
Firefighters'	9/30/13	\$ 706,351	112%	\$ (753,324)
	9/30/12	619,020	113%	(670,853)
	9/30/11	613,710	97%	(587,331)

G. Development of Net Pension Obligation (NPO)

Three year trend information follows:

General Employees' Plan

This municipal Defined Benefit Plan has been subject to the minimum funding standards since the adoption of the "Florida Protection of Public Employee Retirement Benefits Act" (Part VII of Chapter 112, Florida Statutes) in 1980. Accordingly, the sponsor has funded the actuarially determined required contributions for all years from October 1, 1987, through the transition date, October 1, 1997. Thus the NPO on October 1, 1997 is zero.

The recent development of the Net Pension Obligation through September 30, 2013 is as follows:

	<u>9/30/11</u>	<u>9/30/12</u>	<u>9/30/13</u>
Actuarially Determined Contribution (A)	\$ 1,244,229	\$ 1,321,788	\$ 1,527,489
Interest on NPO	(56,543)	(61,843)	(64,363)
Adjustment to (A)	<u>41,217</u>	<u>45,121</u>	<u>50,549</u>
Annual Pension Cost	1,228,903	1,305,066	1,513,675
Contributions Made	<u>1,295,148</u>	<u>1,336,564</u>	<u>1,706,074</u>
Increase in NPO	(66,245)	(31,498)	(192,399)
NPO, Beginning of Year	<u>(706,793)</u>	<u>(773,038)</u>	<u>(804,536)</u>
NPO, End of Year	<u>\$ (773,038)</u>	<u>\$ (804,536)</u>	<u>\$ (996,935)</u>

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS – continued

G. Development of Net Pension Obligation (NPO) (continued)

Police Officers’ Plan

This municipal Defined Benefit Plan has been subject to the minimum funding standards since the adoption of the “Florida Protection of Public Employee Retirement Benefits Act” (Part VII of Chapter 112, Florida Statutes) in 1980. Accordingly, the sponsor has funded the actuarially determined required contributions for all years from October 1, 1987, through the transition date October 1, 1997. Thus, the NPO on October 1, 1997, is zero dollars.

The recent development of the Net Pension Obligation through September 30, 2013 is as follows:

	<u>9/30/11</u>	<u>9/30/12</u>	<u>9/30/13</u>
Actuarially Determined Contribution (A)	\$ 1,069,647	\$ 1,107,098	\$ 1,211,103
Interest on NPO	(46,207)	(50,167)	(59,162)
Adjustment to (A)	<u>29,752</u>	<u>32,226</u>	<u>39,865</u>
Annual Pension Cost	1,053,192	1,089,157	1,191,806
Contributions Made	<u>1,102,685</u>	<u>1,201,591</u>	<u>1,481,729</u>
Increase in NPO	(49,493)	(112,434)	(289,923)
NPO, Beginning of Year	<u>(577,593)</u>	<u>(627,086)</u>	<u>(739,520)</u>
NPO, End of Year	<u>\$ (627,086)</u>	<u>\$ (739,520)</u>	<u>\$ (1,029,443)</u>

Firefighters’ Plan

This municipal Defined Benefit Plan has been subject to the minimum funding standards since the adoption of the “Florida Protection of Public Employee Retirement Benefits Act” (Part VII of Chapter 112, Florida Statutes) in 1980. Accordingly, the sponsor has funded the actuarially determined required contributions for all years from October 1, 1987, through the transition date October 1, 1997. Thus, the NPO on October 1, 1997, is zero dollars.

The recent development of the Net Pension Obligation through September 30, 2013 is as follows:

	<u>9/30/11</u>	<u>9/30/12</u>	<u>9/30/13</u>
Actuarially Determined Contribution (A)	\$ 626,398	\$ 631,730	\$ 717,001
Interest on NPO	(48,283)	(46,986)	(53,668)
Adjustment to (A)	<u>35,595</u>	<u>34,276</u>	<u>43,018</u>
Annual Pension Cost	613,710	619,020	706,351
Contributions Made	<u>597,504</u>	<u>702,542</u>	<u>788,822</u>
Increase in NPO	16,206	(83,522)	(82,471)
NPO, Beginning of Year	<u>(603,537)</u>	<u>(587,331)</u>	<u>(670,853)</u>
NPO, End of Year	<u>\$ (587,331)</u>	<u>\$ (670,853)</u>	<u>\$ (753,324)</u>

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS – continued

H. Net Position

The Combining Statement of Fiduciary Net Position
At September 30, 2013 is stated as follows:

ASSETS	<u>General Employees</u>	<u>Police Officers'</u>	<u>Firefighters'</u>	<u>Total</u>
Cash and cash equivalents	\$ 3,160,019	\$ 3,021,791	\$ 2,199,634	\$ 8,381,444
Investments at fair value	33,356,604	31,515,107	25,380,078	90,251,789
Contributions receivable	<u>171,111</u>	<u>143,144</u>	<u>77,805</u>	<u>392,060</u>
Total Assets	<u>\$ 36,687,734</u>	<u>\$ 34,680,042</u>	<u>\$ 27,657,517</u>	<u>\$ 99,025,293</u>
Net Position:				
Held in trust for deferred retirement option plan (DROP)	\$ 633,142	\$ -	\$ 712,533	\$ 1,345,675
Held in trust for employees' pension benefits	<u>36,054,592</u>	<u>34,680,042</u>	<u>26,944,984</u>	<u>97,679,618</u>
Total Net Position	<u>\$ 36,687,734</u>	<u>\$ 34,680,042</u>	<u>\$ 27,657,517</u>	<u>\$ 99,025,293</u>

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS – continued

I. Changes In Net Position

The Combining Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2013 is stated as follows:

	<u>General Employees</u>	<u>Police Officers'</u>	<u>Firefighters'</u>	<u>Total</u>
ADDITIONS				
Contributions:				
Employee contributions	\$ 284,047	\$ 386,565	\$ 269,484	\$ 940,096
Additions to DROP	213,261	-	132,588	345,849
State excise tax	-	301,704	269,750	571,454
City contributions	1,706,074	1,481,729	788,822	3,976,625
Total contributions	<u>2,203,382</u>	<u>2,169,998</u>	<u>1,460,644</u>	<u>5,834,024</u>
Investment Income (Loss):				
Interest, dividend and other income	348,342	406,467	257,537	1,012,346
Net appreciation (depreciation) in fair value of investments	3,523,967	3,306,847	2,773,627	9,604,441
Gains (losses) on sales of investments	645,123	600,268	326,809	1,572,200
Investment return DROP	90,967	-	76,489	167,456
Net Investment Income (Loss):	<u>4,608,399</u>	<u>4,313,582</u>	<u>3,434,462</u>	<u>12,356,443</u>
Total Additions	<u>6,811,781</u>	<u>6,483,580</u>	<u>4,895,106</u>	<u>18,190,467</u>
DEDUCTIONS				
Benefit payments	1,348,910	1,312,912	1,195,055	3,856,877
Lump - sum DROP payments	236,714	-	-	236,714
Termination payments	83,347	13,345	51,002	147,694
Administrative expense	21,484	16,281	13,847	51,612
Total Deductions	<u>1,690,455</u>	<u>1,342,538</u>	<u>1,259,904</u>	<u>4,292,897</u>
CHANGE IN NET POSITION				
For DROP	67,514	-	209,077	276,591
For pension benefits	5,053,812	5,141,042	3,426,125	13,620,979
Total Change in Net Position	<u>5,121,326</u>	<u>5,141,042</u>	<u>3,635,202</u>	<u>13,897,570</u>
Net position held in trust				
Beginning of Year:				
For DROP	565,628	-	503,456	1,069,084
For pension benefits	31,000,780	29,539,000	23,518,859	84,058,639
TOTAL NET POSITION, 10/01/2012	<u>31,566,408</u>	<u>29,539,000</u>	<u>24,022,315</u>	<u>85,127,723</u>
End of Year:				
For DROP	633,142	-	712,533	1,345,675
For pension benefits	36,054,592	34,680,042	26,944,984	97,679,618
TOTAL NET POSITION, 09/30/2013	<u>\$ 36,687,734</u>	<u>\$ 34,680,042</u>	<u>\$ 27,657,517</u>	<u>\$ 99,025,293</u>

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Eligibility

A participant is eligible to receive certain other postemployment benefits upon retirement under one of the 3 City sponsored Pensions Plans. To be eligible for retiree benefits, the participant does not need to be covered under the City’s medical plan immediately prior to retirement. Participants under the following City sponsored Pension Plans are eligible to retire under the following criteria:

City of Apopka Municipal Fire Fighter Retirement:

Normal Retirement: Age 55 with 10 years of service or 22 years of service an any age

Early Retirement: Age 50 and the completion of 10 years of service

City of Apopka Municipal General Employees’ Retirement:

Normal Retirement: Age 57 with 5 years of service

Early Retirement: Age 47 and the completion of 10 years of service

City of Apopka Municipal Police Officers’ Retirement:

Normal Retirement: Age 45 with 10 years of service or 20 years of service at any age

Early Retirement: Age 40 and the completion of 10 years of service

Participants in all three pension plans have the option of entering a DROP program for up to 8 years, after meeting Normal Retirement Criteria.

Employee Contributions

Retirees are offered the opportunity to continue enrollment in the group health, dental, vision, and life insurance plans offered through the City. Premium for the plans are the following:

Monthly Premiums for Coverage	Medical	Dental	Dental
		High	Low
Retiree Coverage	\$ 433	\$ 28	\$ 19
Retiree and Spouse	\$ 865	\$ 61	\$ 42
Retiree and Children	\$ 760	\$ 79	\$ 58
Retiree and Family	\$ 1,273	\$ 105	\$ 76

Life Insurance is available to retirees in the amount of \$30,000. Coverage amounts are reduced to \$19,500 at age 65, and \$15,000 at age 70 and \$7,500 at age 75. Retiree’s pay the full premium for coverage at the rate of \$7.80 per month, reduced to \$5.07 at age 65, \$3.90 at age 70 and \$1.95 at age 75.

Coverage

OPEB Coverage is available for the lifetime of the retiree (except for the Health Insurance Premium Subsidy as outlined below), so long as the required premiums are paid. OPEB Coverage is also available to spouses of retirees who are currently receiving benefits, but at a higher rate. OPEB Coverage is not available to Surviving Spouses of deceased Retirees.

Health Insurance Subsidy/Reduced Retiree Contribution

Employees of the City retiring with more that 25 years of service are eligible to have the premiums for Medical coverage paid for by the City until Medicare Eligibility. Time spent in the DROP option of the retirement plan is counted toward the 25 year goal. Premiums for dependent coverage is not eligible to be paid for by the City.

Effective as of January 1, 2011 newly hired employees are not eligible for the health insurance program subsidy.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) – continued

Currently, the City’s OPEB benefits are unfunded. That is, there is no separate Trust Fund or equivalent arrangement into which the City would make contributions to advance-fund the obligation. Therefore, the ultimate subsidies which are provided over time are financed directly by general assets of the City. The City had an actuarial valuation for the OPEB to measure the current year’s subsidies, project these subsidies for decades into the future, and make an allocation of that cost to different years.

Membership of each plan consisted of the following:

Date of Actuarial Valuation:	9/30/2013
Retirees and Beneficiaries Receiving Benefits	43
Active Plan Members	378
Total	421

Annual OPEB Costs and Net OPEB Obligation

The Annual OPEB Cost is the amount that was expensed for the fiscal year. Since the City’s OPEB plan is currently unfunded, the offset to that expense comes from subsidies paid on behalf of the current retirees and their dependents for the current year. This offset is called the Employer Contribution, and equals the total age-adjusted premiums paid by the City for coverage for the retirees and their dependents for the year (net of the retiree’s own payments for the year). The cumulative difference between the Annual OPEB Cost for the year and the Employer Contribution for the year is called the Net OPEB Obligation. The Net OPEB Obligation is reflected as a liability in the statement of net assets.

The following table shows the components of the City’s Annual OPEB Cost for the year and the Net OPEB Obligation.

Annual Required Contribution (ARC)	\$ 3,042,760
Interest on prior year Net OPEB Obligation (NOO)	415,208
Adjustment to ARC	(600,288)
Annual OPEB Cost	2,857,680
Employer Contributions Made	(662,693)
Increase/Decrease in NOO	2,194,987
Net OPEB Obligation, Beginning of Year	10,380,203
Net OPEB Obligation, End of Year	\$12,575,190

The Annual OPEB Cost per covered member is \$6,788

Schedule of Employer Contributions

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Increase in Net OPEB Obligation	Net OPEB Obligation
9/30/2013	\$ 2,857,680	23.19%	\$ 2,194,987	\$ 12,575,190
9/30/2012	\$ 3,471,325	24.08%	\$ 2,635,325	\$ 10,380,203
9/30/2011	\$ 3,144,565	23.60%	\$ 2,402,565	\$ 7,744,878

Funded Status and Funding Progress

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, mortality, and the health care cost trend. Amounts determined regarding the funding status of a plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) – continued

The following is a schedule of fund status and fund progress:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (1)	Unfunded (Overfunded) Accrued Liability (UAAL) (2)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Payroll
10/1/2013	\$ -	\$ 24,124,054	\$ 24,124,054	0.0%	\$ 18,549,936	130%
10/1/2011	\$ -	\$ 27,060,537	\$ 27,060,537	0.0%	\$ 18,874,190	143%
10/1/2010	\$ -	\$ 24,289,582	\$ 24,289,582	0.0%	\$ 19,278,954	126%

- (1) Actuarial liability determined under the projected unit credit cost method.
- (2) Actuarial liability less actuarial value of assets, if any.

Actuarial Cost Method

The actuarial cost method determines, in a systematic way, the incidence of plan sponsor contributions required to provide plan benefits. It also determines how actuarial gains and losses are recognized in OPEB costs. The gains and losses result from the difference between the actual experience under the plan and the experience anticipated by the actuarial assumptions.

Liabilities and cost under GASB 45 are derived by making certain specific assumptions as to rates of interest, mortality, turnover, etc. which are assumed to hold for many years into the future. Since actual experience will differ from the long term assumptions, the costs determined by the valuation must be regarded as estimated of the true costs of the current OPEB arrangements.

Actuarial liabilities and comparative costs shown in the Report were computed using the Unit Credit Actuarial Cost Method, which consists of the following cost components:

1. **The Normal Cost** is the actuarial Present Value of benefits allocated to the valuation year.
2. **The Actuarial Accrued Liability** is the Actuarial Present Value of benefits accrued as of the valuation date.
3. **Valuation Assets** are equal to the market value of assets as of the valuation date, if any.
4. **Unfunded Actuarial Accrued Liability** is the difference between the Actuarial Accrued Liability and the Valuation Assets. It is amortized over the maximum permissible period under GASB45 of 30 years.

It should be noted that GASB 45 allows a variety of cost methods to be used. We elected this method because it is generally easy to understand and is widely used for the valuation of postemployment benefits other than pensions. Other methods used do not change the ultimate liability, but do allocate it differently between what has been earned in the past and what will be earned in the future. Please note that the net effect of the change may result in an increase or decrease in the annual required contribution (ARC).

In addition to the actuarial method used, actuarial cost estimates depend to an important degree on the assumptions made relative to various occurrences, such as rate of expected investment earnings by the fund, rates of mortality among active and retired employees, rates of termination from employment, and retirement rates.

Demographic assumptions for various defined benefit pension plan's under which employee's of the City are covered.

In the descriptions below:

- “Fire” refers to City of Apopka Municipal Fire Fighter Retirement Plan
- “General” refers to City of Apopka Municipal General Employees’ Retirement Plan
- “Police” refers to the City of Apopka Municipal Police Retirement Plan

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) – continued

In the most current valuation, (dated 10/1/2011) the actuarial assumptions used for the calculation of cost and liabilities are as follows:

- 1. Discount Rate: 4.0% per annum, compounded annually
- 2. Mortality Rates: RP-2000 system table with floating Scale AA
- 3. Withdrawal Rates: Sample rates of withdrawal for employees:

<u>Age</u>	<u>Fire</u>	<u>Public</u>	<u>General</u>
20	0.0600	0.0600	0.3860
30	0.0500	0.0500	0.1940
40	0.0260	0.0260	0.0730
50	0.0080	0.0080	0.0270
55	0.0030	0.0030	0.0180

- 4. Disability Rates: Sample rates of disability for employees

<u>Age</u>	<u>Fire</u>	<u>Public</u>	<u>General</u>
20	0.0009	0.0009	0.0007
30	0.0012	0.0012	0.0011
40	0.0021	0.0021	0.0019
50	0.0054	0.0054	0.0051
55	0.0108	0.0108	0.0096

- 5. Early Retirement: Fire and Police: Commencing with the attainment of Early Retirement Status, members are assumed to retire at the rate of 5% per year.

General: Commencing with the attainment of Early Retirement Status, members are assumed to retire at the rate of 2% per year.

- 6. DROP and Normal Retirement:

Upon attaining Normal retirement Status, participants are assumed to retire at the end of an additional year of service. 100% of participants retiring with less than 25 years of service are assumed to enter the DROP program until accruing 25 years of service or 8 years, whichever comes first. Retirees with more that 25 years of service are assumed to not enter the DROP program.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) – continued

7. Election Assumptions:

	Employees Retiring Prior to Age 65 and Electing OPEB Coverage	Participants Continuing or Electing OPEB Coverage After Age 65	Retirees Electing To Cover Dependent Spouses
Firefighter Retirees	60%	6.0%	40.0%
General Retirees	60%	6.0%	40.0%
Police Retirees	60%	6.0%	40.0%

Former Employees of the City who leave service with a vested pension benefit, but who lapse health coverage with the City before commencing the pension are assumed not to re-enroll in the City's OPEB benefits. 100% of retirees younger than age 65 with 25 years of service at retirement are assumed to elected OPEB coverage.

8. Medical Cost Trend Rate:

Claim costs in the future years are estimated by adjusting the starting claims costs by an assumed ongoing cost trend. Such trends are based on the health care cost trend rate adjusted for the impact of plan design, cost containment features.

Year	Prior to age 65	Age 65+
2013	5.50%	5.50%
2014	5.50%	5.90%
2015	5.30%	5.80%
2016	5.60%	5.80%
2017	5.70%	5.70%
2018	5.70%	5.70%
2019	5.70%	5.70%
2020	5.70%	5.70%
2021	5.70%	5.70%
2022	5.70%	5.70%
2023	5.60%	5.60%
2024	5.60%	5.60%
2025	5.60%	5.60%

An ultimate rate of 4.50% for the medical trend prior to age 65 is reached for the first time in the year 2098. An ultimate rate of 4.30% for the medical trend after age 65 is reached for the first time in 2083.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) – continued

9. Retiree Claim Costs: Assumed Annual Gross Health Claims Costs.

<u>Age</u>	<u>Retirees</u>		<u>Spouses</u>	
	Males	Females	Males	Females
50	\$ 9,064	\$ 10,324	\$ 9,846	\$ 11,048
55	\$ 9,660	\$ 10,173	\$ 11,085	\$ 11,936
60	\$ 11,855	\$ 11,575	\$ 12,870	\$ 13,288
64	\$ 14,884	\$ 13,434	\$ 15,276	\$ 14,834
65	\$ 5,211	\$ 5,102	\$ 5,211	\$ 5,102
66	\$ 5,346	\$ 5,231	\$ 5,346	\$ 5,231
70	\$ 5,922	\$ 5,782	\$ 5,922	\$ 5,782

Dental and Vision claims net of retiree contributions are reflected as de minimis in the valuation.

10. Administrative Cost: Included in claims.

Actuarial Methods and Assumptions

The following table summarizes the actuarial methods and assumptions as of the latest actuarial valuation date:

Valuation Date	October 1, 2013
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar Factor (17.98372)
Remaining Amortization Period	30 years Closed
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Return	4.00%
Projected Salary Increases	7.50%
COLA (Post-Retirement)	None
Inflation at cost-of-living adjustments	None

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 9 – RISK MANAGEMENT

The City is exposed to risk of loss related: to torts; theft of, theft of, damage to or destruction of assets; errors and omissions, injuries to employees, and natural disasters. The City purchases commercial insurance for all types of claims with nominal deductible amounts. The following is a summary of the City’s significant insurance coverage and limitations.

Type of Coverage	Coverage	Limitations
Property	\$ 65,281,618 Not Included 5,000,000 6,596,152 Not Included 250,000 50,000,000 700,000	Buildings and Personal Property Electronic data processing Flood per occurrence Radio Equipment Valuable papers A/R per location to a maximum of \$250,000 Boiler & Machinery Business income with extra expense
Automobile	5,000,000 Basic 50,000 Included	Liability combined single limit - per occurrence Personal injury protection Uninsured motorists bodily injury liability Physical damage
Crime	250,000 250,000 250,000	Employee theft/forgery bond per loss Money & securities inside Money & securities outside
General Liability (includes healthcare and social services)	5,000,000	Combined single limits per occurrence Includes premises and products & completed
Sexual Abuse per Person Limit	1,000,000	Total policy limit
Public Entity Employment Practices Liability	5,000,000	Each wrongful act and total policy limit
Public Employee Position Bond (Finance Director)	100,000	Per person
Public Officials Errors & Omissions Liability Liability	5,000,000	Each loss and total policy limit
Law Enforcement Officers Liability	5,000,000	Each person, wrongful act and total policy limit
Statutory Death Benefit (Police, Fire & General)	60,000	Per covered person
Fiduciary Responsibility	1,000,000	Each occurrence and aggregate
Pollution Liability	1,000,000	Each occurrence and aggregate
Underground Storage Tank Pollution Liability	1,000,000	Each incident and policy aggregate
Workers Compensation	Statutory	
Workers Compensation/Employer's Liability	1,000,000	Each accident, disease, aggregate by disease

There have been no significant reductions in insurance coverage during fiscal year 2012-2013. Settled claims have not exceeded the commercial excess coverage in any of the past three years.

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 10 – OTHER DISCLOSURES

A. Excess of Operating Expenses Over Final Budgeted Operating Expenses in Individual Funds

Excess of operating expenses over appropriations in individual funds are as follows at September 30, 2013:

The General Fund actual expenses exceeded the budgeted expenses in the amount of \$434,282.

B. Deficit retained earnings/fund balances of individual funds at September 30, 2013: None.

NOTE 11 – BUDGETARY BASIS OF ACCOUNTING

The City Council adopts budget resolutions for all governmental and proprietary fund types. The budgets for the Enterprise Funds (Utility System and Sanitation) were adopted on an accounting basis other than in accordance with generally accepted accounting principles. Adjustment necessary to convert the results of operations for the year ended September 30, 2013 from the GAAP basis to the budget basis are as follows:

UTILITY SYSTEM

Change in Net Assets, GAAP basis	\$ 939,892
(Decrease) due to payment of	
Debt principal	(630,000)
(Decrease) due to capital asset purchases	(2,560,405)
Increase due to non-inclusion of	
depreciation expense in budgetary basis	<u>3,571,678</u>
Revenue over Expenses Budget Basis	<u><u>\$ 1,321,165</u></u>

SANITATION

Change in Net Assets, GAAP basis	\$ (238,981)
Increase due to non-inclusion of	
depreciation expense in budgetary basis	<u>321,775</u>
Revenue over Expenses	
Budget Basis	<u><u>\$ 82,794</u></u>

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2013

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Intergovernmental Grants

Amounts received or receivable from grantors are subject to audit and adjustment by grantor agencies, principally federal and state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts to be immaterial.

Construction Commitments

As of September 30, 2013 there were uncompleted construction contracts as follows:

<u>Vendors</u>	<u>Project Title</u>	<u>Remaining Construction Committed</u>
Legacy Scapes (Cherry Lake Tree Farm)	Apopka Streetscape	\$ 43,933
All State Paving	E Lester Rd Roadway & Drainage	<u>1,932,068</u>
	Total	<u><u>\$ 1,976,001</u></u>

NOTE 13 – SUBSEQUENT EVENTS

Special Obligation Refunding Revenue Note, Series 2013C

The City issued \$2,947,929 principal amount of City of Apopka, Florida Special Obligation Refunding Revenue Note, Series 2013C, dated as of November 29, 2013. The Series 2013C Note was issued to refinance certain outstanding indebtedness of the City previously incurred to finance the acquisition and installation of certain capital improvements within the City.

The Series 2013C Note is payable solely from the legally available Non-Ad Valorem revenues of the City.

The Series 2013C Note has an interest rate of 1.2%. Interest is payable semi-annually on June 1st and December 1st until maturity. Principal on the Note is payable on December 1st, 2014 through 2018 in varying amounts.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF AOPKA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
GENERAL EMPLOYEE'S PENSION TRUST FUND

SCHEDULE OF FUNDING PROGRESS

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets ¹</u> (a)	<u>Actuarial Accrued Liability (AAL) Entry Age</u> (b)	<u>Unfunded AAL (UAAL)</u> (b-a)	<u>Funded Ratio</u> (a/b)	<u>Covered Payroll</u> (c)	<u>UAAL as a % of Covered Payroll</u> [(b-a)/c]
9/30/13	\$ 36,687,734	\$ 44,786,454	\$ 8,098,720	81.92%	\$ 9,682,597	83.64%
9/30/12	30,681,963	40,485,839	9,803,876	75.78%	9,358,654	104.76%
9/30/11	28,297,728	37,692,945	9,395,217	75.07%	8,445,046	111.25%
9/30/10	27,898,852	34,328,465	6,429,613	81.27%	8,530,307	75.37%
9/30/09	26,854,527	31,994,213	5,139,686	83.94%	8,630,755	59.55%
9/30/08	24,939,067	29,619,921	4,680,854	84.20%	9,394,149	49.83%
9/30/07	22,491,821	26,420,066	3,928,245	85.13%	8,878,865	44.24%
9/30/06	19,697,220	24,360,126	4,662,906	80.86%	8,620,338	54.09%
9/30/05	17,117,598	22,235,124	5,117,526	76.98%	7,440,116	68.78%
9/30/04	15,060,597	20,242,019	5,181,422	74.40%	7,318,342	70.80%

SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER

<u>Year Ended September 30</u>	<u>Annual Required Contribution</u>	<u>City's Contribution</u>	<u>Percentage Contributed</u>
2013	\$ 1,527,489	\$ 1,706,074	111.69%
2012	1,321,788	1,336,564	101.12%
2011	1,244,229	1,295,148	104.09%
2010	1,268,250	1,231,660	97.11%
2009	1,107,506	1,217,963	109.97%
2008	1,113,529	1,181,817	106.13%
2007	1,006,242	1,137,282	113.02%
2006	975,193	1,046,172	107.28%
2005	1,205,817	1,229,263	101.94%
2004	1,082,459	1,123,885	103.83%

¹ Beginning with the October 1, 2008 Actuarial Valuation the Accumulated DROP Account Value is included with the Liability of the Plan.

CITY OF AOPKA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
POLICE OFFICERS' PENSION TRUST FUND

SCHEDULE OF FUNDING PROGRESS

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL as a % of Covered Payroll [(b-a)/c]</u>
9/30/13	\$ 34,680,042	\$ 37,839,348	\$ 3,159,306	91.65%	\$ 5,200,868	60.75%
9/30/12	29,111,823	33,238,719	4,126,896	87.58%	4,893,755	84.33%
9/30/11	26,787,695	31,182,216	4,394,521	85.91%	4,332,162	101.44%
9/30/10	26,525,820	28,860,892	2,335,072	91.91%	4,619,039	50.55%
9/30/09	25,378,656	26,804,543	1,425,887	94.68%	4,569,611	31.20%
9/30/08	23,504,901	23,834,202	329,301	98.62%	4,638,508	7.10%
9/30/07	21,489,030	21,500,596	11,566	99.95%	4,091,218	0.28%
9/30/06	18,484,173	19,032,984	548,811	97.12%	4,005,508	13.70%
9/30/05	15,898,811	16,926,976	1,028,165	93.93%	3,667,176	28.04%
9/30/04	14,131,057	15,223,759	1,092,702	92.82%	3,147,298	34.72%

SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER AND OTHER CONTRIBUTING ENTITIES

<u>Year Ended September 30</u>	<u>Annual Required Contribution</u>	<u>City's Contribution</u>	<u>State Excise Tax</u>	<u>Percentage Contributed</u>
2013	\$ 1,463,944	\$ 1,481,729	\$ 252,841 *	118.49%
2012	1,359,939	1,201,591	252,841 *	106.95%
2011	1,322,488	1,102,685	252,841 *	102.50%
2010	1,240,312	1,159,861	252,841 *	113.90%
2009	1,241,509	1,063,964	252,841 *	106.06%
2008	1,168,305	1,001,421	252,841 *	107.36%
2007	1,129,194	929,917	252,841 *	104.74%
2006	974,392	839,417	252,841 *	112.10%
2005	1,000,748	805,435	252,841 *	98.71%
2004	877,789	695,395	182,403	100.00%

* "Frozen" per Florida Statutes Chapter 175, as amended

CITY OF AOPKA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
FIREFIGHTERS' PENSION TRUST FUND

SCHEDULE OF FUNDING PROGRESS

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets ¹</u> (a)	<u>Actuarial Accrued Liability (AAL) Entry Age</u> (b)	<u>Unfunded AAL (UAAL)</u> (b-a)	<u>Funded Ratio</u> (a/b)	<u>Covered Payroll</u> (c)	<u>UAAL as a % of Covered Payroll</u> [(b-a)/c]
9/30/13	\$ 27,657,517	\$ 31,080,526	\$ 3,423,009	88.99%	\$ 4,606,154	74.31%
9/30/12	23,480,216	27,895,903	4,415,687	84.17%	4,621,781	95.54%
9/30/11	22,017,631	26,022,103	4,004,472	84.61%	4,164,301	96.16%
9/30/10	21,780,927	24,494,656	2,713,729	88.92%	4,115,944	65.93%
9/30/09	21,389,797	24,332,139	2,942,341	87.91%	4,115,814	71.49%
9/30/08	20,086,629	22,199,137	2,112,508	90.48%	4,313,003	48.98%
9/30/07	18,028,112	20,825,418	2,797,306	86.57%	3,895,788	71.80%
9/30/06	16,059,007	19,437,972	3,378,965	82.62%	3,746,757	90.18%
9/30/05	14,227,281	17,563,335	3,336,054	81.01%	3,544,477	94.12%
9/30/04	12,901,642	16,045,913	3,144,271	80.40%	3,202,177	98.19%

SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER AND OTHER CONTRIBUTING ENTITIES

<u>Year Ended September 30</u>	<u>Annual Required Contribution</u>	<u>City's Contribution</u>	<u>State Excise Tax ²</u>	<u>Percentage Contributed</u>
2013	\$ 882,011	\$ 788,822	\$ 165,010 *	108.14%
2012	796,740	702,542	165,010 *	108.89%
2011	791,408	597,504	165,010 *	96.35%
2010	755,247	721,154	165,010 *	117.33%
2009	741,066	656,728	165,010 *	110.89%
2008	743,806	638,479	165,010 *	108.02%
2007	745,715	603,939	165,010 *	103.12%
2006	675,825	576,563	165,010 *	109.73%
2005	862,782	734,783	165,010 *	104.29%
2004	780,297	639,608	158,419	102.27%

* "Frozen" per Florida Statutes Chapter 175.

1 Beginning with the October 1, 2009 Actuarial Valuation the Accumulated DROP Account Value is included with the Liability of the Plan.

2 There was an unavoidable delay in the State of Florida 's approval of the City's 2010 Annual Report for this pension trust fund which caused the State to delay remittance of the State Excise Tax until the next fiscal year 2011.

CITY OF AOPKA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFITS

SCHEDULE OF FUNDING PROGRESS

<u>Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
10/1/13	\$ -	\$ 24,124,054	\$ 24,124,054	0.00%	\$ 18,549,936	130%
10/1/12	\$ -	\$ 27,060,537	\$ 27,060,537	0.00%	\$ 18,874,190	143%
10/1/11	\$ -	\$ 24,289,582	\$ 24,289,582	0.00%	\$ 16,941,501	143%

SCHEDULE OF CONTRIBUTIONS FROM EMPLOYER AND OTHER CONTRIBUTING ENTITIES

<u>Fiscal Year Ended</u>	<u>Annual Required Contribution (A)</u>	<u>Contributions Made</u>	<u>Percentage of (A) Contributed</u>
2013	\$ 3,042,760	\$ 662,693	21.78%
2012	\$ 3,609,416	\$ 836,000	23.16%
2011	\$ 3,239,818	\$ 742,000	22.90%

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

CITY OF APOPKA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2013

SPECIAL REVENUE FUNDS

	Streets Improvement Fund	Law Enforcement Trust	Transportation Impact Fees	Recreation Impact Fees
ASSETS				
Cash and cash equivalents	\$ 1,072,740	\$ 137,435	\$ 6,665,179	\$ 171,179
Accounts receivable	35,867	-	-	66
Due from other governments	149,754	-	-	-
Total Assets	\$ 1,258,361	\$ 137,435	\$ 6,665,179	\$ 171,245
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 134,543	\$ -	\$ 154,766	\$ -
Accrued liabilities	4,417	-	-	-
Retainage payable	34,983	-	104,893	-
Due to pension beneficiaries	4,006	-	-	-
Due to other funds	4,831	-	-	-
Deposits	3,294	-	-	-
Total Liabilities	186,074	-	259,659	-
Fund Balances:				
Restricted	1,072,287	137,435	-	-
Committed	-	-	6,405,520	171,245
Total Liabilities and Fund Balances	\$ 1,258,361	\$ 137,435	\$ 6,665,179	\$ 171,245

CITY OF APOPKA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2013

<u>Stormwater</u>	<u>Community Redevelopment</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 2,507,448	\$ 2,304,185	\$ 12,858,166
-	-	35,933
-	-	149,754
<u>\$ 2,507,448</u>	<u>\$ 2,304,185</u>	<u>\$ 13,043,853</u>
\$ -	\$ -	\$ 289,309
213	-	4,630
-	-	139,876
-	-	4,006
-	214,102	218,933
-	-	3,294
<u>213</u>	<u>214,102</u>	<u>660,048</u>
-	-	1,209,722
2,507,235	2,090,083	11,174,083
<u>\$ 2,507,448</u>	<u>\$ 2,304,185</u>	<u>\$ 13,043,853</u>

CITY OF APOPKA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2013

SPECIAL REVENUE FUNDS

	Streets Improvement Fund	Law Enforcement Trust	Transportation Impact Fees	Recreation Impact Fees
REVENUES				
Taxes	\$ 1,412,722	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	491,954	-	1,100	-
Fines and forfeitures	-	43,146	-	-
Impact fees	-	-	1,287,172	94,733
Investment earnings	2,776	488	19,346	346
Miscellaneous revenues	13,323	-	-	66
Total Revenues	1,920,775	43,634	1,307,618	95,145
EXPENDITURES				
Current:				
General government	-	-	-	-
Public safety	-	38,300	-	-
Transportation	2,279,432	-	26,523	-
Environmental	-	-	-	-
Culture/Recreation	-	-	-	975
Capital outlay	412,095	19,694	1,097,143	-
Total Expenditures	2,691,527	57,994	1,123,666	975
Excess (Deficit) of Revenues Over (Under) Expenditures	(770,752)	(14,360)	183,952	94,170
OTHER FINANCING SOURCES (USES)				
Transfers in	1,044,548	-	-	-
Transfers out	(107,190)	-	(64,356)	-
Total Other Financing Sources (Uses)	937,358	-	(64,356)	-
Net Change in Fund Balances	166,606	(14,360)	119,596	94,170
Fund Balances at Beginning of Year:				
Restricted	905,681	151,795	-	-
Committed	-	-	6,285,924	77,075
Total Fund Balances at Beginning of Year	905,681	151,795	6,285,924	77,075
Fund Balances at End of Year:				
Restricted	1,072,287	137,435	-	-
Committed	-	-	6,405,520	171,245
Total Fund Balances at End of Year	\$ 1,072,287	\$ 137,435	\$ 6,405,520	\$ 171,245

CITY OF APOPKA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2013

<u>Stormwater</u>	<u>Community Redevelopment</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ 91,032	\$ 1,503,754
-	113,117	113,117
389,534	-	882,588
-	-	43,146
-	-	1,381,905
8,543	6,624	38,123
-	-	13,389
<u>398,077</u>	<u>210,773</u>	<u>3,976,022</u>
		-
-	215,078	215,078
-	-	38,300
-	-	2,305,955
102,787	-	102,787
-	-	975
5,108	-	1,534,040
<u>107,895</u>	<u>215,078</u>	<u>4,197,135</u>
		-
290,182	(4,305)	(221,113)
		-
-	-	1,044,548
(133,575)	-	(305,121)
<u>(133,575)</u>	<u>-</u>	<u>739,427</u>
156,607	(4,305)	518,314
		-
-	-	1,057,476
2,350,628	2,094,388	10,808,015
<u>2,350,628</u>	<u>2,094,388</u>	<u>11,865,491</u>
		-
-	-	1,209,722
2,507,235	2,090,083	11,174,083
<u>2,507,235</u>	<u>2,090,083</u>	<u>12,383,805</u>
<u>\$ 2,507,235</u>	<u>\$ 2,090,083</u>	<u>\$ 12,383,805</u>

CITY OF APOPKA, FLORIDA
STREETS IMPROVEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended September 30, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 1,341,255	\$ 1,341,255	\$ 1,412,722	\$ 71,467
Charges for services	500,000	500,000	491,954	(8,046)
Investments earnings	5,000	5,000	2,776	(2,224)
Miscellaneous revenues	10,000	10,000	13,323	3,323
Total Revenues	1,856,255	1,856,255	1,920,775	64,520
EXPENDITURES				
Current:				
Transportation	2,128,740	2,563,059	2,279,432	283,627
Capital outlay	81,095	435,110	412,095	23,015
Total Expenditures	2,209,835	2,998,169	2,691,527	306,642
Excess (Deficiency) of Revenues Over (Under) Expenditures	(353,580)	(1,141,914)	(770,752)	371,162
OTHER FINANCING SOURCES (USES)				
Transfers in	449,575	970,204	1,044,548	74,344
Transfers (out)	(107,190)	(107,190)	(107,190)	-
Total Other Financing Sources (Uses)	342,385	863,014	937,358	74,344
Net Change in Fund Balance	(11,195)	(278,900)	166,606	445,506
Fund Balances Restricted at Beginning of Year	905,681	905,681	905,681	-
Fund Balances Restricted at End of Year	\$ 894,486	\$ 626,781	\$ 1,072,287	\$ 445,506

CITY OF APOPKA, FLORIDA
LAW ENFORCEMENT TRUST SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
REVENUES				
Fines and forfeitures	\$ -	\$ 30,012	\$ 43,146	\$ 13,134
Interest		-	488	488
Total Revenues	<u>-</u>	<u>30,012</u>	<u>43,634</u>	<u>13,622</u>
EXPENDITURES				
Current:				
Public safety		38,300	38,300	-
Capital outlay		<u>57,296</u>	<u>19,694</u>	<u>37,602</u>
Total Expenditures	<u>-</u>	<u>95,596</u>	<u>57,994</u>	<u>37,602</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(65,584)</u>	<u>(14,360)</u>	<u>51,224</u>
Net Change in Fund Balance	-	(65,584)	(14,360)	51,224
Fund Balances Restricted at Beginning of Year	<u>151,795</u>	<u>151,795</u>	<u>151,795</u>	<u>-</u>
Fund Balances Restricted at End of Year	<u><u>\$ 151,795</u></u>	<u><u>\$ 86,211</u></u>	<u><u>\$ 137,435</u></u>	<u><u>\$ 51,224</u></u>

CITY OF APOPKA, FLORIDA
TRANSPORTATION IMPACT FEES FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended September 30, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Impact fees	\$ 750,000	\$ 750,000	\$ 1,287,172	\$ 537,172
Charges for services	-	-	1,100	1,100
Investments Earnings	20,000	20,000	19,346	(654)
Total Revenues	770,000	770,000	1,307,618	537,618
EXPENDITURES				
Current:				
Transportation	31,710	31,710	26,523	5,187
Capital outlay	1,625,000	3,983,538	1,097,143	2,886,395
Total Expenditures	1,656,710	4,015,248	1,123,666	2,891,582
Excess (Deficiency) of Revenues Over (Under) Expenditures	(886,710)	(3,245,248)	183,952	3,429,200
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(35,000)	(35,000)	(64,356)	(29,356)
Total Other Financing Sources (Uses)	(35,000)	(35,000)	(64,356)	(29,356)
Net Change in Fund Balance	(921,710)	(3,280,248)	119,596	3,399,844
Fund Balances Committed at Beginning of Year	6,285,924	6,285,924	6,285,924	-
Fund Balances Committed at End of Year	\$ 5,364,214	\$ 3,005,676	\$ 6,405,520	\$ 3,399,844

CITY OF APOPKA, FLORIDA
RECREATION IMPACT FEES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Impact fees	\$ 45,000	\$ 45,000	\$ 94,733	\$ 49,733
Investment earnings	100	100	346	246
Miscellaneous revenues	-	-	66	66
	<u>45,100</u>	<u>45,100</u>	<u>95,145</u>	<u>50,045</u>
EXPENDITURES				
Current:				
Culture/Recreation	975	975	975	-
Debt Service	<u>44,125</u>	<u>44,125</u>	<u>-</u>	<u>44,125</u>
	<u>45,100</u>	<u>45,100</u>	<u>975</u>	<u>44,125</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>94,170</u>	<u>94,170</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>94,170</u>	<u>94,170</u>
Fund Balances Committed at Beginning of Year	<u>77,075</u>	<u>77,075</u>	<u>77,075</u>	<u>-</u>
Fund Balances Committed at End of Year	<u><u>\$ 77,075</u></u>	<u><u>\$ 77,075</u></u>	<u><u>\$ 171,245</u></u>	<u><u>\$ 94,170</u></u>

CITY OF APOPKA, FLORIDA
STORMWATER SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended September 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 413,800	\$ 413,800	\$ 389,534	\$ (24,266)
Investments Earnings	9,500	9,500	8,543	(957)
Total Revenues	<u>423,300</u>	<u>423,300</u>	<u>398,077</u>	<u>(25,223)</u>
EXPENDITURES				
Current:				
Environmental	109,725	121,725	102,787	18,938
Capital outlay	<u>180,000</u>	<u>168,000</u>	<u>5,108</u>	<u>162,892</u>
Total Expenditures	<u>289,725</u>	<u>289,725</u>	<u>107,895</u>	<u>181,830</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>133,575</u>	<u>133,575</u>	<u>290,182</u>	<u>156,607</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	<u>(133,575)</u>	<u>(133,575)</u>	<u>(133,575)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(133,575)</u>	<u>(133,575)</u>	<u>(133,575)</u>	<u>-</u>
Net Change in Fund Balance	-	-	156,607	156,607
Fund Balances Committed at Beginning of Year	<u>2,350,628</u>	<u>2,350,628</u>	<u>2,350,628</u>	<u>-</u>
Fund Balances Committed at End of Year	<u><u>\$ 2,350,628</u></u>	<u><u>\$ 2,350,628</u></u>	<u><u>\$ 2,507,235</u></u>	<u><u>\$ 156,607</u></u>

CITY OF APOPKA, FLORIDA
COMMUNITY REDEVELOPMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended September 30, 2013

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 91,100	\$ 91,100	\$ 91,032	\$ (68)
Intergovernmental revenues	130,500	130,500	113,117	(17,383)
Investment earnings	10,000	10,000	6,624	(3,376)
Total Revenues	<u>231,600</u>	<u>231,600</u>	<u>210,773</u>	<u>(20,827)</u>
EXPENDITURES				
Current:				
General government	<u>231,600</u>	<u>231,600</u>	<u>215,078</u>	<u>16,522</u>
Total Expenditures	<u>231,600</u>	<u>231,600</u>	<u>215,078</u>	<u>16,522</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(4,305)</u>	<u>(4,305)</u>
Net Change in Fund Balance	-	-	(4,305)	(4,305)
Fund Balances Committed at Beginning of Year	<u>2,094,388</u>	<u>2,094,388</u>	<u>2,094,388</u>	<u>-</u>
Fund Balances Committed at End of Year	<u><u>\$ 2,094,388</u></u>	<u><u>\$ 2,094,388</u></u>	<u><u>\$ 2,090,083</u></u>	<u><u>\$ (4,305)</u></u>

**CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS**

CITY OF APOPKA, FLORIDA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY SOURCE
September 30, 2013

	Beginning Balance	Reclassifications and Increases	Reclassifications and Deletions	Ending Balance
Government Funds Capital Assets				
Land	\$ 26,779,361	\$ 285,242	\$ -	\$ 27,064,603
Buildings	13,025,693	184,044	-	13,209,737
Improvements Other Than Buildings	91,028,663	400,287	-	91,428,950
Machinery and Equipment	14,659,894	3,340,107	(58,332)	17,941,669
Automotive Equipment	9,058,472	1,507,568	(620,231)	9,945,809
Construction in Progress	3,168,543	1,490,421	(2,959,283)	1,699,681
	<u>\$157,720,626</u>	<u>\$ 7,207,669</u>	<u>\$ (3,637,846)</u>	<u>\$ 161,290,449</u>

Investment in Governmental Funds Capital Assets by Source

General Fund	\$ 58,447,559	\$ 5,276,305	\$ (3,309,383)	\$ 60,414,479
State of Florida Grants	1,115,262	28,850	-	1,144,112
Road Impact Fees Fund	23,450,856	1,173,666	(76,523)	24,547,999
Recreational Impact Fees Fund	12,268,500	-	(10,138)	12,258,362
Customers and Citizens	251,718	-	(3,500)	248,218
Local Option Gas Tax Fund	3,119,846	412,095	(99,097)	3,432,844
Federal Revenue Sharing	205,220	-	-	205,220
County and State Donations	70,547	-	-	70,547
Law Enforcement Trust Fund	221,438	19,694	-	241,132
Community Redevelopment Agency	998,437	-	-	998,437
Investments - Developers	56,278,921	237,244	(84,497)	56,431,668
Investment in Stormwater Assets	1,292,323	59,816	(54,708)	1,297,431
	<u>\$157,720,626</u>	<u>\$ 7,207,669</u>	<u>\$ (3,637,846)</u>	<u>\$ 161,290,449</u>

CITY OF AOPKA, FLORIDA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
For the Year Ended September 30, 2013

Function and Activity	Total	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Automotive Equipment	Construction in Progress
General Government:							
Administration	\$ 24,372,757	\$ 17,406,533	\$ 6,080,478	\$ 207,332	\$ 614,555	\$ 63,859	\$ -
City Clerk	76,031	-	-	-	76,031	-	-
Finance	3,961,261	-	4,066	-	3,914,178	43,017	-
Planning	1,182,810	144,600	4,456	842,771	115,233	75,750	-
Zoning	5,058	-	-	-	5,058	-	-
Total General Government	29,597,917	17,551,133	6,089,000	1,050,103	4,725,055	182,626	-
Public Safety:							
Police Protection	6,063,590	342,510	1,260,397	11,695	1,922,728	2,526,260	-
Fire Protection	18,199,642	200,301	4,310,202	65,904	9,493,108	4,130,127	-
Ambulance	1,541,422	-	-	-	468,776	1,072,646	-
Building	1,583,620	348,841	844,779	58,312	200,737	130,951	-
Total Public Safety	27,388,274	891,652	6,415,378	135,911	12,085,349	7,859,984	-
Parks and Recreation:							
Parks	3,694,589	246,549	29,307	2,492,989	188,511	737,233	-
Recreation	11,769,480	453,728	672,788	10,091,309	343,226	208,429	-
Total Parks and Recreation	15,464,069	700,277	702,095	12,584,298	531,737	945,662	-
Other:							
Highways and Streets	85,043,732	7,921,541	-	76,081,553	288,658	751,980	-
Garage Maintenance	814,319	-	3,264	494,792	268,263	48,000	-
Stormwater	1,282,457	-	-	1,082,293	42,607	157,557	-
Total Other	87,140,508	7,921,541	3,264	77,658,638	599,528	957,537	-
Construction in Progress	1,699,681	-	-	-	-	-	1,699,681
Total Capital Assets	\$ 161,290,449	\$ 27,064,603	\$ 13,209,737	\$ 91,428,950	\$ 17,941,669	\$ 9,945,809	\$ 1,699,681

CITY OF AOPKA, FLORIDA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
For the Year Ended September 30, 2013

Function and Activity	Beginning Balance	Reclassifications and Increases	Reclassifications and Decreases	Ending Balance
General Government:				
Administration	\$ 24,338,271	\$ 34,486	\$ -	\$ 24,372,757
City Clerk	76,032	-	-	76,032
Finance	1,012,011	2,951,681	(2,431)	3,961,261
Planning	1,182,810	-	-	1,182,810
Zoning	5,058	-	-	5,058
Total General Government	26,614,182	2,986,167	(2,431)	29,597,917
Public Safety:				
Police Protection	5,705,363	401,124	(42,897)	6,063,590
Fire Protection	17,397,991	1,226,807	(425,157)	18,199,641
Ambulance	1,591,479	18,797	(68,854)	1,541,422
Building	1,136,322	447,300	-	1,583,622
Total Public Safety	25,831,155	2,094,028	(536,908)	27,388,275
Parks and Recreation:				
Parks	3,580,794	147,509	(33,713)	3,694,590
Recreation	11,722,940	46,540	-	11,769,480
Total Parks and Recreation	15,303,734	194,049	(33,713)	15,464,069
Other:				
Highways and Streets	84,775,559	367,268	(99,097)	85,043,730
Garage Maintenance	799,705	21,028	(6,414)	814,319
Stormwater	1,227,749	54,708	-	1,282,457
Total Other	86,803,014	443,004	(105,511)	87,140,507
Construction in Progress	3,168,543	1,490,421	(2,959,283)	1,699,681
Total Capital Assets	\$ 157,720,626	\$ 7,207,669	\$ (3,637,846)	\$ 161,290,449

SCHEDULE OF BUDGETARY COMPLIANCE

The City Council adopted budget resolutions for all governmental and proprietary fund types. The budgets for the Enterprise Funds are adopted on an accounting basis other than in accordance with generally accepted accounting principles (GAAP). The schedule in this section is presented to report legal compliance with the City's budget resolutions.

CITY OF APOPKA, FLORIDA
SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (BASIS OTHER THAN GAAP)
ALL ENTERPRISE FUNDS
For the Year Ended September 30, 2013

	Utility System		
	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Permits and fees	\$ -	\$ -	\$ -
Intergovernmental grants	30,000	158,505	128,505
Water charges for services	5,410,000	5,548,701	138,701
Sewer charges for services	5,200,500	5,537,939	337,439
Reclaimed water sales	2,870,000	2,491,136	(378,864)
Impact fees	1,405,000	3,156,524	1,751,524
Sanitation charges for services	-	-	-
Miscellaneous revenues	49,500	706,372	656,872
Interest income	113,100	81,312	(31,788)
Backflow fees	22,000	39,984	17,984
Effluent penalties	20,000	15,000	(5,000)
Developers contributions	-	744,818	744,818
Gain on disposal of fixed assets	-	8,415	8,415
Transfers in	423,395	423,395	-
Service & late charges	455,000	440,181	(14,819)
Increase in net pension obligation	-	-	-
Total Revenues	15,998,495	19,352,282	3,353,787
EXPENSES			
Utility administration	908,735	1,066,022	(157,287)
Water plant operations	1,950,475	1,877,188	73,287
Wastewater treatment plant operations	2,828,680	2,794,587	34,093
Utility construction operations	685,475	520,995	164,480
Water maintenance	1,425,045	1,353,992	71,053
Utility billing	744,975	781,254	(36,279)
Wastewater maintenance	1,170,180	1,101,023	69,157
Operating charges	1,965	-	1,965
Utility restoration	243,050	240,565	2,485
Design engineering	546,130	550,288	(4,158)
Interest expense	933,820	761,098	172,722
Bond issuance costs & discounts	34,070	448,100	(414,030)
Debt service - principal	565,110	630,000	(64,890)
Transfers out	3,345,600	3,345,600	-
Capital asset purchases	2,427,622	2,560,405	(132,783)
Total Expenses	17,810,932	18,031,117	(220,185)
Excess (Deficit) of Revenues over (under) Expenses	\$ (1,812,437)	\$ 1,321,165	\$ 3,133,602

CITY OF APOPKA, FLORIDA
SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (BASIS OTHER THAN GAAP)
ALL ENTERPRISE FUNDS
For the Year Ended September 30, 2013

Sanitation			Totals		
Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
\$ 36,000	\$ 42,346	\$ 6,346	\$ 36,000	\$ 42,346	\$ 6,346
-	-	-	30,000	158,505	128,505
-	-	-	5,410,000	5,548,701	138,701
-	-	-	5,200,500	5,537,939	337,439
-	-	-	2,870,000	2,491,136	(378,864)
-	-	-	1,405,000	3,156,524	1,751,524
3,745,000	3,707,525	(37,475)	3,745,000	3,707,525	(37,475)
162,500	154,416	(8,084)	212,000	860,788	648,788
5,100	2,879	(2,221)	118,200	84,191	(34,009)
-	-	-	22,000	39,984	17,984
-	-	-	20,000	15,000	(5,000)
-	-	-	-	744,818	744,818
-	7,823	7,823	-	16,238	16,238
-	-	-	423,395	423,395	-
-	-	-	455,000	440,181	(14,819)
-	21,450	21,450	-	21,450	21,450
<u>3,948,600</u>	<u>3,936,439</u>	<u>(12,161)</u>	<u>19,947,095</u>	<u>23,288,721</u>	<u>3,341,626</u>
-	-	-	908,735	1,066,022	(157,287)
-	-	-	1,950,475	1,877,188	73,287
-	-	-	2,828,680	2,794,587	34,093
-	-	-	685,475	520,995	164,480
-	-	-	1,425,045	1,353,992	71,053
-	-	-	744,975	781,254	(36,279)
-	-	-	1,170,180	1,101,023	69,157
3,247,475	3,097,420	150,055	3,249,440	3,097,420	152,020
-	-	-	243,050	240,565	2,485
-	-	-	546,130	550,288	(4,158)
-	-	-	933,820	761,098	172,722
-	-	-	34,070	448,100	(414,030)
-	-	-	565,110	630,000	(64,890)
756,225	756,225	-	4,101,825	4,101,825	-
293,337	-	293,337	2,720,959	2,560,405	160,554
<u>4,297,037</u>	<u>3,853,645</u>	<u>443,392</u>	<u>22,107,969</u>	<u>21,884,762</u>	<u>223,207</u>
<u>\$ (348,437)</u>	<u>\$ 82,794</u>	<u>\$ 431,231</u>	<u>\$ (2,160,874)</u>	<u>\$ 1,403,959</u>	<u>\$ 3,564,833</u>

STATISTICAL SECTION

Statistical Section

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

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Financial Trends

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

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Revenue Capacity

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

97-100

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.

101-106

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.

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Operating Information

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

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that year.

Schedule 1
City of Apopka
Net Position by Component,
Last Ten Fiscal Years
 (accrual basis of accounting)

Net Position	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities										
Invested in capital assets, net of related debt	\$ 42,005,203	\$ 44,328,638	\$ 68,474,549	\$ 75,019,777	\$ 81,867,799	\$ 84,640,436	\$ 89,506,866	\$ 89,626,466	\$ 87,869,626	\$ 86,764,954
Restricted	-	-	-	-	-	-	-	2,173,455	2,032,131	2,174,523
Unrestricted	16,097,977	19,636,150	14,170,095	21,352,609	19,096,607	17,563,034	15,338,837	11,595,902	12,831,110	11,647,104
Total governmental activities net position	\$ 58,103,180	\$ 63,964,788	\$ 82,644,644	\$ 96,372,386	\$ 100,964,406	\$ 102,203,470	\$ 104,845,703	\$ 103,395,823	\$ 102,732,867	\$ 100,586,581
Business-type activities										
Invested in capital assets, net of related debt	\$ 43,242,276	\$ 45,754,924	\$ 63,315,809	\$ 82,599,985	\$ 84,651,808	\$ 85,287,785	\$ 85,405,361	\$ 87,624,978	\$ 86,015,227	\$ 85,141,627
Restricted	15,359,257	15,868,060	16,351,539	15,441,099	13,703,960	12,571,761	12,347,388	9,301,564	9,842,130	10,337,621
Unrestricted	10,523,529	14,631,214	15,837,829	13,923,759	12,822,079	12,589,992	13,569,652	15,640,402	17,283,878	18,362,898
Total business-type activities net position	\$ 69,125,062	\$ 76,254,198	\$ 95,505,177	\$ 111,964,843	\$ 111,177,847	\$ 110,449,538	\$ 111,322,401	\$ 112,566,944	\$ 113,141,235	\$ 113,842,146
Total Net Position										
Primary government										
Invested in capital assets, net of related debt	\$ 85,247,479	\$ 90,083,562	\$ 131,790,358	\$ 157,619,762	\$ 166,519,607	\$ 169,928,221	\$ 174,912,227	\$ 177,251,444	\$ 173,884,853	\$ 171,906,581
Restricted	15,359,257	15,868,060	16,351,539	15,441,099	13,703,960	12,571,761	12,347,388	11,475,019	11,874,261	12,512,144
Unrestricted	26,621,506	34,267,364	30,007,924	35,276,368	31,918,686	30,153,026	28,908,489	27,236,304	30,114,988	30,010,002
Total primary government net position	\$ 127,228,242	\$ 140,218,986	\$ 178,149,821	\$ 208,337,229	\$ 212,142,253	\$ 212,653,008	\$ 216,168,104	\$ 215,962,767	\$ 215,874,102	\$ 214,428,727

Schedule 2
City of Apopka
Changes in Net Position
Last Ten Fiscal Years
 (accrual basis of accounting)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Expenses										
Governmental activities:										
General government	\$ 2,897,793	\$ 3,116,233	\$ 3,551,953	\$ 4,935,306	\$ 5,305,919	\$ 5,489,298	\$ 7,066,267	\$ 6,042,003	\$ 6,995,371	\$ 6,148,920
Public safety	15,732,340	16,711,993	17,580,932	16,689,550	18,164,762	20,734,113	20,687,224	22,686,115	23,502,477	26,038,039
Transportation	3,780,499	4,300,499	3,867,445	5,249,964	5,201,553	4,963,392	5,309,419	5,016,376	5,440,391	5,781,288
Environmental	46,290	73,077	53,249	210,749	247,288	181,210	189,307	479,130	203,250	236,843
Culture and recreation	2,178,520	2,265,884	2,514,450	2,795,810	2,983,580	2,987,478	2,744,468	3,197,661	2,699,130	3,802,962
Interest on long-term debt and issue costs	171,134	207,561	193,573	391,093	443,330	611,994	609,818	557,059	501,906	440,843
Total governmental activities expenses	<u>24,806,576</u>	<u>26,675,247</u>	<u>27,761,602</u>	<u>30,272,472</u>	<u>32,346,432</u>	<u>34,967,485</u>	<u>36,606,503</u>	<u>37,978,344</u>	<u>39,342,525</u>	<u>42,448,895</u>
Business-type activities:										
Utility system	10,260,441	10,568,410	10,872,355	12,386,827	13,305,265	13,471,277	13,483,200	13,633,236	13,793,770	15,066,790
Sanitation	2,227,185	2,441,539	2,581,418	2,753,466	3,072,999	3,043,158	3,087,328	3,260,503	3,397,041	3,397,745
Total business-type activities expenses	<u>12,487,626</u>	<u>13,009,949</u>	<u>13,453,773</u>	<u>15,140,293</u>	<u>16,378,264</u>	<u>16,514,435</u>	<u>16,570,528</u>	<u>16,893,739</u>	<u>17,190,811</u>	<u>18,464,535</u>
Total primary government expenses	<u>\$ 37,294,202</u>	<u>\$ 39,685,196</u>	<u>\$ 41,215,375</u>	<u>\$ 45,412,765</u>	<u>\$ 48,724,696</u>	<u>\$ 51,481,920</u>	<u>\$ 53,177,031</u>	<u>\$ 54,872,083</u>	<u>\$ 56,533,336</u>	<u>\$ 60,913,430</u>

Schedule 2
City of Apopka
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,449,264	\$ 1,679,288	\$ 2,201,272	\$ 1,926,447	\$ 1,507,285	\$ 1,098,254	\$ 1,257,853	\$ 1,308,182	\$ 1,835,687	\$ 1,935,229
Public safety	1,044,043	1,558,218	1,956,359	1,962,364	1,725,278	2,398,293	3,330,192	3,647,620	4,664,249	4,989,182
Transportation	1,072,263	285,492	310,633	355,561	415,322	457,683	579,970	475,389	576,498	959,100
Environmental	300,197	294,090	332,965	366,632	387,902	393,675	398,607	400,948	409,741	401,239
Culture/Recreation	516,437	466,333	524,306	621,851	568,682	491,736	501,540	516,993	731,740	891,315
Intergovernmental revenues	4,975,607	-	-	-	-	-	-	-	-	-
Miscellaneous revenues	1,115,565	857,500	544,450	765,159	-	-	-	-	-	-
Operating grants and contributions	216,261	6,137,258	7,082,427	7,740,575	7,243,988	6,767,072	6,777,070	7,616,070	7,658,910	8,468,829
Capital grants and contributions	6,687,436	4,156,091	14,083,048	8,875,440	2,671,242	2,258,090	4,364,266	1,570,734	2,474,554	1,904,213
Total governmental activities program revenues	17,377,073	15,434,270	27,035,460	22,614,029	14,519,699	13,864,803	17,209,498	15,535,936	18,351,379	19,549,107
Business-type activities:										
Charges for services:										
Utility System:										
Water Sales	\$ 4,028,607	\$ 4,327,472	\$ 4,828,172	\$ 4,749,889	\$ 4,410,791	\$ 4,478,286	\$ 4,766,796	\$ 5,371,826	\$ 5,765,969	\$ 5,548,701
Sewer sales	3,826,451	4,238,536	4,534,005	4,602,238	4,611,793	4,773,408	4,926,149	5,167,002	5,479,371	5,537,939
Reclaimed water sales	460,630	758,221	1,494,097	1,858,668	1,660,928	2,295,690	2,329,372	2,836,583	2,821,403	2,491,136
Miscellaneous revenues	2,101,514	970,203	1,031,958	1,023,591	863,154	884,454	1,052,384	834,899	886,674	1,201,537
Sanitation:										
Sanitation fees	2,848,844	2,768,191	3,034,873	3,587,192	3,645,799	3,555,180	3,571,548	3,603,016	3,624,241	3,707,525
Fines	-	-	-	-	-	-	-	151	-	-
Miscellaneous revenues	91,921	113,099	159,102	196,972	160,625	205,438	156,106	169,276	174,701	154,416
Operating grants and contributions	203,113	536,784	695,798	143,800	-	-	-	-	-	-
Capital grants and contributions	10,169,673	8,186,092	18,348,214	12,276,114	2,296,960	2,329,512	3,549,287	3,282,439	2,313,259	4,059,847
Total business-type activities program revenues	23,730,753	21,898,598	34,126,219	28,438,464	17,650,050	18,521,968	20,351,642	21,265,192	21,065,618	22,701,101
Total primary government program revenues	\$ 41,107,826	\$ 37,332,868	\$ 61,161,679	\$ 51,052,493	\$ 32,169,749	\$ 32,386,771	\$ 37,561,140	\$ 36,801,128	\$ 39,416,997	\$ 42,250,208
Net (Expense)/Revenue										
Governmental activities	\$ (7,429,503)	\$ (11,240,977)	\$ (726,142)	\$ (7,658,443)	\$ (17,826,733)	\$ (21,102,682)	\$ (19,397,005)	\$ (22,442,408)	\$ (20,991,146)	\$ (22,899,788)
Business-type activities	11,243,127	8,888,649	20,672,446	13,298,171	1,271,786	2,007,533	3,781,114	4,371,453	3,874,807	4,236,566
Total primary government net (expense) revenue	\$ 3,813,624	\$ (2,352,328)	\$ 19,946,304	\$ 5,639,728	\$ (16,554,947)	\$ (19,095,149)	\$ (15,615,891)	\$ (18,070,955)	\$ (17,116,339)	\$ (18,663,222)

Schedule 2
City of Apopka
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 5,074,197	\$ 5,197,868	\$ 6,471,344	\$ 8,231,638	\$ 8,481,780	\$ 9,045,565	\$ 8,032,965	\$ 6,967,591	\$ 6,708,582	\$ 6,473,486
Franchise taxes, utility taxes and communication service tax	5,723,573	6,382,981	8,054,282	7,845,792	7,964,942	8,266,402	8,910,570	8,731,059	8,328,612	8,450,604
Gasoline taxes	1,163,519	1,254,216	1,263,340	1,285,046	1,317,758	1,308,117	1,325,623	1,319,668	1,308,220	1,412,722
Sale of capital assets	-	704,354	(174,682)	108,193	59,491	24,024	33,154	70,046	(100,645)	81,374
Miscellaneous revenues	-	-	-	-	920,771	604,493	509,462	503,969	490,664	561,578
Investment earnings	400,466	679,287	1,076,933	1,125,816	752,842	189,145	129,714	120,395	122,567	95,308
Transfers	2,930,440	2,650,000	2,714,781	2,789,700	2,921,169	2,904,000	3,097,750	3,279,800	3,470,190	3,678,430
Total governmental activities	15,292,195	16,868,706	19,405,998	21,386,185	22,418,753	22,341,746	22,039,238	20,992,528	20,328,190	20,753,502
Business-type activities:										
Sale of capital assets	-	32,525	-	4,442,648	28,921	3,800	27,453	12,099	41,647	16,238
Investment earnings	550,467	857,962	1,293,314	1,508,547	833,466	164,358	111,290	108,952	93,332	84,191
Franchise taxes	-	-	-	-	-	-	36,999	31,839	34,695	42,346
Miscellaneous revenues	-	-	-	-	-	-	13,757	-	-	-
Transfers	(2,930,440)	(2,650,000)	(2,714,781)	(2,789,700)	(2,921,169)	(2,904,000)	(3,097,750)	(3,279,800)	(3,470,190)	(3,678,430)
Total business-type activities	(2,379,973)	(1,759,513)	(1,421,467)	3,161,495	(2,058,782)	(2,735,842)	(2,908,251)	(3,126,910)	(3,300,516)	(3,535,655)
Total primary government	\$ 12,912,222	\$ 15,109,193	\$ 17,984,531	\$ 24,547,680	\$ 20,359,971	\$ 19,605,904	\$ 19,130,987	\$ 17,865,618	\$ 17,027,674	\$ 17,217,847
Change in Net Position										
Governmental activities	\$ 7,862,692	\$ 5,627,729	\$ 18,679,856	\$ 13,727,742	\$ 4,592,020	\$ 1,239,064	\$ 2,642,233	\$ (1,449,880)	\$ (662,956)	\$ (2,146,286)
Business-type activities	8,863,154	7,129,136	19,250,979	16,459,666	(786,996)	(728,309)	872,863	1,244,543	574,291	700,911
Total primary government	\$ 16,725,846	\$ 12,756,865	\$ 37,930,835	\$ 30,187,408	\$ 3,805,024	\$ 510,755	\$ 3,515,096	\$ (205,337)	\$ (88,665)	\$ (1,445,375)

Schedule 3
City of Apopka
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General fund										
Reserved	\$ 222,607	\$ 208,705	\$ 631,354	\$ 412,662	\$ 237,122	\$ 244,048	\$ 426,277	\$ -	\$ -	\$ -
Unreserved	10,781,466	12,435,833	6,119,251	7,969,146	6,509,322	7,244,322	8,496,573	-	-	-
Nonspendable	-	-	-	-	-	-	-	1,303,054	204,074	215,035
Restricted	-	-	-	-	-	-	-	913,180	974,665	964,801
Committed	-	-	-	-	-	-	-	861,940	940,180	703,445
Assigned	-	-	-	-	-	-	-	844,546	852,908	854,823
Unassigned	-	-	-	-	-	-	-	5,505,322	8,812,311	8,788,248
Total general fund	<u>\$ 11,004,073</u>	<u>\$ 12,644,538</u>	<u>\$ 6,750,605</u>	<u>\$ 8,381,808</u>	<u>\$ 6,746,444</u>	<u>\$ 7,488,370</u>	<u>\$ 8,922,850</u>	<u>\$ 9,428,042</u>	<u>\$ 11,784,138</u>	<u>\$ 11,526,352</u>
All Other Governmental Funds										
Reserved	\$ 12,018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	5,721,218	7,754,692	7,891,973	12,850,794	12,387,121	12,144,203	10,521,223	-	-	-
Capital projects funds	324,990	333,988	350,120	369,588	381,532	384,063	-	-	-	-
Restricted	-	-	-	-	-	-	-	1,260,275	1,057,476	1,209,722
Committed	-	-	-	-	-	-	-	9,864,959	10,808,015	11,174,083
Total all other governmental funds	<u>\$ 6,058,226</u>	<u>\$ 8,088,680</u>	<u>\$ 8,242,093</u>	<u>\$ 13,220,382</u>	<u>\$ 12,768,653</u>	<u>\$ 12,528,266</u>	<u>\$ 10,521,223</u>	<u>\$ 11,125,234</u>	<u>\$ 11,865,491</u>	<u>\$ 12,383,805</u>

Schedule 4
City of Apopka
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Revenues										
Taxes	\$ 11,961,289	\$ 13,078,155	\$ 16,624,047	\$ 18,350,790	\$ 15,633,703	\$ 16,237,692	\$ 15,199,281	\$ 14,322,374	\$ 13,548,609	\$ 13,656,428
Licenses, fees and permits	1,092,013	1,492,522	2,110,855	1,865,371	4,551,440	4,390,989	4,885,499	4,917,670	5,622,483	5,346,169
Intergovernmental Revenues	5,755,711	5,770,224	6,436,594	7,741,708	6,639,760	6,159,652	6,753,008	7,025,456	7,125,242	7,908,753
Charges for services	1,988,398	2,188,213	2,510,617	2,464,173	2,298,587	2,350,133	3,075,549	3,133,490	3,592,856	4,295,677
Fines and forfeitures	201,870	233,087	338,352	471,299	449,315	1,086,028	1,492,899	1,670,414	2,288,933	2,588,781
Impact Fees	-	-	-	3,959,782	1,358,314	686,402	620,555	830,036	2,083,405	1,425,055
Investment earnings	400,466	679,287	1,076,932	1,125,816	752,841	189,144	128,497	120,394	122,566	95,309
Miscellaneous revenues	2,215,488	4,033,488	3,421,797	1,514,021	1,584,136	1,148,004	1,120,841	870,854	841,424	1,070,763
Total revenues	23,615,235	27,474,976	32,519,194	37,492,960	33,268,096	32,248,044	33,276,129	32,890,688	35,225,518	36,386,935
Expenditures										
General government	2,750,211	2,973,073	3,271,693	5,011,669	5,028,209	4,797,013	5,337,598	5,345,545	6,003,034	5,008,060
Public safety	14,607,918	15,519,528	16,738,459	16,175,993	17,346,392	18,330,239	18,344,956	19,187,180	20,184,386	23,071,274
Transportation	2,112,821	2,539,258	2,033,508	3,285,954	3,306,893	2,919,198	3,037,602	3,015,783	3,293,003	3,669,943
Environmental	23,807	51,854	31,528	188,977	207,368	142,369	141,063	153,360	159,094	199,791
Culture / recreation	1,978,008	2,050,963	2,308,470	2,578,367	2,785,184	2,590,285	2,342,587	2,469,829	2,161,492	3,057,061
Capital outlay	4,257,792	2,395,538	15,650,711	15,166,435	8,017,009	9,542,830	5,654,441	2,941,263	1,850,400	4,011,144
Debt service										
Interest	171,134	207,561	193,573	169,984	463,423	460,974	637,342	590,511	536,680	499,535
Insurance Costs	-	-	-	-	-	-	-	-	-	42,500
Principal	596,804	699,005	698,619	662,789	1,121,880	1,208,584	1,450,853	1,357,814	1,411,275	2,506,019
Grants and aids	13,422	17,317	47,894	3,000	-	-	-	-	-	-
Total expenditures	26,511,917	26,454,097	40,974,455	43,243,168	38,276,358	39,991,492	36,946,442	35,061,285	35,599,364	42,065,327
Excess of revenues over (under) expenditures	(2,896,682)	1,020,879	(8,455,261)	(5,750,208)	(5,008,262)	(7,743,448)	(3,670,313)	(2,170,597)	(373,846)	(5,678,392)
Other Financing Sources (Uses)										
Proceeds from borrowing										
Sale of capital assets	-	-	-	-	-	24,024	-	-	-	-
Capital leases proceeds	208,200	-	-	-	-	5,316,963	-	-	-	-
Note proceeds	2,003,307	-	-	9,570,000	-	-	-	-	-	2,260,500
Transfers in	3,743,185	3,264,961	4,115,231	4,075,440	3,948,047	4,074,407	4,990,969	4,328,103	5,630,730	5,013,804
Transfers out	(812,745)	(614,961)	(1,400,450)	(1,285,740)	(1,026,878)	(1,170,407)	(1,893,219)	(1,048,303)	(2,160,541)	(1,335,374)
Total other financing sources (uses)	5,141,947	2,650,000	2,714,781	12,359,700	2,921,169	8,244,987	3,097,750	3,279,800	3,470,189	5,938,930
Net change in fund balances	\$ 2,245,265	\$ 3,670,879	\$ (5,740,480)	\$ 6,609,492	\$ (2,087,093)	\$ 501,539	\$ (572,563)	\$ 1,109,203	\$ 3,096,343	\$ 260,538
Debt service as a percentage of noncapital expenditures	3.5%	3.8%	3.5%	3.0%	5.2%	5.5%	6.7%	5.9%	5.8%	8.7%

Schedule 5
City of Apopka
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year Ended Sept. 30	Residential Property	Commercial Property	Industrial Property	Total Assessed Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2004	\$ 1,222,877	\$ 311,665	\$ 93,879	\$ 1,628,421	\$ 266,569	\$ 1,361,852	3.7619
2005	1,051,996	427,552	74,021	1,553,569	324,671	1,228,898	3.7619
2006	1,185,063	471,310	78,705	1,735,078	350,244	1,384,834	3.7619
2007	1,429,082	532,100	85,898	2,047,080	367,553	1,679,527	3.7619
2008	1,865,789	575,106	102,077	2,542,972	385,550	2,157,422	3.1738
2009	2,307,557	673,468	118,556	3,099,581	425,626	2,673,955	3.5168
2010	2,406,309	794,122	124,550	3,324,981	737,387	2,587,594	3.5168
2011	2,125,229	768,370	132,755	3,026,354	757,036	2,269,318	3.5166
2012	1,872,903	708,303	116,618	2,697,824	757,328	1,940,496	3.5161
2013	1,803,977	762,590	166,731	2,733,298	801,139	1,932,159	3.5161

Source: Orange County Property Appraiser Office Annual Report and Form DR-403V

Note: Property in the City is reassessed each year. Totals shown are per \$1,000.

Schedule 6
City of Apopka
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Fiscal Year	City Direct Rates		Overlapping Rates			
	Basic Rate	Total Direct	Orange County	Orange County School Board	St. John's Water Management District	Library
2004	3.7619	3.7619	5.1639	7.8880	0.4620	0.4365
2005	3.7619	3.7619	5.1639	7.5400	0.4620	0.4352
2006	3.7619	3.7619	5.1639	7.7610	0.4620	0.4325
2007	3.7619	3.7619	5.1639	7.1690	0.4620	0.4325
2008	3.7619	3.7619	5.1639	7.1690	0.4620	0.4325
2009	3.1738	3.1738	4.4347	7.1210	0.4158	0.3748
2010	3.5168	3.5168	4.4347	7.6730	0.4158	0.3748
2011	3.5166	3.5166	4.4347	7.8940	0.4158	0.3748
2012	3.5164	3.5164	4.4347	7.8940	0.4158	0.3748
2013	3.5161	3.5161	4.4347	8.4780	0.3313	0.3748

Source: Orange County Property Appraiser's Office - Roger Ross 407-836-5074

**Schedule 7
City of Apopka
Principal Property Taxpayers,
Current Year and Nine Years Ago**

Taxpayer	2012			2004		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Coca Cola	\$ 33,324,400	1	1.47%			
TriQuint Inc	25,065,139	2	1.10%			
Progress Energy	21,472,397	3	0.95%			
Embarq (Sprint United Management Co.)	18,461,859	4	0.81%	\$ 17,883,346	1	2.03%
Woolbright Wekiva LLC	13,081,184	5	0.58%			
TWC Ninety One LTD	12,550,584	6	0.55%	14,495,622	3	1.64%
Oakmont Apopka Road LLC	11,065,209	7	0.49%			
Apopka Associates 2006 LLC	10,420,653	8	0.46%			
Wal-Mart Stores East LP	9,624,018	9	0.42%	10,504,843	5	1.19%
Lowe's Home Centers Inc	9,583,839	10	0.42%			
Colonial Realty LP				16,923,525	2	1.92%
Apopka Regional Shopping Center				10,787,910	4	1.22%
QRS 10-18 FL Inc				10,155,103	6	1.15%
Lakewood at Piedmont LP				10,057,515	7	1.14%
Rock Springs Ridge Ltd				7,317,704	8	0.83%
Home Depot USA #8926				7,116,694	9	0.81%
ARC4FL LLC				6,388,616	10	0.72%
Total	<u>\$ 164,649,282</u>		<u>7.25%</u>	<u>\$ 111,630,878</u>		<u>12.65%</u>

Source: Orange County Property Appraiser's Office

**Schedule 8
City of Apopka
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Fiscal Year Ended Sept. 30,	Taxes Levied for the Fiscal Year *	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years *	Total Collections to Date	
		Amount *	Percentage of Levy *		Amount *	Percentage of Levy *
2004	\$ 5,255,395	\$ 5,053,649	96.16%	\$ 17,775	\$ 5,071,424	96.50%
2005	5,880,106	5,665,391	96.35%	19,791	5,685,182	96.69%
2006	7,092,926	6,787,713	95.70%	4,892	6,792,605	95.77%
2007	9,001,580	8,633,048	95.91%	30,426	8,663,474	96.24%
2008	9,311,996	8,903,340	95.61%	16,290	8,919,629	95.79%
2009	9,944,988	9,527,653	95.80%	5,119	9,532,772	95.86%
2010	8,785,190	8,429,895	95.96%	15,192	8,445,087	96.13%
2011	7,557,782	7,254,684	95.99%	23,115	7,277,799	96.30%
2012	7,175,940	6,881,747	95.90%	73,339	6,955,086	96.92%
2013	6,800,777	6,648,428	97.76%	29,207	6,677,635	98.19%

Source: Orange County Tax Collector's Office

* Years 2004 through 2011 Collections restated for presentation purposes

* Includes CRA Ad Valorem Taxes.

Schedule 9
City of Apopka
Schedule of Outstanding Debt by Type,
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a
	Revenue Note	Notes Payable	Capital Leases	Compensated Absences	Utility Revenue Bonds	Notes Payable	Capital Leases	Compensated Absences			
2004	\$ 461,250	\$ 3,911,866	\$ 1,120,555	\$ 955,781	\$ 24,100,000	\$ 590,000	\$ 232,334	\$ 245,270	\$ 31,617,056	4.80%	\$ 1,008
2005	430,500	3,434,000	930,166	1,051,190	23,615,000	471,000	125,133	261,667	30,318,656	3.91%	871
2006	399,750	2,963,000	733,297	1,115,854	23,110,000	352,000	63,455	264,829	29,002,185	3.39%	779
2007	369,000	12,062,000	572,258	1,281,097	22,585,000	233,000	1,978,982	301,181	39,382,518	4.22%	997
2008	338,250	11,091,000	452,128	1,267,315	22,040,000	114,000	1,342,550	348,657	36,993,900	3.77%	918
2009	307,500	10,015,000	5,667,257	1,197,969	22,040,000	-	662,994	331,440	40,222,159	3.97%	995
2010	276,750	9,150,000	5,112,154	1,301,943	21,475,000	-	405,569	355,178	38,076,594	3.55%	917
2011	246,000	8,390,000	4,545,090	1,708,959	20,260,000	-	137,849	471,072	35,758,970	3.19%	850
2012	215,250	7,600,000	3,954,566	1,808,057	19,615,000	-	19,547	442,872	33,655,293	2.87%	786
2013	184,500	7,900,500	3,439,297	1,868,314	17,435,000	-	-	473,947	31,301,558	2.51%	709

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

^a See Schedule 14 for personal income and population data.

Schedule 10
City of Apopka
Schedule of General Bonded Debt Outstanding,
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Redevelopment Bonds	Total		
2004	\$ -	\$ -	\$ -		\$ -
2005	-	-	-		-
2006	-	-	-		-
2007	-	-	-		-
2008	-	-	-		-
2009	-	-	-		-
2010	-	-	-		-
2011	-	-	-		-
2012	-	-	-		-
2013	-	-	-		-

Note: The City of Apopka has no general bonded debt.

Schedule 11
City of Apopka
Direct and Overlapping Governmental Activities Debt
As of September 30, 2013

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Orange County Library - Bank Loan * Paid off as of 9/30/12	\$ -		<u>\$ -</u>
Subtotal, overlapping debt			-
City direct debt			<u>11,524,297</u>
Total direct and overlapping debt			<u><u>\$ 11,524,297</u></u>

Sources: Orange County Library

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

Schedule 12
City of Apopka
Legal Debt Margin Information,
Last Ten Fiscal Years
(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed Value	\$	-	\$	-
Debt limit				-
Debt applicable to limit:				
General obligation bonds				-
Less: Amount set aside for repayment of general obligation debt				-
Total net debt applicable to limit				-
Legal debt margin			\$	-

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Debt Limit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Total net debt applicable to the limit
as a percentage of debt limit

Note: The City of Apopka has no general bonded debt.

Schedule 13
City of Apopka
Pledged-Revenue Coverage,
Last Ten Fiscal Years

Fiscal Year	Utility Revenue Bonds						Coverage
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service			
				Principal	Interest		
2004	\$ 16,820,053	\$ 6,956,569	\$ 9,863,484	\$ 470,000	\$ 1,113,943	6.23	
2005	17,647,227	7,207,999	10,439,228	485,000	1,098,668	6.59	
2006	23,075,998	7,368,424	15,707,574	505,000	1,079,268	9.91	
2007	18,337,328	8,599,615	9,737,713	525,000	1,059,068	6.15	
2008	14,003,169	9,264,344	4,738,825	545,000	1,040,692	2.99	
2009	14,183,525	9,416,675	4,766,850	565,000	1,018,893	3.01	
2010	14,059,783	9,022,371	5,037,412	595,000	980,080	3.20	
2011	15,107,926	9,121,388	5,986,538	620,000	952,743	3.81	
2012	16,492,462	9,273,523	7,218,939	645,000	938,793	4.56	
2013	14,860,625	10,285,914	4,574,711	630,000	761,098	3.29	

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- Note:**
- (1) For 2004-2012, gross pledged revenues include operating revenues, connection fees, impact fees, and investment income. Contributions from developers and proceeds on disposal of fixed assets are not included.
 - (2) For 2013, gross pledged revenues include operating revenues, connection fees, and investment income. Contributions from developers, impact fees, and proceeds on disposal of fixed assets are not included.
 - (3) Direct operating expenses includes all personnel expenses and operating expenses (less depreciation).

Source: City of Apopka Finance Department

**Schedule 13
City of Apopka
Pledged-Revenue Coverage,
Last Seven Fiscal Years (2)**

Note to Bank of America, N.A. - 2007A 2

Fiscal Year	Recreation Impact Fees 1	Net Available Revenue	Debt Service		Revenue Coverage in %
			Principal	Interest	
2007	\$ 108,522	\$ 108,522	\$ -	\$ -	100.00%
2008	60,745	60,745	310,000	238,545	11.07%
2009	50,138	50,138	370,000	262,275	7.93%
2010	66,289	66,289	385,000	247,845	10.47%
2011	43,630	43,630	400,000	232,830	6.89%
2012	64,119	64,119	415,000	217,230	10.14%
2013	94,733	94,733	430,000	201,045	15.01%

Note: (1) Gross pledged revenues include all recreation impact fees collected by the City.
(2) The note was issued in fiscal year 2007.

Source: City of Apopka Finance Department

**Schedule 14
City of Apopka
Demographic and Economic Statistics,
Last Ten Calendar Years**

Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	Education Level in Years of Schooling	School Enrollment	Unemployment Rate
2004	32,951	\$ 712,543	\$ 21,624	34.3	13.4	13,947	4.2%
2005	34,801	775,125	22,273	34.2	13.4	13,959	2.8%
2006	37,253	854,630	22,941	34.8	13.4	14,052	3.3%
2007	39,508	933,554	23,629	34.7	13.4	15,627	4.6%
2008	40,280	980,349	24,338	34.7	13.4	15,389	6.4%
2009	40,406	1,029,965	25,069	38.7	13.4	16,189	10.6%
2010	41,542	1,051,440	25,821	38.7	13.4	16,371	11.6%
2011	42,089	1,119,365	26,595	38.7	13.4	16,151	10.4%
2012	42,805	1,172,559	27,393	35.4	13.4	16,351	8.0%
2013	44,129	1,245,093	28,215	35.4	13.4	16,351	5.6%

Sources: US Census Bureau - 2010 Census
Orlando Economic Development Commission
Community Development Dept. for annually updated population figure from the University of Florida.
<http://www.labormarketinfo.com/Library.LAUS.htm> (Monthly date tables per year) for unemployment figures

**Schedule 15
City of Apopka
Principal Employers,
Current Year and Nine Years Ago**

Employer	2013			2004		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Century Link (formerly Embarq & Sprint)	2,000	1	4.80%	705	1	4.00%
Orange County Schools	1,323	2	3.18%			
Wal-Mart Supercenter	587	3	1.41%	650	2	3.69%
TriQint (formerly Sawtek)	419	4	1.01%	375	4	2.13%
City of Apopka	380	5	0.91%	344	5	1.95%
Florida Living Nursing Center	275	6	0.66%	256	8	1.45%
Florida Hospital - Apopka	274	7	0.66%			
Publix	170	8	0.41%			
Sunbelt Living Center	143	9	0.34%			
Home Depot	127	10	0.30%	160	10	0.91%
Albertsons (2 locations) - closed 2013				180	9	1.02%
Energy Air Inc (relocated)				420	3	2.39%
Apopka High School				323	6	1.83%
Finfrock Construction				275	7	1.56%
Total	5,698		13.68%	3,688		20.94%

Source: City of Apopka Finance Department survey of local businesses

Schedule 16
City of Apopka
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General government										
Administration	8	7	14	15	15	14	13	14	13	11
Finance	16	16	15	13	10	9	9	9	8	9
Human resources	4	3	3	3	3	3	3	3	3	3
Planning	11	11	11	11	10	8	8	7	7	8
Building	9	9	8	7	7	7	7	7	6	6
IT	-	-	5	4	5	5	6	6	7	7
Police										
Officers	76	76	82	77	85	85	91	91	88	90
Civilians	2	11	10	10	9	8	32	32	35	35
Fire										
Firefighters and officers	69	77	77	80	81	81	80	80	80	75
Civilians	28	30	22	23	20	18	2	2	3	6
Sanitation	15	16	17	16	17	17	17	17	16	16
Other public works										
Administration	6	6	8	8	8	7	7	7	7	9
Engineering	7	7	5	5	5	4	4	4	3	6
Purchasing	3	4	-	-	-	-	-	-	-	-
Construction	12	8	13	14	10	8	7	6	6	7
Fleet	8	8	9	10	10	8	10	10	11	11
Streets	10	9	8	8	9	8	8	9	8	9
Cemetery	2	2	2	2	2	2	2	2	1	2
Parks and recreation	25	31	33	34	33	28	28	28	27	28
Water	13	15	19	18	22	22	21	21	22	22
Wastewater	20	17	21	22	26	22	23	22	21	20
Total	344	363	382	380	387	364	378	377	372	380

Source: City Human Resources Department

Schedule 17
City of Apopka
Operating Indicators by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Police										
Physical arrests	1,320	1,676	1,530	1,556	1,897	2,374	2,147	1,523	1,414	1,011
Parking violations	19	217	124	104	39	11	117	32	157	424
Traffic violations	1,790	6,641	6,219	5,747	6,813	4,481	3,521	2,283	1,764	3,636
Red light violations	-	-	-	681	269	9,735	13,870	16,754	22,422	27,630
Fire										
Emergency responses	5,629	5,994	6,654	6,960	6,242	5,859	5,433	5,093	5,418	4,973
Fires extinguished	180	186	236	218	174	135	163	158	143	103
Inspections	5,128	6,889	4,365	5,782	5,669	5,451	2,324	2,614	2,444	2,120
Refuse collection										
Refuse collected (tons per day)	79.0	87.8	69.5	67.1	64.3	74.5	73.5	74.7	73.9	60.3
Recyclables collected (tons per day)	3.5	3.8	4.0	5.5	6.3	5.9	5.7	5.6	5.7	5.8
Other public works										
Street resurfacing (miles)	9.75	10.2	6.8	6.8	6.8	2.4	4.0	-	-	-
Parks and recreation										
Athletic leagues	-	-	-	-	-	-	8	9	10	10
Athletic leagues participants **	86,790	180,660	253,565	344,064	529,140	436,622	4,062	3,201	2,175	2,375
Senior/adult programs	293	169	378	397	373	281	9	14	10	10
Children's programs							4	4	5	5
Facility rental permits	983	1,423	347	321	1,002	2,048	2,861	666	3,269	3,327
Water										
New connections	734	751	2,365*	638	278	246	270	239	333	405
Average daily consumption (millions of gallons)	6.65	7.06	7.85	8.53	8.27	7.57	7.54	7.35	7.01	6.79
Peak daily consumption (millions of gallons)	8.53	10.60	12.75	12.69	14.91	14.68	12.44	12.35	9.90	11.02
Wastewater										
Average daily sewage treatment (millions of gallons)	2.54	2.59	2.69	2.89	2.96	2.64	2.66	2.59	2.62	2.76
Reclaimed Water										
New connections						202	219	183	207	261
Average daily consumption (millions of gallons)						5.63	5.51	6.03	6.06	5.49
Peak daily consumption (millions of gallons)						9.31	9.61	10.61	9.85	9.39

Sources: Various city departments.

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

This is the City's tenth year of implementation under GASB Statement 44.

* Includes connections from JPA

** Years 2004-2009 based on number of athletes

Years 2010-2013 based on number of teams

Schedule 18

City of Apopka

Capital Asset Statistics by Function/Program

Last Ten Fiscal Years

<u>Function/Program</u>	<u>2004</u> ^ε	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	41	57	50	78	76	80	44	54	78	105
Fire stations	4	4	4	4	4	4	4	4	4	4
Refuse collection										
Collection trucks	16	16	16	12	12	16	16	16	17	15
Other public works										
Streets (miles)	165.48	170.5	184.85	186.7	193.05	194.68	202.54	202.54	202.97	202.97
Streetlights	134	134	134	134	134	134	134	134	134	134
Traffic signals	29	29	29	29	30	27	28	32	32	29
Parks and recreation										
Acreage	119.5	119.5	119.5	182.7	221.2	265.18	265.176	265.176	265.176	265.18
Playgrounds	7	7	7	7	7	7	7	7	7	7
Baseball/softball diamonds	15	15	14	14	14	14	14	14	14	14
Soccer/football fields	11	11	11	14	15	15	15	15	15	16
Community centers	4	4	4	4	4	4	4	4	4	4
Water										
Water mains (miles)	176.5	179.8	228.3	242.24	250.99	259.11	266.334	267.908	267.908	269.77
Fire hydrants	1102	1124	1220	1298	1348	1381	1403	1414	1429	1435
Total system capacity (millions of gallons)	35.53	35.53	47.02	47.02	47.02	46.84	46.84	46.84	46.84	46.84
Wastewater										
Sanitary sewers (miles)	165.7	168.5	185.18	202.59	206.12	210.16	216.61	218.41	218.41	219.48
Storm sewers (miles)	8.26	10.06	16.53	21.23	24.12	25.86	96.37	96.37	96.38	96.44
Treatment capacity (millions of gallons)	4.0	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Lift stations				104	111	108	111	112	112	113
Reclaimed Water										
Reclaimed water mains (miles)						104.04	113.29	116.53	118.33	125.79
Total system capacity (millions of gallons)						15.55	15.55	15.55	15.55	26.35

Sources: Various city departments.

Note: City's tenth year of implementation under GASB Statement 44.

COMPLIANCE SECTION

Shumacker, Johnston & Ross, PA

Certified Public Accountants

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

American Institute of
Certified Public Accountants

Florida Institute of
Certified Public Accountants

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*

April 21, 2014

Honorable Mayor and Members of
The City Council
City of Apopka, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Apopka, Florida, as of and for the year ended September 30, 2013, which collectively comprise the City of Apopka, Florida's basic financial statements, and have issued our report thereon dated April 21, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Apopka, Florida's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Apopka's internal control.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing on internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Shumacker, Johnston & Ross, P.A.
Shumacker, Johnston & Ross, PA

CITY OF AOPKA, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2013

FEDERAL AWARDS

<u>Federal Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Revenues</u>	<u>Federal Expenditures</u>	<u>Federal through State Receipts</u>
U.S. Department of Justice:				
Byrne Discretionary Program (total grant \$17,087) Biometric & Technology Equipment Grant #2011-DJ-BX-3155	16.580	\$ 3,037	\$ 3,037	\$ -
Bulletproof Vest (total grant \$4,050) Grant #2012-BUBX-10053042	16.607	1,531	1,531	-
Bulletproof Vest (total grant \$5,600) Grant #2011-BUBX	16.607	899	899	-
Justice Assistance Grant (total grant \$19,280) Digital In Car Video Grant #2012-DJ-BX-0879	16.738	19,280	19,280	-
Pass through the Florida Department of Law Enforcement: Justice Assistance Grant (total grant \$13,156) Covert Operations Equipment Contract #2013-JAGC-ORAN-2-D7-131	16.738	<u>13,156</u>	<u>13,156</u>	<u>13,156</u>
 TOTAL FEDERAL AWARDS		<u>\$ 37,903</u>	<u>\$ 37,903</u>	<u>13,156</u>

(Federal Single Audit not required)

continued on next page

CITY OF APOPKA, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Year Ended September 30, 2013

STATE OF FLORIDA FINANCIAL ASSISTANCE

<u>State Agency / Program Title</u>	<u>CSFA Number</u>	<u>State Revenues</u>	<u>State Expenditures</u>	<u>State Receipts</u>
Office of Tourism, Trade and Economic Development:				
Lake Apopka Redevelopment Grant (total grant \$1,320,121) Contract #OT 00-101		\$ -	\$ -	\$ -
Florida Highway Safety and Motor Vehicles:				
Safety Data Improvement Project Grant (total grant \$25,000) Laptop and Mounting Hardware Contract #HSMV-0303-13	20.234	25,000	25,000	25,000
Florida Department of Environmental Protection:				
Pass through the St. Johns River Water Management District Water Protection and Sustainability Grant (total grant \$2,450,000) North Shore Augmentation Contract #25373-WPSP	37.066	55,355	55,355	33,926
Florida Department of Economic Opportunity:				
Growth Management Implementation Grant (total grant \$25,000) Contract #P0052	40.024	-	-	-
TOTAL STATE FINANCIAL ASSISTANCE		<u>\$ 80,355</u>	<u>\$ 80,355</u>	<u>58,926</u>
TOTAL STATE RECEIPTS				<u>\$ 72,082</u>

(Florida Single Audit not required)

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

Shumacker, Johnston & Ross, PA

Certified Public Accountants

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

American Institute of
Certified Public Accountants

Florida Institute of
Certified Public Accountants

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

April 21, 2014


Honorable Mayor and Members of the
City Council
City of Apopka, Florida

We have examined management's assertion included in its representation letter dated April 21, 2014 that the City of Apopka, Florida complied with the allowable cost requirements of the grants and aids appropriations identified in the Schedule of Expenditures of Federal Awards and State Financial Assistance for the year ended September 30, 2013. Management is responsible for the City of Apopka, Florida's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the City's compliance based on our examination.

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

In our opinion, management's assertion that the City of Apopka, Florida complied with the allowable cost requirements of the grants and aids appropriations identified in the Schedule of Expenditures of Federal Awards and State Financial Assistance during the year ended September 30, 2013 is fairly stated, in all material respects.

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


Shumacker, Johnston & Ross, PA

Shumacker, Johnston & Ross, PA

Certified Public Accountants

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MANAGEMENT LETTER

April 21, 2014

Honorable Mayor and Members
of the City Council
City of Apopka, Florida

We have audited the basic financial statements of the City of Apopka, Florida as of and for the year ended September 30, 2013, and have issued our report thereon dated April 21, 2014.

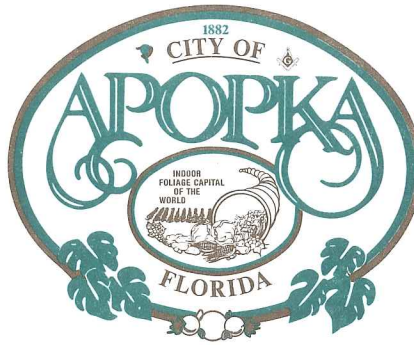
The following comments and recommendations are provided as required by Chapter 10.550, Section 10.554(1) (i), *Rules of the Auditor General*, which govern the conduct of local government entity audits performed in the State of Florida. This letter included the following information, which is not included in the aforementioned basic financial statements:

1. The City has taken corrective actions to address significant findings and recommendations made in the preceding annual financial audit report.
There were no significant findings or recommendations made in the preceding annual financial audit.
2. The City is in compliance with Section 218.415 *Florida Statutes* regarding the investment of public funds.
3. We have made no recommendations to improve the City's present financial management, accounting procedures, and internal controls.
4. We did not have any findings of violations of laws, regulations, fraud, illegal acts, contracts or grant agreements or abuse that have an effect on the financial statements that warrants the attention of those charged with governance.
- 5a. For matters that are inconsequential to the determination of financial statement amounts, considering both quantitative and qualitative factors and based on professional judgment, we have not reported any violations of provisions of laws, regulations, contracts or grant agreements, or fraud, illegal acts, or abuse that have occurred, or are likely to have occurred.
- 5b. We have not reported any control deficiencies that are not significant deficiencies, including but not limited to:
 1. Improper or inadequate accounting procedures.

2. Failures to properly record financial transactions.
3. Inaccuracies, shortages or defalcations. Also, we did not either discover any instances of fraud, or have any instances of fraud come to our attention.
6. The name of the primary government is the City of Apopka, Florida, created by Charter in the Laws of Florida, Chapter 3962, 1882. There are no component units included within the reporting entity.
- 7a. The City has not met any of the financial emergency conditions described in Section 218.503(1), *Florida Statutes*.
- 7b. The financial report filed with the Florida Department of Financial Services pursuant to Section 218.32(1) (a), *Florida Statutes* is in agreement with the annual financial audit report for the year ended September 30, 2013.
- 7c. Financial condition assessment procedures pursuant to Rule 10.556(7) were applied during the audit of the basic financial statements. The City is not, and during the fiscal year, was not experiencing deteriorating financial conditions which may cause a financial emergency described in Section 218.503(1), *Florida Statutes*. Accordingly, we have made no recommendations addressing deteriorating financial conditions in accordance with Rule 10.557(4) (d).

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


Shumacker, Johnston and Ross, PA



P.O. BOX 1229 • APOPKA, FLORIDA 32704-1229
PHONE (407) 703-1700

April 21st, 2014

Auditor General, State of Florida
Tallahassee, Florida

Dear Sir:

The following is the City of Apopka's explanation and/or rebuttal as required by Auditor General Rule 10.558(1) for its fiscal year ended September 30, 2013.

**EXPLANATION AND REBUTTAL OF AUDITOR'S MANAGEMENT LETTER
COMMENTS:**

**DETERMINATION OF FINANCIAL EMERGENCY (F.S. SECTION 218.503(1) –
N/A**

**FLORIDA DEPARTMENT OF FINANCIAL SERVICES ANNUAL REPORT –
N/A**

Sincerely,

Edward D. Bass II
Finance Director