

City of Greenacres
Florida



2013 Comprehensive Annual Financial Report

FISCAL YEAR ENDING SEPTEMBER 30, 2013



Comprehensive Annual Financial Report
of the
City of Greenacres, Florida
For The Fiscal Year Ended
September 30, 2013

Prepared by Department of Finance
Thomas Hughes, Director of Finance

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INTRODUCTORY SECTION



City of Greenacres

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Samuel J. Ferreri
Mayor

Wadie Atallah
City Manager

March 7, 2014

The Honorable Mayor and Members of the City Council
City of Greenacres, Florida

We are pleased to submit the Comprehensive Annual Financial Report of the City of Greenacres, Florida for the fiscal year ended September 30, 2013, which also includes the Independent Auditors' Report. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The financial statements are presented in accordance with Governmental Accounting Standards Board (GASB) Statement 34, *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments*. The presentation of the City of Greenacres' financial information includes two financial statements that provide a government-wide perspective using the accrual basis of accounting. Management's Discussion and Analysis section provides a more detailed explanation of the statements.

The GASB reporting model is intended to assist in making economic, social and political decisions and in assessing accountability to the residents by:

- ❖ Comparing actual financial results with the legally adopted budget, where appropriate;
- ❖ Assisting in determining compliance with fiscally-oriented laws, rules and regulations; and
- ❖ Assisting in evaluating the efficiency and effectiveness of the City of Greenacres' operations.

FINANCIAL STATEMENT FORMAT

This report has been prepared and organized to meet the requirements of the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting Program. By following the guidelines of this program, the report's format facilitates understanding by the residents and provides information needed by the most sophisticated and interested financial observers. The report is presented in four sections: introductory, financial, statistical, and reporting.

- ❖ The **introductory section**, which is unaudited, includes this transmittal letter, a list of principal officials, the City of Greenacres' organization chart, and the Government Finance Officers Association Certificate of Achievement for fiscal year ended 2012. This section is designed to provide an overview and general understanding of the report.

John Tharp
Councilman • District I

Peter A. Noble
Councilman • District II

Rochelle Gaenger
Councilwoman • District III

Jonathan G. Pearce
Councilman • District IV

Paula Bousquet
Councilwoman • District V

- ❖ The **financial section** provides a detailed presentation of the financial position and results for the fiscal year ended September 30, 2013. The financial section is divided into three identified subsections for the convenience of the reader:

- Management's Discussion and Analysis
- Basic Financial Statements Including Notes and Required Supplementary Information
- Combining and Individual Fund Statements.

Readers are encouraged to pay particular attention to Management's Discussion and Analysis and the Notes to Basic Financial Statements. These provide valuable analysis and explanation of the financial statements.

- ❖ The **statistical section**, which is unaudited, includes a number of multi-year tables and other data designed to present social, economic and financial trends of the City of Greenacres, providing an overall view of the fiscal capacity of the City. This section is presented in accordance with GASB Statement 44, *Economic Condition Reporting: The Statistical Section*.
- ❖ The **reporting** includes the 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* and the Management Letter in Accordance with the Rules of the Auditor General of the State of Florida. This section also includes all the reporting requirements under the Federal Single Audit Act and OMB Circular A-133.

PROFILE OF THE GOVERNMENT

The City of Greenacres, incorporated in 1926, is located in the central part of Palm Beach County, Florida approximately five miles from the Atlantic Ocean. The City has a land area of 5.82 square miles with a population of 38,172 (BEBR Census), making the City the eighth largest of the 38 cities in the county. Greenacres is empowered to levy a property tax on both real and personal properties located within its boundaries and it also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

The City of Greenacres has operated under the Council-Manager form of government since 1980. Policy-making and legislative authority are vested in the City Council consisting of the Mayor and five Council members. The City Council is responsible, among other things, for approving ordinances, adopting the budget, appointing committees, and hiring both the City Manager and Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the government, and for appointing the Directors of the various departments. The Council is elected on a non-partisan basis. Council members serve two-year staggered terms. The Mayor is also elected to serve a two-year term. The Mayor and the five Council members are elected at large.

The City provides general municipal services such as police, fire, emergency medical services, protective inspections, public works, planning, zoning, engineering, recreation and cultural events. The City provides solid waste collection and recycling services through a contract with a privately owned sanitation company. For fiscal year 2013, Advanced Disposal Services Solid Waste Southeast, Inc. (Veolia ES) held this franchise contract. Palm Beach County Water Utilities Department provides water and sanitary sewage service in the City.

The financial reporting entity includes all of the funds of the City of Greenacres. There is one subordinate entity reporting to the City and included in this report, the Public Safety Officer and Firefighter Retirement Plan. This subordinate entity was created effective January 1, 1996, to provide retirement, death survivorship, and disability benefits to all Public Safety Officers and Firefighters hired January 1, 1996, and thereafter, consistent with the provisions of Florida Statutes 175 and 185.

ECONOMIC CONDITION AND OUTLOOK

The City is located in the central area of Palm Beach County, Florida, which until 2008, was among the fastest growing metropolitan areas in the country. The primary economic sectors of the County are agriculture, tourism, service industry and retirement housing. The City is a residentially oriented suburb, with supporting commercial establishments to serve its diverse population. The rapid population growth rate in the metropolitan area was severely impacted by the Great Recession but still managed to register small gains as did the City's population growth rate.

The City has no industrial zoning, and, has no single large employers within the City limits. Palm Beach County School District and Palm Beach County government are two large local employers, with over 20,000 and 11,000 employees, respectively. The American Community Survey for Palm Beach County lists the three top trades as: 1) Educational, health care and social assistance, the largest sector at more than 120,000 employees; 2) Professional, scientific and administrative services at over 84,000; and 3) Retail Trade at approximately 78,000. The City's economy is primarily driven by residential and commercial developments representing a fairly broad spectrum of the population and business types, respectively.

In fiscal year 2013 the City's economic condition mirrored that of the county and state due to the lingering effects of the Great Recession which severely affected the housing and real estate market. The City's population increased by 93 persons while the gross taxable value declined by 4.55% due to continuing declines in home values. Despite market conditions, 21 new residential units were built in the City, construction was started on a new 14,550 sq. ft. Walgreens, and the following businesses started undergoing major remodeling on their facilities in Greenacres; Publix Supermarket, Olive Garden, Wendy's, Subway, and Pizza Hut.

The preparation of the FY 2008 through FY 2013 budgets continued to be challenging due to the impact of a Constitutional Amendment passed by the voters on January 28, 2008, intended to lower property taxes and the continued decline in property values. The amendment added a second \$25,000 Homestead Exemption, provided portability for "Save our Homes" constitutional amendment, added a \$25,000 Tangible Personal Property exemption and limited assessment increases on non-homestead properties to 10% per year. During that time period, property values declined by 47% which resulted in a \$3.6 million, or 44%, reduction in property tax revenues.

As part of the City's long term financial planning, and to address the declining revenues, the City continued to prioritize essential services and desired levels of service in conjunction with budget preparation. Additionally, the City continued to close the gap between revenues and expenditures for non-essential services. The City developed several strategies for financial sustainability for future years. They are: 1) drawdown unassigned fund balance and maintain at or above 25% of annual expenditures; 2) reduce expenditures by evaluating staffing levels, overtime, and benefits; and 3) increase/stabilize revenues by adjusting fee schedules and the tax rate. The implementation of those strategies has enabled the City to maintain a sound financial position without impacting levels of service.

The outlook for 2014 and beyond appears positive as the slow recovery from the Great Recession continues. Property values increased by 4.16% in FY 2014 and the City experienced increases in State Revenue Sharing and Half Cent Sales Tax as the State economy continued to recover. The short term future growth rate is expected to revert back to pre-2000 levels as approved developments are completed and new developments are approved within existing and future annexation boundaries.

MAJOR INITIATIVES

Over the past decade, the City has been addressing three major areas:

- ❖ Upgrading its capital investment for Public Safety functions and security in the City
- ❖ Improving roads, infrastructure, and appearance throughout the City's neighborhoods
- ❖ Development of parks and recreational facilities for all City residents

Initiatives related to public safety included the construction of a second Public Safety Station in the southeast portion of the City in fiscal year 2002 along with the purchase of fire apparatus and equipment. This resulted in a substantial increase in City fire-rescue service capability. Insurance Services Office (ISO) is the principal provider of ratings and statistical information for the insurance industry in the country. After an extensive evaluation of the fire-protection services of a city, the ISO assigns a Public Protection Classification (PPC) number from 1 to 10, with 1 being exemplary. The City of Greenacres was rated class 3, an improvement from the last rating of class 5. Most insurance companies use the PPC classification for underwriting and calculating premiums for residential, commercial and industrial properties. In fiscal years 2004 through 2010 the City replaced all the protective personal equipment for public safety personnel through a grant, updated the 911 dispatch consoles, firing range catchment system and recording equipment, refurbished the evidence storage room, replaced extrication equipment, and EMS stretchers and stair chairs; purchased a new fire engine and three ambulances and EMS Auto Pulse Compression Units. After going through an extensive solicitation process, the City awarded a contract to Spillman Technologies in November 2010 to replace the Public Safety's Computer Aided Dispatch, Records Management, and Mobile Systems with up-to-date technology to enhance service. In fiscal year 2013, the City purchased and installed an additional surveillance camera in the original section utilizing JAG Grant Funds.

During fiscal year 2013, the City began work and training on an upgrade of Financial and Administrative software system to replace the system that had been in place since 1992. The implementation will be completed during fiscal year 2014.

In the area of roads, infrastructure and appearance, the City continued to enhance the City's roadway medians and landscape of public right-of-ways. A multi-year project, partially funded by Community Development Block Grant (CDBG), provides for the construction of sidewalks, paving, drainage, and lighting improvements on roads north of 10th Avenue North. During fiscal year 2013, the City continued work on the third phase of a \$1.6 million dollar project (partially funded by Community Development Block Grants) to extend the sanitary sewer system for 10th Avenue North as part of economic development in the original section and began landscaping on 10th Avenue North. The City also began the construction phase of a major drainage project to regrade the A & B Canals and replace culverts under the roadways to mitigate flooding.

The City has been very active developing parks and recreation facilities and enhancing "green space" in the City. In 1996-2000, Ira Van Bullock Park was completely renovated and updated at a cost of \$1.2 million. In 1999, the City opened a new \$1.3 million Community Center, significantly increasing recreation facilities. In 1999 and 2001, Bowman Neighborhood Park was constructed at a cost of almost \$300,000. In September 2001, the construction of Greenacres Freedom Park, a 55-acre recreation facility, was initiated with a \$1.2 million construction project for Phase I. This park, the largest in the City, was constructed in phases at an ultimate cost of over \$4.9 million and the last phase was completed in 2009. Further improvements to Ira Van Bullock Park began with the demolition of the old Public Works building and expansion of the Community Center parking lot in mid-2008, and construction of a playground on the site of the old Public Works yard in April of 2010. In 2011 lighting and security improvements were completed at Veterans Park. During fiscal year 2012, the City replaced fencing and backstops at 3 ball fields and completed enhancements to Community Park consisting of new fencing and landscaping of the Joint Use Field and the construction of two new racquetball courts. In fiscal year 2013, the city replaced play structures at Ramblewood and Gladiator Parks and completed parking lot asphalt overlay at Veterans Park.

GENERAL FINANCIAL INFORMATION

Financial Policies

The City of Greenacres' financial policies provide the framework for the overall fiscal management of the City. The policies cover a broad range of topics including, but not limited to, accounting, auditing, internal controls, operating and capital budgeting, cash and investment management, asset management, and financial reporting. None of those policies had any impact on the current period's financial statements. Pursuant to Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Type Fund Definitions, the City adopted a fund balance policy including classifications and fund balance reserves within each category and classifications. The fund balances reported in the financial statements are shown pursuant to Statement 54.

Internal Controls

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that government assets are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control structure of the City of Greenacres is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Controls

The City of Greenacres adopts fiscal year budgets for all funds. The City maintains budgetary controls through the annual budget public hearing and approval process of GAAP based budgets. The formal budget approval for each fiscal year is accomplished in a manner to comply with Florida State Statute 200.065, commonly referred to as Truth-In-Millage (TRIM). Activities of the General Fund, Debt Service Funds, Arboreous, Youth Programs, and Public Safety Donation Special Revenue Funds, and all Capital Project Funds are included in the annual appropriated budget. Chapter 932, Florida State Statutes prohibits budgeting revenue in the Forfeitures Special Revenue Fund. Expenditures in the Forfeitures Special Revenue Fund are appropriated through individual requests on a project-by-project basis at public meetings of the City Council. Budget amendments for all funds require prior City Council approval at public meetings. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is at the Departmental level.

The City of Greenacres also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end. However, encumbrances can be re-appropriated as part of the following year's approved budget. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

Capital Financing

In conjunction with the annual adoption of the operating budget, the City prepares a Capital Improvement Program to provide for improvements to the City's public facilities for the ensuing fiscal year and next five years, along with proposals for the financing of these improvements. The first year of the program constitutes the capital budget for the current fiscal year and the remaining years are used as a planning guide. The program identifies projects and allocates funding over five years for City roads, park development, public works projects, and new equipment. The City has been able to provide the needed funding of the Capital Improvement Program through dedicated sources of revenue such as impact fees, grants, and previous transfers.

Debt Service Administration

In Florida, there is no legal debt limit. All general obligation debt pledging payment from ad valorem taxes must be approved by referendum, unless it is to refund outstanding debt. Article VII, Section 12, of the Florida State Constitution states "Counties, school districts, municipalities, special districts, and local governmental bodies with taxing powers may issue bonds, certificates of indebtedness, or any form of tax anticipation certificates payable from ad valorem taxes and maturing more than twelve months after issuance only to finance or refinance capital projects authorized by law and only when approved by vote of the electors..." The City has no general obligation debt outstanding.

Fiduciary Operations

The City's fiduciary operations are limited to the City of Greenacres Public Safety Officer and Firefighter Retirement Plan which was established effective January 1, 1996, to cover high-risk employees with a defined benefit retirement plan. The Florida League of Cities was selected to provide administrative services for the plan. A pension trust fund was established to account for that new plan in fiscal year 1996.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Greenacres for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2012. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports. The City of Greenacres has received a Certificate of Achievement for the last twenty-two consecutive years (fiscal years 1991-2012).

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conforms to program standards. Such comprehensive annual financial reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

The City of Greenacres also received an award from GFOA for Outstanding Achievement in Popular Annual Financial Reporting for the Fiscal Year Ended September 30, 2012. The award is valid for one year.

In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for the Fiscal Year beginning October 1, 2013. The City has received this award for the last twenty-one years (fiscal years 1994-2014). In order to earn the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient as a policy document, financial plan, an operations guide, and a communication device.

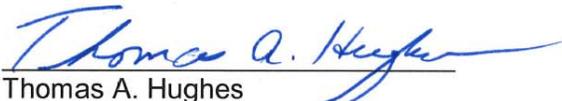
OTHER INFORMATION Independent Audit

State Statutes require an annual audit by independent certified public accountants. The accounting firm of Marcum LLP performed the City's audit and their report on the financial statements is included in the financial section of this report. The total federal awards expended for all federal programs was more than \$500,000, therefore, a federal Single Audit in accordance with OMB Circular A-133 was required to be performed by the City's auditors.

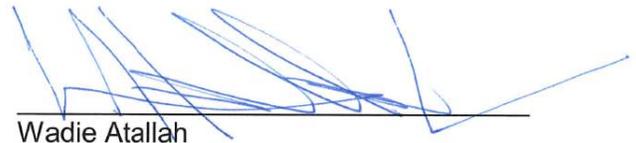
Acknowledgments

The preparation of this Comprehensive Annual Financial Report for the City of Greenacres was made possible by the dedicated efforts of the staff of the Department of Finance. We also extend our appreciation to the independent certified public accounting firm of Marcum LLP for their professionalism during the performance of the audit.

We would like to thank the Mayor and City Council for their guidance and support in establishing the policy for the planning and administration of the financial operations of the City of Greenacres in a responsible, progressive manner. With this support, we have been able to maintain a high degree of fiscal health and responsibility for the City of Greenacres during challenging economic times.



Thomas A. Hughes
Director of Finance



Wadie Atallah
City Manager



PRINCIPAL OFFICIALS

ELECTED OFFICIALS

Samuel J. Ferreri
Mayor

Rochelle Gaenger
Deputy Mayor – Councilwoman, District III

John Tharp
Councilman, District I

Peter A. Noble
Councilman, District II

Jonathan G. Pearce
Councilman, District IV

Paula Bousquet
Councilwoman, District V

SENIOR MANAGEMENT

Wadie Atallah
City Manager

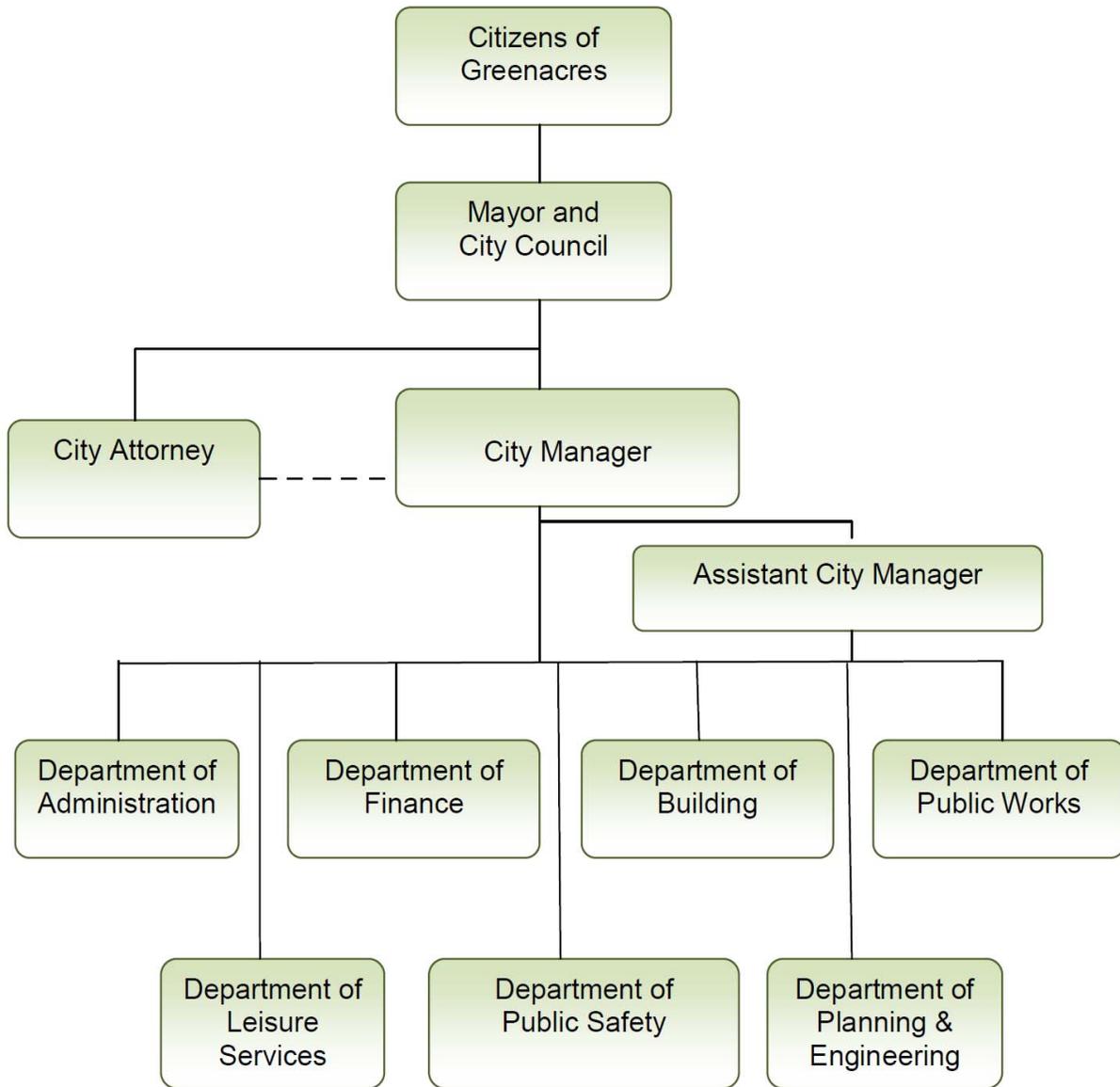
Pamela S. Terranova
City Attorney

Thomas J. Lanahan
Assistant City Manager/ Director
of Planning & Engineering

Denise McGrew
City Clerk

As of September 30, 2013

Organizational Chart



Mission Statement

To continually improve the quality of life by providing the best and most cost efficient public services and facilities to exceed the expectations of city residents and businesses.



Government Finance Officers Association

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

Presented to

**City of Greenacres
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2012

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Greenacres, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Greenacres, Florida (the City), as of and for the fiscal year ended September 30, 2013, 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.

Auditors' 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 auditors' 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, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in Note 1 to the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* as of October 1, 2012. Our opinion is 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 and the budgetary comparison information, and schedules of funding progress and schedule of employer contributions on pages 4 through 13 and pages 45 through 51 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.

Supplementary and 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 introductory and statistical sections, the combining and individual fund statements and schedules, and schedule of expenditures of federal awards, as required by Office of Management and Budget *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations* 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, and schedule of expenditures of federal awards 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, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2014 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 City's internal control over financial reporting and compliance.

Marcum LLP

West Palm Beach, FL
March 7, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Greenacres' comprehensive annual financial report presents a narrative overview and analysis of the City's financial performance for the fiscal year ended September 30, 2013. It is designed to provide a broad overview and a short and long-term analysis of the City's activities based on information presented in the financial statements. Specifically, this information is designed to assist the reader in focusing on significant financial issues, provide an overview of the City's financial activities, identify changes in the City's financial position (its ability to address the next and subsequent years' challenges), clarify material deviations from the approved budget, and explain individual fund issues. We encourage readers to consider the information presented here in conjunction with the Transmittal Letter (beginning on page i) and the City's basic financial statements (beginning on page 14) and notes to the financial statements (pages 22-44).

FINANCIAL HIGHLIGHTS

- The assets of the City of Greenacres exceeded its liabilities and deferred inflows by \$38.6 million (*net position*). Of this amount, \$12 million represents unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors.
- Total net position decreased \$333 thousand in fiscal 2013 as the City continued to manage significant capital improvement projects using its prior years' reserves (fund balances), including significant capital expenditures for the maintenance of drainage canals infrastructure in 2013.
- The total cost of all the City's programs increased by \$722 thousand, or 3.2%, this year. The revenues that support those programs increased by \$914 thousand, or 15.6 percent.
- At the close of the 2013 fiscal year, the governmental funds reported combined fund balances of \$22.8 million, a decrease of \$935 thousand compared to the prior year. Approximately 28% of this amount, or \$6.2 million, is available for spending at the City's discretion (*unassigned fund balance*).
- At the close of the 2013 fiscal year, the general fund balance (the total of *committed*, *assigned*, and *unassigned* components of *fund balance*) was \$11.9 million, of which 5.6 million was committed or assigned.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City of Greenacres' basic financial statements. The basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

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

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

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

The governmental activities of the City of Greenacres include general government, public safety, transportation, culture and recreation, and physical environment.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over financial resources that have been segregated for specific activities or objectives. The City of Greenacres, 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 two categories: governmental funds and fiduciary funds. The main features of each are shown below.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported in *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 cash, as well as cash balances available at year end (fund balance). Such information may be useful in evaluating a government's near-term financing requirements.

The focus of governmental funds is narrower than that of the government-wide financial statements, so 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 long-term impacts of near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains nine (9) individual governmental funds: the General Fund, four (4) Special Revenue Funds, one (1) Debt Service Fund, and three (3) Capital Projects Funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the General Fund, and all of the Capital Projects Funds: the New Growth Fund, Parks and Recreation Fund, and Reconstruction and Maintenance Fund, all of which are considered *major funds*. Data from the six remaining governmental funds are combined into a single column for an aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages 55-62 of this report.

The City of Greenacres adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. (See *Other Information* below.)

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the City's programs. While fiduciary (trust and agency) funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. The City has one (1) fiduciary trust fund, the Police Officers and Firefighters Pension Trust Fund, found on pages 20-21 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22-44 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information*, including a budgetary comparison statement for the general fund, and detailed information concerning the City's obligation to provide pension benefits to its employees. The required supplementary information can be found on pages 45-51 of this report.

The combining and individual fund financial statements and schedules referred to earlier in connection with major and non-major governmental funds are presented immediately following the required supplementary information.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

The government-wide financial statements were designed so that the user could determine if the City is in a better or worse financial condition from the prior year. The fiscal 2012 balances have been included so that the results from the prior year can be compared.

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City of Greenacres, assets exceeded liabilities and deferred inflows of resources by \$38.6 million at the close of the most recent fiscal year.

City of Greenacres, Florida Summary of Net Position (in thousands)

	<u>2013</u>	<u>2012</u>	<u>Increase / (Decrease)</u>
Current and other assets	\$ 24,962	\$ 25,143	(0.7%)
Capital assets, net	<u>21,832</u>	<u>21,844</u>	0.1%
Total assets	<u>46,794</u>	<u>46,987</u>	(0.4%)
Current liabilities	2,752	2,484	(10.8%)
Long-term liabilities	<u>5,243</u>	<u>5,600</u>	(6.4%)
Total liabilities	<u>7,995</u>	<u>8,084</u>	(1.1%)
Deferred Inflows of Resources	<u>229</u>	<u>-</u>	n/a
Net position:			
Net investment in capital assets	18,199	18,037	0.9%
Restricted	8,352	9,290	(10.1%)
Unrestricted	<u>12,019</u>	<u>11,576</u>	(3.8%)
Total net position	<u>\$ 38,570</u>	<u>\$ 38,903</u>	(0.9%)

The largest portion of the City's net position (47.2%) reflects its investment in capital assets (land, buildings, machinery and equipment) less any related debt still outstanding that was used to acquire those assets. The City uses 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 and any related deferred inflows or outflows, 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. New additions of \$2.0 million were offset by accumulated depreciation and asset disposals, resulting in almost no change to capital assets from 2012. (See also the discussion on Capital Assets on page 11).

Another portion of net position, \$8.3 million, has restrictions on its use that are externally imposed (gas taxes, public safety forfeitures, grants) or by enabling legislation (impact fees). Restricted net position was reduced primarily by capital expenditures from restricted revenue sources (gas taxes and impact fees) that outpaced those restricted revenues received in fiscal 2013. The remaining balance of \$12 million is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

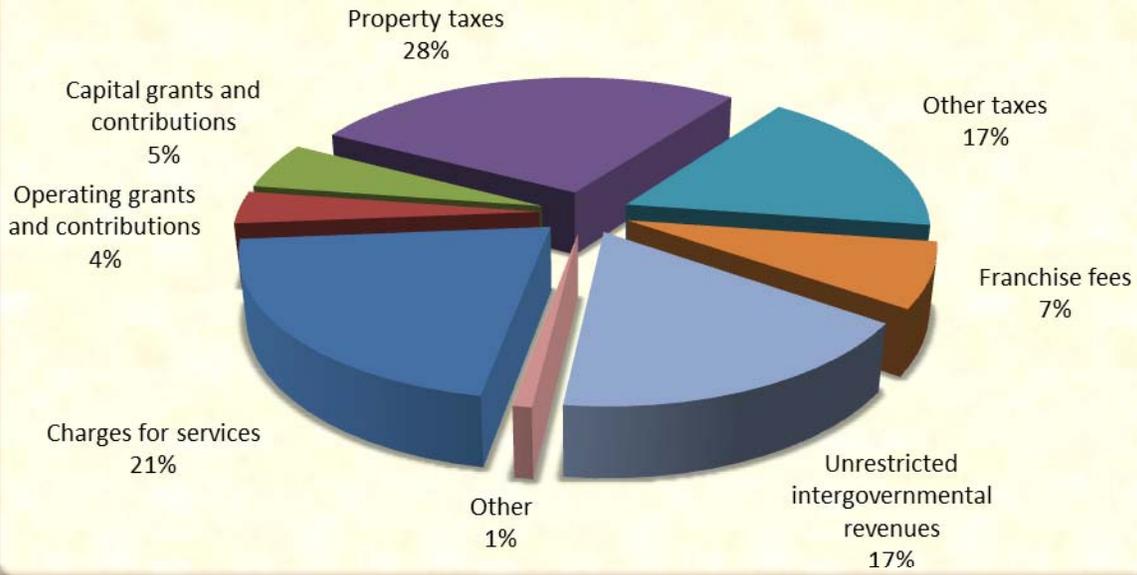
Governmental Activities. The revenues and expenses for the current and previous fiscal year are compared in the following schedule.

**City of Greenacres, Florida
Summary of Changes in Net Position (in thousands)**

	<u>2013</u>	<u>2012</u>	<u>Increase / (Decrease)</u>
Revenues:			
Program revenues:			
Charges for services	\$ 4,737	\$ 4,393	7.8%
Operating grants and contributions	835	868	3.8%
Capital grants and contributions	1,208	605	99.7%
General revenues:			
Property taxes	6,211	6,457	(3.8%)
Other taxes	3,901	3,821	2.1%
Other	5,766	5,705	1.1%
Total revenues	<u>22,658</u>	<u>21,849</u>	3.7%
Expenses:			
General government	3,526	3,403	(3.6%)
Public safety	13,278	13,214	0.5%
Transportation	1,478	1,622	8.9%
Culture and recreation	1,844	1,949	5.4%
Physical environment	2,714	1,920	41.4%
Interest and other fiscal charges	151	161	(6.2%)
Total expenses	<u>22,991</u>	<u>22,269</u>	3.2%
Change in net position	<u>(333)</u>	<u>(420)</u>	(20.7%)
Net position beginning of year	<u>38,903</u>	<u>39,323</u>	1.1%
Ending net position	<u>\$ 38,570</u>	<u>\$ 38,903</u>	(0.9%)

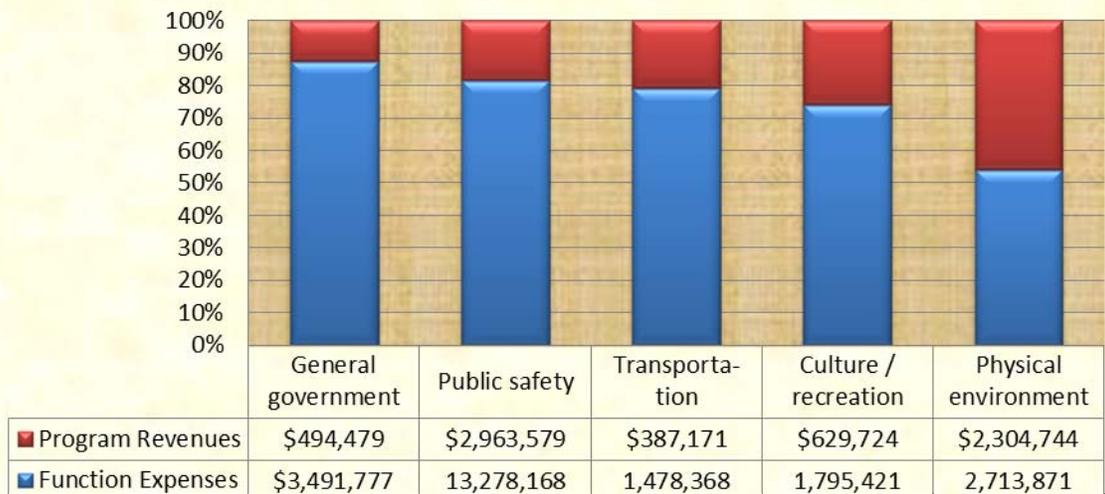
During the current fiscal year, net position for governmental activities decreased only slightly, by \$330 thousand from the prior fiscal year, for an ending balance of \$38.6 million. Total revenues increased 3.7% in 2013, even as property taxes, the City's largest single revenue source, fell for a sixth consecutive year. The remaining program and general revenue sources increased by 6.9%, cumulatively, more than offsetting the decrease in property taxes. The most significant increases were in program revenues, as Capital Grants and Contributions increased \$603 thousand or 99.7%, a result of increased funding for capital projects. Charges for Services also increased substantially, by \$344 thousand or 7.8%, primarily because of impact fees related to new development, both residential and commercial, that brought in close to \$250 thousand additional in 2013.

2013 Revenues by Source - Governmental Activities



The cost of all governmental activities increased 3.2% in 2013, to \$23 million, up \$639 thousand from \$22.3 million in 2012. As shown on the Statement of Activities on page 15, the amount financed by general revenues (primarily taxpayers) was about \$15.8 million, while \$4.7 million was paid by those who benefitted directly the programs (charges for services), and another \$2 million was subsidized by other governments and organizations through grants and contributions. The table below shows to what extent the functional expenses of the City are supported by revenues that directly support those programs.

Functional Expenses & Program Revenues



See also the general fund discussion on the next page for more details on notable increases in expenditures that impacted the increase in overall program costs.

Financial Analysis of the City of Greenacres' Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of Greenacres' *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Greenacres financing requirements. In particular, unassigned fund balance may serve as a useful measure of the government's net resources available for discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City of Greenacres itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City Council.

At September 30, 2013, the City of Greenacres governmental funds reported combined fund balances of \$22.8 million, a decrease of \$935 thousand in comparison with the prior year. Approximately 27.5% of this amount (\$6.3 million) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is either *non-spendable*, *restricted*, *committed*, or *assigned* to indicate it is 1) not in spendable form (\$485 thousand), 2) restricted for particular purposes (\$8.4 million), 3) committed for particular purposes (\$4.8 million), or 4) assigned for particular purposes (\$2.9 million).

The table below shows the results of operations in 2012 & 2013, the revenues, expenditures, and other financing sources and uses (fund transfers), and the effect on fund balance for the major funds reported by the City.

<u>Major Fund Information</u>				
(in thousands)				
	<u>General</u>	<u>New Growth</u>	<u>Parks and Recreation</u>	<u>Reconstruction And Maintenance</u>
<u>Fiscal Year 2013</u>				
Revenues	\$ 20,656	\$ 294	\$ 341	\$ 618
Expenditures	(19,996)	(953)	(136)	(1,304)
Other financing sources (uses)	(410)	-	-	-
Increase (decrease) in fund balance	<u>\$ 250</u>	<u>\$ (659)</u>	<u>\$ 205</u>	<u>\$ (686)</u>
	<u>General</u>	<u>New Growth</u>	<u>Parks and Recreation</u>	<u>Reconstruction And Maintenance</u>
<u>Fiscal Year 2012</u>				
Revenues	\$ 20,805	\$ 69	\$ 202	\$ 264
Expenditures	(19,684)	(339)	(274)	(1,509)
Other financing sources (uses)	(410)	-	-	-
Increase (decrease) in fund balance	<u>\$ 711</u>	<u>\$ (270)</u>	<u>\$ (72)</u>	<u>\$ (1,245)</u>

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$6.3 million, while total fund balance increased to \$12.1 million from \$11.8 million in 2012. 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 general fund expenditures. Unassigned fund balance represents approximately 30.1 percent of total general fund expenditures, while total fund balance represents approximately 59.2 percent of that same amount.

The fund balance of the general fund increased by \$250 thousand in 2013 even as revenues fell by \$162 thousand and expenditures increased by \$312 thousand. The most notable decrease to revenues was solid waste fees, down \$263 thousand in 2013 as delinquent customer account balances not expected to be collected within 6 months of the fiscal year-end were reclassified from revenues to deferred inflows of resources, thus lowering those revenues. The deferred amounts are expected to be collected in the future, and will be reclassified back to revenues as that occurs. The most significant increase in expenditures was in public safety wages, overtime, and pensions, over \$300 thousand.

The City uses three capital projects funds to budget and account for capital improvement projects and asset purchases in excess of \$10,000 for each project or purchase. All of the capital projects funds are major funds. As part of the financial planning process after the downturn in the economy, the funding for the City's capital improvement projects will be from grants and other restricted revenue sources such as impact fees, as well as fund balance reserves. The spending and resulting decreases of the respective fund balances in the capital projects funds are part of the capital improvement planning process.

As can be seen in the preceding schedule, the fund balances in the New Growth and Reconstruction & Maintenance capital projects funds decreased in 2013 by \$659 thousand and \$686 thousand respectively. Capital projects totaling \$3.4 million were budgeted in the New Growth fund in 2013 while actual expenditures came in at \$953 thousand. The expenditures were primarily offset by project-related grants (\$203 thousand) and impact fees related to residential and commercial construction (\$85 thousand). Capital projects totaling \$1.6 million were budgeted in the Reconstruction and Maintenance fund and most of that was spent (\$1.3 million). Those expenditures were offset by \$608 thousand in funding from grant revenues. The balance of the projects were financed from reserves.

The fund balance in the Parks and Recreation fund increased in 2013 by \$205 thousand as \$136 thousand was spent on projects with total budgets of \$200 thousand. The expenditures were offset by \$241 thousand in revenues from cell tower rentals (\$184 thousand) and impact fees (\$159 thousand).

General Fund Budgetary Highlights

Original budget compared to final budget. As a part of the annual budget process, all purchase orders (budget encumbrances) that remain open at fiscal year-end are re-appropriated in the new fiscal year by resolution. The 2013 budget included amendments of approximately \$60 thousand for products and services ordered by purchase orders in fiscal 2012 that were rolled over and re-appropriated in 2013. In addition, a year-end budget amendment reallocated appropriations between several cost centers to eliminate departmental budget deficiencies; overall appropriations didn't change.

Final budget compared to actual results. The most significant differences between estimated and actual revenues were as follows:

<u>Revenue source</u>	<u>Budgeted Revenues</u>	<u>Actual Revenues</u>	<u>Over / (Under) Budget</u>
Solid Waste Fees	\$ 1,106,203	\$ 818,948	\$ (287,255)
Electric Franchise Fees	1,700,000	1,550,832	(149,168)
Electric Utility Taxes	1,791,956	1,930,995	139,039
Half-Cent Sales Tax	2,400,000	2,617,582	217,582

Solid waste revenues decreased after a one-time charge in 2013, as the outstanding receivable was reassessed and outstanding accounts in the amount of \$287 thousand were considered as not collectible within 6 months after the fiscal year end, and were reclassified from revenues to deferred inflows of resources. (By policy, solid waste revenues collected with six months of the fiscal year end are recognized as revenues in that fiscal year.) Collections on solid waste bills for many distressed properties

have lagged since the housing bubble burst and the downturn in the economy; many of those homeowners are still underwater on their mortgages, and many homes are still in foreclosure. As a result, the unpaid accounts receivable for residential solid waste billings has steadily increased every year since 2006. As noted earlier, the deferred amounts are expected to be collected in the future, and will be reclassified back to revenues as that occurs.

The electric franchise fees and utility tax revenue streams are different components of the same underlying revenue base and, historically, they tended to move in the same direction from year to year. However, a change in the underlying bill components of fuel and non-fuel energy charges caused a significant shift upward in recent years for utility taxes, and a corresponding shift downward for franchise fees. Investigating and analyzing those changes will improve budgeting and forecasting, and the risk of negative changes to the combined revenue streams in future years is considered minimal.

The positive variance of the half cent sales tax is a welcome indicator that the state economy is moving in a positive direction. Sales tax revenues will continue to be budgeted conservatively as the local economy continues to improve.

Several cost centers were over budget in 2013, however, they were offset by budget surpluses in other areas as total appropriations did not change. Public Safety department salaries and overtime caused the most significant budget variances in the general fund.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets on September 30, 2013, net of accumulated depreciation, was \$21.8 million, a decrease of \$12 thousand or 0.1% from 2012. In 2013 the City added assets valued at \$1,317,398 and asset disposals and depreciation were a combined \$1,329,229.

City of Greenacres Capital Assets (in thousands, net of accumulated depreciation)

	<u>2013</u>	<u>2012</u>	<u>Increase / (Decrease)</u>
Land	\$ 7,274	\$ 7,266	0.1%
Buildings	7,090	7,416	(4.4%)
Improvements other than buildings	3,709	3,989	(7.0%)
Furniture, fixtures and equipment	1,091	414	163.5%
Vehicles	1,791	1,949	(8.1%)
Construction in Progress	<u>877</u>	<u>810</u>	8.3%
Total	<u>\$ 21,832</u>	<u>\$ 21,844</u>	(0.1%)

Significant capital asset events during the 2013 fiscal year included:

- Continued work on a major sewer system upgrade along the 10th Avenue North corridor, adding \$493 thousand to the 2012 balance of \$165 thousand in construction-in-progress.
- Addition of a new software system for public safety in the amount of \$616 thousand. Most of that balance was already in construction-in-progress in the prior year, so the impact to new additions for 2013 was minimal.
- A major upgrade project for public administration and accounting software; \$209 thousand was added to construction-in-progress in 2013. The project will be completed in 2014.

Please refer to the prior discussion of major funds above for more details on capital spending and major asset additions, and also Note 6 Capital Assets on page 35.

Debt administration. The City's has very little outstanding debt, consisting only of a public improvement bank note totaling \$3.5 million at year end September 30, 2013. Debt service payments reduced the overall debt by \$253 thousand, or 6.6%, during the year.

The debt position of the City is summarized in the following table and is more fully explained in Note 7 Long-Term Liabilities on pages 35-36.

City of Greenacres Outstanding Debt (in thousands)			
	<u>2013</u>	<u>2012</u>	<u>Increase / (Decrease)</u>
Public Improvement Note Payable	<u>\$ 3,554</u>	<u>\$ 3,807</u>	(6.6%)
Total	<u>\$ 3,554</u>	<u>\$ 3,807</u>	(6.6%)

Economic Factors and Next Year's Budgets and Rates

As a residentially oriented suburb with supporting commercial establishments, the City's economic environment is dependent on Palm Beach County's economic activities as well as that of the State of Florida. The major economic factors include new housing, commercial developments, regional employment and retail activity all of which impact local government revenues.

Other economic factors affecting the City of Greenacres in the new fiscal year include:

- Increasing property values. After falling for six straight years, property values have begun to stabilize as reflected in a small increase of 4.1% in 2013. Although the City elected to go to a roll back millage rate to keep taxes at the same level as in 2013, the revenue is projected to increase in 2014 as a result of new construction.
- Increased sales tax revenues. Sales tax revenues increased in 2013, another sign of an improving economy (noted earlier).
- Building activity increased in 2013, as evidenced by increased revenues from building permits, inspections, and impact fees.
- The interlocal agreement by which the City of Greenacres provides emergency rescue services and fire protection to the neighboring City of Atlantis was renegotiated in 2012, resulting in a 33% increase in contracted revenues in 2013.
- Casualty liability & fleet insurance rates remained stable going into the new fiscal year, and health insurance rates increased 3.7 percent.

The City's financial position remains strong, with very low debt and unassigned general fund balance having a healthy ratio of 30% of total general fund expenditures in 2013.

Budgeted 2014 general fund expenditures, including transfers for debt service, are \$20,992,106, an increase of \$494 thousand, or 2.4%, from 2013 budgeted expenditures. With 2014 revenues projected at

\$20,785,378, it's expected that a budget deficit of \$207 thousand will be funded from general fund reserves in 2014, reducing fund balance from \$12.1 million after the results of operations in 2013 to an estimated \$11.9 million in 2014.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about this report or need additional information, please contact the Director of Finance at 5800 Melaleuca Lane, Greenacres, Florida 33463.

BASIC FINANCIAL STATEMENTS

Statement of Net Position

September 30, 2013	Governmental Activities
Assets	
Cash and cash equivalents	\$ 705,138
Investments	21,262,239
Receivables (net)	
Accounts	1,949,929
Interest	8,452
Grants	513,589
Assessments	6,739
Intergovernmental	30,169
Inventories	27,602
Prepaid items	457,685
Capital assets:	
Non-depreciable	8,151,415
Depreciable (net of accumulated depreciation)	13,680,379
Total Assets	46,793,336
Liabilities	
Accounts payable	718,108
Accrued payroll and related liabilities	452,630
Unearned revenue	457,645
Deposits and other liabilities	46,542
Accrued interest payable	394
Due within one year:	
Compensated absences	814,016
Notes payable	262,552
Due in more than one year:	
Compensated absences	1,233,380
Notes payable	3,291,777
Net OPEB obligation	84,000
Net pension obligation	634,009
Total Liabilities	7,995,053
Deferred Inflows of Resources	228,501
Net Position	
Net investment in capital assets	18,198,964
Restricted for:	
Debt service	525,445
Public safety	182,866
Youth programs	42,762
Arboreous activities	16,110
Capital projects	7,584,869
Unrestricted	12,018,766
Total Net Position	\$ 38,569,782

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

Statement of Activities

For the Fiscal Year Ended September 30, 2013	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Functions/Programs					
Governmental Activities:					
General government	\$ 3,525,732	\$ 494,479	\$ --	\$ --	\$ (3,031,253)
Public safety	13,278,168	2,389,614	484,530	89,435	(10,314,589)
Transportation	1,478,368	--	--	387,171	(1,091,197)
Culture/recreation	1,843,248	301,232	325,492	3,000	(1,213,524)
Physical environment	2,713,871	1,551,473	24,506	728,765	(409,127)
Interest on long-term debt	150,900	--	--	--	(150,900)
Total Governmental Activities	\$ 22,990,287	\$ 4,736,798	\$ 834,528	\$ 1,208,371	(16,210,590)

General Revenues:

Taxes:	
Property taxes	6,210,647
Utility service taxes	3,901,169
Franchise fees based on gross receipts	1,655,466
Intergovernmental shared revenues - unrestricted	3,918,371
Investment earnings - unrestricted	41,552
Miscellaneous revenues	150,649
Total general revenues	15,877,854
Change in net position	(332,736)
Net Position - beginning	38,902,518
Net Position - ending	\$ 38,569,782

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

Balance Sheet
Governmental Funds

September 30, 2013	Capital Projects					Nonmajor Governmental Funds	Total Governmental Funds
	General	New Growth	Parks and Recreation	Reconstruction and Maintenance			
Assets							
Cash and cash equivalents	\$ 705,138	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 705,138
Investments	10,522,520	2,313,335	3,950,213	3,654,382		821,789	21,262,239
Receivables (net)							
Accounts	1,949,929	--	--	--	--	--	1,949,929
Interest	8,452	--	--	--	--	--	8,452
Grants	4,625	81,863	--	407,520		19,581	513,589
Assessments	6,739	--	--	--	--	--	6,739
Intergovernmental	--	30,169	--	--	--	--	30,169
Inventories	27,602	--	--	--	--	--	27,602
Prepaid items	188,080	248,635	--	20,400		570	457,685
Total Assets	\$13,413,085	\$2,674,002	\$3,950,213	\$ 4,082,302	\$	\$ 841,940	\$24,961,542
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ 340,608	\$ 88,607	\$ 30,206	\$ 196,429	\$	\$ 62,258	\$ 718,108
Accrued payroll and related liabilities	444,568	--	--	--	--	8,062	452,630
Unearned revenue	6,386	--	447,392	--	--	3,867	457,645
Deposits and other liabilities	16,667	\$ 29,875	--	--	--	--	46,542
Total Liabilities	808,229	118,482	477,598	196,429		74,187	1,674,925
Deferred Inflows of Resources	516,327	--	--	--	--	--	\$ 516,327
Fund Balances							
Nonspendable:							
Inventory	27,602	--	--	--	--	--	27,602
Prepaid items	188,080	248,635	--	20,400		570	457,685
Restricted for:							
Public Safety Forfeitures	--	--	--	--	--	157,200	157,200
Arborous Activities	--	--	--	--	--	16,110	16,110
Public Safety Donations	--	--	--	--	--	25,666	25,666
Youth Programs	--	--	--	--	--	42,762	42,762
Debt service	--	--	--	--	--	525,445	525,445
New Growth	--	1,711,791	--	--	--	--	1,711,791
Parks	--	--	2,748,702	--	--	--	2,748,702
Transportation	--	--	--	3,124,376	--	--	3,124,376
Committed to:							
Emergency and disaster reserve	2,053,211	--	--	--	--	--	2,053,211
Pension plan reserve	634,009	--	--	--	--	--	634,009
Budget stabilization reserve	2,100,000	--	--	--	--	--	2,100,000
Assigned for:							
Subsequent year's expenditures	206,728	--	--	--	--	--	206,728
Compensated absences reserve	616,690	--	--	--	--	--	616,690
Capital Projects	--	595,094	723,913	741,097	--	--	2,060,104
Unassigned:	6,262,209	--	--	--	--	--	6,262,209
Total Fund Balances	12,088,529	2,555,520	3,472,615	3,885,873		767,753	22,770,290
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$13,413,085	\$2,674,002	\$3,950,213	\$ 4,082,302	\$	\$ 841,940	\$24,961,542

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

Reconciliation of the Balance Sheet - Governmental Funds
To the Statement of Net Position

September 30, 2013

Fund Balances - Total Governmental Funds \$ 22,770,290

Amounts reported for governmental activities in the statement of net position are different because:

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

Governmental capital assets	\$ 37,616,746	
Less accumulated depreciation	(15,784,952)	21,831,794
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Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		287,826
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Long-term liabilities, including notes payable, are not due and payable in the current period and therefore are not reported in the funds. Long-term liabilities at year-end consist of:

Compensated absences	\$ (2,047,396)	
Notes payable	(3,554,329)	
Accrued interest payable	(394)	
Net OPEB obligation	(84,000)	
Net pension obligation	(634,009)	(6,320,128)
<hr/>		

<u>Net Position of Governmental Activities</u>		<u>\$ 38,569,782</u>
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The accompanying notes are an integral part of these basic financial statements.

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds

For the Fiscal Year Ended September 30, 2013	General	Capital Projects			Nonmajor Governmental Funds	Total Governmental Funds
		New Growth	Parks and Recreation	Reconstruction and Maintenance		
Revenues:						
Taxes	\$11,188,626	\$ --	\$ --	\$ --	\$ --	\$11,188,626
Permits and franchise fees	2,041,415	--	--	--	--	2,041,415
Intergovernmental revenues	4,006,977	202,619	--	608,423	309,054	5,127,073
Charges for services	2,799,197	--	--	--	126,907	2,926,104
Fines and forfeitures	123,270	--	--	--	44,394	167,664
Impact fees	--	85,134	159,077	--	--	244,211
Investment	48,208	(2,035)	(2,421)	(4,160)	1,960	41,552
Contributions	10,988	8,400	-	--	15,608	34,996
Rental income	311,316	--	184,114	--	--	495,430
Miscellaneous revenues	126,265	--	-	13,532	800	140,597
Total revenues	20,656,262	294,118	340,770	617,795	498,723	22,407,668
Expenditures:						
Current:						
General government	3,145,262	--	--	--	--	3,145,262
Public safety	12,701,798	--	--	--	525	12,702,323
Transportation	1,449,676	--	--	--	--	1,449,676
Culture/recreation	949,308	--	--	--	422,775	1,372,083
Physical environment	1,723,865	--	--	--	--	1,723,865
Capital outlay	25,657	953,079	136,103	1,304,075	127,483	2,546,397
Debt service:						
Principal	--	--	--	--	252,277	252,277
Interest	--	--	--	--	150,928	150,928
Total expenditures	19,995,566	953,079	136,103	1,304,075	953,988	23,342,811
Excess (deficiency) of revenues over expenditures	660,696	(658,961)	204,667	(686,280)	(455,265)	(935,143)
Other financing sources (uses):						
Transfers in	--	--	--	--	410,000	410,000
Transfers out	(410,000)	--	--	--	--	(410,000)
Total other financing sources (uses)	(410,000)	--	--	--	410,000	--
Net change in fund balances	250,696	(658,961)	204,667	(686,280)	(45,265)	(935,143)
Fund balances - beginning	11,837,833	3,214,481	3,267,948	4,572,153	813,018	23,705,433
Fund balances - ending	\$12,088,529	\$2,555,520	\$3,472,615	\$ 3,885,873	\$ 767,753	\$22,770,290

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

Reconciliation of the Statement of Revenues, Expenditures, and Changes
In Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended September 30, 2013

Net change in fund balances - total governmental funds \$ (935,143)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful life.

Expenditures for capital assets	\$ 1,317,398	
Less current year depreciation	(1,315,358)	2,040
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The net effect of the various miscellaneous transactions involving capital assets (i.e. sales).		(14,237)
-------------------------------------------------------------------------------------------------	--	----------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds:

Solid waste collection fees		287,826
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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 the governmental funds:

Accrued interest payable	\$ 394	
Compensated absences	(17,688)	
Net OPEB obligation	(18,000)	
Net pension obligation	109,795	74,501
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The repayment of the principal on long-term debt consumes current financial resources of the governmental funds. This transaction, however, has no effect on net assets.		252,277
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Change in Net Position of Governmental Activities		\$ (332,736)
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The accompanying notes are an integral part of these basic financial statements.

Statement of Fiduciary Net Position

September 30, 2013	Public Safety Officers' and Firefighters' Pension Plan
<hr/>	
Assets	
Cash and cash equivalents	\$ 235,836
Investments:	
Mutual funds	17,905,364
Contributions receivable	78,675
<hr/>	
Total assets	\$ 18,219,875
Net Position	
held in trust for pension benefits	\$ 18,219,875
<hr/>	

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

Statement of Changes in Net Position
Fiduciary Funds

For the Fiscal Year Ended September 30, 2013	Public Safety Officers' and Firefighters' Pension Plan
<hr/>	
Additions:	
Contributions:	
Employer	\$ 1,082,540
Plan members	203,198
State on-behalf payments	438,413
<u>Total Contributions</u>	<u>1,724,151</u>
Investment income:	
Net increase in fair value of investments	1,837,242
<u>Total additions</u>	<u>3,561,393</u>
Deductions:	
Benefits paid and refunds of member contributions	23,329
Administrative expense	51,116
<u>Total Deductions</u>	<u>74,445</u>
Net Increase	3,486,948
Net Position held in trust for pension benefits	
Net position - beginning	14,732,927
<u>Net position - ending</u>	<u>\$ 18,219,875</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Greenacres, Florida (the “City”) is a municipal corporation organized under Florida Statutes. The City was originally incorporated in 1926 and was reincorporated in 1947 pursuant to Special Act 24537, Laws of Florida 1947. The City operates under the Council-Manager form of government and provides a wide range of community services including general government, public safety, building inspection, zoning and land use planning, transportation, culture and recreation, and physical environment. The City Council (the “Council”) is responsible for legislative and fiscal control of the City.

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

Financial Reporting Entity

Under governmental accounting and financial reporting standards, the City’s reporting entity consists of the City, organizations for which the City is financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City’s financial statements to be misleading or incomplete. The City is considered financially accountable if it appoints a voting majority of an organization’s governing body and is either able to impose its will on that organization, or has a financial benefit/burden relationship with the organization. The City may also be financially accountable if an organization is fiscally dependent on the primary government and the two also have a financial benefit or burden relationship. Based on the application of these criteria, there were no organizations that met the criteria described above.

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 City. The effect of interfund activity has been removed from these statements.

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

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

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements and pension trust funds 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.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for solid waste collection fees and ambulance transport fees which are considered available if collected within six months 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, are recorded only when payment is due.

Property taxes, franchise taxes, 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 fiscal period. Revenues for expenditure driven grants are recognized when the qualifying expenditures are incurred. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The *General Fund* is the primary operating fund of the City and is used to account for all financial resources applicable to the general operations of the City except those required to be accounted for in another fund.

The *New Growth Fund*, a capital projects fund, is used to account for financial resources used for the acquisition or construction of new and expanded public infrastructure for all purposes, except for parks, resulting from the growth of the City.

The *Parks and Recreation Fund*, a capital projects fund, is used to account for financial resources used for the acquisition or construction of City parks.

The *Reconstruction and Maintenance Fund*, a capital projects fund, is used to account for financial resources used for the acquisition or construction of major capital facilities not accounted for in other funds.

Additionally, the City reports the following fund type:

The *Pension Trust Fund*, which is a fiduciary fund, is used to account for the activities of the Public Safety Officers and Firefighters Retirement Plan.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

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

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 needed.

Assets, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance

Deposits and Investments

The City's cash and cash equivalents include cash on hand, time and demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Resources of all funds, except the pension trust fund, have been combined into a pooled cash and investment system for the purpose of maximizing earnings. Income earned on pooled cash and investments is allocated monthly based upon the equity balances of the individual funds.

The Florida PRIME is recorded at the value of the pool shares (2a-7 like pool), which is fair value. Fund B is a fluctuating NAV pool and is reported based on the fair value factor. The City's investment in the Florida Municipal Investment Trust is valued using the pooled share price, which is fair value.

Investments of the City's pension plan are held in the Florida Municipal Pension Trust Fund, administered by the Florida League of Cities. The investments are valued using the pooled share price, which is fair value.

Receivables

Receivables include amounts due from other governments and others for services provided by the City. Receivables are recorded and revenues are recognized as earned or as specific program expenditures are incurred. Allowances for uncollectible receivables are based upon historical trends and the periodic aging of receivables.

Inventories

Inventories consist of expendable supplies held for consumption which are carried at average cost. The City accounts for inventories using the consumption method, under which expenditures are recognized only when inventory items are used. In the governmental funds, the reported inventories are offset by the nonspendable fund balance component which indicates that they do not constitute "available spendable resources," even though it is a component of current assets.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance (Continued)

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. In the governmental funds, prepaid items are recorded using the consumption method and are offset by the nonspendable fund balance component which indicates that they do not constitute “available spendable resources,” even though they are a component of current assets.

Capital Assets

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an estimated life in excess of one year and an initial individual cost of \$25,000 or more for land improvements and intangible assets, \$50,000 or more for buildings, \$50,000 or more for building improvements, \$5,000 or more for machinery and equipment, \$5,000 or more for vehicles, and \$250,000 or more for infrastructure assets. Major general infrastructure assets acquired in fiscal years ending after June 30, 1980, or significantly reconstructed or improved during that multi-year period, have not been capitalized since total infrastructure is less than five percent of total general capital assets, and accordingly, do not meet the capitalization requirements of GASB Statement No. 34.

When purchased, capital assets are recorded as expenditures in the governmental funds and capitalized as assets in the government-wide statement of net position. General capital assets are carried at historical cost. Where cost cannot be determined from the available records, estimated historical cost has been used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their fair value at the date of donation. Additions, improvements, and other capital outlay that significantly extend the useful life of an asset are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset’s life are not capitalized.

Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation. The estimated lives for each major class of depreciable fixed assets are as follows:

Buildings and improvements	20 years
Improvements other than buildings	10 years
Furniture, fixtures and equipment	3-10 years
Vehicles	5 years

Unearned Revenue

Unearned revenue represents the increase in assets prior to eligibility criteria being met.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Assets, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance** (Continued)**Deferred outflows/inflows of resources**

In addition to assets, the statement of financial position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. There are two types of items that qualify for reporting in this category:

- 1) Business tax receipts that are received by the City prior to the period for which the taxes are levied are reported as deferred inflows on both the government-wide statement of net position, and on the governmental funds balance sheet.
- 2) Solid waste fees that are not received within six months of the end of the fiscal year don't meet the availability criterion of the modified accrual basis of accounting, and therefore are reported as deferred inflows only on the governmental funds balance sheet.

As of September 30, 2013 the City had reported the following deferred inflows of resources in the Governmental Funds Balance Sheet:

Unearned revenue-business tax licenses	\$228,501
Unavailable revenue-solid waste fees	287,826
<u>Total Deferred inflows of resources</u>	<u>516,327</u>

Compensated Absences

The City's employees are granted a specific amount of vacation and sick leave, which is payable upon separation of service in varying amounts based on length of service. Accrued vacation leave is paid in full upon separation of employment up to a maximum of 240 hours for employees and 320 hours for the City Manager. Accrued sick leave is paid in full upon separation of employment after ten years of service up to a maximum of 960 hours. Bargaining unit employees hired after June 28, 2000 and general employees hired after October 16, 2006, are paid a percentage of the total accrued sick leave based on the number of completed years of service. Vacation is accrued as a liability in the government-wide statements when the employee earns the benefit. This means that the employee has rendered services that give rise to a vacation liability and it is probable that the City will compensate the employee in some manner, for example, in cash or paid time off, now or upon termination or retirement. The City uses the vesting method in accruing the sick leave liability. Under the vesting method, a liability for sick leave is accrued for employees who are eligible to receive termination benefits upon separation.

Compensated absences are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements. For the governmental funds, compensated absences are liquidated by the general fund.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance (Continued)

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method which does not significantly differ from the effective interest method. Bonds 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 another financing source. 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.

Net Position

Equity in the government-wide statement of net position is displayed in three categories: 1) net investment in capital assets, 2) restricted, 3) unrestricted. Net investment in capital assets consist of capital assets reduced by accumulated depreciation and by any outstanding debt and deferred inflows/outflows of resources incurred to acquire, construct, or improve those assets, excluding unexpended proceeds. Restricted net position is that portion of net position that has been restricted for general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of either of the other two components.

Fund Equity

Nature and purpose of classifications. In the financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which the amounts in those funds can be spent.

The City reports the following classifications:

Non-spendable fund balances. Amounts that cannot be spent because they are either a) not in spendable form (like inventories, or prepaid items), or b) legally or contractually required to remain intact.

Restricted fund balances. Amounts that are restricted to specific purposes by either a) externally enforceable legal restrictions imposed by parties outside the government, such as creditors (through debt covenants), grantors, contributors, or other governments (through laws and regulations), or b) by law through the City's own constitution, or enabling legislation, (legislation that authorizes the City to assess, levy, charge, or otherwise mandate payments from external service providers, and with a legally enforceable requirement that those resources may be used only for the specific purposes stipulated in the legislation).

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance (Continued)

Fund Equity (continued)

Committed fund balances. Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution, ordinance or council policy) of the City's highest level of decision making authority (the City Council). Resolutions, ordinances, and council policies are all considered the highest level action within the City and are all equally binding. The City's fund balance policy, adopted by the City Council, establishes reserves to be reported under this classification, the purposes for which the reserved funds may be utilized, and the procedures for replenishing the reserve funds if used.

Assigned fund balances. Amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed are classified as assigned fund balances. Assignments are made by City Manager by the authority of the fund balance policy, adopted by City Council resolution.

Unassigned fund balances. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

Minimum Level of Unassigned Fund Balance Policy

The City's fund balance policy establishes a minimum unassigned fund balance level of 25% of the operating expenditures of the current fiscal year. If unassigned fund balance falls below the established level, a plan to replenish that amount back to the required level over a three year period will be developed.

The fund balance policy also establishes a spending order when a qualifying expenditure is incurred for which those funds are available, of restricted fund balances first, followed by committed, then assigned, and finally unassigned fund balances.

Encumbrances

Purchase orders are issued throughout the year to encumber budgets for expenditures. Significant encumbrances as of September 30, 2013 are:

Major funds:

General Fund	\$ 48,612
Parks and Recreation Capital Projects Fund	29,686
New Growth Capital Projects Fund	458,464
Reconstruction and Maintenance Capital Projects Fund	160,003

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balance (Continued)

Use of Estimates

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States of America. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenditures/expenses during the period reported. These estimates include assessing the collectibility of accounts receivable, the use and recoverability of inventory, and useful lives and impairment of tangible assets, among others. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from those estimates.

Implementation of Governmental Accounting Standards Board Statements with Impact on the Financial Statements

The City implemented the following GASB Statements during the fiscal year ended September 30, 2013:

GASB Statement No. 62 Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.

This statement incorporates into GASB literature certain accounting and financial reporting guidance contained in Pre-November 30, 1989 FASB and AICPA Pronouncements which does not conflict with GASB pronouncements which had no impact on the financial information in the current year.

GASB Statement No. 63 Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.

This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. It further identifies net position as the residual of all other elements presented in a statement of net position.

GASB Statement No. 65 Items Previously Reported as Assets and Liabilities.

This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities.

2 – PROPERTY TAXES

Property taxes (ad valorem taxes) are levied on October 1st (lien date) and become due and payable on November 1st, with discounts of one to four percent if paid prior to March 1st of the following calendar year. All unpaid taxes become delinquent on April 1st and accrue interest charges from April 1st until a tax sale certificate is sold at auction.

Assessed values are established by the Palm Beach County Property Appraiser as of July 1st at approximately fair value. Taxes are collected by the County and remitted to the City. Revenue is recognized at the time monies are received from the County.

The City is permitted by the Florida Constitution to levy taxes up to \$10 per \$1,000 (10 mills) of assessed valuation for general governmental services (other than the payment of principal and interest on general obligation long-term debt). In addition, unlimited amounts may be levied for the payment of principal and interest on taxpayer approved general obligation long-term debt. The millage rate levied by the City for the fiscal year ended September 30, 2013 was 5.650.

3 – DEPOSITS AND INVESTMENTS

Deposits

All of the City's deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*. Under the Act, every qualified public depository shall deposit with the Treasurer eligible collateral of the depository to be held subject to his or her order. The Treasurer, by rule, shall establish minimum required collateral pledging levels. The pledging level may range from 25% to 125% of the average monthly balance of public deposits depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any potential 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. At year end, the City's deposits included \$1 million of certificates of deposit with terms to maturity of more than three months when purchased. These certificates of deposits are reported as investments.

Investments - City

The investment of surplus public funds is governed by an ordinance of the City Council. The ordinance limits investment of surplus funds to the following:

1. The investment pool administered by the SBA or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act (Florida Statute Section 163.01);
2. Negotiable direct obligations of, or obligations the principal and interest of which are unconditionally guaranteed by the U.S. Government at the prevailing market price for such securities (U.S. Treasuries and Agencies);
3. U.S. Government Agency Securities and Instrumentalities of Government Sponsored Enterprises; carrying the implied faith and credit of the U.S. Government, including participation certificates and mortgage pass-throughs;
4. Interest-bearing time deposits or savings accounts in qualified public depositories as prescribed by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes;

3 – DEPOSITS AND INVESTMENTS (Continued)**Investments – City** (Continued)

5. Certificates of deposit and other evidences of deposit at qualified depositories, bankers' acceptances, and commercial paper, rated in the highest tier (e.g., A-1, P-1, F-1, or D-1 or higher) by a nationally recognized rating agency;
6. Shares of any money market mutual fund that is registered with the Securities and Exchange Commission, has the highest credit quality rating from a nationally recognized statistical rating organization, and has a portfolio which is limited to direct obligations of the U.S. Government or any agency or instrumentality thereof.

The State Board of Administration (SBA) administers the Florida PRIME, and the Fund B Surplus Funds Trust Fund. (Fund B), both of which are governed by Chapter 19-7 of the Florida Administrative Code and Chapters 218 and 215 of the Florida Statutes. These rules provide guidance and establish the policies and general operating procedures for the administration of the Florida PRIME and Fund B. The Florida PRIME is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operating procedures consistent with the requirements for a 2a-7 fund, which permits money market funds to use amortized cost to maintain a constant net asset value (NAV) of \$1 per share. The fair value of the position in the Florida PRIME is equal to the value of the pool shares. The Fund B does not meet the requirements of an SEC 2a-7 like fund and therefore is accounted for as a fluctuating NAV pool. As of September 30, 2013, the fair value factor for Fund B was \$1.13262284 per share. The Fund B is not subject to participant withdrawal requests. Distributions from Fund B, as determined by the SBA, are effected by transferring eligible cash or securities to the Florida PRIME, consistent with the pro rata allocation of pool shareholders of record at the creation of Fund B. One hundred percent of such distributions from Fund B are available as liquid balances within the Florida PRIME. The investments in the Florida PRIME and Fund B are not insured by FDIC or any other governmental agency.

The Florida Municipal Investment Trust (Municipal Trust) was created under the laws of the State of Florida to provide eligible units of local government with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Florida League of Cities serves as the administrator, investment manager and secretary-treasurer of the Trust. The Municipal Trust is not a registrant with the Securities and Exchange Commission (SEC); however the Board has adopted operating procedures consistent with the requirements for a "2a-7 like" pool.

As of September 30, 2013, the City had the following investments:

Investment	Fair Value	Weighted Average Maturity	Credit Rating
Florida PRIME	\$ 8,897,965	44 days	AAAm S&P
Fund B	176,272	4.04 years	Not Rated
FMIvT 0-2 Year High Quality Bond Fund	5,843,237	0.68 years	AAA/V1 Fitch
FMIvT 1-3 Year High Quality Bond Fund	5,143,656	1.59 years	AAA/V2 Fitch
FMIvT Intermediate High Quality Bond Fund	201,109	3.78 years	AAA/V3 Fitch
Certificate of Deposit	1,000,000	N/A	Not Rated
Total Investments	\$ 21,262,239		

3 – DEPOSITS AND INVESTMENTS (Continued)**Investments – City** (Continued)**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City has an investment policy of structuring the investment portfolio so that the securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in short-term securities, money market mutual funds, or similar investment pools unless it is anticipated that long-term securities can be held to maturity without jeopardizing the liquidity requirements.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its own obligations. The City's investment policy limits investments to the highest ratings issued by a nationally recognized statistical rating organization (NRSRO).

Concentration of Credit Risk

The City's investment policy states that assets shall be diversified to control the risk of loss resulting from concentration of assets to a specific maturity, instrument, issue, dealer, or bank through which these securities are bought and sold. As of September 30, 2013, the value of each position held in the City's portfolio is less than 5% in any one issuer.

Investments – Public Safety Officers' and Firefighters' Retirement Plan

Funds are held for the City's Public Safety Officers' and Firefighters' Retirement Plan (the "Plan") in the Florida Municipal Pension Trust Fund (FMPTF), administered by the Florida League of Cities. The program was established for the purpose of collectively managing individually designed pension plans of participating investment and administrative services for eligible governmental agencies in Florida. Any agency or political subdivision in the State of Florida is eligible to participate. Each participating entity must agree to abide by the terms, duties, rights, and obligations as set forth in the Trust Joinder Agreement and the Master Trust Agreement of the Florida Municipal Pension Trust Fund. Pension plan assets are invested by the FMPTF through the Florida Municipal Investment Trust.

At September 30, 2013, the Plan had the following investments:

Investment	Fair Value	Weighted Average Maturity	Credit Rating
FMIvT Broad Market High Quality Bond Fund	\$ 7,038,785	5.54 years	AA/V4 Fitch
FMIvT High Quality Growth Portfolio	1,433,155		Not Rated
FMIvT Diversified Small Cap Equity Portfolio	1,415,014		Not Rated
FMIvT Russell 1000 Enhanced Index Fund	4,136,193		Not Rated
FMIvT Diversified Small to Mid Cap	1,995,532		Not Rated
FMIvT International Blend Portfolio	1,886,685		Not Rated
Total Investments	\$ 17,905,364		

3 – DEPOSITS AND INVESTMENTS (Continued)

Investments – Public Safety Officers’ and Firefighters’ Retirement Plan (Continued)

Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment’s fair value. The Plan has a maximum maturity at purchase of 180 days with a total average maturity, at any point in time, for all repurchase agreements held of not greater than 60 days. Banker’s acceptances maximum maturity shall not exceed 270 days from the time of purchase. Nonnegotiable certificates of deposit shall not exceed 2 years. No investments held in the portfolio exceed these limits.

Credit Risk

The Plan allows investments in rated investments in Commercial paper with A1/P1 or a comparable rating as provided by two of the top nationally recognized statistical rating organizations; and that the corporation’s long-term debt, if any, is rated at least A1/A+ by a nationally recognized statistical rating organization or, if backed by a letter of credit (LOC), the long-term debt of the LOC provider must be rated at least AA (or comparable rating) by at least two of the nationally recognized statistical rating agencies publishing ratings for financial institutions. Banker’s acceptances issued with the U.S. by institutions with a long-term debt rating of at least AA or short term debt rating of P1 (or comparable rating) as provided by one nationally recognized statistical rating organization. Nonnegotiable certificates of deposit must be rated at least A1/P1 (or comparable rating) and a long-term rating of at least A (or comparable rating) as provided by two of the top nationally recognized rating agencies. Guaranteed investment contracts must be rated in the highest category by AM Best Rating System or a comparable nationally recognized statistical rating organization. All investments held in the portfolio meet these requirements.

Concentration of Credit Risk

The Plan allows no more than \$5 million in certificates of deposit with any one depository at one time. Corporate fixed income securities are limited to no more than 5% of any one corporation at the time of purchase. No more than \$10 million in investment agreements with other financial institutions may be entered into with any one financial institution. No investments exceeded these limits.

Risks and Uncertainties

The Plan has investments in a variety of investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect balances and the amounts reported in the statement of plan net position and the statement of changes in plan net position.

4 – RECEIVABLES

Receivables for the City's individual major funds and non-major funds in the aggregate, including applicable allowances as of September 30, 2013 are as follows:

	General Fund	New Growth Fund	Parks and Recreation Fund	Reconstruction and Maintenance Fund	Nonmajor Governmental Funds	Total
Receivables:						
Accounts Receivable	\$2,154,850	\$ --	\$ --	\$ --	\$ --	\$2,154,850
Interest Receivable	8,453	--	--	--	--	8,453
Grants Receivable	4,625	81,863	--	407,520	19,581	513,589
Assessments Receivable	6,739	--	--	--	--	6,739
Intergovernmental	--	30,169	--	--	--	30,169
Total Receivables	2,174,667	112,032	--	407,520	19,581	2,713,800
Less Allowance for Uncollectible Amounts	(204,922)	--	--	--	--	(204,922)
Net Total Receivables	\$1,969,745	\$ 112,032	\$ --	\$ 407,520	\$ 19,581	\$2,508,878

5 – INTERFUND TRANSACTIONS

The following is a summary of interfund transfers for the year ended September 30, 2013:

Fund	Transfers In	Transfers Out
Major Fund		
General Fund	\$ --	\$ 410,000
Nonmajor Governmental Funds	410,000	--
Total Interfund Transfers	\$ 410,000	\$ 410,000

Transfers to the nonmajor funds include \$410,000 to the Municipal Complex debt service fund for principal and interest payments on the Public Improvement Note, Series 2004A.

6 – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2013 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets not Being Depreciated				
Land	\$ 7,265,636	\$ 8,400	\$ --	\$ 7,274,036
Construction-in-progress	810,324	712,407	(645,352)	877,379
Total Capital Assets not Being Depreciated	8,075,960	720,807	(645,352)	8,151,415
Capital Assets Being Depreciated				
Buildings	13,064,152	--	--	13,064,152
Improvements other than buildings	8,954,462	109,080	--	9,063,542
Furniture, fixtures, and equipment	1,940,436	877,481	(185,955)	2,631,962
Vehicles	4,896,969	255,382	(446,676)	4,705,675
Total Capital Assets Being Depreciated	28,856,019	1,241,943	(632,631)	29,465,331
Less Accumulated Depreciation for				
Buildings	(5,648,420)	(325,274)	--	(5,973,694)
Improvements other than buildings	(4,965,441)	(389,867)	--	(5,355,308)
Furniture, fixtures, and equipment	(1,526,237)	(200,623)	185,955	(1,540,905)
Vehicles	(2,948,256)	(399,594)	432,805	(2,915,045)
Accumulated Depreciation	(15,088,354)	(1,315,358)	618,760	(15,784,952)
Total Capital Assets Being Depreciated, Net	13,767,665	(73,415)	(13,871)	13,680,379
Total Capital Assets, Net	\$ 21,843,625	\$ 647,392	\$(659,223)	\$ 21,831,794

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	\$ 200,523
Public safety	550,750
Culture/recreation	386,124
Physical environment	154,871
Transportation	23,090
Total Depreciation Expense	\$ 1,315,358

7 – LONG-TERM DEBT

The following is a summary of changes in long-term liabilities during the year ended September 30, 2013:

	Balance October 1, 2012	Additions	Deletions	Balance September 30, 2013	Due Within One Year
Public improvement note, 2004A	\$ 3,806,606	\$ -	\$ 252,277	\$ 3,554,329	\$ 262,552
Compensated absences	2,029,708	950,915	933,227	2,047,396	814,016
Total	\$ 5,836,314	\$ 950,915	\$ 1,185,504	\$ 5,601,725	\$ 1,076,568

7 – LONG-TERM DEBT (Continued)

Public Improvement Note, Series 2004A

The Public Improvement Note, Series 2004A was issued in September 2004 in the amount of \$5,500,000 for the purpose of financing the construction of a new public works facility and municipal complex. Principal and interest payments are due semi-annually on March 29th and September 29th, with interest at 4.0325%. The note is payable from the City’s legally available non-ad valorem revenues and at September 30, 2013, principal and interest to maturity in 2024 to be paid from pledged future revenues totaled \$4,435,861. In the event that the City makes any optional prepayment of principal and/or interest, the City must make a prepayment premium based on various elements such as discount rate, prepayment date, etc. The City shall also pay any customary administrative fees in connection with any prepayment.

The annual debt service requirements to amortize the Series 2004A note are as follows:

	Principal	Interest	Total
Year Ending September 30			
2014	262,552	140,708	403,260
2015	273,246	130,014	403,260
2016	284,376	118,884	403,260
2017	295,959	107,301	403,260
2018	308,014	95,246	403,260
2019-2023	1,738,796	277,504	2,016,300
2024	391,386	11,875	403,261
Total	\$ 3,554,329	\$ 881,532	\$ 4,435,861

8 – FRS - FLORIDA RETIREMENT SYSTEM PENSION PLAN AND FRS – RETIREE HEALTH INSURANCE SUBSIDIARY PROGRAM

FRS - Florida Retirement System Pension Plan

Plan Description

All full-time employees hired before January 1, 1996, are eligible to participate in the Florida Retirement System Pension Plan (FRS), a cost sharing, multiple-employer, public retirement system controlled by the State Legislature and administered by the State of Florida Department of Administration, Division of Retirement. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. A post-employment health insurance subsidy is also provided to eligible employees through the Retiree Health Insurance Subsidy Program. A defined contribution plan alternative to the Pension Plan, the Florida Retirement System Investment Plan, is available to Florida Retirement System members.

Benefits are established by Chapter 121, Florida Statutes, and Chapter 22B, Florida Administrative Code. Amendments to the law can only be made by an act of the Florida Legislature.

The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The report may be obtained by writing to the State of Florida Division of Retirement, P.O. Box 9000, Tallahassee, Florida 32315-9000; or e-mailing Research & Education at rep@dms.MyFlorida.com, or calling toll free at 877-377-1737.

8 – FLORIDA RETIREMENT SYSTEM (Continued)

Florida Retirement System Pension Plan (Continued)

Funding Policy

The Florida Retirement System funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due based upon plan assumptions. The FRS pension plan allocation rates include a required 3% employee contribution. In addition, the City's employer contribution rates by job class for the City's employees at September 30, 2013 were as follows: regular employees 5.18%, special risk employees 14.90%, senior management employees 6.30% and elected officials 10.23%. The City's combined contributions to the Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program (see below) for the fiscal years ended September 30, 2011 through 2013 were \$427,220, \$309,771, and \$332,754, respectively, which were equal to 100% of the required contributions for each fiscal year.

Employer and employee contribution rates are established by state law as a level percentage of payroll. Employer contribution rates are determined using the entry-age actuarial cost method. The consulting actuary recommends rates based on the annual valuation, but actual contribution rates are established by the Florida Legislature. Unfunded actuarial liability as a result of past and future plan benefit changes, assumption changes, or methodology changes, and actuarial gains and losses are being amortized over 30 years, using level percentage of payroll amounts. Only gains reserved for rate stabilization will be amortized on a rolling 10 percent basis, as a level dollar amount.

FRS - Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy Program (HIS) is a cost-sharing multiple-employer defined benefit plan. Benefit provisions are established under section 112.363, Florida Statutes, which may be amended by the Florida Legislature.

Funding Policy

The State's current funding policy for the HIS is pay-as-you-go and provides for monthly employer contributions currently set as the legislatively determined rate of 1.11 percent of annual covered payroll. The consulting actuary recommends rates based on the biannual valuation, but actual contribution rates are established by the Florida Legislature. The pay-as-you-go annual required contribution (ARC) based on GASB Statement 27 calculated by the consulting actuary in the July 1, 2012, actuarial valuation is 1.71% of active payroll (including DROP payroll). The State's funding policy requires a contribution rate that is different than the annual required contribution based on GASB Statement 27, which is an accounting disclosure. To the extent the contribution rate required to fund the HIS Program is different than the computed annual required contribution, adjustments in the Net Pension Obligation will occur from year to year.

The most recent actuarial valuation of the HIS Program as a defined benefit plan was completed on July 1, 2012. It is anticipated that future valuations will be prepared on a biennial basis with the next valuation of the HIS Program scheduled for July 1, 2014. The valuation was prepared to comply with the GASB Statement 27 whose purpose is to require accrual accounting for pension benefits. The GASB Statement 27 became effective in 1996. The July 1, 2006, FRS defined benefit program valuation represented the

8 – FLORIDA RETIREMENT SYSTEM (Continued)

Retiree Health Insurance Subsidy Program (Continued)

first year that the HIS was determined to be a pension benefit and thus covered by the GASB Statement 27. There was no retroactive application (i.e. no preparing valuation) back to the 1996 effective date of the Statement.

9 – EMPLOYEE RETIREMENT PLANS

Public Safety Officers' and Firefighters' Retirement Plan

Plan Description

The City of Greenacres Public Safety Officers' and Firefighters' Retirement Plan (the "Plan") is a single employer defined benefit pension plan established by the City in accordance with Florida Statutes, Chapters 175 and 185, to provide retirement, disability, annual cost-of-living adjustments, and death benefits to public safety officers and firefighters hired on or after January 1, 1996. The Plan administrator is the Florida League of Cities. This Plan is considered to be part of the City's financial reporting entity and is recorded as a Pension Trust Fund. The Plan does not issue a standalone financial report.

The Plan was amended on March 7, 2005 to shorten the vesting period, reduce the required employee contributions, reduce the City's required contributions, and increase the on-behalf payments from the State of Florida. The amendments were enacted by Ordinances 2005-01 and 2005-02 adopted by the City Council and unanimously recommended by the Board of Trustees for the Plan. The Plan was also amended on May 5, 2008 to give firefighters and public safety officers participating in the City of Greenacres General Employees Retirement Plan a one-time option to become members of the Plan and buy back credited years of service. The amendment was enacted by Ordinance 2008-13 adopted by the City Council.

Plan members who complete 6 or more years of credited service and attain age 55 or complete 25 years of credited service, regardless of age, are eligible for normal retirement benefits. Early retirement may be taken any time after vesting. Benefits vest after six years of credited service.

The monthly retirement benefit is equal to the number of years of credited service multiplied by 3% of average final compensation. Average final compensation means 1/12 of the average annual compensation of the five best years of the last ten years of credited service prior to retirement. In the event of early retirement, benefits are reduced a maximum of 3% for each year before the normal retirement date. As of September 30, 2013, Plan membership consisted of 76 active employees, and one retiree currently receiving benefits.

Basis of Accounting

The Plan's financial statements are prepared using the accrual basis of accounting. Contributions from the Plan's members are recognized as revenue in the period in which the contributions are due. Contributions from the City, as calculated by the Plan's actuary, are recognized as revenue when due and when the City has made a formal commitment to provide the contributions. Expenses are recognized in the accounting period incurred, if measurable. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

9 – EMPLOYEE RETIREMENT PLANS (Continued)

Public Safety Officers’ and Firefighters’ Retirement Plan (Continued)

Method Used to Value Investments

Investments of the pension trust fund are reported at fair value. Net appreciation in fair value of investments includes realized and unrealized gains and losses.

Funding Policy

Funding for the Plan consists of contributions from members, the State of Florida, and the City. Plan members are required to contribute 4.0% of their annual covered compensation. The City is required to contribute the remaining amount to fund the Plan. Plan provisions and contribution rates may be amended by the City Council based upon the recommendations of the Board of Trustees, subject to the minimum requirements of Florida Statutes.

The Florida Constitution requires local governments to make the actuarially determined contribution. The Florida Division of Retirement reviews and approves each local government’s actuarial report prior to its being appropriated for use for funding purposes. Additionally, the State collects locally authorized insurance premium surcharges which can only be distributed after the State has ascertained that the local government has met its actuarial funding requirement for the then most recently completed fiscal year. The State of Florida makes a contribution to the Public Safety Officers and Firefighters Retirement Plan from the Casualty Insurance Premium Tax and the Fire Insurance Premium Tax. For the fiscal year ended September 30, 2013, \$438,413 was recorded as a revenue and expenditure in the General Fund relating to on-behalf payments received from the State.

Annual Pension Cost and Net Pension Obligation

The City’s current contribution was determined through an actuarial valuation performed as of October 1, 2011. Significant actuarial assumptions in the October 1, 2012 actuarial valuation, the latest valuation available, are as follows:

Actuarial cost method	Aggregate
Amortization method	Level percentage, open
Remaining amortization period	30 years
Asset valuation method	Market Value
Actuarial assumptions:	
Investment rate of return	7.25%
Projected salary increase	5.00%-8.00%
Cost of living adjustment	3.00%
Inflation rate	3.00%

As noted above, the Plan utilizes the aggregate actuarial cost method to determine the annual required contribution of the employer to the Plan. Because this method does not identify or separately amortize unfunded actuarial liabilities, information about the Plan’s funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose and the information presented is intended to serve as a surrogate for the funded status and funding progress of the Plan.

9 – EMPLOYEE RETIREMENT PLANS (Continued)**Public Safety Officers' and Firefighters' Retirement Plan** (Continued)**Annual Pension Cost and Net Pension Obligation** (Continued)

The City's annual pension cost and net pension obligation for the current year is as follows:

Annual Required Contribution (ARC)	\$1,286,527
Interest on Net Pension Obligation (NPO)	53,926
Adjustment to ARC	(31,708)
Annual Pension Cost (APC)	1,308,745
City/State Contributions Made	(1,418,540)
(Decrease) in NPO	(109,795)
Net Pension Obligation, October 1, 2012	743,804
Net Pension Obligation, September 30, 2013	\$ 634,009

Fiscal Year End	Three-Year Trend Information		
	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
9/30/2011	\$1,371,964	112.00%	\$683,975
9/30/2012	1,437,788	97.00%	743,804
9/30/2013	1,308,745	108.00%	634,009

Funded Status and Funding Progress

The funded status and funding progress of the Plan as of the October 1, 2012 actuarial valuation date was as follows:

Actuarial value of assets	\$14,074,637
Actuarial accrued liability (AAL)	\$14,905,359*
Unfunded actuarial accrued liability (UAAL)	\$830,722
Funded ratio	94.43%
Covered payroll	\$5,018,761
UAAL as a percentage of covered payroll	16.55%

* For purposes of this schedule, the AAL for the Plan is determined using the entry age actuarial cost method. Note that the ARC is calculated using the aggregate actuarial cost method.

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

9 – EMPLOYEE RETIREMENT PLANS (Continued)

General Employees' Retirement Plan – Defined Contribution Plan

The City of Greenacres General Employees' Retirement Plan is a defined contribution pension plan. Defined contribution plans have terms that specify how contributions to an individual's account are to be determined rather than the amount of pension benefits the individual is to receive. In a defined contribution plan, the pension benefits a participant will receive depend only on the amount contributed to the participant's account, earnings on investments of these contributions, and forfeitures of other participants' benefits that may be allocated to the participant's account. Under the terms of the Plan agreement, all forfeitures are credited to the City. Plan assets are not considered the City's assets; therefore, they are not included in the City's basic financial statements. The Plan does not issue a standalone financial report.

The City's plan establishes two accounts, or plans; a 401(a) plan into which the City makes pension contributions on behalf of the employees, and a 457(b) (a deferred compensation plan) plan for the employees to make voluntary contributions to supplement their pensions. Vesting applies only to the 401(a) plan, as described below. Employee contributions to the 457(b) plan are completely owned by the employees.

The City is required to contribute 5% of annual covered payroll to the 401(a) plan. Plan members may make voluntary contributions to the 457(b) plan of amounts up to 100% of compensation, including bonuses and overtime, up to the maximum annual contribution allowed by law. If the City makes matching contributions, the amount of matching contributions in a plan year will be 100% of each member's contributions up to 2.5% of the member's compensation. Employer and member contributions for the year ended September 30, 2013, were \$226,719 and \$128,573, respectively, which were equal to the required contributions.

Vesting of the City's contributions in the 401(a) plan commences after two years of certified service, with 20% vesting in year two and 20% each year thereafter until fully vested after six years. If an employee terminates before becoming fully vested, forfeited amounts will be used to reduce future City contributions. Certified service begins upon an eligible employee successfully completing six (6) months of service. Plan provisions and contribution requirements are established and may be amended by the City Council. The plan administrator is the Florida League of Cities.

10 – OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description

The City provides an optional single employer defined benefit post-employment healthcare plan to eligible individuals. The plan allows its employees and their beneficiaries, at their own cost, to continue to obtain health, dental and other insurance benefits upon retirement. The benefits of the plan conform to Florida Statutes, which are the legal authority for the plan. The plan has no assets and does not issue a separate financial report.

10 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)**Funding Policy**

The City does not directly make a contribution to the plan on behalf of retirees. Retirees and their beneficiaries pay the same group rates as are charged to the City for active employees by its healthcare provider. However, the City's actuaries, in their actuarial valuation, calculate an offset to the cost of these benefits as an Employer Contribution, based upon an implicit rate subsidy. This offset equals the total age-adjusted costs paid by the City or its active employees for coverage of the retirees and their dependents for the year net of the retiree's own payments for the year.

Annual OPEB Cost and Net OPEB Obligation

The annual other post employment benefit (OPEB) cost is calculated based on the annual required contribution of the employer, an amount actuarially determined in accordance with GASB Statement No. 45. The annual required contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

The annual OPEB cost and the net OPEB obligation for the City for the current year and the related information is as follows:

Required Contribution Rates:	
Employer	Pay-as-you-go
Plan members	N/A
Annual Required Contribution (ARC)	\$ 33,000
Interest	2,000
Adjustment to the ARC	(4,000)
Annual OPEB Cost	31,000
Contributions Made	(13,000)
Increase in Net OPEB Obligation	18,000
Net OPEB Obligation, October 1, 2012	66,000
Net OPEB Obligation, September 30, 2013	\$ 84,000

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for 2013, 2012, and 2011 was:

Fiscal year ended	9/30/2013	9/30/2012	9/30/2011
Annual OPEB cost	\$31,000	\$31,000	\$30,000
Percentage of OPEB cost contributed	42.00%	42.00%	33.00%
Net OPEB Obligation	\$84,000	\$66,000	\$48,000

Funded Status and Funding Progress

The funded status of the plan as of October 1, 2010, the most recent actuarial valuation date, was as follows:

Actuarial valuation date	10/01/10
Actuarial accrued liability	\$183,000
Actuarial value of plan assets	\$ --
Unfunded actuarial accrued liability (UAAL)	\$183,000
Funded ratio	0.0%
Covered payroll	\$8,712,000
UAAL as a percentage of covered payroll	2.1%

10 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Funded Status and Funding Progress (Continued)

The actuarial valuation for the calculation of OPEB involves estimates of the value of reported amounts and assumptions about the probability of events into the future. 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 comparable with past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information following the notes to the financial statements is designed to provide multi-year trend information to show whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. However, the City has not contributed assets to the plan at this time.

Actuarial Methods and Assumptions

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Actuarial valuation date	October 1, 2010
Actuarial cost method	Projected unit credit
Amortization method	15-year open period; level-dollar payment
Asset valuation method	Unfunded
Actuarial assumptions:	
Investment rate of return	4.0% (includes inflation at 2.75%)
Healthcare inflation rate	10% for 2010/11 graded to 6% for 2018/19; 5% ultimate per annum

11 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City continues to purchase insurance through the Florida Municipal Insurance Trust, a non-assessable pool, and commercial sources to cover the various risks. Retention of risks is limited to excess of those that are insured, those risks that are uninsurable, and deductibles ranging from \$100 to \$500 per occurrence. As a member of the Florida Municipal Insurance Trust with the Florida League of Cities, the responsibility of the City is to pay those premiums charged by the non-assessable pool for property, liability and workers compensation coverages. The pool is responsible for paying all claims incurred by the City, less deductibles ranging from \$100 to \$500. The City may terminate the membership based on a 60 days notice to the pool. All pool policies are on an occurrence basis.

Major uninsurable risks include damage to infrastructure assets. Since the amount of loss cannot be reasonably estimated and the likelihood of occurrence is not determinable, no provision for losses is reflected in the financial statements. There have been no reductions in insurance coverage from the coverage in the prior year. There were no settled claims which exceeded insurance coverage during the past three fiscal years.

12 – OPERATING LEASE

Effective December 1, 2008, the City entered into an agreement to lease the old City Hall facility located at 5985 10th Avenue North to the Florida Department of Management Services. The lease expires November 30, 2013, and the State has the option to renew the lease for an additional five year term. The State has the right to terminate the lease without penalty in the event a State owned building becomes available for occupancy, upon giving six months written notice to the City. Total lease payments received under the lease during the fiscal year ended September 30, 2013 were \$210,318. As of September 30, 2013, the cost of the land and building under the operating lease was \$1,240,164 and accumulated depreciation on the property was \$875,210.

13 – CONTINGENT LIABILITIES

Grants

Grant monies received and disbursed by the City are for specific purposes and may be subject to audit by the grantor agencies. Such audits may result in requests for reimbursements due to disallowed expenditures or other actions by grantor agencies. The City does not believe that such disallowances or other actions taken by the grantor agencies, if any, would have a material adverse effect on the financial position of the City.

**REQUIRED SUPPLEMENTARY INFORMATION
(OTHER THAN MANAGEMENT'S
DISCUSSION AND ANALYSIS)**

Required Supplementary Information
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
General Fund

For the Fiscal Year Ended September 30, 2013	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes:				
Ad valorem taxes:				
Current	\$ 6,173,749	\$ 6,173,749	\$ 5,991,612	\$ (182,137)
Delinquent	35,000	35,000	219,035	184,035
Total ad valorem taxes	6,208,749	6,208,749	6,210,647	1,898
Utility service taxes:				
Electric	1,791,956	1,791,956	1,930,995	139,039
Telecommunications	1,470,000	1,470,000	1,453,016	(16,984)
Water	398,322	398,322	446,111	47,789
Gas	47,083	47,083	46,225	(858)
Propane gas	23,312	23,312	24,823	1,511
Total public service taxes	3,730,673	3,730,673	3,901,170	170,497
Local option gas tax	259,684	259,684	262,986	3,302
New local option gas tax	122,268	122,268	124,185	1,917
Local business tax	219,000	219,000	251,225	32,225
Insurance premium tax	401,000	401,000	438,413	37,413
Total taxes	10,941,374	10,941,374	11,188,626	247,252
Permits and franchise fees:				
Building permits	204,800	204,800	238,912	34,112
Electrical permits	9,000	9,000	16,816	7,816
Plumbing permits	10,000	10,000	12,439	2,439
Mechanical permits	20,000	20,000	50,296	30,296
Electric franchise fees	1,700,000	1,700,000	1,550,831	(149,169)
Gas franchise fees	20,000	20,000	24,439	4,439
Solid waste franchise fees	79,444	79,444	80,195	751
Planning and zoning fees	24,000	24,000	58,284	34,284
Other	1,550	1,550	9,203	7,653
Total permits and franchise fees	2,068,794	2,068,794	2,041,415	(27,379)
Intergovernmental revenues:				
State revenue sharing	1,095,325	1,095,325	1,164,824	69,499
Half-cent sales tax	2,400,000	2,400,000	2,617,582	217,582
County occupational license	160,000	160,000	121,537	(38,463)
Mobile home license	8,500	8,500	7,720	(780)
Alcoholic beverage license	9,500	9,500	6,709	(2,791)
Motor fuel tax rebate	11,000	11,000	12,701	1,701
Grants	52,400	52,400	37,578	(14,822)
Other	32,066	32,066	38,326	6,260
Total intergovernmental	3,768,791	3,768,791	4,006,977	238,186

(Continued)

See accompanying notes to the budgetary comparison schedule.

Required Supplementary Information
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
General Fund

(Continued)

For the Fiscal Year Ended September 30, 2013	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues (continued)				
Charges for services:				
Solid waste fees	\$ 1,169,827	\$ 1,169,827	\$ 896,461	\$ (273,366)
Security services	100,000	100,000	94,166	(5,834)
Administrative fees	142,742	142,742	139,114	(3,628)
Sales of documents	40,500	40,500	44,264	3,764
Culture/recreation	105,687	105,687	75,620	(30,067)
Protective inspections	28,200	28,200	40,925	12,725
Ambulance transport	1,443,684	1,443,684	1,471,899	28,215
Other	22,680	22,680	36,748	14,068
Total charges for services	3,053,320	3,053,320	2,799,197	(254,123)
Fines and forfeitures:				
Judgments and fines	85,424	85,424	90,533	5,109
Violations of local ordinances	20,200	20,200	31,450	11,250
Other	1,000	1,000	1,287	287
Total fines and forfeitures	106,624	106,624	123,270	16,646
Investment:				
Bank	4,200	4,200	12,072	7,872
State Board of Administration	7,500	7,500	48,111	40,611
FMIvT	70,474	70,474	(12,899)	(83,373)
Tax collector interest	1,198	1,198	888	(310)
Other interest	50	50	36	(14)
Total investment	83,422	83,422	48,208	(35,214)
Contributions	9,250	9,250	10,988	1,738
Rental fees	292,302	292,302	311,316	19,014
Miscellaneous:				
Refunds - prior year	7,000	7,000	25,499	18,499
Sales of surplus materials	10,000	10,000	47,826	37,826
Other	12,100	12,100	52,940	40,840
Total miscellaneous	29,100	29,100	126,265	97,165
Total Revenues	\$ 20,352,977	\$ 20,352,977	\$ 20,656,262	\$ 303,285

(Continued)

See accompanying notes to the budgetary comparison schedule.

Required Supplementary Information
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
General Fund

(Continued)

For the Fiscal Year Ended September 30, 2013	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures				
General government:				
Administrative:				
City Manager	\$ 391,666	\$ 386,666	\$ 380,775	\$ 5,891
Mayor and City Council	151,487	151,487	148,355	3,132
Legal counsel	122,693	122,921	156,089	(33,168)
Human resources	166,670	166,670	143,387	23,283
City Clerk	192,400	172,400	165,903	6,497
Total administration	1,024,916	1,000,144	994,509	5,635
Finance:				
Administration	276,817	268,817	268,542	275
Financial operations	466,726	466,619	464,534	2,085
Purchasing	124,546	124,546	125,609	(1,063)
Information technology	347,381	347,381	344,288	3,093
Total finance	1,215,470	1,207,363	1,202,973	4,390
Planning and development	555,054	539,881	534,816	5,065
Risk management	414,240	414,240	412,964	1,276
Contingency	100,000	103,200	--	103,200
Other	13,000	21,116	--	21,116
Total general government	3,322,680	3,285,944	3,145,262	140,682
Public safety:				
Administration	233,682	233,682	239,069	(5,387)
Uniform patrol	5,001,351	5,034,838	5,066,927	(32,089)
EMS	4,581,331	4,581,331	4,667,636	(86,305)
Support services	1,655,749	1,656,588	1,529,826	126,762
Protective inspections	755,363	762,363	759,927	2,436
Other Public Safety	401,000	436,000	438,413	(2,413)
Total public safety	12,628,476	12,704,802	12,701,798	3,004
Transportation:				
Public works administration	176,234	178,048	177,446	602
Streets and grounds maintenance	688,735	688,645	686,712	1,933
Vehicle maintenance	628,915	586,424	585,518	906
Total transportation	1,493,884	1,453,117	1,449,676	3,441
Culture/recreation:				
Administration	472,863	470,863	470,013	850
Parks and grounds maintenance	188,616	188,679	188,148	531
Community center	282,247	295,247	291,147	4,100
Total culture/recreation	943,726	954,789	949,308	5,481

(Continued)

See accompanying notes to the budgetary comparison schedule.

Required Supplementary Information
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
General Fund

(Continued)

For the Fiscal Year Ended September 30, 2013	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures (continued)				
Physical environment:				
Building services	\$ 614,405	\$ 590,405	\$ 588,278	\$ 2,127
Solid waste collection and disposal	1,048,513	1,103,513	1,115,928	(12,415)
Insured Claims and Judgments	11,000	13,942	19,659	(5,717)
Total physical environment	1,673,918	1,707,860	1,723,865	(10,288)
Capital outlay (all departments and functions)	24,540	23,540	25,657	(2,117)
Total Expenditures	20,087,224	20,130,052	19,995,566	140,203
Excess of Revenues Over Expenditures	265,753	222,925	660,696	437,771
Other Financing Uses				
Transfers out	(410,000)	(410,000)	(410,000)	--
Net Change in Fund Balance	(144,247)	(187,075)	250,696	437,771
Fund Balance - Beginning	144,247	187,075	11,837,833	11,650,758
Fund Balances - Ending	\$ --	\$ --	\$ 12,088,529	\$ 12,088,529

See accompanying notes to the budgetary comparison schedule.

Note To The Budgetary Comparison Schedule
General Fund

September 30, 2013

1. BUDGETARY ACCOUNTING

The City annually adopts an operating budget for all funds. The procedures for establishing budgetary data reflected in the budgetary comparison schedule are as follows:

- ❖ Approximately July 1st, the City Manager submits to the City Council a proposed operating budget prepared for the fiscal year commencing the following October 1st. The operating budget includes proposed expenditures and the means of financing them.
- ❖ Public hearings are conducted to obtain taxpayer comments.
- ❖ The City advises the County Property Appraiser of the proposed millage rate and the date, time and place of the public hearing for budget acceptance.
- ❖ Prior to October 1st, the budget is legally enacted through passage of an ordinance.
- ❖ Appropriations are legally controlled at the departmental level and expenditures may not legally exceed budgeted appropriations at that level. Management is authorized to transfer budgeted line items within departments. Changes or amendments to the budget that alter departmental totals must be approved by the City Council. Accordingly, the legal level of budgetary control is at the departmental level. There were supplemental appropriations of \$71,922.
- ❖ Formal budgetary integration is employed within the accounting system as a management control device.
- ❖ Budgets are adopted on a basis consistent with generally accepted accounting principles.
- ❖ The preceding schedule is presented at the functional level and not the departmental level. There were no departments that had an excess of expenditures over appropriations.

Required Supplementary Information
Public Safety Officers' and Firefighters' Retirement Plan
For the Fiscal Year Ended September 30, 2013

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability*	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Actuarial Accrued Liability as % of Covered Payroll
10/1/2007	\$ 6,021,159	\$ 4,435,716	\$ -	135.74%	\$ 3,419,643	-
10/1/2008	5,844,087	6,956,695	1,112,608	84.01%	4,304,995	25.84%
10/1/2009	6,693,561	9,088,420	2,394,859	73.65%	4,892,163	48.95%
10/1/2010	8,879,484	10,811,719	1,932,235	82.13%	4,753,155	40.65%
10/1/2011	10,564,789	12,924,608	2,359,819	81.74%	4,865,229	48.50%
10/1/2012	14,074,637	14,905,359	830,722	94.43%	5,018,761	16.55%

* The annual required contribution (ARC) is calculated using the aggregate actuarial cost method. Information in this schedule is calculated using the entry age actuarial cost method as a surrogate for the funding progress of the plan.

Schedule of Employer Contributions

Fiscal Year Ended September 30	Annual Required Contribution	Percentage Contributed
2008	572,880	100.00%
2009	1,204,955	43.00%
2010	1,470,192	89.00%
2011	1,346,918	115.00%
2012	1,417,807	98.00%
2013	1,286,527	110.00%

Required Supplementary Information
 Other Post Employment Benefits
 For the Fiscal Year Ended September 30, 2013

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Actuarial Accrued Liability as % of Covered Payroll
10/1/2008	\$ --	\$ 211,000	\$ 211,000	0.00%	\$ 8,798,000	2.40%
10/1/2010	--	183,000	183,000	0.00%	8,712,000	2.10%

The City implemented GASB Statement No. 45 during the fiscal year ended September 30, 2009 and obtains actuarial valuations every three years, therefore the above schedule reflects the data for the two actuarial valuations that the City has obtained.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

New Growth Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended September 30, 2013	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 85,000	\$ 85,000	\$ 202,619	\$ 117,619
Impact fees	23,546	23,546	85,134	61,588
Investment	20,450	20,450	(2,035)	(22,485)
Contributions	--	--	8,400	8,400
Total Revenues	128,996	128,996	294,118	165,122
Expenditures:				
Capital outlay	371,050	3,356,420	953,079	2,403,341
Increase (Decrease) of Revenues Over Expenditures	(242,054)	(3,227,424)	(658,961)	2,568,463
Fund Balance - Beginning	242,054	3,227,424	3,214,481	(12,943)
Fund Balance - Ending	\$ --	\$ --	\$ 2,555,520	\$ 2,555,520

Parks and Recreation Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended September 30, 2013	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment	\$ 29,472	\$ 29,472	\$ (2,421)	\$ (31,893)
Rental income	138,526	138,526	184,114	45,588
Impact Fees	-	-	159,077	159,077
Total Revenues:	167,998	167,998	340,770	172,772
Expenditures:				
Capital outlay	200,000	200,000	136,103	63,897
Increase (Decrease) of Revenues Over Expenditures	(32,002)	(32,002)	204,667	236,669
Fund Balance - Beginning	32,002	32,002	3,267,948	3,235,946
Fund Balance - Ending	\$ --	\$ --	\$ 3,472,615	\$ 3,472,615

Reconstruction and Maintenance Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended September 30, 2013	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 439,182	\$ 439,182	\$ 608,423	\$ 169,241
Investment	24,600	24,600	(4,160)	(28,760)
Miscellaneous	--	--	13,532	13,532
Total Revenues	463,782	463,782	617,795	154,013
Expenditures:				
Capital outlay	1,310,281	1,600,866	1,304,075	296,791
Increase (Decrease) of Revenues Over Expenditures				
	(846,499)	(1,137,084)	(686,280)	450,804
Fund Balance - Beginning	846,499	1,137,084	4,572,153	3,435,069
Fund Balance - Ending	\$ --	\$ --	\$ 3,885,873	\$ 3,885,873

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Combining Balance Sheet - Nonmajor Governmental Funds

September 30, 2013	Special Revenue Funds			
	Forfeitures Fund	Arboreous Fund	Public Safety Donation Fund	Youth Programs Fund
Assets				
Investments	\$213,395	\$ 17,748	\$ 25,666	\$ 39,535
Grants receivable	--	--	--	19,581
Prepays	--	--	--	570
Total Assets	\$213,395	\$ 17,748	\$ 25,666	\$ 59,686
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ 56,195	\$ 1,638	\$ --	\$ 4,425
Accrued payroll and related taxes	--	--	--	8,062
Unearned revenue	--	--	--	3,867
Total Liabilities	56,195	1,638	--	16,354
Fund Balances:				
Nonspendable:				
Prepaid items	--	--	--	570
Restricted for:				
Public Safety Forfeitures	157,200	--	--	--
Arborous Activities	--	16,110	--	--
Public Safety Donations	--	--	25,666	--
Youth Programs	--	--	--	42,762
Debt Service	--	--	--	--
Total Fund Balances	157,200	16,110	25,666	43,332
Total Liabilities and Fund Balances	\$213,395	\$ 17,748	\$ 25,666	\$ 59,686

Debt
Service Fund

		Total
	Municipal	Nonmajor
	Complex	Governmental
		Funds
	\$ 525,445	\$ 821,789
	--	19,581
	--	570
	<u>\$ 525,445</u>	<u>\$ 841,940</u>

	\$ --	\$ 62,258
		8,062
	--	3,867
	<u>--</u>	<u>74,187</u>

	--	570
	--	157,200
	--	16,110
	--	25,666
	--	42,762
	<u>525,445</u>	<u>525,445</u>
	<u>525,445</u>	<u>767,753</u>
	<u>\$ 525,445</u>	<u>\$ 841,940</u>

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances - Nonmajor Governmental Funds

For the Fiscal Year Ended September 30, 2013	Special Revenue Funds			
	Forfeitures Fund	Arboreous Fund	Public Safety Donation Fund	Youth Programs Fund
Revenues:				
Intergovernmental	\$ --	\$ --	\$ --	\$ 309,054
Charges for services	--	--	--	126,907
Fines and forfeitures	44,394	--	--	--
Investment	442	48	47	22
Contributions	--	3,000	7,158	5,450
Miscellaneous	--	--	--	800
Total Revenues	44,836	3,048	7,205	442,233
Expenditures:				
Current:				
Public safety	--	--	525	--
Culture/recreation	--	--	--	422,775
Capital outlay	108,038	16,429	3,016	--
Debt service:				
Principal	--	--	--	--
Interest	--	--	--	--
Total Expenditures	108,038	16,429	3,541	422,775
Increase (Decrease) of Revenues Over Expenditures	(63,202)	(13,381)	3,664	19,458
Other Financing Sources or Uses				
Transfers in	--	--	--	--
Net Change in Fund Balances	(63,202)	(13,381)	3,664	19,458
Fund Balances - Beginning of Year	220,402	29,491	22,002	23,874
Fund Balances - End of Year	\$ 157,200	\$ 16,110	\$ 25,666	\$ 43,332

<u>Debt</u>			
<u>Service Fund</u>			
		Total	
Municipal		Nonmajor	
Complex		Governmental	
		Funds	
\$	--	\$	309,054
	--		126,907
	--		44,394
	1,401		1,960
	--		15,608
	--		800
			<hr/>
	1,401		498,723
			<hr/>
	--		525
	--		422,775
	--		127,483
			<hr/>
	252,277		252,277
	150,928		150,928
			<hr/>
	403,205		953,988
			<hr/>
	(401,804)		(455,265)
			<hr/>
	410,000		410,000
			<hr/>
	8,196		(45,265)
			<hr/>
	517,249		813,018
			<hr/>
\$	525,445	\$	767,753
			<hr/> <hr/>

Arboreous Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended September 30, 2013	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment	\$ 111	\$ 111	\$ 48	\$ (63)
Contributions	1,080	1,080	3,000	1,920
Total Revenues	1,191	1,191	3,048	1,857
Expenditures:				
Capital outlay	10,000	17,474	16,429	1,045
Increase (Decrease) of Revenues Over Expenditures	(8,809)	(16,283)	(13,381)	2,902
Fund Balance - Beginning	8,809	16,283	29,491	13,208
Fund Balance - Ending	\$ --	\$ --	\$ 16,110	\$ 16,110

Public Safety Donation Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended September 30, 2013	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment	\$ 90	\$ 90	\$ 47	\$ (43)
Contributions	3,000	3,000	7,158	4,158
Total Revenues	3,090	3,090	7,205	4,115
Expenditures:				
Current:				
Public safety	--	--	525	(525)
Capital outlay	4,000	4,000	3,016	984
Total Expenditures	4,000	4,000	3,541	459
Increase (Decrease) of Revenues Over Expenditures	(910)	(910)	3,664	4,574
Fund Balance - Beginning	910	910	22,002	21,092
Fund Balance - Ending	\$ --	\$ --	\$ 25,666	\$ 25,666

Youth Programs Special Revenue Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended September 30, 2013	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 287,980	\$287,980	\$ 309,054	\$ 21,074
Charges for services	166,603	166,603	126,907	(39,696)
Investment	46	46	22	(24)
Contributions	5,035	5,035	5,450	415
Miscellaneous	475	475	800	325
Total Revenues	460,139	460,139	442,233	(17,906)
Expenditures:				
Current:				
Culture/recreation	463,220	463,220	422,775	40,445
Capital outlay	--	--	--	--
Total Expenditures	463,220	463,220	422,775	40,445
Increase (Decrease) of Revenues Over Expenditures	(3,081)	(3,081)	19,458	22,539
Net Change in Fund Balance	(3,081)	(3,081)	19,458	22,539
Fund Balance - Beginning	3,081	3,081	23,874	20,793
Fund Balance - Ending	\$ --	\$ --	\$ 43,332	\$ 43,332

Municipal Complex Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended September 30, 2013	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment	1,883	1,883	1,401	\$ (482)
Expenditures:				
Debt service:				
Principal	242,403	242,403	252,277	(9,874)
Interest	160,857	160,857	150,928	9,929
Total Expenditures	403,260	403,260	403,205	55
Increase (Decrease) of Revenues Over Expenditures	(401,377)	(401,377)	(401,804)	(427)
Other Financing Sources				
Transfers in	410,000	410,000	410,000	--
Net Change in Fund Balance	8,623	8,623	8,196	(427)
Fund Balance - Beginning	(8,623)	(8,623)	517,249	525,872
Fund Balance - Ending	\$ --	\$ --	\$525,445	\$ 525,445

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Greenacres' comprehensive annual financial report presents detailed unaudited information as a context for understanding what the information in the financial statement, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Schedule</u>	<u>Contents</u>	<u>Page</u>
Financial Trends		
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. These schedules include:</i>		
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<i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>		
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<i>These schedules contain service and infrastructure data to help understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>		
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Schedule 1

Net Position by Component

(Accrual basis of accounting)

(unaudited)

Primary Government - Governmental Activities

Fiscal Year Ended 9/30	Net investment in Capital Assets	Restricted	Unrestricted	Total primary government net position
2004	13,766,688	188,348	6,419,983	\$ 20,375,019
2005	13,927,169	7,330,386	2,411,964	\$ 23,669,519
2006	13,616,882	10,935,508	7,583,456	\$ 32,135,846
2007	15,242,622	12,539,737	8,865,089	\$ 36,647,448
2008	16,647,292	13,061,468	9,281,185	\$ 38,989,945
2009	17,233,772	14,723,706	8,694,111	\$ 40,651,589
2010	16,929,001	15,096,565	8,228,901	\$ 40,254,467
2011	17,498,471	9,587,502	12,237,270	\$ 39,323,243
2012	18,037,019	9,289,721	11,575,778	\$ 38,902,518
2013	18,198,964	8,352,052	12,018,766	\$ 38,569,782

Note: The City has no business-type activities.

Note: The City implemented GASB Statement No. 63 during fiscal year ended September 30, 2013 and utilized the new terminology for all years presented

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Schedule 2

Changes in Net Position

(Accrual basis of accounting)

(unaudited)

Fiscal Year Ended 9/30	2004	2005	2006	2007
Expenses				
Governmental activities:				
General government	\$ 2,651,973	\$ 3,454,422	\$ 3,605,207	\$ 3,952,081
Public Safety	9,327,155	9,745,475	9,986,194	11,236,582
Transportation	1,551,007	1,357,200	1,465,701	1,893,338
Culture/recreation	2,095,196	2,081,419	2,165,534	1,824,186
Physical environment	1,777,267	1,435,927	1,450,246	1,648,435
Interest on long term investments	76,342	256,928	245,757	232,741
Total primary government expenses	17,478,940	18,331,371	18,918,639	20,787,363
Program Revenues				
Governmental activities:				
Charges for Services:				
Public Safety	1,258,050	1,339,180	1,324,642	1,377,656
Physical Environment	1,861,873	2,446,643	4,166,525	2,053,213
Other	1,496,182	770,315	729,406	787,980
Total Charges for Services	4,616,105	4,556,138	6,220,573	4,218,849
Operating Grants and Contributions	493,651	584,840	877,953	851,075
Capital Grants and Contributions	801,053	673,769	1,705,546	775,525
Total primary government program revenues	5,910,809	5,814,747	8,804,072	5,845,449
Net (Expense)/Revenue				
Governmental activities	(11,568,131)	(12,516,624)	(10,114,567)	(14,941,914)
Total primary government net expense	(11,568,131)	(12,516,624)	(10,114,567)	(14,941,914)
General Revenues and Other Changes in Net Assets				
Governmental activities				
Taxes:				
Property taxes	5,881,539	6,919,977	8,340,566	10,580,841
Utility service taxes	3,129,143	3,300,570	3,528,502	3,452,303
Franchise fees based on gross receipts	1,238,976	1,341,265	1,909,999	1,913,270
Intergovernmental shared revenues - unrestricted	3,060,459	3,351,262	3,490,017	3,357,658
Investment earnings	92,686	412,034	930,024	1,295,850
Miscellaneous revenues	216,562	401,442	381,786	124,817
Total general revenues	13,619,365	15,726,550	18,580,894	20,724,739
Change in Net Position				
Governmental activities	2,051,234	3,209,926	8,466,327	5,782,825
Total primary government	\$ 2,051,234	\$ 3,209,926	\$ 8,466,327	\$ 5,782,825

Note: Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.

The City has no business type activities.

Note: The City implemented GASB Statement No. 63 during fiscal year ended September 30, 2013 and utilized the new terminology for all years presented

	2008	2009	2010	2011	2012	2013
\$	4,104,229	\$ 3,840,349	\$ 3,218,734	\$ 3,511,862	\$ 3,402,829	\$ 3,525,732
	11,814,830	12,114,776	12,904,781	13,066,982	13,214,396	13,278,168
	1,566,992	1,493,901	1,394,629	1,551,714	1,621,765	1,478,368
	2,790,466	2,265,944	2,015,847	1,907,445	1,949,248	1,843,248
	1,860,940	1,828,938	2,515,438	1,903,296	1,920,583	2,713,871
	219,334	205,276	190,778	175,683	160,789	150,900
	<u>22,356,791</u>	<u>21,749,184</u>	<u>22,240,207</u>	<u>22,116,982</u>	<u>22,269,610</u>	<u>22,990,287</u>
	2,097,369	1,967,450	2,131,909	2,045,308	2,313,376	2,389,614
	1,120,173	1,072,221	1,174,844	1,392,609	1,312,514	1,551,473
	831,052	760,751	755,299	752,348	766,877	795,711
	<u>4,048,594</u>	<u>3,800,422</u>	<u>4,062,052</u>	<u>4,190,265</u>	<u>4,392,767</u>	<u>4,736,798</u>
	903,201	869,294	779,381	807,869	868,438	834,528
	917,798	757,843	872,896	596,307	604,487	1,208,371
	<u>5,869,593</u>	<u>5,427,559</u>	<u>5,714,329</u>	<u>5,594,441</u>	<u>5,865,692</u>	<u>6,779,697</u>
	(16,487,198)	(16,321,625)	(16,525,878)	(16,522,541)	(16,403,918)	(16,210,590)
	<u>(16,487,198)</u>	<u>(16,321,625)</u>	<u>(16,525,878)</u>	<u>(16,522,541)</u>	<u>(16,403,918)</u>	<u>(16,210,590)</u>
	9,813,152	8,579,942	7,353,777	6,677,646	6,457,109	6,210,647
	3,391,448	3,833,724	3,891,792	3,724,801	3,820,784	3,901,169
	1,904,346	1,919,486	1,765,242	1,726,134	1,672,266	1,655,466
	3,170,728	2,950,325	2,955,630	3,101,479	3,622,263	3,918,371
	333,572	576,386	637,828	311,684	279,305	41,552
	216,449	123,406	73,383	49,573	131,466	150,649
	<u>18,829,695</u>	<u>17,983,269</u>	<u>16,677,652</u>	<u>15,591,317</u>	<u>15,983,193</u>	<u>15,877,854</u>
	2,342,497	1,661,644	151,774	(931,224)	(420,725)	(332,736)
\$	<u>2,342,497</u>	<u>\$ 1,661,644</u>	<u>\$ 151,774</u>	<u>\$ (931,224)</u>	<u>\$ (420,725)</u>	<u>\$ (332,736)</u>

Schedule 3

Fund Balances, Governmental Funds

(Modified accrual basis of accounting)

(unaudited)

Fiscal Year Ended 9/30	2004	2005	2006	2007
General Fund				
Reserved	\$ 145,814	\$ 202,033	\$ 201,043	\$ 194,968
Unreserved	5,874,845	7,668,263	9,219,768	9,504,009
Non-spendable	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total general fund	\$ 6,020,659	\$ 7,870,296	\$ 9,420,811	\$ 9,698,977
All Other Governmental Funds				
Reserved	\$ 985,649	\$ 6,817,305	\$ 4,940,452	\$ 2,692,372
Unreserved, reported in:				
Special revenue funds	44,074	55,391	61,870	64,576
Capital projects funds	5,592,995	503,721	5,928,855	9,638,422
Debt service funds	80,001	-	-	-
Non-spendable				
Restricted	-	-	-	-
Assigned	-	-	-	-
Total all other governmental funds	\$ 6,702,719	\$ 7,376,417	\$ 10,931,177	\$ 12,395,370
Total fund balances, all funds	\$ 12,723,378	\$ 15,246,713	\$ 20,351,988	\$ 22,094,347

Note: (1) The City implemented Governmental Accounting Standards Board Statement No. 54 *Fund Balance Reporting* for the fiscal year ended September 30, 2011

(2) *General Fund Committed and Assigned fund Balances were restated to reflect the adoption of the City's new Fund Balance Policy creating a new classification of Budget Stabilization Reserve replacing Economic Conditions Mitigation Reserve.*

2008	2009	2010	2011 (1)(2)	2012 (2)	2013
\$ 175,599	\$ 162,384	\$ 104,783	\$ -	\$ -	\$ -
10,556,999	10,171,263	10,789,322	-	-	-
-	-	-	209,467	215,447	215,682
-	-	-	4,700,999	4,852,526	4,787,220
-	-	-	896,551	762,216	823,418
-	-	-	5,319,033	6,007,644	6,262,209
<u>\$ 10,732,598</u>	<u>\$ 10,333,647</u>	<u>\$ 10,894,105</u>	<u>\$ 11,126,050</u>	<u>\$ 11,837,833</u>	<u>\$ 12,088,529</u>
\$ 1,375,888	\$ 502,157	\$ 745,074	\$ -	\$ -	\$ -
49,078	55,824	85,476	-	-	-
11,572,382	14,119,363	14,054,383	-	-	-
-	-	212,609	-	-	-
-	-	-	9,587,502	9,289,721	8,352,052
-	-	-	3,810,670	2,577,879	2,060,104
<u>\$ 12,997,348</u>	<u>\$ 14,677,344</u>	<u>\$ 15,097,542</u>	<u>\$ 13,398,172</u>	<u>\$ 11,867,600</u>	<u>\$ 10,681,761</u>
<u>\$ 23,729,946</u>	<u>\$ 25,010,991</u>	<u>\$ 25,991,647</u>	<u>\$ 24,524,222</u>	<u>\$ 23,705,433</u>	<u>\$ 22,770,290</u>

Schedule 4
Changes in Fund Balances, Governmental Funds
 (Modified accrual basis of accounting)
 (unaudited)

Fiscal Year Ended 9/30	2004	2005	2006	2007	2008
Revenues					
Taxes	\$ 10,636,124	\$ 11,963,080	\$ 14,166,773	\$ 16,320,326	\$ 13,788,891
Permits and franchise fees	1,261,603	1,242,119	1,412,060	1,001,365	2,223,497
Intergovernmental	4,045,416	4,694,599	5,978,413	4,534,673	4,850,764
Charges for services	2,446,893	2,501,932	2,530,525	2,685,897	2,890,471
Fines and forfeitures	135,488	189,988	137,506	151,489	214,799
Impact fees	571,506	327,722	1,838,001	81,087	3,656
Interest	92,687	412,034	930,022	1,295,853	333,571
Special assessments	15,318	16,801	10,547	6,828	2,511
Contributions	18,459	14,796	21,929	13,878	13,193
Sales of surplus materials	29,695	20,845	11,638	14,341	72,046
Rental income	92,201	160,661	191,287	193,770	237,970
Miscellaneous revenues	222,967	170,172	149,079	142,372	229,697
Total revenues	19,568,357	21,714,749	27,377,780	26,441,879	24,861,066
Expenditures					
General government	2,846,270	3,104,802	3,342,910	3,367,221	3,296,895
Public Safety	8,848,065	9,105,071	9,418,319	10,610,858	10,993,158
Transportation	1,308,203	1,271,357	1,359,785	1,348,709	1,439,486
Culture/Recreation	1,583,275	1,566,202	1,629,656	1,721,975	1,725,933
Physical environment	1,367,842	1,368,557	1,386,181	1,537,118	1,686,392
Capital outlay	1,232,574	1,955,359	4,519,311	5,497,303	3,467,195
Debt service					
Principal	511,627	451,526	370,146	383,143	396,606
Interest	76,774	254,537	246,197	233,193	219,802
Total expenditures	17,774,630	19,077,411	22,272,505	24,699,520	23,225,467
Excess of revenues over (under) expenditures	1,793,727	2,637,338	5,105,275	1,742,359	1,635,599
Other Financing Sources (Uses)					
Transfers in	645,896	2,512,829	4,740,494	6,150,000	3,500,000
Transfers out	(645,896)	(2,512,829)	(4,740,494)	(6,150,000)	(3,500,000)
Refunding bonds proceeds					
Payment on refunded bonds	(1,334,279)	-	-	-	-
Net proceeds	6,835,000	-	-	-	-
Total other financing sources (uses)	5,500,721	-	-	-	-
Net Change in fund balances	7,294,448	2,637,338	5,105,275	1,742,359	1,635,599
Fund balances - beginning, as restated	5,428,930	12,609,375	15,246,713	20,351,988	22,094,347
Fund balance - ending	\$ 12,723,378	\$ 15,246,713	\$ 20,351,988	\$ 22,094,347	\$ 23,729,946
Debt services (principal & interest) as a percentage of non-capital expenditures	3.54%	4.08%	3.45%	3.08%	2.95%

Beginning fund balance restated:

Note: 2005 - Adjusted to eliminate FEMA grant revenues recorded in prior year.

	2009	2010	2011	2012	2013
\$	13,464,277	\$ 12,226,438	\$ 11,373,974	\$ 11,317,684	\$ 11,188,626
	2,242,004	2,147,878	2,001,829	2,033,887	2,041,415
	3,822,336	3,915,818	3,796,221	4,322,929	5,127,073
	2,761,054	2,908,790	3,003,893	3,084,290	2,926,104
	176,004	133,536	187,387	200,257	167,664
	8,010	3,483	11,068	37,921	244,211
	425,773	788,441	311,683	279,301	41,552
	5,036	-	-	-	-
	22,256	55,271	14,781	25,785	34,996
	-	-	-	-	-
	394,906	448,633	447,748	465,007	495,430
	126,132	110,535	87,174	128,621	140,597
	<u>23,447,788</u>	<u>22,738,823</u>	<u>21,235,758</u>	<u>21,895,682</u>	<u>22,407,668</u>
	3,305,411	3,000,157	3,063,567	3,138,043	3,145,262
	11,537,761	12,321,451	12,466,351	12,441,179	12,702,323
	1,364,193	1,355,927	1,417,778	1,453,990	1,449,676
	1,631,503	1,471,233	1,313,639	1,370,331	1,372,083
	1,671,044	2,029,715	1,642,876	1,688,818	1,723,865
	1,870,518	1,277,907	2,182,774	2,218,891	2,546,397
	410,557	425,011	439,987	242,403	252,277
	205,756	191,256	176,211	160,816	150,928
	<u>21,996,743</u>	<u>22,072,657</u>	<u>22,703,183</u>	<u>22,714,471</u>	<u>23,342,811</u>
	1,451,045	666,166	(1,467,425)	(818,789)	(935,143)
	3,110,000	1,240,000	443,897	410,000	410,000
	(3,110,000)	(1,240,000)	(443,897)	(410,000)	(410,000)
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	1,451,045	666,166	(1,467,425)	(818,789)	(935,143)
	<u>23,729,946</u>	<u>25,325,481</u>	<u>25,991,647</u>	<u>24,524,222</u>	<u>23,705,433</u>
\$	<u>25,180,991</u>	<u>\$ 25,991,647</u>	<u>\$ 24,524,222</u>	<u>\$ 23,705,433</u>	<u>\$ 22,770,290</u>
	2.98%	2.85%	2.88%	1.90%	1.83%

Schedule 5

Assessed Value and Actual Value of Taxable Property

(unaudited)

<u>Fiscal Year Ended 9/30</u>	<u>Residential Property⁽¹⁾</u>	<u>Non-Residential Real Property⁽¹⁾⁽²⁾</u>	<u>Tangible Personal Property⁽¹⁾</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Total Actual Just Value</u>
2004	-	-	-	1,052,736,724	5.7735	1,457,055,900
2005	902,399,971	301,198,699	60,443,873	1,264,042,543	5.6735	1,795,206,579
2006	1,238,100,783	250,216,571	61,671,808	1,549,989,162	5.5735	2,245,694,407
2007	1,601,142,281	303,609,295	67,384,245	1,972,135,821	5.5500	3,004,924,329
2008	1,759,632,182	322,196,339	68,580,052	2,150,408,573	4.7022	3,124,743,908
2009	1,481,706,200	350,975,743	62,260,433	1,894,942,376	4.7022	2,860,897,300
2010	1,082,373,957	323,608,586	66,624,212	1,472,606,755	5.1500	2,179,226,120
2011	876,108,913	278,247,734	67,842,583	1,222,199,230	5.6500	1,800,408,426
2012	852,805,455	271,318,182	68,318,358	1,192,441,995	5.6500	1,753,479,955
2013	803,700,888	268,021,137	64,977,847	1,136,699,872	5.6500	1,656,239,281

Note: (1) Information for 2004 is not available. Detail values by property class available from the Palm Beach County Property Appraiser's Office starting in FY 2005.

(2) Non-Residential Real Property includes Industrial, Institutional, and Agricultural property.

Source: Palm Beach County Property Appraiser's Office Schedules DR-403 V and Usecode-F (DRPC_AUTH)

Schedule 6
Direct and Overlapping Property Tax Rates
(unaudited)

Fiscal Year Ended 9/30	Greenacres			Overlapping Rates ⁽¹⁾				
	General Fund	Debt Service	Total City of Greenacres	Palm Beach County			Special Taxing Districts	Total
				BOCC ⁽²⁾⁽³⁾	Library System ⁽²⁾	School Board		
2004	5.4065	0.3670	5.7735	4.7910	0.5403	8.5710	2.5557	22.2315
2005	5.5962	0.0773	5.6735	4.7677	0.5833	8.4320	2.5257	21.9822
2006	5.5735	0.0000	5.5735	4.7192	0.5807	8.1060	2.5042	21.4836
2007	5.5500	0.0000	5.5500	4.4775	0.6250	7.8720	2.3254	20.8499
2008	4.7022	0.0000	4.7022	3.9813	0.5989	7.3560	2.1308	18.7692
2009	4.7022	0.0000	4.7022	3.9656	0.5400	7.2510	2.2569	18.7157
2010	5.1500	0.0000	5.1500	4.5614	0.5518	7.9830	2.4934	20.7396
2011	5.6500	0.0000	5.6500	4.9960	0.6069	8.1540	2.5549	21.9618
2012	5.6500	0.0000	5.6500	4.9925	0.6081	8.1800	2.3433	21.7739
2013	5.6500	0.0000	5.6500	4.9902	0.6066	7.7780	2.3154	21.3402

Note: (1) Overlapping rates are those of local and county governments that apply to property owners within the City of Greenacres. Not all overlapping rates apply to all Greenacres property owners. For instance, the rates for special districts apply only to Greenacres properties located within the geographic boundaries of the district.

(2) Combined operating plus debt service millage

(3) Board of County Commissioners

Source: Palm Beach County Property Appraiser's office.

Schedule 7
Principal Property Tax Payers
(unaudited)

Current Year and Nine Years Ago

Taxpayers	2013			2004		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Okeeheltee Apt. Partners	\$ 50,684,126	1	4.46%	\$ 47,754,390	1	4.54%
Florida Power & Light ¹	32,040,228	2	2.82%			
MSKP River Bridge LLC (River Bridge Plaza)	28,047,811	3	2.47%	30,759,362	2	2.92%
Keystone WPB Holding Corp. (Island Shores Apts.)	22,365,755	4	1.97%	22,865,209	3	2.17%
JHB Florida Properties, LLC (Waterway Village)	16,743,217	5	1.47%	11,000,000	4	1.04%
Pickwick Mobile Home Park	11,287,455	6	0.99%	7,680,593	10	0.73%
Gator Green Acres (Greenacres Plaza)	11,275,044	7	0.99%	10,133,682	8	0.96%
Colonial Mobile Home Park Ltd Partnership	10,989,586	8	0.97%			
Steve Moore Chevrolet	10,199,974	9	0.90%	10,304,240	7	0.98%
Publix Super Markets Inc.	9,500,000	10	0.84%			
Chelsea Commons Ltd.				10,400,000	5	0.99%
Dayton Hudson Corp			0.00%	10,381,080	6	0.99%
III T Greenacres LLC				9,500,000	9	0.90%
Total	\$ 203,133,196		17.85%	\$ 170,778,556		16.22%

Note: (1) FPL has no real property (land parcels) in the City, but pays taxes on tangible personal property only (lines, poles, transformers, etc.

Source: Top Ten Taxpayers Report provided by Palm Beach County Property Appraiser's Office.

Schedule 8

Property Tax Levies and Collections

(unaudited)

<u>Fiscal Year Ended 9/30</u>	<u>Taxes Levied for the Fiscal Year⁽¹⁾</u>	<u>Collections in the Year of Levy</u>	<u>Percentage of Levy</u>	<u>Collections in Subsequent Years⁽²⁾</u>	<u>Total Collections To Date</u>	<u>Percentage of Levy</u>
2004	\$ 5,863,671	\$ 5,757,928	98.2%	\$ 121,393	\$ 5,879,321	100.3%
2005	\$ 6,914,578	\$ 6,769,948	97.9%	\$ 152,647	\$ 6,922,595	100.1%
2006	\$ 8,320,803	\$ 8,104,844	97.4%	\$ 244,218	\$ 8,349,062	100.3%
2007	\$ 10,574,330	\$ 10,086,244	95.4%	\$ 495,392	\$ 10,581,636	100.1%
2008	\$ 9,776,050	\$ 9,055,687	92.6%	\$ 770,105	\$ 9,825,792	100.5%
2009	\$ 8,610,847	\$ 8,040,007	93.4%	\$ 548,738	\$ 8,588,745	99.7%
2010	\$ 7,328,407	\$ 6,998,795	95.5%	\$ 331,893	\$ 7,330,688	100.0%
2011	\$ 6,668,162	\$ 6,439,683	96.6%	\$ 244,256	\$ 6,683,939	100.2%
2012	\$ 6,508,800	\$ 6,253,252	96.1%	\$ 242,354	\$ 6,495,606	99.8%
2013	\$ 6,196,656	\$ 5,991,612	96.7%	\$ 152,275	\$ 6,143,886	99.1%
Totals	\$ 76,762,304	\$ 73,498,001	95.7%	\$ 3,303,271	\$ 76,801,271	100.1%

Totals

Note (1) Net of tax collector's discounts for early payment.

(2) Collections in subsequent years are not tracked specifically for the year levied; amounts shown are all delinquent taxes received during that fiscal year. For that reason, some years will show more collections than levied (see 2008). Totals are shown on the bottom row to give a better representation of collections, including delinquent taxes, over time.

Source Tax Collector, Palm Beach County.

Schedule 9

Ratios of Outstanding Debt by Type

(unaudited)

Fiscal Year Ended 9/30	Outstanding Debt by Type				Percentage Personal Income ⁽¹⁾	Per Capita
	General Obligation Bonds	Revenue Bonds	Bank Notes	Total		
2004	90,984	-	6,835,000	6,925,984	n/a	226.84
2005	-	-	6,474,458	6,474,458	n/a	207.05
2006	-	-	6,104,312	6,104,312	n/a	192.36
2007	-	-	5,721,169	5,721,169	0.77%	178.20
2008	-	-	5,324,563	5,324,563	0.72%	163.59
2009	-	-	4,914,006	4,914,006	0.71%	151.81
2010	-	-	4,488,995	4,488,995	0.64%	139.12
2011	-	-	4,256,079	4,256,079	0.55%	112.38
2012	-	-	3,806,605	3,806,605	0.54%	99.97
2013	-	-	3,554,328	3,554,328	n/a	93.11

Note: The City has no business-type activities.

Source: (1) Calculated a Total Debt / (Population x Per Capita Income); see also Schedule 14 Demographic and Economic Information

n/a = not available

Schedule 10

Ratios of General Bonded Debt Outstanding

(unaudited)

Fiscal Year Ended 9/30	Population(1)	Taxable Value(2)	General Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita
2004	30,533	1,052,736,724	90,984	0.01%	2.98
2005	31,270	1,264,042,543	-	0.00%	-
2006	31,734	1,549,989,162	-	0.00%	-
2007	32,105	1,972,135,821	-	0.00%	-
2008	32,548	2,150,408,573	-	0.00%	-
2009	32,370	1,894,942,376	-	0.00%	-
2010	32,267	1,472,606,755	-	0.00%	-
2011	37,873	1,222,199,230	-	0.00%	-
2012	38,079	1,192,441,995	-	0.00%	-
2013	38,172	1,137,688,837	-	0.00%	-

Source: (1) Bureau of Economic & Business Research (BEER).
 (2) Palm Beach County Property Appraiser's Office.

Schedule 11

Direct and Overlapping Governmental Activities Debt

(unaudited)

As of September 30, 2013

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ⁽¹⁾	Estimated Share of Overlapping Debt
Overlapping			
Palm Beach School District	\$ 26,370,000	0.91%	\$ 239,440
Palm Beach County	187,210,000	0.91%	1,699,867
Subtotal, overlapping debt	213,580,000		1,939,306
City direct debt	3,554,329	100.00%	3,554,329
Total direct and overlapping debt	\$ 217,134,329		\$ 5,493,635

Note: Estimated percentage applicable is based on city's proportional total assessed property values as a percentage of the county total. Overlapping governments are those that coincide, at least in part, with geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the City of Greenacres. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: Palm Beach County School District.

Schedule 12
Legal Debt Margin Information
(unaudited)

The City of Greenacres has no legal debt margin.

Schedule 13

Pledged-Revenue Coverage

(unaudited)

Fiscal Year Ended 9/30	Public Improvement Note 2004A ⁽¹⁾					Coverage
	Non Ad Valorem Revenues	Debt Service			Total	
		Principal	Interest			
2004	n/a					
2005	\$ 12,791,145	\$ 183,302	\$ 216,867	\$ 400,169		3.13%
2006	14,009,894	190,768	212,492	403,260		2.88%
2007	13,352,005	198,538	204,722	403,260		3.02%
2008	12,611,991	206,625	196,590	403,215		3.20%
2009	12,561,840	215,042	188,229	403,271		3.21%
2010	15,385,046	223,800	179,460	403,260		2.62%
2011	13,429,121	232,916	170,344	403,260		3.00%
2012	14,348,379	242,403	160,857	403,260		2.81%
2013	14,445,614	252,277	150,928	403,204		2.79%

Note: (1) Issued Public Improvement Note 2004A at the end of 2004, with first debt service payments due in fiscal 2005. Financed the municipal complex, including a new city hall and public works facilities

Schedule 14

Demographic and Economic Information

(unaudited)

Fiscal Year	Population ⁽¹⁾	Median Age ⁽²⁾	Per Capita Income ⁽²⁾	Median Home Sale Price ⁽³⁾	School Enrollment ⁽⁴⁾	Civilian Labor Force ⁽⁵⁾	Unemployment Rate ⁽⁵⁾
2004	30,533	n/a	n/a	125,517	8,296	14,245	4.3%
2005	31,270	n/a	n/a	168,814	9,527	14,959	3.7%
2006	31,734	n/a	n/a	195,679	10,645	15,257	3.1%
2007	32,105	37.3	23,199	199,424	9,892	15,740	3.4%
2008	32,548	36.5	22,688	151,875	9,883	15,740	5.2%
2009	32,370	36.2	21,399	103,263	9,726	15,534	8.6%
2010	32,267	37.2	21,589	92,034	10,168	16,629	9.9%
2011	37,873	38.3	20,359	67,756	10,378	17,282	9.5%
2012	38,079	36.9	18,664	69,188	10,601	17,636	7.9%
2013	38,172	n/a	n/a	73,771	11,006	17,727	6.3%

Source: (1) Bureau of Economic & Business Research (BEBR).

(2) U.S. Census Bureau, American Community Survey 3-Year Estimates

(3) Zillow.com

(4) Palm Beach County School District. 11th Day Enrollment Count

(5) U.S. Bureau of Labor Statistics, Bureau of Labor Statistics.

2007 -2012 Reflects revised inputs, re-estimations, & controlling to new statewide totals

n/a = not available

Schedule 15

Principal Employers County Wide
(unaudited)

Current Year and Ten Years Ago

2012			2004		
Employer	Employees	Percentage of Total Employment	Employer	Employees	Percentage of Total Employment
School Board	20,810	3.56%	School Board	18,672	3.34%
Palm Beach County *	11,636	1.99%	Palm Beach County *	10,734	1.92%
Tenet Healthcare Corp.	6,100	1.04%	Tenet Healthcare Corp.	4,705	0.84%
FP & L (Headquarters)	3,804	0.51%	Columbia PB Healthcare System	4,000	0.72%
G4S (Headquarters)	3,000	0.65%	FP & L (Headquarters)	2,800	0.50%
Florida Atlantic University	2,980	0.51%	Office Depot (Headquarters)	2,780	0.50%
Hospital Corp. of America (HCA)	2,714	0.46%	Boca Raton Resort & Club	2,380	0.43%
Veterans Health Administration	2,700	0.46%	U.S. Sugar Corp.	2,200	0.39%
Bethesda Memorial Hospital	2,643	0.45%	Florida Crystals	2,000	0.36%
Boca Raton Regional Hospital	2,250	0.39%	Delray Community Hospital	2,000	0.36%
Total	58,637	10.04%	Total	52,271	9.35%

Note: 2013 numbers were not available at time of publication

Source: Business Development Board of Palm Beach County
*Palm Beach County Comprehensive Annual Financial Report

Schedule 16

Full-Time Equivalent City Government Employees by Function/Program
(unaudited)

Fiscal Year Ended 9/30	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<u>Function/Program</u>										
Administration	11	11	11	11	11	11	11	11	11	11
Finance	15	15	15	15	14	14	14	14	14	13
Planning & Engineering	7	6	7	7	7	7	6	6	6	6
Public Works	23	23	23	24	23	23	20	21	20	21
Public Safety	104	108	113	117	113	113	109	109.5	109.5	109.5
Leisure Services ⁽¹⁾	28.5	27.5	23.75	23.75	17.75	16.75	14.25	13	13	13
Building	11	11	11	11	11	10	9.5	9.5	9.5	10
Total	199.5	201.5	203.75	208.75	196.75	194.75	183.25	183.5	182	183.5

Note: (1) Some personnel associated with Youth Program in fund 105

Source: 2013 Budget City of Greenacres - Budget Overview-Personnel Summary

Schedule 17

Operating Indicators by Function/Program

(unaudited)

Fiscal Year Ended 9/30	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<u>Function/Program</u>										
General Government										
Population	30,533	31,270	31,734	32,105	32,548	32,370	32,267	37,873	38,079	38,172
Number of residential units	15,777	16,171	16,245	16,443	16,520	17,035	17,075	17,092	17,104	17,123
Number of solid waste accounts billed	7,439	7,731	7,805	8,002	8,080	8,212	8,251	8,263	8,283	8,300
Public Safety										
Total calls for responded service	26,236	25,137	26,728	26,242	28,759	28,326	27,014	25,044	18,217 ⁽¹⁾	19,214
Number of arrests by police officers	2,319	2,851	2,801	3,252	4,625	3,252	1,571	2,042	1,840	1,874
Number of traffic citations issued	7,298	7,017	7,533	8,018	10,813	10,577	6,819	6,952	6,984	5,747
EMS average response times (minutes)	4.4	4.3	4.3	4.3	4.3	5.4 ⁽²⁾	5.4	6.2	6.0	5.6
Number of EMS calls (incl. in total calls)	4,668	4,839	4,956	4,996	4,659	4,800	4,911	4,802	5,407	5,262
Number of code enforcement inspections	1,600	2,036	2,215	2,000	2,022	2,770	3,446	2,670	2,517	2,126
Transportation										
Number of paved miles maintained	21.97	22.25	22.25	22.27	22.27	22.56	23.00	23.00	23.00	23.24
Number of vehicle repair orders completed	1,394	1,412	1,215	1,152	1,418	1,261	1,290	1,258	1,264	1,161
Number of city vehicles maintained	93	93	95	95	97	101	100	100	99	99
Physical Environment										
Total park acreage maintained	71	71	71	77	78	82	82	82	134 ⁽³⁾	134
Average cost per acre to mow	-	1,674	1,852	1,940	2,052	2,066	1,753	1,852	1,822	1,688
Cultural & Recreation										
Number of community events presented	13	13	13	11	7	7	6	8	8	6
Number of registrants in athletic programs	1,000	1,053	1,373	1,081	1,036	771	270	767	752	631
Number of participants in after-school programs	149	160	160	171	170	170	150	124	135	144

Note: ⁽¹⁾ Law enforcement only

⁽²⁾ EMS Response Times reflect fractional times as required by LOS Guidelines.

⁽³⁾ Total adjusted to include lakes, landscaped, vegetative and asphalt area.

Schedule 18

Capital Asset Statistics by Function/Program

(unaudited)

Fiscal Year Ended 9/30	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Function/Program										
General Government										
Office Buildings	7	7	7	9	9	9	9	9	9	9
Public Safety										
Public Safety Stations	2	2	2	2	2	2	2	2	2	2
Police Patrol Vehicles	26	26	28	28	32	34	34	34	34	36
Fire Trucks	5	5	5	5	4	4	4	4	4	4
EMS Units (Ambulances)	4	4	4	4	4	4	4	4	4	4
Transportation										
Street lane (miles)	43.94	44.50	44.50	44.50	44.54	44.54	49.52	49.52	49.52	49.52
Traffic Signs	950	950	986	1,096	922	1,091	1,091	1,084	1,195	1,193
Stormwater Structures ⁽¹⁾	407	407	407	407	428	452	633	633	639	639
Physical Environment										
Baseball/Softball Fields	6	6	6	6	7	7	7	7	7	7
Soccer Fields	2	2	2	2	3	4	4	4	4	4
Cultural & Recreation										
Playgrounds	13	13	13	13	13	14	14	14	14	14
Community Centers	1	1	1	1	1	1	1	1	1	1
Parks	13	13	13	13	13	13	13	13	13	13

Note: (1) Inlets, Outfalls, Control Structures and Manholes

REPORTING SECTION

**INDEPENDENT AUDITORS' 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 and Members of the City Council
City of Greenacres, 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, each major fund, and the aggregate remaining fund information of the City of Greenacres, Florida (the City) as of and for the fiscal year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 7, 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 City'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 from 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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Marcum LLP

West Palm Beach, FL

March 7, 2014

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To The Honorable Mayor and Members of the City Council
City of Greenacres, Florida

Report on Compliance for Each Major Federal Program

We have audited the City of Greenacres (the City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect the City's major federal program for the year ended September 30, 2013. The City's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Major Federal Program

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2013.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Marcum LLP

West Palm Beach, FL
March 7, 2014

City of Greenacres, Florida
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2013

Federal Grantor Agency Pass-Through Entity Federal Program	CFDA No.	Contract / Grant No.	Total Expenditures
U.S. Department of Homeland Security			
Pass Through Florida Division of Emergency Management (FDEM):			
HMGP Canal Restoration Phase II	97.039	MOD12HM-3E-10-60-02-009/1785-76-R	\$ 349,148
HMGP Catch Basin	97.039	11HM-3E-10-60-02-028/1785-75-R	<u>147,760</u>
Total U.S. Department of Homeland Security			<u>496,908</u>
U.S. Department of Housing and Urban Development			
Pass Through Palm Beach County Department of Economic Sustainability			
Community Development Block Grant (CDGB) 2012 Sewer on 10th II	14.218	B-11-UC-12-004/R2012-0149	90,830
Community Development Block Grant (CDGB) 2012 Sewer on 10th III	14.218	B-11-UC-12-004/R2012-1886	<u>81,863</u>
Total U.S. Department of Housing and Urban Development			<u>172,693</u>
U.S. Department of Justice			
Direct Programs:			
Bulletproof Vest Partnership Program 2011	16.607	Bureau of Justice Asst	472
Bulletproof Vest Partnership Program 2013	16.607	Bureau of Justice Asst	<u>624</u>
			<u>1,096</u>
Justice Assistance Grant Program (Camera 2011)	16.738	2011-DJ-BX-2513	4,913
Justice Assistance Grant Program (Technology 2010)	16.738	2010-DJ-BX-1094	<u>9,511</u>
			<u>14,424</u>
Total U.S. Department of Justice			<u>15,520</u>
U.S. Forestry Service			
Pass Through Florida Department of Agriculture and Consumer Services			
Cooperative Forestry Assistance (Urban and Community 2011)	10.664	#17993	<u>809</u>
Total U.S. Forestry Service			<u>809</u>
U.S. Department of Agriculture			
Pass Through Florida Department of Health			
Child and Adult Care Food Program (CCFP 2013)	10.558	FY2012-2013	<u>12,110</u>
Total U.S. Department of Agriculture			<u>12,110</u>
Total Expenditures of Federal Awards			<u>\$ 698,040</u>

See notes to Schedule of Expenditures of Federal Awards

Notes to Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2013

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of the City of Greenacres (the City) under the programs of the federal government for the year ended September 30, 2013. The information in this schedule is presented in accordance with the requirements of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets or cash flows of the City.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as a reimbursement. Pass-through entity identifying numbers are presented where available.

Schedule of Findings and Questioned Costs
For the fiscal year ended September 30, 2013

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:	<i>Unmodified Opinion</i>
Internal control over financial reporting:	
Material weakness(es) identified?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Significant deficiency(ies) identified not considered to be material weaknesses?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> None Reported
Non-compliance material to financial statements noted?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Federal Awards

Internal control over major awards program:	
Material weakness(es) identified?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Significant deficiency(ies) identified ?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> None Reported

Type of auditors’ report issued on compliance for major programs:

	<i>Unmodified Opinion</i>
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Identification of major federal program:

<u>Federal Program/Cluster</u>	<u>CFDA No.</u>
--------------------------------	-----------------

Department of Homeland Security:	
HMGP Canal Restoration Phase II	97.039
HMGP Catch Basin	97.039

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$300,000</u>
--------------------------------------------------------------------------	------------------

Auditee qualified as low-risk auditee ?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
-----------------------------------------	---------------------------------------------------------------------

Schedule of Findings and Questioned Costs (Continued)
For the fiscal year ended September 30, 2013

Section II – Financial Statement Findings

No findings in current year.

Section III– Federal Awards Findings and Questioned Costs

No findings in current year.