

CITY OF PLANT CITY, FLORIDA

ANNUAL FINANCIAL REPORT

**For the Fiscal Year Ended
September 30, 2015**

CITY OF PLANT CITY, FLORIDA
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2015

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CITY OF PLANT CITY, FLORIDA

City Officials

September 30, 2015

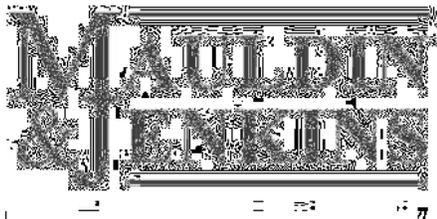
ELECTED OFFICIALS

Rick A. Lott	Mayor
William D. Dodson	Vice Mayor
William J. Keel	Commissioner
Mary Thomas Mathis	Commissioner
Michael S. Sparkman	Commissioner

APPOINTED OFFICIALS

Michael Herr	City Manager
Kenneth W. Buchman	City Attorney
Kerri J. Miller	City Clerk

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor,
Members of the City Council and City Clerk
City of Plant City, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Plant City, Florida (the "City"), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, as of October 1, 2014. These standards significantly changed the accounting for the City’s net pension liability and the related disclosures. Our opinions are not modified with respect to this matter.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, budgetary comparison information and pension and other post-employment benefit schedules on pages 5-18 and 65-71, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Bradenton, Florida
May 20, 2016



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CITY OF PLANT CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(Unaudited)

The City of Plant City's (the "City") management discussion and analysis (MD&A) is designed to provide the users with a narrative introduction, overview and analysis of the basic financial statements. Please read the information presented here in conjunction with the City's financial statements and footnotes that follow this report.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at September 30, 2015, by \$211 million (net position). Of this amount, unrestricted net position totals \$67.2 million.
- The City's total net position increased by \$5.9 million.
- As of September 30, 2015, the City's governmental funds reported combined ending fund balances of \$30.5 million an increase of \$585 thousand over the prior year. Of this amount, unassigned fund balance totals \$9.1 million.
- The City's total debt decreased by \$3.2 million during the current fiscal year primarily due to the debt repayments in excess of borrowing.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements' focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the City's accountability.

The City's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. The annual financial report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The focus is on "activities" rather than "fund types."

The *Statement of Net Position* presents information on all of the City's assets and liabilities, with the difference reported as net position. The focus of the Statement of Net Position is designed to be similar to bottom line results for the City and its governmental and business-type activities. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

CITY OF PLANT CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(Unaudited)

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, physical environment, transportation, economic development, and culture and recreation. The business-type activities of the City consist of the water/sewer and stormwater utilities, solid waste services, and industrial park operations.

The government-wide financial statements include not only the City of Plant City itself (the primary government) but also one district of the legally separate Community Redevelopment Agency. Financial information for this component unit is blended with the financial information presented for the primary government itself since board members are the same as the members of the City Commission.

The City has one defined benefit pension plan and one defined contribution pension plan established for the exclusive benefit of its employees and beneficiaries.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over the resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: (1) governmental funds, (2) proprietary funds and (3) fiduciary funds. Traditional users of governmental fund financial statements will find the fund financial statements presentation more familiar.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

CITY OF PLANT CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(Unaudited)

The City maintains fifteen individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund and the Community Redevelopment Agency Fund, all of which are considered to be major funds. Data from the other thirteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in this report, following the notes to the financial statements.

The City adopts an annual appropriated budget for its General Fund and the special revenue funds. Budgetary comparison schedules have been provided for the major governmental funds that adopt an annual operating budget to demonstrate compliance with the budget.

Proprietary Funds

The City maintains two different proprietary fund types. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water/sewer and stormwater utility systems, solid waste service and its industrial park operations. The Internal Service funds are an accounting device used to accumulate and allocate the costs of workers' compensation insurance and fleet acquisitions internally among the City's various functions. The proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail.

Fiduciary Funds

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

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statements of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the current year, the City's assets exceeded liabilities by \$211 million.

CITY OF PLANT CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(Unaudited)

The following table reflects the condensed Statements of Net Position for the current and prior year:

	Governmental Activities		Business-type Activities		Total	
	2015	2014 (Restated)	2015	2014 (Restated)	2015	2014 (Restated)
Current and Other Assets	\$ 39,157,435	\$ 39,775,280	\$ 71,025,798	\$ 68,846,945	\$ 110,183,233	\$ 108,622,225
Capital Assets	70,128,337	70,076,046	99,314,787	99,356,719	169,443,124	169,432,765
Total Assets	<u>109,285,772</u>	<u>109,851,326</u>	<u>170,340,585</u>	<u>168,203,664</u>	<u>279,626,357</u>	<u>278,054,990</u>
Deferred outflows	2,808,392	2,779,984	-	-	2,808,392	2,779,984
Long-term Liabilities	28,027,566	29,539,141	37,125,159	39,408,750	65,152,725	68,947,891
Other Liabilities	2,192,211	3,897,108	3,926,357	2,736,311	6,118,568	6,633,419
Total Liabilities	<u>30,219,777</u>	<u>33,436,249</u>	<u>41,051,516</u>	<u>42,145,061</u>	<u>71,271,293</u>	<u>75,581,310</u>
Net Investment in Capital Assets	62,162,897	61,233,737	63,872,906	61,597,906	126,035,803	122,831,643
Restricted	9,386,371	9,088,722	8,538,525	7,622,081	17,924,896	16,710,803
Unrestricted	10,325,119	8,872,602	56,877,638	56,838,616	67,202,757	65,711,218
Total Net Position	<u>\$ 81,874,387</u>	<u>\$ 79,195,061</u>	<u>\$ 129,289,069</u>	<u>\$ 126,058,603</u>	<u>\$ 211,163,456</u>	<u>\$ 205,253,664</u>

60% of the City's net position reflects its investment in capital assets (e.g., land, buildings, improvements, infrastructure, and vehicles and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Eight percent (8%) of the City's net position represents resources that are subject to external restrictions on how they may be used.

On September 30, 2015, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities. This also held true for the previous fiscal year end.

The major increase in the net investment in capital assets for the governmental and business-type activities is due to a decrease in long-term debt. Additionally, net investment in capital assets for the business-type activities increased due to capital assets purchased and installed with cash.

CITY OF PLANT CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(Unaudited)

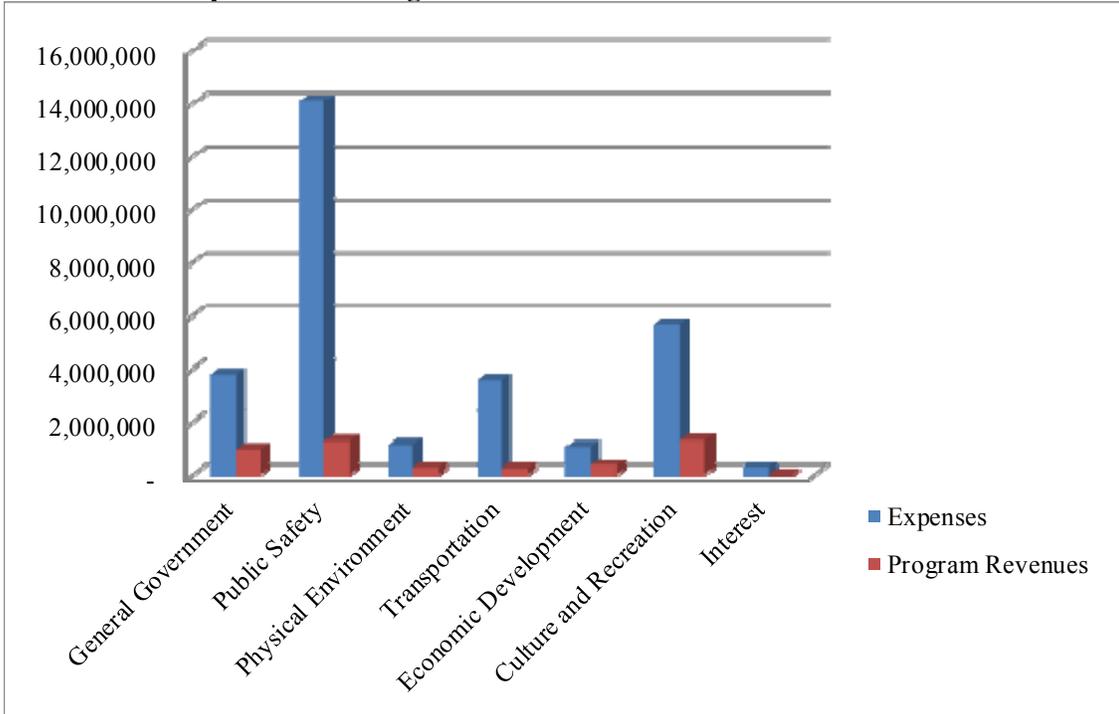
Statements of Activities

The following table reflects the condensed Statements of Activities for the current and prior years:

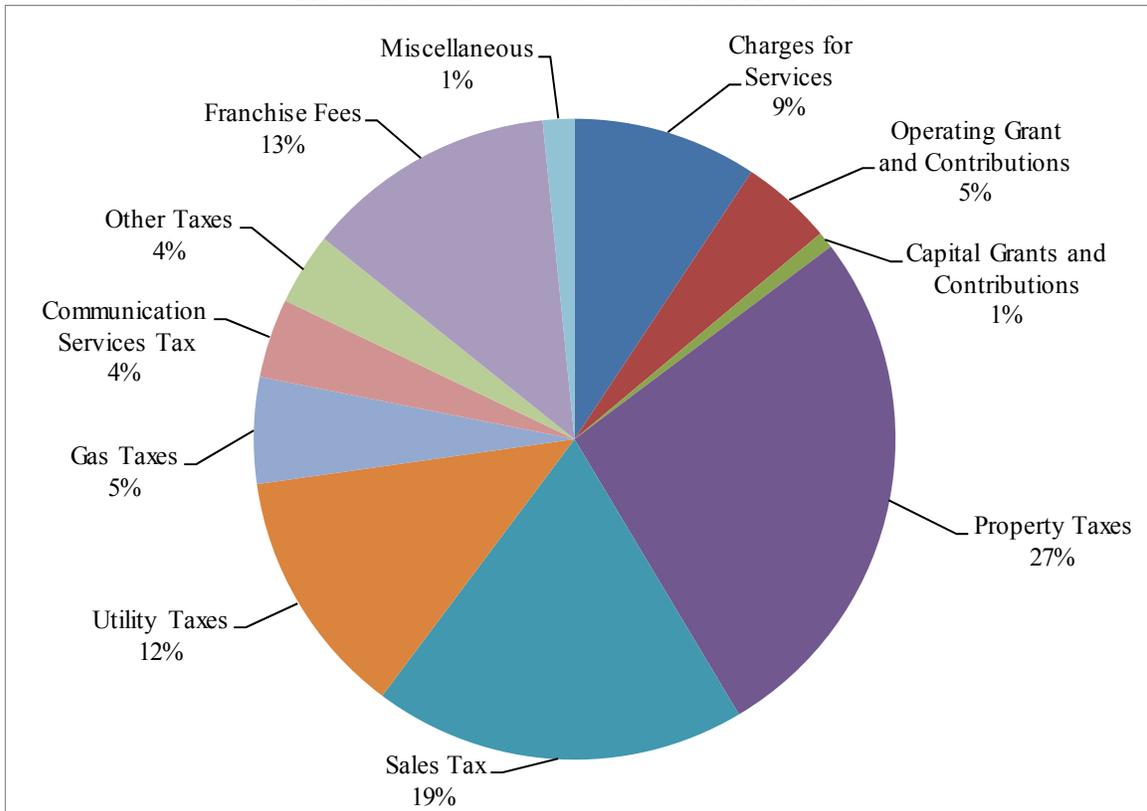
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014 (Restated)</u>	<u>2015</u>	<u>2014 (Restated)</u>	<u>2015</u>	<u>2014 (Restated)</u>
Revenues						
Program Revenues						
Charges for Services	\$ 2,831,653	\$ 2,819,041	\$ 25,019,768	\$ 24,440,933	\$ 27,851,421	\$ 27,259,974
Operating Grants and Contributions	1,404,562	1,462,428	17,824	-	1,422,386	1,462,428
Capital Grants and Contributions	250,405	2,608,841	799,409	524,718	1,049,814	3,133,559
General Revenues						
Property Taxes	8,133,553	7,748,507	-	-	8,133,553	7,748,507
Other Taxes	13,498,198	12,747,598	-	-	13,498,198	12,747,598
Franchise Fees	3,855,103	3,748,597	-	-	3,855,103	3,748,597
Other	483,935	678,942	292,497	147,060	776,432	826,002
Total Revenues	30,457,409	31,813,954	26,129,498	25,112,711	56,586,907	56,926,665
Expenses						
General Government	3,776,582	3,587,748	-	-	3,776,582	3,587,748
Public Safety	14,088,879	14,822,970	-	-	14,088,879	14,822,970
Physical Environment	1,156,681	1,144,602	-	-	1,156,681	1,144,602
Transportation	3,565,989	3,803,625	-	-	3,565,989	3,803,625
Economic Development	1,085,561	1,127,812	-	-	1,085,561	1,127,812
Culture and Recreation	5,674,351	5,325,809	-	-	5,674,351	5,325,809
Interest	293,290	365,005	-	-	293,290	365,005
Water and Sewer	-	-	13,659,389	13,970,507	13,659,389	13,970,507
Solid Waste	-	-	4,880,680	4,830,818	4,880,680	4,830,818
Stormwater	-	-	2,468,072	2,501,872	2,468,072	2,501,872
Industrial Park	-	-	27,641	64,828	27,641	64,828
Total Expenses	29,641,333	30,177,571	21,035,782	21,368,025	50,677,115	51,545,596
Change in net position before transfers	816,076	1,636,383	5,093,716	3,744,686	5,909,792	5,381,069
Transfers	1,863,250	2,611,938	(1,863,250)	(2,611,938)	-	-
Change in net position	2,679,326	4,248,321	3,230,466	1,132,748	5,909,792	5,381,069
Net Position, Beginning as restated	79,195,061	74,946,740	126,058,603	124,925,855	205,253,664	199,872,595
Net Position, Ending	<u>\$ 81,874,387</u>	<u>\$ 79,195,061</u>	<u>\$ 129,289,069</u>	<u>\$ 126,058,603</u>	<u>\$ 211,163,456</u>	<u>\$ 205,253,664</u>

CITY OF PLANT CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(Unaudited)

Expenses and Program Revenues – Governmental Activities

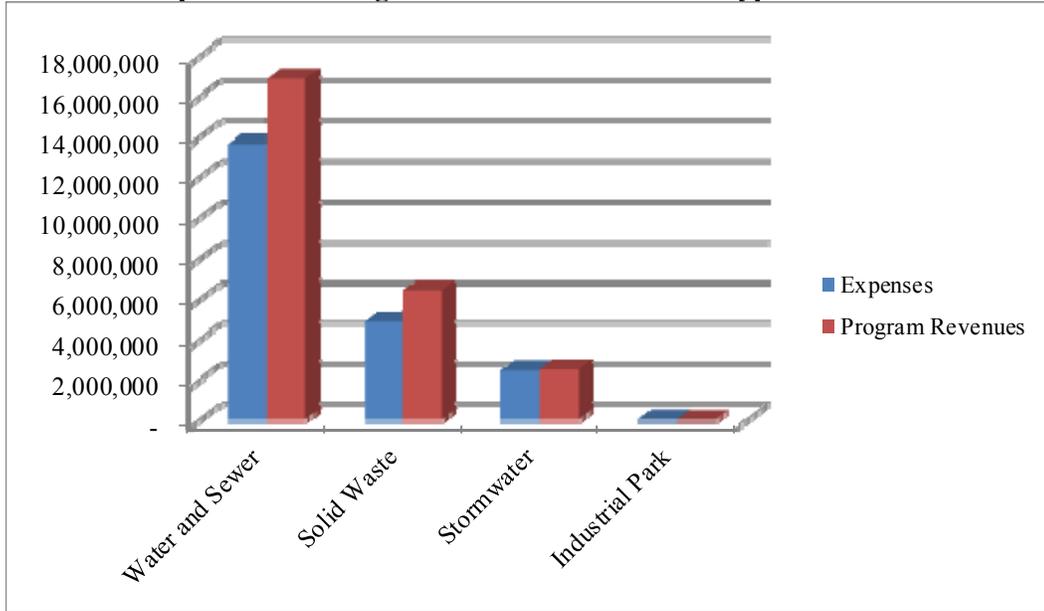


Revenue Sources – Governmental Activities

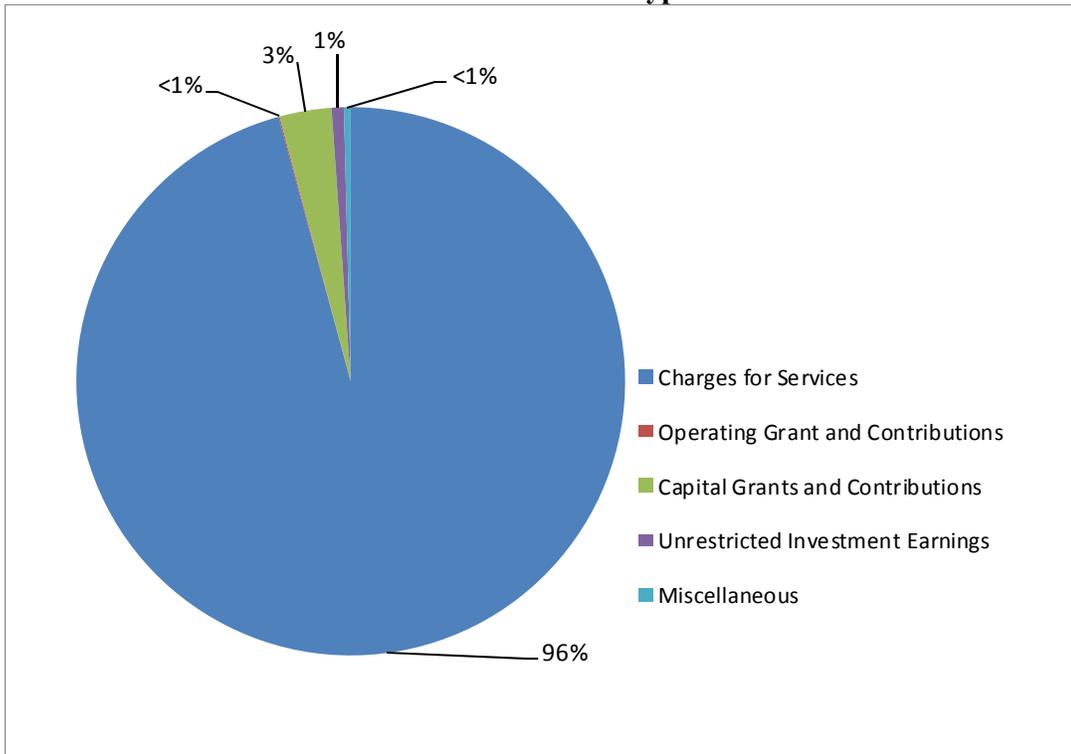


CITY OF PLANT CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(Unaudited)

Expenses and Program Revenues – Business-type Activities



Revenue Sources – Business-type Activities



CITY OF PLANT CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(Unaudited)

Governmental Activities

Governmental activities net position increased by \$2,679,326.

General revenues of governmental activities increased by \$1,027,145 due to an increase in property tax of \$385,046, an increase in utility taxes of \$78,350, an increase in franchise fees of \$106,506, an increase in business tax of \$77,754, an increase in gas taxes of \$124,153, and an increase in sales tax of \$518,298. These increases were partially offset by a decrease in communication services tax of \$57,614, and a decrease in miscellaneous revenues of \$197,473.

Program revenues of governmental activities decreased by \$2,403,690 due to a decrease in capital grants and contributions of \$2,358,436, and a decrease in operating grants of \$57,866, which is offset by an increase in charges for services of \$12,612. Fees and permits increased \$222,791, and cultural and recreation fees increased \$42,017; yet operating grants for economic development decreased \$54,168 and public safety decreased \$27,280.

Governmental activities expenses decreased by a \$536,238 due to the following: \$253,759 in the streets department of which \$172,934 is related to other contractual services, interest expense of \$71,715, fuel expense of 119,756, maintenance of motor equipment of \$31,483, and power, heat and light of \$15,947.

Business-type Activities

The net position of business-type activities increased by \$3,230,466, operating revenues increased \$1,016,787, and operating expenses decreased \$332,243.

General revenues of business-type activities increased by approximately \$145,437 due to an increase in disposal of fixed assets of \$53,360, and a decrease in investment revenue of \$98,334.

Program revenues of business-type activities increased by \$871,350 due to an increase in contributions and grant revenues of \$292,515, an increase in stormwater fees of \$75,375, an increase in solid waste revenues of \$4,727 and an increase in water sewer sales of \$508,187.

Expenditures of business-type activities decreased by \$332,243 due to the following: contractual services of \$817,526, interest expense of \$56,000, fuel expense of \$191,517, building and property repair of \$25,781, and depreciation of \$14,608. These decreases were partially offset by increases in power, heat and light of \$86,472, and personal services of \$137,317.

CITY OF PLANT CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(Unaudited)

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds

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

As of September 30, 2015, the City's governmental funds reported a combined ending fund balance of \$30.5 million, an increase of \$585,116 in comparison with the prior year. Approximately 29.8% of the ending fund balance constitutes unassigned fund balance.

The General Fund is the chief operating fund of the City. At September 30, 2015, the unassigned fund balance of the General Fund was \$9.1 million while the total fund balance was \$14.9 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 39% of total General Fund expenditures, while total fund balance represents 64% of that same amount.

The fund balance of the City's General Fund increased by \$618,110 during the current fiscal year.

The fund balance of the Community Redevelopment Agency Fund increased by \$190,621 during the current fiscal year.

Proprietary Funds

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

Unrestricted net position of the Water and Sewer Fund, Solid Waste Fund and the Stormwater Fund at September 30, 2015, amounted to \$37 million, \$11.3 million, and \$3.5 million, respectively. The change in net position was an increase of \$2,590,831, an increase of \$599,674, and a decrease of \$199,809, respectively.

CITY OF PLANT CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(Unaudited)

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences in appropriations between the original budget and the final amended budget amounted to \$302,742. Of this amount, \$77,581 is attributed to the previous year's reserve for encumbrances. The remaining \$225,161 increase in budget appropriations can be briefly summarized as follows:

- An increase of \$40,000 to cover temporary pay for part-time inspectors.
- An increase of \$230,000 from Hillsborough County for additional improvements at Ellis Methvin Park.
- Purchase of traffic recording equipment totaling \$16,300 from a grant for the Police Department.
- An increase of \$8,469 for the EMS for safety equipment and supplies funded by grant from Hillsborough County.

Of these increases \$225,161 was offset by additional revenues, and the remaining \$77,581 was appropriated from available fund balance.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2015, amounts to \$169.4 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, infrastructure, vehicles and equipment. The total decrease in the City's investment in capital assets for the current fiscal year (net of accumulated depreciation) was \$10,360. Capital assets that were taken out of service from the governmental activities totaled \$1,397,865 and \$1,087,089 from the business type activities.

Major capital projects completed during the current fiscal year included the following:

- Village Green at Midtown totaling \$463,666, which includes the fountain for \$175,000.
- Dispatch console for the 911 Communications Center costing \$186,594.
- Infrastructure improvements to the water and sewer system totaling \$883,773.
- Paint and refurbish Water Tank #6 on National Guard Drive for \$189,499.
- Install lights and poles at Grant Hunter Pond Recreation Trail for \$22,807.
- Upgrade and replacement of vehicles and equipment at a cost of \$2,398,837.
- Many other capital projects included in CWIP are: Ellis Methvin Park, County Line Road water main and utility extension.

CITY OF PLANT CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(Unaudited)

Capital Assets at Year End (Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 17,850,833	\$ 17,784,793	\$ 1,982,556	\$ 1,982,556	\$ 19,833,389	\$ 19,767,349
Infrastructure	21,055,945	29,939,889	32,585,167	556,665	53,641,112	30,496,554
Buildings and Plant	15,551,161	10,482,176	53,661,995	89,751,121	69,213,156	100,233,297
Equipment	6,941,005	5,752,454	1,087,172	1,010,428	8,028,177	6,762,882
Library Books	289,799	334,594	-	-	289,799	334,594
Construction in Progress	8,439,594	5,782,140	9,997,897	6,055,949	18,437,491	11,838,089
Total	\$ 70,128,337	\$ 70,076,046	\$ 99,314,787	\$ 99,356,719	\$ 169,443,124	\$ 169,432,765

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

Long-Term Debt

At the end of the current fiscal year the City had total long term liabilities outstanding of \$65.2 million, a decrease of \$3.8 million from the prior year.

Long-term Debt at Year End

	Governmental Activities		Business-type Activities		Total	
	2015	2014 (Restated)	2015	2014 (Restated)	2015	2014 (Restated)
Bonds and Notes Payable	\$ 7,965,440	\$ 8,842,309	\$ 35,441,881	\$ 37,758,812	\$ 43,407,321	\$ 46,601,121
Compensated Absences	1,095,691	1,196,224	497,955	513,630	1,593,646	1,709,854
Net Pension Liability	16,562,693	17,390,360	-	-	16,562,693	17,390,360
Other Post-Employment Benefits	2,096,735	1,912,910	1,028,817	929,802	3,125,552	2,842,712
Landfill Closure Costs	-	-	156,506	206,506	156,506	206,506
Estimated Claims Payable	307,007	197,338	-	-	307,007	197,338
Total	\$ 28,027,566	\$ 29,539,141	\$ 37,125,159	\$ 39,408,750	\$ 65,152,725	\$ 68,947,891

Additional information on the City's long-term debt can be found in notes to the financial statements in this report.

NEXT YEAR'S BUDGETS AND RATES

The City's millage rate for fiscal year 2016 is 4.7157, which is the same millage rate as the previous year. The rolled-back rate for fiscal year 2016 was 4.5981. For fiscal year 2016, the City's property tax valuation increased by \$45,124,553 (2.8%).

The Streets Fund revenues rose 5% or \$59,496 while expenditures remain relatively flat.

The City's Stormwater fee rates will increase by 3%. The Water and Sewer Fund rates will increase by 1.016% for fiscal year 2016. The Solid Waste Fund rates were scheduled to increase by 3% as of October 1, 2015. The rate would have been increased to \$28.31 on October 1, 2015, but the City Commission decided not to increase the rate.

CITY OF PLANT CITY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015
(Unaudited)

The fiscal year 2015-2016 budget included a two and one-half percent (2.5%) pay increase for employees. The budget decreased by 0.2% or \$139,401 over the prior year original budget. This decrease is primarily due to a decrease in interfund transfers of \$144,518.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, City of Plant City, P. O. Box C, Plant City, Florida 33564.

BASIC FINANCIAL STATEMENTS

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STATEMENT OF NET POSITION
SEPTEMBER 30, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 31,803,303	\$ 22,830,200	\$ 54,633,503
Investments	7,554,259	30,217,035	37,771,294
Accounts Receivable	1,017,085	2,559,967	3,577,052
Loans Receivable	117,552	-	117,552
Interest Receivable	28,150	112,598	140,748
Internal Balances	(3,457,120)	3,457,120	-
Due from Other Governments	992,856	-	992,856
Inventory	47,770	250,889	298,659
Restricted Assets			
Cash and Cash Equivalents	799,937	10,649,231	11,449,168
Deposits / prepaids	92,066	-	92,066
Land Held for Resale	161,577	948,758	1,110,335
Capital Assets			
Nondepreciable	26,290,427	11,980,453	38,270,880
Depreciable, net	43,837,910	87,334,334	131,172,244
Total Assets	<u>109,285,772</u>	<u>170,340,585</u>	<u>279,626,357</u>
Deferred Outflow of Resources			
Deferred outflows - pensions	<u>2,808,392</u>	<u>-</u>	<u>2,808,392</u>
Liabilities			
Accounts Payable	1,123,124	1,540,097	2,663,221
Due to Other Governments	326,890	-	326,890
Other Current Liabilities	366,516	75,220	441,736
Unearned Revenue	325,221	21,169	346,390
Accrued Interest Payable	48,810	180,412	229,222
Deposits	1,650	2,109,459	2,111,109
Noncurrent Liabilities			
Due Within One Year	1,451,067	2,556,006	4,007,073
Due in More Than One Year	26,576,499	34,569,153	61,145,652
Total Liabilities	<u>30,219,777</u>	<u>41,051,516</u>	<u>71,271,293</u>
Net Position			
Net Investment in Capital Assets	62,162,897	63,872,906	126,035,803
Restricted for			
Debt Service	499,937	1,890,479	2,390,416
Capital Projects	5,822,559	6,648,046	12,470,605
Community Development	1,361,473	-	1,361,473
Street Improvements	1,345,276	-	1,345,276
Other Purposes	357,126	-	357,126
Unrestricted	10,325,119	56,877,638	67,202,757
Total Net Position	<u>\$ 81,874,387</u>	<u>\$ 129,289,069</u>	<u>\$ 211,163,456</u>

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

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Functions/programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$ 3,776,582	\$ 882,271	\$ 106,637	\$ -
Public Safety	14,088,879	990,406	302,393	-
Physical Environment	1,156,681	274,225	-	-
Transportation	3,565,989	71,793	152,327	20,405
Economic Development	1,085,561	-	365,104	-
Culture and Recreation	5,674,351	612,958	478,101	230,000
Interest on Long-term Debt	293,290	-	-	-
Total Governmental Activities	<u>29,641,333</u>	<u>2,831,653</u>	<u>1,404,562</u>	<u>250,405</u>
Business-type Activities				
Water and Sewer	13,659,389	16,047,533	17,824	799,409
Solid Waste	4,880,680	6,457,993	-	-
Stormwater	2,468,072	2,514,242	-	-
Industrial Park	27,641	-	-	-
Total Business-type Activities	<u>21,035,782</u>	<u>25,019,768</u>	<u>17,824</u>	<u>799,409</u>
Total Primary Government	<u>\$ 50,677,115</u>	<u>\$ 27,851,421</u>	<u>\$ 1,422,386</u>	<u>\$ 1,049,814</u>

General Revenues

Taxes
Property Taxes
Insurance Premium Taxes
Sales Taxes
Utility Taxes
Gas Taxes
Communication Services Taxes
Business Taxes
Franchise Fees
Intergovernmental Revenues, Unrestricted
Unrestricted Investment Earnings
Miscellaneous
Gain on Disposal of Capital Assets
Transfers
Total General Revenues and Transfers
Change in Net Position
Net Position, Beginning as restated
Net Position, Ending

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

**Net (Expense) Revenue and
Change in Net Position**

Governmental Activities	Business-type Activities	Totals
\$ (2,787,674)	\$ -	\$ (2,787,674)
(12,796,080)	-	(12,796,080)
(882,456)	-	(882,456)
(3,321,464)	-	(3,321,464)
(720,457)	-	(720,457)
(4,353,292)	-	(4,353,292)
(293,290)	-	(293,290)
<u>(25,154,713)</u>	<u>-</u>	<u>(25,154,713)</u>
-	3,205,377	3,205,377
-	1,577,313	1,577,313
-	46,170	46,170
-	(27,641)	(27,641)
-	4,801,219	4,801,219
<u>(25,154,713)</u>	<u>4,801,219</u>	<u>(20,353,494)</u>
8,133,553	-	8,133,553
517,964	-	517,964
5,722,462	-	5,722,462
3,816,732	-	3,816,732
1,632,883	-	1,632,883
1,217,450	-	1,217,450
590,707	-	590,707
3,855,103	-	3,855,103
389,779	-	389,779
78,789	189,640	268,429
-	1,865	1,865
15,367	100,992	116,359
<u>1,863,250</u>	<u>(1,863,250)</u>	<u>-</u>
<u>27,834,039</u>	<u>(1,570,753)</u>	<u>26,263,286</u>
2,679,326	3,230,466	5,909,792
79,195,061	126,058,603	205,253,664
<u>\$ 81,874,387</u>	<u>\$ 129,289,069</u>	<u>\$ 211,163,456</u>

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

BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2015

	General Fund	Community Redevelopment Agency Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and Cash Equivalents	\$ 7,898,263	\$ 1,319,213	\$ 13,661,194	\$ 22,878,670
Investments	6,609,977	-	-	6,609,977
Accounts Receivable	1,017,085	-	-	1,017,085
Interest Receivable	24,631	-	-	24,631
Due from Other Governments	497,785	-	495,071	992,856
Loans Receivable	-	-	117,552	117,552
Inventory	47,770	-	-	47,770
Deposits	62,066	-	-	62,066
Restricted Cash	-	-	799,937	799,937
Land Held for Resale	-	-	161,577	161,577
Total Assets	\$ 16,157,577	\$ 1,319,213	\$ 15,235,331	\$ 32,712,121
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities				
Accounts Payable	\$ 497,269	\$ 13,412	\$ 414,897	\$ 925,578
Due to Other Governments	138,138	-	188,752	326,890
Other Current Liabilities	358,758	-	7,758	366,516
Unearned revenues	25,221	-	300,000	325,221
Customer Deposits	1,650	-	-	1,650
Total Liabilities	1,021,036	13,412	911,407	1,945,855
Deferred Inflows of Resources				
Unavailable revenues	218,901	-	1,244	220,145
Total deferred inflows	218,901	-	1,244	220,145
Fund Balances				
Nonspendable	47,770	-	279,129	326,899
Restricted	357,126	1,305,801	7,723,444	9,386,371
Committed	1,551,814	-	6,320,107	7,871,921
Assigned	3,872,912	-	-	3,872,912
Unassigned	9,088,018	-	-	9,088,018
Total Fund Balances	14,917,640	1,305,801	14,322,680	30,546,121
Total Liabilities, Deferred Inflows and Fund Balances	\$ 16,157,577	\$ 1,319,213	\$ 15,235,331	\$ 32,712,121

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

RECONCILIATION OF THE BALANCE SHEET—GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2015

Total Fund Balances, Total Governmental Funds		\$ 30,546,121
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		64,889,683
Certain long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		220,145
Deferred outflows, deferred inflows, and the net pension liability related to the City's pension plan are not expected to be liquidated with expendable available financial resources and, therefore are not reported in the funds.		
Deferred outflows - pensions	\$ 2,808,392	
Net pension liability	<u>(16,562,693)</u>	(13,754,301)
Long-term liabilities, including debt payable, compensated absences and other post-employment benefits, are not due and payable in the current period and, therefore, are not reported in the funds.		
Long-term debt	\$ (7,965,440)	
Compensated absences	(1,095,691)	
Other post-employment benefits	(2,096,735)	
Accrued interest payable	<u>(48,810)</u>	(11,206,676)
Internal service funds are used by management to charge the costs of certain activities, such as fleet acquisitions and workers' compensation insurance, to individual funds. This is the portion of the internal service funds net position included in governmental activities in the Statement of Net Position.		<u>11,179,415</u>
Net Position of Governmental Activities		<u><u>\$ 81,874,387</u></u>

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	General Fund	Community Redevelopment Agency Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$ 7,293,582	\$ 373,170	\$ -	\$ 7,666,752
Utility Taxes	3,816,732	-	-	3,816,732
Gas Taxes	-	-	1,235,751	1,235,751
Business Taxes	590,707	-	-	590,707
Communication Services Tax	1,217,450	-	-	1,217,450
Insurance Premium Tax	517,964	-	-	517,964
Franchise Fees	3,855,103	-	-	3,855,103
Fees and Permits	871,006	-	-	871,006
Impact Fees	-	-	516,696	516,696
Fines and Forfeitures	208,379	-	-	208,379
Intergovernmental	4,722,196	466,801	3,000,183	8,189,180
Charges for Services	1,601,390	-	-	1,601,390
Contributions	31,365	-	-	31,365
Interest Revenue	54,073	-	15,542	69,615
Miscellaneous Revenue	54,739	-	3,124	57,863
Total Revenues	<u>24,834,686</u>	<u>839,971</u>	<u>4,771,296</u>	<u>30,445,953</u>
Expenditures				
Current				
General Government	3,493,604	-	37,851	3,531,455
Public Safety	14,111,326	-	-	14,111,326
Physical Environment	564,298	-	-	564,298
Transportation	42,762	-	1,914,836	1,957,598
Economic Development	373,170	264,317	133,675	771,162
Culture and Recreation	4,432,316	-	237,521	4,669,837
Debt Service				
Principal	-	-	890,000	890,000
Interest and Fiscal Charges	-	-	286,000	286,000
Capital Outlay	282,760	385,033	2,998,648	3,666,441
Total Expenditures	<u>23,300,236</u>	<u>649,350</u>	<u>6,498,531</u>	<u>30,448,117</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,534,450</u>	<u>190,621</u>	<u>(1,727,235)</u>	<u>(2,164)</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	17,280	-	-	17,280
Transfers In	-	-	3,625,997	3,625,997
Transfers Out	(933,620)	-	(2,122,377)	(3,055,997)
Total Other Financing Sources (Uses)	<u>(916,340)</u>	<u>-</u>	<u>1,503,620</u>	<u>587,280</u>
Net Change in Fund Balances	618,110	190,621	(223,615)	585,116
Fund Balances, Beginning	14,299,530	1,115,180	14,546,295	29,961,005
Fund Balances, Ending	<u>\$ 14,917,640</u>	<u>\$ 1,305,801</u>	<u>\$ 14,322,680</u>	<u>\$ 30,546,121</u>

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

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES—GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Net Change in Fund Balances, Total Governmental Funds		\$ 585,116
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:		
Capital outlays	\$ 3,914,797	
Depreciation expense	<u>(4,891,477)</u>	(976,680)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins and donations) is to increase net assets.		
		(6,912)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
		(13,085)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items as expenditures when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal repayment of long-term debt		890,000
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Pension expense	856,075	
Amortization of discounts/premiums	(13,131)	
Change in compensated absences	100,533	
Change in other post-employment benefits	(183,825)	
Change in accrued interest payable	<u>5,841</u>	765,493
Internal service funds are used by management to charge the costs of certain activities, such as fleet acquisitions and workers' compensation insurance, to individual funds. This is the net revenue of the internal service funds reported within governmental activities.		
		<u>1,435,394</u>
Change in Net Position, Governmental Activities		<u><u>\$ 2,679,326</u></u>

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 SEPTEMBER 30, 2015

	Business-Type Activities—Enterprise Funds				Total	Governmental Activities— Internal Service Funds
	Water and Sewer Fund	Solid Waste Fund	Stormwater Fund	Nonmajor Fund Industrial Park		
Assets						
Current Assets						
Cash and cash equivalents	\$ 16,007,736	\$ 4,943,536	\$ 1,753,711	\$ 125,217	\$ 22,830,200	\$ 8,924,633
Investments	21,243,475	6,609,976	1,888,565	475,019	30,217,035	944,282
Accounts receivable	2,045,951	374,608	139,408	-	2,559,967	-
Interest receivable	77,301	24,631	7,037	3,629	112,598	3,519
Inventory	250,889	-	-	-	250,889	-
Total Current Assets	<u>39,625,352</u>	<u>11,952,751</u>	<u>3,788,721</u>	<u>603,865</u>	<u>55,970,689</u>	<u>9,872,434</u>
Noncurrent Assets						
Restricted cash and cash equivalents	10,591,107	-	58,124	-	10,649,231	-
Deposits	-	-	-	-	-	30,000
Land held for resale	-	-	-	948,758	948,758	-
Capital Assets						
Land	1,966,128	-	16,428	-	1,982,556	-
Infrastructure	75,087,557	4,489	7,343,579	1,528,679	83,964,304	-
Buildings and plant	74,120,842	88,923	327,000	-	74,536,765	-
Equipment	2,974,383	898,959	1,293,874	-	5,167,216	7,849,810
Construction in progress	9,849,050	-	148,847	-	9,997,897	-
Less accumulated depreciation	(70,839,644)	(909,834)	(3,588,714)	(995,759)	(76,333,951)	(2,611,156)
Total Noncurrent Assets	<u>103,749,423</u>	<u>82,537</u>	<u>5,599,138</u>	<u>1,481,678</u>	<u>110,912,776</u>	<u>5,268,654</u>
Total Assets	<u>143,374,775</u>	<u>12,035,288</u>	<u>9,387,859</u>	<u>2,085,543</u>	<u>166,883,465</u>	<u>15,141,088</u>
Liabilities						
Current Liabilities						
Accounts payable	1,347,391	132,276	60,430	-	1,540,097	197,546
Unearned revenue	21,169	-	-	-	21,169	-
Accrued interest payable	180,412	-	-	-	180,412	-
Other current liabilities	46,824	14,856	13,540	-	75,220	-
Deposits	2,109,459	-	-	-	2,109,459	-
Current portion of compensated absences	101,400	43,430	37,150	-	181,980	-
Current portion of long-term debt	2,323,585	-	50,441	-	2,374,026	-
Total Current Liabilities	<u>6,130,240</u>	<u>190,562</u>	<u>161,561</u>	<u>-</u>	<u>6,482,363</u>	<u>197,546</u>
Noncurrent Liabilities						
Long-term debt	32,753,818	-	314,037	-	33,067,855	-
Compensated absences	243,342	52,323	20,310	-	315,975	-
Estimated claims payable	-	-	-	-	-	307,007
Accrued landfill closure	-	156,506	-	-	156,506	-
Net OPEB obligation	635,405	251,949	141,463	-	1,028,817	-
Total Noncurrent Liabilities	<u>33,632,565</u>	<u>460,778</u>	<u>475,810</u>	<u>-</u>	<u>34,569,153</u>	<u>307,007</u>
Total Liabilities	<u>39,762,805</u>	<u>651,340</u>	<u>637,371</u>	<u>-</u>	<u>41,051,516</u>	<u>504,553</u>
Net Position						
Net Investment in Capital Assets	58,080,913	82,537	5,176,536	532,920	63,872,906	5,238,654
Restricted for						
Debt Service	1,832,355	-	58,124	-	1,890,479	-
Capital Projects	6,648,046	-	-	-	6,648,046	-
Unrestricted	37,050,656	11,301,411	3,515,828	1,552,623	53,420,518	9,397,881
Total Net Position	<u>\$ 103,611,970</u>	<u>\$ 11,383,948</u>	<u>\$ 8,750,488</u>	<u>\$ 2,085,543</u>	<u>\$ 125,831,949</u>	<u>\$ 14,636,535</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					3,457,120	
Net position of business-type activities					<u>\$ 129,289,069</u>	

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

CITY OF PLANT CITY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Business-type Activities—Enterprise Funds				Totals	Governmental Activities—Internal Service Funds
	Water and Sewer Fund	Solid Waste Fund	Stormwater Fund	Nonmajor Fund Industrial Park Fund		
Operating Revenues						
Charges for Services	\$ 16,047,533	\$ 6,457,993	\$ 2,514,242	\$ -	\$ 25,019,768	\$ 2,546,825
Total Operating Revenues	<u>16,047,533</u>	<u>6,457,993</u>	<u>2,514,242</u>	<u>-</u>	<u>25,019,768</u>	<u>2,546,825</u>
Operating Expenses						
Personal Services	3,755,727	1,469,874	1,136,766	-	6,362,367	-
Other Services and Charges	5,136,151	3,915,919	1,019,021	3,895	10,074,986	331,979
Depreciation	4,149,653	42,833	425,046	23,746	4,641,278	1,142,914
Total Operating Expenses	<u>13,041,531</u>	<u>5,428,626</u>	<u>2,580,833</u>	<u>27,641</u>	<u>21,078,631</u>	<u>1,474,893</u>
Operating Income (Loss)	<u>3,006,002</u>	<u>1,029,367</u>	<u>(66,591)</u>	<u>(27,641)</u>	<u>3,941,137</u>	<u>1,071,932</u>
Nonoperating Revenues (Expenses)						
Intergovernmental Grants	17,824	-	-	-	17,824	-
Interest Revenue	154,733	24,308	7,149	3,450	189,640	9,174
Interest Expense and Bond Costs	(889,160)	-	(11,952)	-	(901,112)	-
Other Nonoperating Revenues	1,865	-	-	-	1,865	-
Gain on Sale of Capital Assets	83,758	1,649	15,585	-	100,992	4,999
Total Nonoperating Revenue (Expenses)	<u>(630,980)</u>	<u>25,957</u>	<u>10,782</u>	<u>3,450</u>	<u>(590,791)</u>	<u>14,173</u>
Income (Loss) Before Capital Contributions and Transfers	2,375,022	1,055,324	(55,809)	(24,191)	3,350,346	1,086,105
Capital Contributions	799,409	-	-	-	799,409	-
Transfers In	-	-	-	-	-	1,293,250
Transfers Out	(583,600)	(455,650)	(144,000)	(680,000)	(1,863,250)	-
Change in Net Position	<u>2,590,831</u>	<u>599,674</u>	<u>(199,809)</u>	<u>(704,191)</u>	<u>2,286,505</u>	<u>2,379,355</u>
Net Position, Beginning, Restated	101,021,139	10,784,274	8,950,297	2,789,734		12,257,180
Net Position, Ending	<u>\$ 103,611,970</u>	<u>\$ 11,383,948</u>	<u>\$ 8,750,488</u>	<u>\$ 2,085,543</u>		<u>\$ 14,636,535</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					900,416	
Change in net position of business-type activities					<u>\$ 3,186,921</u>	

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

CITY OF PLANT CITY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Business-type Activities—Enterprise Fund				Total	Governmental Activities— Internal Service Funds
	Water and Sewer Fund	Solid Waste Fund	Stormwater Fund	Nonmajor Fund Industrial Park		
Cash Flows from Operating Activities						
Receipts from customers	\$ 15,952,672	\$ 6,409,999	\$ 2,503,376	\$ -	\$ 24,866,047	\$ -
Receipts from other funds for goods and services	-	-	-	-	-	2,546,825
Payments to suppliers for goods and services	(3,949,573)	(3,957,326)	(983,652)	(8,754)	(8,899,305)	(229,493)
Payments to employees for services	(3,699,266)	(1,451,799)	(1,127,961)	-	(6,279,026)	-
Net Cash Provided by (Used In)						
Operating Activities	8,303,833	1,000,874	391,763	(8,754)	9,687,716	2,317,332
Cash Flows from Noncapital Financing Activities						
Repayment of advances and due from other funds	-	-	-	39,552	39,552	-
Transfers	(583,600)	(455,650)	(144,000)	(680,000)	(1,863,250)	1,293,250
Other nonoperating receipts	1,865	-	-	-	1,865	-
Net Cash Used In						
Noncapital Financing Activities	(581,735)	(455,650)	(144,000)	(640,448)	(1,821,833)	1,293,250
Cash Flows from Capital and Related Financing Activities						
Intergovernmental Grant	17,824	-	-	-	17,824	-
Acquisition and Construction of Capital Assets	(4,524,891)	(12,300)	(167,568)	-	(4,704,759)	(2,147,702)
Proceeds from Sale of Capital Assets	189,171	1,649	15,585	-	206,405	4,999
Capital Contributions	799,409	-	-	-	799,409	-
Principal Paid on Long-term Debt	(2,267,963)	-	(48,969)	-	(2,316,932)	-
Interest Paid on Long-term Debt	(900,823)	-	(11,952)	-	(912,775)	-
Net Cash Used In						
Capital and Related Financing Activities	(6,687,273)	(10,651)	(212,904)	-	(6,910,828)	(2,142,703)
Cash Flows from Investing Activities						
Purchase of Pooled Investments	404,121	277,896	79,398	508,963	1,270,378	39,700
Interest and Investment Earnings	159,718	25,859	7,593	3,561	196,731	9,395
Net Cash Provided by Investing Activities	563,839	303,755	86,991	512,524	1,467,109	49,095
Net Change in Cash and Cash Equivalents	1,598,664	838,328	121,850	(136,678)	2,422,164	1,516,974
Cash and Cash Equivalents, Beginning of Year	25,000,179	4,105,208	1,689,985	261,895	31,057,267	7,407,659
Cash and Cash Equivalents, End of Year	<u>\$ 26,598,843</u>	<u>\$ 4,943,536</u>	<u>\$ 1,811,835</u>	<u>\$ 125,217</u>	<u>\$ 33,479,431</u>	<u>\$ 8,924,633</u>
Classified as:						
Cash and cash equivalents	\$ 16,007,736	\$ 4,943,536	\$ 1,753,711	\$ 125,217	\$ 22,830,200	\$ 8,924,633
Restricted cash and cash equivalents	10,591,107	-	58,124	-	10,649,231	-
	<u>\$ 26,598,843</u>	<u>\$ 4,943,536</u>	<u>\$ 1,811,835</u>	<u>\$ 125,217</u>	<u>\$ 33,479,431</u>	<u>\$ 8,924,633</u>

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

CITY OF PLANT CITY, FLORIDA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Business-type Activities—Enterprise Funds				Total	Governmental Activities— Internal Service Funds
	Water and Sewer Fund	Solid Waste Fund	Stormwater Fund	Nonmajor Fund Industrial Park		
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in)						
Operating Activities						
Operating Income (Loss)	\$ 3,006,002	\$ 1,029,367	\$ (66,591)	\$ (27,641)	\$ 3,941,137	\$ 1,071,932
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in)						
Operating Activities						
Depreciation and Amortization	4,149,653	42,833	425,046	23,746	4,641,278	1,142,914
Change in Assets and Liabilities						
Accounts receivable	(55,689)	(47,994)	(10,866)	-	(114,549)	-
Inventory	(15,200)	-	-	-	(15,200)	-
Accounts payable	1,132,060	4,515	29,565	(4,859)	1,161,281	(7,183)
Deposits	57,128	-	-	-	57,128	-
Unearned revenues	(39,172)	-	-	-	(39,172)	-
Other current liabilities	12,590	4,078	5,804	-	22,472	-
Compensated absences	(162)	(5,587)	(9,925)	-	(15,674)	-
Accrued landfill postclosure	-	(50,000)	-	-	(50,000)	-
Estimated claims payable	-	-	-	-	-	109,669
Net OPEB obligation	56,623	23,662	18,730	-	99,015	-
Net Cash Provided by (Used in)						
Operating Activities	<u>\$ 8,303,833</u>	<u>\$ 1,000,874</u>	<u>\$ 391,763</u>	<u>\$ (8,754)</u>	<u>\$ 9,687,716</u>	<u>\$ 2,317,332</u>

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

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 SEPTEMBER 30, 2015

	Pension Trust Funds
Assets	
Cash and Cash Equivalents	\$ 5,686,495
Receivables	
Contributions	230,182
Accrued Interest and Dividends	68,461
Total Receivables	<u>298,643</u>
Investments at Fair Value	
U.S. Government Agencies	2,947,330
Corporate Bonds and Notes	5,358,954
Common Stock	11,064,094
Mutual Funds	22,716,829
Total Investments	<u>42,087,207</u>
Total Assets	<u>48,072,345</u>
Net Position	
Restricted for Pension Benefits	<u><u>\$ 48,072,345</u></u>

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

CITY OF PLANT CITY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Pension Trust Funds
Additions	
Contributions	
Employer	\$ 3,139,941
Employee	737,626
State of Florida	517,964
Total Contributions	4,395,531
Investment Income	
Interest and Dividends	887,947
Net appreciation (depreciation) in fair value of investments	(1,468,831)
Net Investment Income	(580,884)
Total Additions	3,814,647
Deductions	
Pension benefits	5,059,838
Administrative expenses	177,756
Total Deductions	5,237,594
Change in Net Position	(1,422,947)
Net Position, Beginning of Year	49,495,292
Net Position, End of Year	\$ 48,072,345

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

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CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Plant City, Florida (the “City”), was incorporated under the 1927 Laws of Florida, Chapter 13282, Section 2. It operates under the Commission–Manager form of government. The City provides traditional municipal services as authorized by its charter. These include police and fire protection, public works, public improvements, water, sewer and solid waste, parks and recreation, planning and zoning, cultural and general administrative services.

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

In evaluating the City as a reporting entity, management has included all component units in accordance with GASB statements. The financial reporting entity consists of the City (the primary government), and its blended component units. Blended component units are legally separate organizations for which the City is financially accountable. The component units discussed below are included in the City’s reporting entity.

The following component units are blended with the primary government for financial statement purposes because the component unit’s governing body is substantially the same as the City Commission or because the component unit exclusively serves the City.

Community Redevelopment Agency (the “CRA”)

The CRA was created in 1969 under Local Ordinance 12-1981 and under Section 163.356 of the Florida Statutes. Its sole purpose is to finance and redevelop the City’s designated redevelopment areas. The CRA is governed by a Board of Commissioners, all of whom are members of the City Commission and are appointed by the City Commission. The CRA is reported as a major governmental fund.

Walden Lake Community Association Local Government Neighborhood Improvement District (the “District”)

The District was formed under Local Ordinance 03-1993 and under Section 163.503 Florida Statutes. The District is authorized to levy an ad valorem tax of up to two mills annually, on real and personal property located in the District. Proceeds collected are to be used to facilitate planning and improvements in the Walden Lakes Master Community. The City Commission of the City serves as the Board of Directors for the District. At this time, the District has not levied or collected any ad valorem taxes and its operations are dormant.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, as of October 1, 2014. These standards significantly changed the accounting for the City’s net pension liability and the related disclosures.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

The City’s Internal Service Fund (which provides services to other funds of the City) is presented as part of the proprietary fund financial statements. Since the principal users of the internal services are the City’s governmental activities, financial statements of internal service funds are consolidated into the governmental activities column when presented at the government-wide level. To the extent possible, the costs of these services are reflected in the appropriate governmental activities.

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

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues, shown for proprietary operations, generally result from producing or providing goods and services such as water, sewer and solid waste collection. Operating expenses for these operations include all costs related to providing the service or product. These costs include salaries, supplies, travel, contract services, depreciation, administrative expenses, and other expenses directly related to costs of services. All other revenue and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Community Redevelopment Agency Fund accounts for various redevelopment projects that are funded by the Community Redevelopment Agency.

The City reports the following major proprietary funds:

- The Water and Sewer Fund accounts for the operations of the City's regional water and sewer system.
- The Solid Waste Fund accounts for the operations of the City's garbage and recycling programs.
- The Stormwater Fund accounts for the operations of the City's stormwater system.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Additionally, the City reports the following fund types:

- The Internal Service Funds account for the uninsured risk of loss due to work-related injuries suffered by employees of the City and the costs of replacement vehicles in the City's fleet.
- The Pension Trust Funds account for the activities of the Safety Employees' Retirement Plan and the General Employees' Retirement Plan, which accumulate resources for pension benefit payments to qualified employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include: (1) charges to customers or applicants for goods, services or privileges provided, as well as fees, fines and forfeitures, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

The City allocates charges for indirect services provided by various funds based on a cost allocation plan. The costs are included in the program expense reported by functional activity in the Statement of Activities.

D. Assets, Liabilities and Net Assets

Deposits and Investments

The City's cash and cash equivalents include cash on hand, time and demand deposits and short term investments. For the purposes of the Statement of Cash Flows, the City considers all highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents.

All investments, including Pension Funds, are stated at fair value. All fair market valuations are based on quoted market prices.

Receivables and Payables

Receivables consist of trade receivables, homeowner down payment assistance loan receivables, amounts due from other governments, and interest receivable, and are recorded net of any allowance for uncollectible amounts, if applicable.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year (if any) are reported as “advances to/from other funds.” All other outstanding balances between funds (if any) are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities (if any) are reported in the government-wide financial statements as “internal balances.”

Inventories and Prepaid Items

All inventories are valued at cost using the first-in, first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted Assets

Certain proceeds of revenue bonds and loans, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond/loan covenants. In addition, customer deposits are reported as restricted assets.

Capital Assets

Capital assets, which include land, land improvements, plant and plant improvements, buildings, building improvements, furniture and equipment, and infrastructure (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable government or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an estimated useful life of two years or more and a cost of \$1,000 or more for general fixed assets and \$5,000 for vehicles. Capital improvement projects, which include infrastructure, equipment and construction, costing more than \$25,000 are capitalized. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the time of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Depreciable capital assets are amortized using the straight-line method (except library books, which use a composite method) over the following useful lives:

Infrastructure	20-50 years
Buildings and improvements	10-50 years
Equipment	3-20 years
Library books	7 years

Compensated Absences

All regular employees with less than five years continuous service earn 80 hours of annual leave. The number of hours of annual leave increases in increments of five years, relative to the number of years of continuous service. The maximum of 160 hours of annual leave is obtained after twenty years of continuous service. All hours earned during a fiscal year must be used by the end of the following fiscal or are forfeited. Employees who terminate with more than one year of service are paid for 100% of their unused annual leave. The City has accrued 100% of the annual leave liability.

All regular employees earn eight hours of sick leave per month. There is no maximum limitation on the number of sick leave days which may be accumulated. Employees who voluntarily terminate or retire after ten years of continuous service are paid for 50% of their accumulated sick leave balance. The City has accrued the estimated amount of vested sick leave for employees who have completed ten years of continuous service.

Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are expensed when incurred. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity

Government-wide and proprietary fund net assets are divided into three components:

- *Net investment in capital assets*—consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- *Restricted*—consists of funds that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by constitutional provisions or enabling legislation.
- *Unrestricted*—consists of the balance of net position.

In the governmental fund financial statements, the fund balances are classified as follows:

- *Nonspendable*—consists of amounts that cannot be spent, either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- *Restricted*—consists of funds that have constraints placed on them either externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments) or by constitutional provisions or enabling legislation.
- *Committed*—consists of amounts that can only be used for specific purposes determined by a formal action by the City Commission through adoption of an ordinance or resolution.
- *Assigned*—consists of amounts that have been designated by the City for a particular purpose, but are neither restricted nor committed. The Finance Director and City Manager are authorized to assign fund balance.

At fiscal year-end, any appropriation of existing fund balance to eliminate a projected budgetary deficit in the next year's budget is considered to be an assignment of fund balance.

- *Unassigned*—consists of all amounts not included in other classifications.

Flow Assumptions—When both restricted and unrestricted amounts of fund balance/net position are available for use for expenditures/expenses incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed.

For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: committed, assigned and unassigned.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from management's estimates.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows / Inflows of Resources

The City has deferred inflows and deferred outflows related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the City's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service life of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period. The changes in proportion and differences between City contributions and proportionate share of contributions are also deferred and amortized against pension expense over a five year period. Additionally, any contributions made by the City to the pension plan before year end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources.

In addition to the above pension related deferred inflows, the City also has one other type of these items, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from certain charges for services and fines and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

Pension

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's plans and additions to/deductions from these plan's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLE

The City has determined that a restatement to the October 1, 2014, beginning net position was required to recognize the change in accounting principle for implementation of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, as of October 1, 2014, through which accounting for pension plans and the related disclosure requirements were modified. This adjustment resulted in a change to the beginning net position of the City as follows:

Beginning net position, Governmental Activities, previously reported	\$ 95,029,628
Implementation of GASB 68	(15,834,567)
Beginning net position, Governmental Activities, as restated	<u><u>\$ 79,195,061</u></u>

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Property Taxes

Property tax collections are governed by Chapter 197, Florida Statutes. The Hillsborough County Tax Collector bills and collects all property taxes levied within the County. Discounts of 4%, 3%, 2%, and 1% are allowed for early payment in November, December, January, and February, respectively.

The Tax Collector remits collected taxes at least monthly to the City. The City recognizes property tax revenue as it is received from the Tax Collector since virtually all taxes levied will be collected through the tax collection process.

A calendar of events is as follows:

January 1	Property taxes are based on assessed value at this date as determined by the Hillsborough County Property Appraiser.
July 1	Assessment roll approved by the State.
September 30	Millage resolution approved by the City Commission.
October 1	Beginning of fiscal year for which taxes have been levied.
November 1	Property taxes due and payable.
November 30	Last day for 4% maximum discount.
April 1	Unpaid property taxes become delinquent.
May 15	Tax certificates are sold by the Hillsborough County Tax Collector. This is the first lien date on the properties.

B. Budget

On or before September 1 each year, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing October 1. A public hearing is conducted at City Hall to obtain taxpayer comments. Prior to October 1, the budget is legally enacted through passage of an ordinance.

Annual budgets are adopted for the General Fund, Special Revenue Funds and Debt Service Funds on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at the end of each fiscal year for these funds. Project-length budgets are adopted for Capital Projects Funds. Appropriations in these funds remain open and carry over to succeeding years until the related expenditures are made, modified or cancelled.

Budgetary control is maintained at the department level. Department Heads are permitted to transfer appropriations between line items within their department, with the approval of the City Manager. All other types of budget transfers or amendments must be approved by the City Commission. Expenditures may not legally exceed budgeted appropriations at the department level.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 4 – DETAILED NOTES ON ALL FUNDS

A. Deposits with Financial Institutions

At September 30, 2015, the carrying amount of the City's deposits with banks was \$71,769,166. All of the City's public deposits are held in qualified public depositories pursuant to Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act." Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledging level. The pledging level may vary depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof.

B. Investments

As of September 30, 2015, the City had the following investments and maturities:

	Credit Rating (Moody's)	Fair Value	Maturities			
			Less Than 1	1 to 5	6 to 10	Over 10
City Investments						
U. S. Government Agencies	Aaa	\$ 25,614,850	\$ 23,602,140	\$ 2,012,710	\$ -	\$ -
Municipal Bonds	Aaa-A2	1,275,882	1,000,390	275,492	-	-
Corporate Bonds and Notes	Aa3-A2	10,880,562	9,181,388	1,699,174	-	-
		<u>\$ 37,771,294</u>	<u>\$ 33,783,918</u>	<u>\$ 3,987,376</u>	<u>\$ -</u>	<u>\$ -</u>
Safety Employees' Retirement Fund						
U. S. Government Agencies	Aaa	\$ 2,947,330	\$ 171,293	\$ 1,000,363	\$ 700,232	\$ 1,075,442
Corporate Bonds and Notes	Aaa-Baa2	5,358,954	96,637	2,754,397	855,887	1,652,033
Common Stocks	Not Rated	11,064,094	11,064,094	-	-	-
Mutual Funds	Not Rated	10,193,025	10,193,025	-	-	-
		<u>\$ 29,563,403</u>	<u>\$ 21,525,049</u>	<u>\$ 3,754,760</u>	<u>\$ 1,556,119</u>	<u>\$ 2,727,475</u>
General Employees' Retirement Fund						
Mutual funds	Not Rated	\$ 12,523,804	\$ 12,523,804	\$ -	\$ -	\$ -

Interest Rate Risk

The risk that changes in interest rates will adversely affect the fair value of an investment.

City Investments

The City manages exposure to interest rate risk by matching investment maturities with known cash needs. Investment maturities of investments of current operating funds shall not exceed two months. Investments of other nonoperating funds may have varying terms not to exceed ten years.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 4 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

Pension Plan Investments

The Plans' investment portfolios are structured to provide sufficient liquidity to meet known cash flow requirements. The Plans also manage interest rate risk by evaluating credit ratings, diversifying the investment portfolio and by utilizing an outside investment manager to monitor performance. The Plans do not limit the weighted average maturity of their portfolio.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

City Investments

Section 218.415, Florida Statutes, limits the types of investments that the City can invest in unless specifically authorized in the City's investment policy. The City has a formal investment policy that allows investments in the following: Florida Local Government Surplus Funds Trust, U.S. Government securities, U.S. Government agencies and instrumentalities, interest bearing time deposits or savings accounts held at qualified public depositories, repurchase agreements, and fixed income mutual funds that invest in authorized investments, commercial paper rated P-1 by Moody's and/or A-1 by Standard and Poor's or an equivalent rating, corporate bonds and medium term notes with ratings of at least "A" at the time of purchase, municipal bonds rated "A" or better and money market funds registered with the Securities and Exchange commission that have the highest credit quality rating.

Safety Employees' Pension Trust Fund and General Employees Retirement Fund

Investments are limited by Florida Statute Chapter 185 and by an investment policy adopted by the Fund's Board of Trustees. The allowable investments include: U.S. Government securities, U.S. Government agencies, interest bearing time agreements, corporate bonds, common stocks, foreign equities, mutual funds and money market funds. Cash instruments must have a quality rating at least "A-1" by Standard & Poor's or P-1 by Moody's. Bonds must have a quality rating of at least "A" by Standard & Poor's or Moody's. Equity investments are limited to fully and easily negotiable equity securities listed on one of the recognized national exchanges or on the National Market System of the NASDAQ stock market. Investments in equities may not exceed 65% of the Fund's assets at cost. Foreign equities are limited to 10% of the Fund's assets at cost.

Custodial Credit Risk

Custodial credit risk is the risk that the City will not be able to recover the fair value of an investment or collateral securities that are in possession of an outside party, if the counterparty to the transaction fails.

City Investments

The City's investments are held under a third party custodial agreement with all securities and collateral properly designated as assets of the City.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 4 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

Pension Plan Investments

The City utilizes a third party custodian to hold plan assets in the name of the City.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributable to the quantity of an investment in a single issuer.

City Investments

	Portfolio Composition Limits
Florida Local Government Surplus Trust Fund	0-50%
U.S. Government Securities	No limits
U.S. Government Agency Securities	0-50%
Certificates of Deposit	0-100%
Repurchase Agreements	0-20%
Commercial Paper	0-50%
Corporate Obligations	0-50%
Municipal Bonds	0-50%
Fixed Income Mutual Funds	0-40%
Money Market Funds	0-40%

For repurchase agreements, commercial paper, corporate obligations, and municipal bonds, a maximum of 5% of the portfolio may be invested with any one financial institution, dealer or issuer. Fixed income mutual funds are limited to a maximum of 30% of the portfolio with any one fund, and money market funds are limited to 20% of the portfolio being invested with any one fund.

Safety Employees' Pension Plan and General Employee Retirement Fund Investments

No more than 5% of the fund's assets may be invested in the stock of any one company, nor shall the aggregate investment in any one company exceed 5% of the outstanding stock of that company.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 4 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Receivables

At year-end, receivables for the City, including any applicable allowances for uncollectible accounts, are as follows:

	<u>Accounts Receivable</u>	<u>Down-payment Assistance Loan Receivable</u>	<u>Interest Receivable</u>	<u>Due from Other Governments</u>	<u>Total</u>
Governmental Activities					
Major Funds					
General Fund	\$ 1,017,085	\$ -	\$ 24,631	\$ 497,785	\$ 1,539,501
Community Redevelopment Fund	-	-	-	-	-
Nonmajor Funds	-	117,552	-	495,071	612,623
Internal Service Funds	-	-	3,519	-	3,519
	<u>1,017,085</u>	<u>117,552</u>	<u>28,150</u>	<u>992,856</u>	<u>2,155,643</u>
Business-type Activities					
Major Funds					
Water and Sewer	2,045,951	-	77,301	-	2,123,252
Solid Waste	374,608	-	24,631	-	399,239
Stormwater	139,408	-	7,037	-	146,445
Nonmajor Fund	-	-	3,629	-	3,629
	<u>2,559,967</u>	<u>-</u>	<u>112,598</u>	<u>-</u>	<u>2,672,565</u>
Total	<u>\$ 3,577,052</u>	<u>\$ 117,552</u>	<u>\$ 140,748</u>	<u>\$ 992,856</u>	<u>\$ 4,828,208</u>

The Homeowner Down-payment Assistance Loan receivables in the amount of \$117,552 above consist of individual loans with balances ranging from \$2,200 - \$15,000 and were due over an initial period of 20 to 30 years. These loans are scheduled to be paid off by 2025.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 4 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Capital Assets

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

<u>Governmental activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Capital assets not being depreciated					
Land	\$ 17,784,793	\$ 66,040	\$ -		\$ 17,850,833
Construction in Progress	5,782,140	3,306,800	(649,346)		8,439,594
Total capital assets not being depreciated	<u>23,566,933</u>	<u>3,372,840</u>	<u>(649,346)</u>	<u>-</u>	<u>26,290,427</u>
Capital assets being depreciated					
Infrastructure	134,522,474	499,894	(42,452)	(10,912,818)	124,067,098
Buildings and Plant	20,926,588	1,600	(74,530)	10,400,533	31,254,191
Equipment	17,332,684	2,723,520	(953,624)	624,635	19,727,215
Library Books	1,136,032	53,066	(327,259)	-	861,839
Total capital assets being depreciated	<u>173,917,778</u>	<u>3,278,080</u>	<u>(1,397,865)</u>	<u>112,350</u>	<u>175,910,343</u>
Less accumulated depreciation for					
Infrastructure	104,582,585	3,235,726	(43,695)	(4,763,463)	103,011,153
Buildings and Plant	10,444,412	930,969	(33,644)	4,361,293	15,703,030
Equipment	11,580,230	1,760,353	(989,944)	435,571	12,786,210
Library Books	801,438	107,854	(420,379)	83,127	572,040
Total accumulated depreciation	<u>127,408,665</u>	<u>6,034,902</u>	<u>(1,487,662)</u>	<u>116,528</u>	<u>132,072,433</u>
Total capital assets being depreciated, net	<u>46,509,113</u>	<u>(2,756,822)</u>	<u>89,797</u>	<u>(4,178)</u>	<u>43,837,910</u>
Governmental activities capital assets	<u>\$ 70,076,046</u>	<u>\$ 616,018</u>	<u>\$ (559,549)</u>	<u>\$ (4,178)</u>	<u>\$ 70,128,337</u>

Included in the above totals are capital assets held by the City's internal service funds in the amount of \$5,238,654.

Depreciation expense charged to functions of governmental activities is as follows:

Governmental Activities	
General Government	\$ 422,664
Public Safety	960,676
Physical Environment	570,306
Transportation	1,631,090
Economic Development	313,785
Culture and Recreation	992,956
Internal Service Funds - Depreciation expense charged to the various functions based on the usage of capital assets.	<u>1,142,914</u>
Total Depreciation Expense	<u>\$ 6,034,391</u>

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 4 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

<u>Business-type Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Capital assets not being depreciated					
Land	\$ 1,982,556	\$ -	\$ -	\$ -	\$ 1,982,556
Construction in Progress	6,055,949	4,170,666	(228,718)	-	9,997,897
Total capital assets not being depreciated	<u>8,038,505</u>	<u>4,170,666</u>	<u>(228,718)</u>	<u>-</u>	<u>11,980,453</u>
Capital assets being depreciated					
Infrastructure	1,528,679	450,751	-	81,984,874	83,964,304
Buildings and Plant	156,731,351	-	-	(82,194,586)	74,536,765
Equipment	5,742,848	312,060	(1,087,089)	199,397	5,167,216
Total capital assets being depreciated	<u>164,002,878</u>	<u>762,811</u>	<u>(1,087,089)</u>	<u>(10,315)</u>	<u>163,668,285</u>
Less accumulated depreciation for					
Infrastructure	972,014	2,628,055	(11,435)	47,790,503	51,379,137
Buildings and Plant	66,980,230	1,722,417	-	(47,827,877)	20,874,770
Equipment	4,732,420	290,806	(966,063)	22,881	4,080,044
Total accumulated depreciation	<u>72,684,664</u>	<u>4,641,278</u>	<u>(977,498)</u>	<u>(14,493)</u>	<u>76,333,951</u>
Total capital assets being depreciated, net	<u>91,318,214</u>	<u>(3,878,467)</u>	<u>(109,591)</u>	<u>4,178</u>	<u>87,334,334</u>
Business-type activities capital assets	<u>\$ 99,356,719</u>	<u>\$ 292,199</u>	<u>\$ (338,309)</u>	<u>\$ 4,178</u>	<u>\$ 99,314,787</u>

Depreciation expense charged to business-type activities is as follows:

Business-type Activities	
Water and Sewer	\$ 4,149,653
Solid Waste	42,833
Stormwater	425,046
Industrial Park	23,746
Total Depreciation Expense	<u>\$ 4,641,278</u>

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 4 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of September 30, 2015, is as follows:

Due From/To Other Funds

Due from/to other funds generally represent recurring activities between funds, as well as temporary cash deficits. There were no balances as of September 30, 2015 outstanding.

Interfund Transfers

Interfund transfers represent transfers of funds for operating purposes from the fund that collected them to the fund that is authorized to expend them.

	Transfers Out			
Transfers In	General Fund	Nonmajor Governmental	Water Fund	Sanitation Fund
Nonmajor Governmental	\$ 933,620	\$ 2,012,377	\$ -	\$ -
Internal Service Funds	-	110,000	583,600	455,650
	\$ 933,620	\$ 2,122,377	\$ 583,600	\$ 455,650

	Transfers Out		
Transfers In	Stormwater Fund	Nonmajor Enterprise	Total
Nonmajor Governmental	\$ -	\$ 680,000	\$ 3,625,997
Internal Service Funds	144,000	-	1,293,250
	\$ 144,000	\$ 680,000	\$ 4,919,247

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 4 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-term Debt

Changes in Long-term Debt

The following is a summary of changes in long-term debt for the governmental activities of the City for the year ended September 30, 2015:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due in One Year</u>
Non-Ad Valorem Refunding Revenue Note, Series 2012	\$ 3,220,000	\$ -	\$ (295,000)	\$ 2,925,000	\$ 300,000
Less Deferred Charges on Refunding	(192,484)	-	19,248	(173,236)	-
Non-Ad Valorem Refunding Revenue Note Payable, Series 2010	3,550,000	-	(300,000)	3,250,000	315,000
Florida Municipal Loan Council, Series 2005B	1,985,000	-	(295,000)	1,690,000	305,000
Plus Loan Premium	28,543	-	(6,117)	22,426	-
Brownfields Loan, Stock Lumber	83,750	-	-	83,750	-
Brownfields Loan, Gromor	167,500	-	-	167,500	-
Estimated Claims Payable	197,338	331,979	(222,310)	307,007	-
Compensated Absences	1,196,224	415,066	(515,599)	1,095,691	531,067
Net pension liability	17,390,360	5,260,601	(6,088,268)	16,562,693	-
Other Post-Employment Benefits	1,912,910	233,134	(49,309)	2,096,735	-
Total Governmental Activities	<u>\$ 29,539,141</u>	<u>\$ 6,240,780</u>	<u>\$ (7,752,355)</u>	<u>\$ 28,027,566</u>	<u>\$ 1,451,067</u>

Predominantly, the General Fund will be used to liquidate compensated absences and other post-employment benefits for governmental activities.

Governmental activities debt consists of the following at year-end:

\$3,290,000 Non-Ad Valorem Refunding Revenue Note, Series 2012—Issued to advance refund the principal amount of the City’s Infrastructure Sales Tax Revenue Bonds, Series 2004 and to pay the costs of issuance. Interest is payable semi-annually at a rate of 2.035% with final maturity on September 1, 2024.

\$4,610,000 Non-ad Valorem Refunding Revenue Note Payable, Series 2010—Issued to redeem the Series 1999 Infrastructure Sales Tax Revenue Bonds and to finance capital improvements. Interest is payable semi-annually at 3.66% with final maturity on September 1, 2024. The loan is secured by the City's covenant to budget and appropriate its share from the collection of the one-half cent discretionary infrastructure sales surtax and a pledge of those revenues.

\$3,180,000 Loan Payable Series 2005B, Florida Municipal Loan Council—Funds borrowed to refinance a portion of the Series 1999B Florida Municipal Loan Council loan payable. The City has pledged to appropriate in its annual budget sufficient non-ad valorem revenues to satisfy the required loan payments. The loan is payable over 14 years, with semi-annual interest payable at rates varying from 3.0% to 5.0%.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 4 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

\$400,000 Loans Payable to Hillsborough County—Funds borrowed by the CRA under the Florida Brownfields Act for the redevelopment of two City properties. The loans are non-interest bearing to be repaid upon sale of the properties or at maturity in 10 years. At September 30, 2015, the City had drawn a total of \$251,250 of the available funds.

The following is a summary of changes in long-term debt for the business-type activities of the City for the year ended September 30, 2015:

<u>Business-type Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due in One Year</u>
SRF Loan Fund, Wastewater Treatment Plant	\$ 2,168,343	\$ -	\$ (131,574)	\$ 2,036,769	\$ 134,817
SRF Loan Fund, Wastewater Treatment Plant	31,311,895	-	(1,902,654)	29,409,241	1,949,153
SRF Loan Fund, Wastewater Treatment Plant	3,865,128	-	(233,735)	3,631,393	239,615
SRF Loan Fund, Pistol Range Regional Stormwater Facility	147,258	-	(22,736)	124,522	23,430
SRF Loan Fund, Grant Hunter Pond Stormwater Pollution Control	266,188	-	(26,232)	239,956	27,011
Compensated Absences	513,630	161,006	(176,681)	497,955	181,980
Other Post-Employment Benefits	929,802	128,483	(29,468)	1,028,817	-
Landfill Closure Costs	206,506	-	(50,000)	156,506	-
Total Business-type Activities	<u>\$ 39,408,750</u>	<u>\$ 289,489</u>	<u>\$ (2,573,080)</u>	<u>\$ 37,125,159</u>	<u>\$ 2,556,006</u>

Business-type activities debt consists of the following at year-end:

\$2,670,199 State Revolving Fund Loan—Funds borrowed to finance the expansion and upgrading of the wastewater treatment plant. The loan is secured by the net revenues of the operation of the utility system (water and wastewater systems) and certain reserves and covenants must be met. The loan will be repaid in 40 semi-annual payments including interest at 2.45% with final maturity on July 15, 2028.

\$40,000,000 State Revolving Fund Loan—Funds borrowed to finance the expansion and upgrading of the wastewater treatment plant. The loan is secured by the net revenues of the operation of the utility system (water and wastewater systems) and certain reserves and covenants must be met. The loan will be repaid in 40 semi-annual payments including interest at 2.35% to 2.51% with final maturity on July 15, 2028.

\$5,000,000 State Revolving Fund Loan—Funds borrowed to finance the expansion and upgrading of the wastewater treatment plant. The loan is secured by the net revenues of the operation of the utility system (water and wastewater systems) and certain reserves and covenants must be met. The loan will be repaid in 40 semi-annual payments including interest at 2.5% with final maturity on July 15, 2028.

\$405,530 State Revolving Fund Loan—Funds borrowed to finance the construction of the Pistol Range Regional Stormwater Facility. The loan is secured by pledged revenues of stormwater utility fees and certain reserves and covenants must be met. The loan will be repaid in 40 semi-annual payments including interest at 3.03% with final maturity on August 15, 2020.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 4 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

\$509,313 State Revolving Fund Loan—Funds borrowed to finance the construction of stormwater pollution control facilities (Grant Hunter Pond). The loan is secured by pledged revenues of stormwater utility fees and certain reserves and covenants must be met. The loan will be repaid in 40 semi-annual payments including interest at 2.95% with final maturity on April 15, 2023.

Defeasance of Long-term Debt

A portion of the proceeds of the Series 1999 Revenue Bonds was deposited in trust in an escrow account to provide for future debt service on a portion of the City's Series 1995 Revenue Bonds. As a result, that portion of the Series 1995 Revenue Bonds is considered defeased, and the City has removed that liability from its accounts. The outstanding principal balance of the defeased bonds is \$1,120,000 at September 30, 2015, with final maturity on October 1, 2020.

A portion of the proceeds of the Florida Municipal Loan Council Loan Payable, Series 2005B was deposited in trust in an escrow account to provide for the future debt service on a portion of the Florida Municipal Loan Council Loan Payable, Series 1999B. As a result, that portion of the Series 1999B loan is considered defeased, and the City has removed that liability from its accounts. The outstanding principal balance of the defeased loan is \$1,680,000 at September 30, 2015, with final maturity November 1, 2019.

The annual debt service requirements to maturity for debt outstanding as of September 30, 2015, are as follows:

<u>Fiscal Year Ending</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 920,000	\$ 253,824	\$ 2,374,026	\$ 851,604
2017	945,000	222,089	2,432,531	793,099
2018	980,000	187,795	2,492,480	733,149
2019	1,025,000	152,058	2,553,910	671,719
2020	1,060,000	114,486	2,616,857	608,672
2021-2025	3,186,250	216,384	13,870,249	2,056,268
2026-2028	-	-	9,101,828	392,304
	<u>\$ 8,116,250</u>	<u>\$ 1,146,636</u>	<u>\$ 35,441,881</u>	<u>\$ 6,106,815</u>

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 4 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Fund Equity

The following is a summary of fund balances as of September 30, 2015:

	General Fund	Community Redevelopment Agency Fund	Nonmajor Governmental Funds	Total
Nonspendable				
Inventory	\$ 47,770	\$ -	\$ -	\$ 47,770
Land Held for Resale	-	-	161,577	161,577
Loans Receivable (long term)	-	-	117,552	117,552
	<u>47,770</u>	<u>-</u>	<u>279,129</u>	<u>326,899</u>
Restricted				
Police Operations	290,614	-	-	290,614
Veterans Memorial	10,016	-	-	10,016
Library	56,496	-	-	56,496
Streets	-	-	1,345,276	1,345,276
Community Development	-	1,305,801	1,124,758	2,430,559
Capital Projects	-	-	4,753,473	4,753,473
Debt Service	-	-	499,937	499,937
	<u>357,126</u>	<u>1,305,801</u>	<u>7,723,444</u>	<u>9,386,371</u>
Committed				
Cemetery Escrow	1,551,814	-	-	1,551,814
Capital Projects	-	-	6,320,107	6,320,107
	<u>1,551,814</u>	<u>-</u>	<u>6,320,107</u>	<u>7,871,921</u>
Assigned				
Liability Insurance	1,250,272	-	-	1,250,272
Subsequent Year's Appropriations	2,545,059	-	-	2,545,059
Encumbrances	77,581	-	-	77,581
	<u>3,872,912</u>	<u>-</u>	<u>-</u>	<u>3,872,912</u>
Unassigned				
	<u>9,088,018</u>	<u>-</u>	<u>-</u>	<u>9,088,018</u>
Total Fund Balances	<u>\$ 14,917,640</u>	<u>\$ 1,305,801</u>	<u>\$ 14,322,680</u>	<u>\$ 30,546,121</u>

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 4 – DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. CRA Fund

In accordance with the provisions of Florida Statutes, the City has established a Community Redevelopment Trust Fund to account for funds held by the City for and on behalf of the CRA. These funds, which arise from incremental increases in ad valorem taxes levied each year, are disbursed to the agency as provided by appropriation ordinance. The funds are to be used for community redevelopment activities as approved by the CRA and pursuant to the City's community redevelopment plan.

A summary of the available funding for future projects of the CRA Fund at year-end are as follows:

Inflow		
County Property Tax Increment	\$ 453,744	
City Property Tax Increment	373,170	
Tampa Port Authority	13,057	
Committed Funds, Re-appropriated (Budgetary)	<u>1,115,178</u>	<u>\$ 1,955,149</u>
Outflow		
Miscellaneous Expenses	103	
Other Contractual Services	236,560	
Grant Hunter Pond	23,503	
Wheeler Street Realignment	10,047	
Village Green	302,420	
Subscriptions and Memberships	945	
Building and Property Repair	1,707	
Aid to Private Organization	25,000	
Property Acquisition	<u>49,063</u>	<u>649,348</u>
Funds Available For Future Projects at Year-End		<u><u>\$ 1,305,801</u></u>
Future Projects		
Committed Funds for Purchase of Land and Infrastructure Improvements to Reduce Slum and Blight	\$ 913,511	
Snowden Park	352,290	
Quiet Zones	<u>40,000</u>	
Total Future Projects		<u><u>\$ 1,305,801</u></u>

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 5 – OTHER INFORMATION

A. Risk Management

The City has established a self-insured Workers' Compensation Fund (an Internal Service Fund) to account for and partially finance its uninsured risks of loss due to work-related injuries suffered by employees of the City. Under this program, the Workers' Compensation Fund provides coverage of up to \$300,000 in claims per employee, per incident, to an annual maximum liability of \$1,000,000 in aggregate claims. The City has purchased workers' compensation insurance for claims in excess of the coverage provided by the Fund.

All departments of the City participate in the program and make payments to the Workers' Compensation Fund based on estimates, by an outside administrator, of the amounts needed to pay prior and current year claims and to accumulate a reserve for future catastrophic losses. Unrestricted net position of the fund is \$810,155 at September 30, 2015.

The claims liability of \$307,007 reported in the Fund at year-end is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims be reported, if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Fund's estimated claims liability amounts for the last two fiscal years were as follows:

	<u>Beginning Liability</u>	<u>Current Year Claims/Change in Estimate</u>	<u>Claim Payments</u>	<u>Ending Liability</u>
2013-2014	\$ 80,642	\$ 477,830	\$ (361,134)	\$ 197,338
2014-2015	197,338	331,979	(222,310)	307,007

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. There have been no significant reductions in insurance coverage from the previous year. Settlement amounts have not exceeded insurance coverage for the current year nor for the three prior years.

B. Contingent Liabilities

The City receives revenues from various federal grants. These grants are for specific purposes and are subject to review and audit by the grantor agencies. Such audits could result in disallowed expenditures under the terms of the grants. Based upon prior experience, City management believes such disallowances, if any, would be immaterial.

The City is involved in legal actions which, in the opinion of management, will not have a material effect on the financial statements of the City.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 5 – OTHER INFORMATION (CONTINUED)

C. Landfill Post-closure Care Costs

The City operated a solid waste landfill from September 1976, until April 1981. Final closure of the landfill was in September 1989. State and Federal laws and regulations require the City to perform certain ongoing maintenance and monitoring functions at the landfill site for 30 years after closure. The amount of landfill post-closure liability recorded at September 30, 2015, is \$156,506, which represents the estimated remaining current cost of all post-closure care. Due to changes in site conditions, inflation, technology, laws or regulations, these costs may change in the future. These costs are being funded on a cash basis.

D. Post-employment Benefits Other Than Pensions

Plan Description and Funding Policy

The City administers a single employer defined benefit health care and life insurance plan. The plan provides lifetime healthcare and life insurance for eligible retirees and their spouses through the City's group health and life insurance plan, which covers both active and retired members. Retirees and their dependents are permitted to retain coverage under the City's healthcare plan as long as they pay the full premium. This conforms with the minimum requirement for governmental employers under Florida state law. The City's contributions to active employees is limited to a fixed dollar contribution as approved by the City Commission, and the City is not required to contribute any additional amounts to provide benefits. Funding is on a "pay as you go" basis. The plan does not issue a publicly available financial report.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation:

	2015
Annual Required Contribution	\$ 389,096
Interest on Net OPEB Obligation	90,967
Adjustment to Annual Required Contribution	(118,446)
Total Expense or Annual OPEB Cost	361,617
Actual Contribution Toward OPEB Cost	(78,777)
Increase in Net OPEB Obligation	282,840
Net OPEB Obligation, Beginning of Year	2,842,712
Net OPEB Obligation, End of Year	\$ 3,125,552

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 5 – OTHER INFORMATION (CONTINUED)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for fiscal years 2015, 2014 and 2013, are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost (AOC)</u>	<u>Employer Contribution</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
09/30/15	\$ 361,617	\$ 78,777	21.78%	\$ 3,125,552
09/30/14	348,799	61,997	17.77%	2,842,712
09/30/13	453,744	134,493	29.64%	2,555,910

Funding Status and Funding Progress

As of the most recent actuarial valuation, the funded status of the plan was as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL) Entry Age</u>	<u>Unfunded Actuarial Accrued Liability (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
10/1/2013	\$ -	\$ 2,550,884	\$ 2,550,884	0%	\$ 14,667,065	17.4%

The schedule of funding progress included as required supplementary information presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 5 – OTHER INFORMATION (CONTINUED)

The City's OPEB actuarial calculation used the entry age normal cost actuarial method to estimate the unfunded liability and to determine the annual required contribution. The amortization method is a level percentage, closed with a remaining 23 year amortization period as of September 30, 2015. Although the OPEB liability is currently unfunded, the actuarial assumptions include a 3.2% investment rate of return on invested assets (including inflation at 3%). The actuarial assumptions included projected salary increases of 6% per year (including inflation at 3%) and a 3.2% payroll growth assumption. The initial trend rate for costs was 3% for the first year, 8% the second year, 7.5% the third year, to an ultimate trend rate of 5.24% in 2024.

E. Pension Plan Information

Defined Contribution Plan

The City provides pension benefits for all other employees through a defined contribution plan "The City of Plant City Miscellaneous Employees' Money Purchase Retirement Plan" (the "Plan") administered by the Florida League of Cities, Inc. It is a qualified plan under Section 401(a) of the Internal Revenue Code. In a defined contribution plan, benefits depend solely on amount contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment. The City contributes an amount equal to 8% of total wages for each eligible employee. The City's contributions for each employee and earnings on investments allocated to the employee's account are fully vested after five years of continuous service. City contributions for, and investment earnings forfeited by, employees who leave employment before five years of service are used to reduce the City's current period contribution requirement. The City Commission has the authority to amend Plan provisions, including contribution rates.

The City's contributions to the Plan for the year ended September 30, 2015, totaled \$879,235.

Defined Benefit Plan

The City maintains for its safety employees a single employer defined benefit pension plan administered by the Plan's Board of Trustees which is comprised of two City employees, one police officer and one firefighter, and the fifth member is elected by the other four and is appointed by the City. The Safety Employees' Retirement Plan (the "Plan") provides retirement, disability and death benefits to all of its police and fire department employees who qualify as Plan members. The Plan has been in existence since October 1, 1960, and is a deposit administration type plan. The City Commission has the authority to amend Plan provisions, including contribution rates. The Plan does not issue a stand-alone financial report and is not included in any other retirement system or entity's financial report.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 5 – OTHER INFORMATION (CONTINUED)

Membership

Membership in the Plan consisted of the following at October 1, 2014, the date of the latest actuarial valuation:

Inactive Plan Members or Beneficiaries currently receiving benefits	69
Inactive Plan Members entitled to but not yet receiving benefits	15
Active Plan Members	94
Total	178

Participants in the Safety Employees' Retirement Plan are required to make contributions to the plan equal to 10% of the participant's earnings. Contributions from participants in the Safety Employees' Retirement Plan amounted to \$737,626 for the fiscal year ended September 30, 2015. The State and City contribute the remaining required annual contribution, which amounted to \$517,964 and \$2,260,706, respectively, for the fiscal year ended September 30, 2015. The State of Florida makes contributions from taxes on casualty insurance premiums. The City recognized these on-behalf payments from the State as revenues and expenditures in the governmental fund financial statements.

The following is a summary of the funding policies, contribution methods and benefit provision of the defined benefit plan for safety employees:

Eligibility to Participate	Full-time Sworn Police Officers or Certified Firefighters
Required Employer Contributions	Actuarially Determined
Required Member Contributions	10% of W-2 income, plus tax-exempt and tax-deferred items of income
Funding of Administrative Costs	Investment Earnings
Vesting	10 years
Normal Retirement	Earlier of 60 or 20 years of credited service, or age 55 with 10 years of credited service
Early Retirement	Age 50 and 10 years of credited service
Benefits	
Normal Retirement	3.75% of average final compensation
Early Retirement	Accrued benefit, reduced 3% a year

The Plan also has provision for benefits in case of death or disability.

Investment Policy

The following was the Board's adopted asset allocation policy as of September 30, 2015:

Asset Class	Target Allocation
Domestic Equity	35.0%
International Equity	12.0%
Bonds	28.0%
High Yield Bonds	5.0%
Convertibles	8.0%
Private Real Estate	5.0%
MLPs	5.0%
Cash	2.0%
Total	100.0%

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 5 – OTHER INFORMATION (CONTINUED)

Concentrations

There were no investments (other than U.S. government and U.S. government-guaranteed obligations) that represent more than 5% of net position restricted for benefits.

There are no investments in, loans to, or leases with, any City official, government employer official, party related to a Town official or government employer official, non-employer contributor, or organization included in the reporting entity.

Rate of return - For the year ended September 30, 2015, the annual money-weighted rate of return on the City's pension plan investments, net of pension plan investment expense, was -2.23%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program (DROP) - The City has a DROP for the Safety Employees' Pension plan. A participant may join when he/she has satisfied normal retirement requirements (earlier of age 60, age 55 with the completion of 10 years of credited service, or 20 years of credited service). Participation in the DROP cannot exceed 96 months. DROP benefits at the participant's election include a) actual net rate of investment return, or b) 1.5% less than the actuarial assumption at the time of DROP. The DROP balance as of September 30, 2015 is \$750,006.

Net Pension Liability of the City

Effective October 1, 2014, the City implemented the provisions of GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, which significantly changed the disclosures required related to the plans. The information disclosed below is presented in accordance with this new standard. The City's Plan does not issue separate financial statements.

The measurement date for the City's net pension liability is September 30, 2014. The total pension liability used to calculate the net pension liability was determined as of that date. The components of the net pension liability of the City for its September 30, 2015 financial statements, were as follows:

Total pension liability	\$ 49,213,808
Plan fiduciary net position	(32,651,115)
City's net pension liability	<u>\$ 16,562,693</u>
Plan fiduciary net position as a percentage of total pension liability	66.35%

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 5 – OTHER INFORMATION (CONTINUED)

For the year ended September 30, 2015, the City recognized pension expense of \$1,922,594 for the plan. At September 30, 2015, the City reported deferred outflows of resources and deferred inflows related to its pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 29,723	\$ -
Town pension plan contributions subsequent to the measurement date	2,778,669	-
Total	\$ 2,808,392	\$ -

The deferred outflows of resources related to the Pension Plan, totaling \$2,778,669 resulting from City contributions to the plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the plans will be recognized in pension expense as follows:

Year ended September 30,	
2016	\$ 5,945
2017	5,945
2018	5,945
2019	5,944
2020	5,944
Total	\$ 29,723

The required schedule of changes in the City’s net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of October 1, 2013, with update procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2014, using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	3.00%
Salary Increases	4.00-10.00%
Investment Rate of Return	7.75%

The actuarial assumptions used in the October 1, 2013 valuation were based on the results of an actuarial experience study for the period 1992-2013.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 5 – OTHER INFORMATION (CONTINUED)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of September 30, 2014, are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return
Domestic Equity	7.8%
International Equity	2.2%
Bonds	3.7%
High Yield Bonds	5.2%
Convertibles	5.3%
Private Real Estate	4.9%
MLPs	12.7%
Cash	1.2%

Discount Rate: The discount rate used to measure the total pension liability for the Safety Employees’ plan was 7.75%.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liabilities of the Town, calculated using the discount rates noted above, as well as what the Town's net pension liabilities would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	6.75%	7.75%	8.75%
City's Net Pension Liability	\$ 22,482,163	\$ 16,562,693	\$ 12,023,710

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2014, and the current sharing pattern of costs between employer and employee.

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 5 – OTHER INFORMATION (CONTINUED)

The Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position for the City’s pension plans are as follows:

	Safety Employees' Retirement Fund	General Employees' Retirement Fund	Total
Assets			
Cash and Cash Equivalents	\$ 2,278,230	\$ 3,408,265	\$ 5,686,495
Receivables			
Contributions	198,075	32,107	230,182
Accrued Interest and Dividends	68,461	-	68,461
Total Receivables	<u>266,536</u>	<u>32,107</u>	<u>298,643</u>
Investments at Fair Value			
U.S. Government Agencies	2,947,330	-	2,947,330
Corporate Bonds and Notes	5,358,954	-	5,358,954
Common Stock	11,064,094	-	11,064,094
Mutual Funds	10,193,025	12,523,804	22,716,829
Total Investments	<u>29,563,403</u>	<u>12,523,804</u>	<u>42,087,207</u>
Total Assets	<u>32,108,169</u>	<u>15,964,176</u>	<u>48,072,345</u>
Net Position			
Restricted for Pension Benefits	<u>\$ 32,108,169</u>	<u>\$ 15,964,176</u>	<u>\$ 48,072,345</u>

CITY OF PLANT CITY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2015

NOTE 5 – OTHER INFORMATION (CONTINUED)

	Safety Employees' Retirement Fund	General Employees' Retirement Fund	Total
Additions			
Contributions			
Employer	\$ 2,260,706	\$ 879,235	\$ 3,139,941
Employee	737,626	-	737,626
State of Florida	517,964	-	517,964
Total Contributions	<u>3,516,296</u>	<u>879,235</u>	<u>4,395,531</u>
Investment Income			
Interest and Dividends	887,947	-	887,947
Net Appreciation (Depreciation) in Fair Value of Investments	<u>(1,500,764)</u>	<u>31,933</u>	<u>(1,468,831)</u>
Net Investment Income	<u>(612,817)</u>	<u>31,933</u>	<u>(580,884)</u>
Total Additions	<u>2,903,479</u>	<u>911,168</u>	<u>3,814,647</u>
Deductions			
Pension Benefits	3,316,293	1,743,545	5,059,838
Administrative Expenses	130,132	47,624	177,756
Total Deductions	<u>3,446,425</u>	<u>1,791,169</u>	<u>5,237,594</u>
Change in Net Position	(542,946)	(880,001)	(1,422,947)
Net Position, Beginning of Year	<u>32,651,115</u>	<u>16,844,177</u>	<u>49,495,292</u>
Net Position, End of Year	<u>\$ 32,108,169</u>	<u>\$ 15,964,176</u>	<u>\$ 48,072,345</u>

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REQUIRED SUPPLEMENTARY INFORMATION

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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$ 7,188,433	\$ 7,188,433	\$ 7,293,582	\$ 105,149
Utility Taxes	3,570,000	3,570,000	3,816,732	246,732
Business Taxes	440,000	440,000	590,707	150,707
Communication Services Tax	1,150,000	1,150,000	1,217,450	67,450
Insurance Premium Tax	444,000	444,000	517,964	73,964
Franchise Fees	3,480,000	3,480,000	3,855,103	375,103
Fees and Permits	507,000	547,700	871,006	323,306
Fines and Forfeitures	113,500	122,000	208,379	86,379
Intergovernmental	4,115,320	4,397,132	4,722,196	325,064
Charges for Services	1,446,800	1,456,400	1,601,390	144,990
Contributions	5,000	26,600	31,365	4,765
Interest Revenue	15,000	15,000	54,073	39,073
Miscellaneous	131,600	122,000	54,739	(67,261)
Total Revenues	<u>22,606,653</u>	<u>22,959,265</u>	<u>24,834,686</u>	<u>1,875,421</u>
Expenditures				
Current				
General Government	3,578,899	3,755,236	3,493,604	261,632
Public Safety	15,015,087	15,106,420	14,111,326	995,094
Physical Environment	618,150	621,650	564,298	57,352
Transportation	51,200	51,200	42,762	8,438
Economic Development	373,170	373,170	373,170	-
Culture and Recreation	4,595,239	4,586,954	4,432,316	154,638
Capital Outlay	375,735	415,592	282,760	132,832
Total Expenditures	<u>24,607,480</u>	<u>24,910,222</u>	<u>23,300,236</u>	<u>1,609,986</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,000,827)</u>	<u>(1,950,957)</u>	<u>1,534,450</u>	<u>3,485,407</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	-	-	17,280	17,280
Transfers Out	(697,300)	(933,620)	(933,620)	-
Total Other Financing Sources (Uses)	<u>(697,300)</u>	<u>(933,620)</u>	<u>(916,340)</u>	<u>17,280</u>
Net Change in Fund Balance	(2,698,127)	(2,884,577)	618,110	3,502,687
Fund Balance, Beginning	<u>14,299,530</u>	<u>14,299,530</u>	<u>14,299,530</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 11,601,403</u>	<u>\$ 11,414,953</u>	<u>\$ 14,917,640</u>	<u>\$ 3,502,687</u>

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
 BUDGET AND ACTUAL
 COMMUNITY REDEVELOPMENT AGENCY FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$ 373,170	\$ 373,170	\$ 373,170	\$ -
Intergovernmental	468,661	466,801	466,801	-
Total Revenues	<u>841,831</u>	<u>839,971</u>	<u>839,971</u>	<u>-</u>
Expenditures				
Current				
Economic Environment	316,000	264,319	264,317	2
Capital Outlay	485,831	1,690,832	385,033	1,305,799
Total Expenditures	<u>801,831</u>	<u>1,955,151</u>	<u>649,350</u>	<u>1,305,801</u>
Net Change in Fund Balance	40,000	(1,115,180)	190,621	1,305,801
Fund Balance, Beginning	1,115,180	1,115,180	1,115,180	-
Fund Balance, Ending	<u>\$ 1,155,180</u>	<u>\$ -</u>	<u>\$ 1,305,801</u>	<u>\$ 1,305,801</u>

CITY OF PLANT CITY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET COMPARISONS

SEPTEMBER 30, 2015

On or before September 1 each year, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing October 1. A public hearing is conducted at City Hall to obtain taxpayer comments. Prior to October 1, the budget is legally enacted through passage of an ordinance.

Annual budgets are adopted for the General Fund, Special Revenue Funds and Debt Service Fund on a basis that does not differ materially from generally accepted accounting principles. All annual appropriations lapse at the end of each fiscal year for these funds. Project length budgets are adopted for Capital Project Funds. Appropriations in these funds remain open and carry over to succeeding years until the related expenditures are made, modified or cancelled.

Budgetary control is maintained at the department level. Department heads are permitted to transfer appropriations between line items within their department, with the approval of the City Manager. All other types of budget transfers or amendments must be approved by the City Commission. Expenditures may not legally exceed budgeted appropriations at the department level.

CITY OF PLANT CITY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2015
(UNAUDITED)

SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS - SAFETY EMPLOYEES

Reporting Period Ending Measurement Date	<u>9/30/2015</u> <u>9/30/2014</u>	<u>9/30/2016</u> <u>9/30/2015</u>
Total pension liability		
Service cost	\$ 1,492,763	\$ 1,495,811
Interest on total pension liability	3,616,029	3,779,930
Change in excess state money	34,094	52,791
Differences between expected and actual experience	-	(231,630)
Changes in assumptions	-	1,370,307
Contributions - buy back	-	126,105
Benefit payments, including refunds of employee contributions	<u>(2,682,691)</u>	<u>(3,311,295)</u>
Net change in total pension liability	<u>2,460,195</u>	<u>3,282,019</u>
Total pension liability - beginning	<u>46,753,613</u>	<u>49,213,808</u>
Total pension liability - ending (a)	<u>\$ 49,213,808</u>	<u>\$ 52,495,827</u>
Plan fiduciary net position		
Contributions - employer	\$ 2,271,679	\$ 2,260,706
Contributions - state	508,305	517,964
Contributions - employee	623,658	737,626
Net investment income	2,684,626	(612,817)
Benefit payments, including refunds of member contributions	(2,682,691)	(3,316,293)
Administrative expenses	<u>(117,715)</u>	<u>(130,132)</u>
Net change in plan fiduciary net position	<u>3,287,862</u>	<u>(542,946)</u>
Plan fiduciary net position - beginning	<u>29,363,253</u>	<u>32,651,115</u>
Plan fiduciary net position - ending (b)	<u>\$ 32,651,115</u>	<u>\$ 32,108,169</u>
City's net pension liability - ending (a) - (b)	<u>\$ 16,562,693</u>	<u>\$ 20,387,658</u>
Plan fiduciary net position as a percentage of the total pension liability	66.35%	61.16%
Covered-employee payroll	\$ 5,898,563	\$ 6,508,413
City's net pension liability as a percentage of covered-employee payroll	280.79%	313.25%

Notes to the Schedule:

For the 9/30/15 measurement date, amounts reported as changes of assumptions were resulted from lowering the investment rate of return from 7.75% to 7.5%.

The schedule will present 10 years of information once it is accumulated.

CITY OF PLANT CITY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2015
(UNAUDITED)

SCHEDULE OF CONTRIBUTIONS
SAFETY EMPLOYEES

Reporting Period Ending Measurement Date	<u>9/30/2015</u> <u>9/30/2014</u>	<u>9/30/2016</u> <u>9/30/2015</u>
Actuarially determined contribution	\$ 2,323,784	\$ 2,323,784
Contributions in relation to the actuarially determined contribution	<u>2,779,984</u>	<u>2,778,670</u>
Contribution deficiency (excess)	<u>\$ (456,200)</u>	<u>\$ (454,886)</u>
Covered employee payroll	\$ 5,898,563	\$ 6,508,413
Contributions as a percentage of covered-employee payroll	47.13%	42.69%

Notes to the Schedule:

Valuation Date October 1, 2013
Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding method: Entry age normal actuarial cost method
Amortization method: Level percentage of pay, closed
Remaining amortization period: 30 years (as of 10/1/2013)
Mortality: RP-2000 Table with no projection - disabled lives set forward 5 years. Based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements.
Interest Rate: 7.50% per year, compounded annually, net of investment-related expenses
Inflation: 3.0% per year
Retirement age: The earlier of age 60, age 55 with the completion of 10 years of credited service or the completion of 23 years of credited service. Members who are eligible to retire on the valuation date are assumed to work one additional year.
Early retirement: Commencing with the earliest early retirement age (50), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.
Disability and Termination Rates: See table below. It is assumed that 75% of disablements and active Member deaths are service related.
Salary increases: 6.0% per year up to the assumed retirement age. In addition, the projected salary in the year of retirement is increased 20% to account for non-regular compensation.
Payroll growth: 3% per year.
Asset valuation method: Each year, the actuarial value of assets is brought forward using the historical geometric four-year average market value return. Over time, this may result in a demeris bias that is above or below the market value of assets.

Termination and Disability Rate Table:

Age	% Becoming Disabled During the Year	% Terminating During the Year
20	0.051%	12.4%
30	0.058%	10.5%
40	0.121%	5.7%
50	0.429%	1.5%

The schedule will present 10 years of information once it is accumulated.

CITY OF PLANT CITY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2015
(UNAUDITED)

SCHEDULE OF PENSION INVESTMENT RETURNS
SAFETY EMPLOYEES

Reporting Period Ending	9/30/2015	9/30/2016
Measurement Date	<u>9/30/2014</u>	<u>9/30/2015</u>
Safety Employees:		
Annual money-weighted rate of return, net of investment expenses	9.16%	-2.23%

Notes to the Schedules:

The schedules will present 10 years of information once it is accumulated.

CITY OF PLANT CITY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2015
(UNAUDITED)

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
Other Post-Employment Benefits:						
10/1/2013	\$ -	\$ 2,550,884	\$ 2,550,884	0.00%	\$ 14,667,065	17.39%
10/1/2011	-	3,545,931	3,545,931	0.00%	15,430,771	22.98%
10/1/2009	-	3,664,729	3,664,729	0.00%	16,746,172	21.88%

Notes to the Schedule:

The above schedule was prepared in accordance with GASB Statements No. 43 and 45.

The actuarial assumptions used for the schedule are detailed in Note 5 of the financial statements – employer disclosure section.

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OTHER SUPPLEMENTARY INFORMATION

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015

	Special Revenue Funds			Debt Service Funds		Capital Projects Funds Combined	Total Nonmajor Governmental Funds
	Streets	Community Development Block Grant	Community Investment Tax	Infrastructure Sales Tax Revenue Bonds	Stadium Loan		
Assets							
Cash and Cash Equivalents	\$ 1,264,728	\$ 232,353	\$ 759,436	\$ -	\$ -	\$ 11,404,677	\$ 13,661,194
Due from Other Governments	142,493	21,844	309,650	-	-	21,084	495,071
Loans Receivable	-	117,552	-	-	-	-	117,552
Restricted Cash	-	-	-	396,736	403,201	-	799,937
Land Held for Resale	-	161,577	-	-	-	-	161,577
Total Assets	<u>\$ 1,407,221</u>	<u>\$ 533,326</u>	<u>\$ 1,069,086</u>	<u>\$ 396,736</u>	<u>\$ 403,201</u>	<u>\$ 11,425,761</u>	<u>\$ 15,235,331</u>
Liabilities and Fund Balances							
Liabilities							
Accounts Payable	\$ 55,199	\$ 8,529	\$ -	\$ -	\$ -	\$ 351,169	\$ 414,897
Due to Other Governments	-	188,752	-	-	-	-	188,752
Other Current Liabilities	6,746	-	-	-	-	1,012	7,758
Unearned Revenues	-	-	-	-	300,000	-	300,000
Total Liabilities	<u>61,945</u>	<u>197,281</u>	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>352,181</u>	<u>911,407</u>
Deferred Inflows of Resources							
Unavailable revenues	-	1,244	-	-	-	-	1,244
Total deferred inflows	<u>-</u>	<u>1,244</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,244</u>
Fund Balances							
Nonspendable	-	279,129	-	-	-	-	279,129
Restricted	1,345,276	55,672	1,069,086	396,736	103,201	4,753,473	7,723,444
Committed	-	-	-	-	-	6,320,107	6,320,107
Total Fund Balances	<u>1,345,276</u>	<u>334,801</u>	<u>1,069,086</u>	<u>396,736</u>	<u>103,201</u>	<u>11,073,580</u>	<u>14,322,680</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 1,407,221</u>	<u>\$ 533,326</u>	<u>\$ 1,069,086</u>	<u>\$ 396,736</u>	<u>\$ 403,201</u>	<u>\$ 11,425,761</u>	<u>\$ 15,235,331</u>

CITY OF PLANT CITY, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Special Revenue Funds			Debt Service Funds		Capital Projects Funds Combined	Total Nonmajor Governmental Funds
	Streets	Community Development Block Grant	Community Investment Tax	Infrastructure Sales Tax Revenue Bonds	Stadium Loan		
Revenues							
Taxes	\$ 1,235,751	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,235,751
Impact Fees	-	-	-	-	-	516,696	516,696
Intergovernmental	543,035	365,104	1,702,265	-	389,779	-	3,000,183
Interest Revenue	529	52	7,640	-	53	7,268	15,542
Other	3,124	-	-	-	-	-	3,124
Total Revenues	1,782,439	365,156	1,709,905	-	389,832	523,964	4,771,296
Expenditures							
Current							
General Government	-	-	1,300	-	-	36,551	37,851
Transportation	1,276,888	-	-	-	-	637,948	1,914,836
Economic Development	-	133,675	-	-	-	-	133,675
Culture and Recreation	-	-	-	-	-	237,521	237,521
Debt Service							
Principal	-	-	-	595,000	295,000	-	890,000
Interest and Fiscal Charges	-	-	649	195,869	89,482	-	286,000
Capital Outlay	8,800	280,657	-	-	-	2,709,191	2,998,648
Total Expenditures	1,285,688	414,332	1,949	790,869	384,482	3,621,211	6,498,531
Excess (Deficiency) of Revenues Over (Under) Expenditures	496,751	(49,176)	1,707,956	(790,869)	5,350	(3,097,247)	(1,727,235)
Other Financing Sources (Uses)							
Transfers In	-	28,700	180,000	792,377	-	2,624,920	3,625,997
Transfers Out	(420,000)	-	(1,522,377)	-	-	(180,000)	(2,122,377)
Total Other Financing Sources (Uses)	(420,000)	28,700	(1,342,377)	792,377	-	2,444,920	1,503,620
Net Change in Fund Balance	76,751	(20,476)	365,579	1,508	5,350	(652,327)	(223,615)
Fund Balance, Beginning	1,268,525	355,277	703,507	395,228	97,851	11,725,907	14,546,295
Fund Balance, Ending	\$ 1,345,276	\$ 334,801	\$ 1,069,086	\$ 396,736	\$ 103,201	\$ 11,073,580	\$ 14,322,680

COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
SEPTEMBER 30, 2015

	<u>Capital Improvement</u>	<u>Streets RR&I</u>	<u>Community Investment RR&I</u>	<u>Impact Fees Library</u>
Assets				
Cash and Cash Equivalents	\$ 1,528,914	\$ 1,773,388	\$ 3,198,999	\$ 515,815
Due from Other Governments	-	-	-	-
Total Assets	<u>\$ 1,528,914</u>	<u>\$ 1,773,388</u>	<u>\$ 3,198,999</u>	<u>\$ 515,815</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$ 120,268	\$ 1,612	\$ 59,314	\$ -
Other current liabilities	-	-	-	-
Total Liabilities	<u>120,268</u>	<u>1,612</u>	<u>59,314</u>	<u>-</u>
Fund Balances				
Restricted	-	-	-	515,815
Committed	1,408,646	1,771,776	3,139,685	-
Total Fund Balances	<u>1,408,646</u>	<u>1,771,776</u>	<u>3,139,685</u>	<u>515,815</u>
Total Liabilities and Fund Balances	<u>\$ 1,528,914</u>	<u>\$ 1,773,388</u>	<u>\$ 3,198,999</u>	<u>\$ 515,815</u>

Impact Fees Fire	Impact Fees Police	Impact Fees Park and Recreation	Impact Fees Transportation	Total Capital Projects Funds
\$ 894,719	\$ 54,869	\$ 418,103	\$ 3,019,870	\$ 11,404,677
-	-	-	21,084	21,084
<u>\$ 894,719</u>	<u>\$ 54,869</u>	<u>\$ 418,103</u>	<u>\$ 3,040,954</u>	<u>\$ 11,425,761</u>
\$ -	\$ -	\$ -	\$ 169,975	\$ 351,169
-	-	-	1,012	1,012
-	-	-	170,987	352,181
894,719	54,869	418,103	2,869,967	4,753,473
-	-	-	-	6,320,107
<u>894,719</u>	<u>54,869</u>	<u>418,103</u>	<u>2,869,967</u>	<u>11,073,580</u>
<u>\$ 894,719</u>	<u>\$ 54,869</u>	<u>\$ 418,103</u>	<u>\$ 3,040,954</u>	<u>\$ 11,425,761</u>

CITY OF PLANT CITY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Capital Improvement	Streets RR&I	Community Investment RR&I	Impact Fees Library
Revenue				
Impact Fees	\$ -	\$ -	\$ -	\$ 111,941
Interest	3,508	509	1,165	185
Total Revenues	<u>3,508</u>	<u>509</u>	<u>1,165</u>	<u>112,126</u>
Expenditures				
Current				
General Government	36,551	-	-	-
Transportation	-	272,184	157,680	-
Culture and Recreation	36,406	-	201,115	-
Capital Outlay	1,979,199	-	240,532	-
Total Expenditures	<u>2,052,156</u>	<u>272,184</u>	<u>599,327</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,048,648)</u>	<u>(271,675)</u>	<u>(598,162)</u>	<u>112,126</u>
Other Financing Sources (Uses)				
Transfers In	1,584,920	310,000	730,000	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>1,584,920</u>	<u>310,000</u>	<u>730,000</u>	<u>-</u>
Net Change in Fund Balances	(463,728)	38,325	131,838	112,126
Fund Balances, Beginning	1,872,374	1,733,451	3,007,847	403,689
Fund Balances, Ending	<u>\$ 1,408,646</u>	<u>\$ 1,771,776</u>	<u>\$ 3,139,685</u>	<u>\$ 515,815</u>

Impact Fees Fire	Impact Fees Police	Impact Fees Park and Recreation	Impact Fees Transportation	Total Capital Projects Funds
\$ 112,272	\$ 167,528	\$ 118,531	\$ 6,424	\$ 516,696
343	38	143	1,377	7,268
<u>112,615</u>	<u>167,566</u>	<u>118,674</u>	<u>7,801</u>	<u>523,964</u>
-	-	-	-	36,551
-	-	-	208,084	637,948
-	-	-	-	237,521
-	-	-	489,460	2,709,191
-	-	-	697,544	3,621,211
<u>112,615</u>	<u>167,566</u>	<u>118,674</u>	<u>(689,743)</u>	<u>(3,097,247)</u>
-	-	-	-	2,624,920
-	(180,000)	-	-	(180,000)
-	(180,000)	-	-	2,444,920
112,615	(12,434)	118,674	(689,743)	(652,327)
782,104	67,303	299,429	3,559,710	11,725,907
<u>\$ 894,719</u>	<u>\$ 54,869</u>	<u>\$ 418,103</u>	<u>\$ 2,869,967</u>	<u>\$ 11,073,580</u>

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2015

	Fleet Replacement Fund	Workers' Compensation Fund	Total
Assets			
Current			
Cash and Cash Equivalents	\$ 7,837,471	\$ 1,087,162	\$ 8,924,633
Investments	944,282	-	944,282
Interest Receivable	3,519	-	3,519
Total Current Assets	<u>8,785,272</u>	<u>1,087,162</u>	<u>9,872,434</u>
Noncurrent Assets			
Deposits	-	30,000	30,000
Capital Assets			
Transportation Equipment	7,849,810	-	7,849,810
Less Accumulated Depreciation	(2,611,156)	-	(2,611,156)
Total Noncurrent Assets	<u>5,238,654</u>	<u>30,000</u>	<u>5,268,654</u>
Total Assets	<u>14,023,926</u>	<u>1,117,162</u>	<u>15,141,088</u>
Liabilities			
Accounts Payable	197,546	-	197,546
Estimated Claims Payable	-	307,007	307,007
Total Liabilities	<u>197,546</u>	<u>307,007</u>	<u>504,553</u>
Net Position			
Investment in Capital Assets	5,238,654	-	5,238,654
Unrestricted	8,587,726	810,155	9,397,881
Total Net Position	<u>\$ 13,826,380</u>	<u>\$ 810,155</u>	<u>\$ 14,636,535</u>

CITY OF PLANT CITY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Fleet Replacement Fund	Workers' Compensation Fund	Total
Operating Revenues			
Charges for Services	\$ 2,297,130	\$ 249,695	\$ 2,546,825
Total Operating Revenues	<u>2,297,130</u>	<u>249,695</u>	<u>2,546,825</u>
Operating Expenses			
Other Services and Charges	-	331,979	331,979
Depreciation	1,142,914	-	1,142,914
Total Operating Expenses	<u>1,142,914</u>	<u>331,979</u>	<u>1,474,893</u>
Operating Income (Loss)	<u>1,154,216</u>	<u>(82,284)</u>	<u>1,071,932</u>
Nonoperating Revenues (Expenses)			
Interest Revenue	8,737	437	9,174
Gain on Sale of Equipment	4,999	-	4,999
Total Nonoperating Revenues (Expenses)	<u>13,736</u>	<u>437</u>	<u>14,173</u>
Income (Loss) Before Transfers	<u>1,167,952</u>	<u>(81,847)</u>	<u>1,086,105</u>
Transfers In	<u>1,293,250</u>	<u>-</u>	<u>1,293,250</u>
Change in Net Position	2,461,202	(81,847)	2,379,355
Net Position, Beginning	11,365,178	892,002	12,257,180
Net Position, Ending	<u>\$ 13,826,380</u>	<u>\$ 810,155</u>	<u>\$ 14,636,535</u>

CITY OF PLANT CITY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR YEAR ENDED SEPTEMBER 30, 2015

	Fleet Replacement Fund	Workers' Compensation Fund	Total
Cash Flows from Operating Activities			
Cash Received from Other Funds for Goods and Services	\$ 2,297,130	\$ 249,695	\$ 2,546,825
Payments to Suppliers for Goods and Services	-	(229,493)	(229,493)
Net cash provided by operating activities	<u>2,297,130</u>	<u>20,202</u>	<u>2,317,332</u>
Cash Flows from Noncapital Financing Activities			
Transfers In	1,293,250	-	1,293,250
Net cash provided by noncapital financing activities	<u>1,293,250</u>	<u>-</u>	<u>1,293,250</u>
Cash Flows from Capital and Related Financing Activities			
Acquisition and Construction of Capital Assets	(2,147,702)	-	(2,147,702)
Proceeds for sale of capital assets	4,999	-	4,999
Net cash used by capital and related financing activities	<u>(2,142,703)</u>	<u>-</u>	<u>(2,142,703)</u>
Cash Flows from Investing Activities			
Purchase of Investments	39,700	-	39,700
Interest and Investment Earnings	8,958	437	9,395
Net cash provided by investing activities	<u>48,658</u>	<u>437</u>	<u>49,095</u>
Net change in cash and cash equivalents	1,496,335	20,639	1,516,974
Cash and Cash Equivalents, Beginning of Year	6,341,136	1,066,523	7,407,659
Cash and Cash Equivalents, End of Year	<u>\$ 7,837,471</u>	<u>\$ 1,087,162</u>	<u>\$ 8,924,633</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
Operating Income (Loss)	\$ 1,154,216	\$ (82,284)	\$ 1,071,932
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities			
Depreciation	1,142,914	-	1,142,914
Changes in Assets and Liabilities			
Accounts Payable	-	(7,183)	(7,183)
Estimated Claims Payable	-	109,669	109,669
Net Cash Provided by Operating Activities	<u>\$ 2,297,130</u>	<u>\$ 20,202</u>	<u>\$ 2,317,332</u>

COMBINING STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 SEPTEMBER 30, 2015

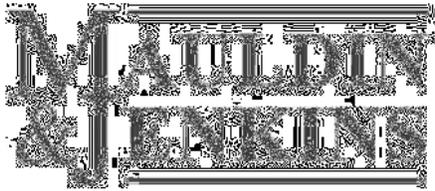
	Pension Trust Funds		Total
	Safety Employees' Retirement Fund	General Employees' Retirement Fund	
Assets			
Cash and Cash Equivalents	\$ 2,278,230	\$ 3,408,265	\$ 5,686,495
Receivables			
Contributions	198,075	32,107	230,182
Accrued Interest and Dividends	68,461	-	68,461
Total Receivables	<u>266,536</u>	<u>32,107</u>	<u>298,643</u>
Investments at Fair Value			
U.S. Government Agencies	2,947,330	-	2,947,330
Corporate Bonds and Notes	5,358,954	-	5,358,954
Common Stock	11,064,094	-	11,064,094
Mutual Funds	10,193,025	12,523,804	22,716,829
Total Investments	<u>29,563,403</u>	<u>12,523,804</u>	<u>42,087,207</u>
Total Assets	<u>32,108,169</u>	<u>15,964,176</u>	<u>48,072,345</u>
Net Position			
Restricted for Pension Benefits	<u>\$ 32,108,169</u>	<u>\$ 15,964,176</u>	<u>\$ 48,072,345</u>

CITY OF PLANT CITY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	Pension Trust Funds		Total
	Safety Employees' Retirement Fund	General Employees' Retirement Fund	
Additions			
Contributions			
Employer	\$ 2,260,706	\$ 879,235	\$ 3,139,941
Employee	737,626	-	737,626
State of Florida	517,964	-	517,964
Total Contributions	<u>3,516,296</u>	<u>879,235</u>	<u>4,395,531</u>
Investment Income			
Interest and Dividends	887,947	-	887,947
Net Appreciation (Depreciation) in Fair Value of Investments	<u>(1,500,764)</u>	<u>31,933</u>	<u>(1,468,831)</u>
Net Investment Income	<u>(612,817)</u>	<u>31,933</u>	<u>(580,884)</u>
Total Additions	<u>2,903,479</u>	<u>911,168</u>	<u>3,814,647</u>
Deductions			
Pension Benefits	3,316,293	1,743,545	5,059,838
Administrative Expenses	<u>130,132</u>	<u>47,624</u>	<u>177,756</u>
Total Deductions	<u>3,446,425</u>	<u>1,791,169</u>	<u>5,237,594</u>
Change in Net Position	(542,946)	(880,001)	(1,422,947)
Net Position, Beginning of Year	<u>32,651,115</u>	<u>16,844,177</u>	<u>49,495,292</u>
Net Position, End of Year	<u>\$ 32,108,169</u>	<u>\$ 15,964,176</u>	<u>\$ 48,072,345</u>

OTHER AUDITOR REPORTS

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

To the Honorable Mayor,
Members of the City Council and City Clerk
City of Plant City, Florida, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Plant City, Florida (the "City"), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 20, 2016. Our report includes a reference to the changes in accounting principal resulting from the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, as of October 1, 2014.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Bradenton, Florida
May 20, 2016



**CITY OF PLANT CITY, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

**SECTION I
SUMMARY OF AUDIT RESULTS**

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting: Material weaknesses identified?	___ yes <u> X </u> no
Significant deficiencies identified not considered to be material weaknesses?	___ yes <u> X </u> none reported
Noncompliance material to financial statements noted?	___ yes <u> X </u> no

Federal and State Awards

There was not an audit of major federal award programs or state financial assistance as of September 30, 2015, due to the total amount expended being less than \$500,000.

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

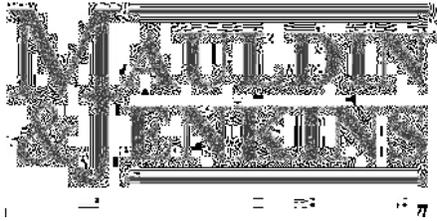
**SECTION III
FEDERAL PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS
FINDINGS AND QUESTIONED COSTS**

Not applicable.

**SECTION IV
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

The prior audit findings number 2014-001 and 2014-002 were corrected by the City and are not repeated in the current year.

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INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Honorable Mayor,
Members of the City Council and City Clerk
City of Plant City, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Plant City, Florida (the "City"), as of and for the fiscal year ended September 30, 2015, and have issued our report thereon dated May 20, 2016.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Auditor General.

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Schedule of Findings and Responses; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated May 20, 2016, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report as findings 2014-001 and 2014-002 were corrected during the current year and are not repeated in this year's report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City of Plant City, Florida was incorporated in 1927. Additional information on the City's creation and the City's component unit is disclosed within the City's footnotes.

Financial Condition

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires that we report the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Annual Financial Report

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, requires that we report the results of our determination as to whether the annual financial report for the City for the fiscal year ended September 30, 2015, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2015. In connection with our audit, we determined that these two reports were in agreement.

Special District Component Units

Section 10.554(1)(i)5.d, Rules of the Auditor General, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Other Matters

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

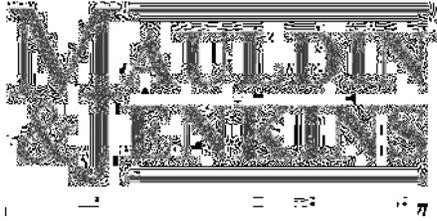
Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Mayor and Members of the City Council, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Bradenton, Florida
May 20, 2016





INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor,
Members of the City Council and City Clerk
City of Plant City, Florida

We have examined the City of Plant City, Florida's (the "City") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2015. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2015.

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

Bradenton, Florida
May 20, 2016

