

FLORIDA MUNICIPAL LOAN COUNCIL

FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

**Florida Municipal Loan Council
Financial Statements
September 30, 2014**

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February 24, 2015

Independent Auditor's Report

To the Board of Directors of the
Florida Municipal Loan Council:

We have audited the accompanying financial statements of the Florida Municipal Loan Council as of and for the year ended September 30, 2014, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 above present fairly, in all material respects, the financial position of the Florida Municipal Loan Council, as of September 30, 2014, and the changes in financial position and cash flows thereof for the year then ended in accordance 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 3-8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the Council's financial statements as a whole. The Schedule of Issues Outstanding is presented for the purpose of additional analysis and is not a required part of the financial statements. The Schedule of Issues Outstanding is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Shostein & Shostein, P.A.

Florida Municipal Loan Council
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2014

Our discussion and analysis of the Florida Municipal Loan Council (the Council) provides an overview of the Council's financial activities for the fiscal year ended September 30, 2014. Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events and conditions, it should be considered in conjunction with the Council's financial statements and notes to financial statements provided herein.

Financial Highlights

Key financial highlights for fiscal year 2014 are as follows:

- The Council implemented GASB Statement 65 for fiscal year 2014. GASB 65 provides standards for reclassifying certain items that were previously reported as assets or liabilities and reporting deferred outflows of resources or deferred inflows of resources as applicable.
- Total assets and deferred outflows were \$402,723,980 and total liabilities and deferred inflows were \$402,569,417 resulting in a net position of \$154,563. Total assets and total liabilities both declined over the prior fiscal year. The Administrator reimbursed the Council \$73,500 for prior year expenses related to ongoing operations resulting in an increase in net position.
- Total operating revenues were \$17.6 million, compared to \$21.3 million, a decrease of 17.2%. Total operating expenses declined by 17.5% to \$17.5 million from \$21.2 million for fiscal year 2013. Loan interest and member reimbursements along with interest expense decreased due to the reduction in bonds payable. There were no new bonds issued this fiscal year, so there were no cost of issuance expenses.
- Program borrowers refunded or defeased \$16.8 million in loans representing 4% of total bonds outstanding at the beginning of the fiscal year.
- Through the Competitive Capital Access Program, the Council facilitated 3 bank loans on behalf of the Village of Pinecrest, City of West Melbourne and City of Seminole totaling \$12.5 million.

Basic Financial Statements

The Council operates as an enterprise fund under governmental accounting rules that require the preparation of a series of financial statements. The Statement of Net Position provides information regarding assets and liabilities as of September 30, 2014. The Statement of Revenues, Expenses and Changes in Net Position provides information about our revenues and expenses for the year October 2013 through September 2014. The Statement of Cash Flows provides information about the various cash activities incurred throughout the fiscal year, and is presented using the direct method with a reconciliation of operating cash flows to operating income. The Council uses the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred.

**Florida Municipal Loan Council
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2014**

Financial Analysis

	<u>09/30/14</u>	<u>09/30/13</u>	<u>Change</u>	<u>% Change</u>
Assets				
Current Assets	\$ 74,098,356	\$ 124,269,960	\$ (50,171,604)	(40.37) %
Noncurrent Assets	<u>327,388,982</u>	<u>309,715,322</u>	<u>17,673,660</u>	5.71 %
Total Assets	<u>401,487,338</u>	<u>433,985,282</u>	<u>(32,497,944)</u>	(7.49) %
Deferred Outflows of Resources				
Deferred Amount on Refunding	<u>1,236,642</u>	<u>1,545,702</u>	<u>(309,060)</u>	(19.99) %
Liabilities				
Current Liabilities	31,346,250	23,476,262	7,869,988	33.52 %
Noncurrent Liabilities	<u>371,159,959</u>	<u>411,929,250</u>	<u>(40,769,291)</u>	(9.90) %
Total Liabilities	<u>402,506,209</u>	<u>435,405,512</u>	<u>(32,899,303)</u>	(7.56) %
Deferred Inflows of Resources				
Deferred Amount on Refunding	<u>63,208</u>	<u>69,368</u>	<u>(6,160)</u>	(8.88) %
Net Position	<u>\$ 154,563</u>	<u>\$ 56,104</u>	<u>\$ 98,459</u>	

**Florida Municipal Loan Council
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2014**

Financial Analysis (Continued)

	<u>09/30/14</u>	<u>09/30/13</u>	<u>Change</u>	<u>% Change</u>
Operating Revenues				
Loan Interest and Member Reimbursements	\$ 17,341,866	\$ 19,845,549	\$ (2,503,683)	(12.62) %
Investment Earnings	57,191	226,907	(169,716)	(74.80) %
Allocation to Members	153,086	1,214,190	(1,061,104)	(87.39) %
Other Income	<u>73,500</u>	<u>-</u>	<u>73,500</u>	100.00 %
Total Operating Revenues	<u>17,625,643</u>	<u>21,286,646</u>	<u>(3,661,003)</u>	(17.20) %
Operating Expenses				
Interest Expense	16,586,293	19,090,935	(2,504,642)	(13.12) %
Administrative Fees	86,846	132,699	(45,853)	(34.55) %
Trustee Fees and Other Fees	88,849	92,823	(3,974)	(4.28) %
Allocation to Members	576,471	476,835	99,636	20.90 %
Cost of Issuance Expense	-	1,272,736	(1,272,736)	(100.00) %
FMLC General Operating Expenses	<u>188,725</u>	<u>183,247</u>	<u>5,478</u>	2.99 %
Total Operating Expenses	<u>17,527,184</u>	<u>21,249,275</u>	<u>(3,722,091)</u>	(17.52) %
Change in Net Position	<u>98,459</u>	<u>37,371</u>	<u>61,088</u>	
Net Position Beginning of Year	56,104	18,733	37,371	
Net Position End of Year	<u>\$ 154,563</u>	<u>\$ 56,104</u>	<u>\$ 98,459</u>	

**Florida Municipal Loan Council
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2014**

Under the fixed rate bond and direct loan programs, the Council issued no new debt during the year. The Council extinguished or defeased \$16,764,173 of outstanding debt for fiscal year ending 2014. The table below lists the members that refunded or extinguished debt during the year.

<u>Borrower</u>	<u>Series</u>	<u>Original Par</u>	<u>Refunded/ Extinguished Principal Amount</u>
City of New Smyrna Beach	2000B	\$ 1,985,000	\$ 200,000
Village of Pinecrest	2004A	3,075,000	1,990,000
City of Oakland Park	2004A	1,810,000	1,445,000
City of Bartow	2005A	4,800,000	2,890,000
City of Fort Myers	2005C	4,970,000	2,660,000
City of Bartow	2005D	2,655,000	1,580,000
City of West Melbourne	2005D	4,910,000	2,925,000
City of Seminole	2009	5,500,000	3,074,173
Total		<u>\$ 29,705,000</u>	<u>\$ 16,764,173</u>

Debt Outstanding

The Council is authorized to issue up to \$1.25 billion of debt for the fixed rate program which includes the direct loan program, up to \$200 million for the Commercial Paper program, up to \$2 billion for the Gas Bond program and up to \$180 million for Design Build Finance/Build Finance Financing Program.

For all series issued prior to 2008, payments of the principal and interest on the bonds when due are insured by a municipal bond insurance policy issued by MBIA Insurance Corporation.

Series 2010 ABCD, Series 2011D, Series 2012A (2018-2033 maturities), and Series 2012 B-1 (2019-2032 maturities) are insured by a municipal bond insurance policy issued by Assured Guaranty Municipal Corporation.

There is no insurance or reserve fund associated with the private placement bonds, Series 2011 B-1 and 2011 B-2, Series 2012 and Series 2012 B-2. Additional information on the Council's debt can be found in Note 5 to the financial statements.

Florida Municipal Loan Council
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2014

Debt Outstanding (Continued)

At September 30, 2014, the Council had 19 fixed-rate bond issues or tranches and 4 direct loans with total debt outstanding of \$391,249,270 as follows:

	<u>2014</u>	<u>2013</u>	<u>% Change</u>
Revenue Bonds, Series 2000A	\$ 11,118,008	\$ 11,786,236	(5.67) %
Revenue Bonds, Series 2000B	2,227,794	2,394,026	(6.94) %
Revenue Bonds, Series 2001A	6,185,000	6,525,000	(5.21) %
Revenue Bonds, Series 2002A	5,305,000	5,480,000	(3.19) %
Revenue Bonds, Series 2003A	3,830,000	3,950,000	(3.04) %
Revenue Bonds, Series 2003B	3,835,000	4,370,000	(12.24) %
Revenue Bonds, Series 2004A	6,565,000	10,535,000	(37.68) %
Revenue Bonds, Series 2005A	35,420,000	39,825,000	(11.06) %
Revenue Bonds, Series 2005B	12,985,000	13,790,000	(5.84) %
Revenue Bonds, Series 2005C	7,925,000	11,730,000	(32.44) %
Revenue Bonds, Series 2005D	12,335,000	17,730,000	(30.43) %
Revenue Bonds, Series 2006	13,255,000	14,130,000	(6.19) %
Revenue Bonds, Series 2007A	42,100,000	43,755,000	(3.78) %
Revenue Bonds, Series 2008A (Direct Loan)	14,196,436	14,827,393	(4.26) %
Revenue Bonds, Series 2009 St Aug Bch (Direct Loan)	667,032	695,561	(4.10) %
Revenue Bonds, Series 2009 Seminole (Direct Loan)	-	3,606,086	(100.00) %
Revenue Bonds, Series 2010 ABCD	26,005,000	26,630,000	(2.35) %
Revenue Bonds, Series 2010AA (Direct Loan)	1,545,000	1,620,000	(4.63) %
Revenue Bonds, Series 2010BB (Direct Loan)	1,030,000	1,080,000	(4.63) %
Revenue Bonds, Series 2011 B-1 & B-2	4,605,000	5,150,000	(10.58) %
Revenue Bonds, Series 2011D	47,605,000	47,925,000	(0.67) %
Revenue Bonds, Series 2012	59,110,000	59,110,000	0.00 %
Revenue Bonds, Series 2012A	40,130,000	41,490,000	(3.28) %
Revenue Bonds, Series 2012 B-1 & B-2	<u>33,270,000</u>	<u>34,860,000</u>	(4.56) %
 Total Debt Outstanding	 391,249,270	 422,994,302	
 Bond Premium/Discount (Net)	 <u>4,735,392</u>	 <u>5,447,757</u>	
 Bonds Payable	 <u>\$ 395,984,662</u>	 <u>\$ 428,442,059</u>	

Florida Municipal Loan Council
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2014

Economic Factors

The Council was established pursuant to section 163.01, Florida Statutes, to facilitate cooperative and cost-effective financing for municipalities and counties in the state. As a result, the Council's financial activity is dependent upon the capital financing needs of its member governments and as well as the existing financial market conditions.

As reported by PRAG, the Council's consultant, interest rates for municipal issuers have remained low over the past year. Despite headlines regarding the end of the Federal Reserve Bank's quantitative easing as well as the highly-publicized financial difficulties of issuers such as Detroit and Puerto Rico, issuers in Florida continue to sell debt at very attractive yields. Overall reduced issuance volume combined with a gradual strengthening of financial conditions in the state have put issuers in a strong position.

After rising to 3% in January, the yield on the 10-year U.S. Treasury bond has been on a downward trend, dipping to 2.15% in October 2014. Current levels are well below those from the same time last year. While news over the summer that the Federal Reserve Bank would stop its quantitative easing program in the fall led many to anticipate higher rates, ongoing questions about the health of both the U.S. and global economy have prevented this from happening so far.

Tax-exempt rates traditionally follow the trend of the U.S. Treasury rates, and that has been the case again in 2014. The changes in long-term tax-exempt rates have decreased in line with U.S. Treasury rates for comparable maturities. As of October 2014, the 20-yr and 30-yr tax-exempt rates were 2.53% and 2.85%, respectively, on the AAA MMD scale. Other rates are well below their 10-year averages but remain significantly above the lows reached in 2012.

Bank loans currently provide attractive financing rates, especially for bank-qualified issuers. However, banks continue to become more selective regarding the credits that they are willing to lend as well as the length of time for which they will lend. In the present market, most banks limit their fixed-rate loans to a 12-year term.

The low interest rate environment continues to provide borrowers with refinancing opportunities of existing debt as well as more favorable conditions for financing new capital projects. However, bond issuance demand for new money projects continues to be impacted by the cost of borrowing and budget tightening at the local government level.

Request for Information

This financial report is designed to provide a general overview of the Council's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Administrator, Florida Municipal Loan Council, 301 South Bronough Street, Suite 300, Tallahassee, Florida 32301.

Florida Municipal Loan Council
***STATEMENTS OF NET POSITION**
September 30, 2014

<u>ASSETS</u>	<u>Series</u> 2000A	<u>Series</u> 2000B	<u>Series</u> 2001A	<u>Series</u> 2002A	<u>Series</u> 2003A	<u>Series</u> 2003B
<u>Current Assets</u>						
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Assets:						
Cash and Cash Equivalents	3,272	78	1,299	545	760	596
Investments	-	425,011	-	-	-	-
Loans Receivable	1,344,279	524	491,238	300,725	205,482	205,612
Accrued Interest Receivable	-	-	-	-	-	-
Accounts Receivable - Administrator Fees	-	-	-	-	-	-
Total Current Assets	<u>1,347,551</u>	<u>425,613</u>	<u>492,537</u>	<u>301,270</u>	<u>206,242</u>	<u>206,208</u>
<u>Noncurrent Assets</u>						
Loans Receivable	9,773,008	1,802,786	5,915,704	5,134,086	3,790,565	3,789,304
Total Assets	<u>11,120,559</u>	<u>2,228,399</u>	<u>6,408,241</u>	<u>5,435,356</u>	<u>3,996,807</u>	<u>3,995,512</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>						
Deferred Amount on Refunding	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>LIABILITIES</u>						
<u>Current Liabilities</u>						
Bonds Payable	1,345,000	-	374,481	186,384	132,940	148,584
Accrued Interest Expense	-	-	129,411	113,695	79,463	64,567
Accrued Administrator Fees	2,368	421	2,577	2,210	1,596	1,278
Accrued Expenses	183	183	548	365	183	365
Total Current Liabilities	<u>1,347,551</u>	<u>604</u>	<u>507,017</u>	<u>302,654</u>	<u>214,182</u>	<u>214,794</u>
<u>Noncurrent Liabilities</u>						
Bonds Payable	9,773,008	2,227,795	5,901,224	5,132,702	3,782,625	3,780,718
Total Liabilities	<u>11,120,559</u>	<u>2,228,399</u>	<u>6,408,241</u>	<u>5,435,356</u>	<u>3,996,807</u>	<u>3,995,512</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Amount on Refunding	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET POSITION</u>						
Net Position - Unrestricted	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
***STATEMENTS OF NET POSITION**
September 30, 2014

<u>ASSETS</u>	<u>Series</u> <u>2004A-1</u>	<u>Series</u> <u>2005A</u>	<u>Series</u> <u>2005B</u>	<u>Series</u> <u>2005C</u>	<u>Series</u> <u>2005D</u>	<u>Series</u> <u>2006</u>
<u>Current Assets</u>						
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Assets:						
Cash and Cash Equivalents	1,824	3,513	725	184,781	1,025,825	1,215,751
Investments	-	-	-	-	-	871,510
Loans Receivable	584,569	1,854,150	1,097,965	1,208,212	759,769	946,601
Accrued Interest Receivable	-	-	-	-	-	-
Accounts Receivable - Administrator Fees	-	-	-	-	-	-
Total Current Assets	<u>586,393</u>	<u>1,857,663</u>	<u>1,098,690</u>	<u>1,392,993</u>	<u>1,785,594</u>	<u>3,033,862</u>
<u>Noncurrent Assets</u>						
Loans Receivable	6,041,557	34,567,854	11,882,117	6,468,536	10,865,478	10,602,787
Total Assets	<u>6,627,950</u>	<u>36,425,517</u>	<u>12,980,807</u>	<u>7,861,529</u>	<u>12,651,072</u>	<u>13,636,649</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>						
Deferred Amount on Refunding	<u>-</u>	<u>-</u>	<u>496,989</u>	<u>293,166</u>	<u>-</u>	<u>-</u>
<u>LIABILITIES</u>						
<u>Current Liabilities</u>						
Bonds Payable	503,056	1,641,443	859,892	1,223,290	745,222	923,757
Accrued Interest Expense	79,197	281,618	262,367	177,722	271,891	299,628
Accrued Administrator Fees	1,649	5,132	5,410	4,539	7,608	6,628
Accrued Expenses	548	913	913	731	1,096	1,096
Total Current Liabilities	<u>584,450</u>	<u>1,929,106</u>	<u>1,128,582</u>	<u>1,406,282</u>	<u>1,025,817</u>	<u>1,231,109</u>
<u>Noncurrent Liabilities</u>						
Bonds Payable	6,043,500	34,496,411	12,349,214	6,748,413	11,625,255	12,405,540
Total Liabilities	<u>6,627,950</u>	<u>36,425,517</u>	<u>13,477,796</u>	<u>8,154,695</u>	<u>12,651,072</u>	<u>13,636,649</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Amount on Refunding	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET POSITION</u>						
Net Position - Unrestricted	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
***STATEMENTS OF NET POSITION**
September 30, 2014

<u>ASSETS</u>	<u>Series</u> <u>2007A</u>	<u>Series</u> <u>2008A</u>	<u>Series 2009</u> <u>St. Aug Bch</u>	<u>Series 2009</u> <u>Seminole</u>	<u>Series 2010</u> <u>ABCD</u>	<u>Series</u> <u>2010AA</u>
<u>Current Assets</u>						
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Assets:						
Cash and Cash Equivalents	8,200,692	-	-	-	2,953,891	-
Investments	-	-	-	-	334,505	-
Loans Receivable	1,821,360	1,706,992	39,447	902	640,174	108,295
Accrued Interest Receivable	-	-	-	-	-	-
Accounts Receivable - Administrator Fees	-	-	-	-	-	-
Total Current Assets	<u>10,022,052</u>	<u>1,706,992</u>	<u>39,447</u>	<u>902</u>	<u>3,928,570</u>	<u>108,295</u>
<u>Noncurrent Assets</u>						
Loans Receivable	33,414,120	12,839,814	636,971	-	22,533,005	1,444,184
Total Assets	<u>43,436,172</u>	<u>14,546,806</u>	<u>676,418</u>	<u>902</u>	<u>26,461,575</u>	<u>1,552,479</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>						
Deferred Amount on Refunding	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,816</u>
<u>LIABILITIES</u>						
<u>Current Liabilities</u>						
Bonds Payable	1,774,724	662,017	30,061	-	638,101	75,000
Accrued Interest Expense	1,040,337	347,114	8,955	-	536,822	32,909
Accrued Administrator Fees	17,595	3,256	431	902	12,551	386
Accrued Expenses	365	-	-	-	731	-
Total Current Liabilities	<u>2,833,021</u>	<u>1,012,387</u>	<u>39,447</u>	<u>902</u>	<u>1,188,205</u>	<u>108,295</u>
<u>Noncurrent Liabilities</u>						
Bonds Payable	40,603,151	13,534,419	636,971	-	25,273,370	1,470,000
Total Liabilities	<u>43,436,172</u>	<u>14,546,806</u>	<u>676,418</u>	<u>902</u>	<u>26,461,575</u>	<u>1,578,295</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Amount on Refunding	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>NET POSITION</u>						
Net Position - Unrestricted	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
***STATEMENTS OF NET POSITION**
September 30, 2014

<u>ASSETS</u>	<u>Series</u> <u>2010BB</u>	<u>Series 2011</u> <u>B-1 & B-2</u>	<u>Series</u> <u>2011D</u>	<u>Series</u> <u>2012</u>	<u>Series</u> <u>2012A</u>	<u>Series 2012</u> <u>B-1 & B-2</u>
<u>Current Assets</u>						
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Assets:						
Cash and Cash Equivalents	-	647,648	1,789,124	7,353,581	9,930	4,728,579
Investments	-	-	-	3,705,541	1,379,190	11,367,953
Loans Receivable	70,858	573,969	849,330	9,090,217	2,112,054	1,706,693
Accrued Interest Receivable	-	-	-	9,595	-	-
Accounts Receivable - Administrator Fees	-	-	-	-	-	-
Total Current Assets	<u>70,858</u>	<u>1,221,617</u>	<u>2,638,454</u>	<u>20,158,934</u>	<u>3,501,174</u>	<u>17,803,225</u>
<u>Noncurrent Assets</u>						
Loans Receivable	962,707	3,431,401	45,845,166	39,081,282	40,042,207	16,524,343
Total Assets	<u>1,033,565</u>	<u>4,653,018</u>	<u>48,483,620</u>	<u>59,240,216</u>	<u>43,543,381</u>	<u>34,327,568</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>						
Deferred Amount on Refunding	<u>17,293</u>	<u>4,284</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>399,094</u>
<u>LIABILITIES</u>						
<u>Current Liabilities</u>						
Bonds Payable	50,000	560,098	559,666	8,960,000	1,652,624	1,778,363
Accrued Interest Expense	20,600	78,950	1,193,644	128,653	705,422	531,559
Accrued Administrator Fees	258	2,303	14,630	1,563	11,379	12,380
Accrued Expenses	-	365	183	-	183	365
Total Current Liabilities	<u>70,858</u>	<u>641,716</u>	<u>1,768,123</u>	<u>9,090,216</u>	<u>2,369,608</u>	<u>2,322,667</u>
<u>Noncurrent Liabilities</u>						
Bonds Payable	980,000	4,015,586	46,715,497	50,150,000	41,110,565	32,403,995
Total Liabilities	<u>1,050,858</u>	<u>4,657,302</u>	<u>48,483,620</u>	<u>59,240,216</u>	<u>43,480,173</u>	<u>34,726,662</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred Amount on Refunding	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,208</u>	<u>-</u>
<u>NET POSITION</u>						
Net Position - Unrestricted	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
***STATEMENTS OF NET POSITION**
September 30, 2014

<u>ASSETS</u>	<u>General Operations</u>	<u>Total</u>
<u>Current Assets</u>		
Cash	\$ 80,407	\$ 80,407
Restricted Assets:		
Cash and Cash Equivalents	-	28,122,414
Investments	-	18,083,710
Loans Receivable	-	27,719,417
Accrued Interest Receivable	-	9,595
Accounts Receivable - Administrator Fees	82,813	82,813
Total Current Assets	<u>163,220</u>	<u>74,098,356</u>
<u>Noncurrent Assets</u>		
Loans Receivable	-	327,388,982
Total Assets	<u>163,220</u>	<u>401,487,338</u>
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Deferred Amount on Refunding	-	<u>1,236,642</u>
 <u>LIABILITIES</u>		
<u>Current Liabilities</u>		
Bonds Payable	-	24,824,703
Accrued Interest Expense	-	6,384,524
Accrued Administrator Fees	-	119,050
Accrued Expenses	8,657	17,973
Total Current Liabilities	<u>8,657</u>	<u>31,346,250</u>
<u>Noncurrent Liabilities</u>		
Bonds Payable	-	371,159,959
Total Liabilities	<u>8,657</u>	<u>402,506,209</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Amount on Refunding	-	<u>63,208</u>
 <u>NET POSITION</u>		
Net Position - Unrestricted	<u>\$ 154,563</u>	<u>\$ 154,563</u>

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
***STATEMENTS OF REVENUES, EXPENSES AND**
CHANGES IN NET POSITION
For the Year Ended September 30, 2014

	Series 2000A	Series 2000B	Series 2001A	Series 2002A	Series 2003A	Series 2003B
<u>OPERATING REVENUES</u>						
Loan Interest and Member Reimbursements	\$ 679,008	\$ 129,989	\$ 316,086	\$ 281,562	\$ 196,381	\$ 201,628
Investment Earnings	8	777	4	4	2	5
Allocation to Members	-	-	-	-	-	-
Other Income	-	-	-	-	-	-
Total Operating Revenues	<u>679,016</u>	<u>130,766</u>	<u>316,090</u>	<u>281,566</u>	<u>196,383</u>	<u>201,633</u>
<u>OPERATING EXPENSES</u>						
Interest Expense	676,772	126,117	296,142	277,049	186,179	188,899
Administrator Fees - FLC	1,513	318	1,823	1,622	1,170	1,297
Other Expenses	731	3,555	2,192	1,461	731	1,961
Allocation to Members	-	776	15,933	1,434	8,303	9,476
FMLC General Operating Expenses	-	-	-	-	-	-
Total Operating Expenses	<u>679,016</u>	<u>130,766</u>	<u>316,090</u>	<u>281,566</u>	<u>196,383</u>	<u>201,633</u>
<u>Change in Net Position</u>	-0-	-0-	-0-	-0-	-0-	-0-
<u>Net Position, Beginning of Year</u>	-0-	-0-	-0-	-0-	-0-	-0-
<u>Net Position, End of Year</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
***STATEMENTS OF REVENUES, EXPENSES AND**
CHANGES IN NET POSITION
For the Year Ended September 30, 2014

	Series 2004A-1	Series 2005A	Series 2005B	Series 2005C	Series 2005D	Series 2006
<u>OPERATING REVENUES</u>						
Loan Interest and Member Reimbursements	\$ 434,072	\$ 1,806,894	\$ 639,588	\$ 474,461	\$ 728,792	\$ 607,606
Investment Earnings	23	21	9	10	11	1,603
Allocation to Members	3,411	-	41,217	68,606	-	-
Other Income	-	-	-	-	-	-
Total Operating Revenues	437,506	1,806,915	680,814	543,077	728,803	609,209
<u>OPERATING EXPENSES</u>						
Interest Expense	422,057	1,702,111	673,245	530,691	697,470	576,778
Administrator Fees - FLC	2,635	9,918	3,916	3,121	4,808	3,977
Other Expenses	12,814	8,263	3,653	9,265	16,068	4,384
Allocation to Members	-	86,623	-	-	10,457	24,070
FMLC General Operating Expenses	-	-	-	-	-	-
Total Operating Expenses	437,506	1,806,915	680,814	543,077	728,803	609,209
Change in Net Position	-0-	-0-	-0-	-0-	-0-	-0-
Net Position, Beginning of Year	-0-	-0-	-0-	-0-	-0-	-0-
Net Position, End of Year	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
***STATEMENTS OF REVENUES, EXPENSES AND**
CHANGES IN NET POSITION
For the Year Ended September 30, 2014

	Series 2007A	Series 2008A	Series 2009 St. Aug Bch	Series 2009 Seminole	Series 2010 ABCD	Series 2010AA
<u>OPERATING REVENUES</u>						
Loan Interest and Member Reimbursements	\$ 2,092,676	\$ 694,286	\$ 37,072	\$ 167,744	\$ 1,084,083	\$ 67,652
Investment Earnings	882	-	-	-	1,187	-
Allocation to Members	-	-	-	-	5,931	3,339
Other Income	-	-	-	-	-	-
Total Operating Revenues	<u>2,093,558</u>	<u>694,286</u>	<u>37,072</u>	<u>167,744</u>	<u>1,091,201</u>	<u>70,991</u>
<u>OPERATING EXPENSES</u>						
Interest Expense	2,044,111	692,332	36,969	167,248	1,080,747	70,754
Administrator Fees - FLC	10,557	1,954	103	496	7,530	237
Other Expenses	1,461	-	-	-	2,924	-
Allocation to Members	37,429	-	-	-	-	-
FMLC General Operating Expenses	-	-	-	-	-	-
Total Operating Expenses	<u>2,093,558</u>	<u>694,286</u>	<u>37,072</u>	<u>167,744</u>	<u>1,091,201</u>	<u>70,991</u>
<u>Change in Net Position</u>	-0-	-0-	-0-	-0-	-0-	-0-
<u>Net Position, Beginning of Year</u>	-0-	-0-	-0-	-0-	-0-	-0-
<u>Net Position, End of Year</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
***STATEMENTS OF REVENUES, EXPENSES AND**
CHANGES IN NET POSITION
For the Year Ended September 30, 2014

	Series 2010BB	Series 2011 B-1 & B-2	Series 2011D	Series 2012	Series 2012A	Series 2012 B-1 & B-2
<u>OPERATING REVENUES</u>						
Loan Interest and Member Reimbursements	\$ 42,358	\$ 160,739	\$ 2,396,781	\$ 1,090,859	\$ 1,725,875	\$ 1,071,990
Investment Earnings	-	5	16	26,939	4,498	21,187
Allocation to Members	2,242	7,632	20,708	-	-	-
Other Income	-	-	-	-	-	-
Total Operating Revenues	<u>44,600</u>	<u>168,376</u>	<u>2,417,505</u>	<u>1,117,798</u>	<u>1,730,373</u>	<u>1,093,177</u>
<u>OPERATING EXPENSES</u>						
Interest Expense	44,442	165,532	2,407,996	1,072,109	1,454,045	996,498
Administrator Fees - FLC	158	1,382	8,778	3,750	8,355	7,428
Other Expenses	-	1,462	731	15,000	731	1,462
Allocation to Members	-	-	-	26,939	267,242	87,789
FMLC General Operating Expenses	-	-	-	-	-	-
Total Operating Expenses	<u>44,600</u>	<u>168,376</u>	<u>2,417,505</u>	<u>1,117,798</u>	<u>1,730,373</u>	<u>1,093,177</u>
<u>Change in Net Position</u>	-0-	-0-	-0-	-0-	-0-	-0-
<u>Net Position, Beginning of Year</u>	-0-	-0-	-0-	-0-	-0-	-0-
<u>Net Position, End of Year</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
***STATEMENTS OF REVENUES, EXPENSES AND**
CHANGES IN NET POSITION
For the Year Ended September 30, 2014

	General Operations	Total
<u>OPERATING REVENUES</u>		
Loan Interest and Member Reimbursements	\$ 213,684	\$ 17,341,866
Investment Earnings	-	57,191
Allocation to Members	-	153,086
Other Income	73,500	73,500
Total Operating Revenues	287,184	17,625,643
<u>OPERATING EXPENSES</u>		
Interest Expense	-	16,586,293
Administrator Fees - FLC	-	86,846
Other Expenses	-	88,849
Allocation to Members	-	576,471
FMLC General Operating Expenses	188,725	188,725
Total Operating Expenses	188,725	17,527,184
<u>Change in Net Position</u>	98,459	98,459
<u>Net Position, Beginning of Year</u>	56,104	56,104
<u>Net Position, End of Year</u>	\$ 154,563	\$ 154,563

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
***STATEMENTS OF CASH FLOWS**
For the Year Ended September 30, 2014

	Series 2000A	Series 2000B	Series 2001A	Series 2002A	Series 2003A	Series 2003B
<u>Cash Flows from Operating Activities:</u>						
Loans Made to Members	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Member Loan Repayments	1,345,000	90,000	340,000	175,000	120,000	535,000
Loan Interest and Member Reimbursements	5,843	13,155	327,448	289,574	195,984	208,834
Expenses Paid	<u>(6,073)</u>	<u>(4,905)</u>	<u>(7,707)</u>	<u>(6,928)</u>	<u>(4,674)</u>	<u>(7,244)</u>
Cash Provided (Used) by Operating Activities	1,344,770	98,250	659,741	457,646	311,310	736,590
<u>Cash Flows from Non-Capital Financing Activities:</u>						
Redemption of Bonds	(1,345,000)	(90,000)	(340,000)	(175,000)	(120,000)	(535,000)
Interest Paid	<u>-</u>	<u>(8,339)</u>	<u>(319,512)</u>	<u>(282,494)</u>	<u>(197,013)</u>	<u>(207,743)</u>
Cash Provided (Used) by Non-Capital Financing Activities	(1,345,000)	(98,339)	(659,512)	(457,494)	(317,013)	(742,743)
<u>Cash Flows from Investing Activities:</u>						
Investments Sold	-	-	-	-	-	-
Interest and Dividends Collected	<u>8</u>	<u>1</u>	<u>4</u>	<u>4</u>	<u>2</u>	<u>5</u>
Cash Provided (Used) by Investing Activities	8	1	4	4	2	5
<u>Net Change in Cash and Cash Equivalents</u>	<u>(222)</u>	<u>(88)</u>	<u>233</u>	<u>156</u>	<u>(5,701)</u>	<u>(6,148)</u>
<u>Cash and Cash Equivalents, Beginning of Year</u>	<u>3,494</u>	<u>166</u>	<u>1,066</u>	<u>389</u>	<u>6,461</u>	<u>6,744</u>
<u>Cash and Cash Equivalents, End of Year</u>	<u>\$ 3,272</u>	<u>\$ 78</u>	<u>\$ 1,299</u>	<u>\$ 545</u>	<u>\$ 760</u>	<u>\$ 596</u>
<u>Cash Flows from Operating Activities:</u>						
<u>Change in Net Position</u>	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
<u>Reconciliation of Change in Net Position to Cash</u>						
<u>Provided (Used) by Operating Activities:</u>						
Amortization of Discount (Premium)	-	-	(15,932)	(1,434)	(8,208)	(9,482)
Amortization of Refunding	-	-	-	-	-	-
Accretion of Interest on Capital Appreciation Bonds	676,772	123,769	-	-	-	-
Interest Paid	-	8,339	319,512	282,494	197,013	207,743
Investment Income	(8)	(777)	(4)	(4)	(2)	(5)
(Increase) Decrease in Receivables - Net	668,305	(25,843)	363,041	180,661	125,176	548,657
(Increase) Decrease in Prepaid Expenses	-	-	-	-	-	-
Increase (Decrease) in Payables - Net	<u>(299)</u>	<u>(7,238)</u>	<u>(6,876)</u>	<u>(4,071)</u>	<u>(2,669)</u>	<u>(10,323)</u>
Cash Provided (Used) by Operating Activities	<u>\$ 1,344,770</u>	<u>\$ 98,250</u>	<u>\$ 659,741</u>	<u>\$ 457,646</u>	<u>\$ 311,310</u>	<u>\$ 736,590</u>

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
***STATEMENTS OF CASH FLOWS**
For the Year Ended September 30, 2014

	Series 2004A-1	Series 2005A	Series 2005B	Series 2005C	Series 2005D	Series 2006
<u>Cash Flows from Operating Activities:</u>						
Loans Made to Members	\$ (150,212)	\$ -	\$ -	\$ -	\$ (640,152)	\$ -
Member Loan Repayments	535,000	1,515,000	805,000	1,145,000	740,000	905,000
Loan Interest and Member Reimbursements	479,951	1,829,922	661,021	462,527	681,312	617,312
Expenses Paid	(22,913)	(42,004)	(17,008)	(20,968)	(33,313)	(18,036)
Cash Provided (Used) by Operating Activities	<u>841,826</u>	<u>3,302,918</u>	<u>1,449,013</u>	<u>1,586,559</u>	<u>747,847</u>	<u>1,504,276</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>						
Redemption of Bonds	(535,000)	(1,515,000)	(805,000)	(1,145,000)	(890,000)	(875,000)
Interest Paid	(457,787)	(1,785,950)	(643,767)	(529,718)	(764,162)	(616,757)
Cash Provided (Used) by Non-Capital Financing Activities	<u>(992,787)</u>	<u>(3,300,950)</u>	<u>(1,448,767)</u>	<u>(1,674,718)</u>	<u>(1,654,162)</u>	<u>(1,491,757)</u>
<u>Cash Flows from Investing Activities:</u>						
Investments Sold	-	-	-	-	640,152	-
Interest and Dividends Collected	23	21	9	10	11	11
Cash Provided (Used) by Investing Activities	<u>23</u>	<u>21</u>	<u>9</u>	<u>10</u>	<u>640,163</u>	<u>11</u>
<u>Net Change in Cash and Cash Equivalents</u>	<u>(150,938)</u>	<u>1,989</u>	<u>255</u>	<u>(88,149)</u>	<u>(266,152)</u>	<u>12,530</u>
<u>Cash and Cash Equivalents, Beginning of Year</u>	<u>152,762</u>	<u>1,524</u>	<u>470</u>	<u>272,930</u>	<u>1,291,977</u>	<u>1,203,221</u>
<u>Cash and Cash Equivalents, End of Year</u>	<u>\$ 1,824</u>	<u>\$ 3,513</u>	<u>\$ 725</u>	<u>\$ 184,781</u>	<u>\$ 1,025,825</u>	<u>\$ 1,215,751</u>
<u>Cash Flows from Operating Activities:</u>						
<u>Change in Net Position</u>	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
<u>Reconciliation of Change in Net Position to Cash</u>						
<u> Provided (Used) by Operating Activities:</u>						
Amortization of Discount (Premium)	3,427	(86,623)	(32,064)	(26,451)	(10,458)	(22,479)
Amortization of Refunding	-	-	73,281	95,057	-	-
Accretion of Interest on Capital Appreciation Bonds	-	-	-	-	-	-
Interest Paid	457,787	1,785,950	643,767	529,718	764,162	616,757
Investment Income	(23)	(21)	(9)	(10)	(11)	(1,603)
(Increase) Decrease in Receivables - Net	428,925	1,636,373	776,080	1,076,681	113,126	929,498
(Increase) Decrease in Prepaid Expenses	-	-	-	-	-	-
Increase (Decrease) in Payables - Net	(48,290)	(32,761)	(12,042)	(88,436)	(118,972)	(17,897)
Cash Provided (Used) by Operating Activities	<u>\$ 841,826</u>	<u>\$ 3,302,918</u>	<u>\$ 1,449,013</u>	<u>\$ 1,586,559</u>	<u>\$ 747,847</u>	<u>\$ 1,504,276</u>

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
***STATEMENTS OF CASH FLOWS**
For the Year Ended September 30, 2014

	Series 2007A	Series 2008A	Series 2009 St. Aug Bch	Series 2009 Seminole	Series 2010 ABCD	Series 2010AA
<u>Cash Flows from Operating Activities:</u>						
Loans Made to Members	\$ -	\$ -	\$ -	\$ -	\$ (679,703)	\$ -
Member Loan Repayments	1,740,000	-	-	-	645,000	-
Loan Interest and Member Reimbursements	2,117,466	-	-	-	1,101,946	-
Expenses Paid	(37,331)	-	-	-	(28,301)	-
Cash Provided (Used) by Operating Activities	<u>3,820,135</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,038,942</u>	<u>-</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>						
Redemption of Bonds	(1,655,000)	-	-	-	(625,000)	-
Interest Paid	(2,122,051)	-	-	-	(1,081,555)	-
Cash Provided (Used) by Non-Capital Financing Activities	<u>(3,777,051)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,706,555)</u>	<u>-</u>
<u>Cash Flows from Investing Activities:</u>						
Investments Sold	-	-	-	-	217,188	-
Interest and Dividends Collected	882	-	-	-	319	-
Cash Provided (Used) by Investing Activities	<u>882</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>217,507</u>	<u>-</u>
<u>Net Change in Cash and Cash Equivalents</u>	<u>43,966</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(450,106)</u>	<u>-</u>
<u>Cash and Cash Equivalents, Beginning of Year</u>	<u>8,156,726</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,403,997</u>	<u>-</u>
<u>Cash and Cash Equivalents, End of Year</u>	<u>\$ 8,200,692</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,953,891</u>	<u>\$ -</u>
<u>Cash Flows from Operating Activities:</u>						
<u>Change in Net Position</u>	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
<u>Reconciliation of Change in Net Position to Cash</u>						
<u> Provided (Used) by Operating Activities:</u>						
Amortization of Discount (Premium)	(36,564)	-	-	-	7,104	-
Amortization of Refunding	-	-	-	-	-	-
Accretion of Interest on Capital Appreciation Bonds	-	-	-	-	-	-
Interest Paid	2,122,051	-	-	-	1,081,555	-
Investment Income	(882)	-	-	-	(1,187)	-
(Increase) Decrease in Receivables - Net	1,777,586	-	-	-	(40,342)	-
(Increase) Decrease in Prepaid Expenses	-	-	-	-	-	-
Increase (Decrease) in Payables - Net	(42,056)	-	-	-	(8,188)	-
Cash Provided (Used) by Operating Activities	<u>\$ 3,820,135</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,038,942</u>	<u>\$ -</u>

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
***STATEMENTS OF CASH FLOWS**
For the Year Ended September 30, 2014

	Series 2010BB	Series 2011 B-1 & B-2	Series 2011D	Series 2012	Series 2012A	Series 2012 B-1 & B-2
<u>Cash Flows from Operating Activities:</u>						
Loans Made to Members	\$ -	\$ -	\$ (23,935,748)	\$ (30,999,266)	\$ (1,678,604)	\$ -
Member Loan Repayments	-	565,000	580,000	-	1,360,000	1,670,000
Loan Interest and Member Reimbursements	-	164,105	2,417,349	366,896	1,762,849	1,089,479
Expenses Paid	-	(6,326)	(30,082)	(32,500)	(28,960)	(26,801)
Cash Provided (Used) by Operating Activities	-	722,779	(20,968,481)	(30,664,870)	1,415,285	2,732,678
<u>Cash Flows from Non-Capital Financing Activities:</u>						
Redemption of Bonds	-	(545,000)	(320,000)	-	(1,360,000)	(1,590,000)
Interest Paid	-	(165,800)	(2,392,089)	(1,029,225)	(1,733,813)	(1,079,019)
Cash Provided (Used) by Non-Capital Financing Activities	-	(710,800)	(2,712,089)	(1,029,225)	(3,093,813)	(2,669,019)
<u>Cash Flows from Investing Activities:</u>						
Investments Sold	-	-	23,925,529	31,070,239	1,678,604	-
Interest and Dividends Collected	-	5	16	364,330	23	419
Cash Provided (Used) by Investing Activities	-	5	23,925,545	31,434,569	1,678,627	419
<u>Net Change in Cash and Cash Equivalents</u>	-	11,984	244,975	(259,526)	99	64,078
<u>Cash and Cash Equivalents, Beginning of Year</u>	-	635,664	1,544,149	7,613,107	9,831	4,664,501
<u>Cash and Cash Equivalents, End of Year</u>	\$ -	\$ 647,648	\$ 1,789,124	\$ 7,353,581	\$ 9,930	\$ 4,728,579
<u>Cash Flows from Operating Activities:</u>						
<u>Change in Net Position</u>	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
<u>Reconciliation of Change in Net Position to Cash</u>						
<u> Provided (Used) by Operating Activities:</u>						
Amortization of Discount (Premium)	-	5,553	20,707	-	(256,608)	(114,581)
Amortization of Refunding	-	2,079	-	-	(6,160)	47,960
Accretion of Interest on Capital Appreciation Bonds	-	-	-	-	-	-
Interest Paid	-	165,800	2,392,089	1,029,225	1,733,813	1,079,019
Investment Income	-	(5)	(16)	(26,939)	(4,498)	(21,187)
(Increase) Decrease in Receivables - Net	-	557,511	(23,376,370)	(31,705,040)	(33,883)	1,757,946
(Increase) Decrease in Prepaid Expenses	-	-	-	-	-	-
Increase (Decrease) in Payables - Net	-	(8,159)	(4,891)	37,884	(17,379)	(16,479)
Cash Provided (Used) by Operating Activities	\$ -	\$ 722,779	\$ (20,968,481)	\$ (30,664,870)	\$ 1,415,285	\$ 2,732,678

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
***STATEMENTS OF CASH FLOWS**
For the Year Ended September 30, 2014

	General Operations	Total
<u>Cash Flows from Operating Activities:</u>		
Loans Made to Members	\$ -	\$ (58,083,685)
Member Loan Repayments	-	14,810,000
Loan Interest and Member Reimbursements	387,439	15,180,412
Expenses Paid	(327,383)	(709,457)
Cash Provided (Used) by Operating Activities	60,056	(28,802,730)
<u>Cash Flows from Non-Capital Financing Activities:</u>		
Redemption of Bonds	-	(14,465,000)
Interest Paid	-	(15,416,794)
Cash Provided (Used) by Non-Capital Financing Activities	-	(29,881,794)
<u>Cash Flows from Investing Activities:</u>		
Investments Sold	-	57,531,712
Interest and Dividends Collected	-	366,103
Cash Provided (Used) by Investing Activities	-	57,897,815
<u>Net Change in Cash and Cash Equivalents</u>	60,056	(786,709)
<u>Cash and Cash Equivalents, Beginning of Year</u>	20,351	28,989,530
<u>Cash and Cash Equivalents, End of Year</u>	\$ 80,407	\$ 28,202,821
<u>Cash Flows from Operating Activities:</u>		
<u>Change in Net Position</u>	\$ 98,459	\$ 98,459
<u>Reconciliation of Change in Net Position to Cash</u>		
<u>Provided (Used) by Operating Activities:</u>		
Amortization of Discount (Premium)	-	(584,093)
Amortization of Refunding	-	212,217
Accretion of Interest on Capital Appreciation Bonds	-	800,541
Interest Paid	-	15,416,794
Investment Income	-	(57,191)
(Increase) Decrease in Receivables - Net	8,676	(44,233,236)
(Increase) Decrease in Prepaid Expenses	31,276	31,276
Increase (Decrease) in Payables - Net	(78,355)	(487,497)
Cash Provided (Used) by Operating Activities	\$ 60,056	\$ (28,802,730)

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
***STATEMENT OF CASH FLOWS**
SUPPLEMENTAL SCHEDULE OF NONCASH TRANSACTIONS
For the Year Ended September 30, 2014

Series 2000B - The Council refunded debt issued in 2000. The \$202,396 proceeds were deposited immediately into an irrevocable trust for the defeasance of \$200,000 of outstanding revenue bond principal and \$2,396 of interest. The increase in the fair value of the investments was \$776.

Series 2004A-1 - The Council refunded debt issued in 2004. The \$3,488,109 proceeds were deposited immediately into an irrevocable trust, and with future earnings on investments of \$388 will fund the repayment of \$3,435,000 of outstanding revenue bond principal and \$53,497 of interest.

Series 2005A - The Council refunded debt issued in 2005. The \$3,028,191 proceeds were deposited immediately into an irrevocable trust, and with future earnings on investments of \$1,269 will fund the repayment of \$2,890,000 of outstanding revenue bond principal and \$139,460 of interest.

Series 2005C - The Council refunded debt issued in 2005. The \$2,775,744 proceeds were deposited immediately into an irrevocable trust, and with future earnings on investments of \$1,281 will fund the repayment of \$2,660,000 of outstanding revenue bond principal and \$117,025 of interest.

Series 2005D - The Council refunded debt issued in 2005. The \$4,806,170 proceeds were deposited immediately into an irrevocable trust, and with future earnings on investments of \$6,705 will fund the repayment of \$4,505,000 of outstanding revenue bond principal and \$307,875 of interest.

Series 2006 - The increase in the fair value of the investments was \$1,592.

Series 2008A - Loans receivable and bonds payable of \$630,957 were reduced by a direct payment from the member to the lender. Interest of \$707,759 was paid by the member directly to the lender. The member paid administrative fees of \$6,657 directly to the administrator.

Series 2009 St. Augustine Bch - Loans receivable and bonds payable of \$28,529 were reduced by a direct payment from the member to the lender. Interest of \$37,352 was paid by the member directly to the lender. The member paid administrative fees of \$181 directly to the administrator.

Series 2009 Seminole - Loans receivable and bonds payable of \$3,606,085 were reduced by a direct payment from the member to the lender. Interest of \$182,393 was paid by the member directly to the lender. The member paid administrative fees of \$1,929 directly to the administrator.

Series 2010 ABCD - The increase in the fair value of the investments was \$868.

Series 2010AA - Loans receivable and bonds payable of \$75,000 were reduced by a direct payment from the member to the lender. Interest of \$69,012 was paid by the member directly to the lender. The member paid administrative fees of \$810 directly to the administrator.

Series 2010BB - Loans receivable and bonds payable of \$50,000 were reduced by a direct payment from the member to the lender. Interest of \$43,200 was paid by the member directly to the lender. The member paid administrative fees of \$540 directly to the administrator.

Series 2012 - The decrease in the fair value of the investments was \$(223,529).

Series 2012A - The increase in the fair value of the investments was \$4,475.

Series 2012 B-1 & B-2 - The increase in the fair value of the investments was \$20,768.

*The accompanying notes are an integral part of these financial statements.

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 1 – Organization and Significant Accounting Policies

- A. Organization and Purpose - The Florida Municipal Loan Council (Council) was created on December 1, 1998 under Chapter 163, Florida Statutes, pursuant to an Interlocal Agreement between its members. The purpose of the Council is to enable participating governmental entities to finance or refinance projects permitted by the Interlocal Act on a cooperative and cost-effective basis, to benefit from economies of scale associated with large scale financings and to maximize the benefits derived from the availability of moneys provided by the State for funding projects. The Council is authorized to exercise the privileges, benefits, powers and terms of the Interlocal Act in connection with the authorization, issuance and sale of bonds. On December 17, 1998, the Board of Directors approved a resolution authorizing the issuance of bonds up to an aggregate amount of \$500,000,000. On October 23, 2002, the Board of Directors approved a resolution authorizing the issuance of bonds in an additional aggregate amount up to \$750,000,000.

The Council is authorized to issue commercial paper notes, providing that the aggregate principal amount of the commercial paper outstanding at any one time shall not exceed \$200,000,000. As of September 30, 2014, there is no commercial paper outstanding.

On November 17, 2006, the Board of Directors approved a resolution authorizing the issuance of bonds to finance the cost of supplies of natural gas for agencies within and without the state of Florida, providing that the aggregate amount of the principal outstanding at any one time does not exceed \$2,000,000,000. As of September 30, 2014, no gas bonds have been issued.

On April 3, 2008, the Board of Directors approved a resolution authorizing the issuance of private placement bonds and appointed Banc of America Public Capital Corp as the bank for the private placement program. On December 1, 2008, the Board of Directors approved a resolution appointing Branch Banking & Trust Company as a participating bank for the private placement program and authorized the Program Administrator to designate additional banks to provide financing for each loan. The Program Administrator subsequently appointed Wells Fargo Bank, N.A. (formerly Wachovia Bank, National Association) as a participating bank for the private placement program.

On July 2, 2012, the Board of Directors approved Amendment 2 to the Interlocal Agreement authorizing the issuance of infrastructure revenue bonds. In addition, the Board approved resolutions authorizing the issuance of FMLC Infrastructure Improvement Revenue Bonds, Series 2012, up to an aggregate amount of \$180,000,000.

On May 29, 2013, the Board amended and restated Amendment 2 to the Interlocal Agreement to clarify the authority of the Council under the provisions of Chapter 163, Florida Statutes.

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 1 – Organization and Significant Accounting Policies (Continued)

A. Organization and Purpose (Continued)

The Council had the following programs during the year ended September 30, 2014:

Series 2000A - This program was financed with revenue bonds in the amount of \$30,878,847 issued May 3, 2000 with a final maturity of April 1, 2030. On July 12, 2005, the Council issued \$15,610,000 in revenue refunding bonds to advance refund certain 2000A revenue bonds. The 2000A current interest bonds were called April 1, 2010. Capital appreciation bonds with a final maturity of April 1, 2024 are still outstanding. Deerfield Beach is the remaining participant.

Series 2000B - This program was financed with revenue bonds in the amount of \$42,845,184 issued November 15, 2000 with a final maturity of November 1, 2030. On various dates in a prior fiscal year, Marco Island, North Miami Beach, and Oakland Park provided funds to extinguish their share of the bonds. In a prior fiscal year, the Council issued \$1,580,000 in revenue refunding bonds to advance refund certain 2000B revenue bonds. On December 17, 2013, New Smyrna Beach provided funds to extinguish their share of the bonds. The remaining participant is Deerfield Beach.

Series 2001A - This program was financed with revenue bonds in the amount of \$90,210,000 issued November 15, 2001 with a final maturity of November 1, 2031. On various dates in a prior fiscal year, Avon Park, Bonita Springs, Bradenton, Hallandale Beach, Largo, Safety Harbor, Sunny Isles Beach, and Wellington provided funds to extinguish their share of the bonds. Additionally, in a prior fiscal year, Southwest Ranches provided funds to extinguish a portion of its share of the bonds. The remaining participants are North Miami, South Miami, and Southwest Ranches.

Series 2002A - This program was financed with revenue bonds in the amount of \$49,775,000 issued May 17, 2002 with a final maturity of May 1, 2032. In a prior fiscal year, South Miami provided funds to extinguish a portion of its share of the bonds. Additionally, on various dates in a prior fiscal year, DeFuniak Springs, Golf, North Miami Beach, Palm Springs, Pinecrest, and Stuart provided funds to extinguish their share of the bonds. The remaining participants are Oakland and South Miami.

Series 2003A - This program was financed with revenue bonds in the amount of \$76,460,000 issued May 16, 2003 with a final maturity of May 1, 2033. On various dates in a prior fiscal year, the Council issued \$44,895,000 in revenue refunding bonds to advance refund certain 2003A revenue bonds. Additionally, in a prior fiscal year, Palm Springs provided funds to extinguish its share of the bonds. The remaining participant is Lake Park.

Series 2003B - This program was financed with revenue bonds in the amount of \$46,805,000 issued December 17, 2003 with a final maturity of December 1, 2033. In a prior fiscal year, the Council issued \$13,955,000 in revenue refunding bonds to advance refund certain 2003B revenue bonds. Additionally, in a prior fiscal year, Bay Harbor Islands provided funds to extinguish a portion of its share of the bonds. Additionally, on various dates in a prior fiscal year, Gadsden County and North Miami Beach provided funds to extinguish their share of the bonds. The remaining participants are Apopka and Bay Harbor Islands.

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 1 – Organization and Significant Accounting Policies (Continued)

A. Organization and Purpose (Continued)

Series 2004A-1 - This program was financed with revenue bonds in the amount of \$15,585,000 issued July 14, 2004 with a final maturity of July 1, 2034. On various dates in the current fiscal year, Oakland Park and Pinecrest provided funds to extinguish their share of the bonds. The remaining participants are Haines City and St. Augustine Beach.

Series 2005A - This program was financed with revenue bonds in the amount of \$55,630,000 issued February 15, 2005 with a final maturity of February 1, 2035. In a prior fiscal year, Inverness provided funds to extinguish its share of the bonds. On May 16, 2014, Bartow provided funds to extinguish a portion of its share of the bonds. The remaining participants are Bartow, Hallandale Beach, Hialeah, Indian Shores, and Valparaiso.

Series 2005B - This program was financed with revenue bonds in the amount of \$18,145,000 issued May 26, 2005 with a final maturity of November 1, 2029. These bonds were issued to advance refund certain bonds of Series 1999B. The remaining participants are Destin, Eatonville, Haines City, Melbourne Beach, and Plant City.

Series 2005C - This program was financed with revenue bonds in the amount of \$15,610,000 issued July 12, 2005 with a final maturity of April 1, 2030. These bonds were issued to advance refund certain bonds of Series 2000A. On June 19, 2014, Ft. Myers provided funds to extinguish a portion of its share of the bonds. The participants are Ft. Myers, Lauderdale Lakes, North Miami Beach and Port Richey.

Series 2005D - This program was financed with revenue bonds in the amount of \$25,200,000 issued September 23, 2005 with a final maturity of October 1, 2035. On November 27, 2007, Ft. Walton Beach provided funds to advance refund its share of the bonds. On various dates in the current fiscal year, Bartow and West Melbourne provided funds to extinguish a portion of their share of the bonds. The remaining participants are Bartow, Dania Beach, Palmetto Bay, Parkland, Port Richey and West Melbourne.

Series 2006 - This program was financed with revenue bonds in the amount of \$22,365,000 issued January 9, 2007 with a final maturity of October 1, 2036. On October 17, 2011, South Miami provided funds to extinguish a portion of its share of the bonds. The participants are Belle Isle, Deerfield Beach, Gadsden County, South Miami, St. Petersburg Beach and Valparaiso.

Series 2007A - This program was financed with revenue bonds in the amount of \$50,815,000 issued September 6, 2007 with a final maturity of October 1, 2032. The participants are Haines City and Hallandale Beach.

Series 2008A - This program was financed with private placement revenue bonds in the amount of \$17,028,786 issued August 22, 2008 with a final maturity of October 1, 2028. The participant is Deerfield Beach.

Series 2009 St. Augustine Beach - This program was financed with private placement revenue bonds in the amount of \$5,350,000 issued July 2, 2009 with a final maturity of July 1, 2029. The participant is St. Augustine Beach.

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 1 – Organization and Significant Accounting Policies (Continued)

A. Organization and Purpose (Continued)

Series 2009 Seminole - This program was financed with private placement revenue bonds in the amount of \$5,500,000 issued September 14, 2009 with a final maturity of September 3, 2019. On September 2, 2014, the sole participant, Seminole, provided funds to extinguish the bonds.

Series 2010 ABCD - This program was financed with revenue bonds in the amount of \$27,730,000 issued August 25, 2010 with a final maturity of October 1, 2040. The participants are Palatka, Palmetto Bay, Valparaiso and West Melbourne.

Series 2010AA - This program was financed with private placement revenue bonds in the amount of \$1,835,000 issued December 20, 2010 with a final maturity of April 1, 2029. These bonds were issued to advance refund certain bonds of Series 1999A. The participant is St. Augustine Beach.

Series 2010BB - This program was financed with private placement revenue bonds in the amount of \$1,230,000 issued December 20, 2010 with a final maturity of April 1, 2029. These bonds were issued to advance refund certain bonds of Series 1999A. The participant is Eagle Lake.

Series 2011 B-1 & B-2 - This program was financed with revenue bonds in the amount of \$5,825,000 issued March 2, 2011 with a final maturity of October 1, 2030. A portion of these bonds were issued to advance refund certain bonds of Series 1999A. The participant is Pinecrest.

Series 2011D - This program was financed with revenue bonds in the amount of \$48,235,000 issued May 20, 2011 with a final maturity of October 1, 2041. The participant is Hialeah.

Series 2012 - This program was financed with revenue bonds in the amount of \$59,110,000 issued September 7, 2012 with a final maturity of February 15, 2017. The participant is Infrastructure Development Partners.

Series 2012A - This program was financed with revenue bonds in the amount of \$41,620,000 issued November 1, 2012 with a final maturity of May 1, 2033. A portion of these bonds were issued to advance refund certain bonds of Series 2003A. The participant is Hialeah.

Series 2012 B-1 & B-2 - This program was financed with revenue bonds in the amount of \$34,860,000 issued December 1, 2012 with a final maturity of October 1, 2032. A portion of these bonds were issued to advance refund certain bonds of Series 2000B, 2003A, and 2003B. The participant is Deerfield Beach.

The bond proceeds of each program were loaned to the participants of that program pursuant to loan agreements with maturities within the original maximum 30-year period. Under the loan agreements, participants are billed semi-annually for their proportionate share of the program costs.

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 1 – Organization and Significant Accounting Policies (Continued)

A. Organization and Purpose (Continued)

In order to obtain credit market acceptance for all programs, except Series 2008A, Series 2009 St. Augustine Beach, Series 2009 Seminole, Series 2010AA, Series 2010BB (the private placement bonds), Series 2011B, Series 2012, and Series 2012 B-2, the Council obtained a financial guaranty insurance policy for each program that unconditionally and irrevocably guarantees the full and complete payment of principal and interest.

B. The Council is exempt from income taxes under the provisions of Section 115 of the Internal Revenue Code.

C. Reporting Entity and Basis of Accounting - The Council is an independent reporting entity accounted for as an enterprise fund under U.S. generally accepted accounting principles for governments as established by the Governmental Accounting Standards Board (GASB). The Council uses the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred.

D. Pursuant to the trust indentures, all earnings are credited to and all expenses are reimbursed by the members. The Council considers all its activities as operating activities.

E. Cash and Cash Equivalents - Cash and cash equivalents include short-term investments with original maturities of three months or less.

F. Investments – Investments are reported at fair value and transactions are recorded on a trade date basis. Interest income is recognized on the accrual basis. Fair value increases and decreases include both realized gains and losses and the change in unrealized gains and losses during the period.

Note 2 – Funds and Accounts Created by the Trust Indentures

A. Bond Program Funds and Accounts - Pursuant to Article IV of the trust indentures between the Council and U.S. Bank National Association, as Trustee (Trustee), the following funds and accounts were created.

1. Project Loan Funds - The Project Loan Funds are created with deposits of the net bond proceeds for lending to the members. Moneys in the Project Loan Funds are segregated at closing into a separate account for each member. Earnings on the investment of these funds are credited to and held in each account. The proceeds and any earnings thereon are available to fund the projects of the members. Amounts on deposit in the Project Loan Funds are not subject to yield restriction for an initial period of up to three years. It is expected that the members will withdraw these funds within the initial period.

2. Cost of Issuance Funds - The Cost of Issuance Funds are created with deposits at closing to pay certain costs related to the issuance of the bonds. Amounts remaining in these funds after payment of these costs, together with any investment earnings, are transferred to the Revenue Funds in accordance with the trust indentures.

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 2 – Funds and Accounts Created by the Trust Indentures (Continued)

3. Principal Funds - All payments or recoveries of principal of loans or payments of any premium due upon optional redemption of the bonds are deposited to the Principal Funds. Amounts in the Principal Funds are used to pay principal payments on the bonds.
 4. Revenue Funds - All loan repayments, other than those amounts required to be deposited to the Principal Funds, plus all investment earnings on amounts in the funds and accounts (except the Rebate Funds and the Project Loan Funds) are deposited to the Revenue Funds. Amounts in the Revenue Funds are used to pay the interest due on the bonds and the fees and expenses of the Council.
 5. Reserve Funds - The Reserve Funds are established at closing with cash or the purchase of surety bonds in an amount equal to the reserve requirement of the program. Amounts held in each reserve fund are payable to the Trustee on any interest payment or redemption date on which a deficiency exists which cannot be cured by funds in any other fund or account held pursuant to the indentures and available for such purpose. If disbursement is made from a surety bond, the Council will reinstate the maximum limits of the surety bond as soon as moneys are available by repaying the amount disbursed with interest thereon at the rate set forth in the agreement. If a withdrawal is made from a cash reserve fund, the Council will replenish the applicable reserve requirement within twelve months with an amount received from the borrower.
- B. Private Placement Program – The private placement program is a non-trusteed program. The loan agreements do not require the establishment of funds and accounts by the Council. Additionally, pursuant to Article V of the loan agreements, the borrowers shall pay all loan repayments on behalf of the Council to the lenders.
- C. Rebate Funds - In order to insure compliance with the rebate provisions of Section 148(f) of the Internal Revenue Code, the Council also provided for the Rebate Funds. The Rebate Funds are only maintained if it becomes necessary to rebate arbitrage earnings to the federal government.

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 3 – Cash and Cash Equivalents and Investments

All cash, cash equivalents and investments are held by the Trustee or its agent in the Council's name, except for the FMLC general operations account. At September 30, 2014, all cash and cash equivalents include demand deposits of \$80,407 and a money market fund. The fund is rated AAA and has a weighted average maturity (WAM) of 39 days at year-end. All deposits with financial institutions were 100% insured by Federal Depository Insurance. Details of investments held at September 30, 2014 are shown below:

	<u>Series 2000B</u>	<u>Series 2006</u>	<u>Series 2010 ABCD</u>
<u>Investments</u>			
Florida Municipal Investment Trust (FMIvT) 0-2 Yr High Quality Bd Fd	\$ 425,011	\$ 871,510	\$ 334,505
Total Investments	<u>\$ 425,011</u>	<u>\$ 871,510</u>	<u>\$ 334,505</u>
	<u>Series 2012A</u>	<u>Series 2012 B-1 & B-2</u>	
<u>Investments</u>			
FMIvT 0-2 Yr High Quality Bd Fd	\$ 1,379,190	\$ 11,367,953	
Total Investments	<u>\$ 1,379,190</u>	<u>\$ 11,367,953</u>	
	<u>Series 2012</u>	<u>WAM (Years)</u>	
<u>Investments</u>			
U.S. Agency Bonds - Fixed Rate	\$ 3,613,589	0.08	
U.S. Agency Bonds - Zero Coupon	<u>91,952</u>	0.29	
Total Investments	<u>\$ 3,705,541</u>		

The FMIvT 0-2 Year High Quality Bond Fund is a local government investment pool administered by the Florida League of Cities, Inc. (League). The FMIvT Board of Trustees exercises oversight responsibility over the pool. The fair values of the Council's position in the pool is equal to the fair value of the Council's shares.

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 3 – Cash and Cash Equivalents and Investments (Continued)

The Project Loan Funds are invested in the FMIvT 0-2 Year High Quality Bond Fund, the money market fund, and certain U.S. agency obligations. The investments authorized by the trust indentures include direct obligations of the United States of America, evidence of ownership of a proportionate interest in obligations of the federal government, interest bearing demand or time deposits which are fully insured by the Federal Deposit Insurance Corporation or fully collateralized by obligations of the federal government, certain investment agreements or repurchase agreements, the FMIvT 0-2 Year High Quality Bond Fund, the FMIvT 1-3 Year High Quality Bond Fund, money market funds and the State Board of Administration's Local Government Surplus Funds Trust Fund (Florida Prime). In addition, the Series 2012 trust indenture authorizes investments in obligations of agencies of the United States of America. The Council places no limit on the amount that may be invested in any one issuer.

Credit Risk: The Council's investment policy is to apply the prudent-person rule. The investment portfolio shall be designed to attain a market rate of return throughout financial and economic cycles, taking into account the Council's investment risk constraints as discussed in the investment policy. The Council's credit quality policy does not limit its investments in government agency obligations or bond funds. The FMIvT 0-2 Year High Quality Bond Fund is rated AAA.

Interest Rate Risk: As a means of limiting its exposure to fair value losses from rising interest rates, the Council's investment policy employs portfolio diversification, controlled duration strategies, and maturity durations as the primary methods of controlling risk. The Council's investment policy does not limit the duration of government agency obligations or governmental investment trusts. The FMIvT 0-2 Year High Quality Bond Fund has a weighted average maturity of 0.75 at year-end.

Note 4 – Loans Receivable

The loans receivable are evidenced by loan agreements and are secured by each member's covenant to budget a sufficient amount of non-ad valorem revenues to satisfy the loan repayments as required under the loan agreement, or in the case of general obligation debt, by the full faith and credit of the government. Members of the bond program are billed semi-annually for their proportionate share of expenses, less investment earnings on funds other than the Project Loan Funds. Members of the private placement program pay all loan repayments on behalf of the Council directly to the lender. The loans are subject to prepayment, with penalty. Principal repayments on the loans are scheduled to coincide with the scheduled maturities of the bonds.

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 5 – Bonds Payable

The bonds are limited and special obligations of the Council and are payable solely out of amounts received by the Council under and pursuant to the loan agreements entered into by the Council and each member.

Bonds Payable decreased during the year ended September 30, 2014 as follows:

Bonds Payable October 1, 2013	\$ 428,442,059
Accretion on Capital Appreciation Bonds	800,541
Bonds Redeemed	(18,855,571)
Bonds Defeased or Extinguished	(13,690,000)
Reduction of Bond Premium/Discount (Net)	<u>(712,367)</u>
Bonds Payable September 30, 2014	<u><u>\$ 395,984,662</u></u>

Series 2000A

The Series 2000A bonds are composed of capital appreciation bonds of \$4,736,922 plus accreted interest of \$6,381,086. The bonds bear interest at rates ranging from 5.80% to 6.08%. Interest is payable only at maturity or earlier redemption. The accreted amount will include both the original principal amount and interest compounded semi-annually on each April 1 and October 1.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 573,414	\$ 771,586	\$ 1,345,000
2016	523,401	821,486	1,344,887
2017	557,169	961,968	1,519,137
2018	524,936	993,784	1,518,720
2019	494,238	1,023,042	1,517,280
2020-2024	<u>2,063,764</u>	<u>5,536,235</u>	<u>7,599,999</u>
Totals	<u><u>\$ 4,736,922</u></u>	<u><u>\$ 10,108,101</u></u>	<u><u>\$ 14,845,023</u></u>

Series 2000B

The Series 2000B bonds are composed of capital appreciation bonds of \$1,010,184 plus accreted interest of \$1,217,611. The bonds bear interest at rates ranging from 5.75% to 5.85%. Interest is payable only at maturity or earlier redemption. The accreted amount will include both the original principal amount and interest compounded semi-annually on each May 1 and November 1.

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 5 – Bonds Payable (Continued)

Series 2000B (Continued)

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ -	\$ -	\$ -
2016	-	-	-
2017	-	-	-
2018	-	-	-
2019	-	-	-
2020-2024	-	-	-
2025-2027	<u>1,010,184</u>	<u>3,184,816</u>	<u>4,195,000</u>
Totals	<u>\$ 1,010,184</u>	<u>\$ 3,184,816</u>	<u>\$ 4,195,000</u>

In the current year, the Council defeased \$200,000 of the Series 2000B bonds by placing proceeds received from the borrower in an irrevocable trust to provide for all future debt service payments on the bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements.

Series 2001A

These bonds bear interest at rates ranging from 4.75% to 5.25%. Interest is payable each May 1 and November 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 360,000	\$ 301,138	\$ 661,138
2016	375,000	281,844	656,844
2017	395,000	261,631	656,631
2018	420,000	240,238	660,238
2019	440,000	217,662	657,662
2020-2024	1,635,000	782,043	2,417,043
2025-2029	1,290,000	521,000	1,811,000
2030-2032	<u>1,270,000</u>	<u>97,000</u>	<u>1,367,000</u>
Totals	<u>\$ 6,185,000</u>	<u>\$ 2,702,556</u>	<u>\$ 8,887,556</u>

Series 2002A

These bonds bear interest at rates ranging from 5.00% to 5.50%. Interest is payable each May 1 and November 1 until final maturity.

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 5 – Bonds Payable (Continued)

Series 2002A (Continued)

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 185,000	\$ 272,869	\$ 457,869
2016	195,000	262,694	457,694
2017	205,000	251,969	456,969
2018	215,000	240,694	455,694
2019	230,000	228,869	458,869
2020-2024	1,330,000	953,593	2,283,593
2025-2029	1,705,000	586,393	2,291,393
2030-2032	1,240,000	129,150	1,369,150
Totals	<u>\$ 5,305,000</u>	<u>\$ 2,926,231</u>	<u>\$ 8,231,231</u>

Series 2003A

These bonds bear interest at rates ranging from 4.50% to 5.25%. Interest is payable each May 1 and November 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 125,000	\$ 190,712	\$ 315,712
2016	130,000	184,150	314,150
2017	140,000	177,325	317,325
2018	145,000	169,975	314,975
2019	155,000	162,363	317,363
2020-2024	890,000	685,700	1,575,700
2025-2029	1,125,000	452,725	1,577,725
2030-2033	1,120,000	143,250	1,263,250
Totals	<u>\$ 3,830,000</u>	<u>\$ 2,166,200</u>	<u>\$ 5,996,200</u>

Series 2003B

These bonds bear interest at rates ranging from 5.00% to 5.25%. Interest is payable each June 1 and December 1 until final maturity.

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 5 – Bonds Payable (Continued)

Series 2003B (Continued)

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 140,000	\$ 190,025	\$ 330,025
2016	150,000	182,413	332,413
2017	155,000	174,406	329,406
2018	165,000	166,006	331,006
2019	170,000	157,213	327,213
2020-2024	-	763,750	763,750
2025-2029	450,000	752,500	1,202,500
2030-2034	2,605,000	338,625	2,943,625
Totals	<u>\$ 3,835,000</u>	<u>\$ 2,724,938</u>	<u>\$ 6,559,938</u>

Series 2004A-1

These bonds bear interest at rates ranging from 4.25% to 5.125%. Interest is payable each January 1 and July 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 505,000	\$ 316,787	\$ 821,787
2016	530,000	295,325	825,325
2017	550,000	272,138	822,138
2018	575,000	247,388	822,388
2019	605,000	221,512	826,512
2020-2024	975,000	875,156	1,850,156
2025-2029	1,245,000	602,700	1,847,700
2030-2034	1,580,000	251,125	1,831,125
Totals	<u>\$ 6,565,000</u>	<u>\$ 3,082,131</u>	<u>\$ 9,647,131</u>

In the current year, the Council defeased \$3,435,000 of the Series 2004A-1 bonds by placing proceeds received from the borrower in an irrevocable trust to provide for all future debt service payments on the bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements.

Series 2005A

These bonds bear interest at rates ranging from 3.625% to 5.00%. Interest is payable each February 1 and August 1 until final maturity.

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 5 – Bonds Payable (Continued)

Series 2005A (Continued)

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 1,570,000	\$ 1,661,251	\$ 3,231,251
2016	1,400,000	1,605,145	3,005,145
2017	1,460,000	1,548,660	3,008,660
2018	1,520,000	1,481,825	3,001,825
2019	1,595,000	1,403,950	2,998,950
2020-2024	8,665,000	5,766,250	14,431,250
2025-2029	7,910,000	3,690,563	11,600,563
2030-2034	9,175,000	1,724,375	10,899,375
2035	2,125,000	53,125	2,178,125
Totals	<u>\$ 35,420,000</u>	<u>\$ 18,935,144</u>	<u>\$ 54,355,144</u>

In the current year, the Council defeased \$2,890,000 of the Series 2005A bonds by placing proceeds received from the borrower in an irrevocable trust to provide for all future debt service payments on the bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements. Additionally, in a prior year, the Council defeased a portion of the Series 2005A bonds by placing proceeds received from the borrower in an irrevocable trust to provide for all future debt service payments on the bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements. At September 30, 2014, \$7,370,000 of bonds outstanding are considered defeased.

Series 2005B

These bonds bear interest at rates ranging from 3.60% to 5.00%. Interest is payable each May 1 and November 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 830,000	\$ 614,740	\$ 1,444,740
2016	795,000	583,900	1,378,900
2017	835,000	547,125	1,382,125
2018	870,000	504,500	1,374,500
2019	920,000	459,750	1,379,750
2020-2024	3,620,000	1,709,000	5,329,000
2025-2029	4,145,000	782,625	4,927,625
2030	970,000	24,250	994,250
Totals	<u>\$ 12,985,000</u>	<u>\$ 5,225,890</u>	<u>\$ 18,210,890</u>

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 5 – Bonds Payable (Continued)

Series 2005C

These bonds bear interest at rates ranging from 4.00% to 5.00%. Interest is payable each April 1 and October 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 1,210,000	\$ 355,444	\$ 1,565,444
2016	790,000	294,944	1,084,944
2017	830,000	255,444	1,085,444
2018	860,000	213,944	1,073,944
2019	900,000	179,544	1,079,544
2020-2024	1,780,000	508,856	2,288,856
2025-2029	1,265,000	234,063	1,499,063
2030	290,000	12,687	302,687
Totals	<u>\$ 7,925,000</u>	<u>\$ 2,054,926</u>	<u>\$ 9,979,926</u>

In the current year, the Council defeased \$2,660,000 of the Series 2005C bonds by placing proceeds received from the borrower in an irrevocable trust to provide for all future debt service payments on the bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements. At September 30, 2014, \$2,660,000 of bonds outstanding are considered defeased.

Series 2005D

These bonds bear interest at rates ranging from 3.50% to 5.00%. Interest is payable each April 1 and October 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 740,000	\$ 530,831	\$ 1,270,831
2016	765,000	504,016	1,269,016
2017	430,000	481,550	911,550
2018	440,000	464,150	904,150
2019	460,000	446,150	906,150
2020-2024	2,630,000	1,906,750	4,536,750
2025-2029	2,670,000	1,234,775	3,904,775
2030-2034	2,865,000	634,163	3,499,163
2035-2036	1,335,000	60,862	1,395,862
Totals	<u>\$ 12,335,000</u>	<u>\$ 6,263,247</u>	<u>\$ 18,598,247</u>

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 5 – Bonds Payable (Continued)

Series 2005D (Continued)

In the current year, the Council defeased \$4,505,000 of the Series 2005D bonds by placing proceeds received from the borrower in an irrevocable trust to provide for all future debt service payments on the bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements. Additionally, in a prior year, the Council defeased a portion of the Series 2005D bonds by placing proceeds received from the borrower in an irrevocable trust to provide for all future debt service payments on the bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements. At September 30, 2014, \$4,970,000 of bonds outstanding are considered defeased.

Series 2006

These bonds bear interest at rates ranging from 4.00% to 5.00%. Interest is payable each April 1 and October 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 905,000	\$ 576,631	\$ 1,481,631
2016	950,000	530,256	1,480,256
2017	1,005,000	481,381	1,486,381
2018	1,050,000	430,006	1,480,006
2019	1,100,000	376,256	1,476,256
2020-2024	3,675,000	1,364,075	5,039,075
2025-2029	2,815,000	665,297	3,480,297
2030-2034	1,485,000	180,564	1,665,564
2035-2037	270,000	18,675	288,675
Totals	<u>\$ 13,255,000</u>	<u>\$ 4,623,141</u>	<u>\$ 17,878,141</u>

In a prior year, the Council defeased a portion of the Series 2006 bonds by placing proceeds received from the borrower in an irrevocable trust to provide for all future debt service payments on the bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Council's financial statements. At September 30, 2014, \$3,525,000 of bonds outstanding are considered defeased.

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 5 – Bonds Payable (Continued)

Series 2007A

These bonds bear interest at rates ranging from 4.375% to 5.00%. Interest is payable each April 1 and October 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 1,740,000	\$ 2,037,175	\$ 3,777,175
2016	1,825,000	1,948,050	3,773,050
2017	1,920,000	1,854,425	3,774,425
2018	2,015,000	1,756,050	3,771,050
2019	2,120,000	1,659,300	3,779,300
2020-2024	12,205,000	6,648,088	18,853,088
2025-2029	13,650,000	3,241,250	16,891,250
2030-2033	6,625,000	682,875	7,307,875
Totals	<u>\$ 42,100,000</u>	<u>\$ 19,827,213</u>	<u>\$ 61,927,213</u>

Series 2008A

These bonds bear interest at 4.81%. Interest is payable each April 1 and October 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 662,017	\$ 676,234	\$ 1,338,251
2016	694,606	644,871	1,339,477
2017	727,083	608,492	1,335,575
2018	764,591	572,121	1,336,712
2019	802,229	533,918	1,336,147
2020-2024	4,642,359	2,029,711	6,672,070
2025-2029	5,903,551	748,031	6,651,582
Totals	<u>\$ 14,196,436</u>	<u>\$ 5,813,378</u>	<u>\$ 20,009,814</u>

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 5 – Bonds Payable (Continued)

Series 2009 St. Augustine Beach

These bonds bear interest at 5.37%. Interest is payable each January 1 and July 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 30,061	\$ 35,820	\$ 65,881
2016	31,675	34,205	65,880
2017	33,376	32,504	65,880
2018	35,169	30,712	65,881
2019	37,057	28,824	65,881
2020-2024	217,360	112,043	329,403
2025-2029	282,334	47,068	329,402
Totals	<u>\$ 667,032</u>	<u>\$ 321,176</u>	<u>\$ 988,208</u>

Series 2010 ABCD

These bonds bear interest at rates ranging from 2.00% to 5.00%. Interest is payable each April 1 and October 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 645,000	\$ 1,066,619	\$ 1,711,619
2016	650,000	1,051,931	1,701,931
2017	675,000	1,032,475	1,707,475
2018	700,000	1,008,181	1,708,181
2019	725,000	983,169	1,708,169
2020-2024	4,025,000	4,500,875	8,525,875
2025-2029	4,865,000	3,649,097	8,514,097
2030-2034	5,175,000	2,521,294	7,696,294
2035-2039	5,825,000	1,323,906	7,148,906
2040-2041	2,720,000	131,275	2,851,275
Totals	<u>\$ 26,005,000</u>	<u>\$ 17,268,822</u>	<u>\$ 43,273,822</u>

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 5 – Bonds Payable (Continued)

Series 2010AA

These bonds bear interest at 4.26%. Interest is payable each April 1 and October 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 75,000	\$ 65,817	\$ 140,817
2016	80,000	62,622	142,622
2017	85,000	59,214	144,214
2018	90,000	55,593	145,593
2019	90,000	51,759	141,759
2020-2024	505,000	198,303	703,303
2025-2029	<u>620,000</u>	<u>81,366</u>	<u>701,366</u>
Totals	<u>\$ 1,545,000</u>	<u>\$ 574,674</u>	<u>\$ 2,119,674</u>

Series 2010BB

These bonds bear interest at 4.00%. Interest is payable each April 1 and October 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 50,000	\$ 41,200	\$ 91,200
2016	55,000	39,200	94,200
2017	55,000	37,000	92,000
2018	60,000	34,800	94,800
2019	60,000	32,400	92,400
2020-2024	340,000	123,800	463,800
2025-2029	<u>410,000</u>	<u>50,600</u>	<u>460,600</u>
Totals	<u>\$ 1,030,000</u>	<u>\$ 359,000</u>	<u>\$ 1,389,000</u>

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 5 – Bonds Payable (Continued)

Series 2011 B-1 & B-2

These bonds bear interest at rates ranging from 2.00% to 5.00%. Interest is payable each April 1 and October 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 565,000	\$ 149,725	\$ 714,725
2016	575,000	134,363	709,363
2017	590,000	119,062	709,062
2018	605,000	101,875	706,875
2019	630,000	82,562	712,562
2020-2024	940,000	231,413	1,171,413
2025-2029	475,000	118,125	593,125
2030-2031	225,000	11,375	236,375
	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 4,605,000</u>	<u>\$ 948,500</u>	<u>\$ 5,553,500</u>

Series 2011D

These bonds bear interest at rates ranging from 3.00% to 5.50%. Interest is payable each April 1 and October 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 580,000	\$ 2,378,588	\$ 2,958,588
2016	850,000	2,357,138	3,207,138
2017	955,000	2,330,061	3,285,061
2018	985,000	2,300,962	3,285,962
2019	1,015,000	2,269,694	3,284,694
2020-2024	5,745,000	10,661,894	16,406,894
2025-2029	7,175,000	9,180,850	16,355,850
2030-2034	9,265,000	7,051,056	16,316,056
2035-2039	12,065,000	4,197,188	16,262,188
2040-2042	8,970,000	757,900	9,727,900
	<u> </u>	<u> </u>	<u> </u>
Totals	<u>\$ 47,605,000</u>	<u>\$ 43,485,331</u>	<u>\$ 91,090,331</u>

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 5 – Bonds Payable (Continued)

Series 2012

These bonds bear interest at rates ranging from 1.50% to 1.95%. Interest is payable quarterly each November 15, February 15, May 15, and August 15 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 8,960,000	\$ 1,015,818	\$ 9,975,818
2016	41,550,000	600,125	42,150,125
2017	<u>8,600,000</u>	<u>49,311</u>	<u>8,649,311</u>
Totals	<u>\$ 59,110,000</u>	<u>\$ 1,665,254</u>	<u>\$ 60,775,254</u>

Series 2012A

These bonds bear interest at rates ranging from 3.25% to 5.00%. Interest is payable each May 1 and November 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 1,405,000	\$ 1,693,013	\$ 3,098,013
2016	1,460,000	1,636,813	3,096,813
2017	1,520,000	1,578,413	3,098,413
2018	1,580,000	1,517,613	3,097,613
2019	1,645,000	1,454,412	3,099,412
2020-2024	9,450,000	6,044,312	15,494,312
2025-2029	11,810,000	3,681,987	15,491,987
2030-2033	<u>11,260,000</u>	<u>1,140,750</u>	<u>12,400,750</u>
Totals	<u>\$ 40,130,000</u>	<u>\$ 18,747,313</u>	<u>\$ 58,877,313</u>

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 5 – Bonds Payable (Continued)

Series 2012 B-1 & B-2

These bonds bear interest at rates ranging from 2.00% to 5.00%. Interest is payable each April 1 and October 1 until final maturity.

The following is a schedule of debt service requirements:

<u>Maturities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 1,670,000	\$ 1,038,069	\$ 2,708,069
2016	1,720,000	987,219	2,707,219
2017	1,600,000	932,219	2,532,219
2018	1,665,000	869,719	2,534,719
2019	1,720,000	813,169	2,533,169
2020-2024	9,440,000	3,226,231	12,666,231
2025-2029	13,665,000	1,467,456	15,132,456
2030-2033	<u>1,790,000</u>	<u>123,090</u>	<u>1,913,090</u>
Totals	<u>\$ 33,270,000</u>	<u>\$ 9,457,172</u>	<u>\$ 42,727,172</u>

Note 6 – Program Administration Fee

Pursuant to an administrative agreement, members are charged a program administration fee of up to 10 basis points per annum on the bonds outstanding, plus additional fees upon issuance of bonds or notes. Pursuant to an addendum dated September 26, 2013, thirty percent of these fees are paid to the League. Seventy percent of the program administration fees are retained by the Council to fund FMLC general operations.

Note 7 – Related Party Transactions

Pursuant to an administrative agreement as described in Note 6, the League administers the Council's programs. Fees incurred under this agreement were \$91,579. In addition, the Administrator reimbursed the Council \$73,500 for prior year expenses related to ongoing operations. At September 30, 2014, \$36,231 was due to the League.

The President of the League appoints members to the Council's Board of Directors. Certain members of the Council's Board of Directors are also members of the League's Board of Directors.

The Florida Municipal Insurance Trust (FMIT) provides a reserve fund surety bond for the Series 2000A program in the amount of \$1,045,000. This surety bond is collateralized by cash and investments held by the Trustee in the amount of the guarantee.

The League also serves as administrator of FMIT and FMIvT. Certain members of FMIT's and FMIvT's Board of Trustees are also members of the League's Board of Directors.

Florida Municipal Loan Council
NOTES TO FINANCIAL STATEMENTS
September 30, 2014

Note 8 – Arbitrage Rebates

The federal tax code requires state and local governments to rebate defined arbitrage earnings on tax-exempt debt to the federal government every five years for as long as the bonds are outstanding. These amounts are subject to adjustment for future arbitrage earnings or losses. Actual amounts will not be determined until the end of each five-year period.

Note 9 – Surety Bond Trust Fund

On September 20, 2001, the Board of Directors approved a resolution authorizing an amendment to the trust indenture of the Series 2000B and the establishment of the Surety Bond Trust Fund. The surety bond of this series plus surety bonds of certain future series will be contributed to the fund. If such amounts are insufficient to pay the full amount of the deficiency when due, then the Trustee shall draw a pro-rata amount from the surety bonds remaining on deposit.

Note 10 – Capital Access Program

The Board of Directors passed a resolution authorizing the creation of both the Capital Access Program (CAP) and the Competitive Capital Access Program (CCAP). Through both programs, the Council will assist municipalities and other borrowers in obtaining long-term financing through selected banks. The Council will charge a one-time fee of up to \$15,000 to borrowers under these programs.

Note 11 – GASB 65 Implementation

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The provisions of the statement are effective for financial statements for periods beginning after December 15, 2012. The Council implemented this statement on their financial statements effective October 1, 2013.

The Council has classified deferred loss on debt refunding as a deferred outflow of resources and deferred gain on debt refunding as a deferred inflow of resources in the financial statements. A deferred gain or loss results from the difference in the carrying value of refunded debt and its reacquisition price. The gain or loss is deferred and amortized over the shorter of the remaining life of the refunded (old) debt or the refunding (new) debt.

Note 12 – Subsequent Events

Haines City has provided funds to defease their share of the 2004A bonds on December 22, 2014. The amount of the member's share of the debt as of September 30, 2014 was \$4,560,000.

Hallandale Beach has provided funds to defease their share of the 2005A bonds on December 30, 2014. The amount of the member's share of the debt as of September 30, 2014 was \$5,705,000.

**Florida Municipal Loan Council
Schedule of Issues Outstanding
As of September 30, 2014**

	Original Par Amount of Bonds	9/30/14 Principal Outstanding	Years Amortized
<i>Revenue Bonds, Series 2000A - May 2000</i>			
Deerfield Beach	\$ 9,978,848	\$ 4,736,922	25
TOTAL	<u>\$ 9,978,848</u>	<u>\$ 4,736,922</u>	
<i>Revenue Bonds, Series 2000B - November 2000</i>			
Deerfield Beach	\$ 2,820,184	\$ 1,010,184	27
TOTAL	<u>\$ 2,820,184</u>	<u>\$ 1,010,184</u>	
<i>Revenue Bonds, Series 2001A - November 2001</i>			
North Miami	\$ 5,545,000	\$ 2,875,000	20
South Miami	2,200,000	1,670,000	30
Southwest Ranches	4,985,000	1,640,000	30
TOTAL	<u>\$ 12,730,000</u>	<u>\$ 6,185,000</u>	
<i>Revenue Bonds, Series 2002A - May 2002</i>			
Oakland	\$ 2,545,000	\$ 1,935,000	30
South Miami	6,500,000	3,370,000	30
TOTAL	<u>\$ 9,045,000</u>	<u>\$ 5,305,000</u>	
<i>Revenue Bonds, Series 2003A - May 2003</i>			
Lake Park	\$ 4,810,000	\$ 3,830,000	30
TOTAL	<u>\$ 4,810,000</u>	<u>\$ 3,830,000</u>	
<i>Revenue Bonds, Series 2003B - December 2003</i>			
Apopka	\$ 1,955,000	\$ 780,000	15
Bay Harbor Islands	9,360,000	3,055,000	30
TOTAL	<u>\$ 11,315,000</u>	<u>\$ 3,835,000</u>	
<i>Revenue Bonds, Series 2004A - July 2004</i>			
Haines City CRA	\$ 5,000,000	\$ 2,000,000	15
Haines City Rail Spur	3,200,000	2,560,000	30
St. Augustine Beach	2,500,000	2,005,000	30
TOTAL	<u>\$ 10,700,000</u>	<u>\$ 6,565,000</u>	

**Florida Municipal Loan Council
Schedule of Issues Outstanding
As of September 30, 2014**

	Original Par Amount of Bonds	9/30/14 Principal Outstanding	Years Amortized
<i>Revenue Bonds, Series 2005A - February 2005</i>			
Bartow	\$ 4,800,000	\$ 220,000	20
Hallandale Beach	8,800,000	5,705,000	20
Hialeah	29,090,000	23,885,000	30
Indian Shores	5,930,000	4,875,000	30
Valparaiso	1,555,000	735,000	15
TOTAL	<u>\$ 50,175,000</u>	<u>\$ 35,420,000</u>	
 <i>Revenue Refunding Bonds, Series 2005B - May 2005</i>			
Destin	\$ 6,875,000	\$ 5,800,000	24
Eatonville	1,405,000	980,000	24
Haines City	3,355,000	2,845,000	24
Melbourne Beach	1,620,000	1,375,000	24
Plant City	3,180,000	1,985,000	14
TOTAL	<u>\$ 16,435,000</u>	<u>\$ 12,985,000</u>	
 <i>Revenue Refunding Bonds, Series 2005C - July 2005</i>			
Fort Myers	\$ 4,970,000	\$ 460,000	15
Lauderdale Lakes	4,105,000	3,400,000	25
North Miami Beach	5,380,000	3,345,000	15
Port Richey	1,155,000	720,000	15
TOTAL	<u>\$ 15,610,000</u>	<u>\$ 7,925,000</u>	
 <i>Revenue Bonds, Series 2005D - September 2005</i>			
Bartow	\$ 2,655,000	\$ 245,000	20
Dania Beach	6,775,000	5,685,000	30
Palmetto Bay	1,495,000	1,275,000	30
Parkland	2,775,000	1,905,000	20
Port Richey	4,545,000	2,770,000	30
West Melbourne	4,910,000	455,000	20
TOTAL	<u>\$ 23,155,000</u>	<u>\$ 12,335,000</u>	
 <i>Revenue Bonds, Series 2006 - January 2007</i>			
Belle Isle	\$ 1,480,000	\$ 1,115,000	20
Deerfield Beach	5,965,000	4,920,000	25
Gadsden County	2,415,000	1,640,000	16
South Miami	5,625,000	1,380,000	30
St. Pete Beach	3,915,000	1,915,000	12
Valparaiso	2,965,000	2,285,000	20
TOTAL	<u>\$ 22,365,000</u>	<u>\$ 13,255,000</u>	

**Florida Municipal Loan Council
Schedule of Issues Outstanding
As of September 30, 2014**

	Original Par Amount of Bonds	9/30/14 Principal Outstanding	Years Amortized
<i>Revenue Bonds, Series 2007A - September 2007</i>			
Haines City	\$ 26,200,000	\$ 22,520,000	25
Hallandale Beach	24,615,000	19,580,000	20
TOTAL	<u>\$ 50,815,000</u>	<u>\$ 42,100,000</u>	
<i>Revenue Bonds, Series 2008A - August 2008</i>			
Deerfield Beach	\$ 17,028,786	\$ 14,196,436	20
TOTAL	<u>\$ 17,028,786</u>	<u>\$ 14,196,436</u>	
<i>Revenue Bonds, Series 2009 St. Augustine Beach - July 2009</i>			
St. Augustine Beach	\$ 5,350,000	\$ 667,032	20
TOTAL	<u>\$ 5,350,000</u>	<u>\$ 667,032</u>	
<i>Revenue Bonds, Series 2010 ABCD - August 2010</i>			
Palatka	\$ 7,665,000	\$ 7,260,000	30
Palmetto Bay	14,780,000	13,970,000	30
Valparaiso	1,465,000	1,380,000	30
West Melbourne	3,820,000	3,395,000	20
TOTAL	<u>\$ 27,730,000</u>	<u>\$ 26,005,000</u>	
<i>Revenue Refunding Bonds, Series 2010AA - December 2010</i>			
St. Augustine Beach	\$ 1,835,000	\$ 1,545,000	19
TOTAL	<u>\$ 1,835,000</u>	<u>\$ 1,545,000</u>	
<i>Revenue Refunding Bonds, Series 2010BB - December 2010</i>			
Eagle Lake	\$ 1,230,000	\$ 1,030,000	19
TOTAL	<u>\$ 1,230,000</u>	<u>\$ 1,030,000</u>	
<i>Revenue Refunding Bonds, Series 2011 B-1 & Revenue Bonds, Series 2011 B-2 - March 2011</i>			
Pinecrest B-1	\$ 4,320,000	\$ 3,240,000	8
Pinecrest B-2	1,505,000	1,365,000	19
TOTAL	<u>\$ 5,825,000</u>	<u>\$ 4,605,000</u>	
<i>Revenue Bonds, Series 2011D - May 2011</i>			
Hialeah	\$ 48,235,000	\$ 47,605,000	30
TOTAL	<u>\$ 48,235,000</u>	<u>\$ 47,605,000</u>	

**Florida Municipal Loan Council
Schedule of Issues Outstanding
As of September 30, 2014**

	<u>Original Par Amount of Bonds</u>	<u>9/30/14 Principal Outstanding</u>	<u>Years Amortized</u>
<i>Infrastructure Improvement Revenue Bonds, Series 2012 - September 2012</i>			
Infrastructure Development Partners	\$ 59,110,000	\$ 59,110,000	4.5
TOTAL	<u>\$ 59,110,000</u>	<u>\$ 59,110,000</u>	
<i>Refunding and Improvement Revenue Bonds, Series 2012A - November 2012</i>			
Hialeah	\$ 41,620,000	\$ 40,130,000	20
TOTAL	<u>\$ 41,620,000</u>	<u>\$ 40,130,000</u>	
<i>Refunding and Improvement Revenue Bonds, Series 2012 B-1 & Refunding Revenue Bonds, Series 2012 B-2 - December 2012</i>			
Deerfield Beach B-1	\$ 20,090,000	\$ 19,220,000	20
Deerfield Beach B-2	14,770,000	14,050,000	16
TOTAL	<u>\$ 34,860,000</u>	<u>\$ 33,270,000</u>	
TOTALS	<u>\$ 482,777,818</u>	<u>\$ 383,650,574</u>	