



Comprehensive Annual Financial Report
Fiscal Year Ending September 30, 2014

CITY OF TEMPLE TERRACE, FLORIDA

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2014**

**PREPARED BY:
*FINANCE DEPARTMENT***

**ANGELA ATKINSON
*FINANCE DIRECTOR***

**SHEINA RUNIONS
*ASSISTANT FINANCE DIRECTOR***

**CITY OF TEMPLE TERRACE, FLORIDA
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INTRODUCTORY SECTION

Transmittal Letter

Certificate of Achievement

Organization Chart

List of Elected and Appointed Officials



May 21, 2015

To the Honorable Mayor, Members of City Council, and Citizens of the City of Temple Terrace:

It is our pleasure to submit this Comprehensive Annual Financial Report (CAFR) for the City of Temple Terrace, Florida, for the fiscal year ended September 30, 2014. This report fulfills the requirements set forth in the City's Charter, Section 214; Florida State Statutes, Chapter 166.241 (4); and the Rules of the Auditor General, Chapter 10.550 which requires that all general-purpose local governments publish each fiscal year a complete set of financial statements (GAAP) and audited in accordance with auditing standards generally accepted in the United States by a firm of licensed certified public accountants.

This CAFR consists of management's representations concerning the finances of the City of Temple Terrace. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Temple Terrace has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Temple Terrace's financial statements in conformity with GAAP. Because the cost of the internal controls should not outweigh their benefits, the City of Temple Terrace's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Florida Statutes, Chapter 11.45 and Chapter 10.550, require that an annual financial audit be performed by independent certified public accountants. This year, the audit was completed by **CliftonLarsonAllen LLP**. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Temple Terrace for the fiscal year ended September 30, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the City of Temple Terrace's financial statements for the fiscal year ended September 30, 2014, are fairly presented in conformity with GAAP. The Independent Auditor's Report is presented as the first component of the financial section of this report.

THE COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

The CAFR is presented in three (3) main sections:

The **Introductory Section** includes the Transmittal Letter, a copy of the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended September 30, 2013, the City of Temple Terrace's organizational chart, a List of Elected and Appointed Officials.

The **Financial Section** includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), Basic Financial Statements, Required Supplementary Information (RSI), Combining and Individual Fund Statements.

The MD&A provides a narrative introduction, overview, and analysis to accompany the Basic Financial Statements. The Basic Financial Statements include the Government-wide Financial Statements that present an overview of the City's entire operations, while Fund Financial Statements present the financial information of each of the funds.

The **Statistical Section** presents on a multi-year basis, selected social and economic data, financial trends and the fiscal capacity of the City.

Reports and Schedules required by *Governmental Auditing Standards*, OMB Circular A-133, and the Florida Auditor General, follow the three sections identified above.

PROFILE OF THE CITY OF TEMPLE TERRACE

The City of Temple Terrace, named after the hybrid "Temple" oranges and the surrounding "Terraced" terrain, was incorporated on May 28, 1925, and operates under the Council-Manager form of government. The elected governing body is comprised of the Mayor and five City Councilmembers and is responsible for enacting ordinances, resolutions, and regulations governing the City and for appointing the City Manager, City Clerk, City Attorney, and members of various statutory and advisory boards. As chief administrative officer, the City Manager is responsible for managing the City's day-to-day operations and affairs and appointing the City's Department Directors.

Temple Terrace developed as a high-quality residential suburban community in the Tampa Bay area during the 1960s and 1970s. The unique neighborhoods, with a golf course and the meandering Hillsborough River, combined with the City's proximity to downtown Tampa, Interstate 75, and the University of South Florida employment centers, continue to make the City attractive to a broad spectrum of the region's population.

Like many of its suburban counterparts, the City's employment base is heavily dominated by the service industry. Additional employment-generating industry is occurring as a result of development in the I-75 corridor. Although the percentage of resident workers employed within the City may increase in the future, it will remain predominately a suburban, commuter community through 2015.

The City, with an estimated population of 25,377, provides a full-range of general municipal services including law enforcement, fire/rescue, street and drainage construction and maintenance, engineering, planning, code enforcement, building and zoning regulation, parks and recreation programming, library, and general administrative support services. In addition, water, sewer, and refuse collection services are provided and funded with user charges established by the City Council to ensure adequate coverage of operating expenses and payments on outstanding debt. Fleet Maintenance is provided through an Internal Service Fund with charge-backs to user departments to cover its cost of operation. The City of Temple Terrace contracts with the City of Tampa for wastewater treatment services and with Hillsborough County for solid waste disposal.

The annual budget serves as the foundation for the City's financial planning and control. All City departments are required to submit requests for appropriations to the City Manager. The City Manager uses these requests as the basis for developing the proposed budget. The City Manager presents the proposed budget to City Council for review prior to August 15. The City Council is required to hold two (2) public hearings on the proposed budget and adopt a final budget no later than September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund, function, and department. Budgets for all governmental fund types are adopted consistent with generally accepted accounting principles. Budget-to-actual comparisons are provided for each governmental fund.

ECONOMIC CONDITION

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

Local Economy

The City of Temple Terrace, located in Hillsborough County, is in close proximity to a progressive Tampa Bay area with an economy structured within four main industry sectors: (1) finance, insurance, real estate; (2) business and professional services; (3) education, health, and social services; and (4) retail trade. Hillsborough County's industry sectors by percentage are:

- Natural Resources & Mining: 1.7%
- Construction: 4.9%
- Manufacturing: 4.0%
- Trade, Transportation, Utilities: 19.5%
- Finance: 9.9%
- Professional, Business, Information & Other Services: 23.9%
- Education & Health: 20.4%
- Leisure & Hospitality: 11.5%
- Government: 4.2%

*Sources: Hillsborough County City-County Planning Commission
(www.theplanningcommission.org)*

Hillsborough County's top private sector employers are St. Joseph's Hospital, Tampa General Hospital, and Publix Supermarkets with a combined total labor force of 18,791. The top public sector employers are Hillsborough County School District, MacDill Air Force Base, Hillsborough County Government, the University of South Florida, and the City of Tampa with a combined total labor force of 66,401. Combined, these employers represent 15% or 85,192 employees of a total employment of 589,954 in Hillsborough County.

Although the State of Florida is known for citrus fruits and tourism, the Tampa area boasts a high-technology job base, ranked the second largest technology hub in Florida. This higher wage industry is a positive indicator that the City's wage structure will improve over time. Hillsborough County's 2014 average unemployment rate of 6.0% is higher than the State average of 5.6%, and both the State and Hillsborough County's averages are lower than the national average of 6.5% – an indication that Florida is starting to experience some relief in its economic distress. With State-shared revenues and building permits both increasing, the City continues to diversify its economic base in terms of long-range strength. The redevelopment of the southeast quadrant of Bullard Parkway and 56th Street will provide Temple Terrace with the opportunity to create a key focal point for economic and social activity in the oldest part of the city.

Presently, the City has an aggregate inventory of 563 acres of developed commercial properties. Many of these retail venues serve the increasing convenience and general merchandise shopping demands of residents from Temple Terrace, Tampa, and unincorporated Hillsborough County. Temple Terrace's larger retail shopping opportunities are located outside the City limits and are largely concentrated in three geographical nodes: New Tampa and Wesley Chapel, located 15 miles north; Brandon, located 15 miles south; and Westshore and International Plazas, located 15 miles west of the City.

The City is home to Coca Cola Company's North American Customer Development Center. Telecom Park, the City's primary office district, is located on the Hillsborough River west of I-75 and south of Fletcher Avenue, and houses Verizon Communications, Moffitt Cancer Centre's main administration offices, Florida Orthopedic primary out-patient facility, The Florida Department of Environmental Protection Agency, Chapters Health Care, Holiday Inn, Residence Inn, and Circle K regional offices. During 2014, the demand for tenant space increased slightly, coupled with favorable lease terms available throughout the market, resulted in a reduction in available leasable space. The improving market conditions allowed major lease holders the luxury of initiating substantial renovation activities. The overall vacancy rate within the park is at its lowest point since 2008. The development of the four remaining parcels is anticipated by 2018 to provide additional leasable space. Telecom Park, located along the Interstate 75 corridor, had a second-quarter office vacancy rate of 20.3% in 2014, compared with 13.6% for the entire Tampa area. (*Cushman & Wakefield, Market Beat-Tampa Office Report 2Q14*).

Since July 2011, ten properties located within the U.S. Highway 301 industrial area have been annexed into the City of Temple Terrace and another ten have completed petitions and are awaiting annexation.

These annexations complete 30% of a multi-stage endeavor to annex all 30 properties in the industrial area. Temple Terrace can now include industrial and manufacturing uses to its portfolio of opportunities. Unlike in years past, Temple Terrace has a full-range of commercial, office, and industrial business activity to create a vibrant economy.

Residential development remains limited to the absence of available developable land. Several troubled residential projects and in-fill development have re-emerged into the market and sales appear stronger. The City contains approximately 180 acres of developable land, some of which is suitably zoned for residential development.

Long-term planning goals

Temple Terrace residents, elected officials, and the administration recently completed the Your City, Our Future community driven strategic plan which includes ten goals and fifty-one specific objectives. Annually, the Mayor and City Council review the objectives and develop the priorities for the upcoming fiscal year. The Mayor and City Council's objectives established for Fiscal Year 2014-15 are:

- Increase utilization of mainstream social media in departments with frequent community interactions (e.g. Police, Fire, Leisure Services, Public Works, Customer Service);
- Develop a strategic marketing plan that attracts new residents, businesses, and promotes the City's services and events;
- Enhance community involvement by developing and implementing a plan to create opportunity for diverse, high-quality community events;
- Improve facility conditions at the Temple Terrace Family Recreation Complex;
- Develop a strategy to provide sufficient water treatment and production capacity to accommodate future growth;
- Develop a program to ensure timely after-hours response for Public Works related issues;
- Identify areas of possible annexation;
- Establish annexation policy and direction;
- Establish Code Compliance staffing levels and programs that meet the code compliance needs of the City;
- Enhance neighborhoods and areas along our City's borders to ensure comprehensive code compliance;
- Coordinate with department directors to update and redefine position descriptions, as well as, evaluate workloads to determine deficiencies, and ascertain appropriate department staffing levels;
- Provide City employees with a competitive total compensation program in an effort to attract high quality applicants and retain current valued and experienced employees;
- Establish long-term, realistic strategy consistent with the strategic plan;
- Improve the Budgeting process for both the operating and the capital budgets; and
- Secure necessary department financing to achieve long-term sustainability.

The above fifteen objectives directly relate to the Council's commitment to the below goals:

- Develop a comprehensive marketing and outreach plan to reach a diverse audience, promoting the City of Temple Terrace as an amazing place to live, work, play, and learn;
- Develop and implement a comprehensive formal plan which would enhance, maintain and promote Leisure Services' facilities, activities, programs, and encourage community growth and involvement;
- Support and enhance a high quality of life for the City's residents, businesses, and visitors by providing sustainable, environmentally-sensitive, cost-effective infrastructure and services to promote public health, personal safety, transportation, economic growth, and civic vitality;
- Promote orderly growth in the Urban Service Area and those in the Joint Planning Areas of Unincorporated Hillsborough County; Ensure that residents and businesses outside the city limits share tax and maintenance costs for facilities, streets and utilities necessary to meet the demand of future populations;
- Provide a comprehensive code enforcement effort which is consistent, fair and equitable in its application, preserves neighborhood integrity, protects the public health and well-being, and enhances property values;
- Develop and improve procedures to monitor and address employee compensation, departmental work load, and wellness in an effort to provide the citizens of Temple Terrace with exemplary service from a workforce of qualified, experience, and healthy employees; and

- Establish and promote a long-term stable financial future by effective and efficient use of fiscal resources and improving the purchasing and budgeting processes.

The Five-Year Capital Improvement Plan, adopted September 16, 2014, provides a City-wide business plan for utility improvements, equipment replacements, and projects related to growth. The plan details the development of revenue projections and capital needs assumptions. Over the past five years, many capital items in the General Fund have been delayed. Community Investment Tax revenue continues to provide many improvements that benefit the community, such as police and fire vehicles and equipment, parks and recreation enhancements.

The City extends infrastructure beyond the current service area and typically recoups the initial investment over a five- to seven-year period. Although there will be a lag between capital expenses and realized revenues, the growth should stabilize revenues in the short-term and provide long-term economic growth.

Long-range planning for utilities includes:

- **Water** – Renewal and replacement funds are utilized to maintain infrastructure and high-quality service. Improvement fees will fund automated meter reading devices to be complete by December 2017, water main projects to reduce the volume of calls for water main breaks; such as the St. Augustine/Live Oak, Bannockburn/Glen Arven, University Square, North Riverhills/Glen Arven, Gail/Belmont/Sorrento/Holland, and Bonnie Brae areas. Improvements to the Chinaberry Pumping station over the next two years will improve system reliability. There is a planned utility relocation on 78th and Harney Road that is being managed by Hillsborough County and funded by the Florida Department of Transportation.
- **Wastewater** –Lift Station “SA” will be built with impact fees and utility revenues. The Phase I Wastewater Master Plan update and Infiltration and Inflow study, respectively, will help prioritize future capital expenditures and identify system leaks allowing stormwater infiltration into our wastewater collection system. Future funding appropriations for the rehabilitation of sewer manholes and sewer mains will also improve system reliability.

RELATED FINANCIAL POLICIES

The City's general governmental accounting records are maintained on a modified accrual basis, with the revenues recorded when available and measurable. Expenditures are recorded when services or goods are received and liabilities are incurred. Accounting records for the City's utilities, proprietary funds, and pension trust funds are maintained on an accrual basis.

The City reviews financial policies annually with the adoption of the Operating and Capital Budget. The policies help ensure the ability to meet immediate and long-term service objectives. The City limits its exposure in future years to rising costs by controlling baseline costs and allocating one-time revenues to one-time expenditures, whenever possible.

Accounting Systems

The City's accounting system provides reliable financial records for preparing financial statements in conformity with generally accepted accounting principles. The accounting system supports an adequate internal control structure, which provides reasonable, but not absolute, assurance that the City's assets are safeguarded against loss, theft, or misuse. Reasonable assurance recognizes that the cost of a control should not exceed the expected benefits based on management's estimates.

Budgetary Control

During the fiscal year, budgetary control and revisions are maintained at the department level. All purchase orders are compared to the category appropriation, and budget adjustments are approved prior to issuing purchase orders. Department directors are authorized to move funds within the categories of their respective divisions. The City Manager is authorized to transfer any unencumbered appropriation balance, or portion thereof, between specific expenditure classifications within a department or fund. The budget process allows for amendments during the year as conditions warrant.

Per the City Charter, the City Council is authorized to make changes to the budget as it deems necessary for the City's proper and economical operation, and may transfer any unencumbered balance, or portion thereof, to pay for any municipal purpose. An amendment may be initiated by the Finance Director, reviewed by the City Manager, and submitted to the City Council for its consideration.

With City Council approval, appropriations are realigned. In addition, the enabling legislation allows the City Manager or Finance Director to transfer an encumbered balance among programs within an operating fund, providing such action does not result in discontinuing a program. Also, appropriation of donated or grant expenditures is based upon the request. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in City Council's adopted annual budget.

MAJOR INITIATIVES

Development activity for 2015 continued to show signs of rebounding with the tenant finish of available leasable space constructed in previous years. Several "shelled" buildings were completed to house nationally recognized businesses. The available space in existing buildings continues to be absorbed by companies such as Kraft Foods, Acosta Marketing, and ARC Tampa. Development in Tampa Oaks continues with expansion of leasable space to the University of Phoenix and Liberty Mutual Insurance. Tampa Oaks is currently 80% occupied.

The second phase of Telecom Parkway road extension to Morris Bridge Road was designed, right-of-way acquired, and the construction was completed earlier this year.

Redevelopment is a primary goal of the City. In an effort to further the redevelopment in the City's Community Redevelopment Area (CRA), including approximately 20 acres of City owned land, the community has released a Request for Qualifications and started discussions with potential developers. This effort along with past projects, including renovations to the Winn Dixie plaza and infrastructure improvements throughout the CRA, continue to provide momentum towards achieving long term redevelopment objectives.

The Commission on Fire Accreditation International (CFAI) first awarded the Temple Terrace Fire Department Accredited Agency Status in 2006. The Fire Department was re-accredited in 2011. Approximately 187 agencies worldwide have achieved CFAI accreditation, which is based on performance and quality-improvement criteria. The accomplishment places the City's Fire Department in elite standing as a nationally and internationally top-rated department. The Temple Terrace Fire Department was the first agency in Hillsborough County to become CFAI-accredited.

The Commission for Florida Law Enforcement Accreditation Inc. first awarded the Temple Terrace Police Department Accredited Agency Status in 2011. The Accreditation status is valid for a period of only three years and the Police Department was re-accredited in 2014. Accreditation is a highly recognized means of acquiring and maintaining standards of competency, proficiency, professionalism, and service to the community, which represents the department's commitment to providing the highest quality law enforcement services possible.

AWARDS AND ACKNOWLEDGEMENTS

Certificate of Achievement for Excellence in Financial Reporting

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 Temple Terrace for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2013. This was the thirty-sixth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both accounting principles generally accepted in the United States and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that the current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program requirements and we are submitting it to GFOA to determine its eligibility for a subsequent certificate.

In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for its Annual Budget for the fiscal year beginning October 1, 2013, marking the twenty-fifth year the City has received this award. It is based on a governmental unit's publishing a budget document that meets program criteria as a policy document, operations guide, financial plan, and communications medium.

Acknowledgements

The preparation of the CAFR was made possible by the dedicated service of the entire staff of the City's Finance Department and the audit staff of CliftonLarsonAllen LLP. Each member of the department and audit staff has our sincere appreciation for the contributions made in the preparation of this report. Appreciation is also extended to City departmental staff, who contributed significantly by ensuring the accuracy and integrity of accounting information compiled throughout the year. We recognize the Mayor and City Council for their leadership and support in providing the highest level of accountability and transparency through financial reporting. We also thank the citizens of the City of Temple Terrace whose cooperation, support, and assistance have contributed greatly to the operation of this Amazing City.

Respectfully submitted,



Gerald J. Seeber, ICMA-CM
City Manager



Angela C. Atkinson
Finance Director



Government Finance Officers Association

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

Presented to

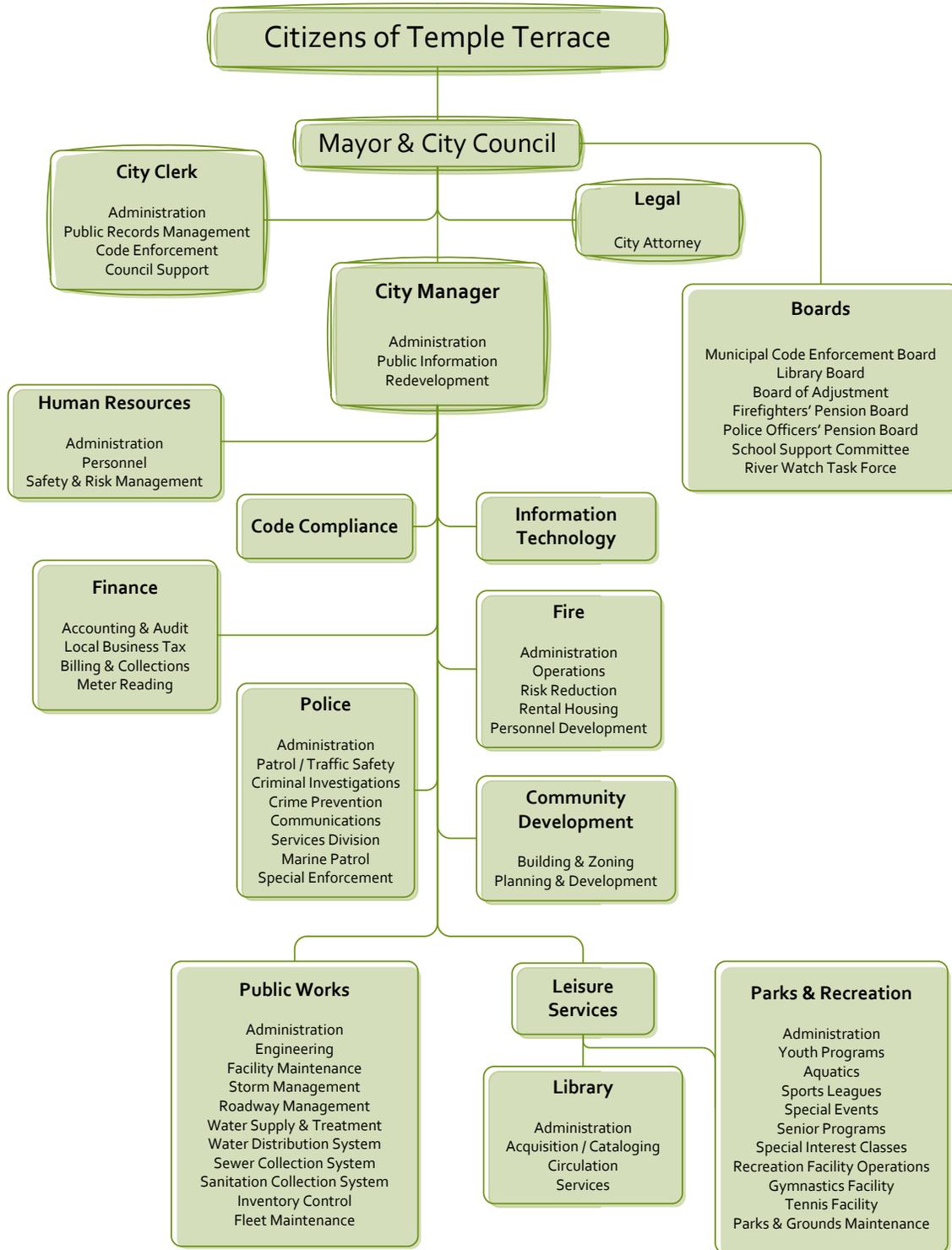
**City of Temple Terrace
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2013

Executive Director/CEO

CITY OF TEMPLE TERRACE, FLORIDA ORGANIZATIONAL CHART



CITY OF TEMPLE TERRACE, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended September 30, 2014

Council - Manager Form of Government

CITY COUNCIL – Elected officials

Frank M. Chillura, Mayor
Robert M. Boss, Vice-Mayor
Alison M. Fernandez Grant Rimbey
David A. Pogorilich Eddie Vance

CITY MANAGER

Gerald J. Seeber, ICMA-CM

APPOINTED OFFICIALS

City Attorney
City Clerk
Code Compliance Director
Community Development Director
Fire Chief
Finance Director
Human Resources Director
Leisure Services Director
Information Technology Director
Police Chief
Public Works Director

Mark A. Connolly
Cheryl A. Mooney
Joseph E. Gross
Charles W. Stephenson
B. Keith Chapman
Angela C. Atkinson
Aleicia N. Latimer
James A. Chambers, Jr.
Robert L. Keel
Kenneth R. Albano
Robert R. Gordon

FINANCIAL SECTION

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Combining and Individual Fund Statements and Schedules

Financial Schedules

INDEPENDENT AUDITORS' REPORT

Honorable Mayor, Members of City Council
and City Manager
City of Temple Terrace, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Temple Terrace, Florida, (the "City") as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the entity'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.

Honorable Mayor, Members of City Council
and City Manager
City of Temple Terrace, Florida

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective net position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Temple Terrace, Florida as of September 30, 2014, and the respective changes in net position and, where applicable, cash flows thereof, and the respective budgetary comparison for the general fund, the street improvement special revenue fund, the community investment tax special revenue fund, and the tax increment financing special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

Honorable Mayor, Members of City Council
and City Manager
City of Temple Terrace, Florida

Other Information (Continued)

We have also previously audited, in accordance with auditing standards generally accepted in the United States of America, the City's basic financial statements for the year ended September 30, 2013, which are not presented with the accompanying financial statements. In our report dated February 27, 2014, we expressed unmodified opinions on the respective financial statements of the governmental activities, business-type activities, each major fund, and aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The prior year partial comparative supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 prior year partial comparative supplementary information is fairly stated in all material respects in relation to the 2013 basic financial statements from which they have been derived.

The introductory section and statistical section, as identified in the table of contents, has 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 May 19, 2015, 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 result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Tampa, Florida
May 19, 2015

**CITY OF TEMPLE TERRACE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2014**

As management of the City of Temple Terrace, we offer readers of our financial statements this narrative overview and analysis of the financial activities for the fiscal year ended September 30, 2014. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found on pages 1-7 of this report, and the financial statements beginning on page 25.

Financial Highlights

- The City's total assets exceeded its total liabilities at the close of the fiscal year 2014 by \$59,793,311, which includes a negative \$21,957,629, in unrestricted net position.
- The City's total net position increased by \$776,374, as governmental activities increased \$35,646, and business-type activities increased \$740,728.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$11,278,149, an increase of \$124,137 in comparison with the prior year. Approximately 37% or \$4,133,366 of this total is unrestricted and *available for spending* at the City's discretion based on the parameters of the fund.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$2,861,765, or nearly 14% of total General Fund operating expenditures excluding capital outlay and debt service. Total fund balance of \$4,372,837 is 21% of operating expenditures, which has improved even though it is less than the 25% target.
- The City's total debt, excluding compensated absences, decreased by \$1,018,115 during the current fiscal year primarily due to the principal payments for the City's utility debt.
- Capital assets in the governmental activities decreased by \$468,472, as a result of the deletion of scrap equipment.

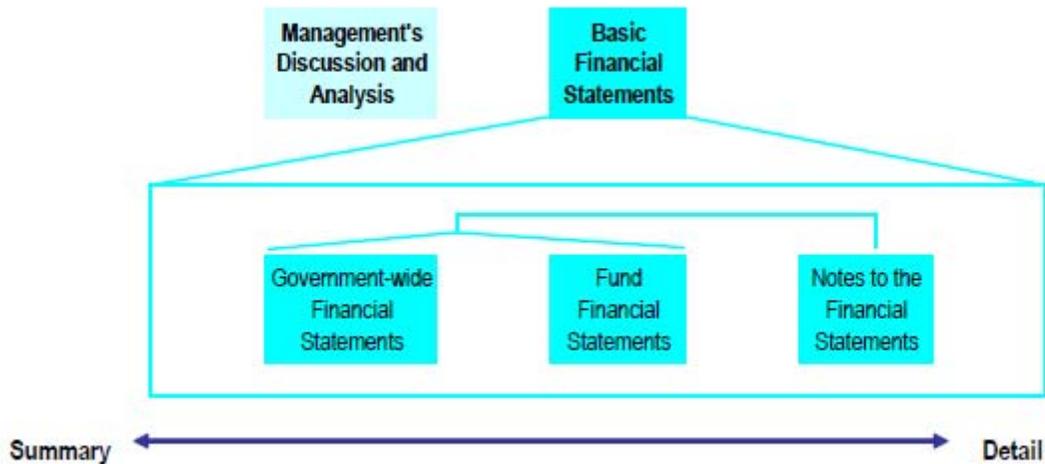
Overview of the Financial Statements

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

The government-wide financial statements provide long-term and short-term information about the City's overall financial status. The fund financial statements focus on individual parts of the City and provide greater detail of the City's operations than the government-wide statements. The basic statements also include notes, which explain some of the information in the statements and provide more detailed data.

**CITY OF TEMPLE TERRACE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014**

The illustration below shows how the various parts of the financial section are arranged and related to one another.



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 government-wide financial statements can be found on pages 26-27 of this report.

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

The statement of activities presents changes in the City's net position during the most recent fiscal year. All changes in net position are reported when the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish City functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City basic services include general government, police, fire, protective inspections, public works, community development, and recreation. Property taxes, utility taxes, gas taxes, sales taxes, and the City's utilities contribution finance the majority of these services. The business-type activities reflect private sector-type operations (water, sewer, and sanitation), where the fee for services typically covers all or most of the cost of operation including depreciation.

CITY OF TEMPLE TERRACE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014

Fund financial statements. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City of Temple Terrace, 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 of Temple Terrace can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decision. 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 five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Street Improvement Fund, the Community Investment Tax Fund, the Tax Increment Financing Fund, and the Debt Service Fund, all of which are considered major funds.

The governmental fund financial statements can be found on pages 28-37 of this report.

Proprietary funds. The City of Temple Terrace maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Water/Sewer and Sanitation operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for fleet maintenance. These services predominantly benefit governmental rather than business-type functions. They have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the two major enterprise funds. The two internal service funds are presented in the proprietary fund financial statements. Individual fund data for the internal funds is provided elsewhere in this report. The basic proprietary fund financial statements can be found on pages 38-41 of this report.

**CITY OF TEMPLE TERRACE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014**

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 statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 43-44 of this report.

Notes to the financial statements. The notes provide additional information 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 45-87 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Temple Terrace's progress in funding its obligation to provide pension benefits and other postemployment benefits to its employees. Required supplementary information can be found on page 88-94 of this report.

The combining statements referred to earlier and other schedules are presented immediately following the required supplementary information on pensions.

Government-wide Financial Analysis

Statement of Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities and deferred inflows by \$59,793,317, at the close of the most recent fiscal year. The table below reflects the condensed government-wide statement of net position.

**City of Temple Terrace
Statement of Net Position
As of September 30**

	Governmental activities		Business-type activities		Total	
	2014	2013	2014	2013	2014	2013
Assets						
Current and other assets	\$ 14,576,565	\$ 13,980,481	\$ 7,759,275	\$ 7,572,071	\$ 22,335,840	\$ 21,552,552
Capital assets (net)	44,731,063	45,199,535	27,727,509	27,727,509	72,458,572	72,927,044
Total assets	59,307,628	59,180,016	35,486,784	35,299,580	94,794,412	94,479,596
Liabilities						
Current and other liabilities	1,370,410	968,013	1,998,484	1,879,327	3,368,894	2,847,340
Long term liabilities:	29,681,709	29,992,140	1,950,498	2,623,179	31,632,207	32,615,319
Total liabilities	31,052,119	30,960,153	3,948,982	4,502,506	35,001,101	35,462,659
Net position						
Net investment in capital assets	44,731,063	44,929,535	26,317,509	25,505,001	71,048,572	70,434,536
Restricted	7,972,160	7,566,336	2,730,208	3,526,876	10,702,368	11,093,212
Unrestricted	(24,447,714)	(24,276,008)	2,490,085	1,765,197	(21,957,629)	(22,510,811)
Total net position	\$ 28,255,509	\$ 28,219,863	\$ 31,537,802	\$ 30,797,074	\$ 59,793,311	\$ 59,016,937

CITY OF TEMPLE TERRACE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014

The largest portion of the City's net position (157.4%) reflects its investment in capital assets (e.g., land, building, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The City of Temple Terrace uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (27.4%) represents resources that are subject to external restrictions on how they may be used. At the end of the current fiscal year, the City is able to report positive balances in all categories of net position except for a negative \$21,957,629 in unrestricted net position. The negative \$21,957,629 in unrestricted position was the result of accruing \$2,078,306, in other post-employment benefit obligations, \$1,704,815 in compensated absences payable, and the negative equity in governmental activities associated with the downtown redevelopment.

Statement of Activities. The key elements of the changes in the City's net position for the fiscal years ended September 30, 2013 and 2014 are as follows:

City of Temple Terrace
Changes in Net Position
For the Years Ended September 30

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	\$ 6,552,304	\$ 6,981,776	\$ 13,408,938	\$ 13,271,157	\$ 19,961,242	\$ 20,252,933
Operating grants and contributions	277,807	302,479	-	-	277,807	302,479
Capital grants and contributions	469,111	213,737	31,432	138,580	500,543	352,317
General revenues:						
Property taxes	7,334,181	6,935,502	-	-	7,334,181	6,935,502
Sales taxes	4,804,570	4,515,226	-	-	4,804,570	4,515,226
Utility taxes	3,811,075	3,854,688	-	-	3,811,075	3,854,688
Motor fuel taxes	357,184	346,503	-	-	357,184	346,503
Local business taxes	260,875	255,838	-	-	260,875	255,838
Investment earnings	77,247	36,206	49,307	(1,112)	126,554	35,094
Other general revenues	408,492	724,897	-	-	408,492	724,897
Total revenues	<u>24,352,846</u>	<u>24,166,852</u>	<u>13,489,677</u>	<u>13,408,625</u>	<u>37,842,523</u>	<u>37,575,477</u>
Expenses:						
General government	3,847,264	3,876,690	-	-	3,847,264	3,876,690
Public safety	13,880,527	13,454,784	-	-	13,880,527	13,454,784
Public works	2,193,891	2,167,279	-	-	2,193,891	2,167,279
Economic environment	522	21,692	-	-	522	21,692
Culture and recreation	3,979,142	3,882,710	-	-	3,979,142	3,882,710
Interest on long-term debt	415,854	868,701	-	-	415,854	868,701
Water/sewer	-	-	9,641,139	9,802,084	9,641,139	9,802,084
Sanitation	-	-	3,109,749	2,965,440	3,109,749	2,965,440
Total expenses	<u>24,317,200</u>	<u>24,271,856</u>	<u>12,750,888</u>	<u>12,767,524</u>	<u>37,068,088</u>	<u>37,039,380</u>
Change in net position before gain (loss)	35,646	(105,004)	738,789	641,101	774,435	536,097
Gain on sale of capital assets	-	11,527	1,939	169	1,939	11,696
Change in net position	35,646	(93,477)	740,728	641,270	776,374	547,793
Net position - beginning	28,219,863	28,313,340	30,797,074	30,155,804	59,016,937	58,469,144
Net position - ending	<u>\$ 28,255,509</u>	<u>\$ 28,219,863</u>	<u>\$ 31,537,802</u>	<u>\$ 30,797,074</u>	<u>\$ 59,793,311</u>	<u>\$ 59,016,937</u>

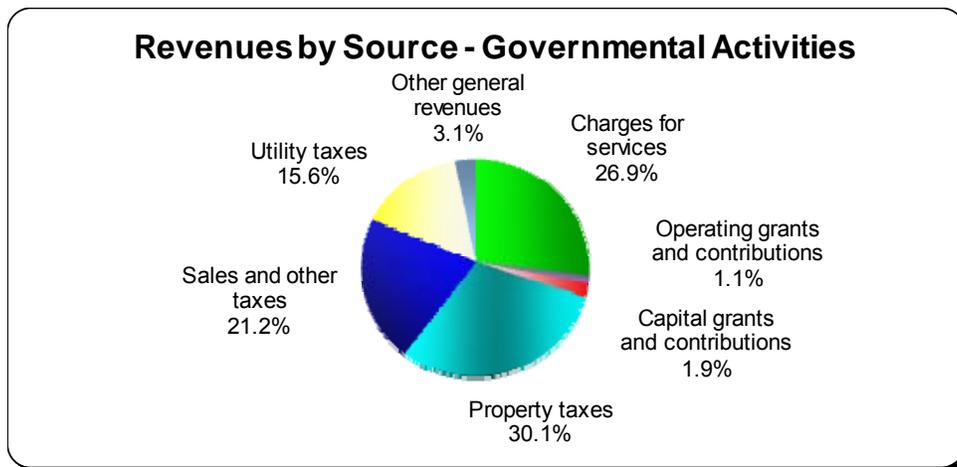
The total governmental net position increased by \$776,374, during the current fiscal year. The majority of this increase, \$740,728, was accounted for by business-type activities.

**CITY OF TEMPLE TERRACE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014**

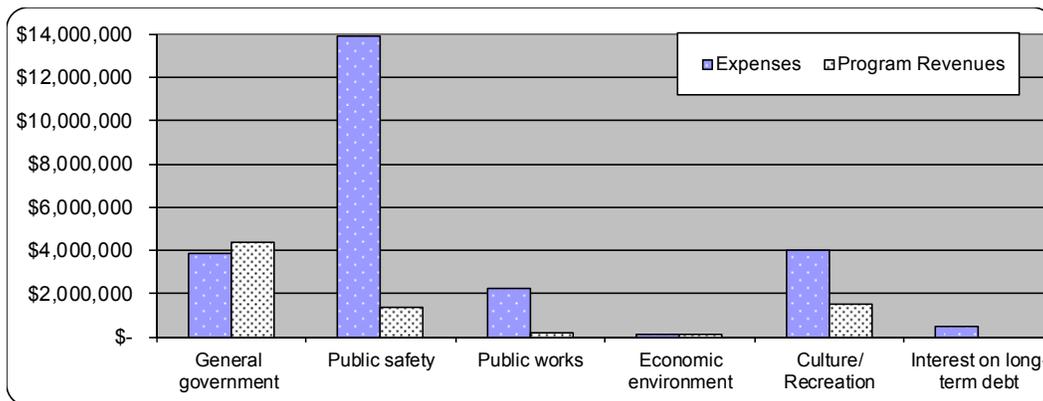
Governmental activities. Governmental activities increased the City's net position by \$35,646. The key elements in the difference between the two years are as follows:

- Property taxes increased by \$398,686, or 5.7 % during the year. Most of this increase is due to the higher taxable assessed values.
- Sales tax revenue increased 6% from \$4,515,226, in Fiscal Year 2013 to \$4,804,570, in Fiscal Year 2014, motor fuel tax revenue 3%, \$346,503, to \$357,184, local business tax 2% from \$255,837, to \$260,875.
- Community Investment Tax continued to increase 7% from \$1,061,675, to \$1,137,513.
- Overall, expenses remained flat.

As illustrated in the graph, over 67% of governmental activity revenues come from property taxes, utility taxes, sales and other taxes.



Charges for services, which include recreation fees, franchise fees, and emergency medical services transport fees account for 27% of the total revenue generated by governmental activities and are a healthy part of the program revenues. However, as illustrated below, the General Government programs are self-sufficient. The remaining governmental activities, especially Public Safety, do not “pay for themselves”, and rely on general revenues, such as, property taxes and sales taxes for funding.

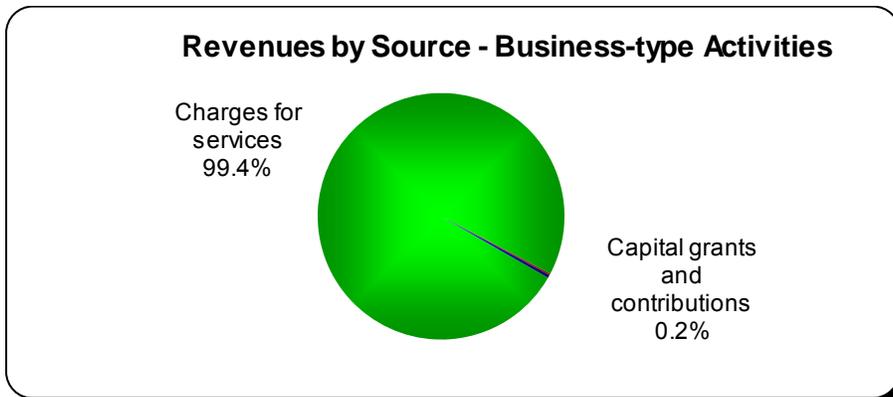


**CITY OF TEMPLE TERRACE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014**

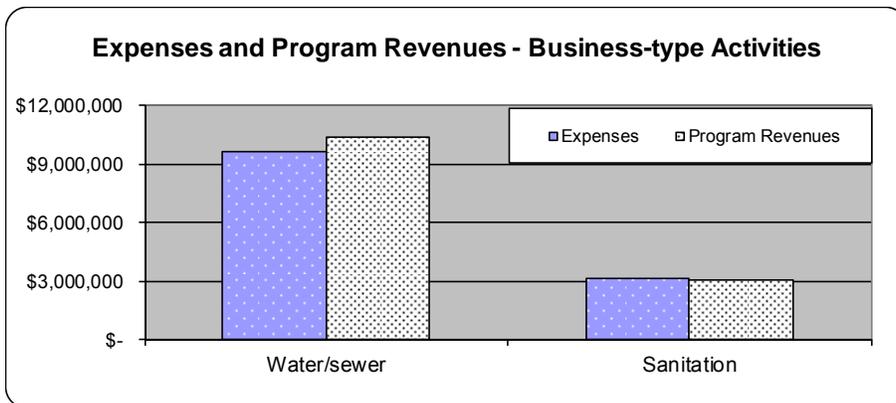
Business-type activities. Business-type activities increased the City's net position by \$740,734. Key elements of this increase/decrease were:

- The Water and Sewer Utility Fund had an operating gain of \$764,288. Wastewater treatment charges decreased \$92,227 from \$3,967,383 in 2013 to \$3,875,156 in 2014.
- The continued implementation of the June 2009 water and sewer rate study calling for rate adjustments tied to the local consumer price index.
- The Sanitation Fund operating loss of \$23,042 which was a decrease over the 2013 operating gain of \$54,939. Waste Disposal charges increased \$124,994 from \$929,455 in 2013 to \$1,054,449 in 2014.
- The Sanitation Fund lends the Debt Service Fund principal payments for the 2005 Revenue Note and as part of the March 2012 loan modification agreement; the Temple Terrace Golf and Country Club deferred principal payments for three years. The principal payment loaned in 2014 was \$121,824 in 2013 was \$123,684 in addition to the \$73,138 in 2012, for a total of \$318,645.

The Charges for Services category accounts for 99% of the revenue generated in the enterprise funds as seen below. Rates should be established to ensure operating expenses are covered.



Program revenue, derived from user fees and charges, is designed to recoup the cost of providing the service. The net position in the Water and Sewer Utility Fund and the Sanitation Fund increased \$757,292 and decreased \$16,558, respectively.



**CITY OF TEMPLE TERRACE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014**

Financial Analysis of the Government's Funds

Governmental funds. As shown below, at the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$11,399,974, an increase of \$245,963, in comparison with the prior year. Approximately 36% of this total amount, \$4,133,368, is the total unrestricted balance. General Fund has a committed amount totaling \$116,591 for police activities, \$1,155,010, assigned for expenditures as outlined on page 51, including \$1,067,625 for a OPEB Reserve with the General Fund. The unassigned fund balance of \$2,861,765 is available for spending at the government's discretion. A portion of fund balance or \$21,958 is nonspendable and represents \$6,513 for prepaid items and \$15,418 for inventories. The restricted amount of \$6,899,538, can only be used as legally allowed including \$2,794,452 to pay debt service; and various amounts in General Fund and Special Revenue Funds.

**City of Temple Terrace
Governmental Funds – Fund Balance
As of September 30**

	General	Street Improvement	Community Investment Tax	Redevelopment Agency	Debt Service	Total
Nonspendable	\$ 21,958	\$ -	\$ -	\$ -	\$ -	\$ 21,958
Restricted	217,513	1,493,853	2,736,831	2,000	2,672,628	7,122,825
Unrestricted:						
Committed	116,591	-	-	-	-	116,591
Assigned	1,155,010	-	-	-	-	1,155,010
Unassigned	2,861,765	-	-	-	-	2,861,765
Total net position	<u>\$ 4,372,837</u>	<u>\$ 1,493,853</u>	<u>\$ 2,736,831</u>	<u>\$ 2,000</u>	<u>\$ 2,672,628</u>	<u>\$ 11,278,149</u>

The General Fund is the City's chief operating fund. At the end of the current fiscal year, *unassigned* fund balance of the General Fund was \$2,861,765, while total fund balance was \$4,372,837. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 14% of total General Fund expenditures excluding capital outlay and debt service, while total fund balance represents 21% of that same amount. Through close examination of all expenditures and personnel costs, the departments saved \$1,230,475, and while revenues exceeded expenditures by \$482,474.

The Street Improvement Fund decreased by \$381,197 to a total fund balance of \$1,493,853, all of which is restricted for eligible street improvement programs. The Fairmont Circle project, Raintree Terrace drainage project, and sidewalk, ramp, and curb improvements were completed during Fiscal Year 2014.

The Community Investment Tax Fund ended the year with a fund balance of \$2,736,831, an increase of \$589,411, all of which is restricted for projects as outlined in the Five-Year Capital Improvement Plan.

The Tax Increment Financing Fund has a fund balance of \$2,000. Total revenue collected of \$27,281 plus a transfer from the City of \$29,633 was used for debt service payments on the property purchased in the southeast quadrant and for services associated with operations in the CRA district.

CITY OF TEMPLE TERRACE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail. Unrestricted net position of the Water/Sewer Utility at the end of the year amounted to \$1,284,365, and those for the Sanitation Utility amounted to \$1,205,720. In 2014, net positions for the Water/Sewer Utility and Sanitation Utility increased by \$757,288 and decreased \$16,560, respectively. Other factors concerning the finances were addressed under the City's business-type activities.

General Fund Budgetary Highlights

At year-end, the City had a positive budget variance of approximately \$1.23 million. The primary reasons for this variance are explained below:

- Salaries and Benefits were under expended by approximately \$0.52 million.
- Professional and Other Services were under expended by approximately \$0.12 million.
- Utility Services and Other expenditures were under expended by approximately \$0.14 million.
- Material, Supplies, and Repair expenditures were under expended by approximately \$0.31 million.
- Capital Outlay expenditures were approximately \$0.13 million less than expected.

Capital Asset and Debt Administration

Capital assets. The City's net investment in capital assets for its governmental and business-type activities as of September 30, 2014, totals \$72,458,572. This investment in capital assets includes land, construction work in progress, buildings and system improvements, machinery and equipment, park facilities, roads, highways, and bridges. The City's total investment in capital assets for the current fiscal year decreased \$390,964 or 0.5%, more specifically comprised of a 0.6% decrease for governmental activities and a 0.1% increase for business-type activities. Additional information on the City's capital assets can be found on pages 62-64 and 105 of this report.

Major capital asset events during the current fiscal year included:

- The Buildings and Improvements category increased in governmental activities by \$128,245, primarily as a result of the completion of City Hall improvements to Council Chambers and Fire Department CCTV Security Systems.
- Infrastructure category in governmental activities increased \$768,687 due to the completion of Fairmont Circle and GPS system improvements for \$594,237. Other project included street pavement management plan, drainage, sidewalk, and signage improvements.
- Infrastructure for business-type activities increased \$1,043,836, primarily the addition of remote-read meters for \$292,709, Wastewater master plan for \$223,833, and South Riverhills water main upgrades for \$261,397.
- Construction in progress for governmental activities decreased overall by \$130,830 as the University Square playground and the gym roof replacement concluded.
- Construction in progress for business-type activities increased \$132,709 as the US 301 waterline relocation project neared completion at year-end.
- Accumulated depreciation increased \$2,517,701, with \$1,416,894 of the increase in governmental activities and \$1,100,807 in business-type activities.

**CITY OF TEMPLE TERRACE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014**

**Capital Assets at Year-End
Net of Depreciation**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 3,785,416	\$ 3,785,416	\$ 2,417,358	\$ 2,417,358	\$ 6,202,774	\$ 6,202,774
Buildings	11,656,475	11,531,871	2,140,996	2,140,996	13,797,471	13,672,867
Improvements other than buildings	7,095,875	6,864,265	-	-	7,095,875	6,864,265
Equipment	13,897,744	13,943,393	4,953,947	4,950,858	18,851,691	18,894,251
Infrastructure	37,388,616	36,619,929	43,175,179	42,132,662	80,563,795	78,752,591
Construction in progress	934,084	1,064,914	312,448	179,739	1,246,532	1,244,653
	74,758,210	73,809,788	52,999,928	51,821,613	127,758,138	125,631,401
Less: accumulated depreciation	(30,027,147)	(28,610,253)	(25,272,419)	(24,171,612)	(55,299,566)	(52,781,865)
Net capital assets	\$ 44,731,063	\$ 45,199,535	\$ 27,727,509	\$ 27,650,001	\$ 72,458,572	\$ 72,849,536

Long-term debt. At the end of the current fiscal year, the City of Temple Terrace had total debt outstanding secured by various revenue sources, e.g., revenue bonds, and covenants to budget and appropriate. The City refinanced the debt associated with the acquisition of land and construction of a road in the redevelopment district. The issue of \$24,335,000 with PNC at fixed interest rate of 1.15% for two years replaced notes with higher variable interest rates. Additional information on the City's long-term debt can be found on pages 81-82 of this report.

Outstanding Debt at Year-End

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Capital leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue notes	26,439,086	26,846,267	-	-	26,439,086	26,846,267
Revenue bonds	-	-	1,410,000	2,145,000	1,410,000	2,145,000
Total	\$ 26,439,086	\$ 26,846,267	\$ 1,410,000	\$ 2,145,000	\$ 27,849,086	\$ 28,991,267

Economic Factors and Next Year's Budgets and Rates

The City administration took a conservative approach to balance the Fiscal Year 2015 budget. The City's taxable property values increased \$97 million, or 8.3%, to \$1.26 billion for Fiscal Year 2015, with the property tax revenue in the General Fund adopted budget showing an increase of \$297,592 over Fiscal Year 2014. For the previous five years, property values declined 18%, an average of 3.6% annually, which resulted in approval of a tax rate slightly lower than the rolled-back rate to provide the same level of service without increasing the cost to residents. The City maintained the millage rate at 6.43 mills per \$1,000 assessed property value in Fiscal Year 2014 and reduced that rate to 6.305 mills in 2015.

CITY OF TEMPLE TERRACE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
September 30, 2014

During Fiscal Year 2014, franchise fees and utility taxes were under collected due to relatively mild weather; therefore, revenues in this category were budgeted slightly lower than last year. Other taxes and fees including state and intergovernmental revenues may increase slightly. Due to their dependence on market fluctuations, building permit fees are projected to begin rising slightly. Grant revenues continue to be sought for special projects.

The revenue challenges and increasing public safety pension costs placed additional pressure on the budget, yet departments continually met the challenge by reducing budgeted operating costs by 0.39% in Fiscal Year 2015. Also, budgeted capital outlays decreased \$323,942 in response to funding pressures.

The Temple Terrace Redevelopment Area property values rose to \$69.9 million during Fiscal Year 2015, while maintaining a taxable value increase of \$6,970,167 over the 2004 base value of \$62.9 million. Values in this area rose 0.3% over Fiscal Year 2014 as the area is being redeveloped. Over the past five years, revenue generated in the district fell from \$256,227 to \$57,087. The first phase of this large redevelopment effort was complete in December 2011. The TIF income will assist with the \$279,853 interest payment on the investment in redevelopment. The budget includes interest expense, but the amount of TIF income will prohibit the City from paying anything towards principal.

The Water/Sewer Enterprise Fund - comprised of several sub-funds, including operations, debt service, renewal & replacement, and improvement fees - is expected to improve its performance slightly. A water and sewer rate increase adjusted by CPI, based on a 2009 rate study, became effective October 1, 2014. A Tampa rate decrease for sewer disposal will provide for future capital expenditures and may stabilize future rates. Sanitation rates will remain the same and coupled with the reduced landfill rates should allow normal operations without the use of fund balance.

Annexation efforts continue as the administration analyzes the cost benefits for all proposed annexations to ensure that annexed areas support themselves and that the City's services remain at optimal levels. Although the proposed annexation agreement with Hillsborough County, which allows contiguous and non-contiguous properties in a specified area to be annexed into the City, has been unproductive, the City continues to pursue contiguous and voluntary annexations.

Requests for Information

This financial report is designed to provide a general overview of and present accountability for the City of Temple Terrace's finances to users and interested parties, the citizens, taxpayers, customers, investors, and creditors. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of Temple Terrace, P.O. Box 16930, Temple Terrace, FL 33687-6930, via the City's website (<http://www.templeterrace.com>), or by phone at **813-506-6410**.

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

Fund Financial Statements

Governmental

Proprietary

Fiduciary

Notes to the Financial Statements

CITY OF TEMPLE TERRACE, FLORIDA
STATEMENT OF NET POSITION
September 30, 2014

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 2,801,537	\$ 437,181	\$ 3,238,718
Investments	6,216,766	1,476,086	7,692,852
Receivables (net of allowance for uncollectibles)	4,789,791	1,474,406	6,264,197
Internal balances	(318,645)	318,645	-
Inventories	72,926	85,483	158,409
Prepays	6,513	-	6,513
Net pension asset	1,007,677	-	1,007,677
Restricted assets:			
Cash and cash equivalents	-	634,796	634,796
Investments	-	3,332,678	3,332,678
Receivables	-	-	-
Capital assets not being depreciated			
Land	3,785,416	2,417,358	6,202,774
Construction in progress	934,084	312,448	1,246,532
Capital assets net of accumulated depreciation			
Buildings and improvements	11,656,475	2,140,996	13,797,471
Improvements other than buildings	7,095,875	-	7,095,875
Machinery, equipment, and vehicles	13,897,744	4,953,947	18,851,691
Infrastructure	37,388,616	43,175,179	80,563,795
Less accumulated depreciation	(30,027,147)	(25,272,419)	(55,299,566)
Total assets	<u>59,307,628</u>	<u>35,486,784</u>	<u>94,794,412</u>
LIABILITIES			
Accounts payable	838,891	716,944	1,555,835
Accrued payroll	319,747	44,275	364,022
Deposits and other payables	13,871	1,237,265	1,251,136
Unearned revenue	197,901	-	197,901
Noncurrent liabilities			
Due within one year:			
Revenue bonds and notes payable	144,657	775,000	919,657
Compensated absences	387,880	38,324	426,204
Due in more than one year:			
Revenue bonds and notes payable	26,294,429	635,000	26,929,429
Compensated absences	1,163,639	114,972	1,278,611
Net OPEB obligation	1,691,104	387,202	2,078,306
Total liabilities	<u>31,052,119</u>	<u>3,948,982</u>	<u>35,001,101</u>
NET POSITION			
Net investment in capital assets	44,731,063	26,317,509	71,048,572
Restricted:			
Donations and forfeitures	217,513	-	217,513
Debt service	2,672,628	802,312	3,474,940
Renewal and replacement	-	561,883	561,883
Capital projects	5,082,019	1,366,013	6,448,032
Unrestricted	(24,447,714)	2,490,085	(21,957,629)
Total net position	<u>\$ 28,255,509</u>	<u>\$ 31,537,802</u>	<u>\$ 59,793,311</u>

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

CITY OF TEMPLE TERRACE, FLORIDA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2014

Function/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 3,847,264	\$ 4,322,450	\$ 18,349	\$ -	\$ 493,535	\$ -	\$ 493,535
Public safety	13,880,527	1,211,799	98,028	-	(12,570,700)	-	(12,570,700)
Public works	2,193,891	86,101	-	48,645	(2,059,145)	-	(2,059,145)
Economic environment	522	-	-	27,282	26,760	-	26,760
Culture and recreation	3,979,142	931,954	161,430	393,184	(2,492,574)	-	(2,492,574)
Interest on long-term debt	415,854	-	-	-	(415,854)	-	(415,854)
Unallocated Depreciation	-	-	-	-	-	-	-
Total governmental activities	<u>24,317,200</u>	<u>6,552,304</u>	<u>277,807</u>	<u>469,111</u>	<u>(17,017,978)</u>	<u>-</u>	<u>(17,017,978)</u>
Business-type activities:							
Water/sewer	9,641,139	10,322,232	-	31,432	-	712,525	712,525
Sanitation	3,109,749	3,086,706	-	-	-	(23,043)	(23,043)
Total business-type activities	<u>12,750,888</u>	<u>13,408,938</u>	<u>-</u>	<u>31,432</u>	<u>-</u>	<u>689,482</u>	<u>689,482</u>
Total primary government	<u>\$ 37,068,088</u>	<u>\$ 19,961,242</u>	<u>\$ 277,807</u>	<u>\$ 500,543</u>	<u>(17,017,978)</u>	<u>689,482</u>	<u>(16,328,496)</u>
General revenues:							
Property taxes, levied for general purposes					7,334,181	-	7,334,181
Sales taxes					4,804,570	-	4,804,570
Utility taxes					3,811,075	-	3,811,075
Motor fuel taxes					357,184	-	357,184
Local business taxes					260,875	-	260,875
Grants and contributions not restricted to specific programs					54,396	-	54,396
Unrestricted investment earnings					77,247	49,307	126,554
Miscellaneous					354,096	-	354,096
Gain on sale of capital assets					-	1,939	1,939
Total general revenues and transfers					<u>17,053,624</u>	<u>51,246</u>	<u>17,104,870</u>
Change in net position					35,646	740,728	776,374
Net position - beginning					28,219,863	30,797,074	59,016,937
Net position - ending					<u>\$ 28,255,509</u>	<u>\$ 31,537,802</u>	<u>\$ 59,793,311</u>

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



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**CITY OF TEMPLE TERRACE, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2014**

	General Fund	Street Improvement Fund	Community Investment Tax Fund
ASSETS			
Cash and Cash Equivalents	\$ 1,299,659	\$ 492,536	\$ 850,727
Equity In Pooled Investments	3,025,276	1,046,638	1,807,795
Receivables Net of Allowance for Uncollectibles:			
Accounts - Billed	23,119	-	-
Accounts - Unbilled	19,506	687,267	-
Interest	3,916	165,491	2,408
Due from Other Agencies	290,563	85,458	196,625
Other	755,230	885	-
Inventories	15,417	-	-
Prepaid Items	6,513	-	-
Total Assets	<u>\$ 5,439,199</u>	<u>\$ 2,478,275</u>	<u>\$ 2,857,555</u>
LIABILITIES			
Accounts Payable	\$ 538,897	\$ 135,087	\$ 120,724
Interfund Advances Payable	-	-	-
Accrued Payroll	315,693	-	-
Deposits and Other Payables	13,871	-	-
Unearned Revenue	197,901	-	-
Total Liabilities	<u>1,066,362</u>	<u>135,087</u>	<u>120,724</u>
DEFERRED INFLOWS			
Deferred Inflows of Resources	-	849,335	-
Total Deferred Inflows	<u>-</u>	<u>849,335</u>	<u>-</u>
FUND BALANCES			
Nonspendable	21,958	-	-
Restricted	217,513	1,493,853	2,736,831
Committed	116,591	-	-
Assigned	1,155,010	-	-
Unassigned	2,861,765	-	-
Total Fund Balances	<u>4,372,837</u>	<u>1,493,853</u>	<u>2,736,831</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 5,439,199</u>	<u>\$ 2,478,275</u>	<u>\$ 2,857,555</u>

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

Tax Increment Financing Fund	Debt Service Fund	Total Governmental Funds
\$ 640	\$ 138,242	\$ 2,781,804.00
1,360	293,764	6,174,833
-	-	23,119
-	-	706,773
-	393	172,208
-	-	572,646
-	2,558,874	3,314,989
-	-	15,417
-	-	6,513
<u>\$ 2,000</u>	<u>\$ 2,991,273</u>	<u>\$ 13,768,302</u>
\$ -	\$ -	\$ 794,708
-	318,645	318,645
-	-	315,693
-	-	13,871
-	-	197,901
-	318,645	1,640,818
-	-	849,335
-	-	849,335
-	-	21,958
2,000	2,672,628	7,122,825
-	-	116,591
-	-	1,155,010
-	-	2,861,765
<u>2,000</u>	<u>2,672,628</u>	<u>11,278,149</u>
<u>\$ 2,000</u>	<u>\$ 2,991,273</u>	<u>\$ 13,768,302</u>



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**CITY OF TEMPLE TERRACE, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
September 30, 2014**

Total fund balances - governmental funds (page 28)		\$	11,278,149
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.			
Governmental capital assets	\$	74,587,347	
Less accumulated depreciation		<u>(29,863,340)</u>	
Net governmental capital assets			44,724,007
The net pension asset is not an available resource and, therefore, is not reported in the governmental funds.			
			1,007,677
Deferred Inflows of resources on the governmental fund balance sheet that are not available currently are shown as revenue in the statement of activities.			
			849,335
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.			
Revenue bonds payable		(26,439,086)	
Compensated absences		(1,551,519)	
Less compensated absences in internal service fund		14,667	
Other Post Employment Benefits		<u>(1,691,104)</u>	
Total governmental long-term liabilities			(29,667,042)
Internal service funds are used by management to charge the cost of fleet maintenance. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.			
			<u>63,383</u>
Net position of governmental activities		\$	<u><u>28,255,509</u></u>

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

CITY OF TEMPLE TERRACE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2014

	General Fund	Street Improvement Fund	Community Investment Tax Fund
REVENUES			
Taxes	\$ 11,406,137	\$ 718,599	\$ 1,137,513
Licenses and Permits	250,553	-	-
Franchise Fees	1,766,757	-	-
Intergovernmental	3,626,948	357,184	-
Charges for Services	3,963,372	-	-
Fines and Forfeitures	449,747	-	-
Investment Earnings (Loss)	43,509	13,328	17,207
Contributions and Donations	63,867	48,645	-
Other	203,876	-	38
Total Revenues	<u>21,774,766</u>	<u>1,137,756</u>	<u>1,154,758</u>
EXPENDITURES			
Current:			
General Government:			
Legislative	306,902	-	-
Legal	400,874	-	-
Executive	1,783,830	-	-
Finance	417,816	-	-
Community Development	515,587	-	-
Code Enforcement	270,731	-	-
Economic Development	-	-	-
Non-Departmental	47,241	-	-
Total General Government	<u>3,742,981</u>	<u>-</u>	<u>-</u>
Public Safety:			
Police	7,217,774	-	-
Fire	5,761,300	-	-
Total Public Safety	<u>12,979,074</u>	<u>-</u>	<u>-</u>
Cultural and Recreation:			
Library	718,392	-	-
Parks and Recreation	2,797,394	-	-
Total Cultural and Recreation	<u>3,515,786</u>	<u>-</u>	<u>-</u>
Public Works:			
Public Works Administrative	467,891	-	-
Streets	257,581	587,007	-
Engineering	-	66,255	-
Total Public Works	<u>725,472</u>	<u>653,262</u>	<u>-</u>
Capital Outlay	<u>328,981</u>	<u>805,691</u>	<u>565,347</u>
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Issuance and Other Costs	-	-	-
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>21,292,294</u>	<u>1,458,953</u>	<u>565,347</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>482,472</u>	<u>(321,197)</u>	<u>589,411</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	(710,318)	(60,000)	-
Proceeds from the Sale of Capital Assets	29,816	-	-
Total Other Financing Sources (Uses)	<u>(680,502)</u>	<u>(60,000)</u>	<u>-</u>
Net Change in Fund Balances	<u>(198,030)</u>	<u>(381,197)</u>	<u>589,411</u>
Fund Balances, Beginning	<u>4,570,867</u>	<u>1,875,050</u>	<u>2,147,420</u>
Fund Balances, Ending	<u>\$ 4,372,837</u>	<u>\$ 1,493,853</u>	<u>\$ 2,736,831</u>

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

Tax Increment Fund	Debt Service Fund	Total Governmental Funds
\$ -	\$ -	\$ 13,262,249
-	-	250,553
-	-	1,766,757
27,281	-	4,011,413
-	-	3,963,372
-	-	449,747
173	3,030	77,247
-	-	112,512
-	136,362	340,276
<u>27,454</u>	<u>139,392</u>	<u>24,234,126</u>
-	-	306,902
-	-	400,874
-	-	1,783,830
-	-	417,816
-	-	515,587
-	-	270,731
175	-	175
-	-	47,241
<u>175</u>	<u>-</u>	<u>3,743,156</u>
-	-	7,217,774
-	-	5,761,300
-	-	<u>12,979,074</u>
-	-	718,392
-	-	2,797,394
-	-	<u>3,515,786</u>
-	-	467,891
-	-	844,588
-	-	66,255
-	-	<u>1,378,734</u>
-	-	<u>1,700,019</u>
-	407,182	407,182
-	414,969	414,969
-	885	885
-	<u>823,036</u>	<u>823,036</u>
<u>175</u>	<u>823,036</u>	<u>24,139,805</u>
<u>27,279</u>	<u>(683,644)</u>	<u>94,321</u>
29,633	796,696	826,329
(56,011)	-	(826,329)
-	-	29,816
<u>(26,378)</u>	<u>796,696</u>	<u>29,816</u>
901	113,052	124,137
1,099	2,559,576	11,154,012
<u>\$ 2,000</u>	<u>\$ 2,672,628</u>	<u>\$ 11,278,149</u>

**CITY OF TEMPLE TERRACE, FLORIDA
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, 2014**

Net change in fund balances - total governmental funds (page 31)		\$ 124,137
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.</p>		
Expenditures for capital assets	\$ 1,700,019	
Less current year depreciation	<u>(2,203,535)</u>	
Net governmental capital assets		(503,516)
<p>In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net position differs from the change in fund balance by the capital assets sold.</p>		
		(37,170)
<p>Contributions and adjustments of capital assets used in activities reported in governmental funds are not reported in those funds. These assets and related contribution revenue are recorded at fair market value in the statement of activities.</p>		
		78,275
<p>Bond proceeds provide current financial resources to governmental funds, while the repayment of the principal consumes the current financial resources of governmental funds. Governmental funds report the debt issuance. This amount is the net effect of these differences.</p>		
Principal payments	<u>407,182</u>	
Total debt service costs		407,182
<p>Net pension asset is not a current financial resource and consequently is not reported in the funds. The current year change in this asset on the statement of net position.</p>		
		16,981
<p>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.</p>		
Change in long-term compensated absences	(41,372)	
Change in net OPEB obligation	<u>(60,346)</u>	
Total other expenses		(101,718)
<p>Governmental funds report contributions as revenue when available, but the statement of activities includes contributions when earned and all eligibility requirements have been met.</p>		
		40,444
<p>The internal service fund is used by management to charge the costs of fleet maintenance to individual funds. The net income (loss) of the internal service funds is reported with governmental activities.</p>		
		<u>11,031</u>
Change in net position of governmental activities		<u>\$ 35,646</u>

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

CITY OF TEMPLE TERRACE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – GENERAL FUND
TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 7,209,011	\$ 7,209,011	\$ 7,334,188	\$ 125,177
Utility	4,070,564	4,070,564	3,811,074	(259,490)
Local Business Tax	255,893	255,893	260,875	4,982
Licenses and Permits	362,958	362,958	250,553	(112,405)
Franchise Fees	1,906,221	1,906,221	1,766,757	(139,464)
Intergovernmental	3,137,430	3,336,899	3,626,948	290,049
Charges for Services	4,086,833	4,086,833	3,963,372	(123,461)
Fines and Forfeitures	768,000	768,000	449,747	(318,253)
Investment Earnings	45,000	45,000	43,509	(1,491)
Contributions and Donations	30,500	52,984	63,867	10,883
Other	159,018	184,018	203,876	19,858
Total Revenues	<u>22,031,428</u>	<u>22,278,381</u>	<u>21,774,766</u>	<u>(503,615)</u>
EXPENDITURES				
Current:				
General Government:				
Legislative	349,518	347,721	306,902	40,819
Legal	319,830	363,082	400,874	(37,792)
Executive	445,357	443,503	433,573	9,930
Human Resources	689,231	714,231	691,446	22,785
Information Technology	767,387	774,013	658,811	115,202
Finance	424,021	424,021	417,816	6,205
Community Development	554,592	571,983	515,587	56,396
Code Enforcement	268,079	286,395	270,731	15,664
Economic Development	54,518	1,266	-	1,266
Non-Departmental	47,925	47,925	47,241	684
Total General Government	<u>3,920,458</u>	<u>3,974,140</u>	<u>3,742,981</u>	<u>231,159</u>
Public Safety:				
Police	7,610,351	7,788,533	7,217,774	570,759
Fire	5,921,907	5,910,683	5,761,300	149,383
Total Public Safety	<u>13,532,258</u>	<u>13,699,216</u>	<u>12,979,074</u>	<u>720,142</u>
Cultural and Recreation:				
Library	709,642	735,622	718,392	17,230
Parks and Recreation	2,839,251	2,865,036	2,797,394	67,642
Total Cultural and Recreation	<u>3,548,893</u>	<u>3,600,658</u>	<u>3,515,786</u>	<u>84,872</u>
Public Works:				
Public Works Administrative	513,145	512,897	467,891	45,006
Streets	276,822	276,822	257,581	19,241
Total Public Works	<u>789,967</u>	<u>789,719</u>	<u>725,472</u>	<u>64,247</u>
Capital Outlay	64,110	459,036	328,981	130,055
Total Expenditures	<u>21,855,686</u>	<u>22,522,769</u>	<u>21,292,294</u>	<u>1,230,475</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>175,742</u>	<u>(244,388)</u>	<u>482,472</u>	<u>726,860</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(710,317)	(710,317)	(710,318)	(1)
Sale of Capital Assets	25,000	25,000	29,816	4,816
Total Other Financing Sources (Uses)	<u>(685,317)</u>	<u>(685,317)</u>	<u>(680,502)</u>	<u>4,815</u>
Net Change in Fund Balances	<u>(509,575)</u>	<u>(929,705)</u>	<u>(198,030)</u>	<u>731,675</u>
Fund Balances, Beginning	4,570,867	4,570,867	4,570,867	-
Fund Balances, Ending	<u>\$ 4,061,292</u>	<u>\$ 3,641,162</u>	<u>\$ 4,372,837</u>	<u>\$ 731,675</u>

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

CITY OF TEMPLE TERRACE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
STREET IMPROVEMENT SPECIAL REVENUE FUND
For the Fiscal Year Ended September 30, 2014

	Street Improvement Special Revenue Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Taxes	\$ 724,030	\$ 724,030	\$ 718,599	\$ (5,431)
Intergovernmental	1,108,659	1,108,659	357,184	(751,475)
Investment Earnings	20,000	20,000	13,328	(6,672)
Contributions and Donations	-	-	48,645	48,645
Total Revenues	<u>1,852,689</u>	<u>1,852,689</u>	<u>1,137,756</u>	<u>(714,933)</u>
Public Works:				
Public Works Administrative				
Street Maintenance	555,285	555,285	587,007	(31,722)
Engineering	66,255	66,255	66,255	-
Total Public Works	<u>621,540</u>	<u>621,540</u>	<u>653,262</u>	<u>(31,722)</u>
Capital Outlay	<u>2,957,500</u>	<u>2,999,854</u>	<u>805,691</u>	<u>2,194,163</u>
Total Expenditures	<u>3,579,040</u>	<u>3,621,394</u>	<u>1,458,953</u>	<u>2,162,441</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,726,351)</u>	<u>(1,768,705)</u>	<u>(321,197)</u>	<u>1,447,508</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(60,000)	(60,000)	(60,000)	-
Total Other Financing Sources (Uses)	<u>(60,000)</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>
Net Change in Fund Balances	<u>(1,786,351)</u>	<u>(1,828,705)</u>	<u>(381,197)</u>	<u>1,447,508</u>
Fund Balances, Beginning	<u>1,875,050</u>	<u>1,875,050</u>	<u>1,875,050</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 88,699</u>	<u>\$ 46,345</u>	<u>\$ 1,493,853</u>	<u>\$ 1,447,508</u>

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

CITY OF TEMPLE TERRACE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
COMMUNITY INVESTMENT TAX SPECIAL REVENUE FUND
For the Fiscal Year Ended September 30, 2014

	Community Investment Special Revenue Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Taxes	\$ 1,071,200	\$ 1,071,200	\$ 1,137,513	\$ 66,313
Intergovernmental	115,000	115,000	-	(115,000)
Investment Earnings	20,000	20,000	17,207	(2,793)
Other	-	-	38	38
Total Revenues	1,206,200	1,206,200	1,154,758	(51,442)
EXPENDITURES				
Capital Outlay	3,045,187	3,059,203	565,347	2,493,856
Total Expenditures	3,045,187	3,059,203	565,347	2,493,856
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,838,987)	(1,853,003)	589,411	2,442,414
Net Change in Fund Balances	(1,838,987)	(1,853,003)	589,411	2,442,414
Fund Balances, Beginning	2,147,420	2,147,420	2,147,420	-
Fund Balances, Ending	\$ 308,433	\$ 294,417	\$ 2,736,831	\$ 2,442,414

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

CITY OF TEMPLE TERRACE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
TAX INCREMENT FINANCING SPECIAL REVENUE FUND
For the Fiscal Year Ended September 30, 2014

	Tax Increment Financing Special Revenue Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Intergovernmental	\$ 27,315	\$ 27,281	\$ 27,281	\$ -
Investment Earnings	-	173	173	-
Total Revenues	<u>27,315</u>	<u>27,454</u>	<u>27,454</u>	<u>-</u>
EXPENDITURES				
Current:				
General Government:				
Economic Development	175	175	175	-
Total General Government	<u>175</u>	<u>175</u>	<u>175</u>	<u>-</u>
Total Expenditures	<u>175</u>	<u>175</u>	<u>175</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>27,140</u>	<u>27,279</u>	<u>27,279</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	29,632	29,633	29,633	-
Transfers Out	<u>(56,772)</u>	<u>(56,011)</u>	<u>(56,011)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(27,140)</u>	<u>(26,378)</u>	<u>(26,378)</u>	<u>-</u>
Net Change in Fund Balances	-	901	901	-
Fund Balances, Beginning	<u>1,099</u>	<u>1,099</u>	<u>1,099</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 1,099</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ -</u>

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



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CITY OF TEMPLE TERRACE, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2014

	Business-type Activities			Governmental Activities Internal Service Fund
	Enterprise Funds			
	Water & Sewer Utility	Sanitation Utility	Total	
ASSETS				
Current assets:				
Cash and Cash Equivalents	\$ 175,065	\$ 262,116	\$ 437,181	\$ 19,733
Equity in Pooled Investments	919,089	556,997	1,476,086	41,933
Accounts Receivable:				
Billed (Net Allowance for Uncollectibles)	653,355	151,000	804,355	-
Unbilled	424,178	235,514	659,692	-
Interest Receivable	4,594	5,765	10,359	-
Other	-	-	-	56
Inventories	85,483	-	85,483	57,509
Total Current Assets	<u>2,261,764</u>	<u>1,211,392</u>	<u>3,473,156</u>	<u>119,231</u>
Noncurrent Assets:				
Restricted Cash, Cash Equivalents, and Investments:				
Cash and Cash Equivalents	634,796	-	634,796	-
Equity in Pooled Investments	3,332,678	-	3,332,678	-
Interfund Advance	-	318,645	318,645	-
Capital Assets:				
Land	2,417,358	-	2,417,358	-
Buildings	2,140,996	-	2,140,996	-
Machinery, Equipment, and Vehicles	2,069,544	2,884,403	4,953,947	170,864
Infrastructure	43,175,179	-	43,175,179	-
Construction in Progress	312,448	-	312,448	-
Less Accumulated Depreciation	<u>(22,978,454)</u>	<u>(2,293,965)</u>	<u>(25,272,419)</u>	<u>(163,808)</u>
Net Capital Assets	<u>27,137,071</u>	<u>590,438</u>	<u>27,727,509</u>	<u>7,056</u>
Total Noncurrent Assets	<u>31,104,545</u>	<u>909,083</u>	<u>32,013,628</u>	<u>7,056</u>
 Total Assets	 <u>\$ 33,366,309</u>	 <u>\$ 2,120,475</u>	 <u>\$ 35,486,784</u>	 <u>\$ 126,287</u>

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

**CITY OF TEMPLE TERRACE, FLORIDA
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
September 30, 2014**

	Business-type Activities Enterprise Funds			Governmental Activities
	Water & Sewer Utility	Sanitation Utility	Total	Internal Service Fund
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 576,622	\$ 140,322	\$ 716,944	\$ 44,183
Accrued Payroll	31,520	12,755	44,275	4,054
Compensated Absences	27,452	10,872	38,324	3,667
Customer Deposits	1,237,265	-	1,237,265	-
Bonds and Leases Payable	775,000	-	775,000	-
Total Current Liabilities	<u>2,647,859</u>	<u>163,949</u>	<u>2,811,808</u>	<u>51,904</u>
Noncurrent Liabilities:				
Long-term Debt	635,000	-	635,000	-
Compensated Absences	82,356	32,616	114,972	11,000
Net OPEB Obligation	259,450	127,752	387,202	-
Total Noncurrent Liabilities	<u>976,806</u>	<u>160,368</u>	<u>1,137,174</u>	<u>11,000</u>
Total Liabilities	<u>3,624,665</u>	<u>324,317</u>	<u>3,948,982</u>	<u>62,904</u>
NET POSITION				
Net Investment in Capital Assets	25,727,071	590,438	26,317,509	7,056
Restricted:				
Debt Service	802,312	-	802,312	-
Renewal and Replacement	561,883	-	561,883	-
Capital Projects	1,366,013	-	1,366,013	-
Total Restricted	<u>2,730,208</u>	<u>-</u>	<u>2,730,208</u>	<u>-</u>
Unrestricted	1,284,365	1,205,720	2,490,085	56,327
Total Net Position	<u>\$ 29,741,644</u>	<u>\$ 1,796,158</u>	<u>\$ 31,537,802</u>	<u>\$ 63,383</u>

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

CITY OF TEMPLE TERRACE, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended September 30, 2014

	Business-type Activities			Governmental Activities Internal Service Fund
	Enterprise Funds			
	Water & Sewer Utility	Sanitation Utility	Total	
OPERATING REVENUES				
Charges for Services	\$ 10,000,035	\$ 3,023,927	\$ 13,023,962	\$ 725,883
Water and Sewer Taps and Extensions	9,880	-	9,880	-
Recycling	-	57,516	57,516	-
Other	312,317	5,263	317,580	2,018
Total Operating Revenues	<u>10,322,232</u>	<u>3,086,706</u>	<u>13,408,938</u>	<u>727,901</u>
OPERATING EXPENSES				
Salaries and Wages	1,222,168	507,344	1,729,512	168,581
Fringe Benefits and Payroll Taxes	452,808	227,974	680,782	54,413
Sewer Treatment Charges	3,875,156	-	3,875,156	-
Waste Disposal Charges	-	1,054,450	1,054,450	-
Insurance	158,538	16,476	175,014	889
Utilities and Telephone	325,495	1,605	327,100	-
Vehicle Maintenance	66,915	251,753	318,668	6,733
Fuel	77,477	185,894	263,371	27,455
Professional Services	81,225	93,848	175,073	7,378
Repairs and Maintenance	278,335	9,791	288,126	160,858
Postage and Office Supplies	42,721	242	42,963	-
Operating Supplies	325,000	33,989	358,989	213,639
Rental and Lease Costs	252,133	99,956	352,089	-
Other	22,372	1,213	23,585	421
Depreciation	1,044,553	181,995	1,226,548	6,061
Admin. Charges from Other Funds	1,333,052	443,219	1,776,271	70,388
Total Operating Expenses	<u>9,557,948</u>	<u>3,109,749</u>	<u>12,667,697</u>	<u>716,816</u>
Operating Income (Loss)	<u>764,284</u>	<u>(23,043)</u>	<u>741,241</u>	<u>11,085</u>
NONOPERATING REVENUES (EXPENSES)				
Gain (Loss) On Sale of Capital Assets	1,939	-	1,939	-
Investment Earnings (Loss)	42,824	6,483	49,307	(54)
Interest and Fiscal Charges	(83,191)	-	(83,191)	-
Total Nonoperating Revenues (Expenses)	<u>(38,428)</u>	<u>6,483</u>	<u>(31,945)</u>	<u>(54)</u>
Income (Loss) Before Contributions, Special Items, and Transfers	725,856	(16,560)	709,296	11,031
Impact Fees Paid By Customers	31,432	-	31,432	-
Transfers In	-	-	-	-
Transfer Out	-	-	-	-
Change in Net Position	757,288	(16,560)	740,728	11,031
Net Position - Beginning	<u>28,984,356</u>	<u>1,812,718</u>	<u>30,797,074</u>	<u>52,352</u>
Net Position - Ending	<u>\$ 29,741,644</u>	<u>\$ 1,796,158</u>	<u>\$ 31,537,802</u>	<u>\$ 63,383</u>

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



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CITY OF TEMPLE TERRACE, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended September 30, 2014

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water & Sewer Utility	Sanitation Utility	Totals	
Cash Flows from Operating Activities:				
Cash Received from Customers	\$ 9,917,096	\$ 3,111,170	\$ 13,028,266	\$ -
Cash Payments to Suppliers	(5,110,738)	(1,354,966)	(6,465,704)	(380,918)
Cash Payments to Employees	(1,618,184)	(722,637)	(2,340,821)	(228,123)
Cash Received from Other Funds for Services	-	-	-	725,884
Cash Payments to Other Funds for Services	(1,652,100)	(794,928)	(2,447,028)	(77,121)
Other	312,317	5,263	317,580	2,004
Net Cash Provided by (Used for) Operating Activities	<u>1,848,391</u>	<u>243,902</u>	<u>2,092,293</u>	<u>41,726</u>
Cash Flows from Noncapital Financing Activities:				
Cash Loaned to Other Funds	-	(121,824)	(121,824)	-
Interest Paid on Customer Deposits	(1,828)	-	(1,828)	-
Net Cash (Used for) Noncapital Financing Activities	<u>(1,828)</u>	<u>(121,824)</u>	<u>(123,652)</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities:				
Principal Payments on Long-Term Debt	(735,000)	-	(735,000)	-
Interest Payments on Long-Term Debt	(81,363)	-	(81,363)	-
Acquisition and Construction of Capital Assets	(1,291,611)	(13,065)	(1,304,676)	-
Proceeds from Sale of Capital Assets	2,559	-	2,559	-
Impact Fees Paid by Customers	31,432	-	31,432	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(2,073,983)</u>	<u>(13,065)</u>	<u>(2,087,048)</u>	<u>-</u>
Cash Flows From Investing Activities:				
Investment Earnings (Loss)	48,423	6,956	55,379	(54)
Net Cash Provided by (Used for) Investing Activities	<u>48,423</u>	<u>6,956</u>	<u>55,379</u>	<u>(54)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(178,997)	115,969	(63,028)	41,672
Cash and Cash Equivalents, October 1	<u>5,240,625</u>	<u>703,144</u>	<u>5,943,769</u>	<u>19,994</u>
Cash and Cash Equivalents, September 30	<u>\$ 5,061,628</u>	<u>\$ 819,113</u>	<u>\$ 5,880,741</u>	<u>\$ 61,666</u>
Cash and Cash Equivalents at End of Year Consists of:				
Cash and Cash Equivalents	\$ 809,861	\$ 262,116	\$ 1,071,977	\$ 19,733
Equity in Pooled Investments	4,251,767	556,997	4,808,764	41,933
Total Cash and Cash Equivalents at End of Year	<u>\$ 5,061,628</u>	<u>\$ 819,113</u>	<u>\$ 5,880,741</u>	<u>\$ 61,666</u>

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

**CITY OF TEMPLE TERRACE, FLORIDA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
For the Fiscal Year Ended September 30, 2014**

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water & Sewer Utility	Sanitation Utility	Totals	
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	\$ 764,284	\$ (23,043)	\$ 741,241	\$ 11,084
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation and Amortization Expense	1,044,553	181,995	1,226,548	6,061
Change in Assets and Liabilities:				
(Increase) Decrease in Accts Receivable (Net)	(92,819)	29,727	(63,092)	(14)
Decrease in Inventories	6,120	-	6,120	1,581
Increase (Decrease) in Customer Deposits	14,752	(900)	13,852	-
Increase in Accounts Payable	54,709	43,442	98,151	28,143
Increase (Decrease) in Accrued Payroll	4,630	2,524	13,852	(161)
Increase (Decrease) in Compensated Absences	9,466	(10,867)	98,151	(4,968)
Increase in Net OPEB Obligation	42,696	21,024	7,154	-
Total Adjustments	<u>1,084,107</u>	<u>266,945</u>	<u>1,351,052</u>	<u>30,642</u>
Net Cash Provided by Operating Activities	<u>\$ 1,848,391</u>	<u>\$ 243,902</u>	<u>\$ 2,092,293</u>	<u>\$ 41,726</u>

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

**CITY OF TEMPLE TERRACE, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
September 30, 2014**

	<u>Total Employee Retirement Funds</u>
ASSETS	
Cash and Cash Equivalents:	
Consolidated Cash	\$ 65,384
Money Market Funds	1,273,288
Total Cash and Cash Equivalents	<u>1,338,672</u>
Receivables:	
Contributions - Employer	106,831
Contributions - Buy-Back	6,657
Accrued Interest and Dividends	85,042
Total Receivables	<u>198,530</u>
Investments, at Fair Value:	
U.S. Treasury Bonds, Notes and Bills	8,845,619
Federal Agency Guaranteed Securities	1,763,715
Corporate Bonds	927,417
Common Stocks	24,041,986
Real Estate Fund	3,781,238
Total Investments	<u>39,359,975</u>
Total Assets	<u>40,897,177</u>
NET POSITION	
Held in Trust for Pension Benefits	<u>\$ 40,897,177</u>

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

CITY OF TEMPLE TERRACE, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
For the Fiscal Year Ended September 30, 2014

	<u>Total Employee Retirement Funds</u>
ADDITIONS	
Contributions:	
State Tax on Insurance Premiums	\$ 317,450
Contributions - Employer	2,553,656
Contributions - Employee	586,276
Buy-Back	9,858
Total Contributions	<u>3,467,240</u>
Investment Income:	
Net Appreciation in Fair Value of Investments	3,499,243
Interest	403,287
Dividends	377,213
Other	111,770
Total Investment Income	<u>4,391,513</u>
Investment Expense	<u>(239,826)</u>
Net Investment Income	<u>4,151,687</u>
Total Additions	<u>7,618,927</u>
DEDUCTIONS	
Pension Benefits	2,862,195
Termination Refunds	182,407
D.R.O.P. Refunds	67,057
Other	66,574
Total Deductions	<u>3,178,233</u>
Change in Net Position	4,440,694
Net Position-Beginning	<u>36,456,483</u>
Net Position-Ending	<u><u>\$ 40,897,177</u></u>

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

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Year Ended September 30, 2014

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Temple Terrace (the City) have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB upon assuming the standard-setting role (in June 1984) adopted the National Council on Governmental Accounting (NCGA) existing standards. Significant accounting policies are described below.

A. REPORTING ENTITY

The City, incorporated on May 28, 1925, is a Florida municipality governed by the Mayor and five council members, all elected at-large. The City is located on the west coast of the State of Florida in the Tampa Bay Area, and operates under a Charter adopted on May 5, 1978, which provides for Council/Manager form of government. As required by Generally Accepted Accounting Principles, the financial statements of the reporting entity include those of the City (the primary government) and its component units, entities for which the City is considered to be financially accountable.

The financial reporting entity consists of the following:

- The primary government;
- Organizations for which the primary government is financially accountable;
- Other organizations that, because of the nature and significance of their relationship with the primary government, may not be excluded from the financial reporting entity.

In evaluating the City as a reporting entity, management has addressed all potential component units for which the City may or may not be financially accountable and, if applicable, has included them in the City's financial statements.

Blended Component Units

On December 16, 2003, by Resolution Number 168-03, the City established Temple Terrace Redevelopment Agency (TTRA) as a component unit of the City pursuant to Section 163.512 Florida Statutes. The TTRA Board is comprised wholly of the City Councilmembers. Since the City appoints a voting majority and can impose its will on the agency, it is considered a component unit. Separate financial statements are not issued for TTRA. Fiscal year 2006 was the first year TTRA realized any financial activity. The information associated with this Tax Increment Financing Fund is reflected as a major fund in the governmental activities.

B. BASIS OF PRESENTATION

Government-Wide Financial Statements:

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

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 meet 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.

Internal Service Funds of a government are presented in summary form as part of the proprietary fund financial statements. Since the principal users of the internal services are the City's governmental activities, financial statements of Internal Service Funds are consolidated in the governmental column when presented at the government-wide level.

The City's fiduciary funds are presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party (pension plan participants) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

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

Fund Financial Statements:

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements. Governmental funds include the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Fund. The Proprietary Funds include Enterprise Funds for utility operations and Internal Service Funds for services within the City on a cost reimbursement basis. The two Fiduciary Funds are not included in the government-wide statements and are summarized as basic financial statements.

1. Governmental Funds: The City recognizes the following major governmental funds:

- a) **General Fund** – is the general operating fund of the City. It accounts for all financial resources not accounted for or reported in another fund.
- b) **Street Improvement Special Revenue Fund** – accounts for the proceeds of various intergovernmental gas tax revenues that are restricted to expenditure for specified purposes. The funds are generally used for items that are capital in nature, but can be used for street maintenance.
- c) **Community Investment Special Revenue Fund** – accounts for the proceeds from the half-cent sales tax revenues that are restricted to expenditure for specified purposes. The funds are generally used for capital items, but can be used for public safety equipment that may or may not meet the capitalization threshold.
- d) **The Tax Increment Financing Fund Special Revenue** – accounts for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes associated with the Temple Terrace Redevelopment Area.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

- e) **Debt Service Fund** – accounts for resources that are restricted, committed, or assigned to expenditure for principal and interest.

2. Proprietary Funds: The City recognizes the following major proprietary funds:

- a) **Water & Sewer Utility Fund** – accounts for the activities in providing water and wastewater collection, treatment and distribution services to the public.
- b) **Sanitation Utility Fund** – accounts for the activities in providing solid waste collection, transportation, and disposal services to the public.

3. Non-Major Funds: Additionally, the City reports the following fund types:

- a) **Internal Service Funds** – account for the financing of goods and services provided by one department to other departments of the governmental unit on a cost-reimbursement basis. The City reports fleet maintenance as internal services.
- b) **Pension Trust Funds** – account for the activities of the City's Police Officers' Retirement Fund and Firefighters' Retirement Fund. They are excluded from the government-wide financial statements because they are fiduciary in nature and do not represent resources available to the government for operation.

C. BASIS OF ACCOUNTING AND MEASUREMENT FOCUS

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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.

1. Modified Accrual: Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available.

"Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, i.e., within 60 days of the end of the current fiscal period). Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

In applying the "susceptible to accrual" concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially three types of these revenues.

- a) Moneys are expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded.
- b) Moneys are received in advance and recorded as unearned revenues until the appropriate expenditures are made, at which time the revenues are recorded.
- c) Revenues are virtually unrestricted as to purpose of expenditure and nearly irrevocable, such as equal employment opportunity provisions. These resources are reflected as revenues at the time of receipt or earlier if they meet the "available" criteria.

2. Accrual: All Proprietary and Fiduciary Funds are accounted for using the accrual basis of accounting and the economic resources measurement focus. Their revenues are recognized when they are earned and expenses recognized when they are incurred.

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

4. Accounting Pronouncements: For the year ended September 30, 2014, the financial statements include the impact of adoption of Governmental Accounting Standards Board *Statement* (GASBS) number 67.

GASBS 67, *Financial Reporting for Pension Plans – an Amendment of GASB Statement No. 25*, is intended to improve financial reporting by state and local governmental pension plans. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This Statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

D. BUDGETARY DATA

1. Budget Policy: The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) Not later than 45 days prior to the end of the fiscal year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Two public hearings are conducted to obtain taxpayer comments.
- c) Prior to October 1, the budget is legally enacted through passage of an ordinance, unless an extension of time is authorized by the State legislature.
- d) The City Manager or Finance Director is authorized to transfer any unencumbered appropriation balance or portion thereof between departments and programs within a fund, and appropriate donated expenditures based on the request of donor. The City Council may, by resolution, transfer any unencumbered appropriation balance or portion thereof from one fund to another.
- e) The City Council adopts the Budget Ordinance for all operating funds of the City except for Trust and Agency Funds. Budgets of the General, Special Revenue, Debt Service, and Capital Projects funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). Expenditures may not legally exceed appropriations for each fund.
- f) The key dates affecting the annual budget for the fiscal year ended September 30, 2014, were as follows:

City Council Budget Work Session	Apr 23, Jun 18, Aug 29, Sept 2013
City Manager recommended budget to City Council	August 15, 2013
First public hearing and adoption of tentative millage rate	September 3, 2013
Second public hearing and adoption of millage rate	September 18, 2013
Beginning of fiscal year for which taxes were levied	October 1, 2013

All budget amounts presented in the accompanying financial statements and supplemental information have been adjusted for legally authorized revisions of the annual budgets during the year. Appropriations, except open project appropriations and encumbrances, lapse at the end of each fiscal year.

2. Encumbrances: Encumbrances outstanding at year-end do not represent GAAP expenditures or liabilities but represent budgetary accounting controls. All Governmental Fund budgets are maintained on the modified accrual basis of accounting and appropriations exclude purchase orders and contracts (encumbrances) issued for goods or services not received at year end. The actual results of operations, presented in accordance with GAAP and the City's accounting policies do not recognize encumbrances as expenditures until the period in which the goods or services are actually received and a liability is incurred. With the implementation of GASB Statement No. 54, encumbrances are not presented separately within the financial statements. They are restricted, committed, or assigned on the balance sheet depending on the nature of the encumbrance. Although encumbrances lapse at year-end, it is the City's intention to substantially honor these encumbrances under authority provided in the subsequent year's budget.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

The City's legally adopted budget does not automatically include an appropriation for encumbrances. Although GASB 54 requires that encumbrances be disclosed by major and nonmajor fund, the City does not have any nonmajor funds. Encumbrances outstanding at year-end for the City's major funds were:

General Fund	\$ 13,827
Street Improvement Fund	1,310,988
Community Investment Tax Fund	83,418
Water & Sewer Renewal and Replacement Fund	32,708
Water Improvement	103,468
Total Encumbrances	<u>\$ 1,544,409</u>

E. ASSETS, LIABILITIES AND FUND EQUITY

1. Cash and Investments: Investments in all funds are reported at fair value as required by GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*:

- a) Short-term investments are reported at cost, which approximates fair value; and
- b) Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates.

Cash and cash equivalents. These are defined as short-term, highly liquid investments that are:

- a) Readily convertible to known amounts of cash;
- b) So near their maturity that they present insignificant risk of changes in value because of changes in interest rates; and
- c) Have a maturity date of three months or less from the date of purchase.

2. Receivable: Accounts receivables are recorded in the General, Special Revenue and Enterprise fund types. Property taxes, which were levied during fiscal year 2014, and are uncollected as of September 30, 2014, are immaterial and therefore not recorded as receivable.

There are allowances for uncollectable accounts over 360 days past due for EMS billing. The allowance for uncollectable accounts for utility billing is recorded as the average amount that was expensed as uncollectable over the past three years.

3. Inventories: All City inventories are maintained on a consumption basis of accounting, where items are purchased for inventory and charged to the budgetary accounts as the items are consumed. Inventories held by the General Fund consist principally of general office and maintenance supplies. Inventories included in the Water and Sewer Utility Fund consists of maintenance parts. Inventories included in the Fleet Maintenance Fund consist of maintenance parts held for consumption. Inventories are stated at average cost, with quantities based on a physical count completed annually.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

4. Restricted Assets: Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. The "debt service" account is used to segregate resources accumulated for debt service payments over the next twelve months. The "renewal and replacement" account is used to report resources set aside to meet unexpected contingencies or to fund asset renewals and replacements.

5. Capital Assets and Depreciation: Capital assets, which include property, plant, equipment, and infrastructure assets such as, roads, bridges, and sidewalks, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$1,000 and an estimated useful life of two years. Such assets are recorded at historical cost, including all infrastructure assets as required by GASB 34. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	30-50 years
Improvements other than buildings	30-50 years
Equipment	5-10 years
Vehicles	5-10 years
Infrastructure, including transportation	30-50 years

The Water and Sewer Utility Fund and the Sanitation Utility Fund pay a rental charge to the General Fund for the use of the land and buildings reflected in the Governmental Capital Assets.

6. Bond Discounts: Bond discounts are amortized over the term of the bonds using the interest method. Bond discounts are presented as a reduction of the face amount of the revenue bonds payable.

7. Equity Classifications:

Government-wide Statements

Equity is classified as net position and displayed in three components:

- a) Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b) Restricted net position – Consists of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation. Restrictions include debt service, renewal and replacement, and capital projects. Earnings on restricted assets are included in net income of the statement of activities. Increases in restricted assets result in a decrease to unrestricted net position.
- c) Unrestricted net position – All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Fund Statements

Governmental fund equity is classified as fund balance. Appropriations for a specific purpose are stipulated by an external resource provider or imposed by a law or enabling legislature that restricts its use. Fund balance is further classified as nonspendable, restricted, and unrestricted, which is further split between committed, assigned, and unassigned. Proprietary fund equity is classified the same as in the government-wide statements.

- a) **Nonspendable** – amounts that cannot be spent because they are either (a) not in spendable form, such as prepaid items, inventories, or long-term notes receivable; or (b) legally or contractually required to be maintained intact, such as the principal portion of an endowment.
- b) **Restricted** – amounts that can be spent only for specific purposes stipulated by (a) external resource providers, such as creditors, grantors, contributors, or laws or regulations of other governmental entities; or (b) imposed by law through constitutional provisions or enabling legislation that creates the revenue source and restricts its use. The detail is seen below:

General Fund:

Building Inspections Fines & Fees	\$	4,500
Donations - Public Safety		19,788
Donations - Knox Box Program		5,962
Donations - Culture & Recreation		9,199
Police Contraband & Forfeitures		55,647
911 Funding		111,998
Tree Impact Fees		10,419
Total General Fund	\$	217,513

Roadway Improvements		1,493,852
CIT - Public Safety, Arts Education Center		2,736,832
Community Redevelopment		2,000
Debt Service		2,672,628
Total Restricted Fund Balances	\$	7,122,825

- c) **Committed** – amounts that can be used only for the specific purposes determined by formal action (resolution) of the City Council, the City's highest level of decision-making authority. Commitments are binding unless removed by the City Council's formal action. Any formal action should occur prior to the end of the fiscal year. On August 21, 2012, the City Council committed the funds received from the Dovie Hamby Estate for Police activities. There was \$116,591 unspent of the committed fund balance at September 30, 2014.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

- d) **Assigned** – includes unrestricted fund balance amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. Either the City Manager or the Finance Director has the authority to assign amounts to a specific purpose. On October 4, 2011, City Council by Resolution 116-11 authorized the City Manager and the Finance Director to assign resources and ending fund balance. Below are the assigned amounts:

Encumbrances	\$	13,827
Parks & Recreation Maintenance		9,037
Recreation Van		7,803
Red Light Camera		56,718
Appropriated Fund Balance (Fiscal Year 2014)		-
OPEB Reserve		1,067,625
		1,155,010
	\$	1,155,010

- e) **Unassigned** – the remaining portion of fund balance that does not fall into another category; applies to the General Fund only. The City’s fund balance policy states that the General Fund shall strive to maintain an unassigned fund balance of 25% of operating expenditures.

In accordance with the City’s policy, restricted funds will be spent first unless there are legal documents that prohibit doing this, such as grant agreements. Regarding the use of unrestricted fund balance amounts, committed would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Proprietary Fund equity restricts a portion of net position equal to certain assets to comply with revenue bond indenture covenants or other legal commitments. The use of restricted net position has been limited to the following items:

- a) **Debt Service** – restricted for future servicing of the revenue bonds, which must equal or exceed maximum amount of debt service due in any ensuing year.
- b) **Renewal and Replacement** – restricted to comply with revenue bond indenture covenant for specific contingencies.
- c) **Capital Projects** – indicates that portion of net position attributable to water and sewer improvement fees, which are restricted for costs related to physical plant expansion.

The following amounts are shown on the statement of net position:

Debt service	\$	802,312
Renewal and replacement		561,883
Capital projects		1,366,013
		2,730,208
	\$	2,730,208

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

F. REVENUES, EXPENDITURES AND EXPENSES

1. Revenues: Governmental revenues are accrued unless their actual collection falls outside the availability period of 60 days, consistent with the modified accrual basis of accounting.

- a) **Property Taxes** – Property taxes are billed and collected within the same fiscal period, and are reflected on a cash basis when it is received from the tax collector. Since virtually all taxes levied will be collected through the tax collection process, remittances in October and November for prior year taxes are insignificant.

Under Florida Law, the assessment of all properties and the collection of all City property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method statewide. All property is reassessed according to its fair market value on January 1 of each year. However, an increase in assessed value on eligible homestead property is limited to the lesser of 3% or the consumer price index. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State Statutes.

The tax levy of the City is established by the City Council prior to October 1 of each year and the Hillsborough County Property Appraiser incorporates the Millage into the total tax levy, which includes the municipality, county, independent districts, and the County School Board tax requirements. State statutes permit cities to levy at a rate up to 10 mills (\$10 per \$1,000 of assessed taxable property value). The Millage rate in effect for the fiscal year ended September 30, 2014 was 6.43.

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they were assessed, and at such time a lien on the property is recorded. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. The taxes paid in March are without discount. Delinquent taxes on real property bear interest of 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. The certificate holder may make application for a tax deed on any unredeemed tax certificate after a period of two years. The County holds unsold certificates.

- b) **Impact Fees** – Impact Fees recorded in the General Fund are levied per individual agreements with developers and are not subject to refund; therefore, the revenue is recognized when received.
- c) **Tap Fees** – Tap fees are reported as revenue only to the extent that the amount equals the cost of physical connection to the system. Since fees were not generated in excess of the cost to connect, no addition to contributed capital is required.

2. Expenditures: Expenditures are recognized when incurred with the following exceptions permitted by Generally Accepted Accounting Principles:

- a) General obligation long-term debt principal and interest are reported, if any, when due.
- b) Inventory costs are reported when items are consumed.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

3. Interfund Transfers and Advances: Transfers are used to:

- a) Move \$29,633 from the General Fund, which is required to collect taxes, to the Tax Increment Financing Fund, which is required to expend them, and
- b) Move receipts totaling \$796,695 that are restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due.

	Fund Transfers In:		
Fund Transfer Out:	Tax Increment Financing	Debt Service	Total
General	\$ 29,633	\$ 680,685	\$ 710,318
Street Improvement	-	60,000	60,000
Tax Increment Financing	-	56,011	56,011
	\$ 29,633	\$ 796,696	\$ 826,329

Further, transfers are used to settle amounts due between funds when, in management's best estimate, an interfund loan is not expected to be repaid within a reasonable period of time. An interfund advance is recorded in the Debt Service Fund, which initially made the debt service payments, and will be responsible to repay the Sanitation Utility Fund by 2025, as the Temple Terrace Golf and Country Club pays its debt to the City. In March 2012, the City Council approved a loan modification to allow the Temple Terrace Golf and Country Club to defer principal payments. The Sanitation Utility Fund will loan money to the Debt Service Fund to make the principal payment for three years totaling \$390,639. The total principal payments advanced the Debt Service Fund from the Sanitation Fund were \$318,645 on September 30, 2014. Additional information is in the Contingency Section.

4. Operating Revenues and Expenses: Proprietary funds distinguish operating revenues and expenses from nonoperating items. The principal operating revenues are charges for services including the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses include the cost to provide service and deliver goods in connection with a proprietary fund's principal ongoing operations, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

5. Compensated Absences: Regular permanent, full-time and part-time employees accrue a paid vacation period of ten days for one to four years of service. With five through fourteen years of service, employees receive fifteen days of paid vacation annually and thereafter twenty days. Exempt employees receive an additional five days per year until total vacation accrual reaches the maximum of twenty days per year. The City permits employees to accumulate unused vacation and carry it over from one year to the next; however, not more than 450 hours of accrued vacation time may be carried over.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Sick Leave for Firefighters is accumulated at the rate of .0533 and for other permanent employees at the rate of .0462 per hour worked until the date of separation from City employment. Annually any unused sick leave over 112 hours for Firefighters, 120 hours for Police officers, and 80 hours for other employees is converted to vacation time on a one-for-one basis. This conversion of sick leave to vacation is done at the employee's option. Any unconverted sick leave at the date of separation from City employment services is forfeited. That portion of sick leave subject to accrual at September 30, 2014, is not material and has not been reflected in the accompanying financial statements.

Since sick leave is only paid if used, sick leave pay is expensed as paid by the City. Although not accrued, the unvested accumulated sick leave benefits amount is \$609,660 at September 30, 2014.

The City accrues accumulated unpaid vacation leave when earned by the employee in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of resignations or retirements.

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. MATERIAL VIOLATIONS OF FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS

The City has no material violations of finance-related legal and contractual provisions.

B. DEFICIT FUND BALANCE OR NET POSITION OF INDIVIDUAL FUNDS

There are no funds that have a deficit in net position at September 30, 2014.

C. EXCESS OF EXPENDITURES OVER APPROPRIATIONS

There are no funds with expenditures that exceeded budget appropriations.

D. BUDGETARY COMPLIANCE

Proprietary Budget: The City adopts operating budgets for the proprietary funds on a modified accrual basis that is not the same basis of accounting as that used to account for the actual results of operations on an accrual basis. In addition, the budgets prepared are for the operating accounts of each fund. The following items indicate the primary differences between the budgetary basis and the GAAP basis used to account for the results of operations for the operating accounts:

- 1. Interest Income** – earned on restricted assets is included in the results of operations. Such amounts are not budgeted in the operating accounts. This portion of interest income is restricted for a specific purpose such as debt, capital project, renewal and replacement, and is not available to finance operations.
- 2. Intrafund transfers to the restricted accounts** – are budgeted and transferred on a budgetary basis but are eliminated on a GAAP basis.
- 3. Renewal and Replacement account** – expenses for certain repairs and maintenance are not reflected in the budgeted amounts of the operating accounts; however, transfers to the restricted accounts to maintain the required reserves are budgeted.
- 4. Interest expense** – is budgeted as debt service transfers, which include principal payments. The portion of the transfer representing principal payments has been adjusted to offset the related liability on a GAAP basis.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

5. Capital outlay – expenses for capital outlays are budgeted. These outlays have been capitalized into capital assets and eliminated from the results of operations on a GAAP basis.

6. Net position allocations – residual unappropriated liquid assets resulting from prior period's operations are budgeted and included as revenue on a budgetary basis but are eliminated on a GAAP basis. The 2014-15 budgeted uses of fund balance at September 30, 2014 were:

Budgeted Use of Fund Balance in Fiscal Year 2015

General Fund	\$	201,205
Street Improvement Fund		327,595
Total	<u>\$</u>	<u>528,800</u>

NOTE III - DETAIL NOTES - ALL FUNDS

A. ASSETS

1. Cash and Investments: The City maintains a pool of cash and investments in which each fund and/or account or sub-account of an enterprise fund participates on a dollar equivalent and daily transaction basis. Interest is distributed monthly based on average daily balances. There is restricted cash for donations given for specific purposes and unexpended grant funds. For purposes of proprietary fund cash flow statements, cash and cash equivalents include equity in pooled investments that meet the criteria described above.

Florida Statutes 218.415 authorize municipalities to invest excess funds in time deposits or savings accounts of financial institutions approved by the State Treasurer, obligations of the United States Government and certain instruments guaranteed by the U.S. Government. Investments may include repurchase agreements. The Statutes also require depositories of public funds to provide collateral each month at least equal to 50 percent of the average daily balance of all public deposits in excess of deposit insurance.

Investments, except for those in the Pension Trust Funds, must be in the City's name and held in safekeeping by a commercial bank having trust powers or a trust company, which record and provide accounting for various securities held.

- a) **Deposits and Investments – General Operating Accounts:** As of September 30, 2014, the carrying amount of the City's deposits with financial institutions was \$5,239,982 and the total of the book balances was \$4,822,761. A portion of the balance (\$250,000) for each of the four banks is covered by Federal Depository Insurance Corporation. The remaining balance of \$4,487,317 was collateralized pursuant to Chapter 280, Florida Statutes, which obligates all participating institutions to reimburse the governmental entity for the loss, in the event of default by a participating financial institution (a qualified public depository). On the Statement of Net position, cash and cash equivalents excludes cash in the police pension trust fund of \$65,384, and includes the petty cash funds held in house totaling \$2,042.

The City utilizes a consolidated bank account wherein uninvested cash of all funds are commingled for enabling efficient handling of receipts and disbursements and facilitating investment of idle balances at higher yields. The formal accounting records identify the individual equities of each fund in the account.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

At September 30, 2014, the City had \$2,064,197 invested in the State Board of Administration's Local Government Surplus Funds Trust Fund Investment Pool. This investment balance was entirely comprised of Florida PRIME, which is fully liquid and carries a weighted average days to maturity of 44 days. At September 30, 2014, the City also had \$2,786,432 invested in the Florida Surplus Asset Fund Trust ("FL SAFE"), whose primary objective is to provide safety, liquidity, transparency, and yield for Florida government entities and was rated AAAM by Standard & Poor's.

Custodial risk – Custodial credit risk is the risk that a government will not be able to recover deposits or the value of investments in the event of the failure of a depository financial institution or a third party holding the investment securities. Branch Bank & Trust had demand deposits of \$2,732,202 in a checking account, Regions held \$100,261 in an interest checking account, PNC National Bank held \$2,255,115 in a money market fund, and \$152,404 was held in a money market account with Goldman Sachs. Demand deposits are fully insured by the Federal Depository Insurance Corporation and the multiple financial institution collateral pool, required by Sections 280.07 and 280.08, Florida Statutes. The City has U.S. government agencies held by Salem Trust in the City's name under a third party safekeeping arrangement.

Credit risk – Credit risk is the risk resulting from potential default of investments that are not financially sound. The City of Temple Terrace limits its credit risk by diversifying the investment portfolio so that potential losses on individual securities will be minimized and by limiting investments to specified credit ratings. The City's investment policy does not require ratings for U.S. Treasury or Agency securities backed by the full faith and credit of the United States government. Government Sponsored Enterprises must maintain at least two AAA/Aaa/AAA long-term credit ratings from Standard & Poor's, Moody's, or Fitch respectively.

Concentration of credit risk – Concentration of credit risk is the risk of loss attributable to the quantity of investments in a single issuer. To limit concentration of credit risk, the City's investment policy requires diversification of the portfolio with maximum limits on what can be invested per investment type. Of the total \$14,975,880 funds available to invest, \$5,302,490 or 35% was invested in U.S. government agencies, which are limited to 75% of the portfolio. The investment policy requires that each individual government security issued cannot be more than 5% of the City's total assets. Other investment types, excluding cash in bank) have individual authority of 25%. At the time of purchase each individual issue complied with the policy based on the amount of investable cash at the time.

Investment Type	Credit Rating	Concentration Risk at Fair Value	Percentage of Total Pooled Investments
Government National Mortgage Assoc.	AA+	\$ 752,108	5.0%
Federal National Mortgage Assoc.	AA+	\$ 2,460,408	16.4%
Federal Home Loan Bank	AA+	\$ 843,778	5.6%
Federal Home Loan Mortgage Corporation	AA+	\$ 403,949	2.7%
Federal Farm Credit Bank	AA+	\$ 842,247	5.6%
Local Government Investment Pools	AAAm	\$ 4,850,629	32.4%
Money Market Mutual Funds	No rating	\$ 2,507,780	16.8%
Bank Deposits	No rating	\$ 2,314,981	15.5%

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Interest risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy recognizes that the longer a maturity of an investment, the greater its price volatility, so the policy limits risk by requiring investments of current operating funds to have average maturities of no longer than 12 months and all investments to have an average maturity of 5 years or less. The total overall combined portfolio has an average duration of 3.8 years. A portion of the Federal National Mortgage Association and the Federal Home Loan investments have a maturity date beyond September 30, 2014, but are likely to be called within the fiscal year.

Investment Type	Average Duration	Total Fair Value	1 year	1-5 Years
Government National Mortgage Assoc.	2.49	\$ 752,108	\$ -	\$ 752,108
Federal National Mortgage Assoc.	4.19	\$ 2,460,408	\$ -	\$ 2,460,408
Federal Home Loan Bank	4.06	\$ 843,778	\$ -	\$ 843,778
Federal Home Loan Mortgage Association	4.18	\$ 403,949	\$ -	\$ 403,949
Federal Farm Credit Bank	4.05	\$ 842,247	\$ -	\$ 842,247

- b) **Deposits and Investments – Pension Trust Funds:** The City's Pension Trust Funds maintained cash book balances of \$1,351,738 as of September 30, 2014, all of which is with fiscal agents. The Pension Fund Investment Policy, as mandated by City Ordinance, permits the investment of Police and Fire Pension Fund assets in stocks and bonds of publicly held companies provided no investment in any one stock exceeds five percent of the total equity portfolio at the time of purchase. In addition, the policy limits the aggregate of all investments in common stocks and convertible bonds to 70% of the total plan assets at market, separately for the Fire Pension and Police Pension Trust. Real estate pooled investments cannot exceed ten percent of plan assets at cost.

Custodial credit risk – The police and fire pension plans have U.S. treasury bonds, notes and bills, federal agency guaranteed securities, common stocks and bonds, and money market funds held by Salem Trust in the City's pension plan name under a third party safekeeping arrangement. Pooled investments may be governed separately.

Credit risk – Credit risk is the risk resulting from potential default of investments that are not financially sound. The police and fire pension funds limit their credit risk by diversifying the investment portfolio so that potential losses on individual securities will be minimized and by limiting investments to specified credit ratings. Pension fund investment in fixed income investments must have a minimum "investment grade" rating from a major credit rating service. Both pension plans comply with the policy that all fixed income securities must be rated investment grade by a national agency.

The equities of the pension funds must be traded on a national exchange or electronic network. The corporate bonds in the pension trust funds were rated at least Baa1 by Moody's Investor Services and BBB+ by Standard and Poor's. The average credit quality of the portfolio by Moody's is Aa3 while S&P average is AA and the percent of the portfolio that has a Aaa with Moody's or a AAA by S&P is roughly 63% for fire and 63% for police.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Concentration of credit risk – To limit concentration of credit risk, the police investment policy requires diversification of the portfolio with maximum limits on what can be invested per investment type.

Of the total \$21,012,538 police pension fund assets, \$674,314 or 3% was invested in cash and cash equivalents. Common stock securities total \$13,278,936 or 65.7%, which are limited to 70% of the portfolio. Real estate investments are \$1,940,487 or 9.6%, which is under the 10% limit.

Investment Type	Credit Rating	Concentration Risk at Fair Value	Percentage of Total Pooled Investments
U.S. Treasury Bonds, Notes and Bills	AA	\$ 4,527,776	22.4%
Corporate Bonds	A	\$ 449,640	2.2%
Common Stocks	No rating	\$ 13,278,936	65.7%
Real Estate	No rating	\$ 1,940,487	9.6%

Of the total \$19,884,649 fire pension fund assets, \$664,358 or 3% was invested in cash and cash equivalents. Common stock securities total \$10,763,050 or 56.2%, which are limited to 70% of the portfolio. Real estate investments are \$1,840,751 or 9.6%, which is under the 10% limit.

Investment Type	Credit Rating	Concentration Risk at Fair Value	Percentage of Total Pooled Investments
U.S. Treasury Bonds, Notes and Bills	AA	\$ 4,527,776	22.4%
Corporate Bonds	A	\$ 449,640	2.2%
Common Stocks	No rating	\$ 13,278,936	65.7%
Real Estate	No rating	\$ 1,940,487	9.6%

The pension investment policy requires that not more than 5% of the Plan's assets shall be invested in stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding stock of the company.

Interest rate risk – The City's pension trust fund does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates. The performance of the police and fire pension funds is measured against various nationally recognized benchmarks depending on the category. As of September 30, 2014, the average duration of the funds is 4.39 years for police and 4.37 years for fire.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

The following statements, as required by GASB 31, reflect the financial position of the pooled investments at September 30:

Statement of Net Position – September 30, 2014

Assets	
<hr/>	
Petty cash - all funds	\$ 2,042
Branch Bank & Trust Bank	2,314,981
Due to Police and Fire Pension Trust Funds	(13,494)
Regions Bank Money Market	100,261
Florida SAFE	2,786,432
Florida Prime	2,064,197
Goldman Sachs Money Market	152,404
PNC Money Market	2,255,115
U.S. government & agencies	5,288,995
Subtotal city assets	<u>14,950,933</u>
Pension Trust Funds	
Cash and cash equivalents	1,338,673
Receivables	198,530
U.S. Government bonds/notes	10,609,334
Corporate bonds	927,416
Common stocks	24,041,986
Real estate	3,781,238
Subtotal pension assets	<u>40,897,177</u>
Total assets	<u>\$ 55,848,110</u>
Cash and Investments - Primary Government and	
Fiduciary Funds	
<hr/>	
Pooled cash and investments - primary government	\$ 14,950,933
Police Officers' Retirement Plan	21,012,528
Firefighters' Retirement Fund	19,884,649
Total fund balance	<u>\$ 55,848,110</u>

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Statement of Changes in Net Position for Fiscal Year Ended September 30, 2014

Operations

<hr/>		
City government activity		
Revenues and expenses	\$ (1,038,925)	
Interest income	53,639	
Pension activity		
Contributions	3,467,240	
Interest income	4,151,687	
Benefits and expenses	<u>(3,178,233)</u>	
Net increase in operations		\$ 3,455,408

Capital Participation

<hr/>		
Additions to PNC	2,003,382	
Additions to Florida Prime	1,053,596	
Withdrawals from Florida SAFE	(225,679)	
Withdrawals from Government Bonds	(962,405)	
Withdrawals from Goldman Sachs	(152,419)	
Additions to Regions Bank	180	
Additions to Branch Bank & Trust	1,453,787	
Withdrawals from Certificate of Deposit	<u>(1,500,000)</u>	
Subtotal capital participation		1,670,442
Cash, cash equivalents, and investments - beginning		<u>50,722,260</u>
Cash, cash equivalents, and investments - ending		<u><u>\$ 55,848,110</u></u>

At September 30, the City investments are valued in accordance with GASB 31, as follows:

<u>Type and Number of Investments</u>	<u>Interest Rate</u>	<u>Maturity Range</u>	<u>Cost Value</u>	<u>Fair Value</u>
Operating Accounts (1)	0.0%-0.55%	10/12	\$ 2,314,981	\$ 2,314,981
Money Market Funds (3)	0.01-0.24%	10/12	\$ 2,507,780	\$ 2,507,780
Local Government Investment Pool (2)	0.10-0.311%	10/12	\$ 4,850,629	\$ 4,850,629
Government National Mortgage Association (2)	2.00%-5.50%	10/12-1/41	\$ 752,108	\$ 752,108
Federal National Mortgage Association (5)	1.00%-4.50%	11/12-9/41	\$ 2,460,408	\$ 2,460,408
Federal Home Loan Bank (1)	0.90%	10/17	\$ 843,778	\$ 843,778
Federal Home Loan Mortgage Association (1)	2.500%	11/25-9/30	\$ 403,949	\$ 403,949
Federal Farm Credit Bank (1)	2.87%	10/17	\$ 842,247	\$ 842,247

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

2. Unbilled Receivable: Water and sewer charges to customers are based on actual consumption, which is billed on a monthly cycle basis. As of September 30, the City recognizes revenue related to estimated unbilled consumption. The Utility fund's carries this receivable at \$659,692. The Street Improvement fund recorded a receivable of \$687,267 for Telecom Parkway improvements plus accrued interest of \$123,594; due in April 2015.

3. Allowance for Doubtful Accounts: Accounts receivable are written off on an individual basis in the year the City deems them uncollectible. Other allowances for doubtful accounts have been established as follows:

General Fund:	
Miscellaneous Receivable	\$ 16,460
EMS Services	335,270
Water & Sewer Utility Fund	4,266
Sanitation Utility Fund	166
	<u>\$ 356,162</u>

4. Property Taxes: The City is permitted by state law to levy taxes up to 10 mills of assessed valuation. The Millage rate levied by the City for the fiscal year ended September 30, 2014 was 6.43 mills. Current tax collections for the City were approximately 96% of the total tax levy.

The tax levy of the City is established by the City Council. Under Florida Law, the assessment of all properties and the collection of all county, municipal, special district, and school board property taxes are provided by the County's Property Appraiser and Tax Collector.

5. Due from Other Governments: The following amounts were due from other governments as of September 30, 2014:

<u>Fund</u>	<u>Name of Government</u>	<u>Revenue Source</u>	<u>Amount</u>
General	Hillsborough County	Delinquent Ad Valorem Taxes	\$ 4,201
General	Hillsborough County	Civil Traffic Infractions	1,743
General	Hillsborough County	County Business Taxes	2,466
General	State of Florida	Communications Services Tax	113,476
General	State of Florida	Half-Cent Sales Tax	162,951
General	State of Florida	Fire Supplemental	5,727
Total General Fund			<u>290,563</u>
<u>Special Revenue Funds</u>			
Street Improvement	Hillsborough County	One-Cent Gas Tax	20,421
Street Improvement	State of Florida	Local Option Gas Tax	61,288
Street Improvement	State of Florida	Fuel Rebate	3,749
Community Investment Tax	Hillsborough County	Half-Cent Sales Tax	196,625
Total Special Revenue			<u>282,083</u>
Total			<u>\$ 572,646</u>

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

6. Capital Assets: The primary government's capital asset activity for the year ended September 30, 2014 was as follows:

	Beginning Balance	Increases	Transfer/Reclass	Decreases	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 3,785,416	\$ -	\$ -	\$ -	\$ 3,785,416
Construction in progress	1,064,914	39,105	(169,935)	-	934,084
Total capital assets, not being depreciated	<u>4,850,330</u>	<u>39,105</u>	<u>(169,935)</u>	<u>-</u>	<u>4,719,500</u>
Capital assets, being depreciated:					
Buildings and improvements	11,531,871	90,820	37,425	(3,641)	11,656,475
Improvements other than buildings	6,864,265	192,071	132,510	(92,971)	7,095,875
Machinery and equipment	13,943,393	687,612	-	(733,261)	13,897,744
Infrastructure	36,619,929	768,687	-	-	37,388,616
Total capital assets, being depreciated	<u>68,959,458</u>	<u>1,739,190</u>	<u>169,935</u>	<u>(829,873)</u>	<u>70,038,710</u>
Less accumulated depreciation for:					
Buildings and improvements	(5,496,361)	(271,491)	-	2,406	(5,765,446)
Improvements other than buildings	(2,257,975)	(135,977)	-	61,694	(2,332,258)
Machinery and equipment	(10,038,033)	(1,044,031)	-	728,602	(10,353,462)
Infrastructure	(10,817,884)	(758,097)	-	-	(11,575,981)
Total accumulated depreciation	<u>(28,610,253)</u>	<u>(2,209,596)</u>	<u>-</u>	<u>792,702</u>	<u>(30,027,147)</u>
Total capital assets, being depreciated, net	<u>40,349,205</u>	<u>(470,406)</u>	<u>169,935</u>	<u>(37,171)</u>	<u>40,011,563</u>
Governmental activities capital assets, net	<u>\$ 45,199,535</u>	<u>\$ (431,301)</u>	<u>\$ -</u>	<u>\$ (37,171)</u>	<u>\$ 44,731,063</u>
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 2,417,358	\$ -	\$ -	\$ -	\$ 2,417,358
Construction in Progress	179,739	133,869	(1,160)	-	312,448
Total capital assets, not being depreciated	<u>2,597,097</u>	<u>133,869</u>	<u>(1,160)</u>	<u>-</u>	<u>2,729,806</u>
Capital assets, being depreciated:					
Buildings	2,140,996	-	-	-	2,140,996
Machinery and equipment	4,950,858	128,134	-	(125,045)	4,953,947
Infrastructure	42,132,662	1,042,676	1,160	(1,319)	43,175,179
Total capital assets, being depreciated	<u>49,224,516</u>	<u>1,170,810</u>	<u>1,160</u>	<u>(126,364)</u>	<u>50,270,122</u>
Less accumulated depreciation for:					
Buildings	(1,473,731)	(65,058)	-	-	(1,538,789)
Machinery and equipment	(3,742,062)	(317,637)	-	125,045	(3,934,654)
Infrastructure	(18,955,819)	(843,853)	-	696	(19,798,976)
Total accumulated depreciation	<u>(24,171,612)</u>	<u>(1,226,548)</u>	<u>-</u>	<u>125,741</u>	<u>(25,272,419)</u>
Total capital assets, being depreciated, net	<u>25,052,904</u>	<u>(55,738)</u>	<u>1,160</u>	<u>(623)</u>	<u>24,997,703</u>
Business-type activities capital assets, net	<u>\$ 27,650,001</u>	<u>\$ 78,131</u>	<u>\$ -</u>	<u>\$ (623)</u>	<u>\$ 27,727,509</u>

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:

General Government	\$ 89,431
Public Safety	877,707
Public Works and Streets, including depreciation of general infrastructure assets	810,772
Culture and Recreation	425,625
Capital assets held by the government's Internal Service Fund are charged to the various functions based on their usage of the assets	6,061

Total depreciation expense - governmental activities \$ 2,209,596

Business-type activities:

Water	\$ 629,629
Sewer	411,502
Customer Service	3,422
Sanitation	181,995

Total depreciation expense - business-type activities \$ 1,226,548

Construction in progress is composed of the following:

Governmental Activities:

Project Number	Project Authorization	In Progress at 9/30/14	Budgeted FY 14-15	Required Future Financing
<u>Community Investment Tax Fund</u>				
ARTSED	Arts Education Center	\$ 2,500,000	\$ 159,201	-
	Total Community Investment Fund	2,500,000	159,201	-
<u>Street Improvement Fund</u>				
37-242	Fowler Ave I-75 water relocation	472,545	527,843	4,264
33696C	Telecom Parkway extension -TECO ROW	1,385,476	247,041	1,300,000
	Total Street Improvement Fund	1,858,021	774,883	1,304,264
Total governmental activities - construction in progress		\$ 4,358,021	\$ 934,084	\$ 1,304,264

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Business-Type Activities:

<u>Project Number</u>	<u>Project Authorization</u>	<u>In Progress at 9/30/14</u>	<u>Budgeted FY 14-15</u>	<u>Required Future Financing</u>
	<u>Water Improvement Fund</u>			
37-729	\$ 300,000	\$ 312,448	\$ -	None
	<u>300,000</u>	<u>312,448</u>	<u>-</u>	
	Total business-type activities - construction in progress	<u>\$ 300,000</u>	<u>\$ 312,448</u>	<u>\$ -</u>

B. LIABILITIES

1. Pension Plan Obligations:

Defined Benefit Plans

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

Plans covering firefighters and police officers are contributory. Employee contributions made by firefighters and police officers are 100% refundable if the employee elects to terminate his vesting rights or is not vested at the date of employment termination.

The plans were amended during fiscal year ended September 30, 1998, to provide for Deferred Retirement Option Plan (DROP). A plan participant who is eligible to receive a normal retirement pension may elect to defer receipt of such retirement benefits and participate in the DROP. The participant may elect to continue employment from 12 to 60 months, while his/her pension benefit is invested in the plan.

Summary of Significant Accounting Policies for Retirement Plans

Basis of Accounting. The Firefighters' and Police Officers' Retirement Trust Fund's financial statements are prepared using the accrual basis of accounting. Employer and plan member contributions are recognized in the period in which the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Method Used to Value Investments. Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Amortization of Past Service Costs. The past service costs of the firefighters' and police officers' retirement funds are being amortized over a period of 30 years, and are included in the City's yearly contributions. The City's policy is to fund pension costs accrued.

**CITY OF TEMPLE TERRACE, FLORIDA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 For the Fiscal Year Ended September 30, 2014**

Firefighters' Retirement

Plan Description. The City's Firefighters' Retirement Trust Fund has been established to conform to the Retirement Trust Fund provisions of Chapter 175 of the State of Florida Statutes, as modified by local ordinance. This is a defined benefit plan, which is administered by the City of Temple Terrace Firefighters' Retirement Trust Fund Board, which is made up of two firefighters, the Mayor, City Manager, and a resident of the City and covers all full-time firefighters. The Firefighters' Retirement Trust Fund does not issue a separate stand-alone financial report; however, GAAP financial reports for all of the pension plans are provided.

Contributions. The City's contribution to the fund is determined annually by actuarial valuation. The contribution of \$1,059,729 for 2014 is reflected in the departmental expenditure section of the General Fund and recorded as revenue in the Pension Trust Fund during this period. The State of Florida's contribution to the retirement trust fund for 2014 amounted to \$162,928. The City recognized these on-behalf payments from the State as revenue and expenditure within the general fund of the governmental fund financial statements, as well as within governmental activities of the government-wide financial statements in Fiscal Year 2014. The State's contribution represents a portion of the 1.85% tax on all property insurance premiums collected within the City limits. Firefighters contribute 10.51% of gross salary to the retirement trust fund. Refunds of employee contributions for non-vested members are made at the time an employee terminates employment prior to retirement. The City funds the cost of plan administration.

The government's payroll for employees participating in the Firefighters' Retirement Trust Fund for the year ended September 30, 2014 was \$2,481,991 out of a total payroll of \$14,583,197. At September 30, 2014, the Firefighters' Retirement Trust Fund membership consisted of:

Retirees and beneficiaries currently receiving benefits	17
Disability benefit retirees receiving benefits	5
Terminated vested employees not yet receiving benefits	4
Deferred retirement option plan (DROP) participants	4
Current employees - vested	4
Current employees - nonvested	42
	76
	76

Police Officers' Retirement

Plan Description. The City's Police Officers' Retirement Trust Fund was established to conform to the Retirement Trust Fund provisions of Chapter 185 of the State of Florida Statutes, as modified by local ordinance. This is a defined benefit plan which is administered by the City of Temple Terrace Police Officers' Retirement Trust Fund Board which is made up of two police officers, the Mayor, City Manager, and a resident of the City, and covers all full-time sworn police officers. The Police Officers' Retirement Trust Fund does not issue a separate stand-alone financial report; however, GAAP financial reports for all of the pension plans are provided.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Contributions. The City's contribution to the fund is determined annually by actuarial valuation. The contribution of \$1,493,927 for 2014 is reflected in the departmental expenditure section of the General Fund and recorded as revenue in the Pension Trust Fund during this period. The State of Florida's contribution to the retirement trust fund for 2014 amounted to \$154,522. The City recognized these on-behalf payments from the State as revenue and expenditure within the general fund of the governmental fund financial statements, as well as within governmental activities of the government-wide financial statements in Fiscal Year 2014. The State's contribution represents a portion of the 0.85% tax on all casualty insurance premiums collected within the City limits. Police Officers contribute 11.2% of gross salary to the retirement trust fund. Refunds of employee contributions for non-vested members are made at the time an employee terminated employment prior to retirement. The City funds the cost of plan administration.

The government's payroll for employees participating in the Police Retirement Trust Fund for the year ended September 30, 2014 was \$2,541,646 out of a total payroll of \$14,583,197. At September 30, 2014, the Police Officers' Retirement Trust Fund membership consisted of:

Retirees and beneficiaries currently receiving benefits	41
Disability benefit retirees receiving benefits	6
Terminated vested employees not yet receiving benefits	5
Deferred retirement option plan (DROP) participants	3
Current employees - vested	5
Current employees - nonvested	41
	101
	101

Funded Status and Funding Progress. The funded status of each plan as of October 1, 2013, the most recent actuarial valuation date, is as follows:

	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll [(b-a)/c]
Police Officers' Retirement Fund	\$ 19,473,952	\$ 38,989,970	\$ 19,516,018	49.95%	\$ 2,744,530	711.09%
Firefighters' Retirement Fund	18,328,220	27,810,005	9,481,785	65.91%	2,810,677	337.35%

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

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Annual Pension Cost and Net Pension Obligation. The City's annual pension cost and net pension obligation to the defined benefit plans for the current year is shown below. Liquidation of the net pension obligation is borne by the general fund.

	For the Fiscal Year Beginning October 1, 2013		
	Firefighters'	Police Officers'	Total
Annual required contributions	\$ 1,227,794	\$ 1,691,072	\$ 2,918,866
Interest on net pension obligation	(29,646)	(47,629)	(77,275)
Adjustment to annual required contribution	21,501	38,794	60,295
Annual pension cost	1,219,649	1,682,237	2,901,886
Contributions made	1,227,794	1,691,073	2,918,867
Increase (decrease) in net pension obligation	(8,145)	(8,836)	(16,981)
Net pension obligation - beginning	(380,071)	(610,625)	(990,696)
Net pension obligation - ending	<u>\$ (388,216)</u>	<u>\$ (619,461)</u>	<u>\$ (1,007,677)</u>

Five-Year Trend Information.

Year Ending	Firefighters'			Police Officers'		
	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (asset)	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (asset)
9/30/2014	\$ 1,219,649	101%	\$ (388,216)	\$ 1,682,237	101%	\$ (619,461)
9/30/2013	968,127	101%	(380,071)	1,469,170	101%	610,625
9/30/2012	834,907	101%	(368,333)	1,234,241	101%	(598,668)
9/30/2011	579,585	102%	(357,128)	1,052,364	101%	(584,970)
9/30/2010	617,838	102%	(346,286)	685,229	103%	(573,140)

The following schedules, derived from the respective actuarial reports, reflect accounting policies, membership plan provisions, and assumptions for the two retirement plans as of October 1, 2014 and 2013, respectively:

	Firefighters'	Police Officers'
Valuation date	10/1/2012	10/1/2012
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level percentage – closed	Level percentage – closed
Remaining amortization period	30 years	30 years
Actuarial asset valuation method	4 year smooth	4 year smooth
Actuarial assumptions:		
Investment rate of return	7.80%	7.80%
Projected salary increases (Merit/Seniority)	6.50%	6.50%
Including inflation of wages	3.00%	3.00%
Post Retirement COLA (beginning at age 56)	3.00%	3.00%

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Membership and Plan Provisions.

	<u>Firefighters'</u>		<u>Police Officers'</u>	
	<u>10/1/2014</u>	<u>10/1/2013</u>	<u>10/1/2014</u>	<u>10/1/2013</u>
Authority	Special Act Legislation	Special Act Legislation	Special Act Legislation	Special Act Legislation
Funding Requirements as a % of				
Covered Payroll: ^(a)				
Employer and State	45.98%	43.34%	62.35%	49.80%
Employee	10.51%	10.51%	11.20%	11.20%
Members:				
Active Participants	46	46	46	46
Retirees and Beneficiaries	22	20	47	46
Terminated Vested	4	4	5	5
Covered Payroll ^(b)	\$2,810,677	\$2,809,016	\$2,744,530	\$2,883,068
Normal Retirement Benefit:				
Age	Earlier of Age 54 & 10 years, or 20 years of service		Earlier of Age 55 & 10 years, or 20 years of service	
Years of Service				
Accrual	3.5% ^(c)	3.5% ^(c)	3.25% ^(e)	3.5% ^(e)
Maximum	100%	100%	100%	100%
Post retirement COLA ^(d)	3%	3%	3%	3%
Years to Vest	10	10	10	10
Disability Benefit:				
Line of Duty				
Accrued benefit	Not less than 42% of avg. monthly earnings	Not less than 42% of avg. monthly earnings	Not less than 50% of avg. monthly earnings	Not less than 50% of avg. monthly earnings
Non-Line of Duty				
Accrued benefit	Not less than 25% of avg. monthly earnings	Not less than 25% of avg. monthly earnings	Actuarially reduced	Actuarially reduced
Years to Vest	10	10	10	10

(a) The required contributions are calculated as a level percentage of payroll rather than a constant dollar.

(b) Amounts used in actuarial calculation differ from actual covered payroll because of year-end accruals.

(c) 3% for service prior to June 1, 2001, 3.5% thereafter.
and continuing for life.

(e) 3.5% for hire date prior to 10/1/2011, 3.25% thereafter.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Financial statements for the Police Officers and Firefighters Retirement Plans where separate GAAP Financial Reports have not been issued are below:

Combining Statement of Fiduciary Net position
Police Officers' and Firefighters' Pension Trust Funds

	Pension Trust Funds		Total
	Police Officers' Retirement Fund	Firefighters' Retirement Fund	
ASSETS			
Cash and cash equivalents:			
Consolidated cash	\$ 37,863	\$ 27,521	\$ 65,384
Money market	636,451	636,837	1,273,289
Total cash and cash equivalents	<u>674,314</u>	<u>664,358</u>	<u>1,338,673</u>
Receivables:			
Contributions - Employer	93,756	13,075	106,831
Contributions - Buy-Back	-	6,657	6,657
Accrued Interest and Dividends	47,619	37,423	85,042
Total receivables	<u>141,375</u>	<u>57,155</u>	<u>198,530</u>
Investments, at fair value:			
U.S. Treasury Bonds, Notes and Bills	4,527,776	4,317,843	8,845,619
Federal agency guaranteed securities	-	1,763,715	1,763,715
Corporate bonds	449,640	477,777	927,416
Common stocks	13,278,936	10,763,050	24,041,986
Real estate fund	1,940,487	1,840,751	3,781,238
Total investments	<u>20,196,839</u>	<u>19,163,135</u>	<u>39,359,974</u>
Total Assets	<u>21,012,528</u>	<u>19,884,649</u>	<u>40,897,177</u>
NET POSITION			
Held in trust for pension benefits	<u>\$ 21,012,528</u>	<u>\$ 19,884,649</u>	<u>\$ 40,897,177</u>

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Combining Statement of Changes in Fiduciary Net Position
Police Officers' and Firefighters' Pension Trust Funds

	Police Officers' Retirement Fund	Firefighters' Retirement Fund	Total
ADDITIONS			
Contributions:			
State tax on insurance premiums	\$ 154,522	\$ 162,928	\$ 317,450
Contributions - employer	1,493,927	1,059,729	2,553,656
Contributions - employee	303,725	282,551	586,276
Buy-back	-	9,858	3,201
Total contributions	<u>1,952,174</u>	<u>1,515,066</u>	<u>3,460,583</u>
Investment income:			
Net appreciation in fair value of investments	1,881,198	1,618,045	3,499,243
Interest	202,411	200,876	403,287
Dividends	205,999	171,214	377,213
Other	62,475	49,295	111,770
Total investment income	<u>2,352,083</u>	<u>2,039,430</u>	<u>4,391,513</u>
Investment expense	<u>(115,128)</u>	<u>(124,698)</u>	<u>(239,826)</u>
Net investment income	<u>2,236,955</u>	<u>1,914,732</u>	<u>4,151,687</u>
Total additions	<u>4,189,129</u>	<u>3,429,798</u>	<u>7,618,927</u>
DEDUCTIONS			
Pension benefits	1,934,983	927,212	2,862,195
Termination refunds	136,949	45,458	182,407
D.R.O.P. refunds	-	67,057	67,057
Other	18,966	47,608	66,574
Total deductions	<u>2,090,898</u>	<u>1,087,335</u>	<u>3,178,233</u>
Change in net position	2,098,231	2,342,463	4,440,694
Net position-beginning	<u>18,914,297</u>	<u>17,542,186</u>	<u>36,456,483</u>
Net position-ending	<u>\$ 21,012,528</u>	<u>\$ 19,884,649</u>	<u>\$ 40,897,177</u>

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Board Membership. The Board for the Firefighters' Plan consists of five Trustees, two of whom are legal residents of the City appointed by the City Council, two of whom are members of the system who are elected by a majority of the Firefighters who are members of the system and a fifth trustee who is chosen by a majority of the other four trustees. Each Trustee serves a four-year term. Each person employed by the City Fire Department as a full-time Firefighter becomes a member of the Plan as a condition of his or her employment. All Firefighters are therefore eligible for plan benefits as provided for in the plan document and by applicable law.

The Board for the Police Officers' Plan consists of five Trustees, two of whom are appointed by the City Council, two of whom are members of the system who are elected by a majority of the Police Officers who are members of the system, and a fifth trustee who is chosen by a majority of the other four trustees. Each Trustee serves a four year term. Each person employed by the City Police Department as a full-time Police Officer becomes a member of the Plan as a condition of his or her employment. All Police Officers are therefore eligible for plan benefits as provided for in the plan document and by applicable law.

Investment Policy. Each Board of Trustees (Board) is responsible for administering the investment policies of the Plans and providing oversight for the management of the Plans' assets. The investment strategy of each Plan is to emphasize total return (defined as the aggregate return from capital appreciation and dividend and interest income). The investment policy for each plan requires that all Plan assets be invested in liquid securities, defined as securities that can be transacted quickly and efficiently for the Plan, with minimal impact on market price.

The following are the adopted asset allocation policies for each plan as of September 30, 2014:

Asset Class	Target Allocation
Domestic Equity Value	22.50%
Domestic Equity Growth	22.50%
International Equity	15.00%
Broad Market Fixed Income	25.00%
Non-Core Fixed Income	5.00%
Commercial Real Estate	10.00%
Total	100.00%

Concentrations. The Plans did not hold investments in any one organization that represent five percent or more of the respective Plan's fiduciary net position.

Money-Weighted Rate of Return on Investments. For the year ended September 30, 2014 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 10.82% for the Firefighters' Plan and 11.93% for the Police Officers' Plan. The money-weighted rate of return expresses investment performance, net of expenses, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program (DROP). The Plans permit the members to elect to receive retirement benefits while still employed and receiving a salary. Members are eligible upon reaching normal retirement. The participant's retirement benefits are credited into an individual member account and paid out to the member upon termination or retirement not to exceed a period of up to 60 months for the Firefighters Plans and the Police Officers' Plan. Amounts credited to the members' DROP accounts earn interest and remain in the pension plan's net assets until paid out. Amounts held in DROP accounts as of September 30, 2014 totaled \$868,310 for the Firefighters' Plan and \$398,744 for the Police Officers' Plan.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Net Pension Liability. The components of the net pension liability of the Plans as of September 30, 2014 were as follows:

	<u>Firefighters'</u>	<u>Police Officers'</u>
Total Pension Liability	\$ 27,828,425	\$ 38,991,553
Plan Fiduciary Net Position	(19,865,209)	(21,012,529)
Sponsor's Net Pension Liability	<u>\$ 7,963,216</u>	<u>\$ 17,979,024</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	71.38%	53.89%

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation as of October 1, 2013 updated to September 30, 2014 using the following actuarial assumptions applied to all measurement periods:

	<u>Firefighters'</u>	<u>Police Officers'</u>
Valuation Date	10/1/2013	10/1/2013
Inflation	3.00%	3.00%
Projected Salary Increases	6.50%	6.50%
Investment Rate of Return	7.60%	7.60%
Mortality Rate	RP-2000 Combined Healthy Mortality Table	RP-2000 Combined Healthy Mortality Table
Date of Actuarial Experience Study	1991-2009	1991-2009

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

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic Equity Value	7.50%
Domestic Equity Growth	7.50%
International Equity	8.50%
Broad Market Fixed Income	2.50%
Non-Core Fixed Income	2.50%
Commercial Real Estate	4.50%

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Discount Rate. The discount rate used to measure the total pension liability was 7.60% for the Police Officers' Plans and the Firefighters' Plan. The projection of cash flow used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the Pension Plans calculated using the discount rates listed above, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower, or 1-percentage-point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
<u>Firefighters'</u>			
Discount Rate	6.60%	7.60%	8.60%
Net Pension Liability	\$ 11,508,231	\$ 7,963,216	\$ 5,172,796
 <u>Police Officers'</u>			
Discount Rate	6.60%	7.60%	8.60%
Net Pension Liability	\$ 23,005,360	\$ 17,979,024	\$ 14,126,489

Florida Retirement System

Plan Description. All non-uniformed full-time employees of the City hired prior to January 1, 1996 participate in the Florida Retirement System, a cost-sharing multiple-employer defined benefit public employee retirement system (PERS) administered by the State of Florida Department of Administration. The Florida Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PERS. That report may be obtained by writing to Florida Division of Retirement, P.O. Box 13300, Tallahassee, Florida 32308.

Plan Funding. The Florida Retirement System requires a 3% contribution for members effective July 1, 2011. Governmental employers are required to make contributions to the FRS based upon statewide rates established by FRS in conjunction with the state fiscal year, which begins July 1. For the period of October 1, 2013 to June 30, 2014, and July 1, 2014 to September 30, 2014, the contributions rates for regular employees were 6.95% and 7.37% respectively. A plan participant who is eligible to receive a normal retirement pension may elect to defer receipt of such retirement benefits and participate in the Deferred Retirement Option Plan (DROP). The participant may elect to continue employment from 12 to 60 months, while his/her pension benefit is invested in the plan. The City contributed the required amount for 29 employees as shown below:

	<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>
General Fund	\$ 64,153	\$ 62,309	\$ 53,235
Water and Sewer Utility Fund	15,636	13,156	13,207
Sanitation Fund	5,581	4,477	4,984
Fleet Maintenance Fund	5,069	3,788	3,110
Total Contributions	<u>\$ 90,439</u>	<u>\$ 83,730</u>	<u>\$ 74,536</u>

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Defined Contribution Plan – 401(a) Retirement Plan

Plan Description. Beginning January 1, 1996, the City's new general employees participate in the ICMA Retirement Plan, which is qualified under Section 401(a) of the Internal Revenue Code. This is a money-purchase-retirement-program, administered by the Retirement Corporation, providing vesting according to the following schedule:

After 2 years = 20% vesting
After 3 years = 40% vesting
After 4 years = 60% vesting
After 5 years = 80% vesting
After 6 years = 100% vesting

Plan Funding. The plan, as established by Resolution 186-95, applies to all employees, except public safety employees. The City contributes to the plan at a rate of 10% of employee salaries and wages which amount to \$466,883 for Fiscal Year 2013-14. The plan is non-contributory, which means employees are not allowed to contribute to the plan, unless the plan is amended pursuant to Section 14.05. Normal retirement age is 59. A second plan was established January 4, 1999, for the City Manager which exactly mirrors the general employee plan provisions described above except that the City Manager's plan provides immediate 100% vesting and has a contribution rate of 15%, which amounted to \$20,253 for the fiscal year. As of September 30, 2014, 117 general employees participated in the plan, along with the City Manager.

Deferred Compensation Plan. The City offers its employees a tax-deferred compensation plan meeting the requirements of Internal Revenue Code Section 457. The plan was established by City ordinance that appointed ICMA Retirement Corporation and Nationwide as plan administrators. The City's fiduciary responsibility is to remit employee deferred compensation to the administrator on a regular basis. The deferred compensation is not available to employees until termination, retirement, death, or emergency.

Basis of Accounting. The ICMA Retirement Plan's financial statements are prepared using the accrual basis of accounting. Employer and plan member contributions are recognized in the period in which the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Method Used to Value Investments. Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

2. Postemployment Benefit Obligations:

Other Postemployment Benefits

OPEB Plan Description. The City provides the following health-related benefits to retirees and certain other employees: (a) The City is required by Florida Statute 112.0801 to allow retirees and certain other former employees to buy healthcare coverage at the same “group insurance rates” current employees are charged. Although retirees pay for healthcare at group rates, they are receiving a valuable benefit because they can buy insurance at costs that are lower than the costs associated with the experience rating for their age bracket. The availability of this lower cost health insurance represents an “implicit subsidy” for retirees. (b) The City offers a monthly flexible benefit amount (stipend) of 5% for each year of service up to the maximum of \$618 per month. The retiree must have been employed by the City for at least ten years and receive normal or early retirement benefits from his/her retirement plan. The stipend is payable to regular retired employees from ages 62 to 65 and to special risk retired employees from the age they are eligible to retire to 65. The stipend may be used to offset any medical, dental, vision, cancer indemnity, intensive care, hospital indemnity, and personal accident insurance costs. Although the implicit subsidy is the result of state law when healthcare is offered as an employee benefit, the stipend is no longer available for employees to who began employment after November 1, 2005. The City does not issue a separate stand-alone financial report for the OPEB Fund; however, GAAP financial reports are provided within this report.

Annual OPEB Cost and Net OPEB Obligation. The actuary’s estimate of the City accrued OPEB liability, also known as Actuarial Accrued Liability, which approximates the present value of all future expected postemployment medical premiums and administrative costs, which are attributable to the past service of active and retired employees, was \$8,073,243 at September 30, 2014. The actuary also estimates the City’s Annual Required Contribution (ARC), which is the portion of the total Actuarial Accrued Liability allocated to the current fiscal year needed to pay both normal costs (current and future benefits earned) and to amortize the Unfunded Actuarial Accrued Liability (past benefits earned, but not previously funded). The City’s estimated ARC for fiscal year 2014 was \$675,535. The Net OPEB Obligation is the net amount for which the City would be obligated and is equivalent to the prior years’ Net OPEB Obligation plus the Annual OPEB Cost less amounts paid by the City. Liquidation of the net other postemployment benefit obligation is borne by all funds based on number of employees. The City’s Net OPEB Obligation at September 30, 2014, was \$2,078,306, as noted in the following table:

Annual required contribution	\$	675,535
Interest on net OPEB obligation		87,941
Adjustment to annual required contribution		(114,807)
Annual OPEB cost (expense)		648,668
Contributions made		(524,603)
Increase in net OPEB obligation		124,065
Net OPEB obligation – beginning		1,954,241
Net OPEB obligation – ending	\$	2,078,306

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Contributions made include an estimate of the increase in active premiums due to the presence of retirees in the determination of blended retiree/active premiums. The City's three-year trend information for annual OPEB cost, contributions made, percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation are as follows:

Fiscal Year Ended	Annual OPEB Cost	Contribution Made	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
9/30/2014	\$ 648,668	\$ 524,603	80.87%	\$ 2,078,306
9/30/2013	650,921	487,083	74.83%	1,954,240
9/30/2012	895,134	534,244	59.68%	1,790,403

Funding Policy, Status, and Progress. Because "funding" the OPEB obligations as defined by GASB Statement No. 45 would involve using an irrevocable trust fund, the City did not "fund" the net OPEB obligation, but instead chose to appropriate and contribute an equivalent amount to the Internal Service Fund. As of September 30, 2014, all assets and liabilities within the OPEB internal service fund were transferred to the City's governmental and enterprise funds. Each fund was assessed its share of OPEB costs based on the number of employees in the fund divided by the total number of City employees. Even though money was set aside to offset the net OPEB obligation, the City has no legal or contractual obligation to do so. The funded status of the plan as of September 30, 2014 was as follows:

	Amount Funded
Actuarial valuation date	October 1, 2014
Actuarial value of plan assets	\$ -
Actuarial accrued liability (AAL)	\$ 8,073,243
Unfunded actuarial accrued liability (UAAL)	\$ 8,073,243
Actuarial value of plan assets/AAL (funded ratio)	0.0%
Covered payroll (active plan members)	\$ 14,583,197
UAAL as a percentage of covered payroll	55%

GASB Statement No. 45 states that an actuarial valuation should be performed at least biennially for plans with 200 or more total members given that significant changes have not occurred since the previous valuation.

Actuarial valuations. This actuarial valuation involves estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, healthcare costs, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to constant revision as actual experience is compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits.

**CITY OF TEMPLE TERRACE, FLORIDA
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 For the Fiscal Year Ended September 30, 2014**

The assumptions and methods related to the actuarial valuation results are based on the Fiscal Year 2013 GASB 45 Actuarial Report dated January 8, 2014. It is noted that the Participation Assumption used to develop the Fiscal Year 2013 results was changed from 80% in the 2011 valuation to 40%. The change was determined after a review of historic experience and consultation with City personnel. The Fiscal Year 2014 report uses age-adjusted premiums for the pre-Medicare retiree-only group, which directly reflects the cost of coverage based on related premium rates. A copy of the actuarial report can be obtained from the Finance Department by calling 813.506.6410.

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

The Entry Age Normal actuarial cost method was used in the September 30, 2014, actuarial valuation. Other actuarial assumptions included:

Funding Interest Rate:	4.5%
Health Care Inflation:	Actual rate used for 2014, then 8.5% in 2015 decreasing each year until reaching an ultimate rate of 5% in 2022
Flexible Benefit Inflation:	0% for all years
Payroll Growth/Inflation:	NA
Amortization of UAAL:	
Method/Period	Level Dollar -- Open / 30 years
Health Care Participation:	40% of future retirees will elect medical coverage at retirement with 25% electing spouse coverage
Number of Active Participants:	281
Average Current Age	40.8
Average Years of Past Service	7

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Employee Contribution Information. Retirees participating in the group insurance plans offered by the City of Temple Terrace are required to contribute 100% of the active premiums. In future years, contributions are assumed to increase at the same rate as premiums. Note that projected employee contributions for the Dental and AFLAC benefits are assumed to cover the entire cost of those respective programs. In addition, the Life and Disability Insurance benefits are currently not offered to retirees.

3. Other Employee Benefits:

a. Vacation and Sick Leave - Unused vacation leave is paid upon an employee's termination. Sick leave not taken is forfeited by terminating employees. The vacation leave is recorded as a liability in the financial statements. Over the past three years the vacation time used is nearly equal with the amount of earned vacation time. Of the \$1,635,851 beginning balance, \$1,504,254 or 92% of that amount was used in the short-term. Since hours continue to accrue, the majority of the liability is recorded as long-term.

b. Post-Retirement Benefits – Based on City of Temple Terrace Rules and Regulations, Section 13-8, retired City employees are eligible to continue participation in the same insurance benefits selected prior to retirement except for additional life insurance, disability, insurance, and deferred compensation. Retirees are eligible to receive the same monthly flexible benefit contribution amount as active City employees less any amount for health insurance subsidy under the retirement plan toward the cost of these benefits until age 65 as discussed in the note regarding other postemployment benefits. Upon reaching age 65, a retiree may elect to continue in the City's group health insurance program, but will not be eligible for the City's flexible benefit contribution. In compliance with GASB 45, the actual costs were recorded in the General Fund as follows:

	2014	2013	2012	2011	2010	2009
Contribution	\$ 285,887	\$ 259,972	\$ 234,184	\$ 229,241	\$ 213,930	\$ 189,854
Participants	40	37	37	34	35	33

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

4. Long-Term Debt: Revenue bonds and other long-term liabilities directly related to and intended to be paid from Enterprise Funds are included in the business-type activities. All other long-term indebtedness of the City is accounted for in the governmental activities.

a. Description of Long-Term Debt - Summarized below are the City's long-term debt issues which are outstanding at September 30, 2014:

	Purpose of Debt	Original Amount	Amount Outstanding	Interest Rate	Maximum Annual Debt Service
<u>Business-Type Activities Long-Term Debt</u>					
2003A W & S Utility Revenue Bonds	Refunding	\$ 4,015,000	\$ 470,000	3.31%	\$ 485,558
2004 W & S Utility Revenue Bonds	Refunding	3,165,000	940,000	4.156%	344,066
Compensated Absences	Accrued Vacation	N/A	153,296		N/A
OPEB Obligation	Retiree Insurance	N/A	387,202		N/A
Total Business-Type Activities		<u>7,180,000</u>	<u>1,950,498</u>		
<u>Governmental Activities Long-Term Debt</u>					
2005 Revenue Note	Revenue Note	3,125,000	2,104,086	5.45%	259,330
2013 Revenue Note	Revenue Note	24,335,000	24,335,000	1.15%	3,069,240
Compensated Absences	Accrued Vacation	N/A	1,551,519		N/A
OPEB Obligation	Retiree Insurance	N/A	1,691,104		N/A
Total Governmental Activities		<u>27,460,000</u>	<u>29,681,709</u>		
Total Long-Term Debt		<u>\$ 34,640,000</u>	<u>\$ 31,632,207</u>		

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

- b. **Changes in Long-Term Debt** - During the fiscal year ended September 30, 2014, the following changes in long-term debt occurred:

	2013	Additions	Deletions	2014	Due Within One Year
Business-Type Activities Long-Term Debt					
2003A W & S Utility Revenue Bonds	\$ 920,000	\$ -	\$ 450,000	\$ 470,000	\$ 470,000
2004 W & S Utility Revenue Bonds	1,225,000	-	285,000	940,000	305,000
Compensated absences –					
accrued vacation	154,697	119,879	121,280	153,296	38,324
Net OPEB obligation	323,482	63,720	-	387,202	-
Total business-type activities	<u>2,623,179</u>	<u>183,599</u>	<u>856,280</u>	<u>1,950,498</u>	<u>813,324</u>
Governmental Activities Long-Term Debt					
2001 Note – SunTrust Bank	270,000	-	270,000	-	-
2005 Revenue Note -					
T.T. Golf & Country Club	2,241,267	-	137,181	2,104,086	144,657
2013 Revenue Note	24,335,000	-	-	24,335,000	-
Compensated absences –					
accrued vacation	1,515,115	1,419,378	1,382,974	1,551,519	387,880
Net OPEB obligation	1,630,758	346,233	285,887	1,691,104	-
Total governmental activities	<u>29,992,140</u>	<u>1,765,611</u>	<u>2,076,042</u>	<u>29,681,709</u>	<u>532,537</u>
Total long-term debt	<u>\$ 32,615,319</u>	<u>\$ 1,949,210</u>	<u>\$ 2,932,322</u>	<u>\$ 31,632,207</u>	<u>\$ 1,345,861</u>

In July 2009, title of the downtown property was transferred to Vlass Temple Terrace, LLC. In September of 2013, the City refinanced the \$21.2 million of the of the 2009 Revenue Note used to purchase the land and buildings in the redevelopment district and \$3 million 2010 Revenue Note used to finance road improvements within the district. The 2013 Revenue Note for \$24.3 million is an interest only note for two years. See the Redevelopment District Note.

Other long-term liabilities, such as compensated absences, are typically liquidated by the individual fund to which the liability is directly associated, specifically General Fund, Water & Sewer Fund, Sanitation Fund, and Fleet Maintenance Fund.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

- c. **Summary of Principal and Interest Requirements (all Series)** - The annual requirements to amortize all outstanding debt except compensated absences, as of September 30, 2014, as follows:

Payable Fiscal Year Ended September 30,	GOVERNMENTAL ACTIVITIES			
	2005		2013	
	Revenue Note		Revenue Note	
	Principal	Interest	Principal	Interest
2015	\$ 144,657	\$ 114,673	\$ 24,335,000	\$ 279,853
2016	152,541	106,789		
2017	160,855	98,475		
2018	169,621	89,709		
2019	178,866	80,464		
2020	188,614	70,716		
2021	198,893	60,437		
2022	209,733	49,597		
2023	221,163	38,167		
2024	233,217	26,113		
2025	245,926	13,403		
	\$ 2,104,086	\$ 748,543	\$ 24,335,000	\$ 279,853

(d) (e)

- d. **2005 Country Club Revenue Note** – On October 26, 2005, the City issued a \$3,125,000 taxable non-ad valorem revenue note, series 2005 at 5.45% with Wachovia Bank on behalf of Temple Terrace Golf and Country Club to pay off notes 323 and 364 and utilize the remaining proceeds of \$125,496 to construct a maintenance facility. Payment of the loan is secured by a lien upon and a pledge of non-ad valorem funds budgeted and appropriated for purposes of payment. Principal and interest on the note will be paid semi-annually commencing April 1, 2006, with the final payment due October 1, 2025. The source of funds for this payment is generated from the Temple Terrace Golf Club reimbursement, which include 0.5% surcharge over the rate on the note. This surcharge was eliminated on October 6, 2009, per Resolution 127-09.

The principal amount owed to the City from the Golf and Country Club is recorded as a receivable and is offset by the principal amount owed to Wachovia Bank in the Debt Service Fund.

- e. **2013 Taxable Non Ad Valorem Revenue Note** – On September 25, 2013, the City issued a \$24,335,000 taxable non-ad valorem revenue note at a fixed rate of 1.15% with PNC to refund the two balloon notes with variable rates. The first refunded issue, \$21,198,748 with SunTrust Bank, had a variable rate of the 1-month LIBOR rate plus 2.57%, was set to mature March 5, 2014. The second, \$21,198,748 with Regions, had a variable rate of the 1-month LIBOR plus 1.75 %, was due to mature September 30, 2013. The new note with PNC matures on October 15 2015, and interest is paid on April 1 and October 1. Payment of the loan is secured by a lien upon and a pledge of non-ad valorem funds budgeted and appropriated for purposes of payment.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Payable Fiscal Year Ended September 30,	BUSINESS-TYPE ACTIVITIES			
	2003A W&S		2004 W&S	
	Revenue Bonds		Revenue Bonds	
	Principal	Interest	Principal	Interest
2015	\$ 470,000	\$ 15,558	\$ 305,000	\$ 39,066
2016			310,000	26,391
2017			325,000	13,508
	\$ 470,000	\$ 15,558	\$ 940,000	\$ 78,965

(f)

(g)

- f. **2003A Water & Sewer Revenue Bonds** – On April 10, 2003, the City issued water and sewer revenue refunding bonds series 2003A and 2003B. The 2003A series was issued to convert into long-term financing of the 2000 short-term utility construction revenue note issued December 6, 2000. The 2003A series has a twelve year term, with semi-annual interest only payments (at 3.31%) beginning April 1, 2004. Annual principal payments began October 1, 2006.
- g. **2004 Water & Sewer Refunding Revenue Bonds** – On July 15, 2004, the City of Temple Terrace Issued \$3,165,000 of Water and Sewer Refund Bonds, Series 2004. The bonds were issued to call the outstanding 1997 Series Water and Sewer Revenue Refunding Bonds issued on January 22, 1997, which themselves were issued to refund the Series 1992 bonds dated November 1, 1992. The interest rate on the bonds is 4.156% with final maturity on October 1, 2017. Debt Service payments are paid semiannually. This transaction meets the criteria of an in-substance defeasance, inasmuch as assets were placed into an irrevocable escrow to be used for the purpose of making principal and interest payments on the old debt. The City no longer has any in-substance defeased debt outstanding since the refunded bonds were called and paid prior to year end. The aggregate difference in debt service between the refunded debt and the refunding debt was \$198,897 savings under the refunding stream, resulting in a net present value gain of \$10,494 on the refunding.

C. CONDUIT DEBT

On December 2, 2003, City Council authorized the issuance of revenue bonds in the principal amount of \$15,000,000 for construction of two hospice facilities in Temple Terrace and Ruskin by LifePath Hospice and Palliative Care, Inc., which were delivered on December 11, 2003. On August 4, 2009, City Council authorized amendments and the interest rate conversion of \$13,827,500 Revenue Bonds (LifePath Hospice Project), Series 2003 consisting of one fully registered Bond, to SunTrust Bank, dated September 1, 2009, bearing interest at the Bank Rate, and maturing on December 1, 2030. Interest rate is variable based on the LIBOR index. Interest payments are made over a twenty-seven year period, with principal payments beginning December 1, 2006, and maturing December 1, 2030. These conduit bonds do not constitute an indebtedness of the City of Temple Terrace, but are payable solely from the revenues derived from the operation of the hospice facilities. The aggregate amount of the debt obligation outstanding at September 30, 2012, totaled \$12,550,000, with the payment of \$105,000 due December 1, 2012.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

D. DEFERRED INFLOWS OF RESOURCES

In addition to liabilities, the statement of net position and balance sheet includes a separate section for deferred inflows of resources. The balance represents a long-term receivable from a developer for various landscaping and roadway improvements incurred by the City in the downtown area to be repaid by the developer that is reported at \$849,335 in the street improvement fund. Since this asset does not meet the availability criterion for recognition as revenue in governmental fund financial statements, there is not a present obligation to sacrifice resources at year end and, therefore, does not meet the definition of a liability. Since these resources are not available for spending in the current period, the balance is classified as a deferred inflow of resources.

NOTE IV - OTHER INFORMATION

A. RISK FINANCING

The City is subject to losses in the normal course of operations resulting from general liability, property and casualty, workers' compensation, employee health and accident, environmental and antitrust matters. The City has purchased commercial insurance to protect against employee dishonesty and employee health losses. The City participates in a self-insurance program for purposes of protecting against workers' compensation losses; real and personal property losses; automobile damage; and general liability, including malpractice, employment practices liability insurance and errors and omissions. Further, the City transfers risk, whenever possible, through hold-harmless clauses and insurance requirements in all contracts, leases and agreements. The City has maintained the same insurance coverage for years. Settled claims have not exceeded commercial coverage in any of the past five fiscal years.

On October 1, 2000, the City entered into an intergovernmental cooperative agreement with Public Risk Management of Florida (PRM), a risk management and self-insurance association, for the purpose of reducing and limiting member casualty and property losses and employee injuries caused by or arising out of the operations of its members. The pool processes claims, performs investigations, provides defense and settlement when claims arise. PRM administers a risk management pool and utilizes such funds to defend and protect any members of the pool against liability for a covered loss. All funds contained within the pool are funds directly derived from its members who are public agencies of the State of Florida. The relationship is a joint self-insurance or self-funded program using governmental funds. The purchase of liability insurance by the pool or any of its members is not intended to, and does not, waive sovereign immunity. The pool and the members of the pool do not intend to waive sovereign immunity through their use of public funds retained within the pool. Such funds are not intended to constitute the existence, issuance or purchase of a policy for insurance. And the pool is not treated as an "insurer" within the meaning of any State legislation. Among other things, the powers of the pool include the purchase of aggregate excess insurance and specific excess insurance to supplement the risk management pool. The City is obligated to make payments to the pool, select a representative to serve on the Board of Directors, allow attorneys employed by the pool to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City, and to follow operations and loss reduction and prevention procedures established by the pool.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

Public Risk Management (PRM) is a risk pool that assumes the risk of loss for all participating members. The members are subject to additional premium assessments in the event that the risk pool required additional funding to satisfy all claims. The City is not aware of any contingent assessments. As of fiscal year ended September 30, 2014, the city experienced an increased renewal rate of 2.5%, which is below the market trend of 13%-15%.

The City has a “claims reporting period” that coincides with the fiscal year. Renewal premium quotes are typically available in June prior to the beginning of the fiscal year. The information below reflects the changes in the workers’ compensation claims liabilities during the past three years:

	2013-14	2012-13	2011-12
Reserves - beginning	\$ 98,661	\$ 267,798	\$ 454,934
Incurred claims experience	153,814	266,811	485,601
Claims paid, net of recoveries	(136,511)	(436,935)	(672,737)
Reserves - ending	<u>\$ 115,964</u>	<u>\$ 98,661</u>	<u>\$ 267,798</u>

B. LEASES

1. Temple Terrace Golf and Country Club Lease. On January 1, 1997, the City entered into a 53-year agreement, which expires December 31, 2050, to lease the City-owned golf course to the Temple Terrace Golf and Country Club, Inc. (the Club). The lease is accounted for as an operating lease. All costs and expenses related to the operation of the golf course are borne by the Club. As rental, the City receives a 2% royalty on the gross fees collected by the Club, plus recovery of the property taxes paid by the City on behalf of the Club. Rents received during 2014 amounted to \$54,687.

2. Vlass Temple Terrace, LLC. On July 1, 2009, the City entered into a master developer agreement to share in the profits associated with the lease in the four shopping areas in the southeast quadrant of the downtown redevelopment. The three properties north of Chicago Avenue will provide 50% of the “Net Income” to the City, while the North River Plaza, south of Chicago will generate 95% of net rental income to the City. There was no annual rent revenue received in 2014 since the buildings north of Chicago Avenue were demolished.

C. COMMITMENTS AND CONTINGENCIES

1. On December 15, 1998, the Temple Terrace Golf and Country Club, Inc. (the Club) entered into a loan agreement for \$2.425 million, secured by the improvements made to property leased from the City (See note B above). As additional security to the lender, the City has become a party to the loan agreement as guarantor for the debt that was used to make improvements to the real property. The City would be responsible for the unpaid portion of the debt in the unlikely event that Club defaulted on its loan obligations.

2. In July of 2009, a suit was filed against the City and American Traffic Solutions (ATS) related to the City’s red light infraction detection program.

The parties mediated this case and the City and ATS entered into a Stipulation for Settlement with the plaintiffs effective November 5, 2012, which was subsequently approved by the Court. Under the terms of the settlement, the City paid \$148,072 into a settlement fund in Fiscal Year 2013, and subsequently paid \$1,029 in Fiscal Year 2014 to conclude its financial obligation.

CITY OF TEMPLE TERRACE, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Fiscal Year Ended September 30, 2014

D. REDEVELOPMENT DISTRICT

On July 1, 2009, the City transferred approximately 29 acres of property in the Southeast Quadrant of the redevelopment district to Vlass Temple Terrace, LLC (the "Developer") to revitalize the area. This "sale" reduced capital assets by \$19 million, while retaining the debt of \$21.8 million, which was subsequently reduced by \$601,252 in December 2009. Although no cash was transferred at the sale, the City will realize income from the property as construction begins on the property south of Chicago and on the Riverfront.

The Master Development Agreement (the "Agreement") outlines several commitments on both parts, which include: construction of Main Street (up to \$4 million cost borne by the City), three phases namely "Area A" – North of Chicago, "Area B" – South of Chicago, and "Area C" – Riverfront. The Developer is granted an "Overall Project Completion Date" of June 30, 2022. The City will continue to receive a portion of the "Net Operating Income" on the property until construction on certain phases is complete. Subsequent to the agreement, the Developer agreed to construct the Center for the Arts building with an asset value to the City of approximately \$2,500,000. Future construction on Area B and C will require payment to the City from the Developer up to maximum densities, which would provide a maximum income to the City totaling \$3,500,000 (100,000 square feet of commercial at \$20 per square foot and 100 residential units at \$15,000 per unit) for Area B, and \$1,500,000 (100 residential units at \$15,000 per unit) for Area C.

Based on the Developer's failure to exhibit progress toward meeting its contractual obligations, the City filed suit against the Developer on February 7, 2014. The complaint included six claims relating to the Developer's default in performance under the Agreement. The Developer filed a counterclaim against the City alleging that the City breached its obligation to consider modifications to the Agreement, thus entitling the Developer to own the property without being obligated to satisfy the terms of the Agreement, and the City would be barred from reacquiring the subject property. In November 2014, as a result of mediation, the City approved and executed a settlement agreement with the Developer that provided for the City's reacquisition of certain property that had been conveyed to the Developer in 2009, provided for the assignment of the Agreement to the City, and required the City to pay \$1,600,000 to the Developer. Closing of the settlement occurred on December 12, 2014, and as part of the settlement, litigation was dismissed.

**REQUIRED SUPPLEMENTARY
INFORMATION**

**CITY OF TEMPLE TERRACE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
For the Fiscal Year Ended September 30, 2014**

The following presents the changes in the employer's net pension liability:

Year Ended September 30, 2014 *

	<u>Police Officers' Retirement Fund</u>	<u>Firefighters' Retirement Fund</u>
Total Pension Liability:		
Service Cost	\$ 673,853	\$ 834,970
Interest	2,826,257	2,001,009
Change in Excess State Money	-	-
Share Plan Allocation	-	-
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	-	-
Changes of Assumptions	-	-
Benefit Payments, Including Refunds of Employee Contributions	(2,071,931)	(1,039,727)
Net Change in Total Pension Liability	<u>1,428,179</u>	<u>1,796,252</u>
Total Pension Liability - Beginning	37,563,374	26,032,173
Total Pension Liability - Ending (a)	<u>\$ 38,991,553</u>	<u>\$ 27,828,425</u>
Plan Fiduciary Net Position:		
Contributions - Employer	\$ 1,536,551	\$ 1,064,867
Contributions- State	154,522	162,928
Contributions - Employee	303,725	292,410
Net Investment Income	2,236,955	1,915,275
Benefit Payments, Including Refunds of Employee Contributions	(2,071,931)	(1,039,727)
Administrative Expense	(18,966)	(48,151)
Other	-	-
Net Change in Plan Fiduciary Net Position	<u>2,140,856</u>	<u>2,347,602</u>
Plan Fiduciary Net Position - Beginning	18,871,673	17,517,607
Plan Fiduciary Net Position - Ending (b)	<u>\$ 21,012,529</u>	<u>\$ 19,865,209</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 17,979,024</u>	<u>\$ 7,963,216</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.89%	71.38%
Covered Employee Payroll	\$ 2,889,864	\$ 2,688,405
Net Pension Liability as a Percentage of Covered Employee Payroll	622.14%	296.21%

*Additional years will be added to this schedule annual until 10 years of data is presented

**CITY OF TEMPLE TERRACE, FLORIDA
 REQUIRED SUPPLEMENTAL INFORMATION
 For the Fiscal Year Ended September 30, 2014**

The following information presents a schedule of contributions:

Year Ended September 30, 2014 *

	Police Officers' Retirement Fund	Firefighters' Retirement Fund
Actuarially Determined Contribution	\$ 1,691,072	\$ 1,227,794
Contributions in Relation to the Actuarially Determined Contributions	<u>1,691,072</u>	<u>1,227,794</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
 Covered Employee Payroll	 \$ 2,889,864	 \$ 2,688,405
Contributions as a Percentage of Covered Employee Payroll	58.52%	45.67%

*Additional years will be added to this schedule annually until 10 years of data is presented



TEMPLE TERRACE

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**CITY OF TEMPLE TERRACE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
For the Fiscal Year Ended September 30, 2014**

Notes to the Schedule of Contributions

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

The following are the methods and assumptions used to determine the contribution rates:

Police Officers' Retirement Fund

Valuation Date	October 1, 2012
Funding Method	Entry Age Normal Actuarial Cost Method.
Amortization Method:	Level Percentage of Pay, Closed.
Remaining Amortization Period:	30 Years (as of October 1, 2012).
Asset Valuation Method:	Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets.
Cost of Living Increases:	3.0% per year from age 56 to age 70 (for Members eligible for NR as of June 1, 2012) 3.0% per year beginning October 1, 2032 (for future retirees not eligible for NR as of June 1, 2012)
Salary Increases:	6.5% per year until the assumed retirement age. Projected salary at retirement is increased 10% to account for non-regular payments
Interest Rate:	7.8% (previously 7.9%) per year compounded annually, net of investment related expenses.
Payroll Growth:	Up to 5.0% per year (3.5% for October 1, 2012 valuation).
Retirement Age:	Earlier of age 54 and 10 years of service or 20 years of service, regardless of age. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional year.
Early Retirement:	Commencing with eligibility for Early Retirement Age (Age 50 with 10 years of service), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.
Termination Rates:	See table below.
Disability Rates:	See table below. It is assumed that 75% of disablements and
Mortality:	RP 2000 Combined Healthy Mortality Table – Based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements. Disabled lives set forward 5 years.
Other Information:	Termination and Disability Rate Table.

Age	% Terminating During the Year	% Becoming Disabled During the Year
20	17.2%	0.07%
30	15.0%	0.11%
40	8.2%	0.19%
50	1.7%	0.51%

**CITY OF TEMPLE TERRACE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
For the Fiscal Year Ended September 30, 2014**

Notes to the Schedule of Contributions (Continued)

Firefighters' Retirement Fund

Valuation Date	October 1, 2012
Funding Method	Entry Age Normal Actuarial Cost Method.
Amortization Method:	Level Percentage of Pay, Closed.
Remaining Amortization Period:	30 Years (as of October 1, 2012).
Asset Valuation Method:	Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets.
Cost of Living Increases:	3.0% per year from age 56 to age 70.
Salary Increases:	6.5% per year until the assumed retirement age. Projected salary at retirement is increased according to frozen balances.
Interest Rate:	7.8% (previously 7.9%) per year compounded annually, net of investment related expenses.
Payroll Growth:	Up to 5.0% per year (3.5% for October 1, 2012 valuation).
Retirement Age:	Earlier of age 54 and 10 years of service or 20 years of service, regardless of age. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional year.
Early Retirement:	Commencing with eligibility for Early Retirement Age (Age 50 with 10 years of service), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.
Termination Rates:	See table below.
Disability Rates:	See table below.
Mortality:	RP 2000 Combined Healthy Mortality Table – Based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements. Disabled lives set forward 5 years.
Other Information:	Termination and Disability Rate Table.

Age	% Terminating During the Year	% Becoming Disabled During the Year
20	9.3%	0.3%
30	7.9%	0.4%
40	4.3%	0.7%
50	1.1%	1.8%

**CITY OF TEMPLE TERRACE, FLORIDA
 REQUIRED SUPPLEMENTAL INFORMATION
 For the Fiscal Year Ended September 30, 2014**

The following presents the annual money-weighted rate of return, net of investment expenses:

Year Ended September 30, 2014 *

	Police Officers' Retirement Fund	Firefighters' Retirement Fund
Annual Money-Weighted Rate of Return Net of Investment Expense	11.93%	10.82%

*Additional years will be added to this schedule annually until 10 years of data is presented

**CITY OF TEMPLE TERRACE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
For the Fiscal Year Ended September 30, 2014**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
	(a)	(b)	(b-a)			
Police Officers' Retirement Fund						
10/1/2014	\$ 19,473,952	\$ 38,989,970	\$ 19,516,018	49.95%	\$ 2,744,530	711.09%
10/1/2013	17,659,382	37,002,653	19,343,271	47.72%	2,883,068	670.93%
10/1/2012	16,614,886	34,664,263	18,049,377	47.93%	2,780,829	649.06%
10/1/2011	15,369,035	32,413,116	17,044,081	47.42%	2,751,266	619.50%
10/1/2010	15,701,678	29,951,103	14,249,425	52.42%	2,719,568	523.96%
10/1/2009	15,925,303	29,006,651	13,081,348	54.90%	2,709,920	482.72%
10/1/2008	15,852,832	27,207,915	11,355,083	58.27%	3,012,262	376.96%
10/1/2007	15,272,289	25,418,201	10,145,912	60.08%	2,936,341	345.53%
10/1/2006	13,820,878	22,557,300	8,736,422	61.27%	2,816,295	310.21%
10/1/2005	12,450,272	19,762,160	7,311,888	63.00%	2,615,088	279.60%
Firefighters' Retirement Fund						
10/1/2014	\$ 18,328,220	\$ 27,810,005	\$ 9,481,785	65.91%	\$ 2,810,677	337.35%
10/1/2013	16,165,963	25,886,521	9,720,558	62.45%	2,809,016	346.05%
10/1/2012	15,096,567	25,112,239	10,015,672	60.12%	2,551,732	392.50%
10/1/2011	13,051,627	21,977,508	8,925,881	59.39%	2,602,205	343.01%
10/1/2010	13,061,532	20,263,033	7,201,501	64.46%	2,511,919	286.69%
10/1/2009	12,557,198	18,966,929	6,409,731	66.21%	2,534,531	252.90%
10/1/2008	12,133,249	16,620,661	4,487,412	73.00%	2,143,140	209.38%
10/1/2007	11,478,328	14,910,129	3,431,801	76.98%	1,873,477	183.18%
10/1/2006	10,311,286	13,490,219	3,178,933	76.44%	1,839,274	172.84%
10/1/2005	9,210,902	12,101,330	2,890,428	76.11%	2,155,408	134.10%
Other Postemployment Benefits Fund						
10/1/2014	\$ -	\$ 8,073,243 *	\$ 8,073,243	0.00%	\$ 14,583,197	55.36%
10/1/2013	-	8,073,243 *	8,073,243	0.00%	14,675,312	55.01%
10/1/2012	-	8,073,243 *	8,073,243	0.00%	10,945,559	73.76%
10/1/2010	-	11,945,375	11,945,375	0.00%	15,677,440	76.19%
10/1/2009	-	7,664,424	7,664,424	0.00%	12,999,358	58.96%
10/1/2008	-	7,221,940	7,221,940	0.00%	12,559,766	57.50%

* Actuarial assumptions changed from 80% retiree participation to 40% based on actual experience over the past 4 years.

**CITY OF TEMPLE TERRACE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
For the Fiscal Year Ended September 30, 2014**

Schedule of Contributions from the Employer and Other Contributing Entities

Fiscal Year Ended September 30,	Annual Required Contribution	City Contribution	State Contribution	Percentage Contribution
Police Officers' Retirement Fund				
2014	\$ 1,691,072	\$ 1,536,550	\$ 154,522	100.00%
2013	1,481,127	1,333,618	147,508	100.00%
2012	1,247,939	1,108,275	139,664	100.00%
2011	1,195,156	1,064,194	130,962	100.00%
2010	846,610	702,629	143,981	100.00%
2009	800,438	653,801	146,637	100.00%
2008	714,317	589,137	125,180	100.00%
2007	605,357	545,482	128,382 (1)	111.32%
2006	522,030	470,061	116,164 (1)	112.30%
2005	755,147	789,371	106,303	118.61%

(1) "Frozen" pursuant to the provisions of Chapter 185, Florida Statutes, as amended.

Firefighters' Retirement Fund

2014	\$ 1,227,794	\$ 1,064,866	\$ 162,928	100.00%
2013	979,865	823,653	156,212	100.00%
2012	846,112	681,156	164,956	100.00%
2011	754,614	590,427	164,187	100.00%
2010	755,758	628,351	127,407 (2)	100.00%
2009	530,485	495,567	123,491 (2)	116.70%
2008	457,104	368,829	117,218 (2)	106.33%
2007	474,333	368,884	105,449	100.00%
2006	449,297	376,892	91,698	104.29%
2005	504,079	462,650	74,684 (2)	106.60%

(2) "Frozen" pursuant to the provisions of Chapter 175, Florida Statutes, as amended.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

Debt Service Fund:

The ***Debt Service Fund*** is established to account for resources that are restricted, committed, or assigned to expenditure for principal and interest on outstanding bonded debt of the City, exclusive of the bonded debt in the enterprise funds.

The City's **Debt Service Fund** is established in accordance with statutes and/or bond indentures. Its use enhances the attractiveness of bonds to prospective buyers. Inclusion of debt service fund provisions in the indentures indicates to the prospective buyer that the timing of the assets acquisition to satisfy maturing debt has been formalized and a sophisticated administrative approach to servicing the debt will be followed.

CITY OF TEMPLE TERRACE, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Fiscal Year Ended September 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment Earnings	\$ -	\$ -	\$ 3,030	\$ 3,030
Other	239,176	239,176	136,362	(102,814)
Total Revenues	<u>239,176</u>	<u>239,176</u>	<u>139,392</u>	<u>(99,784)</u>
EXPENDITURES				
Debt Service:				
Principal	407,181	407,181	407,182	(1)
Interest	751,276	751,276	414,969	336,307
Issuance Costs	-	-	885	(885)
Total Debt Service	<u>1,158,457</u>	<u>1,158,457</u>	<u>823,036</u>	<u>335,421</u>
Total Expenditures	<u>1,158,457</u>	<u>1,158,457</u>	<u>823,036</u>	<u>335,421</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(919,281)</u>	<u>(919,281)</u>	<u>(683,644)</u>	<u>(235,637)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>919,281</u>	<u>919,281</u>	<u>796,696</u>	<u>(122,585)</u>
Total Other Financing Sources (Uses)	<u>919,281</u>	<u>919,281</u>	<u>796,696</u>	<u>(122,585)</u>
Net Change in Fund Balances	-	-	113,052	(358,222)
Fund Balances, Beginning	<u>2,559,576</u>	<u>2,559,576</u>	<u>2,559,576</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 2,559,576</u>	<u>\$ 2,559,576</u>	<u>\$ 2,672,628</u>	<u>\$ (358,222)</u>

ENTERPRISE FUNDS

An ***Enterprise Fund*** is used to account for the acquisitions, operation, and maintenance of governmental facilities and services which are entirely or predominantly self-supporting by user charges. The significant characteristic of enterprise funds is that the accounting system must be structured to reflect whether the activity is operated as a profit or loss, similar to comparable private enterprises. Thus, the reports of enterprise funds are self-contained and creditors, legislators, or the general public can evaluate the performance of the municipal enterprise on the same basis as they can the performance of investor-owned enterprises in the same industry.

Water and Sewer Utility Fund – To account for the provision of water and sewer services within the City's utility service area. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance and financing, and related debt service.

Sanitation Utility Fund – To account for solid waste collection from customers within the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, and maintenance.

CITY OF TEMPLE TERRACE, FLORIDA
COMBINING STATEMENT OF NET POSITION
ENTERPRISE FUNDS
As of September 30, 2014
With comparative data as of September 30, 2013

	Water & Sewer Utility	Sanitation Utility	Totals	
			2014	2013
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 175,065	\$ 262,116	\$ 437,181	\$ 262,339
Equity in Pooled Investments	919,089	556,997	1,476,086	2,122,727
Restricted Cash, Cash Equivalents, and Investments:				
Accounts Receivable	-	-	-	1,025
Accounts Receivable:				
Billed (Net Allowance for Uncollectibles)	653,355	151,000	804,355	776,298
Unbilled	424,178	235,514	659,692	623,632
Interest Receivable	4,594	5,765	10,359	16,431
Inventories	85,483	-	85,483	91,603
Total Current Assets	<u>2,261,764</u>	<u>1,211,392</u>	<u>3,473,156</u>	<u>3,894,055</u>
Noncurrent Assets:				
Restricted Cash, Cash Equivalents, and Investments:				
Cash and Cash Equivalents	634,796	-	634,796	391,476
Equity in Pooled Investments	3,332,678	-	3,332,678	3,167,227
Interfund Advance	-	318,645	318,645	196,821
Unamortized Bond Issuance Costs	-	-	-	-
Capital Assets:				
Land	2,417,358	-	2,417,358	2,417,358
Buildings	2,140,996	-	2,140,996	2,140,996
Machinery, Equipment, and Vehicles	2,069,544	2,884,403	4,953,947	4,950,858
Infrastructure	43,175,179	-	43,175,179	42,132,662
Construction in Progress	312,448	-	312,448	179,739
Less Accumulated Depreciation	<u>(22,978,454)</u>	<u>(2,293,965)</u>	<u>(25,272,419)</u>	<u>(24,171,612)</u>
Net Capital Assets	<u>27,137,071</u>	<u>590,438</u>	<u>27,727,509</u>	<u>27,650,001</u>
Total Noncurrent Assets	<u>31,104,545</u>	<u>909,083</u>	<u>32,013,628</u>	<u>31,405,525</u>
Total Assets	<u>\$ 33,366,309</u>	<u>\$ 2,120,475</u>	<u>\$ 35,486,784</u>	<u>\$ 35,299,580</u>

CITY OF TEMPLE TERRACE, FLORIDA
COMBINING STATEMENT OF NET POSITION (CONTINUED)
ENTERPRISE FUNDS
As of September 30, 2014
With comparative data as of September 30, 2013

	Water & Sewer Utility	Sanitation Utility	Totals	
			2014	2013
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 576,622	\$ 140,322	\$ 716,944	\$ 618,793
Accrued Payroll	31,520	12,755	44,275	37,121
Compensated Absences	27,452	10,872	38,324	38,674
Customer Deposits	1,237,265	-	1,237,265	1,223,413
Bonds and Leases Payable	775,000	-	775,000	735,000
Total Current Liabilities	<u>2,647,859</u>	<u>163,949</u>	<u>2,811,808</u>	<u>2,653,001</u>
Noncurrent Liabilities:				
Long-term Debt	635,000	-	635,000	1,410,000
Compensated Absences	82,356	32,616	114,972	116,023
OPEB Liability	259,450	127,752	387,202	323,482
Total Noncurrent Liabilities	<u>976,806</u>	<u>160,368</u>	<u>1,137,174</u>	<u>1,849,505</u>
Total Liabilities	<u>3,624,665</u>	<u>324,317</u>	<u>3,948,982</u>	<u>4,502,506</u>
NET POSITION				
Net Investment in Capital Assets	25,727,071	590,438	26,317,509	25,505,001
Restricted For:				
Debt Service	802,312	-	802,312	718,000
Renewal and Replacement	561,883	-	561,883	744,050
Capital Projects	1,366,013	-	1,366,013	2,064,826
Total Restricted	<u>2,730,208</u>	<u>-</u>	<u>2,730,208</u>	<u>3,526,876</u>
Unrestricted	1,284,365	1,205,720	2,490,085	1,765,197
Total Net Position	<u>\$ 29,741,644</u>	<u>\$ 1,796,158</u>	<u>\$ 31,537,802</u>	<u>\$ 30,797,074</u>

**CITY OF TEMPLE TERRACE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
ENTERPRISE FUNDS**

**For the Fiscal Year Ended September 30, 2014
With comparative data for the fiscal year ended September 30, 2013**

	Water & Sewer Utility	Sanitation Utility	Totals	
			2014	2013
OPERATING REVENUES				
Charges for Services	\$ 10,000,035	\$ 3,023,927	\$ 13,023,962	\$ 12,820,133
Water and Sewer Taps and Extensions	9,880	-	9,880	35,931
Recycling	-	57,516	57,516	69,684
Other	312,317	5,263	317,580	345,409
Total Operating Revenues	<u>10,322,232</u>	<u>3,086,706</u>	<u>13,408,938</u>	<u>13,271,157</u>
OPERATING EXPENSES				
Salaries and Wages	1,222,168	507,344	1,729,512	1,710,427
Fringe Benefits and Payroll Taxes	452,808	227,974	680,782	663,803
Sewer Treatment Charges	3,875,156	-	3,875,156	3,967,813
Waste Disposal Charges	-	1,054,450	1,054,450	929,455
Insurance	158,538	16,476	175,014	169,304
Utilities and Telephone	325,495	1,605	327,100	323,495
Vehicle Maintenance	66,915	251,753	318,668	288,968
Fuel	77,477	185,894	263,371	261,385
Professional Services	81,225	93,848	175,073	198,425
Repairs and Maintenance	278,335	9,791	288,126	267,868
Postage and Office Supplies	42,721	242	42,963	48,646
Operating Supplies	325,000	33,989	358,989	364,533
Rental and Lease Costs	252,133	99,956	352,089	340,061
Other	22,372	1,213	23,585	27,076
Depreciation	1,044,553	181,995	1,226,548	1,220,132
Admin. Charges from Other Funds	1,333,052	443,219	1,776,271	1,776,271
Total Operating Expenses	<u>9,557,948</u>	<u>3,109,749</u>	<u>12,667,697</u>	<u>12,557,662</u>
Operating Income (Loss)	<u>764,284</u>	<u>(23,043)</u>	<u>741,241</u>	<u>713,495</u>
NONOPERATING REVENUES (EXPENSES)				
Gain (Loss) On Sale of Capital Assets	1,939	-	1,939	169
Investment Earnings	42,824	6,483	49,307	(1,112)
Interest and Fiscal Charges	(83,191)	-	(83,191)	(209,862)
Total Nonoperating Revenues (Expenses)	<u>(38,428)</u>	<u>6,483</u>	<u>(31,945)</u>	<u>(210,805)</u>
Income (Loss) Before Contributions, Special Items, and Transfers	725,856	(16,560)	709,296	502,690
Impact Fees Paid by Customers	<u>31,432</u>	<u>-</u>	<u>31,432</u>	<u>138,580</u>
Change in Net Position	757,288	(16,560)	740,728	641,270
Net Position - Beginning	<u>28,984,356</u>	<u>1,812,718</u>	<u>30,797,074</u>	<u>30,155,804</u>
Net Position - Ending	<u>\$ 29,741,644</u>	<u>\$ 1,796,158</u>	<u>\$ 31,537,803</u>	<u>\$ 30,797,074</u>



TEMPLE TERRACE

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CITY OF TEMPLE TERRACE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
For the Fiscal Year Ended September 30, 2014
With comparative data for the fiscal year ended September 30, 2013

	2014			2013
	Water & Sewer Utility	Sanitation Utility	Total	Actual
Cash Flows From Operating Activities:				
Cash Received from Customers	\$ 9,917,096	\$ 3,111,170	\$ 13,028,266	\$ 13,005,237
Cash Payments to Suppliers	(5,110,738)	(1,354,966)	(6,465,704)	(6,692,469)
Cash Payments to Employees	(1,618,184)	(722,637)	(2,340,821)	(2,396,430)
Cash Payments to Other Funds	(1,652,100)	(794,928)	(2,447,028)	(2,405,300)
Other	312,317	5,263	317,580	345,409
Net Cash Provided by Operating Activities	<u>1,848,391</u>	<u>243,902</u>	<u>2,092,293</u>	<u>1,856,447</u>
Cash Flows from Noncapital Financing Activities:				
Cash Received from the OPEB Internal Service Fund	-	-	-	323,482
Cash Loaned to Other Funds	-	(121,824)	(121,824)	(123,684)
Interest Paid on Customer Deposits	(1,828)	-	(1,828)	(1,103)
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(1,828)</u>	<u>(121,824)</u>	<u>(123,652)</u>	<u>198,695</u>
Cash Flows from Capital and Related Financing Activities:				
Principal Payments on Long-Term Debt	(735,000)	-	(735,000)	(720,860)
Interest Payments on Long-Term Debt	(81,363)	-	(81,363)	(107,560)
Fiscal Charges	-	-	-	(540)
Acquisition and Construction of Capital Assets	(1,291,611)	(13,065)	(1,304,676)	(1,031,132)
Proceeds from Sale of Capital Assets	2,559	-	2,559	169
Impact Fees Paid by Customers	31,432	-	31,432	138,580
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(2,073,983)</u>	<u>(13,065)</u>	<u>(2,087,048)</u>	<u>(1,721,343)</u>
Cash Flows from Investing Activities:				
Investment Earnings (Loss)	48,423	6,956	55,379	(8,556)
Net Cash Provided by (Used for) Investing Activities	<u>48,423</u>	<u>6,956</u>	<u>55,379</u>	<u>(8,556)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(178,997)	115,969	(63,028)	325,243
Cash and Cash Equivalents, October 1	<u>5,240,625</u>	<u>703,144</u>	<u>5,943,769</u>	<u>5,618,526</u>
Cash and Cash Equivalents, September 30	<u>\$ 5,061,628</u>	<u>\$ 819,113</u>	<u>\$ 5,880,741</u>	<u>\$ 5,943,769</u>
Cash and Cash Equivalents at End of Year Consists of:				
Cash and Cash Equivalents	\$ 809,861	\$ 262,116	\$ 1,071,977	\$ 653,815
Equity in Pooled Investments	4,251,767	556,997	4,808,764	5,289,954
Total Cash and Cash Equivalents at End of Year	<u>\$ 5,061,628</u>	<u>\$ 819,113</u>	<u>\$ 5,880,741</u>	<u>\$ 5,943,769</u>

CITY OF TEMPLE TERRACE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
ENTERPRISE FUNDS
For the Fiscal Year Ended September 30, 2014
With comparative data for the fiscal year ended September 30, 2013

	2014			2013
	Water & Sewer Utility	Sanitation Utility	Total	Actual
Reconciliation of Operating Gain (Loss) to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	\$ 764,284	\$ (23,043)	\$ 741,241	\$ 713,495
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation and Amortization Expense	1,044,553	181,995	1,226,548	1,220,132
Change in Assets and Liabilities:				
(Increase) Decrease in Accts Receivable (Net)	(92,819)	29,727	(63,092)	79,489
Decrease in Inventories	6,120	-	6,120	31,525
Increase (Decrease) in Customer Deposits	14,752	(900)	13,852	31,892
Increase (Decrease) in Accounts Payable	54,709	43,442	98,151	(197,886)
Increase in Accrued Payroll	4,630	2,524	7,154	3,695
Increase (Decrease) in Compensated Absences	9,466	(10,867)	(1,401)	(25,895)
Increase in Net OPEB Obligation	42,696	21,024	63,720	-
Total Adjustments	<u>1,084,107</u>	<u>266,945</u>	<u>1,351,052</u>	<u>1,142,952</u>
Net Cash Provided by Operating Activities	<u>\$ 1,848,391</u>	<u>\$ 243,902</u>	<u>\$ 2,092,293</u>	<u>\$ 1,856,447</u>

CITY OF TEMPLE TERRACE, FLORIDA
SCHEDULE OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
WATER AND SEWER UTILITY FUND
For the Fiscal Year Ended September 30, 2014
With comparative data for the fiscal year ended September 30, 2013

	2014			Variance with Final Budget - Positive (Negative)	2013
	Budgeted Amounts		Actual		Actual
	Original	Final			
OPERATING REVENUES					
Charges for Services:					
Water Sales	\$ 2,676,401	\$ 2,676,401	\$ 2,562,741	\$ (113,660)	\$ 2,551,363
Irrigation Sales	895,819	895,819	768,256	(127,563)	784,292
Hydrant Rentals	17,690	17,690	17,351	(339)	16,398
Sewer Sales	6,941,616	6,941,616	6,651,687	(289,929)	6,519,641
Water and Sewer Taps and Extensions	42,468	42,468	9,880	(32,588)	35,931
Other	292,099	292,099	312,317	20,218	343,153
Total Revenues	<u>10,866,093</u>	<u>10,866,093</u>	<u>10,322,232</u>	<u>(543,861)</u>	<u>10,250,778</u>
OPERATING EXPENSES					
Salaries and Wages	1,272,891	1,266,491	1,222,168	44,323	1,212,245
Fringe Benefit	481,895	481,895	452,808	29,087	440,372
Sewer Treatment Charges	3,907,150	3,880,850	3,875,156	5,694	3,967,813
Insurance	156,460	156,460	158,538	(2,078)	153,340
Utilities and Telephone	365,656	349,581	325,495	24,086	322,788
Vehicle Maintenance	57,257	57,257	66,915	(9,658)	60,346
Fuel	72,500	79,000	77,477	1,523	81,938
Professional Services	105,767	105,732	81,225	24,507	76,006
Repairs and Maintenance	312,400	315,773	278,335	37,438	254,719
Postage and Office Supplies	50,490	51,495	42,721	8,774	48,488
Operating Supplies	372,593	377,143	325,000	52,143	335,956
Rental and Lease Costs	250,480	258,255	252,133	6,122	248,705
Other	34,680	32,085	22,372	9,713	26,337
Depreciation	1,029,373	1,029,373	1,044,553	(15,180)	1,030,117
Admin. Charges from Other Funds	1,293,299	1,293,299	1,333,052	(39,753)	1,333,052
Total Expenses	<u>9,762,891</u>	<u>9,734,689</u>	<u>9,557,948</u>	<u>176,741</u>	<u>9,592,222</u>
Operating Income (Loss)	<u>1,103,202</u>	<u>1,131,404</u>	<u>764,284</u>	<u>(367,120)</u>	<u>658,556</u>
NONOPERATING REVENUES (EXPENSES)					
Gain on Sale of Capital Assets	-	-	1,939	1,939	169
Investment Earnings	-	-	42,824	42,824	(4,923)
Interest Expense	(82,363)	(82,363)	(82,571)	(208)	(108,663)
Other Debt Service Expense	(540)	(540)	(620)	(80)	(101,199)
Total Nonoperating Revenues (Expenses)	<u>(82,903)</u>	<u>(82,903)</u>	<u>(38,428)</u>	<u>44,475</u>	<u>(214,616)</u>
Income (Loss) Before Contributions, Special Items, and Transfers	1,020,299	1,048,501	725,856	(322,645)	443,940
Impact Fees Paid by Customers	90,000	90,000	31,432	(58,568)	138,580
Change in Net Position	1,110,299	1,138,501	757,288	(381,213)	582,520
Net Position - Beginning	28,984,356	28,984,356	28,984,356	-	28,401,836
Net Position - Ending	<u>\$ 30,094,655</u>	<u>\$ 30,122,857</u>	<u>\$ 29,741,644</u>	<u>\$ (381,213)</u>	<u>\$ 28,984,356</u>

CITY OF TEMPLE TERRACE, FLORIDA
SCHEDULE OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
SANITATION UTILITY FUND
For the Fiscal Year Ended September 30, 2014
With comparative data for the fiscal year ended September 30, 2013

	2014			Variance with Final Budget - Positive (Negative)	2013
	Budgeted Amounts		Actual		Actual
	Original	Final			
OPERATING REVENUES					
Charges for Services					
Residential	\$ 1,655,660	\$ 1,655,660	\$ 1,667,387	\$ 11,727	\$ 1,659,113
Commercial	806,605	806,605	840,241	33,636	778,644
Roll-off service	536,915	536,915	488,432	(48,483)	483,908
Special Trash Pickup	25,900	25,900	27,867	1,967	26,774
Recycling	84,315	84,315	57,516	(26,799)	69,684
Other	2,500	2,500	5,263	2,763	2,256
Total Revenues	<u>3,111,895</u>	<u>3,111,895</u>	<u>3,086,706</u>	<u>(25,189)</u>	<u>3,020,379</u>
OPERATING EXPENSES					
Salaries and Wages	497,701	479,775	507,344	(27,569)	498,182
Fringe Benefits	237,944	237,944	227,974	9,970	223,431
Landfill Charges	867,170	902,158	900,610	1,548	851,822
Insurance	16,476	16,476	16,476	-	15,964
Utilities and Telephone	1,010	1,260	1,605	(345)	707
Vehicle Maintenance	220,729	220,729	251,753	(31,024)	228,622
Fuel	182,475	174,475	185,894	(11,419)	179,447
Professional Fees	885	78,011	78,143	(132)	33,272
Other Contractual Services	2,807	11,319	15,705	(4,386)	1,476
Recycled Materials Disposal	174,920	175,327	153,840	21,487	165,306
Repairs and Maintenance	16,500	16,500	9,791	6,709	13,149
Postage and Office Supplies	200	200	242	(42)	158
Operating Supplies	27,720	41,338	33,989	7,349	28,577
Rental and Lease Costs	91,356	96,606	99,956	(3,350)	91,356
Other	595	1,288	1,213	75	739
Depreciation	218,364	218,364	181,995	36,369	190,015
Admin. Charges from Other Funds	443,219	443,219	443,219	-	443,219
Total Expenses	<u>3,000,071</u>	<u>3,114,989</u>	<u>3,109,749</u>	<u>5,240</u>	<u>2,965,442</u>
Operating Income (Loss)	<u>111,824</u>	<u>(3,094)</u>	<u>(23,043)</u>	<u>(19,949)</u>	<u>54,937</u>
NONOPERATING REVENUES (EXPENSES)					
Investment Earnings	10,000	10,000	6,483	(3,517)	3,811
Total Nonoperating Revenues (Expenses)	<u>10,000</u>	<u>10,000</u>	<u>6,483</u>	<u>(3,517)</u>	<u>3,811</u>
Change in Net Position	121,824	6,906	(16,560)	(23,466)	58,748
Net Position - Beginning	<u>1,812,718</u>	<u>1,812,718</u>	<u>1,812,718</u>	<u>-</u>	<u>1,753,968</u>
Net Position - Ending	<u>\$ 1,934,542</u>	<u>\$ 1,819,624</u>	<u>\$ 1,796,158</u>	<u>\$ (23,466)</u>	<u>\$ 1,812,716</u>



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INTERNAL SERVICE FUND

An ***Internal Service Fund*** is established to finance and account for services and/or commodities furnished by a designated department to other City departments on a cost reimbursement basis.

The **Fleet Maintenance Fund** is responsible for the maintenance and operation of various automobiles and other City equipment. Revenue to this fund is derived from billings to user departments. The automobiles and equipment are acquired by the various user departments which are also responsible for financing replacement vehicles as necessary.

**CITY OF TEMPLE TERRACE, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
As of September 30, 2014
With comparative data as of September 30, 2013**

	Fleet Maintenance Fund	
	2014	2013
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 19,733	\$ 2,199
Equity in Pooled Investments	41,933	17,795
Inventories	57,509	59,090
Other Receivables	56	40
Total Current Assets	119,231	79,124
Noncurrent Assets:		
Capital Assets:		
Machinery, Equipment, and Vehicles	170,864	169,029
Total Capital Assets	170,864	169,029
Less Accumulated Depreciation	(163,808)	(155,911)
Total Noncurrent Assets	7,056	13,118
Total Assets	126,287	92,242
LIABILITIES		
Current Liabilities:		
Accounts Payable	44,183	16,040
Accrued Payroll	4,054	4,215
Compensated Absences	3,667	4,909
Total Current Liabilities	51,904	25,164
Noncurrent Liabilities:		
Compensated Absences	11,000	14,726
Total Noncurrent Liabilities	11,000	14,726
Total Liabilities	62,904	39,890
NET POSITION		
Net Investment in Capital Assets	7,056	13,118
Unrestricted	56,327	39,234
Total Net Position	\$ 63,383	\$ 52,352

CITY OF TEMPLE TERRACE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended September 30, 2014
With comparative data for the fiscal year ended September 30, 2013

	Fleet Maintenance Fund	
	2014	2,013
OPERATING REVENUES		
Department Billings	\$ 725,883	\$ 998,643
Other	2,018	2,615
Total Operating Revenues	<u>727,901</u>	<u>1,001,258</u>
OPERATING EXPENSES		
Salaries and Wages	168,581	136,415
Fringe Benefits	54,413	482,629
Professional Services	7,378	31,232
Repair Parts	209,187	222,768
Fuel and Oil	27,455	19,334
Vehicle Maintenance	6,733	8,081
Repairs and Maintenance	160,858	129,130
Operating Supplies	4,452	4,358
Insurance	889	903
Travel and Training	62	1,048
Administrative Charges from Other Funds	70,388	70,388
Miscellaneous	359	1,480
Depreciation	6,061	6,489
Total Operating Expenses	<u>716,816</u>	<u>1,114,255</u>
Operating Income (Loss)	<u>11,085</u>	<u>(112,997)</u>
NONOPERATING REVENUES (EXPENSES)		
Investment Earnings	(54)	(1,348)
Total Nonoperating Revenues (Expenses)	<u>(54)</u>	<u>(1,348)</u>
Income (Loss) Before Transfers	11,031	(114,345)
TRANSFERS		
Transfers in	-	1,630,759
Transfers Out	-	(1,067,625)
Total Transfers	<u>-</u>	<u>563,134</u>
Change in Net Position	11,031	448,789
Net Position - Beginning	<u>52,352</u>	<u>(396,437)</u>
Net Position - Ending	<u>\$ 63,383</u>	<u>\$ 52,352</u>

CITY OF TEMPLE TERRACE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended September 30, 2014
With comparative data for the fiscal year ended September 30, 2013

	Fleet Maintenance Fund	
	2014	2013
Cash Flows from Operating Activities:		
Cash Payments to Suppliers	\$ (380,918)	\$ (408,666)
Cash Payments to Employees	(228,123)	(621,510)
Cash Received from Other Funds	725,884	998,643
Cash Payments to Other Funds	(77,121)	(1,303,419)
Other	2,004	2,575
Net Cash Provided by (Used for) Operating Activities	<u>41,726</u>	<u>(1,332,377)</u>
Cash Flows from Capital and Related Financing Activities:		
Acquisition and Construction of Fixed Assets	-	(2,999)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>-</u>	<u>(2,999)</u>
Cash Flows from Investing Activities:		
Investment Earnings (Loss)	(54)	(1,348)
Net Cash Provided by (Used for) Investing Activities	<u>(54)</u>	<u>(1,348)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	41,672	(1,336,724)
Cash and Cash Equivalents, October 1	<u>19,994</u>	<u>1,356,718</u>
Cash and Cash Equivalents, September 30	<u>\$ 61,666</u>	<u>\$ 19,994</u>
Cash and Cash Equivalents at End of Year Consists of:		
Cash and Cash Equivalents	\$ 19,733	\$ 2,199
Equity in Pooled Investments	41,933	17,795
Total Cash and Cash Equivalents at End of Year	<u>\$ 61,666</u>	<u>\$ 19,994</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:		
Operating Income (Loss)	\$ 11,084	\$ (112,997)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used for) Operating Activities:		
Depreciation and Amortization Expense	6,061	6,489
Change in Assets and Liabilities:		
(Increase) Decrease in Other Receivables	(14)	2,279
(Increase) Decrease in Inventories	1,581	(8,132)
Increase in Customer Deposits	-	9,719
Increase (Decrease) in Accounts Payable	28,143	(1,227,269)
Decrease in Accrued Payroll	(161)	(2,466)
Decrease in Compensated Absences	(4,968)	(2,466)
Total Adjustments	<u>30,642</u>	<u>(1,221,846)</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 41,726</u>	<u>\$ (1,334,843)</u>

CITY OF TEMPLE TERRACE, FLORIDA
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
INTERNAL SERVICE FUND -- FLEET MAINTENANCE
For the Fiscal Year Ended September 30, 2014
With comparative data for the fiscal year ended September 30, 2013

	2014			Variance with Final Budget - Positive (Negative)	2013
	Budgeted Amounts		Actual		Actual
	Original	Final			
OPERATING REVENUES					
Department Billings	\$ 642,390	\$ 720,390	\$ 725,883	\$ (5,493)	\$ 682,930
Other	750	750	2,018	(1,268)	2,615
Total Operating Revenues	<u>643,140</u>	<u>721,140</u>	<u>727,901</u>	<u>(6,761)</u>	<u>685,545</u>
OPERATING EXPENSES					
Salaries and Wages	156,548	148,850	152,027	(3,177)	136,415
Overtime	4,000	4,000	16,554	(12,554)	10,735
Fringe Benefits	59,432	59,432	54,413	5,019	48,083
Professional Services	3,300	10,998	7,378	3,620	31,231
Repair Parts	195,000	209,900	209,187	713	222,768
Fuel and Oil	14,100	25,100	27,455	(2,355)	19,335
Vehicle Maintenance	5,837	5,837	6,733	(896)	8,081
Repairs and Maintenance	118,000	170,000	160,858	9,142	129,130
Operating Supplies	3,930	4,830	4,452	378	4,358
Insurance	889	889	889	-	903
Travel and Training	2,500	1,700	62	1,638	1,048
Admin. Charges from Other Funds	70,388	70,388	70,388	-	70,388
Miscellaneous	2,640	2,640	359	2,281	1,479
Depreciation	6,576	6,576	6,061	515	6,489
Total Operating Expenses	<u>643,140</u>	<u>721,140</u>	<u>716,816</u>	<u>4,324</u>	<u>690,443</u>
Operating Income (Loss)	<u>-</u>	<u>-</u>	<u>11,085</u>	<u>11,085</u>	<u>(4,898)</u>
NONOPERATING REVENUES (EXPENSES)					
Investment Earnings	-	-	(54)	54	(98)
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>(54)</u>	<u>54</u>	<u>(98)</u>
Change in Net Position	-	-	11,031	11,139	(4,996)
Net Position - Beginning	<u>39,347</u>	<u>42,346</u>	<u>52,352</u>	<u>10,006</u>	<u>57,349</u>
Net Position - Ending	<u>\$ 39,347</u>	<u>\$ 42,346</u>	<u>\$ 63,383</u>	<u>\$ 21,145</u>	<u>\$ 52,353</u>



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FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the government in a trustee capacity.

Police Officers' Retirement Trust Fund and **Firefighters' Retirement Trust Fund** – These funds account for receipts and disbursements as authorized by the respective pension boards. The City administers the funds only as authorized by the boards. The General Fund bears part of the cost of administering these funds.

CITY OF TEMPLE TERRACE, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
September 30, 2014

	Pension Trust Funds		Total
	Police Officers' Retirement Fund	Firefighters' Retirement Fund	
ASSETS			
Cash and Cash Equivalents:			
Consolidated Cash	\$ 37,863	\$ 27,521	\$ 65,384
Money Market Funds	636,451	636,837	1,273,288
Total Cash and Cash Equivalents	<u>674,314</u>	<u>664,358</u>	<u>1,338,672</u>
Receivables:			
Contributions - Employer	93,756	13,075	106,831
Contributions - Buy-Back	-	6,657	6,657
Accrued Interest and Dividends	47,619	37,423	85,042
Total Receivables	<u>141,375</u>	<u>57,155</u>	<u>198,530</u>
Investments, at Fair Value:			
U.S. Treasury Bonds, Notes and Bills	4,527,776	4,317,843	8,845,619
Federal Agency Guaranteed Securities	-	1,763,715	1,763,715
Corporate Bonds	449,640	477,777	927,417
Common Stocks	13,278,936	10,763,050	24,041,986
Real Estate Fund	1,940,487	1,840,751	3,781,238
Total Investments	<u>20,196,839</u>	<u>19,163,136</u>	<u>39,359,975</u>
Total Assets	<u>21,012,528</u>	<u>19,884,649</u>	<u>40,897,177</u>
NET POSITION			
Held in Trust for Pension Benefits	<u>\$ 21,012,528</u>	<u>\$ 19,884,649</u>	<u>\$ 40,897,177</u>

CITY OF TEMPLE TERRACE, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
For the Fiscal Year Ended September 30, 2014

	Police Officers' Retirement Fund	Firefighters' Retirement Fund	Total
ADDITIONS			
Contributions:			
State Tax on Insurance Premiums	\$ 154,522	\$ 162,928	\$ 317,450
Contributions - Employer	1,493,927	1,059,729	2,553,656
Contributions - Employee	303,725	282,551	586,276
Buy-Back	-	9,858	9,858
Total Contributions	<u>1,952,174</u>	<u>1,515,066</u>	<u>3,467,240</u>
Investment Income:			
Net Appreciation in Fair Value of Investments	1,881,198	1,618,045	3,499,243
Interest	202,411	200,876	403,287
Dividends	205,999	171,214	377,213
Other	62,475	49,295	111,770
Total Investment Income	<u>2,352,083</u>	<u>2,039,430</u>	<u>4,391,513</u>
Investment Expense	<u>(115,128)</u>	<u>(124,698)</u>	<u>(239,826)</u>
Net Investment Income	<u>2,236,955</u>	<u>1,914,732</u>	<u>4,151,687</u>
Total Additions	<u>4,189,129</u>	<u>3,429,798</u>	<u>7,618,927</u>
DEDUCTIONS			
Pension Benefits	1,934,983	927,212	2,862,195
Termination Refunds	136,949	45,458	182,407
D.R.O.P. Refunds	-	67,057	67,057
Other	18,966	47,608	66,574
Total Deductions	<u>2,090,898</u>	<u>1,087,335</u>	<u>3,178,233</u>
Change in Net Position	2,098,231	2,342,463	4,440,694
Net Position - Beginning	<u>18,914,297</u>	<u>17,542,186</u>	<u>36,456,483</u>
Net Position - Ending	<u>\$ 21,012,528</u>	<u>\$ 19,884,649</u>	<u>\$ 40,897,177</u>



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

**CITY OF TEMPLE TERRACE, FLORIDA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULES BY SOURCE¹
September 30, 2014 and 2013**

	2014	2013
GOVERNMENTAL FUNDS CAPITAL ASSETS:		
Land	\$ 3,785,416	\$ 3,785,416
Buildings and improvements	11,656,475	11,531,871
Improvements other than buildings	7,095,875	6,864,265
Machinery, equipment, and vehicles	13,726,881	13,774,364
Infrastructure	37,388,616	36,619,929
Construction in progress	934,084	1,064,914
 Total governmental funds capital assets	 \$ 74,587,347	 \$ 73,640,759
 INVESTMENTS IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE:		
General fund revenues and undetermined sources	\$ 11,587,504	\$ 11,682,986
Special revenue funds	47,509,857	46,350,916
Capital projects fund	5,280,288	5,280,288
Donations	4,402,098	4,471,276
Federal, state, and county grants	5,807,598	5,855,293
 Total governmental funds sources for capital assets	 \$ 74,587,346	 \$ 73,640,759

¹This schedule represents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in the internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

FINANCIAL SCHEDULES

Financial schedules are presented to provide greater detailed information than reported in the preceding financial statements. This information in many cases has been spread throughout the report and is brought together here for greater clarity. Financial schedules are not necessary for fair presentation in conformity with Generally Accepted Accounting Principles.

CITY OF TEMPLE TERRACE, FLORIDA
SCHEDULE OF REVENUES AND EXPENSES
BUDGET AND ACTUAL
WATER AND SEWER UTILITY FUND – WATER OPERATIONS
For the Fiscal Year Ended September 30, 2014
With comparative data for the fiscal year ended September 30, 2013

	2014			Variance with Final Budget - Positive (Negative)	2013
	Budgeted Amounts		Actual		Actual
	Original	Final			
OPERATING REVENUES					
Charges for Services	\$ 2,676,401	\$ 2,676,401	\$ 2,562,741	\$ (113,660)	\$ 2,551,363
Irrigation Sales	895,819	895,819	768,256	(127,563)	784,292
Hydrant Rentals	17,690	17,690	17,351	(339)	16,398
Taps and Extensions	32,468	32,468	8,630	(23,838)	27,306
Other	292,099	292,099	312,317	20,218	343,153
Total Water Revenues	<u>3,914,477</u>	<u>3,914,477</u>	<u>3,669,295</u>	<u>(245,182)</u>	<u>3,722,512</u>
OPERATING EXPENSES					
WATER SERVICES					
Salaries and Wages	660,253	655,753	611,941	43,812	616,417
Fringe Benefits	246,766	246,766	226,441	20,325	226,012
Insurance	107,081	107,081	107,081	-	103,900
Utilities and Telephone	261,158	256,123	233,073	23,050	226,362
Vehicle Maintenance	35,708	35,708	42,900	(7,192)	36,976
Fuel	39,000	39,000	36,263	2,737	37,717
Professional Services	73,114	68,364	48,737	19,627	49,999
Repairs and Maintenance	210,900	212,475	183,670	28,805	173,646
Postage and Office Supplies	9,150	8,800	4,559	4,241	7,059
Operating Supplies	178,743	177,613	130,493	47,120	149,952
Rental and Lease Costs	136,588	144,188	139,325	4,863	135,588
Other	13,380	14,140	8,554	5,586	12,036
Admin. Charges from Other Funds	429,303	429,303	469,056	(39,753)	469,056
Total Water Services	<u>2,401,144</u>	<u>2,395,314</u>	<u>2,242,093</u>	<u>153,221</u>	<u>2,244,720</u>
UTILITY SERVICES					
Salaries and Wages	133,690	132,721	135,431	(2,710)	151,248
Fringe Benefits	45,809	45,809	46,011	(202)	49,882
Insurance	453	453	453	-	533
Utilities and Telephone	1,335	1,335	1,204	131	1,998
Vehicle Maintenance	2,090	2,090	2,329	(239)	2,623
Fuel	2,907	2,907	3,235	(328)	3,966
Professional Services	14,119	16,422	15,984	438	14,750
Repairs and Maintenance	765	407	407	-	471
Bad Debts	2,550	1,357	(394)	1,751	(97)
Postage and Office Supplies	19,130	19,821	19,208	613	21,582
Operating Supplies	1,785	1,030	1,007	23	1,248
Rental and Lease Costs	11,999	11,999	11,956	43	13,877
Other	7,931	7,413	7,390	23	8,490
Admin. Charges from Other Funds	31,329	31,329	31,329	-	36,243
Total Utility Services	<u>275,892</u>	<u>275,093</u>	<u>275,550</u>	<u>(457)</u>	<u>306,814</u>
Operating Income (Loss) Before Depreciation	<u>1,237,441</u>	<u>1,244,070</u>	<u>1,151,652</u>	<u>(92,418)</u>	<u>1,170,978</u>
Depreciation	<u>616,328</u>	<u>616,328</u>	<u>631,374</u>	<u>(15,046)</u>	<u>617,637</u>
Net Operating Income (Loss)	<u>\$ 621,113</u>	<u>\$ 627,742</u>	<u>\$ 520,278</u>	<u>\$ (107,464)</u>	<u>\$ 553,341</u>

CITY OF TEMPLE TERRACE, FLORIDA
SCHEDULE OF REVENUES AND EXPENSES
BUDGET AND ACTUAL
WATER AND SEWER UTILITY FUND – SEWER OPERATIONS
For the Fiscal Year Ended September 30, 2014
With comparative data for the fiscal year ended September 30, 2013

	2014			Variance with Final Budget - Positive (Negative)	2013
	Budgeted Amounts		Actual		Actual
	Original	Final			
OPERATING REVENUES					
Charges for Services	\$ 6,941,616	\$ 6,941,616	\$ 6,651,687	\$ (289,929)	\$ 6,519,641
Taps and Extensions	10,000	10,000	1,250	(8,750)	8,625
Total Revenues	<u>6,951,616</u>	<u>6,951,616</u>	<u>6,652,937</u>	<u>(298,679)</u>	<u>6,528,266</u>
OPERATING EXPENSES					
SEWER SERVICES					
Salaries and Wages	350,500	350,500	344,675	5,825	339,475
Fringe Benefits	145,308	145,308	136,150	9,158	129,815
Sewer Treatment Charges	3,907,150	3,880,850	3,875,156	5,694	3,967,813
Insurance	48,490	48,490	50,568	(2,078)	48,537
Utilities and Telephone	101,881	90,841	90,062	779	93,039
Vehicle Maintenance	17,450	17,450	19,447	(1,997)	18,925
Fuel	27,800	34,300	34,870	(570)	37,499
Professional Services	4,968	5,168	1,148	4,020	1,007
Repairs and Maintenance	100,000	102,500	93,867	8,633	80,275
Postage and Office Supplies	3,830	3,830	500	3,330	4,849
Operating Supplies	190,350	197,510	192,533	4,977	183,889
Rental and Lease Costs	90,364	90,539	89,364	1,175	89,597
Other	750	750	100	650	75
Admin. Charges from Other Funds	802,567	802,567	802,567	-	802,567
Total Water Services	<u>5,791,408</u>	<u>5,770,603</u>	<u>5,731,007</u>	<u>39,596</u>	<u>5,797,362</u>
UTILITY SERVICES					
Salaries and Wages	128,448	127,517	130,121	(2,604)	105,105
Fringe Benefits	44,012	44,012	44,206	(194)	34,663
Insurance	436	436	436	-	370
Utilities and Telephone	1,282	1,282	1,156	126	1,389
Vehicle Maintenance	2,009	2,009	2,239	(230)	1,822
Fuel	2,793	2,793	3,109	(316)	2,756
Professional Services	13,566	15,778	15,356	422	10,250
Repairs and Maintenance	735	391	391	-	327
Bad Debts	2,450	1,303	(379)	1,682	(67)
Postage and Office Supplies	18,380	19,044	18,454	590	14,998
Operating Supplies	1,715	990	967	23	867
Rental and Lease Costs	11,529	11,529	11,488	41	9,643
Other	7,619	7,122	7,101	21	5,900
Admin. Charges from Other Funds	30,100	30,100	30,100	-	25,186
Total Utility Services	<u>265,074</u>	<u>264,306</u>	<u>264,745</u>	<u>(439)</u>	<u>213,209</u>
Operating Income (Loss) Before Depreciation	<u>895,134</u>	<u>916,707</u>	<u>657,185</u>	<u>(259,522)</u>	<u>517,695</u>
Depreciation	<u>413,045</u>	<u>413,045</u>	<u>413,179</u>	<u>(134)</u>	<u>412,480</u>
Net Operating Income (Loss)	<u>\$ 482,089</u>	<u>\$ 503,662</u>	<u>\$ 244,006</u>	<u>\$ (259,656)</u>	<u>\$ 105,215</u>

CITY OF TEMPLE TERRACE, FLORIDA
SCHEDULE OF REVENUES AND EXPENSES
BUDGET AND ACTUAL
SANITATION UTILITY FUND – COMMERCIAL OPERATIONS
For the Fiscal Year Ended September 30, 2014
With comparative data for the fiscal year ended September 30, 2013

	2014			Variance with Final Budget - Positive (Negative)	2013
	Budgeted Amounts		Actual		Actual
	Original	Final			
OPERATING REVENUES					
Charges for Services	\$ 806,605	\$ 806,605	\$ 840,241	\$ 33,636	\$ 778,644
Recycling	24,315	24,315	17,273	(7,042)	14,932
Total Commercial Revenues	<u>830,920</u>	<u>830,920</u>	<u>857,514</u>	<u>26,594</u>	<u>793,576</u>
OPERATING EXPENSES					
Salaries and Wages	57,704	57,704	66,836	(9,132)	72,377
Fringe Benefits	26,836	26,836	26,621	215	29,219
Landfill Charges	355,900	373,650	373,142	508	346,284
Insurance	889	889	889	-	903
Utilities and Telephone	-	-	180	(180)	-
Vehicle Maintenance	29,361	29,361	32,721	(3,360)	31,843
Fuel	45,975	37,975	39,295	(1,320)	36,978
Professional Services	80	80	44	36	145
Other Contractual Services	625	3,325	1,836	1,489	260
Repairs and Maintenance	16,500	16,500	9,791	6,709	13,149
Operating Supplies	7,850	22,768	17,055	5,713	6,822
Rental and Lease Costs	3,768	9,018	12,368	(3,350)	3,768
Other	120	570	486	84	63
Admin. Charges from Other Funds	79,935	79,935	79,935	-	79,935
Total Commercial Expenses	<u>625,543</u>	<u>658,611</u>	<u>661,199</u>	<u>(2,588)</u>	<u>621,746</u>
Operating Income (Loss) Before Depreciation	<u>205,377</u>	<u>172,309</u>	<u>196,315</u>	<u>24,006</u>	<u>171,831</u>
Depreciation	<u>40,308</u>	<u>40,308</u>	<u>36,870</u>	<u>3,438</u>	<u>40,507</u>
Net Operating Income (Loss)	<u>\$ 165,069</u>	<u>\$ 132,001</u>	<u>\$ 159,445</u>	<u>\$ 27,444</u>	<u>\$ 131,324</u>

CITY OF TEMPLE TERRACE, FLORIDA
SCHEDULE OF REVENUES AND EXPENSES
BUDGET AND ACTUAL
SANITATION UTILITY FUND – RESIDENTIAL OPERATIONS
For the Fiscal Year Ended September 30, 2014
With comparative data for the fiscal year ended September 30, 2013

	2014			Variance with Final Budget - Positive (Negative)	2013
	Budgeted Amounts		Actual		Actual
	Original	Final			
OPERATING REVENUES					
Charges for Services	\$ 1,655,660	\$ 1,655,660	\$ 1,667,387	\$ 11,727	\$ 1,659,113
Recycling	60,000	60,000	40,243	(19,757)	54,752
Other	2,500	2,500	5,244	2,744	2,256
Total Commercial Revenues	<u>1,718,160</u>	<u>1,718,160</u>	<u>1,712,874</u>	<u>(5,286)</u>	<u>1,716,121</u>
OPERATING EXPENSES					
Salaries and Wages	398,737	380,811	397,212	(16,401)	384,732
Fringe Benefits	195,567	195,567	185,658	9,909	185,658
Landfill Charges	319,870	311,870	311,170	700	311,170
Insurance	13,809	13,809	13,809	-	13,809
Utilities and Telephone	710	710	862	(152)	862
Vehicle Maintenance	122,623	122,623	137,867	(15,244)	137,867
Fuel	105,000	92,000	101,163	(9,163)	101,163
Professional Services	675	77,801	78,074	(273)	78,074
Other Contractual Services	1,870	6,170	12,257	(6,087)	12,257
Recycled Materials Disposal	95,000	70,000	50,287	19,713	50,287
Postage and Office Supplies	200	200	242	(42)	242
Operating Supplies	17,400	16,100	14,576	1,524	14,576
Rental and Lease Costs	87,588	87,588	87,588	-	87,588
Other	300	550	634	(84)	634
Admin. Charges from Other Funds	306,813	306,813	306,813	-	306,813
Total Commercial Expenses	<u>1,666,162</u>	<u>1,682,612</u>	<u>1,698,212</u>	<u>(15,600)</u>	<u>1,685,732</u>
Operating Income (Loss)					
Before Depreciation	<u>51,998</u>	<u>35,548</u>	<u>14,662</u>	<u>(20,886)</u>	<u>30,389</u>
Depreciation	<u>126,780</u>	<u>126,780</u>	<u>96,698</u>	<u>30,082</u>	<u>98,438</u>
Net Operating Income (Loss)	<u>\$ (74,782)</u>	<u>\$ (91,232)</u>	<u>\$ (82,036)</u>	<u>\$ 9,196</u>	<u>\$ (68,049)</u>

CITY OF TEMPLE TERRACE, FLORIDA
SCHEDULE OF REVENUES AND EXPENSES
BUDGET AND ACTUAL
SANITATION UTILITY FUND – ROLL-OFF CONTAINER OPERATIONS
For the Fiscal Year Ended September 30, 2014
With comparative data for the fiscal year ended September 30, 2013

	2014			Variance with Final Budget - Positive (Negative)	2013
	Budgeted Amounts		Actual		Actual
	Original	Final			
OPERATING REVENUES					
Charges for Services	\$ 536,915	\$ 536,915	\$ 488,432	\$ (48,483)	\$ 483,908
Total Commercial Revenues	<u>536,915</u>	<u>536,915</u>	<u>488,432</u>	<u>(48,483)</u>	<u>483,908</u>
OPERATING EXPENSES					
Salaries and Wages	39,320	39,320	40,560	(1,240)	39,101
Fringe Benefits	14,254	14,254	14,458	(204)	14,349
Landfill Charges	191,400	216,638	216,298	340	194,604
Insurance	889	889	889	-	903
Utilities and Telephone	300	550	563	(13)	-
Vehicle Maintenance	39,384	39,384	43,891	(4,507)	42,713
Fuel	28,000	28,000	32,016	(4,016)	24,912
Professional Services	130	130	25	105	-
Other Contractual Services	-	1,512	1,307	205	156
Recycled Materials Disposal	65,430	58,837	49,453	9,384	74,121
Operating Supplies	2,120	2,120	2,054	66	2,107
Other	-	93	93	-	328
Admin. Charges from Other Funds	49,912	49,912	49,912	-	49,912
Total Commercial Expenses	<u>431,139</u>	<u>451,639</u>	<u>451,519</u>	<u>120</u>	<u>443,206</u>
Operating Income (Loss) Before Depreciation	<u>105,776</u>	<u>85,276</u>	<u>36,913</u>	<u>(48,363)</u>	<u>40,702</u>
Depreciation	<u>26,280</u>	<u>26,280</u>	<u>23,428</u>	<u>2,852</u>	<u>26,072</u>
Net Operating Income (Loss)	<u>\$ 79,496</u>	<u>\$ 58,996</u>	<u>\$ 13,485</u>	<u>\$ (45,511)</u>	<u>\$ 14,630</u>

**CITY OF TEMPLE TERRACE, FLORIDA
SCHEDULE OF REVENUES AND EXPENSES
BUDGET AND ACTUAL
SANITATION UTILITY FUND – SPECIAL TRASH PICKUP OPERATIONS
For the Fiscal Year Ended September 30, 2014
With comparative data for the fiscal year ended September 30, 2013**

	2014			Variance with Final Budget - Positive (Negative)	2013
	Budgeted Amounts		Actual		Actual
	Original	Final			
OPERATING REVENUES					
Charges for Services	\$ 25,900	\$ 25,900	27,867	\$ 1,967	\$ 26,774
Total Commercial Revenues	<u>25,900</u>	<u>25,900</u>	<u>27,867</u>	<u>1,967</u>	<u>26,774</u>
OPERATING EXPENSES					
Salaries and Wages	1,940	1,940	2,736	(796)	1,972
Fringe Benefits	1,287	1,287	1,237	50	1,279
Insurance	889	889	889	-	602
Vehicle Maintenance	29,361	29,361	37,274	(7,913)	28,476
Fuel	3,500	16,500	13,420	3,080	3,377
Other Contractual Services	312	312	305	7	130
Recycled Materials Disposal	14,490	46,490	54,100	(7,610)	3,601
Operating Supplies	350	350	304	46	523
Other	175	75	-	75	48
Admin. Charges from Other Funds	6,559	6,559	6,559	-	6,559
Total Commercial Expenses	<u>58,863</u>	<u>103,763</u>	<u>116,824</u>	<u>(13,061)</u>	<u>46,567</u>
Operating Income (Loss)					
Before Depreciation	<u>(32,963)</u>	<u>(77,863)</u>	<u>(88,957)</u>	<u>(11,094)</u>	<u>(19,793)</u>
Depreciation	<u>24,996</u>	<u>24,996</u>	<u>24,999</u>	<u>(3)</u>	<u>24,998</u>
Net Operating Income (Loss)	<u>\$ (57,959)</u>	<u>\$ (102,859)</u>	<u>\$ (113,956)</u>	<u>\$ (11,097)</u>	<u>\$ (44,791)</u>



TEMPLE TERRACE

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STATISTICAL SECTION

This part of the City of Temple Terrace’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

Contents	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed overtime.</i>	135
Revenue Capacity <i>These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.</i>	140
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.</i> <i>The following two schedules are not shown in the debt capacity section:</i> <ul style="list-style-type: none">- <i>Ratio of General Bonded Debt Outstanding:</i> <i>There has been no general obligation bonded debt for the past ten fiscal years.</i>- <i>Legal Debt Margin:</i> <i>The City’s Charter makes no provision for a general obligation legal debt margin.</i>	147
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.</i>	150
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.</i>	154



TEMPLE TERRACE

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CITY OF TEMPLE TERRACE, FLORIDA
TABLE 1
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Government Activities:										
Net investment in capital assets	\$ 28,319,936	\$ 26,353,570	\$ 27,550,086	\$ 29,105,198	\$ 34,313,966	\$ 36,609,269	\$ 40,321,330	\$ 44,564,467	\$ 44,929,535	\$ 44,731,063
Restricted	151,005	178,310	865,049	3,055,950	2,745,471	2,634,580	8,306,042	7,154,188	7,566,336	7,972,160
Unrestricted	9,563,814	13,462,921	12,684,807	9,810,471	(13,264,249)	(11,935,227)	(21,458,838)	(23,405,315)	(24,276,008)	(24,447,714)
Total governmental activities net position	<u>\$ 38,034,755</u>	<u>\$ 39,994,801</u>	<u>\$ 41,099,942</u>	<u>\$ 41,971,619</u>	<u>\$ 23,795,188</u>	<u>\$ 27,308,622</u>	<u>\$ 27,168,534</u>	<u>\$ 28,313,340</u>	<u>\$ 28,219,863</u>	<u>\$ 28,255,509</u>
Business-Type Activities:										
Net investment in capital assets	\$ 20,563,115	\$ 20,640,910	\$ 20,742,484	\$ 21,759,409	\$ 22,534,522	\$ 23,197,089	\$ 24,490,972	\$ 24,973,142	\$ 25,505,001	\$ 26,317,509
Restricted	5,559,919	6,365,154	6,996,966	6,422,243	6,009,253	5,656,554	4,345,084	3,920,116	3,526,876	2,730,208
Unrestricted	2,816,426	3,172,730	3,007,493	2,544,915	1,710,998	1,112,489	1,387,947	1,262,546	1,765,197	2,490,085
Total business-type activities net position	<u>\$ 28,939,460</u>	<u>\$ 30,178,794</u>	<u>\$ 30,746,943</u>	<u>\$ 30,726,567</u>	<u>\$ 30,254,773</u>	<u>\$ 29,966,132</u>	<u>\$ 30,224,003</u>	<u>\$ 30,155,804</u>	<u>\$ 30,797,074</u>	<u>\$ 31,537,802</u>
Primary Government:										
Net investment in capital assets	\$ 48,883,051	\$ 46,994,480	\$ 48,292,570	\$ 50,864,607	\$ 56,848,488	\$ 59,806,358	\$ 64,812,302	\$ 69,537,609	\$ 70,434,536	\$ 71,048,572
Restricted	5,710,924	6,543,464	7,862,015	9,478,193	8,754,724	8,291,134	12,651,126	11,074,304	11,093,212	10,702,368
Unrestricted	12,380,240	16,635,651	15,692,300	12,355,386	(11,553,251)	(10,822,738)	(20,070,891)	(22,142,769)	(22,510,811)	(21,957,629)
Total primary government net position	<u>\$ 66,974,215</u>	<u>\$ 70,173,595</u>	<u>\$ 71,846,885</u>	<u>\$ 72,698,186</u>	<u>\$ 54,049,961</u>	<u>\$ 57,274,754</u>	<u>\$ 57,392,537</u>	<u>\$ 58,469,144</u>	<u>\$ 59,016,937</u>	<u>\$ 59,793,311</u>

Note: Prior year fund balances may be adjusted for restatements.

CITY OF TEMPLE TERRACE, FLORIDA

TABLE 2

CHANGES IN NET POSITION

Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:										
Governmental activities:										
General government	\$ 3,427,116	\$ 3,610,451	\$ 3,893,528	\$ 3,811,622	\$ 4,084,419	\$ 4,114,286	\$ 3,980,313	\$ 3,900,099	\$ 3,876,690	\$ 3,847,264
Public safety	10,236,418	10,596,353	11,445,671	12,204,544	13,083,126	12,723,993	13,130,360	13,343,136	13,454,784	13,880,527
Public works	2,039,554	2,103,406	2,218,945	2,307,220	2,361,372	2,258,804	2,384,940	2,338,570	2,167,279	2,193,891
Economic environment	1,202,889	1,047,819	1,357,628	1,193,867	807,943	742,629	2,305,198	1,000,416	21,692	522
Culture and recreation	3,747,075	3,928,683	4,107,650	4,176,554	4,029,039	3,953,613	4,046,833	3,973,313	3,882,710	3,979,142
Interest on long-term debt	761,726	1,300,678	1,504,732	1,063,052	662,520	803,347	821,790	837,962	868,701	415,854
Total governmental activities	<u>21,414,778</u>	<u>22,587,390</u>	<u>24,528,154</u>	<u>24,756,859</u>	<u>25,028,419</u>	<u>24,596,672</u>	<u>26,669,434</u>	<u>25,393,496</u>	<u>24,271,856</u>	<u>24,317,200</u>
Business-type activities:										
Water/sewer	8,182,468	7,943,024	8,411,720	8,963,490	8,873,380	9,526,900	9,808,604	10,305,399	9,802,084	9,641,139
Sanitation	2,947,971	2,784,518	2,810,535	2,919,414	2,875,242	2,805,749	2,822,207	3,093,535	2,965,440	3,109,749
Total business-type activities	<u>11,130,439</u>	<u>10,727,542</u>	<u>11,222,255</u>	<u>11,882,904</u>	<u>11,748,622</u>	<u>12,332,649</u>	<u>12,630,811</u>	<u>13,398,934</u>	<u>12,767,524</u>	<u>12,750,888</u>
Total primary government expenses	<u>\$ 32,545,217</u>	<u>\$ 33,314,932</u>	<u>\$ 35,750,409</u>	<u>\$ 36,639,763</u>	<u>\$ 36,777,041</u>	<u>\$ 36,929,321</u>	<u>\$ 39,300,245</u>	<u>\$ 38,792,430</u>	<u>\$ 37,039,380</u>	<u>\$ 37,068,088</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 2,468,700	\$ 2,611,367	\$ 2,563,119	\$ 4,295,393	\$ 3,944,462	\$ 4,057,379	\$ 4,164,981	\$ 4,635,442	\$ 4,375,457	\$ 4,322,450
Public safety	483,126	532,077	564,289	657,065	2,311,524	1,519,171	1,369,573	1,502,785	1,466,785	1,211,799
Public works	30,040	18,200	36,283	31,775	35,545	62,956	85,038	86,760	90,571	86,101
Economic environment	1,179,208	1,399,624	1,408,842	1,453,405	1,286,782	320,851	123,019	53,169	76,104	-
Culture and recreation	973,953	965,860	921,979	911,253	977,993	962,115	968,120	1,021,213	982,859	931,954
Operating grants and contributions	1,295,001	440,255	539,461	630,683	471,000	646,117	497,376	890,686	302,479	277,807
Capital grants and contributions	599,101	932,127	335,793	744,214	874,928	4,226,569	2,558,306	1,386,176	213,737	469,111
Total governmental activities	<u>7,029,129</u>	<u>6,899,510</u>	<u>6,369,766</u>	<u>8,723,788</u>	<u>9,902,234</u>	<u>11,795,158</u>	<u>9,766,413</u>	<u>9,576,231</u>	<u>7,497,992</u>	<u>7,299,222</u>
Business-type activities:										
Charges for services:										
Water/sewer	8,279,634	8,354,001	8,124,782	7,924,124	7,852,306	8,880,252	9,798,141	10,111,117	10,250,778	10,322,232
Sanitation	2,597,054	2,554,108	2,611,080	2,846,824	3,007,605	2,956,883	3,017,708	3,017,634	3,020,379	3,086,706
Capital grants and contributions	608,138	658,068	527,053	753,453	34,199	48,609	4,381	98,091	138,580	31,432
Total business-type activities	<u>11,484,826</u>	<u>11,566,177</u>	<u>11,262,915</u>	<u>11,524,401</u>	<u>10,894,110</u>	<u>11,885,744</u>	<u>12,820,230</u>	<u>13,226,842</u>	<u>13,409,737</u>	<u>13,440,370</u>
Total primary government program revenues	<u>\$ 18,513,955</u>	<u>\$ 18,465,687</u>	<u>\$ 17,632,681</u>	<u>\$ 20,248,189</u>	<u>\$ 20,796,344</u>	<u>\$ 23,680,902</u>	<u>\$ 22,586,643</u>	<u>\$ 22,803,073</u>	<u>\$ 20,907,729</u>	<u>\$ 20,739,592</u>

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 2
CHANGES IN NET POSITION (CONTINUED)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net (Expense)/Revenue										
Governmental activities	\$ (14,385,649)	\$ (15,687,880)	\$ (18,158,388)	\$ (16,033,071)	\$ (15,126,185)	\$ (12,801,514)	\$ (16,903,021)	\$ (15,817,265)	\$ (16,773,864)	\$ (17,017,978)
Business-type activities	354,387	838,635	40,660	(358,503)	(854,512)	(446,905)	189,419	(172,092)	642,213	689,482
Total primary government net expense	<u>\$ (14,031,262)</u>	<u>\$ (14,849,245)</u>	<u>\$ (18,117,728)</u>	<u>\$ (16,391,574)</u>	<u>\$ (15,980,697)</u>	<u>\$ (13,248,419)</u>	<u>\$ (16,713,602)</u>	<u>\$ (15,989,357)</u>	<u>\$ (16,131,651)</u>	<u>\$ (16,328,496)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes	\$ 15,689,537	\$ 16,610,762	\$ 18,030,646	\$ 15,888,570	\$ 15,320,964	\$ 15,509,155	\$ 15,877,313	\$ 16,046,405	\$ 15,907,757	\$ 16,567,885
Unrestricted grants and contributions	39,713	54,705	201,902	103,963	44,707	47,716	79,155	83,529	37,758	54,396
Unrestricted investment earnings	292,915	566,966	697,963	384,475	380,368	176,448	120,166	171,636	36,206	77,247
Miscellaneous	160,684	415,493	333,018	527,740	548,588	546,559	604,085	592,599	687,139	354,096
Gain on sale of capital assets	-	-	-	-	(19,344,873)	35,070	82,214	67,902	11,527	-
Transfers	(267,900)	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>15,914,949</u>	<u>17,647,926</u>	<u>19,263,529</u>	<u>16,904,748</u>	<u>(3,050,246)</u>	<u>16,314,948</u>	<u>16,762,933</u>	<u>16,962,071</u>	<u>16,680,387</u>	<u>17,053,624</u>
Business-type activities:										
Investment earnings	199,681	400,699	527,489	328,696	382,718	143,992	59,024	103,873	(1,112)	49,307
Gain on sale of capital assets	-	-	-	9,431	-	14,272	9,428	-	169	1,939
Transfers	267,900	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>467,581</u>	<u>400,699</u>	<u>527,489</u>	<u>338,127</u>	<u>382,718</u>	<u>158,264</u>	<u>68,452</u>	<u>103,873</u>	<u>(943)</u>	<u>51,246</u>
Total primary government general revenues and other changes in net position	<u>\$ 16,382,530</u>	<u>\$ 18,048,625</u>	<u>\$ 19,791,018</u>	<u>\$ 17,242,875</u>	<u>\$ (2,667,528)</u>	<u>\$ 16,473,212</u>	<u>\$ 16,831,385</u>	<u>\$ 17,065,944</u>	<u>\$ 16,679,444</u>	<u>\$ 17,104,870</u>
Change in Net Position										
Governmental activities	\$ 1,529,300	\$ 1,960,046	\$ 1,105,141	\$ 871,677	\$ (18,176,431)	\$ 3,513,434	\$ (140,088)	\$ 1,144,806	\$ (93,477)	\$ 35,646
Business-type activities	821,968	1,239,334	568,149	(20,376)	(471,794)	(288,641)	257,871	(68,219)	641,270	740,728
Total primary government net expense	<u>\$ 2,351,268</u>	<u>\$ 3,199,380</u>	<u>\$ 1,673,290</u>	<u>\$ 851,301</u>	<u>\$ (18,648,225)</u>	<u>\$ 3,224,793</u>	<u>\$ 117,783</u>	<u>\$ 1,076,587</u>	<u>\$ 547,793</u>	<u>\$ 776,374</u>

* In October 2007, the Auditor General reclassified Franchise Fees from Taxes to Licenses and Permits. Occupational Licenses were reclassified from Licenses to Local Business Taxes.

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 3
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011*	2012	2013	2014
General Fund										
Reserved	\$ 317,287	\$ 449,984	\$ 943,949	\$ 790,831	\$ 285,760	\$ 300,726	\$ -	\$ -	\$ -	
Unreserved	4,511,131	5,070,679	4,419,382	4,275,285	4,101,988	3,690,252	-	-	-	
Total General Fund	\$ 4,828,418	\$ 5,520,663	\$ 5,363,331	\$ 5,066,116	\$ 4,387,748	\$ 3,990,978	\$ -	\$ -	\$ -	\$ -
All Other Governmental Funds										
Reserved	\$ 1,584,372	\$ 44,110	\$ 323,769	\$ 4,308,654	\$ 2,887,761	\$ 3,533,106	\$ -	\$ -	\$ -	
Unreserved, reported in:										
Special Revenue Funds	1,865,231	4,275,373	5,381,780	3,834,748	3,626,229	4,364,919	-	-	-	
Debt Service Fund	1,614,512	4,283,612	3,015,109	151,117	770,331	439,316	-	-	-	
Capital Projects Fund	542,730	-	-	-	-	1,771	-	-	-	
Total all other governmental funds	\$ 5,606,845	\$ 8,603,095	\$ 8,720,658	\$ 8,294,519	\$ 7,284,321	\$ 8,339,112	\$ -	\$ -	\$ -	\$ -
Total fund balance										
All governmental funds	\$ 10,435,263	\$ 14,123,758	\$ 14,083,989	\$ 13,360,635	\$ 11,672,069	\$ 12,330,090	\$ -	\$ -	\$ -	\$ -

*Beginning in Fiscal Year 2011, due to implementation of GASB Statement No. 54, fund balance is now reported as follows:

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011*	2012	2013	2014
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,585	\$ 25,584	\$ 22,325	\$ 21,958
Restricted	-	-	-	-	-	-	143,111	131,774	174,300	217,513
Committed	-	-	-	-	-	-	-	471,349	116,591	116,591
Assigned	-	-	-	-	-	-	1,049,674	249,984	1,706,440	1,155,010
Unassigned	-	-	-	-	-	-	2,343,181	3,259,530	2,551,211	2,861,765
Total General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,571,551	\$ 4,138,221	\$ 4,570,867	\$ 4,372,837
All Other Governmental Funds										
Restricted, reported in:										
Special Revenue Funds	-	-	-	-	-	-	4,566,211	3,610,417	4,023,569	4,232,684
Debt Service Fund	-	-	-	-	-	-	2,863,128	2,641,625	2,559,576	2,672,628
Capital Projects Fund	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,429,339	\$ 6,252,042	\$ 6,583,145	\$ 6,905,312
Total fund balance										
All governmental funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,000,890	\$ 10,390,263	\$ 11,154,012	\$ 11,278,149

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 4
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Taxes	\$ 12,599,927	\$ 13,343,186	\$ 14,830,103 *	\$ 13,050,257	\$ 12,589,786	\$ 13,017,443	\$ 12,934,258	\$ 13,021,553	\$ 12,805,206	\$ 13,262,249
Licenses and permits	361,525	526,756	431,134 *	2,185,822	2,213,232	2,221,279	2,130,961	2,061,898	2,064,671	2,017,310
Intergovernmental	4,996,105	4,652,656	4,087,762	4,215,060	4,077,105	6,810,376	6,139,380	4,796,594	3,686,168	4,011,413
Charges for services	4,579,816	4,791,586	4,855,469	4,968,642	4,757,182	3,800,496	3,842,628	4,237,744	4,032,528	3,963,372
Fines and forfeitures	258,632	233,298	219,078	226,120	1,710,665	751,591	576,551	788,489	685,288	449,747
Other	403,815	967,354	1,162,415	925,095	848,891	786,585	777,029	1,403,750	800,952	530,035
Total revenues	<u>23,199,820</u>	<u>24,514,836</u>	<u>25,585,961</u>	<u>25,570,996</u>	<u>26,196,861</u>	<u>27,387,770</u>	<u>26,400,807</u>	<u>26,310,028</u>	<u>24,074,813</u>	<u>24,234,126</u>
Expenditures										
General government	4,403,738	4,547,522	5,063,770	4,868,794	4,718,759	4,731,907	6,099,752	4,690,547	3,870,788	3,743,156
Public safety	9,643,956	10,051,384	10,940,726	11,616,955	12,468,044	11,919,349	12,222,205	12,397,480	12,606,806	12,979,074
Transportation and public works	1,527,334	1,567,859	1,631,480	1,690,642	1,745,232	1,647,345	1,711,672	1,534,495	1,359,681	1,378,734
Culture and recreation	3,329,960	3,533,089	3,715,665	3,767,511	3,647,510	3,575,879	3,594,863	3,516,949	3,439,561	3,515,786
Capital outlay	5,229,572	2,714,718	2,520,239	2,970,754	4,710,472	3,842,919	5,238,966	3,445,880	2,153,617	1,700,019
Debt service										
Principal	288,171	321,678	314,362	325,357	341,669	959,565	375,310	1,397,675	415,431	407,182
Interest	691,768	1,278,207	1,467,846	1,158,846	770,334	803,347	810,696	826,868	786,588	414,969
Debt issuance	-	-	-	-	78,179	31,283	2,000	-	71,019	885
Total expenditures	<u>25,114,499</u>	<u>24,014,457</u>	<u>25,654,088</u>	<u>26,398,859</u>	<u>28,480,199</u>	<u>27,511,594</u>	<u>30,055,464</u>	<u>27,809,894</u>	<u>24,703,491</u>	<u>24,139,805</u>
Excess (deficiency) of revenues over expenditures	(1,914,679)	500,379	(68,127)	(827,863)	(2,283,338)	(123,824)	(3,654,657)	(1,499,866)	(628,678)	94,321
Other financing sources (uses)										
Debt issues	2,654,606	3,188,116	-	-	592,278	724,568	2,284,299	1,000,192	(24,207,806)	-
Proceeds of Refunding Debt	-	-	-	-	-	-	-	-	24,335,000	-
Transfers in	1,607,958	1,098,588	426,511	1,424,640	1,506,100	943,892	739,480	1,798,761	1,943,343	826,329
Transfers out	(1,875,858)	(1,098,588)	(426,511)	(1,363,195)	(1,506,100)	(943,892)	(739,480)	(1,798,761)	(875,718)	(826,329)
Sale of capital assets	-	-	28,358	43,064	2,494	57,277	41,158	69,047	17,608	29,816
Total other financing sources (uses)	<u>2,386,706</u>	<u>3,188,116</u>	<u>28,358</u>	<u>104,509</u>	<u>594,772</u>	<u>781,845</u>	<u>2,325,457</u>	<u>1,069,239</u>	<u>1,212,427</u>	<u>29,816</u>
Net change in fund balances	<u>\$ 472,027</u>	<u>\$ 3,688,495</u>	<u>\$ (39,769)</u>	<u>\$ (723,354)</u>	<u>\$ (1,688,566)</u>	<u>\$ 658,021</u>	<u>\$ (1,329,200)</u>	<u>\$ (430,627)</u>	<u>\$ 583,749</u>	<u>\$ 124,137</u>
Debt service as a percentage of noncapital expenditures	5.2%	8.1%	8.3%	6.8%	4.9%	8.1%	5.0%	10.0%	5.6%	3.8%

* In October 2007, the Auditor General reclassified Franchise Fees from Taxes to Licenses and Permits. Occupational Licenses and Permits were also reclassified from Licenses to Local Business Taxes.

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 5
GOVERNMENT-WIDE REVENUES
Last Ten Fiscal Years

Fiscal Year	PROGRAM REVENUES			GENERAL REVENUES					
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Taxes *	Grants and Contributions Not Restricted To Specific Programs	Unrestricted Investment Earnings	Miscellaneous	Transfers	TOTAL
2005	\$ 16,011,715	\$ 1,295,001	\$ 1,207,239	\$ 15,689,537	\$ 39,713	\$ 492,596	\$ 160,684	\$ 267,900	\$ 35,164,385
2006	16,435,237	440,255	1,590,195	16,610,762	54,705	967,665	415,493	-	36,514,312
2007	16,230,374	539,461	862,846	18,030,646	201,902	1,225,542	333,018	-	37,423,789
2008	18,119,839	630,683	1,497,667	15,888,570	103,963	713,171	537,171	-	37,491,064
2009	19,416,217	471,000	909,127	15,320,964	44,707	380,368	551,088	-	37,093,471
2010	18,759,607	646,117	4,275,178	15,509,155	47,716	320,440	546,559	-	40,104,772
2011	19,526,580	497,376	2,562,687	15,877,313	79,155	179,190	604,085	-	39,326,386
2012	20,428,120	890,686	1,484,267	16,046,405	83,529	275,509	592,590	-	39,801,106
2013	20,252,933	302,479	352,317	15,907,757	37,758	35,094	698,835	-	37,587,173
2014	19,961,242	277,807	500,543	16,567,885	54,396	126,554	356,035	-	37,844,462

* In October 2007, the Auditor General reclassified Franchise Fees from Taxes to Licenses and Permits. Occupational Licenses were reclassified from Licenses to Local Business Taxes. Franchises Fees are included in Charges for Services.

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 6
GOVERNMENT-WIDE EXPENSES BY FUNCTION
Last Ten Fiscal Years

Fiscal Year	General Government	Public Safety	Highways & Public Works	Economic Development	Culture & Recreation	Interest and Other General Government	Water & Sewer	Sanitation	Special Items	Transfers	TOTAL
2005	\$ 3,427,116	\$ 10,236,418	\$ 2,039,554	\$ 1,202,889	\$ 3,747,075	\$ 761,726	\$ 8,182,468	\$ 2,947,971	\$ -	\$ 267,900	\$ 32,813,117
2006	3,610,451	10,596,353	2,103,406	1,047,819	3,928,683	1,300,678	7,943,024	2,784,518	-	-	33,314,932
2007	3,893,528	11,445,671	2,218,945	1,357,628	4,107,650	1,504,732	8,411,720	2,810,535	-	-	35,750,409
2008	3,811,622	12,204,544	2,307,220	1,193,867	4,176,554	1,063,052	8,963,490	2,919,414	-	-	36,639,763
2009	4,084,419	13,083,126	2,361,372	807,943	4,029,039	662,520	8,873,380	2,875,242	(19,269,194)	-	17,507,847
2010	4,114,286	12,723,993	2,258,804	742,629	3,953,613	803,347	9,526,900	2,805,749	-	-	36,929,321
2011	3,980,313	13,130,360	2,384,940	2,305,198	4,046,833	821,790	9,808,604	2,822,207	-	-	39,300,245
2012	3,900,099	13,443,136	2,338,570	1,000,416	3,973,313	837,962	10,305,399	3,093,515	-	-	38,892,410
2013	3,876,690	13,454,784	2,167,279	21,692	3,882,710	868,701	9,802,084	2,965,440	-	-	37,039,380
2014	3,847,264	13,880,527	2,193,891	522	3,979,142	415,854	9,641,139	3,109,749	-	-	37,068,088

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 7
GENERAL GOVERNMENTAL REVENUES BY SOURCE
Last Ten Fiscal Years

Fiscal Year	Taxes	Licenses & Permits	InterGovt	Charges for Services	Fines and Forfeitures	Investment Earnings	Contributions	Other	TOTAL
2005	\$ 12,599,927	\$ 361,525	\$ 4,996,105	\$ 4,579,816	\$ 258,632	\$ 292,915	\$ 39,713	\$ 71,187	\$ 23,199,820
2006	13,343,186	526,756	4,652,656	4,791,586	233,298	566,966	54,705	345,683	24,514,836
2007	14,830,103	431,134	4,087,762	4,855,469	219,078	697,963	201,902	262,550	25,585,961
2008	13,050,257	2,185,822	4,215,060	4,968,642	226,120	384,475	103,963	436,657	25,570,996
2009	12,589,786	2,213,232	4,077,105	4,757,182	1,710,665	380,368	44,707	423,816	26,196,861
2010	13,017,443	2,221,279	6,810,376	3,800,496	751,591	176,448	176,448	562,421	27,387,770
2011	12,934,258	2,130,961	6,139,380	3,842,628	576,551	73,841	79,155	624,033	26,400,807
2012	13,021,553	2,061,898	4,796,594	4,237,744	788,489	134,856	600,996	667,898	26,310,028
2013	12,805,206	2,064,671	3,686,168	4,032,528	685,288	(2,312)	54,935	748,329	24,074,813
2014	13,262,249	2,017,310	4,011,413	3,963,372	449,747	77,247	112,512	340,276	24,234,126

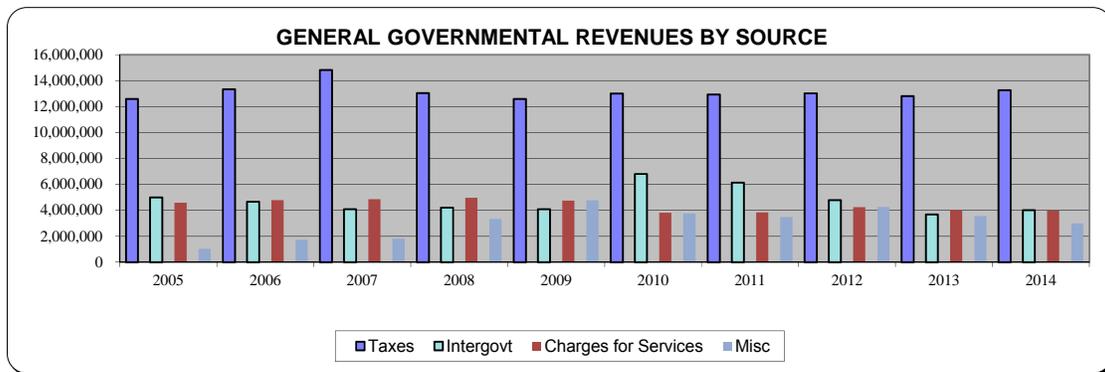
Revised table to include local option gas tax and local option sales tax in the Taxes category, previously recorded in Intergovernmental.

TAX REVENUES BY SOURCE

Fiscal Year	Property Tax	Local Option Tax	Franchise Tax	Utility Tax	Communications Svcs Tax	Local Business Tax	TOTAL TAXES
2005	\$ 5,664,408	\$ 1,759,229	\$ 1,437,129	\$ 1,831,062	\$ 1,709,362	\$ 198,737	\$ 12,599,927
2006	6,097,002	1,884,598	1,619,507	1,822,424	1,709,590	210,065	13,343,186
2007	7,050,991	1,908,407	1,936,855	1,954,099	1,758,695	221,056	14,830,103
2008	7,292,079	1,774,738	*	1,930,116	1,820,216	233,108	13,050,257
2009	6,966,685	1,691,849	*	2,120,788	1,587,044	223,420	12,589,786
2010	7,047,679	1,676,543	*	2,404,690	1,663,902	224,629	13,017,443
2011	7,043,990	1,705,046	*	2,294,274	1,650,780	240,168	12,934,258
2012	7,121,260	1,760,198	*	2,228,386	1,678,859	232,850	13,021,553
2013	6,935,503	1,759,178	*	2,211,444	1,643,243	255,838	12,805,206
2014	7,334,187	1,856,112	*	3,811,075	-	260,875	13,262,249

* In October 2007, the Auditor General reclassified Franchise Fees from Taxes to Licenses and Permits. Occupational Licenses were reclassified from Licenses to Local Business Taxes.

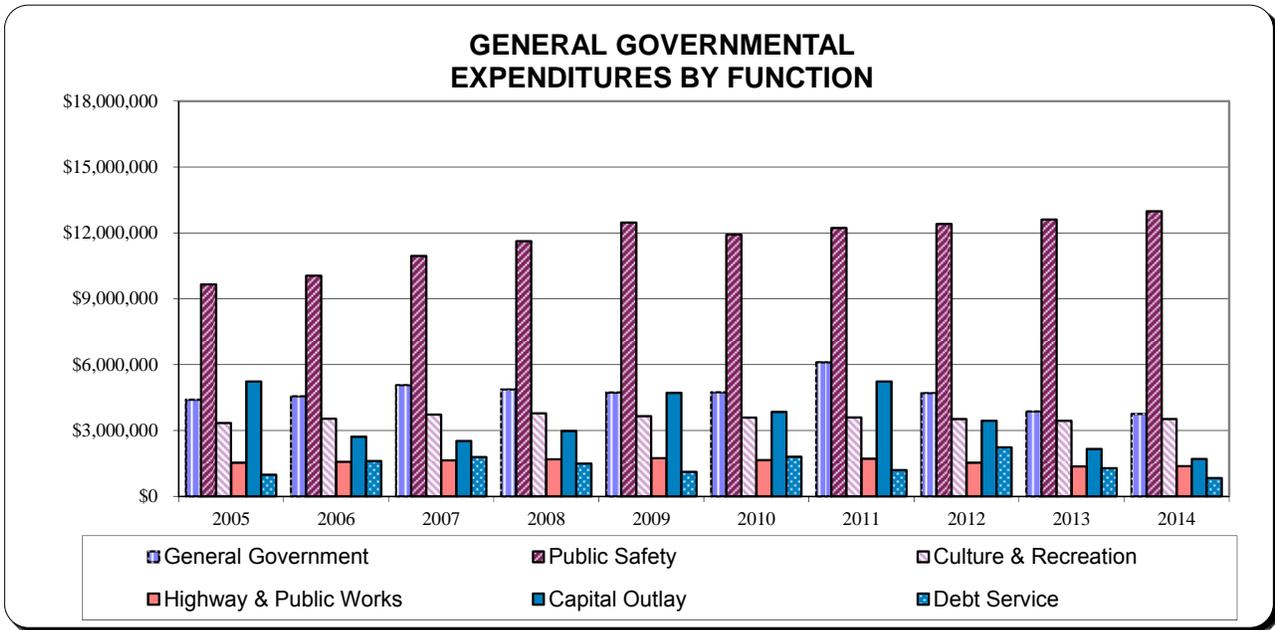
NOTE: Includes General, Special Revenue, Debt Service and Capital Project Funds.



CITY OF TEMPLE TERRACE, FLORIDA
TABLE 8
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
Last Ten Fiscal Years

Fiscal Year	General Government	Public Safety	Culture & Recreation	Highway & Public Works	Capital Outlay*	Debt Service	TOTAL
2005	\$ 4,403,738	\$ 9,643,956	\$ 3,329,960	\$ 1,527,334	\$ 5,229,572	\$ 979,939	\$ 25,114,499
2006	4,547,522	10,051,384	3,533,089	1,567,859	2,714,718	1,599,885	24,014,457
2007	5,063,770	10,940,726	3,715,665	1,631,480	2,520,239	1,782,208	25,654,088
2008	4,868,794	11,616,955	3,767,511	1,690,642	2,970,754	1,484,203	26,398,859
2009	4,718,759	12,468,044	3,647,510	1,745,232	4,710,472	1,112,003	28,402,020
2010	4,731,907	11,919,349	3,575,879	1,647,345	3,842,919	1,794,195	27,511,594
2011	6,099,752	12,222,205	3,594,863	1,711,672	5,238,966	1,188,006	30,055,464
2012	4,690,547	12,397,480	3,516,949	1,534,495	3,445,880	2,224,543	27,809,894
2013	3,870,788	12,606,806	3,439,561	1,359,681	2,153,617	1,273,038	24,703,491
2014	3,743,156	12,979,074	3,515,786	1,378,734	1,700,019	823,037	24,139,806

NOTES: Includes General, Special Revenue, Debt Service and Capital Project Funds.

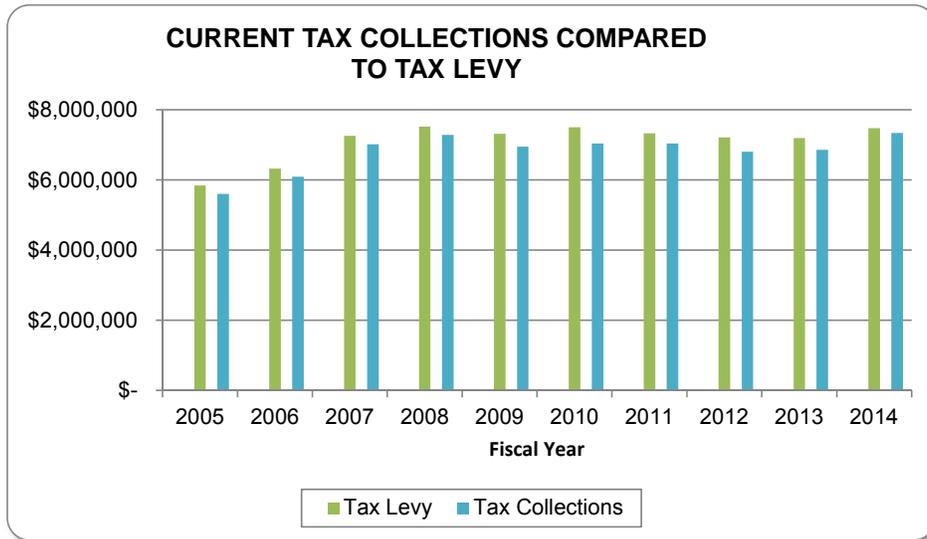


*In 2004, the City purchased several parcels of land in the redevelopment area.

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 9
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Collections As Percent of Current Levy	Outstanding Delinquent Taxes	Delinquent Taxes As Percent Of Current Levy
2005	\$ 5,842,910	\$ 5,597,485	95.8%	\$ 103,605	\$ 5,701,090	97.6%	40	0.00%
2006	6,322,255	6,093,110	96.4%	8,924	6,102,034	96.5%	-	0.00%
2007	7,253,070	7,014,057	96.7%	44,073	7,058,130	97.3%	-	0.00%
2008	7,517,616	7,281,826	96.9%	2,103	7,283,929	96.9%	-	0.00%
2009	7,314,356	6,946,476	95.0%	109,450	7,055,926	96.5%	22,409	0.31%
2010	7,502,958	7,036,782	93.8%	112,562	7,149,344	95.3%	115,691	1.54%
2011	7,327,818	7,038,313	96.0%	230,978	7,269,291	99.2%	988	0.01%
2012	7,206,568	6,805,186	94.4%	287,654	7,092,840	98.4%	113,728	1.58%
2013	7,194,398	6,852,255	95.2%	-	6,852,255	95.2%	3,687	0.05%
2014	7,470,973	7,334,188	98.2%	1,066	7,335,254	98.2%	2,621	0.04%

Source: Hillsborough County Tax Collector



CITY OF TEMPLE TERRACE, FLORIDA
TABLE 10
ASSESSED AND ESTIMATED TRUE VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

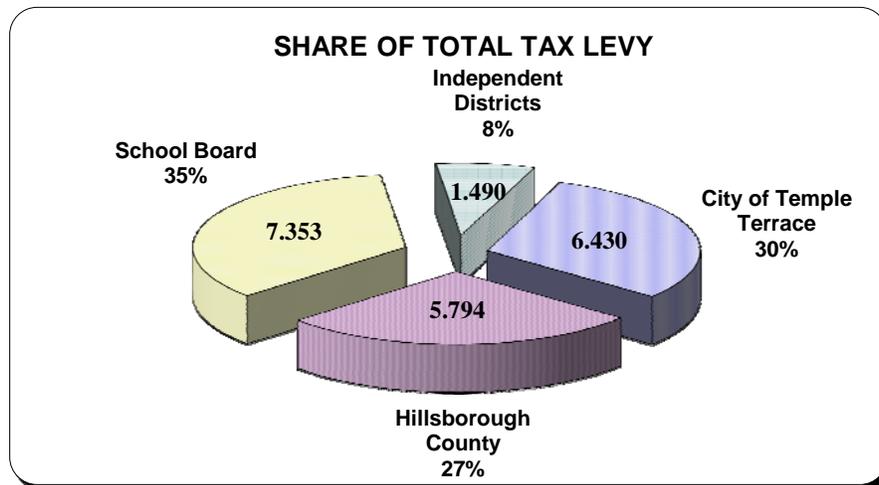
<u>Fiscal Year</u>	<u>Real Property Assessed Value</u>	<u>Personal Property Assessed Value</u>	<u>Less Tax Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Total Net Estimated True Value</u>	<u>Ratio of Net Assessed to True Value</u>
2005	\$ 1,376,070,016	\$ 215,254,100	\$ 401,322,065	\$ 1,190,002,051	4.910	\$ 1,591,324,116	75%
2006	1,596,089,938	192,910,270	501,371,945	1,287,628,263	4.910	1,789,000,208	72%
2007	1,967,358,649	180,806,870	670,961,759	1,477,203,760	4.910	2,148,165,519	69%
2008	2,154,869,809	161,831,290	671,420,531	1,645,280,568	4.569	2,316,701,099	71%
2009	2,099,071,550	175,123,060	673,398,901	1,600,795,709	4.569	2,274,194,610	70%
2010	1,704,757,891	181,624,140	466,147,402	1,420,234,629	5.283	1,886,382,031	75%
2011	1,443,942,096	180,109,330	392,485,391	1,231,566,035	5.950	1,624,051,426	76%
2012	1,339,227,728	185,492,400	352,084,991	1,171,799,728	6.150	1,524,720,128	77%
2013	1,296,779,042	168,532,670	346,431,717	1,118,879,995	6.430	1,465,311,712	76%
2014	1,377,052,761	164,018,070	379,177,661	1,161,893,170	6.430	1,541,070,831	75%

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 11
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

Fiscal Year	City Operating Millage	Overlapping Rates			School Operating Millage	Special Districts Operating Millage	TOTAL Millage Rates
		Operating Millage	Debt Millage	Total Millage			
2005	4.9100	7.1757	0.0965	7.2722	8.3609	1.9670	22.5101
2006	4.9100	6.9257	0.0840	7.0097	7.9370	1.9670	21.8237
2007	4.9100	6.5200	0.0667	6.5867	7.8230	1.9270	21.2467
2008	4.5692	5.7446	0.0604	5.8050	7.5230	1.7524	19.6496
2009	4.5692	5.7439	0.0604	5.8043	7.7770	1.8045	19.9550
2010	5.2829	5.7423	0.0604	5.8027	7.6920	1.7894	20.5670
2011	5.9500	5.7407	0.0604	5.8011	7.5920	1.7652	21.1083
2012	6.1500	5.7391	0.0604	5.7995	7.9130	1.5828	21.4453
2013	6.4300	5.7374	0.0604	5.7978	7.8770	1.5778	21.6826
2014	6.4300	5.7339	0.0604	5.7943	7.3530	1.4897	21.0670

NOTES: (A) Tax rates are per \$1,000 of assessed valuation.
(B) Tax levies include only that portion levied within the City limits.

SOURCE: Hillsborough County Tax Collector - Form DR529



CITY OF TEMPLE TERRACE, FLORIDA
TABLE 12
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	GOVERNMENTAL ACTIVITIES		BUSINESS TYPE ACTIVITIES		Total Primary Government	Percentage Of Personal Income	Debt Per Capital
	Capital Improvement Notes	Capital Leases Payable	Utility System Revenue Bonds	Capital Leases Payable			
2005	\$ 23,204,606	\$ 176,063	\$ 7,165,000	\$ 75,455	\$ 30,621,124	3.73%	\$ 1,329.33
2006	26,089,985	157,121	6,615,000	67,337	32,929,443	3.74%	1,370.58
2007	25,795,368	137,376	6,045,000	58,874	32,036,618	3.74%	1,341.45
2008	25,490,595	116,792	5,455,000	50,053	31,112,440	4.49%	1,301.45
2009	25,762,662	95,334	4,840,000	40,857	30,738,853	4.98%	1,252.55
2010	25,550,033	72,966	4,205,000	31,270	29,859,269	4.83%	1,221.64
2011	27,482,340	49,648	3,540,000	21,277	31,093,265	5.03%	1,270.67
2012	27,109,164	25,340	2,855,000	10,869	30,000,363	NA	1,203.92
2013	26,846,267	-	2,145,000	-	28,991,267	NA	1,145.58
2014	26,439,086	-	1,410,000	-	27,849,086	NA	1,099.15

NOTES: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
See demographic and economic statistics in table 15 for personal income and population data.

N/A - Information is not available.

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 13
COMPUTATIONS OF DIRECT AND OVERLAPPING DEBT
As of September 30, 2014

	Net Debt Outstanding	APPLICABLE TO CITY OF TEMPLE TERRACE	
		%	Amount (A)
<u>DIRECT DEBT</u>			
City of Temple Terrace	\$ 26,439,086	100.00%	\$ 26,439,086
<u>OVERLAPPING DEBT</u>			
School Board of Hillsborough County	\$ -	1.80%	-
Hillsborough County, County-Wide Debt Service	<u>65,957,000</u>	1.80%	<u>1,188,356</u>
TOTAL AD VALOREM SUPPORTED DEBT	<u><u>\$ 65,957,000</u></u>		<u><u>\$ 27,627,442</u></u>

RATIOS

Overall Debt to 2012 Taxable Valuation	2.38%
Overall Debt per Capita	1,090

NOTES: (A) Determined by ratio of valuation of property subject to taxation in the City of Temple Terrace to assessed valuation of property subject to taxation in the overlapping unit.

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 14
SCHEDULE OF REVENUE BOND COVERAGE
Last Ten Fiscal Years

Fiscal Year Ended Sept. 30	Gross Revenue (A)	Expenses (B)	Net Revenue Available For Debt Service	DEBT SERVICE REQUIREMENTS			Coverage
				Principal	Interest	Totals	
WATER AND SEWER UTILITY:							
2004 (C)	\$ 7,797,299	\$ 3,755,458	\$ 4,041,841	\$ 380,554	\$ 259,490	\$ 640,044	6.315
2005	8,458,558	3,885,221	4,573,337	397,787	274,515	672,302	6.803
2006	8,728,436	3,851,038	4,877,398	558,118	267,307	825,425	5.909
2007	8,626,758	4,090,663	4,536,095	578,462	247,056	825,518	5.495
2008	8,238,678	4,514,206	3,724,472	598,822	225,572	824,394	4.518
2009	8,216,456	4,502,432	3,714,024	624,196	203,835	828,031	4.485
2010	9,013,917	4,618,136	4,395,781	644,587	181,099	825,686	5.324
2011	9,849,409	4,498,594	5,350,815	674,993	157,644	832,637	6.426
2012	10,199,253	4,635,769	5,350,815	674,993	157,644	832,637	6.619
2013	10,245,855	4,594,292	5,651,563	720,859	107,560	828,419	6.822
2014	10,365,058	4,638,239	5,726,819	735,000	81,363	816,363	7.015

NOTES: (A) Includes interest earnings

(B) Operating expenses exclude depreciation and payments to the City of Tampa

(C) During 2004, the City refunded the 1997 Water and Sewer Bonds with the issuance of \$3,165,000 in refunding bonds. The debt service requirements of the refunded bonds are not included in the coverage schedule.

SOURCE: City of Temple Terrace

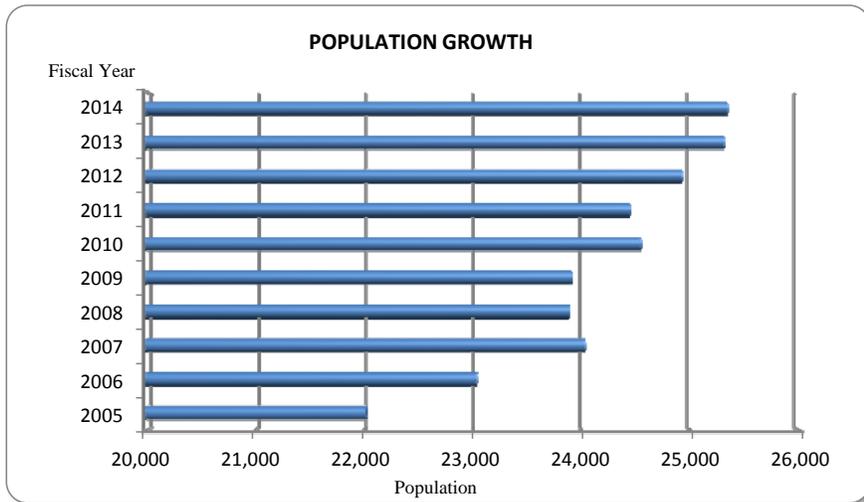
CITY OF TEMPLE TERRACE, FLORIDA

**TABLE 15
DEMOGRAPHIC STATISTICS
Last Ten Fiscal Years**

Fiscal Year	Population (A)	Personal Income	Per Capita Money Income (D)	Median Age (C)	Median Education Level in Years of Formal Schooling (C)	School Enrollment (B)	UNEMPLOYMENT RATE (D)		
							Hillsborough County	State of Florida	United States
2005	22,020	\$ 732,165,000	\$ 33,250	35.9	12.6	3,568	3.6%	3.8%	5.1%
2006	23,035	820,990,435	35,641	36.0	13.3	3,000	3.1%	3.3%	4.6%
2007	24,026	879,736,016	36,616	36.2	13.4	3,025	3.7%	3.8%	4.6%
2008	23,882	857,316,036	35,898	36.6	13.4	2,752	6.8%	6.9%	6.0%
2009	23,906	693,034,940	28,990	36.0	13.5	2,799	11.6%	11.3%	9.5%
2010	24,541	617,672,429	25,169	36.1	14.1	2,663	12.5%	11.9%	9.6%
2011	24,442	617,576,014	25,267	33.3	14.1	2,722	10.5%	10.8%	8.9%
2012	24,919	643,145,010	26,283	33.4	14.1	2,652	8.6%	8.6%	7.6%
2013	25,307	792,255,386	27,149	33.4	14.1	2,574	7.0%	8.5%	7.2%
2014	25,337	N/A	N/A	34.5	N/A	2,609	6.0%	5.6%	6.5%

SOURCE: (A) City of Temple Terrace Planning Department
 (B) School Board of Hillsborough County
 (C) <http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS>
 (D) Hillsborough County City-County Planning Commission (www.theplanningcommission.org), and Florida Research & Economic Database (www.fred.labormarketinfo.com).

NOTE: Specific statistics for per capita income, median age, education level in years of formal schooling, and unemployment rate are available for the City of Temple Terrace only for census years. The Hillsborough County-wide average has been substituted for informational comparisons only. Where noted "N/A", statistical information was not available at this time.



CITY OF TEMPLE TERRACE, FLORIDA
TABLE 16
PRINCIPAL PROPERTY TAXPAYERS
Current and Nine Years Ago

Taxpayers	Type of Business	2014			2005		
		2013 Taxable Assessed Value	Rank	Percentage of Total City Assessed Value	2004 Taxable Assessed Value	Rank	Percentage of Total City Assessed Value
Verizon Data Services Inc.	Offices	\$ 35,422,800	1	3.05%	\$ 55,340,134	1	5.01%
River Chase at River Hills	Apartments	33,649,100	2	2.90%	25,784,000	2	
Intellicenter	Offices	18,254,700	3	1.57%			
Tampa Oaks Office Multistory	Offices	15,336,700	4	1.32%			
Boardwalk at Morris Bridge	Apartments	14,064,800	5	1.21%	10,113,800	7	0.92%
Fisherman's Landing LLC	Apartments	13,384,000	6	1.15%	9,313,000	8	0.84%
Florida Orthopaedic Institute	Offices	12,718,100	7	1.09%	10,311,400	6	0.93%
Doral Oaks	Apartments	11,214,700	8	0.97%	8,093,900	10	0.73%
College Court	Apartments	10,087,770	9	0.87%			
Summit West	Apartments	9,934,100	10	0.85%	8,738,100	9	0.79%
Riverside @ Telecom Park	Offices	9,679,000	11	0.83%			
Terrace Plaza	Offices	9,610,400	12	0.83%			
Tampa Oaks II	Offices	8,820,800	13	0.76%	14,751,400	5	1.34%
Laurel Oaks	Apartments	7,950,200	14	0.68%			
Hilton Garden Inn	Hotel	7,903,900	15	0.68%			
Telecom Technology Center	Offices	7,877,100	16	0.68%			
Leslie Controls	Offices	5,863,740	17	0.50%	5,229,100	14	0.47%
Normandy Park	Apartments	5,338,200	18	0.46%			
Coca Cola Enterprises	Offices	5,319,600	19	0.46%			
Cedar Cove	Apartments	5,137,832	20	0.44%			
The Preserve at Fletcher	Apartments				21,891,700	3	1.98%
Arbors at Fletcher Island, LLC	Apartments				21,687,555	4	1.96%
Glenborough Oakview Center LLC	Offices				7,131,100	12	0.65%
Columbia Temple Terrace	Offices				7,513,100	11	0.68%
Tampa Oaks Hotel, LLC	Hotel				6,393,800	13	0.58%
H and G Partnership	Apartments				4,602,400	15	0.42%
Total Principal Property Taxpayers		<u>\$ 247,567,542</u>		<u>21.31%</u>	<u>\$ 216,894,489</u>		<u>19.64%</u>
Total Assessed Value		\$ 1,161,893,170			\$ 1,104,235,257		

SOURCE: Hillsborough County Property Appraiser Real Estate Tax Rolls

NOTE: Blank information in Taxable Assessed Value does not mean the business no longer exists.

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 17
PRINCIPAL EMPLOYERS IN HILLSBOROUGH COUNTY
Current and Ten Years Ago

Employer	Type of Business	2014			2005		
		Employees	Rank	Percentage of Total County Employees	Employees	Rank	Percentage of Total County Employees
Hillsborough County School District	Public Education	26,000	1	4.2%	22,650	1	3.7%
MacDill Air Force Base	Central Command HQ	14,500	2	2.4%	5,756	6	0.9%
University of South Florida	Education	11,269	3	1.8%	7,794	3	1.3%
Hillsborough County Government	Government Service	10,268	4	1.7%	10,498	2	1.7%
Publix Super Markets	Supermarket	6,964	5	1.1%	4,672	7	0.8%
Tampa General Hospital	Medical Facility	6,900	6	1.1%			
St. Joseph's Hospital	Medical Facility	4,927	7	0.8%	3,907	9	0.6%
City of Tampa	Government Service	4,364	8	0.7%	4,525	8	0.7%
HCA West Florida	Medical Facility	3,500	9	0.6%			
U.S. Postal Service	Government Service	3,284	10	0.5%			
Tampa Electric	Power Company	<u>2,515</u>	9	0.4%	<u>3,543</u>	10	<u>0.6%</u>
Total Principal Employers		<u>94,491</u>		<u>15.4%</u>	<u>63,345</u>		<u>10.3%</u>
Verizon Communications Corporation	Telecommunications				7,000	5	1.1%
Tampa International Airport	International Airport	7,450	5	1.2%	7,626	4	1.2%
Hillsborough County Total Labor Force		611,769			617,995		

SOURCE: Hillsborough County City-County Planning Commission - <http://www.theplanningcommission.org/library/factsfigures/2014FactsFigures.pdf/view>

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 18
PRINCIPAL UTILITY CUSTOMERS
Current and Ten Years Ago

Customer	Classification	2014			2005		
		Consumption (In Gallons)	Rank	Percentage of Consumption Billed	Consumption (In Gallons)	Rank	Percentage of Consumption Billed
Riverchase	Apartments	26,853,800	1	2.65%			
Lamplighter	Mobile Home Park	24,850,400	2	2.46%	29,093,500	2	2.32%
Meadowood Condominiums Inc.	Apartments	23,299,900	3	2.30%	26,017,228	3	2.08%
M&B Products	Commercial	18,993,000	4	1.88%			
The Preserve at Temple Terrace	Apartments	17,456,419	5	1.73%	17,836,800	4	1.42%
JML Doral Oaks	Apartments	14,063,000	6	1.39%			
The Falls (Arbors at Fletcher Island)	Apartments	12,902,300	7	1.28%	14,736,400	5	1.18%
Summit West (United Dominion)	Apartments	12,708,159	8	1.26%	12,882,978	8	1.03%
Verizon Data Services	Commercial	12,460,950	9	1.23%	45,539,800	1	3.64%
Cameo Development	Apartments	12,030,100	10	1.19%	12,259,300	10	0.98%
Victoria Terrace Association	Apartments	11,207,800	11	1.11%	12,692,300	9	1.01%
Heritage at Temple Terrace	Apartments	10,698,311	12	1.06%			
Villas at City Center	Apartments	9,433,563	13	0.93%			
Mid America Apartments	Apartments	9,180,950	14	0.91%			
Cedar Cove	Apartments	7,334,291	15	0.73%			
Normandy Park Apartments	Apartments				14,288,290	6	1.14%
City of Temple Terrace	Municipality		8	0.00%	13,955,453	7	1.11%
		<u>223,472,943</u>		<u>22.09%</u>	<u>199,302,049</u>		<u>15.91%</u>
Total water consumption billed		1,011,473,803			1,252,593,262		

SOURCE: City of Temple Terrace Utility Billing System

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 19
FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

FUNCTION	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<u>General Government</u>										
Legislative	2.60	3.00	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Executive	2.50	2.65	2.65	2.70	3.20	3.20	3.20	3.20	3.20	3.20
Human Resources	3.00	3.00	3.00	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Information Technology	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Finance	6.00	5.85	5.85	5.80	6.15	6.15	6.15	6.09	5.89	5.89
Community Services	9.00	9.25	10.00	9.50	10.50	10.00	10.00	10.00	9.00	8.00
	26.10	26.75	28.00	28.00	29.85	29.35	29.35	29.29	28.09	27.09
<u>Public Safety</u>										
Code Compliance	4.00	4.00	5.00	5.00	5.00	4.50	4.50	4.50	4.12	4.12
Police										
Officers	49.00	53.00	53.00	53.00	52.00	54.00	52.00	53.00	52.00	52.00
Civilians	23.25	24.75	24.75	24.25	24.63	21.63	24.63	23.63	22.63	22.63
Fire										
Firefighters and Officers	41.00	41.00	41.00	43.00	43.00	49.50	50.00	50.00	50.00	50.00
Civilians	5.00	5.00	5.00	7.50	7.50	7.00	7.00	7.00	7.08	7.58
	122.25	127.75	128.75	132.75	132.13	136.63	138.13	138.13	135.83	136.33
<u>Public Works</u>										
Administration*	5.00	5.00	5.00	7.00	4.50	3.50	3.50	4.25	4.75	5.00
Streets Maintenance	8.29	8.45	8.45	8.45	8.45	7.20	6.15	6.15	5.15	5.15
Facility Maintenance	5.08	5.10	5.10	5.15	5.15	4.65	3.65	3.65	2.65	2.65
Engineering	4.00	4.00	4.00	4.00	3.50	3.50	3.50	3.25	1.85	1.85
	22.37	22.55	22.55	24.60	21.60	18.85	16.80	17.30	14.40	14.65
<u>Economic Development</u>										
Redevelopment (CRA)	2.63	2.38	2.63	3.13	1.50	0.00	0.00	0.00	0.00	1.00
	2.63	2.38	2.63	3.13	1.50	0.00	0.00	0.00	0.00	1.00
<u>Culture & Recreation</u>										
Library	12.78	13.28	13.28	13.28	12.53	12.53	12.53	12.53	12.50	12.50
Parks & Recreation	58.44	58.04	58.64	59.04	58.79	55.58	54.48	54.71	53.44	53.44
	71.22	71.32	71.92	72.32	71.32	68.11	67.01	67.24	65.94	65.94
<u>Physical Environment</u>										
Finance - Utility Services	8.00	8.00	9.00	9.00	8.65	8.65	8.65	7.46	7.16	7.16
PW - Water	14.82	14.95	14.95	14.95	15.15	15.15	15.15	14.45	14.55	14.55
PW - Sewer	10.57	9.90	9.90	9.90	10.60	10.60	10.60	10.40	9.30	9.30
PW - Renewal & Replacement	3.05	3.15	3.15	3.15	3.15	3.15	3.15	3.15	2.15	2.15
Sanitation	14.33	16.50	16.50	16.50	17.60	17.60	16.65	15.55	14.70	14.70
	50.77	52.50	53.50	53.50	55.15	55.15	54.20	51.01	47.86	47.86
<u>Internal Services</u>										
Fleet Maintenance	4.07	4.15	4.15	4.15	4.15	4.15	4.15	4.65	4.40	4.15
Central Warehouse*	2.04	2.05	2.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	6.11	6.20	6.20	4.15	4.15	4.15	4.15	4.65	4.40	4.15
TOTAL	301.45	309.45	313.55	318.45	315.70	312.24	309.64	307.62	296.52	297.02

Source: City of Temple Terrace Annual Budget

*Moved from Internal Services Fund - Central Warehouse to Public Works Administration in October 2007.

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 20
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<i>FUNCTION:</i>										
Area: Land (square miles)	6.97	6.98	7.02	7.04	7.06	7.30	7.36	7.36	7.38	7.39
<i>Public Safety:</i>										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	2	2	2	2	2	2	2	2	2	2
<i>Streets and Drainage:</i>										
Paved streets (miles)	75.37	75.56	75.56	75.56	75.56	75.56	76.25	76.13	76.13	76.13
Unimproved streets (miles)	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.41	0.07	0.07
Street Lights (#)	2,701	2,725	2,725	2,725	2,725	2,725	2,725	2,725	2,789	2,789
Storm Sewers (miles)	26.22	27.11	27.11	27.11	27.11	27.11	27.11	28.00	36.70	36.70
<i>Culture and Recreation:</i>										
<i>Library:</i>										
Branches	1	1	1	1	1	1	1	1	1	1
Holdings	93,047	93,500	93,800	100,495	101,947	102,010	102,010	98,500	98,061	98,061
<i>Parks and Recreation:</i>										
Recreation Centers	2	2	2	2	2	2	2	2	2	2
Fitness Center	1	1	1	1	1	1	1	1	1	1
Parks facilities	23	23	27	27	27	27	27	28	28	28
Parks acreage	274.12	274.12	413.52	413.52	413.52	413.52	413.52	416.34	417.67	417.84
Playgrounds	8	8	9	9	9	9	9	9	10	10
Softball diamonds	4	4	3	3	3	3	3	3	2	2
Tennis courts	15	15	15	15	15	15	15	15	14	14
Basketball courts	8	8	6	6	6	6	6	6	6	6
Soccer fields	9	9	9	9	9	9	9	9	8	8
Racquetball/Handball courts	6	6	6	6	6	6	6	6	6	6
Swimming Pools	5	5	5	5	5	5	5	5	5	5
Baseball fields	10	10	10	10	10	10	10	10	10	10
Football fields	0	0	0	0	0	0	0	1	0	0
<i>Sanitary Sewers:</i>										
Sewer mains (miles)	91.32	91.52	93.20	93.57	94.63	94.67	94.67	94.75	98.34	97.78
Equivalent Connections	11,051	11,211	11,273	11,640	11,645	11,655	11,655	11,727	11,743	7,047*
Lift Stations	30	30	30	30	30	30	30	30	30	30
Force main (feet)	143,755	143,755	149,097	151,412	152,563	152,605	152,780	152,915	159,613	152,950
Gravity main (feet)	338,448	339,455	344,963	345,828	347,078	347,275	347,325	347,410	359,638	347,450
<i>Water:</i>										
Mains (miles)	116.89	117.79	118.72	120.54	120.75	121.00	121.00	121.30	123.75	123.50
Equivalent Connections	11,609	11,770	11,845	12,116	12,128	12,137	12,137	12,263	12,288	10,050*
Wells	13	13	13	13	13	13	13	13	13	13
<i>Fire Hydrants:</i>										
Inside City	611	626	640	640	640	643	645	645	648	648
Service Area	205	205	210	210	210	211	211	218	220	220

* Changed from equivalent connections to actual connections in 2013-14.

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 21
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

<i>FUNCTION:</i>	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<i>Public Safety:</i>										
<i>Police:</i>										
Calls for service	21,216	32,047	29,941	34,720	38,055	32,530	31,232	32,562	34,832	38,548
Traffic citations	3,939	3,727	3,641	7,245	6,867	5,522	5,049	5,275	3,894	3,982
Traffic accidents	342	329	327	373	346	325	171	254	446	477
Boating citations	83	73	39	44	23	153	32	16	11	15
Part I cases reported	1,177	1,114	945	1,063	1,002	1,028	826	802	714	821
Part II cases reported	774	815	773	895	1,086	1,094	910	1,055	856	869
9-1-1 calls	9,430	9,827	10,493	10,156	10,042	9,180	11,517	12,553	12,225	13,300
<i>Fire:</i>										
Fire incidents	941	1,020	893	804	907	946	1,070	914	846	1,050
Medical incidents	2,061	1,920	2,033	2,038	2,153	2,149	2,233	2,154	2,181	2,250
Medical transports	1,434	1,248	1,347	1,552	1,692	1,709	1,900	1,723	1,740	1,900
<i>Community Development:</i>										
Permits issued	1,750	2,603	1,966	1,746	1,571	1,899	1,903	1,779	2,020	1,756
Value of permits issued (in millions)	\$25.00	\$59.00	\$68.48	\$87.10	\$28.29	\$23.87	\$23.23	\$24.25	\$38.54	\$35.86
<i>Streets and Drainage:</i>										
Linear feet sidewalk repaired/replaced	285	1,346	718	970	609	622	12,658	32,964	11,162	6,667
Linear feet of curbing replaced	52	78	68	71	70	285	202	326	680	200
Curb miles swept	649	1,000	972	850	755	441	467	694	836	650
<i>Culture and Recreation:</i>										
<i>Library:</i>										
Library service hours	3,336	3,350	3,360	2,979	2,580	2,564	2,604	2,600	2,612	2,600
Internet users	88,777	90,000	93,371	91,518	93,884	98,044	70,440	76,195	73,755	72,000
Circulation per year	351,109	345,160	350,945	328,188	333,256	340,431	372,983	454,914	450,965	426,900
Library card holders *	55,843	58,845	64,151	64,151	65,968	68,096	35,940	37,989	48,942	44,067

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 21
OPERATING INDICATORS BY FUNCTION (CONTINUED)
Last Ten Fiscal Years

<i>FUNCTION:</i>	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<i>Parks and Recreation:</i>										
Summer youth participants	305	281	299	282	300	280	183	277	277	275
After school participants	178	180	180	160	155	160	132	159	131	130
Open swim visitors	52,725	54,625	55,368	50,790	52,405	55,000	43,149	36,874	30,087	32,000
Senior center annual participants	16,732	15,602	13,690	11,431	10,972	11,452	11,536	11,835	12,913	12,466
Special interest class participants	2,685	2,905	3,030	3,119	3,030	3,000	4,584	7,901	9,156	10,554
<i>Sanitary Sewers:</i>										
Number of customers	6,170	6,317	6,408	6,427	6,390	6,363	6,368	6,381	6,402	6,430
Gallons wastewater pumped (million)	710	619	706	741	716	720	716	726	714	725
<i>Water:</i>										
Number of meters in system	9,195	9,665	9,801	9,865	9,670	9,835	9,869	9,895	9,930	10,050
Gallons raw water pumped (millions)	1,463	1,584	1,462	1,367	1,322	1,350	1,364	1,346	1,255	1,375
<i>Sanitation:</i>										
Tons of commercial waste collected	6,274	6,200	6,511	6,200	6,084	5,985	5,726	5,881	5,926	6,000
Tons of residential waste collected	7,403	7,227	6,790	7,452	6,596	5,590	5,551	5,347	5,359	5,600
Tons of special trash pickup collecte	909	780	792	860	293	438	350	193	300	325
<i>Fleet Maintenance:</i>										
Number of vehicles/equipment	195	204	207	212	212	208	205	203	206	210
Repair orders completed	1,264	1,200	1,320	1,890	1,980	2,498	2,754	2,276	2,508	2,471
Preventive maintenance orders	134	160	272	424	424	355	281	283	289	318

* Due to new software number no longer includes inactive card holders.

Source: City of Temple Terrace Annual Budget

CITY OF TEMPLE TERRACE, FLORIDA
TABLE 22
WATER AND SEWER FUND STATISTICAL DATA
Last Ten Fiscal Years

Fiscal Year	# OF EQUIVALENT CONNECTIONS		Total Operating Revenue	Operating Expenses	Non-Revenue	Non-operating Expenses	Net Income Before Transfers and Special Items+
	Water	Sewer					
2004	10,862	10,380	\$ 7,722,111	\$ 7,992,663	\$ 736,423	\$ 348,083	\$ 117,788
2005	11,609	11,051	8,279,634	7,814,679	785,322	366,049	884,228
2006	11,770	11,211	8,354,001	7,626,493	1,017,332	301,360	1,443,480
2007	11,845	11,273	8,124,782	8,130,611	1,029,029	281,109	742,091
2008	12,116	11,640	7,924,124	8,700,728	1,077,438	262,762	38,072
2009	12,128	11,645	7,852,306	8,590,850	391,988	276,169	(622,725)
2010	12,137	11,655	8,880,252	9,309,487	175,018	217,413	(471,630)
2011	12,145	11,657	9,798,141	9,614,816	52,741	193,788	42,278
2012	12,263	11,727	10,111,117	10,137,498	88,136	167,901	(106,146)
2013	12,288	11,743	10,250,778	9,592,222	(4,754)	209,862	443,940
2014	10,050*	7,047*	10,322,234	9,557,947	44,763	83,191	725,859

* Actual connections as of 2014

Fiscal Year	Water Impact Fees	Sewer Impact Fees	Total Impact Fees
2004	\$ 473,310	\$ 188,445	\$ 661,755
2005	472,475	135,663	608,138
2006	516,420	141,648	658,068
2007	439,208	87,845	527,053
2008	600,149	153,304	753,453
2009	30,599	3,600	34,199
2010	35,409	13,200	48,609
2011	3,181	1,200	4,381
2012	82,891	15,200	98,091
2013	111,980	26,600	138,580

Note: Non-operating revenue includes impact fees provided in the table above.

CITY OF TEMPLE TERRACE, FLORIDA

TABLE 23

**WATER PRODUCTION DATA
(IN MILLIONS OF GALLONS)**

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Yearly Total</u>	<u>Monthly Peak</u>	<u>Monthly Average</u>	<u>Daily Peak</u>	<u>Daily Average</u>	<u>Rainfall (Inches)</u>
2005	1,361.7	131.6	113.5	5.8	3.7	60.19
2006	1,466.3	145.1	122.2	6.1	4.0	49.38
2007	1,348.6	140.3	112.4	6.6	3.7	41.65
2008	1,263.1	128.1	105.3	5.0	3.5	48.67
2009	1,219.9	112.9	101.5	4.9	3.3	56.38
2010	1,167.7	129.3	97.3	5.7	3.2	53.87
2011	1,225.2	122.3	102.1	4.8	3.3	56.23
2012	1,199.4	116.2	100.0	4.7	3.3	62.39
2013	1,147.2	103.6	95.6	3.8	3.2	65.32
2014	1,131.2	104.3	94.2	4.8	3.1	61.42



TEMPLE TERRACE

Amazing City. Since 1925.

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COMPLIANCE REPORTS

Report on Internal Control over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Basic Financial Statements
Performed in Accordance with *Government Auditing Standards*

“Management Letter” Based on Rule 10.554(1)(i) of the
Auditor General of the State of Florida

Independent Accountants’ Report on Compliance with Section 218.415, Florida Statutes,
Regarding Investment of Public Funds

**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**

Honorable Mayor, Members of City Council
and City Manager
City of Temple Terrace, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Temple Terrace, Florida (the "City") as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 19, 2015.

Internal Control Over Financial Reporting

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

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

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

Honorable Mayor, Members of City Council
and City Manager
City of Temple Terrace, Florida, Florida

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 result 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.



CliftonLarsonAllen LLP

Tampa, Florida
May 19, 2015

MANAGEMENT LETTER

Honorable Mayor, Members of the City Council,
and City Manager
City of Temple Terrace, Florida

We have audited the financial statements of the City of Temple Terrace, Florida, Florida (the "City") as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated May 19, 2015.

Auditor's Responsibility

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

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 19, 2015, should be considered in conjunction with this management letter.

Prior Audit Recommendations

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address recommendations made in the preceding annual financial audit report. See Appendix A.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information has been included in the notes to the basic financial statements.

Honorable Mayor, Members of the City Council,
and City Manager
City of Temple Terrace, Florida

Financial Condition

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

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

Annual Financial Report

Section 10.554(1)(i)5.b., Rules of the Auditor General, requires that we report the results of our determination as to whether the annual financial report for the City for the fiscal year ended September 30, 2014, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2014. In connection with our audit, we determined that these two reports were in agreement.

Special District Component Units

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

Other Matters

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. Our current year finding and recommendation is listed in Appendix B to this Management Letter.

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

Honorable Mayor, Members of City Council
and City Manager
City of Temple Terrace, Florida

Purpose of this Letter

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Tampa, Florida
May 19, 2015

Honorable Mayor, Members of the City Council,
 and City Manager
 City of Temple Terrace, Florida

APPENDIX A

Prior Year Recommendations		Current Year Status		
		Cleared	Partially Cleared	Not Cleared
2013-01 – Payroll Timesheets	Other Comment	X		
2013-02 – Education Requirement – Police Officers Pension	Other Comment	X		



INDEPENDENT ACCOUNTANTS' REPORT

Honorable Mayor, Members of the City Council,
and City Manager
City of Temple Terrace, Florida

We have examined the City of Temple Terrace, Florida (the "City") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2014. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2014.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Tampa, Florida
May 19, 2015