

City of Bradenton, Florida

Comprehensive Annual Financial Report

Fiscal Year Ending September 30, 2015



"Come Back Soon"
Artist: Don Brandes

About our cover:

Tourism began in Bradenton when our first settlers told the country about the wonders of the Manatee River. In 1924, the City of Bradenton coined the phrase "The Friendly City" which continues to characterize Bradenton, and surrounding Manatee County.

Artists Jean Blackburn and Don Brandes were commissioned by the Bradenton Downtown Development Authority to further express the rich history of the Manatee River and its community in several "Postcards" ... which are actually large-scale art panels placed along Bradenton's Riverwalk designed to illustrate Bradenton's history of agriculture, fishing, boating and early life on the Manatee River.

This year, the City of Bradenton Comprehensive Annual Financial Report is proud to feature these Postcards From the Friendly City. Many thanks to Karen Kyser of the Downtown Development Authority, and Johnette Isham of Realize Bradenton, for their assistance in sharing this thoughtful artwork.

CITY OF BRADENTON, FLORIDA

Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2015

TABLE OF CONTENTS

	<u>Reference</u>
<i>INTRODUCTORY SECTION</i>	
Letter of Transmittal.....	i
Certificate of Achievement for Excellence in Financial Reporting.....	v
List of Principal City Officials.....	vi
Organization Chart.....	vii
<i>FINANCIAL SECTION</i>	
Independent Auditor’s Report	1
Management’s Discussion and Analysis.....	4
<i>BASIC FINANCIAL STATEMENTS</i>	
Government-wide Financial Statements	
Statement of Net Position.....	19
Statement of Activities.....	20
Fund Financial Statements	
Balance Sheet–Governmental Funds	22
Statement of Revenues, Expenditures and Changes in Fund Balances– Governmental Funds	24
Statement of Net Position–Proprietary Funds.....	26
Statement of Revenues, Expenses and Changes in Net Position– Proprietary Funds.....	28
Statement of Cash Flows–Proprietary Funds.....	29
Statement of Fiduciary Net Position–Fiduciary Funds	30
Statement of Changes in Fiduciary Net Position–Fiduciary Funds	31
Notes to Financial Statements.....	32
<i>Required Supplementary Information</i>	
Schedules of Revenues, Expenditures and Changes in Fund Balance–Budget (GAAP Basis) and Actual–General Fund and Major Special Revenue Funds General Fund.....	86
State Housing Initiatives Partnership Program (SHIP) Fund.....	87

Firefighters' Pension Plan	
Schedule of Changes in the City's Net Pension Liability and Related Ratios.....	89
Schedule of Employer Contributions.....	90
Police Officers' Pension Plan	
Schedule of Changes in the City's Net Pension Liability and Related Ratios.....	91
Schedule of Employer Contributions.....	92
Schedule of Investment Returns	93
Florida Retirement System – FRS Pension Plan	
Schedule of Changes in the City's Proportionate Share of the Net Pension Liability and Schedule of Contributions	94
Florida Retirement System – Health Insurance Subsidy	
Schedule of Changes in the City's Proportionate Share of the Net Pension Liability and Schedule of Contributions	95
Post-Employment Benefits Other Than Pension	
Schedules of Funding Progress and Schedule of Employer Contributions	96

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Schedule of Revenues–Budget and Actual–General Fund	98
Schedule of Expenditures–Budget and Actual–General Fund.....	99

Description of Nonmajor Governmental Funds

Combining Balance Sheet.....	106
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	110
Schedules of Revenues, Expenditures and Changes in Fund Balance– Budget (GAAP Basis) and Actual–Special Revenue Fund	
Community Development Program Fund.....	114
Schedules of Revenues, Expenditures and Changes in Fund Balance– Budget (GAAP Basis) and Actual–Debt Service Funds	
Franchise Fees Promissory Note 2000 Fund.....	115
Florida Municipal Loan 2012 Fund.....	116
Special Obligation Series 2007 Fund	117
Special Obligation Series 2012 Fund	118
Schedules of Revenues, Expenditures and Changes in Fund Balance– Budget (GAAP Basis) and Actual–Capital Projects Funds	
Road Impact Fee Fund	119
Parks and Recreational Impact Fee–West Fund.....	120
Parks and Recreational Impact Fee–East Fund.....	121
Public Safety Police Protection Impact Fees Fund	122
Public Safety Fire Protection Impact Fee Fund	123
General Projects Fund	124
Pirate City Capital Reserve Fund	125

Description of Internal Service Funds

Combining Statement of Net Position	127
Combining Statement of Revenues, Expenses and Changes in Net Position	128
Combining Statement of Cash Flows	129

Description of Fiduciary Funds

Combining Statement of Fiduciary Net Position 131
Combining Statement of Changes in Fiduciary Net Position 132

OTHER SCHEDULES

Description of Discretely Presented Component Units

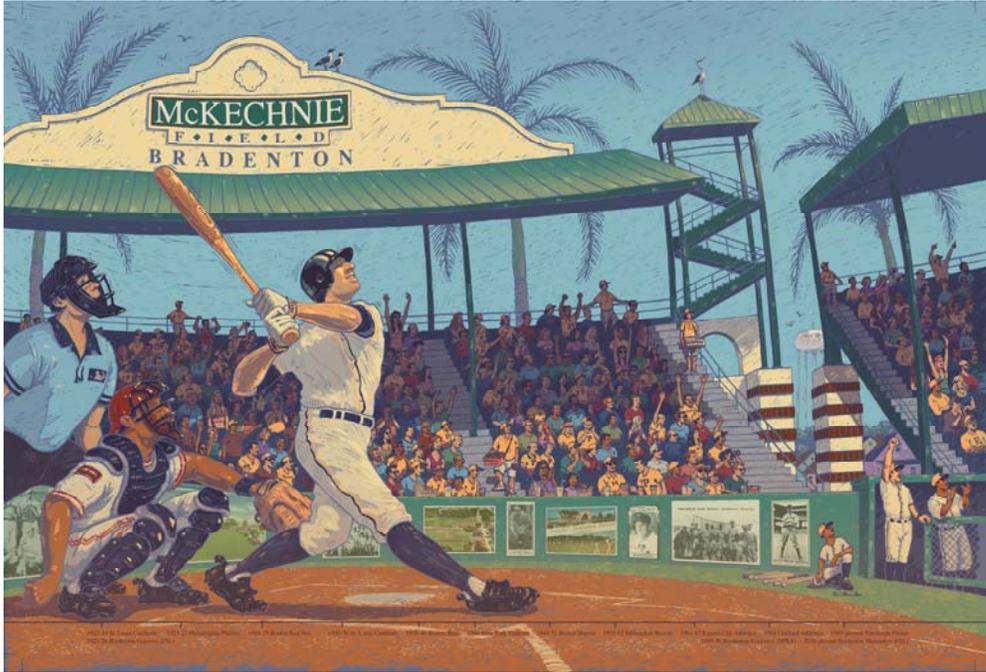
Combining Statement of Net Position 134
Combining Statement of Activities–All Component Units 135
Combining Statement of Activities–Bradenton Community Redevelopment Agency 136
Combining Statement of Activities–14th Street Community Redevelopment Agency 137
Combining Statement of Activities–Central Community Redevelopment Agency 138

STATISTICAL SECTION (UNAUDITED)

Contents 139
Net Position by Component 141
Changes in Net Position 142
Fund Balances of Governmental Funds 144
Changes in Fund Balances of Governmental Funds 146
Governmental Activities Tax Revenues By Source 147
General Governmental Tax Revenues by Source 148
Assessed Value and Estimated Actual Value of Taxable Property 149
Property Tax Rates–Direct and Overlapping Governments 150
Principal Property Taxpayers 151
Property Tax Levies and Collections 152
Ratios of Outstanding Debt by Type 153
Ratios of General Bonded Debt Outstanding 154
Direct and Overlapping Governmental Activities Debt 155
Historical Non-Ad Valorem Revenues and Debt Service Payable 156
Legal Debt Margin Information 157
Pledged-Revenue Coverage 158
Demographic and Economic Statistics 159
Principal Employers 160
Full-Time Equivalent City Government Employees by Function 161
Operating Indicators by Function 162
Capital Asset Statistics by Function 163

SINGLE AUDIT AND GRANTS COMPLIANCE

Independent Auditor’s Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards* 165
Independent Auditor’s Report on Compliance for Each Major State Project
and on Internal Control Over Compliance Required by A-133 and
Chapter 10.550, Rules of the Auditor General 167
Schedule of Findings and Questioned Costs 169
Schedule of Expenditures of Federal Awards and State Financial Assistance 171
Independent Auditor’s Management Letter 173
Independent Auditor’s Letter – Investment Compliance 175



Bradenton Baseball

Artist: Don Brandes

Baseball has been a Bradenton tradition since 1923 at the site now called McKechnie Field. Many major and minor league teams have called Bradenton home.

Since 1969 the Pittsburgh Pirates have used McKechnie Field for spring training, and starting in 2010 the Bradenton Marauders began their minor league games.

The Bradenton Baseball Postcard was sponsored by the Pittsburgh Pirates and the Bradenton Marauders



City of Bradenton, Florida
Office of the City Clerk & Treasurer

May 25, 2015

The Honorable Mayor, City Council,
and Citizens of the City of Bradenton, Florida

Dear Mayor, Council and Citizens:

I am pleased to present the City of Bradenton Comprehensive Annual Financial Report (CAFR). This report addresses the City's finances for the fiscal year ended September 30, 2015. The accuracy of the data, the completeness and fairness of the presentation and the disclosures are the responsibility of the City Clerk & Treasurer, the Chief Financial Officer of the City. The data presented is believed to be accurate in all material respects and is presented to fairly reflect the financial position of the City. All disclosures necessary for a comprehensive understanding of the City's financial activity are included within this financial report.

The City Clerk & Treasurer, through the City's accounting system, is responsible for establishing and maintaining internal controls to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, along with the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Chapter 11.45 of the Florida Statutes requires an independent Certified Public Accountant's financial audit of all Florida municipalities. This requirement has been met for the fiscal year ended September 30, 2015 and the report of the independent auditors has been included in this document. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the federal Single Audit Act of 1996, the Florida Single Audit Act and the related OMB Circular A-133. The independent auditor's report on the basic financial statements and combining and individual fund statements and schedules, and the single audits is included in the Financial Section of this report.

The City of Bradenton operates under a charter adopted on May 19, 1903. The City Council is the legislative body for the City of Bradenton and is made up of five residents elected by the City voters. Each council person represents an individual ward, but all are elected “at large.” In addition to the City Council, the voters elect a mayor that serves as the Chief Elected Official.

Governmental accounting and auditing principles require that management provides a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Bradenton’s MD&A begins on page 4, immediately following the Independent Auditor’s Report.

City Organization. The City of Bradenton is centrally located on the west coast of Florida, approximately forty miles south of Tampa on the southern reaches of Tampa Bay. Bradenton encompasses 14.55 square miles and has a population of 51,119. The City of Bradenton provides a full range of services including police, fire, planning and community development, public works and utilities including water, sewer, solid waste and recycling services, as well as cultural and recreational facilities. Bradenton serves as the southern home to Major League Baseball’s Pittsburgh Pirates.

Formal budgetary integration is employed as a management control device throughout the year. All City departments submit their budget requests to the City Clerk & Treasurer by June 1 of each year. After various work sessions are completed at the department level, the tentative budget is submitted to the public by the City Council, and public hearings are held to obtain taxpayers’ comments. A final public hearing is then held and the final budget is adopted. Budget adjustments of less than \$10,000 are approved by the City Clerk & Treasurer; budget adjustments greater than \$10,000 must be approved by City Council.

Budget-to-actual comparisons are presented in this report for each individual fund for which the annual budget has been adopted. For the general fund and the major special revenue funds, these comparisons are included in the Required Supplementary Information section. The non-major special revenue funds, debt service funds, and capital project funds are included in the Combining and Individual Fund Statements and Schedules section of this report.

Local economy. The City of Bradenton and surrounding Manatee County had traditionally been one of the fastest growing regions in the nation. The past several years of the recession had a potentially devastating financial impact on the local economy. Construction and the real estate industries were virtually non-existent during that time. With that being said, the City of Bradenton and Manatee County have a diversified economic base that relies on service, retail, light manufacturing, agriculture and particularly tourism. That diversity has allowed us to weather the downturn better than most.

The most recent economic indicators point to a turnaround in our local economy. Real estate has begun to rebound as evidenced by a 5.9% increase in property values. Unemployment has dropped from 6.1% last year to a current level of 4.8% and tourism reached record levels in 2015.

Long-term financial planning. During the fiscal year 2011, the Bradenton City Council approved and adopted a formal Fund Balance Policy. The 2015 unassigned fund balances in the General Fund have been maintained to insulate the general governmental operations from the fluctuations associated with the current economic uncertainty, or in the event of a natural or man-made disaster.

Relevant financial policies. For several years, a poor real estate market and rampant foreclosures resulted in a severe reduction in property values. In a bold move, City Council had consistently voted to raise the millage rate to fend off a further deterioration of our financial condition. City leaders were not deterred from their goal to provide and maintain infrastructure for future growth and to practice sound fiscal responsibility with the City's resources to continue to maintain the quality of life for the citizens of Bradenton.

Meeting the needs of the citizens in this economic environment is a challenging and metamorphic process. The City, through sound, prudent and sustainable budgeting practices, has been able to provide programs, infrastructure, and facilities to meet the current needs of its citizens. In order to meet these challenges the City Council and management have consistently governed by the following tenets: 1) *Live within your means*, 2) *Look to the future*, 3) *Don't defer critical items*, 4) *Dedicate your surplus funds* and 5) *Be prepared for a rainy day*.

While weathering the economic downturn the City management team reviewed all operations in an effort to reduce costs while maintaining a consistent level of service. The City now operates with 7% fewer employees than it did in 1999, which is 13% below the 2005 level. As noted in this year's financial statements, this very conservative approach has allowed the City to handle the severe economic downturn better than most of its peers.

The City Clerk & Treasurer's office monitors the daily cash needs of the City and invests these funds in accordance with the City's investment policy. In concert with monitoring these daily needs, the remainder of the surplus funds are under professional management that allows them to be more aggressively invested, but still within the policy as approved by City Council.

Major initiatives. The City adopted a series of policies and initiatives that are intended to provide short-term relief to our business community in hope of spurring an economic recovery that will aid all of our citizens.

The City, through its three community redevelopment agencies, is aggressively implementing workforce development strategies, incentives for in-fill development and 'place branding' through the continuing efforts of Realize Bradenton. This strategy appears to be working well as there has been a very visible surge in interest in downtown Bradenton. New parks, restaurants, and a redeveloped hotel are proof that downtown Bradenton has become a popular destination.

Over the next several years, considerable efforts will be devoted to ensure that our citizens' quality of life is not only maintained, but enhanced. The City is moving forward with strategies to ensure that a safe and adequate water supply is available for current and future residents. Those projects, either in final stages of permitting or construction, include a pilot program to expand the use of the ASR (Aquifer Storage Recovery) technology as well as alternative means of utilizing our reclaimed wastewater. Additional projects recently completed are three Wares Creek bridge replacements, Manatee Avenue lighting improvements, and an expansion of the already considerable amenities available at the downtown Riverwalk. These projects reflect the city's commitment to not only put great recession behind us, but to emerge in a better position to take advantage of a full recovery.

Awards. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bradenton for its Comprehensive Annual Financial Report for fiscal year ended September 30, 2014. This was the forty first year that the City of Bradenton received 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 which must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year. We believe our 2015 report continues to conform to the Certificate of Achievement program requirements, and we are submitting this report to the GFOA to determine its eligibility for another certificate for the fiscal year ended September 30, 2015.

Acknowledgments. This report was completed through the dedication of the City of Bradenton's fine staff of professionals in the Finance Department, namely Tom Kelley, Linda Guth, Carol Gallagher, Sue Tolson, Kinyata Love and Sharon Beauchamp. I would like to express my appreciation and thanks to the audit firm of Mauldin & Jenkins, LLC who helped us with their comments and advice. Finally, I thank the Mayor and City Council for their guidance and support in planning and conducting the financial operations of the City of Bradenton in a responsible and progressive manner.

Sincerely,

A handwritten signature in black ink, appearing to read 'Carl Callahan', written in a cursive style.

Carl Callahan
City Clerk and Treasurer/City Administrator



Government Finance Officers Association

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

Presented to

**City of Bradenton
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2014

Executive Director/CEO

City of Bradenton Principal City Officials

Elected Officials

Mayor	<i>Wayne Poston</i>
Council - Ward 1	<i>Gene Gallo</i>
Council - Ward 2	<i>Gene Brown</i>
Council - Ward 3	<i>Patrick Roff</i>
Council - Ward 4	<i>Bemis Smith</i>
Council - Ward 5	<i>Harold Byrd, Jr.</i>

Department Heads

City Administrator /	
City Clerk & Treasurer	<i>Carl Callahan</i>
Planning & Community Development	<i>Catherine Hartley</i>
Fire Control	<i>Charles Edwards</i>
Law Enforcement	<i>Melanie Bevan</i>
Public Works & Utilities	<i>Jim McLellan</i>

**Citizens
of the
City of Bradenton**

Mayor and City Council

Wayne Poston Patrick Roff
Gene Gallo Bemis Smith
Gene Brown Harold Byrd, Jr.

City Attorney

William Lisch

**City Clerk
& Treasurer**

Carl Callahan

Accounting
Archives
Auditorium
Cashiering
Facilities
Golf Course
Human Resources
Information
Technology
Business Taxes
Purchasing
Risk/Safety
Utility Billing

**Planning &
Community
Development**

Catherine Hartley

Code Enforcement
Grants &
Assistance
Planning/Zoning
Protective
Inspection

**Law
Enforcement**

Melanie Bevan

Administration
Crime Prevention
Criminal
Investigations
Community
Policing
Enforcement
Explorer Program
Professional
Standards

**Public Works
& Utilities**

Jim McLellan

Electrical
Engineering
Facilities
Fleet
Lift Stations
Landscape / Grounds
Sanitation
Sewer Collection
Sign Shop
Roads & Streets
Water Distribution
Water Reclamation
Water Treatment

**Fire
Control**

Charles Edwards

Administration
Prevention
Suppression
Training



To Cuba

Artist: Jean Blackburn

Manatee County was once one of the largest
cattle-producing areas in the United States.

In the late 1800s and early 1900s,
local ranchers shipped live cattle to Cuban markets
from docks on the Manatee River.

The "To Cuba" Postcard was sponsored by the
Manatee County Cattleman's Association.



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Bradenton Firefighters' Retirement System which represents 34%, 35% and 20%, respectively, of the assets, net position and revenues of the aggregate remaining fund information. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Bradenton Firefighters' Retirement System, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension and other post-employment benefit schedules on pages 4-17 and 86-96, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of Local Governments and Non-Profit Organizations*, and *Chapter 10.550 Rules of the Auditor General–Local Government Entity Audits*, and is also not a required part of the financial statements.

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

The introductory section and statistical section 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 25, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance

A handwritten signature in cursive script that reads "Mauldin & Jenkins, LLC". The signature is written in dark ink and is positioned to the right of the date and location text.

Bradenton, Florida
May 25, 2016

City of Bradenton, Florida
Management's Discussion and Analysis
September 30, 2015

As the City Clerk & Treasurer/City Administrator of the City of Bradenton, I offer readers of our financial statements this narrative overview and analysis of our financial activities for the fiscal year ended September 30, 2015. I encourage readers to consider the information presented here in conjunction with additional information I have furnished in my transmittal letter on page 'i' of this report, and the City's financial statements beginning on page 19.

In this fiscal year, the City adopted provisions of several Governmental Accounting Standards Board (GASB) Statements. These provisions relate to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an Amendment to GASB Statement No. 68*. Statement No. 68 and Statement No. 71 enhance the accountability and transparency of financial information to include revised and new financial note disclosures and a required supplementary information section. With the implementation of the GASB Statement No. 68, the Net Pension Obligation (NPO) has been replaced with a new term, **Net Pension Liability (NPL)**. In this fiscal year, the City has combined the Firefighters' Pension Plan's, Police Officer's Pension Plan's, Florida Retirement System Pension Plan's and Florida Retirement System HIS Plan's NPL calculation in the Government-wide Financial Statements. Additional information regarding these changes can be found in the notes to the financial statements beginning on page 32 of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$155,227,117 (net position). Of this amount, \$63,815,436 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased \$10,265,381, or 7.08% in comparison to the prior year.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$49,645,410, an increase of \$6,366,333 in comparison with the prior year.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$27,927,140, or 78.56% of total General Fund expenditures.
- Total governmental revenues increased \$930,797, or 2.31% in comparison to the prior year.
- Total governmental expenditures increased \$247,768, or 0.64% in comparison to the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

City of Bradenton, Florida
Management's Discussion and Analysis
September 30, 2015

Government-wide Financial Statements

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

The Statement of Net Position presents information on all of the City's *assets, deferred outflows of resources, liabilities, and deferred inflows of resources* at the end of the fiscal year. The difference between assets and deferred outflows of resources and its liabilities and deferred inflows of resources is reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents *revenues and expenses*, and shows how the government's net position changed during the most recent fiscal year. All *changes in net position* are reported in a manner similar to the approach used by a private-sector business in that revenues are recognized when earned or established criteria are satisfied, and expenses are reported when incurred. Accordingly, revenues are reported even when they may not be collected for several months after the end of the accounting period, and expenses are recorded even though they may not have used cash during the current period.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, transportation, culture and recreation, and economic environment. The business-type activities of the City include the water-sewer utility, sanitation, the parking system and the public golf course (River Run Golf Links).

The financial statements also reflect the presentation of the City's *component units*, the Community Redevelopment Agencies (CRAs). The Bradenton Downtown Development Authority currently serves as the CRA Board for the City's Downtown and 14th Street CRAs. A third CRA, the Central Community Redevelopment Agency, has been established with its own board of directors. The CRAs were created with a stated purpose to revitalize a specific area within the central core of Bradenton.

The City's government-wide financial statements can be found on pages 19-21 of this report.

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to *specific activities* of the City rather than the City as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements. The City's fund financial statements are divided into three categories: (a) governmental funds, (b) proprietary funds, and (c) fiduciary funds.

Governmental Funds

Governmental fund financial statements consist of a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances. These statements are prepared using an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted to cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a short period of time, but do not include

City of Bradenton, Florida
Management's Discussion and Analysis
September 30, 2015

capital assets such as land and buildings. Fund liabilities include amounts that are to be paid within a short period after the end of the fiscal year. The difference between a fund's total assets and deferred outflows of resources net of total liabilities and deferred inflows of resources is labeled as the *fund balance*, and generally indicates the amount that can be used to finance the next fiscal year's activities. The Statement of Revenues, Expenditures and Changes in Fund Balances for governmental funds reports only those revenues and expenditures that were collected or paid during the current period or very shortly after the end of the year.

For the most part, balances and activities accounted for in the governmental funds are also reported in the governmental activities columns of the government-wide financial statements. Due to the difference in the accounting basis used to prepare fund financial statements and government-wide financial statements, there are often significant differences between the totals presented. For this reason there is an analysis after the Balance Sheet that reconciles the total fund balances to the amount of net position presented in the governmental activities column on the Statement of Net Position. There is also an analysis after the Statement of Revenues, Expenditures and Changes in Fund Balances that reconciles the total change in fund balances for all governmental funds to the change in net position as reported in the governmental activities column in the Statement of Activities.

The City presents, in separate columns, funds that are most significant to the City (*major funds*). All other governmental funds are aggregated and reported in a single column (*nonmajor funds*).

The City's governmental fund financial statements are presented on pages 22-25 of this report.

Proprietary Funds

Proprietary fund financial statements consist of a Statement of Net Position; Statement of Revenues, Expenses and Changes in Fund Net Position; and Statement of Cash Flows. These statements are prepared using an accounting basis that is similar to the basis used to prepare the government-wide financial statements. For financial reporting purposes, proprietary funds are grouped into *enterprise funds* and *internal service 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 utility, sanitation, parking system and golf course functions. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses separate internal service funds to account for its self-insurance programs. Because all of these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the major enterprise funds, which are water-sewer, sanitation and parking. The City's golf course, the remaining non-major enterprise fund, is presented as such on the proprietary funds financial statements. All internal service funds are considered to be non-major funds and are combined into a single, aggregated presentation in the proprietary fund financial statements.

The proprietary fund financial statements can be found on pages 26-29 of this report.

City of Bradenton, Florida
Management's Discussion and Analysis
September 30, 2015

Fiduciary Funds

Fiduciary fund financial statements consist of a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. Assets held by the City for other parties either as a trustee or as an agent, and that cannot be used to finance the City's own operating programs, are reported in the *fiduciary funds*. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City reports pension trust funds that present the results of two defined benefit pension plans.

The fiduciary fund financial statements can be found on pages 30-31 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 32-84 of this report.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. This information concerns the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees. It also includes budget-to-actual information regarding the General Fund and major special revenue funds. Required supplementary information can be found on pages 32-85 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time to be an indicator of a government's financial position. The City of Bradenton's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$155,227,117 at the close of the 2015 fiscal year. The implementations of GASB Statement Number 68, *Accounting and Financial reporting for Pensions* and GASB Statement Number 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an Amendment to GASB Statement No. 68*, requiring the City to restate its beginning Net Position for a total of \$23,912,612. The implementation of this standard is the major reason for the significant decrease in the City's unrestricted net position from prior year.

City of Bradenton, Florida
Management's Discussion and Analysis
September 30, 2015

The following schedule is a summary of the Statement of Net Position found on page 19 of this report.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Assets						
Current and other assets	\$ 70,172,494	68,214,998	42,185,355	39,328,467	112,357,849	107,543,465
Internal balances	358,991	877,258	(358,991)	(877,258)	-	-
Capital assets, net depreciation	53,827,582	55,756,518	76,271,756	74,927,753	130,099,338	130,684,271
Total assets	124,359,067	124,848,774	118,098,120	113,378,962	242,457,187	238,227,736
Deferred Outflows of Resources						
Deferred outflows related to pensions	5,802,818	-	2,006,858	-	7,809,676	-
Fair value of sweep agreement	243,038	316,222	363,145	352,578	606,183	668,800
Total deferred outflows of resources	6,045,856	316,222	2,370,003	352,578	8,415,859	668,800
Liabilities						
Current and other liabilities	3,275,835	4,243,663	1,693,714	2,791,410	4,969,549	7,035,073
Long-term debt outstanding	57,275,857	39,573,628	27,403,878	23,413,487	84,679,735	62,987,115
Total liabilities	60,551,692	43,817,291	29,097,592	26,204,897	89,649,284	70,022,188
Deferred Inflows of Resources						
Deferred inflows related to pensions	4,356,647	-	1,639,998	-	5,996,645	-
Total deferred outflows of resources	4,356,647	-	1,639,998	-	5,996,645	-
Net Position						
Net investment in capital assets	28,232,135	28,792,837	61,187,702	61,428,839	89,419,837	90,221,676
Restricted	1,991,844	1,566,075	-	-	1,991,844	1,566,075
Unrestricted	35,272,605	50,988,793	28,542,831	26,097,804	63,815,436	77,086,597
Total net position	\$ 65,496,584	81,347,705	89,730,533	87,526,643	155,227,117	168,874,348

We have begun to see a turnaround in the local economy and the overall financial position reflects this vibrancy. The \$10,265,381 increase in net position is evidence that the City has continued to maintain a solid financial base. The City remained true to its conservative principals and a proactive approach to operations that allowed us to adapt positively during this serious downturn in the economy and return to more normal operations in relativity short order. With few exceptions, this conservative fiscal approach stresses a pay-as-you-go strategy and demonstrates that non-recurring revenues need to be funneled back into City assets or infrastructure. This strategy works well in all economic situations.

The implementations of GASB Statement Number 68, *Accounting and Financial reporting for Pensions* and GASB Statement Number 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an Amendment to GASB Statement No. 68*, is the major reason for the significant increase in the City's long term debt outstanding. The City's total net pension liability is \$22,922,997 as of September 30, 2015.

A significant portion of the City's total net position (57.61%) reflect its *net investment in capital assets* (i.e., land, buildings, improvements, infrastructure and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available to use for future spending. Although the City's investment in its capital assets is reported net of related debt, it should still 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.

City of Bradenton, Florida
Management's Discussion and Analysis
September 30, 2015

An additional portion of the City's net position (1.28%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position*, \$63,815,436, may be used to meet the government's ongoing obligations to citizens and creditors.

A review of the comparative ratios of current unrestricted assets to current liabilities for the fiscal years 2015 and 2014 reveals that the City continues to maintain healthy ratios for both governmental and business-type activities. The City Council understands that the pressures of the protracted downturn in the economy and the inherent risks associated with our close proximity to the Gulf of Mexico require that the current level of unrestricted fund balance should be maintained to help avoid the negative impacts of such risks.

Governmental Activities

The following is a summary of the Statement of Activities found on pages 20 and 21 of this report.

	Statement of Activities					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues:						
Charges for services	\$ 5,374,624	8,366,605	33,472,424	31,064,775	38,847,048	39,431,380
Operating grants and contributions	2,087,299	1,386,490	-	8,574	2,087,299	1,395,064
Capital grants and contributions	-	164,862	295,245	1,522,923	295,245	1,687,785
General Revenues:						
Property taxes	15,111,509	14,153,418	-	-	15,111,509	14,153,418
Other taxes	14,412,767	13,968,939	-	-	14,412,767	13,968,939
Other	4,330,653	2,271,631	364,751	518,438	4,695,404	2,790,069
Total Revenues	41,316,852	40,311,945	34,132,420	33,114,710	75,449,272	73,426,655
Expenses						
Governmental Activities						
General government	7,834,108	9,011,067	-	-	7,834,108	9,011,067
Public Safety	21,885,995	22,989,533	-	-	21,885,995	22,989,533
Transportation	4,070,972	3,463,464	-	-	4,070,972	3,463,464
Economic Environment	598,238	403,288	-	-	598,238	403,288
Culture and recreation	3,122,412	3,061,659	-	-	3,122,412	3,061,659
Interest on long-term debt	1,040,968	1,104,058	-	-	1,040,968	1,104,058
Business-type Activities						
Water-sewer	-	-	18,445,277	19,053,943	18,445,277	19,053,943
Sanitation	-	-	6,276,300	6,390,604	6,276,300	6,390,604
Other	-	-	1,909,621	2,103,828	1,909,621	2,103,828
Total Expenses	38,552,693	40,033,069	26,631,198	27,548,375	65,183,891	67,581,444
Change in net position before transfers	2,764,159	278,876	7,501,222	5,566,335	10,265,381	5,845,211
Transfers	548,709	360,141	(548,709)	(360,141)	-	-
Change in net position	3,312,868	639,017	6,952,513	5,206,194	10,265,381	5,845,211
Change in accounting principles	(19,163,989)	-	(4,748,623)	-	(23,912,612)	-
Net position - beginning	81,347,705	80,708,688	87,526,643	82,320,449	168,874,348	163,029,137
Net position - end of year	\$ 65,496,584	81,347,705	89,730,533	87,526,643	155,227,117	168,874,348

Governmental activities reported an increase in the City's net position of \$3,312,868. This increase represents 5.06% of the governmental activities year-end net position which compares to the \$639,017 increase in the governmental activities year-end net position in the prior year. Although the City is not completely free from doldrums of the economic recession, the City appears to have emerged with few long-term side effects.

- Transportation, economic environment, and cultural and recreation all experienced slight increases, while the more significant activities of general government and public safety saw a

City of Bradenton, Florida
 Management's Discussion and Analysis
 September 30, 2015

decrease in expenses. The City remains committed to providing the basic government services and the public safety expected by its citizens. The City consistently monitors the revenues and expenses with the goal of achieving the reasonable balance between the citizens' expectations and the City's ability to deliver those services in a fiscally responsible manner.

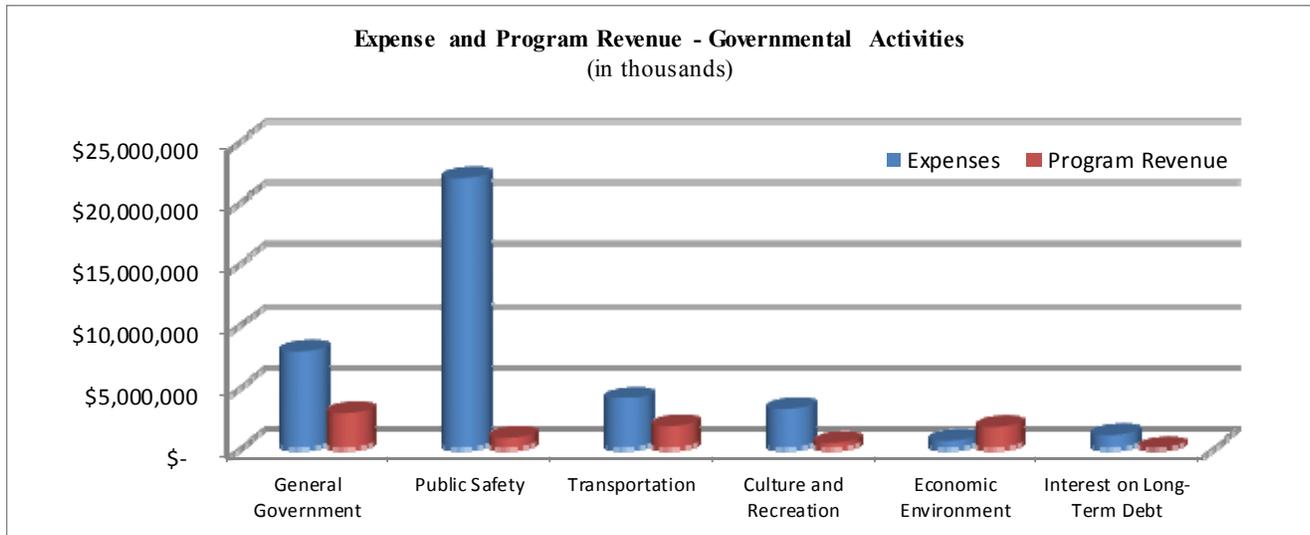
- The inconsistent funding of the federal and state housing programs has had a significant impact on the City's ability to deliver those services to the citizens most in need of help. Community Development Block Grant and State Housing Initiative Program, in total, had less funding available to deliver services under city and state housing initiatives.
- Another item of note that appears to have at least temporarily stabilized, but require constant monitoring is the increase cost associated with other post-employment benefit liabilities (\$940,581). Although it does not require the use of City resources for funding, it has contributed significantly to the reduction in the City's net position.

The City is working diligently to reduce the long-term negative impact associated with the above items. Over the past three years, the City has implemented widespread changes to the employee and retiree benefit packages. This year's financial statements reflect the stability these changes have brought to our Other Post-Employment Benefits (OPEB) and our health care reserves.

Until a plan is in place to fully fund the OPEB liability, the City will continue to review its benefits to determine if further changes may be necessary to reduce the long-term economic impacts on the City's financial position, as well as ensure the long-term viability of such plans and benefits.

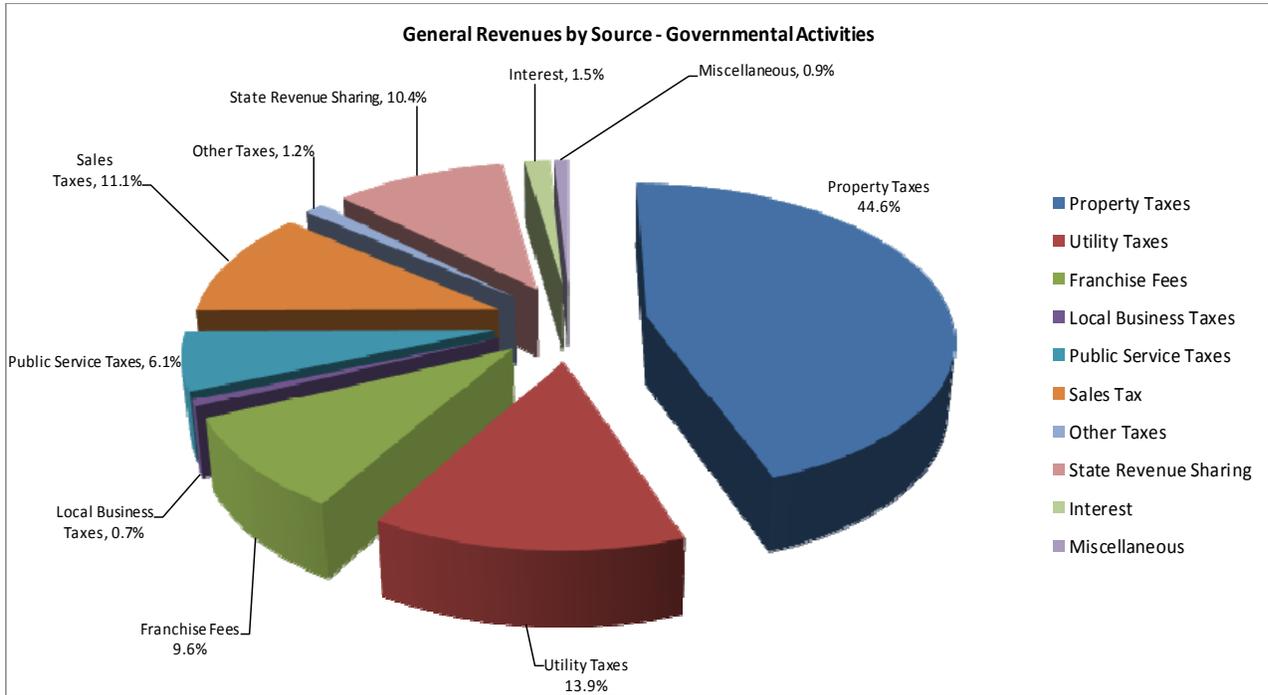
Historically the decision as to the number and level of services to provide has been dependent on our citizens' *willingness* to pay for such services. The City recognizes that until the benefits of a full economic recovery are realized, many of our decisions may now need to truly reflect our citizens' *ability* to pay for such services.

The following chart compares expenses with program revenues for the City's governmental activities:



City of Bradenton, Florida
 Management's Discussion and Analysis
 September 30, 2015

The following graph shows the composition of general revenues for the City's governmental activities.



Business-Type Activities

Business-type activities are designed as fee-based activities. Fees are implemented in such a way that they will completely cover the cost of operations without being supplemented from governmental sources.

The increase in net position for business-type activities totaled \$6,952,513 and \$5,206,194 for the fiscal years 2015 and 2014, respectively. This net change in position represents an 8.40% increase compared to the 6.32% increase in the prior year.

Included in the above numbers is a \$5,649,399 increase in the net position of the Water-Sewer Fund. Operating income of \$5,954,022 accounted for most of the increase, net of transfers to other funds of \$633,600.

For the past several years the solid waste operations have produced an increase in net position. The \$964,119 increase in 2015 compares to the \$824,770 increase for 2014. These significant increases reflect a turnaround for a fund that for years relied on contributions from other sources to maintain operations. The citizens of Bradenton have always raved about the City's solid waste service and now, the operation is financially sound.

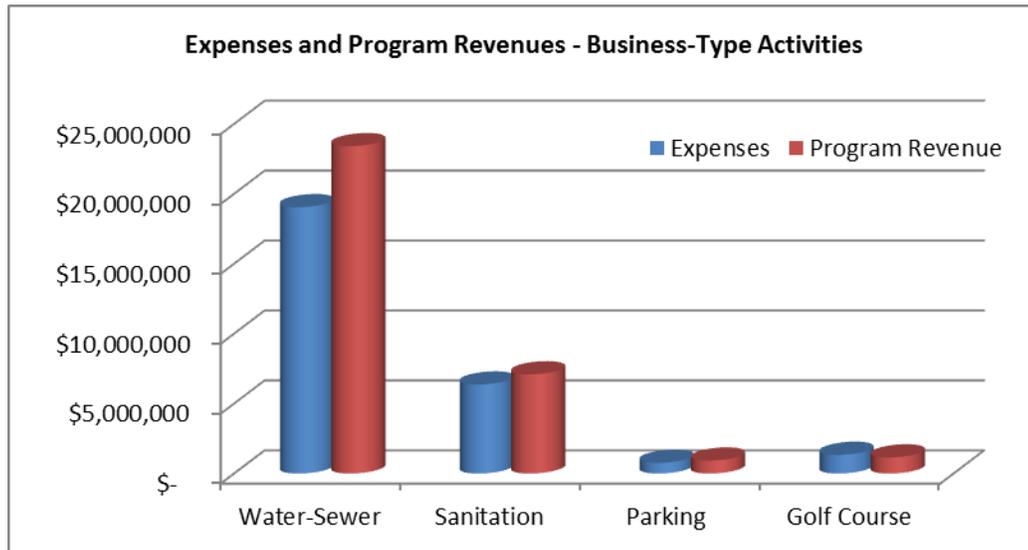
The public parking operations have produced an increase in net position over the past several years. The \$280,768 increase in 2015 compares to the \$210,893 increase for 2014. Operating income of \$496,141 and interest expense of \$213,116 account for the change in net position of the Parking Fund.

Almost since its inception in 1986 River Run Golf Links, the City's publicly owned golf course, had posted handsome financial returns that have been put into the golf course in the form of capital improvements or financial reserves. It is these reserves that have allowed the golf course to weather a decrease in net position (\$66,789) that has been a result of a protracted downturn in the golf industry as a whole. Consistent with this

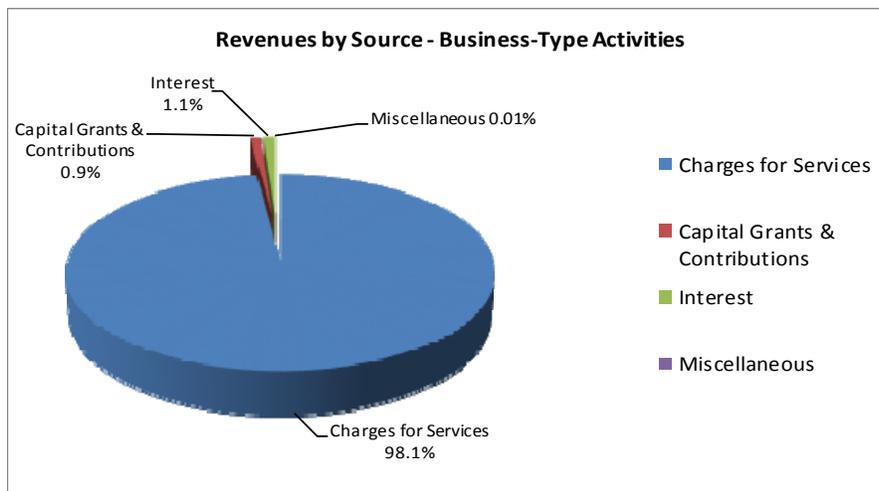
City of Bradenton, Florida
 Management's Discussion and Analysis
 September 30, 2015

downturn, River Run has experienced a 14% decrease in rounds played over the last five years. A more recent review of similar data reveals an uptick in play and a reason for optimism.

The following chart compares expenses with program revenues for the City's business-type activities:



The following graph shows the composition of revenues for the City's business-type activities:



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds

The fund financial statements for the governmental funds are provided on pages 22-25. The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of the spendable resources. Such information is useful in assessing the City's financing requirements. In particular, the fund

City of Bradenton, Florida
Management's Discussion and Analysis
September 30, 2015

information provided in accordance with GASB 54 will serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$49,645,410, an increase of \$6,366,333 in comparison with the prior year. The increase is primarily a result of an increase in tax receipts, building permits and interest/investment income. Approximately 56.25% of the ending fund balance of \$49,645,410 constitutes the unassigned fund balance of \$27,927,140, which is available for spending at the City's discretion.

Another \$18,293,423 has been set aside by City Council as either committed or assigned fund balance. The remaining \$3,424,847 of the fund balance is either restricted or non-spendable, indicating that it is not available for new spending because it has previously been restricted for (1) advances due from other funds (2) bond retirement, or (3) inventories, grants and impact fees for future expenses.

General Fund

During 2015, the General Fund's fund balance experienced a significant increase. The increase is primarily related to ad valorem tax proceeds, utility taxes and licenses and permits and a one-time receipt of a note receivable payoff from Manatee Players, while ongoing expenditures remained relatively stable. The net increase in the General Fund's fund balance of \$5,173,888 represents 14.55% of total General Fund expenditures. Although this increase may not significantly change our financial position, it speaks volumes to the City's ability to maintain a stable financial environment during the years of the recession while being poised to take advantage of the economic turnaround ahead.

Public safety expenditures decreased primarily as a result of the use of actuarially available prepaid pension contribution and a significant reduction in fuel costs.

Transportation saw a significant increase in cost that can be attributed to an additional allocation of funds for street paving. Also contributing to the increase was the need to add additional personnel in the building services section to keep up with the demands of the surging construction industry.

It should be noted that, consistent with previous years, most General Fund operations experienced a very minor increase (\$11,388) in expenditures while delivering the same high-quality services our citizens expect.

General Fund - Budgetary Highlights

Operating a government the size of the City of Bradenton is a dynamic process. Budget amendments are approved throughout the year. Budget-to-actual statements and schedules are provided in the financial statements for the General Fund on pages 86 and 98-102. Budget columns are provided for both the original adopted budget and the final budget for fiscal year 2015.

Budgeted Revenues: The City consistently takes a very conservative approach to budgeting revenues. An evaluation of the City's original budget reveals that very few significant adjustments were necessary. One noted exception is that the City has consistently waited for revenues such as federal forfeiture funds and unclaimed property funds to materialize before creating a budget. This ensures that revenues and expenditures from such funds will match.

City of Bradenton, Florida
Management's Discussion and Analysis
September 30, 2015

Budgeted Expenditures: General Fund budget changes, followed by brief reasons for the changes, are shown on the following page.

General Fund Budget Changes

Department	Budget Increase	Reason for Increase
Financial	38,156	Bank fees not originally budgeted
Legal Counsel	39,097	Third party representation associated with Indian Springs Park
Purchasing	14,212	Increase in inventorial supplies
Facilities Maintenance	428,563	Increase due to mold remediation
Information Technology	31,785	Salary increases and benefits
Code Enforcement	28,948	Change part-time employees to full-time employees
Fire Control	54,852	Increase due to fire contract negotiations
	18,403	Increase due to fire contract negotiations
	4,582	Increase due to fire contract negotiations
Planning and Community Development	22,495	Final payout for employees
Landscape and Grounds Division	28,982	* Equipment purchase donation by Manatee Boys and Girls Club

* Revenue and expenditure adjustments necessary

Overall, the expenditures for the General Fund were under the final budget by \$993,094, or 2.72% of the total final budget of the General Fund.

A review of the remaining governmental funds indicated that there were no significant budget adjustments necessary.

Proprietary Funds

The fund financial statements for the City's proprietary funds provide essentially the same information found in the government-wide financial statements, but in greater detail.

Enterprise Funds: The City of Bradenton's enterprise funds are the Water and Sewer fund, the Sanitation Fund, the Parking Fund, and the Golf Course Fund. These funds are defined as business-type activities because they most resemble a business operation. Revenues are generated primarily through charges for services and will closely follow what it costs to provide that service to the citizens.

At September 30, 2015, total net position amounted to \$89,730,533 for the enterprise funds, compared to \$87,526,643 at the end of 2014. Net position changes are a result of operations, non-operating revenues and expenses, capital contributions as well as donated assets.

A 9.52% increase in water-sewer revenues and a 3.23% decrease in operating expenses resulted in \$5,649,399 increase in net position for the Water and Sewer Fund.

The Sanitation Fund accounts for the revenue associated with collection of solid waste for both residential and commercial customers, along with curbside recycling collection. By continuously looking for operating efficiencies, including automated trucks which decrease manpower requirements, the City has successfully stabilized the operating costs associated with solid waste. For the current year revenue increased \$51,567 or

City of Bradenton, Florida
Management's Discussion and Analysis
September 30, 2015

5.72%. Operating expenses decreased by \$87,943 or 21.67%. The net result was an operating income of \$840,085 and a change in net position of \$964,119. These results are compared to the operating income of \$700,575 and an increase in net position of \$824,770 in 2014.

The Parking Fund accounts for the revenue associated with the City's public parking functions. For the current year revenue decreased \$20,877 or -0.06%. Operating expenses decreased by \$123,185 or -0.47%. The largest decrease in operating expenses was the decrease in repairs and maintenance of \$57,535 and salaries of \$61,682. The net result was an operating income of \$496,141 and a change in net position of \$280,768. These results are compared to the operating income of \$393,833 and an increase in net position of \$210,893 in 2014.

Internal Service Funds: Internal service funds are designed to recover the costs of general services provided to the other fund groups. The City uses internal service funds primarily to account for the self-insurance programs for property, medical and workers' compensation.

2015 was another outstanding year for maintaining the consistency of costs related to medical claims. In 2015, the medical self-insurance program showed a drop in claims by \$461,598 or 12.52% compared to prior year. This year's results reflect a \$444,321 positive change in net position compared to \$151,821 in 2014.

The workers' compensation self-insurance program had an increase in claim costs of \$461,357 or 37.26% compared to prior year. The estimated claims payable was increased in current year by \$430,923 due to revaluation of outstanding claims. Net position for workers' compensation increased \$149,389 or 1.66% compared to prior year.

The property insurance program had an increase in claim costs of \$53,009 or 20.08% compared to prior year. Net position for property insurance decreased \$69,942 or 3.32% compared to prior year.

Overall, the net position for the internal service funds increased from \$14,775,864 in 2014 to \$15,299,632 in 2015, or 3.42%.

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2015, amounts to \$130,099,338 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, and construction in progress. During the current economic downturn the investment in capital has focused on planning and completing those projects for essential services or enhanced business development.

Major capital asset activity during the fiscal year included the following:

- Wares Creek bridge replacements
- Ongoing commitment to meet future water supply needs through a program that enhances the use of Aquifer Storage Recovery (ASR) wells
- Enhancements to the City's stormwater and wastewater treatment and recovery systems
- Water/Sewer line replacement and system upgrades
- Water meter replacement program

Other projects still remaining in various stages of planning or construction:

- Sidewalks to schools – sidewalk replacement program
- Water/Sewer line replacement and system upgrades

City of Bradenton, Florida
Management's Discussion and Analysis
September 30, 2015

	Capital Assets					
	(Net of Accumulated Depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 3,589,995	3,589,995	6,372,988	6,372,988	9,962,983	9,962,983
Building	25,455,373	26,547,150	13,949,319	14,388,489	39,404,692	40,935,639
Infrastructure	19,245,042	19,808,747	23,289,770	12,618,939	42,534,812	32,427,686
Improvements	1,239,304	1,449,708	21,139,612	24,453,576	22,378,916	25,903,284
Machinery and Equipment	4,267,296	4,330,830	6,802,017	6,010,707	11,069,313	10,341,537
Construction in Progress	30,572	30,088	4,718,050	11,083,054	4,748,622	11,113,142
Total	\$ 53,827,582	55,756,518	76,271,756	74,927,753	130,099,338	130,684,271

For additional information regarding capital assets, please see Note F on pages 48 and 49 of this report.

DEBT ADMINISTRATION

At the end of the current fiscal year the City had total bonded debt outstanding of \$40,568,423, with no general obligation debt. All City debt represents bonds secured solely by specified revenue sources.

	Bond Debt and Loans Payable					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenue bonds	\$ 23,514,210	24,415,209	-	-	23,514,210	24,415,209
Notes	2,081,237	2,456,675	14,972,976	13,380,521	17,054,213	15,837,196
Total bonds	\$ 25,595,447	26,871,884	14,972,976	13,380,521	40,568,423	40,252,405

- State Revolving Loan Funds – An additional \$2,386,589 in stormwater construction loans were permanently converted to notes payable during the current year.

The City continues to maintain a relatively low debt-to-assets ratio and far exceeds all required debt service coverage ratios. The City has been assigned an issuer rating of “AA-“by Standard & Poor’s and “A1” by Moody’s.

Additional information concerning long-term debt can be found in Note H on pages 50-55 of this report.

ECONOMIC FACTORS AND YEAR 2016 BUDGET AND RATES

Factors considered in preparing the City of Bradenton’s budget for the 2016 fiscal year included the following items:

- The City of Bradenton experienced an increase in taxable values of 6.1%. This increase in property values is estimated to generate \$1,290,514 in additional revenue.
- The property tax millage rate will remain the same for the third consecutive year at 5.8976 mills in 2016.

City of Bradenton, Florida
Management's Discussion and Analysis
September 30, 2015

- Other Revenue Sources – It is anticipated the City's other large sources of revenue (sales tax, franchise fees, etc.) have benefited from the economic recovery and as a result the City should experience a moderate increase to these revenues.
- Building Permit Fees – Building permit fees, which must be utilized to fund only building services, are projected to be up significantly due to the recent improvement in the construction industry and local economy. Single-Family Permits increased from 120 permits in 2014 to 148 permits in 2015.
- General Fund – Most non-public safety departments are experiencing a slight increase in their budgets. In almost all instances this can be attributed to the increase in the wages.
- Public Safety Pensions – As a result better than expected investment returns and union concessions in pension benefits, the City will see a slight decrease in its required pension contributions
- Construction Market – The recent return of the housing and commercial construction markets necessitate an increase in staffing in the Building Department to offset additional building reviews and inspections. Staffing is being added incrementally and is being paid for exclusively by the user permit fees.
- Unemployment rate fell from 6.1% to 4.8%
- City population increased by 2.69%.
- Police, Fire and Park impact fees have been permanently reinstated.

All of these factors were considered in preparing the City's budget for the 2016 fiscal year.

The City continues ongoing communication with the County Property Appraiser and closely monitors national, state and local economic indicators to determine any impact on its financial forecasts. After an increase in property values for fiscal year 2016, it is expected that there will be an additional increase in property values in 2017.

The citizens of Bradenton expect a sound and fiscally conservative budget. The City has consistently taxed its citizens to not only provide the essential services, but to continue the quality of life they have come to expect. It is this approach that will enable the City to keep the millage rate the same for the fiscal year 2016.

REQUESTS FOR INFORMATION

This financial report is designed to provide users with a general overview of the City of Bradenton's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Bradenton, Office of the City Clerk & Treasurer, 101 Old Main Street, Bradenton, Florida 34205; or through the City's website at www.cityofbradenton.com.



Fishing

Artist: Jean Blackburn

Seafood from the Manatee River fed the aboriginal Indians.

In the 1800's, Cuban fishermen made their homes along the river's shore. Fishing kept early residents alive, sustained people during the hard times of the Great Depression, and provides food and recreation today.

Manatee County Public Library Photo Archive;
USF Library Digital Collections

CITY OF BRADENTON, FLORIDA
STATEMENT OF NET POSITION
September 30, 2015

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and investments	\$ 64,146,368	39,092,859	103,239,227	858,571
Receivables (net of allowance for uncollectibles)	3,582,393	3,019,791	6,602,184	6,691
Prepaid items	203,683	2,128	205,811	15,586
Due from other governments	1,799,110	54,550	1,853,660	50,000
Due from insurance	27,295	-	27,295	-
Inventory	413,645	16,027	429,672	-
Internal balances	358,991	(358,991)	-	-
Capital assets:				
Nondepreciable capital assets	3,620,567	11,091,038	14,711,605	5,998,165
Depreciable capital assets, net	50,207,015	65,180,718	115,387,733	9,906,507
Total assets	<u>124,359,067</u>	<u>118,098,120</u>	<u>242,457,187</u>	<u>16,835,520</u>
Deferred Outflows of Resources				
Deferred outflows related to pension	5,802,818	2,006,858	7,809,676	65,045
Fair value of swap agreement	243,038	363,145	606,183	366,715
Total deferred outflows of resources	<u>6,045,856</u>	<u>2,370,003</u>	<u>8,415,859</u>	<u>431,760</u>
Liabilities				
Accounts payable and other current liabilities	\$ 839,120	491,635	1,330,755	27,372
Retainage payable	322,712	66,070	388,782	-
Accrued payroll	-	73,349	73,349	-
Accrued interest payable	112,004	8,553	120,557	41,047
Due to other governments	11,494	-	11,494	-
Unearned revenue	331,430	20,815	352,245	-
Noncurrent liabilities				
Due within one year	1,659,075	1,033,292	2,692,367	892,906
Due in more than one year:				
Net pension liability	17,998,736	4,924,261	22,922,997	162,619
Net OPEB payable	12,662,977	5,937,167	18,600,144	-
Swap rate agreement liability	243,038	599,512	842,550	366,715
Revenue bonds payable	22,570,282	-	22,570,282	7,817,422
Notes payable	1,685,709	14,050,762	15,736,471	-
Capital leases	-	-	-	-
Estimated claims payable	1,049,076	-	1,049,076	-
Compensated absences	1,066,039	285,629	1,351,668	-
Customer deposits	-	1,606,547	1,606,547	-
Total liabilities	<u>60,551,692</u>	<u>29,097,592</u>	<u>89,649,284</u>	<u>9,308,081</u>
Deferred Inflows of Resources				
Deferred inflows related to pension	4,356,647	1,639,998	5,996,645	94,067
Net Position				
Net investment in capital assets	28,232,135	61,187,702	89,419,837	7,194,344
Restricted for:				
Debt service	75,844	-	75,844	-
Grants	201,506	-	201,506	-
Impact fees	1,519,641	-	1,519,641	-
Public safety	127,827	-	127,827	-
Public works/transportation	67,026	-	67,026	-
Unrestricted	35,272,605	28,542,831	63,815,436	670,788
Total net position	<u>65,496,584</u>	<u>89,730,533</u>	<u>155,227,117</u>	<u>7,865,132</u>
Total liabilities, deferred outflows of resources and net position	<u>\$ 130,404,923</u>	<u>120,468,123</u>	<u>250,873,046</u>	<u>17,267,280</u>

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

CITY OF BRADENTON, FLORIDA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2015

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government	\$ 7,834,108	2,682,613	102,932	-
Public safety	21,885,995	595,569	227,513	-
Transportation	4,070,972	1,443,003	307,395	-
Economic environment	598,238	484,918	1,198,919	-
Culture and recreation	3,122,412	168,521	250,540	-
Interest on long-term debt	1,040,968	-	-	-
Total governmental activities	38,552,693	5,374,624	2,087,299	-
Business-type activities				
Water-sewer	18,445,277	24,190,705	-	295,245
Sanitation	6,276,300	7,148,400	-	-
Parking	617,668	902,024	-	-
Golf course	1,291,953	1,231,295	-	-
Total business-type activities	26,631,198	33,472,424	-	295,245
Total primary government	\$ 65,183,891	38,847,048	2,087,299	295,245
Component units				
DDA/CRA/CCRA	\$ 3,933,143	283,290	1,499	-

General revenues

Property taxes
Utility taxes
Public service taxes
Half-cent sales taxes
Local business taxes
Other taxes
Franchise fees
State revenue sharing, unrestricted
Unrestricted investment earnings
Gain on sale of capital assets
Miscellaneous

Transfers

Total general revenues and transfers
Change in net position
Net position, beginning, restated
Net position, ending

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

Net (Expenses) Revenue and Changes in Net Position

Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
(5,048,563)	-	(5,048,563)	
(21,062,913)	-	(21,062,913)	
(2,320,574)	-	(2,320,574)	
1,085,599	-	1,085,599	
(2,703,351)	-	(2,703,351)	
(1,040,968)	-	(1,040,968)	
<u>(31,090,770)</u>	<u>-</u>	<u>(31,090,770)</u>	
-	6,040,673	6,040,673	
-	872,100	872,100	
-	284,356	284,356	
-	(60,658)	(60,658)	
<u>-</u>	<u>7,136,471</u>	<u>7,136,471</u>	
<u>(31,090,770)</u>	<u>7,136,471</u>	<u>(23,954,299)</u>	
			<u>\$ (3,648,354)</u>
15,111,509	-	15,111,509	3,416,027
4,718,156	-	4,718,156	-
2,066,854	-	2,066,854	-
3,770,933	-	3,770,933	-
222,589	-	222,589	-
400,000	-	400,000	-
3,234,235	-	3,234,235	-
3,531,749	-	3,531,749	-
496,966	362,362	859,328	6,009
56,444	2,389	58,833	-
245,494	-	245,494	-
548,709	(548,709)	-	-
<u>34,403,638</u>	<u>(183,958)</u>	<u>34,219,680</u>	<u>3,422,036</u>
3,312,868	6,952,513	10,265,381	(226,318)
62,183,716	82,778,020	144,961,736	8,091,450
<u>\$ 65,496,584</u>	<u>89,730,533</u>	<u>155,227,117</u>	<u>7,865,132</u>

CITY OF BRADENTON, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2015

	General Fund	State Housing Initiatives Partnership Program	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 45,096,734	112,777	2,477,501	47,687,012
Accounts receivable	1,011,696	1,964,823	605,874	3,582,393
Prepaid items	15,365	-	-	15,365
Due from other funds	3,896	-	-	3,896
Due from other governments	1,719,650	-	79,460	1,799,110
Inventory	413,645	-	-	413,645
Advances to other funds	1,003,993	-	-	1,003,993
Total assets	<u>\$ 49,264,979</u>	<u>2,077,600</u>	<u>3,162,835</u>	<u>54,505,414</u>
Liabilities, deferred inflows, and fund balances				
Liabilities				
Accounts payable	\$ 727,476	6,737	92,865	827,078
Accrued salaries, wages and benefits	321,051	372	1,289	322,712
Advances from other funds	-	-	47,243	47,243
Due to other funds	-	152	3,744	3,896
Due to other governments	11,494	-	-	11,494
Unearned revenues	230,413	1,341	-	231,754
Total liabilities	<u>1,290,434</u>	<u>8,602</u>	<u>145,141</u>	<u>1,444,177</u>
Deferred inflows of resources				
Unavailable revenue	<u>845,130</u>	<u>1,964,823</u>	<u>605,874</u>	<u>3,415,827</u>
Fund balances				
Non-spendable				
Prepaid items	15,365	-	-	15,365
Inventory	413,645	-	-	413,645
Advances to other funds	1,003,993	-	-	1,003,993
Restricted for:				
Debt service	-	-	75,844	75,844
Grants	-	104,175	97,331	201,506
Impact fee programs	-	-	1,519,641	1,519,641
Public Safety	127,827	-	-	127,827
Public works/transportation	67,026	-	-	67,026
Committed to				
Capital projects	-	-	719,004	719,004
Emergency and disaster reserve	3,463,846	-	-	3,463,846
Assigned				
Capital projects	3,000,000	-	-	3,000,000
Special obligation debt services	9,660,425	-	-	9,660,425
Compensated absences	1,269,094	-	-	1,269,094
Red Light Safety Program	240,987	-	-	240,987
Unassigned	27,867,207	-	-	27,867,207
Total fund balances	<u>47,129,415</u>	<u>104,175</u>	<u>2,411,820</u>	<u>49,645,410</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 49,264,979</u>	<u>2,077,600</u>	<u>3,162,835</u>	<u>54,505,414</u>

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

Reconciliation of Fund Balance to Net Position

Total fund balances for governmental funds		\$ 49,645,410
<p>Amounts reported for governmental activities in the Statement of Net Assets are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds</p>		
Cost	\$ 91,996,295	
Less accumulated depreciation	<u>(38,168,713)</u>	53,827,582
<p>Deferred outflows of resources are not due and payable in the current period and therefore are not reported in the funds. These deferred outflows of resources consist of pension related contributions</p>		
		5,802,818
<p>Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:</p>		
Long-term receivables	3,415,827	
Prepaid items	<u>97,979</u>	3,513,806
<p>Internal service funds are used by management to charge the cost of self-insurance property insurance, medical and workers' compensation insurance funds. The assets and liabilities of internal service funds are included in governmental activities in the Statement of Net Assets.</p>		
		14,701,873
<p>Deferred inflows of resources are not available to pay for current expenditures and therefore are not reported in the funds. These deferred inflows of resources consist of pension related items.</p>		
		(4,356,647)
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:</p>		
Notes payable	2,081,237	
Revenue bonds payable	23,514,210	
OPEB liabilities	12,662,977	
Net pension liability	17,998,736	
Compensated absences	1,269,094	
Accrued interest payable	<u>112,004</u>	<u>(57,638,258)</u>
Total net position of governmental activities		<u>\$ 65,496,584</u>

CITY OF BRADENTON, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2015

	General Fund	State Housing Initiatives Partnership Program	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 26,290,041	-	-	26,290,041
Licenses and permits	1,946,876	-	-	1,946,876
Intergovernmental grants	40,415	248,170	950,749	1,239,334
Intergovernmental revenues	-	-	-	-
Impact Fees	-	-	774,548	774,548
Shared revenues	3,531,749	-	-	3,531,749
Payments in lieu of taxes	73,417	-	-	73,417
Charges for services	2,268,905	-	-	2,268,905
Fines and forfeitures	282,292	-	-	282,292
Interest and investment earnings	431,237	148	22,647	454,032
Rents	655,453	-	-	655,453
Franchise fees	3,234,235	-	-	3,234,235
Miscellaneous	374,190	-	4,133	378,323
Special assessments, property owners	49,646	19,712	-	69,358
Total revenues	<u>39,178,456</u>	<u>268,030</u>	<u>1,752,077</u>	<u>41,198,563</u>
Expenditures				
Current				
General government	8,265,081	-	-	8,265,081
Public safety	22,065,869	-	-	22,065,869
Transportation	3,740,569	-	31,535	3,772,104
Economic environment	-	205,388	452,300	657,688
Culture and recreation	1,476,248	-	93,558	1,569,806
Debt service				
Principal	-	-	1,285,285	1,285,285
Interest	-	-	1,047,276	1,047,276
Fees and expenditures	-	-	465	465
Capital outlay	-	-	484	484
Total expenditures	<u>35,547,767</u>	<u>205,388</u>	<u>2,910,903</u>	<u>38,664,058</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,630,689</u>	<u>62,642</u>	<u>(1,158,826)</u>	<u>2,534,505</u>
Other financing sources (uses)				
Proceeds from note receivables	3,189,811	-	-	3,189,811
Transfers from other funds	633,600	13,073	2,275,556	2,922,229
Transfers to other funds	(2,355,566)	-	-	(2,355,566)
Sale of capital assets	75,354	-	-	75,354
Total other financing sources (uses)	<u>1,543,199</u>	<u>13,073</u>	<u>2,275,556</u>	<u>3,831,828</u>
Net change in fund balances	5,173,888	75,715	1,116,730	6,366,333
Fund balances, beginning	<u>41,955,527</u>	<u>28,460</u>	<u>1,295,090</u>	<u>43,279,077</u>
Fund balances, ending	<u>\$ 47,129,415</u>	<u>104,175</u>	<u>2,411,820</u>	<u>49,645,410</u>

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

Reconciliation of the Change in Fund Balances to the Change in Net Position

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

Net change in fund balances, total governmental funds	\$	6,366,333
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.

Capital outlay	\$	1,057,150	
Less depreciation expense		(2,968,132)	(1,910,982)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to increase net assets.

Net book value of capital assets transferred to proprietary fund		(17,954)	(17,954)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal or long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal repayments:			
Notes Payable		375,438	
Revenue bonds payable		909,847	
Amortization of discounts/prepaid items		(13,318)	1,271,967

Some revenues in the Statement of Activities do not provide current financial resources.		(3,252,028)
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds (future use).

Other Post-employment Benefits (OPEB)		(940,581)	
Compensated absences		36,397	
Accrued interest payable		6,308	
Pension expense		3,756,424	
Deferred outflows - pension related		136,750	
Deferred inflows - pension related		(2,538,518)	456,780

Internal service funds are used by management to charge the cost of medical, property and workers' compensation insurances.		398,752

Change in net position of governmental activities	\$	3,312,868

CITY OF BRADENTON, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2015

	Business-type Activities—Enterprise Funds					Governmental Activities— Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Parking Fund	Golf Course Fund (Nonmajor)	Total	
Assets						
Current assets						
Cash and cash equivalents	\$ 31,484,223	5,805,509	1,517,894	285,233	39,092,859	16,459,356
Customer accounts receivable	2,347,708	796,818	-	265	3,144,791	-
Allowance for uncollectibles	(125,000)	-	-	-	(125,000)	-
Due from other governments	50,174	1,434	2,498	444	54,550	-
Due from insurance	-	-	-	-	-	27,295
Prepaid items	-	-	-	2,128	2,128	90,339
Inventory	-	-	-	16,027	16,027	-
Total current assets	<u>33,757,105</u>	<u>6,603,761</u>	<u>1,520,392</u>	<u>304,097</u>	<u>42,185,355</u>	<u>16,576,990</u>
Noncurrent assets						
Capital assets						
Land	3,319,285	-	1,097,797	1,955,906	6,372,988	-
Buildings	17,187,233	597,881	8,962,466	216,363	26,963,943	-
Machinery and equipment	10,077,980	6,439,083	112,973	513,639	17,143,675	-
Infrastructure	154,104,518	689,697	220,000	1,309,660	156,323,875	-
Construction work in progress	4,559,859	158,191	-	-	4,718,050	-
Less: accumulated depreciation	<u>(127,294,297)</u>	<u>(4,298,597)</u>	<u>(1,907,744)</u>	<u>(1,750,137)</u>	<u>(135,250,775)</u>	<u>-</u>
Total capital assets	<u>61,954,578</u>	<u>3,586,255</u>	<u>8,485,492</u>	<u>2,245,431</u>	<u>76,271,756</u>	<u>-</u>
Deferred outflows of resources						
Related to pension plans	1,306,904	555,782	31,000	113,172	2,006,858	-
Fair value of swap agreement	-	-	363,145	-	363,145	-
Total deferred outflows of resources	<u>1,306,904</u>	<u>555,782</u>	<u>394,145</u>	<u>113,172</u>	<u>2,370,003</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 97,018,587</u>	<u>10,745,798</u>	<u>10,400,029</u>	<u>2,662,700</u>	<u>120,827,114</u>	<u>16,576,990</u>

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

	Business-type Activities—Enterprise Funds				Total	Governmental Activities— Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Parking Fund	Golf Course Fund (Nonmajor)		
Liabilities and Net Position						
Current liabilities						
Accounts payable	\$ 345,557	135,728	2,831	7,519	491,635	12,042
Retainage payable	66,070	-	-	-	66,070	-
Accrued payroll	48,208	18,571	578	5,992	73,349	-
Accrued interest payable	-	-	8,553	-	8,553	-
Unearned revenues	-	-	20,815	-	20,815	99,676
Estimated payable for outstanding claims	-	-	-	-	-	116,564
Current portion of long-term debt	540,306	30,765	454,281	7,940	1,033,292	-
Total current liabilities	1,000,141	185,064	487,058	21,451	1,693,714	228,282
Noncurrent liabilities						
Long-term debt	9,310,569	-	4,740,193	-	14,050,762	-
Derivative instrument-interest rate swap	-	-	599,512	-	599,512	-
Estimated payable for outstanding claims	-	-	-	-	-	1,049,076
Customer deposits	1,597,988	8,559	-	-	1,606,547	-
OPEB liability	3,866,970	1,644,253	91,141	334,803	5,937,167	-
Net pension liability	3,206,774	1,363,726	76,068	277,693	4,924,261	-
Compensated absences	184,538	79,110	1,563	20,418	285,629	-
Advances from other funds	208,338	748,412	-	-	956,750	-
Total long-term liabilities	18,375,177	3,844,060	5,508,477	632,914	28,360,628	1,049,076
Total liabilities	19,375,318	4,029,124	5,995,535	654,365	30,054,342	1,277,358
Deferred inflows of resources						
Related to pension plans	1,067,997	454,183	25,333	92,485	1,639,998	-
Net Position						
Net investment in capital assets	52,103,703	3,555,490	3,291,018	2,237,491	61,187,702	-
Unrestricted	24,471,569	2,707,001	1,088,143	(321,641)	27,945,072	15,299,632
Total net position	76,575,272	6,262,491	4,379,161	1,915,850	89,132,774	15,299,632
Total liabilities, deferred inflows of resources and net position	\$ 97,018,587	10,745,798	10,400,029	2,662,700	120,827,114	16,576,990
Net position, above					\$ 89,132,774	
Adjustments to reflect consolidation of internal service fund activities related to enterprise funds					597,759	
Net position of business-type activities					\$ 89,730,533	

CITY OF BRADENTON, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended September 30, 2015

	Business-type Activities—Enterprise Funds				Totals	Governmental Activities— Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Parking Fund	Golf Course Fund (Nonmajor)		
Operating revenues						
Charges for services	\$ 24,190,705	7,148,400	902,024	1,231,295	33,472,424	8,354,279
Operating expenses						
Personal services	5,651,040	2,575,068	95,931	685,912	9,007,951	-
Contractual services	1,273,977	98,504	15,822	50,093	1,438,396	1,931,256
Supplies and materials	4,553,823	1,124,986	62,441	415,954	6,157,204	752,436
Repairs and maintenance	828,888	385,032	37,265	48,322	1,299,507	-
Utilities	863,870	1,551,861	-	14,138	2,429,869	-
Claims	-	-	-	-	-	5,189,753
Depreciation and amortization cost	5,065,085	572,864	194,424	87,053	5,919,426	-
Total operating expenses	<u>18,236,683</u>	<u>6,308,315</u>	<u>405,883</u>	<u>1,301,472</u>	<u>26,252,353</u>	<u>7,873,445</u>
Operating income (loss)	5,954,022	840,085	496,141	(70,177)	7,220,071	480,834
Non-operating revenues (expenses)						
Interest and investment earnings	316,940	44,291	(2,257)	3,388	362,362	42,934
Gain (loss) on disposition of assets	3,814	(1,425)	-	-	2,389	-
Interest expenses and fiscal charges	(287,022)	(3,723)	(213,116)	-	(503,861)	-
Miscellaneous	-	-	-	-	-	-
Total non-operating revenues (expenses)	<u>33,732</u>	<u>39,143</u>	<u>(215,373)</u>	<u>3,388</u>	<u>(139,110)</u>	<u>42,934</u>
Income (loss) before capital contributions and transfers	5,987,754	879,228	280,768	(66,789)	7,080,961	523,768
Capital contributions	295,245	17,954	-	-	313,199	-
Transfers from other funds	-	66,937	-	-	66,937	-
Transfers to other funds	(633,600)	-	-	-	(633,600)	-
Change in net position	5,649,399	964,119	280,768	(66,789)	6,827,497	523,768
Total net position, beginning, restated	<u>70,925,873</u>	<u>5,298,372</u>	<u>4,098,393</u>	<u>1,982,639</u>	<u>82,305,277</u>	<u>14,775,864</u>
Total net position, ending	<u>\$ 76,575,272</u>	<u>6,262,491</u>	<u>4,379,161</u>	<u>1,915,850</u>	<u>89,132,774</u>	<u>15,299,632</u>
Changes in net position, above					\$ 6,827,497	
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds					<u>125,016</u>	
Change in net position of business-type activities					<u>\$ 6,952,513</u>	

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

CITY OF BRADENTON, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended September 30, 2015

	Business-type Activities—Enterprise Funds					Governmental Activities— Internal Service Funds
	Water and Sewer Fund	Sanitation Fund	Parking Fund	Golf Course Fund (Nonmajor)	Total	
Cash flows from operating activities						
Receipts from charges for services	\$ 25,853,477	7,170,002	904,144	1,230,973	35,158,596	8,421,010
Payments to suppliers	(8,381,413)	(3,205,045)	(116,591)	(531,685)	(12,234,734)	(2,683,960)
Payments for employees	(6,202,893)	(2,726,910)	(113,320)	(711,877)	(9,755,000)	(5,153,227)
Net cash provided (used) by operating activities	<u>11,269,171</u>	<u>1,238,047</u>	<u>674,233</u>	<u>(12,589)</u>	<u>13,168,862</u>	<u>583,823</u>
Cash flows from non-capital financing activities						
Advances from other funds	-	3,723	-	-	3,723	-
Repayment of advances to other funds	(396,974)	-	-	-	(396,974)	-
Transfers from (to) other funds	(633,600)	66,937	-	-	(566,663)	-
Net cash provided (used) by non-capital and related financing activities	<u>(1,030,574)</u>	<u>70,660</u>	<u>-</u>	<u>-</u>	<u>(959,914)</u>	<u>-</u>
Cash flows from capital and related financing activities						
Repayment of capital leases	(118,793)	-	-	-	(118,793)	-
Principal paid on capital debt	(358,879)	-	(432,062)	-	(790,941)	-
Construction loan proceeds, SRF	214,267	-	-	-	214,267	-
Interest paid on capital debt	(287,022)	(3,723)	(201,918)	-	(492,663)	-
Capital contributions	295,245	-	-	-	295,245	-
Proceeds from sale of capital assets	3,814	55,462	-	-	59,276	-
Acquisition and construction of capital assets	(6,102,419)	(1,199,945)	-	-	(7,302,364)	-
Net cash (used) by capital and related financing activities	<u>(6,353,787)</u>	<u>(1,148,206)</u>	<u>(633,980)</u>	<u>-</u>	<u>(8,135,973)</u>	<u>-</u>
Cash flows from investing activities						
Interest and investment earnings	316,940	44,291	(2,257)	3,388	362,362	42,934
Net cash provided by investing activities	<u>316,940</u>	<u>44,291</u>	<u>(2,257)</u>	<u>3,388</u>	<u>362,362</u>	<u>42,934</u>
Net increase (decrease) in cash and equivalents	4,201,750	204,792	37,996	(9,201)	4,435,337	626,757
Cash and cash equivalents, October 1, 2014	<u>27,282,473</u>	<u>5,600,717</u>	<u>1,479,898</u>	<u>294,434</u>	<u>34,657,522</u>	<u>15,832,599</u>
Cash and cash equivalents, September 30, 2015	<u>\$ 31,484,223</u>	<u>5,805,509</u>	<u>1,517,894</u>	<u>285,233</u>	<u>39,092,859</u>	<u>16,459,356</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 5,954,022	840,085	496,141	(70,177)	7,220,071	480,834
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation and amortization expense	5,065,085	572,864	194,424	87,053	5,919,426	-
(Increase) decrease:						
Accounts receivable	1,543,356	24,289	-	-	1,567,645	-
Prepaid items	-	-	-	(2,128)	(2,128)	19,579
Inventories	-	-	-	12,756	12,756	-
Due from other governments	-	2,023	(1,525)	(322)	176	-
Due from insurance	-	-	-	-	-	38,254
Deferred outflows of resources related to pension plans	(885,990)	(402,468)	(21,016)	(113,172)	(1,422,646)	-
Increase (decrease):						
Accounts and retainage payable	(860,855)	(44,662)	(1,063)	(13,806)	(920,386)	(414,244)
Accrued payroll	(218,947)	(60,418)	(7,839)	(16,519)	(303,723)	-
Compensated absences	(7,281)	(19,645)	(3,233)	379	(29,780)	-
Unearned revenues	-	-	3,645	-	3,645	28,477
Customer deposits	119,416	(4,710)	-	-	114,706	-
Estimated payable for outstanding claims	-	-	-	-	-	430,923
OPEB liability	(201,098)	(18,821)	(3,363)	958	(222,324)	-
Net pension liability	1,068,360	470,541	25,343	9,904	1,574,148	-
Deferred outflows of resources related to pension plans	(306,897)	(121,031)	(7,281)	92,485	(342,724)	-
Total adjustments	<u>5,315,149</u>	<u>397,962</u>	<u>178,092</u>	<u>57,588</u>	<u>5,948,791</u>	<u>102,989</u>
Net cash provided by operating activities	<u>\$ 11,269,171</u>	<u>1,238,047</u>	<u>674,233</u>	<u>(12,589)</u>	<u>13,168,862</u>	<u>583,823</u>

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

CITY OF BRADENTON, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2015

	Pension Trust Funds
Assets	
Due from city	\$ 84,006
Due from plan members	15,136
Due from brokers	616,853
Interest receivable	193,584
Prepaid item	636
Investments, at fair value	
U.S. Government obligations	4,848,489
Domestic corporate bonds	11,257,580
Convertible preferred stock	1,000,524
Convertible bonds	5,932,124
Foreign stock	3,316,045
Municipal obligations	1,061,452
Domestic stocks	39,895,064
Master limited partnerships	2,774,176
Mortgage backed	3,685,344
Collateralized mortgage backed	5,980,886
Preferred equity securities	418,561
Mutual funds	14,582,523
Real estate investment trust	6,034,684
Money market	4,340,620
	105,128,072
Total investments	105,128,072
Total assets	106,038,287
Liabilities	
Accounts payable	83,570
	539,988
Due to brokers	924,679
	1,548,237
Total liabilities	1,548,237
Net Position	
Restricted for pension benefits	\$ 104,490,050

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

CITY OF BRADENTON, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Fiscal Year Ended September 30, 2015

	Pension Trust Funds
Additions	
Contributions	
Employer	\$ 3,187,768
Plan members	998,134
Repayment of pension benefits	19,266
State of Florida (from City's General Fund)	886,827
Total contributions	5,091,995
Investment earnings	
Interest and dividends	2,886,073
Miscellaneous/settlement income	14,922
Net decrease in the fair value of investments	(4,492,810)
Total investment earnings	(1,591,815)
Less investment expenses	549,055
Net investment earnings	(2,140,870)
Total additions, net	2,951,125
Deductions	
Benefits	6,354,678
Refunds of contributions	155,427
DROP plan payments	120,026
Administrative expenses	177,637
Total deductions	6,807,768
Change in net assets	(3,856,643)
Net position, beginning	108,346,693
Net position, ending	\$ 104,490,050

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

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Bradenton, Florida (the “City”) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

Reporting Entity

The City of Bradenton, Florida, was incorporated in 1903. It is located on the west coast of Florida, approximately midway down the state, and is comprised of 14.55 square miles with a population of 52,534. The current charter was authorized under Chapter 22219, Laws of Florida, Special Acts of 1943. The City is a municipal corporation and operates under a mayor-council form of government. It provides services to its residents in the form of law enforcement, fire and public safety, street maintenance, code enforcement, culture and recreation, water and sewer, sanitation, planning and zoning, and general administrative services.

The accompanying financial statements present the City and its component units (entities for which the City is considered to be financially accountable). This component unit information is presented in a separate column in the government-wide financial statements, to emphasize that they are legally separate from the City.

The City has two component units: (1) the Bradenton Downtown Development Authority/Community Redevelopment Agencies (DDA/CRAs), and (2) the Central Community Redevelopment Agency (CCRA), as described below:

Bradenton Downtown Development Authority/Community Redevelopment Agencies

There are three separate entities included under the Bradenton Downtown Development Authority/Community Redevelopment Agencies. The purpose of these three entities is to revitalize targeted areas in the City and include:

- a. **Bradenton Downtown Development Authority (DDA)**
The Bradenton DDA is a dependent special district created by the Laws of Florida, Chapter 74-245, Special Legislative Acts of 1974.
- b. **Bradenton Community Redevelopment Agency (CRA)**
The Bradenton CRA is a dependent special district created pursuant to Florida Statute 163 and City of Bradenton Ordinance 2219 passed by the Bradenton City Council on May 28, 1980.
- c. **14th Street Community Redevelopment Agency (CRA)**
The 14th Street CRA is a dependent special district created pursuant to Florida Statute 163 and City of Bradenton Ordinance 2504 passed by the Bradenton City Council on November 24, 1993.

The Bradenton City Council, through Ordinance 2468 passed in September 1991, has appointed the Bradenton Downtown Development Authority as the respective Community Redevelopment Agency of the City. Therefore, all three entities have the same Board of Directors. The Bradenton City Council placed the following restrictions on these three dependent special districts:

- a. Any agreement to fund a grant or request for funds, or approval of any projects by the DDA acting as the DDA/CRA, may be rescinded within thirty (30) days by a four/fifths (4/5) vote of the Bradenton

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

City Council. The Mayor may veto any rescinding action by the City Council. This veto, however, may be overridden by a four/fifths vote of the City Council.

- b. No formal action taken by the DDA/CRA Board shall be considered final, nor shall any party have any right to rely on such act(s) or grants, until the period of time for the rescinding action by the City Council has passed (30 days) or until the City Council has firmly expressed its approval of the action of the DDA/CRA.
- c. The annual budget of the DDA/CRA shall be considered final after approval by the City Council, or after 30 days have elapsed from the period of time said budget is passed by the DDA/CRA Board of Directors.

In addition to the above, upon ratification by the City Council, the Mayor appoints members to the DDA/CRA. The City provides funding on an annual basis to the DDA/CRA via ad valorem tax based on the 1980 base year (Bradenton CRA) and the 1993 base year (14th Street CRA).

Based on the above factors, the City exercises financial accountability over the DDA/CRA and, therefore, they are considered a component unit of the City as defined by GAAP. The financial statements of the DDA/CRA's are also included as a part of the City's Comprehensive Annual Financial Report.

The Bradenton Downtown Development Authority is an administrative unit only, with no assets, liabilities, equity, revenues or expenses/expenditures as of and for the year ended September 30, 2015. There were no component units for which the DDA/CRA were financially accountable.

Central Community Redevelopment Agency

The Central Community Redevelopment Agency (CCRA) is a dependent special district created by the Community Redevelopment Act of 1969, Chapter 163 Part III, Florida Statutes, and City of Bradenton Ordinance 2628 passed by the Bradenton City Council on July 12, 2000. The Community Redevelopment Plan provides a framework for coordinating and facilitating public and private redevelopment of the Central Redevelopment District and adjacent areas. A board of seven commissioners administers the actions of the CCRA.

Per City of Bradenton Ordinance 2628, the Bradenton City Council controls all expenditure of funds and the budget of the CCRA. Therefore, the City of Bradenton exercises financial accountability over the CCRA, making the CCRA a component unit of the City as defined by GAAP.

Copies of the audited financial statements of the DDA/CRA's and CCRA may be obtained at the City of Bradenton's City Clerk and Treasurer's Office, 101 Old Main Street, Bradenton, Florida 34205-7865.

The Mayor and City Council are also responsible for appointing members to the boards of the following organizations. The City's accountability for these organizations does not extend beyond making the appointments, except as noted above.

Architectural Review Board	Construction Board of Rules and Appeals
Affordable Housing Advisory Board	Code Enforcement Board
Planning Commission	Bradenton Housing Authority
Enterprise Zone Board	Merit Board
Tree and Land Preservation Board	Police Pension Board
Fire Pension Board	Central Community Redevelopment Agency
Grievance Board	Nuisance Abatement Board
Downtown Development Authority/Community Redevelopment Agencies	

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. 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. Likewise, the *primary government* is reported separately from the legally separate *component units* for which the primary government is financially accountable.

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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 the related cash flow. Property taxes, grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considered property taxes and other revenue sources as available if they were collected within 60 days after fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, and other post-employment benefits (OPEB), are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

- a. The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- b. The *State Housing Initiatives Partnership Program (SHIPP) Fund* is used to account for the receipt, custody and expenditures of State Housing Initiatives Partnership grant funds.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

The City reports the following major proprietary funds:

- a. The *Water and Sewer Fund* is used to account for the activities of the City's water and wastewater utility. The City operates the water and sewer treatment plants, sewage pumping stations and collection system, the storm water runoff system, and the water distribution system.
- b. The *Sanitation Fund* is used to account for the activities of the City's solid waste collection.
- c. The *Parking Fund* is used to account for the activities of the City's public parking function.

Additionally, the City reports the following fund types:

- a. *Internal service funds* account for the property insurance, medical self-insurance, and workers' compensation self-insurance provided to other departments on a cost reimbursement basis.
- b. The *pension trust funds* account for the activities of the City's fire and police pension trust funds, which accumulate resources for pension benefit payments to qualified fire and police pension employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are Payments in Lieu of Taxes, and other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish operating revenues and expenses from non-operating 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 of the water/sewer, parking and sanitation enterprise funds and of the City's internal service funds are charges to customers for sales and services. The water/sewer fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds 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 non-operating revenues and expenses.

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

Assets, Liabilities and Net Position or Equity

- a. Deposits and investments
The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The City maintains a pool of cash and investments in which each fund participates on a dollar equivalent and transaction basis. The balance of the pooled cash is reflected in the balance sheets or Statement of Net Position, and each fund's portion of the pooled investments is reflected in the balance sheets or Statement of Net Position as "cash and cash equivalents." Interest is distributed monthly based upon an average monthly balance. The investments of the police and fire pension trust funds are held by an investment banker selected by the respective individual pension board's Investment Committee.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

State statutes authorize the City to invest its surplus public funds in the Local Government Surplus Funds Trust Fund, obligations of the U.S. Treasury, agencies and instrumentalities of the U.S. Government and interest-bearing time deposits with banks and/or savings and loans who qualify as authorized depositories under Florida law or according to the City's established investment policy statement. In addition to state statutes, the City is also authorized to invest surplus funds in accordance with the City of Bradenton Investment Policy Statement. The pension trust funds are also authorized to invest in corporate stocks, bonds and commercial paper subject to certain restrictions.

Investments for the City, as well as for its component units, are reported at fair value. The State Board of Administration Pooled Trust Fund (LGIP) operates in accordance with the appropriate state laws and regulations. Securities traded on a national or international exchange are valued at the last reported sales quote at current exchange rates. Investments that do not have an established market are reported at estimated fair value, based on market indicators regarded as measures of equity or fixed income performance results. The City does not have a significant amount of investments valued at other-than-quoted market prices. Except in the pension trust funds, amortization of premium and accretion of discount on investments purchased are not recorded over the term of the investment. The effect of this policy on the financial statements of the various funds is not significant. The reported value of the pool is the same as the fair value of the pool shares.

The Florida Municipal Investment Trust (FMIVT) is an authorized investment under section 218.415(15), Florida Statutes, for units of local government in the State of Florida. It was created to offer diversified and professionally managed portfolios for the investment of the assets of participating municipalities. The Trustees of the Trust are designated as having official custody of the funds, which are invested by the purchase of shares of beneficial interest in the Trust. The Trust operates as a fiduciary trust fund under governmental accounting rules that require the Trust to prepare a series of financial statements. The FMIVT is a Local Government Investment Pool (LGIP) and, therefore, considered an external investment pool for GASB reporting purposes. The City's investment is the FMIVT portfolio, not the individual securities held within each portfolio.

b. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Customer accounts (trade) receivables in the Water and Sewer Fund are shown net of an allowance for uncollectibles of \$125,000.

c. Inventories and prepaid items

All inventories are valued at cost (using average cost) in governmental-type funds and the lower of cost (average cost) or market in business-type funds. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

d. 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 balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

e. Capital assets

Capital assets, which include property, buildings, improvements, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks and similar items) 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 \$2,500 (amount not rounded) and an estimated useful life in excess of two (2) years. Such assets are recorded at historical cost, or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of the donation.

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

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

Property, plants and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated lives:

Buildings and improvements	20 - 50 years
Improvements other than buildings	20 - 50 years
Equipment	2 - 35 years
Infrastructure	50 - 75 years

f. Compensated absences

Accumulated unpaid vacation pay and the benefits associated with it are accrued when incurred in all proprietary fund types and in the component units. In governmental fund types, the cost of vacation pay is recognized when payments are made to employees or when matured, as a result of employee resignation or retirement. The general fund is the primary fund utilized to liquidate the liability for compensated absences.

All vacation pay is accrued when incurred in the government-wide financial statements. Sick leave is not recorded in the financial statements because sick leave is not vested.

g. Long-term obligations

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

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

h. Fund equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Fund Balance: Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- *Non-spendable:* Fund balances are reported as “non-spendable” when amounts cannot be spent because they are either: (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- *Restricted:* Fund balances are reported as “restricted” when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- *Committed:* Fund balances are reported as “committed” when they can be used for only specific purposes pursuant to constraints imposed by formal action of the City Council through the adoption of a resolution. Only the City Council may modify or rescind the commitment.
- *Assigned:* Fund balances are reported as “assigned” when amounts are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed. The City Council has adopted a fund balance policy that has authorized the City Clerk and Treasurer to assign fund balances.
- *Unassigned:* Fund balances are reported as “unassigned” as the residual amount when the balances do not meet any of the above criterion. The City reports positive unassigned fund balances only in the General Fund. Negative unassigned fund balances may be reported in the other funds.

Emergency and Disaster Reserve: The City maintains in the General Fund's unassigned fund balance not less than 10% of the total budgeted operating expenditures of the current fiscal year to be used for Emergency and Disaster Reserve. This balance is needed to prepare for events including, but not limited to revenue declines (whether anticipated or unforeseen), unanticipated expenditures, and/ or unfunded mandates that exceed 5% of the General Fund operating expenditures. If these revenues are utilized for the above purposes, the City should attempt to replenish this reserve as soon as economically feasible. The balance is \$3,463,846 as of September 30, 2015.

Net Position: Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consist of capital assets net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position invested in capital assets, net of related debt excludes unspent debt proceeds. Net positions are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations. All net positions not reported as net position invested in capital assets, net of related debt and restricted net position, are reported as unrestricted net position.

Flow Assumption: The City spends “restricted” amounts first when both restricted and unrestricted fund balances are available, unless there are legal documents or contracts that prohibit doing so. Additionally, the City would first use “committed” fund balance, followed by “assigned” fund balance and then “unassigned” fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

i. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*,

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. The City has the following items that qualify for reporting in this category. One element relates to the offset of the fair market value of the City's swap agreement and the other relates to the City's pension plans, discussed below. As certain swap agreements qualify as effective hedges, the change in the fair market value occurs each year, the liability and the deferred outflow are adjusted.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has the following items, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. One element relates to long term receivable transactions and the other relates to the City's pension plans, discussed below. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from long term receivable transactions and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

Pension Plan Adjustments: These deferred items are recognized and measured in financial statements prepared using the economic resources measurement focus and the accrual basis of accounting. The deferral is for changes in the net pension liability that are not included in pension expense and must be amortized in a systematic and rational manner over a closed period depending on cause beginning with the current period. These causes may include changes of future economic and demographic assumptions or other inputs, differences between expected and actual experience with regard to economic or demographic factors, and differences between projected and actual earnings on pension plan investments.

Employer contributions subsequent to the measurement date of the net pension liability are required to be reported as deferred outflows of resources.

Accounting Estimates

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

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The appropriated budget is the expenditure authority created by the Appropriation Resolution, which is entered into by City Council along with related estimated revenues for all funds.

Each fund's appropriated budget is prepared on a detailed line-item basis. Revenues are budgeted by source. Expenditures are budgeted by fund, by department, and by character (personal services, operating expenditures, capital outlay, debt service, and grants and aid). The legal level of control is the total fund appropriation. Expenditures may not exceed appropriations at this level. All budgetary revisions at this level are subject to final review by Bradenton's City Council. Within the control levels, management may transfer appropriations without formal council approval. Revisions to the budget are made throughout the year.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. Prior to October 1, the City Clerk and Treasurer submits a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them, by fund.
- b. Prior to October 1, public hearings are conducted by the City to obtain taxpayer comments.
- c. Prior to October 1, a budget is legally enacted through passage of a resolution which restricts total expenditures by fund.

Budgets for governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America, on the modified accrual basis. The budgets for proprietary fund operations are adopted on a basis consistent with accounting principles generally accepted in the United States of America except that they exclude depreciation and the results of capitalizing interest income and expense relative to construction projects on tax-exempt borrowings. Separate budgets are also adopted to control payment of revenue bond principal and interest and capital outlay for proprietary funds on a non-GAAP basis. Appropriations lapse at year end. Formal budgetary integration is employed as a management control device during the year for all funds. The presented budgetary information has been amended in a legally permissible manner.

Excess of Expenditures Over Appropriations

For the year ending September 30, 2015, expenditures exceeded appropriations in the Public Safety Fire Protection Impact Fees Fund by \$235. The Public Safety Fire Protection Impact Fees Fund was funded from fund balance reserves.

NOTE C – DEPOSITS AND INVESTMENTS

Deposits

At September 30, 2015, the City's cash-in-bank was fully insured by Federal Depository Insurance and the multiple financial collateral pool required by Sections 280.07 and 280.08, Florida Statutes. Hence, there is no custodial credit risk for the deposits of the City and/or its component units.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

City Pooled Investments

As of September 30, 2015, the City (excluding the police and fire pension funds) had the following investments:

Investment Type	Fair Value	Less than 1 Year	Years 1-5	Years 6-10	Years More Than 10	Average Rating
U.S. Government securities	\$ 4,393,257	842,725	2,687,855	862,677	-	Aaa
FMIvt	7,500,279	7,500,279	-	-	-	AAA/V1-V3
Corporate bonds	24,106,740	5,689,192	15,118,139	2,989,739	309,670	Aaa-/Baa3
Mortgage backed	4,173,688	45,638	176,333	128,015	3,823,702	NR
Collateralized mortgage	4,567,466	-	1,468,871	2,190,512	908,083	Aaa-/Baa
Foreign bonds	82,105	-	48,760	33,345	-	A3 - Ba1
Municipal obligations	94,813	94,813	-	-	-	A3
State investment pool	10,070,712	10,070,712	-	-	-	AAAm
Money market	34,148,109	34,148,109	-	-	-	NR
Total fair value	<u>\$ 89,137,169</u>	<u>58,391,468</u>	<u>19,499,958</u>	<u>6,204,288</u>	<u>5,041,455</u>	

Reconciliation to Financial Statements

Pooled investments, above	\$ 89,137,169
Pooled cash	13,615,639
Nonpooled cash and cash on hand	486,419
	<u>\$ 103,239,227</u>

Statement of Net Position

Cash and investments	\$ 103,239,227
	<u>\$ 103,239,227</u>

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment performance is measured and compared to the Barclay's Aggregate Intermediate Bond Index and ranked against an appropriate peer group of fixed-income managers over rolling three to five-year periods. By mirroring the Barclay's Aggregate Intermediate Bond Index, the portfolio is being measured against a relatively short-term conservative index. The City has no formal interest rate policy. The City uses the weighted average maturity method (WAM) for its FMIvt 0-2 Year High Quality Bond (Modified Duration of 0.62 and WAM of 0.70), the 1-3 Year High Quality Bond (Modified Duration of 1.34 and WAM of 1.37), and the Intermediate HQ Bond Fund (Modified Duration of 3.25 and WAM of 3.60).

Concentration of credit risk is the risk of loss attributable to the quantity of the City's investment in a single issuer. The City investment pools have no concentration of credit risk.

Credit risk results from potential default of investments that are not financially sound.

The City invests funds throughout the year with the Local Government Surplus Funds Trust Fund (SBA), an investment pool administered by the State Board of Administration under regulatory oversight of the State of Florida. Throughout the year and as of September 30, 2015, the SBA contained certain floating and adjustable-rate securities which were indexed based on the prime rate and/or one- and three-month LIBOR rates. The SBA Fund A met the criteria to be "2A-7 Like" as defined in GASB 31 and the City held \$10,070,712 in the SBA at September 30, 2015. Furthermore, the City's investment policy limits its domestic corporate bond issues with an investment grade rating (within top four rating classifications with the lowest rating not below Baa3/BBB- by Moody's or Standard & Poor's), obligations of the United States Government or any agency or instrument thereof and to repurchase agreements fully collateralized by such United States Government obligations, and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

FMIvT investment guidelines state that each fund will seek to maintain a bond fund credit rating from a nationally recognized statistical rating organization of AAA. Funds having an AAA bond fund credit rating are composed of a preponderance of assets that carry the highest credit ratings from a NRSRO. Funds having an AA bond fund credit rating are composed of a large percentage of assets that carry the highest credit rating from a NRSRO. The funds may invest in corporate bonds issued by any corporation in the United States of America with at least an A rating and collateralized mortgage obligations having a rating of AAA. The City invested in the FMIvT 0-2 Year High Quality Bond, the 1-3 Year High Quality Bond, and the Intermediate HQ Bond Fund. At September 30, 2015, Fitch rated the portfolio investments as AAA/V1, AAA/V2, and AAA/V3, respectively.

Rate of return – For the year ended September 30, 2015 the annual money-weighted rate of return on the City’s investments, net of City’s investment expense, was 2.6 percent. The money-weighted rate of return express investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Custodial credit risk investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City investment pool does not hold investments or collateral securities that have a custodial credit risk exposure.

Police Pension Fund

The police pension fund has an established investment policy under which the general investment objective is to obtain a reasonable total rate of return—defined as interest and dividend income plus realized and unrealized capital gains or losses—that is greater than the actuarial interest rate assumption on an annual basis and over rolling three-year periods. Additionally the trustees, in performing their investment duties, shall comply with fiduciary standards set forth in the Employee Retirement Income Security Act of 1974 19 U.S.C. s 1104 (a) (1) (A)-(C).

Investment Type	Fair Value	Less than 1 Year	Years 1-5	Years 6-10	Years More Than 10	Average Rating
U.S. Government securities	\$ 2,950,965	-	1,174,986	1,215,588	560,391	Aaa
Corporate bonds	6,667,887	477,767	2,357,430	690,159	3,142,531	Aaa-/Baa3
Municipal bonds	-	-	-	-	-	
Domestic stock	14,981,843	14,981,843	-	-	-	NR
Convertible preferred stock	1,000,524	1,000,524	-	-	-	NR
Convertible corporate bonds	2,554,077	-	1,189,905	519,879	844,293	A3/Ba1
Municipal bonds	-	-	-	-	-	
Foreign stock	3,316,045	3,316,045	-	-	-	NR
Mutual funds	14,582,523	14,582,523	-	-	-	NR
Mortgage backed	3,059,198	886	253,583	4,164	2,800,565	NR
Collateralized mortgage	5,980,886	-	5,084,922	895,964	-	Aaa-/Baa3
Preferred equity securities	418,561	388,832	29,729	-	-	NR
Master Limited Partnership	2,774,176	2,774,176	-	-	-	NR
Money market/cash	3,130,716	3,130,716	-	-	-	NR
Total fair value	\$ 61,417,401	40,653,312	10,090,555	3,325,754	7,347,780	

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The police pension fund realizes that reasonable consistency of return and protection of assets against the inroads of inflation are paramount. However, the volatility of interest rates and securities markets make it necessary to judge results within the context of several years rather than over short periods of one or two years or less. The police pension fund has no formal interest rate policy.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Concentration of credit risk is the risk of loss attributable to the quantity of the government's investment in a single issuer. The police pension fund has no concentration of credit risk. The investments held by the police pension fund shall be diversified to the extent practical to control the risk of loss resulting from overconcentration of assets in a specific maturity, issuer, instrument, dealer, or bank in which financial instruments are bought and sold.

Credit risk. The fixed income securities are limited to those traded on a recognized national exchange or over-the-counter, and rated within the top four ratings (Standard & Poor's AAA, AA, A, BBB or Moody's Aaa, Aa, A, Baa). However, at least 80% of the fixed income must be rated within the top three ratings.

Rate of return – For the year ended September 30, 2015, the annual money-weighted rate of return on the plan investments, net of the plan's investment expense, was 9.9 percent. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Custodial credit risk–investments is the risk that, in the event of the failure of the counterparty, the police pension fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The police pension fund does not hold investments or collateral securities that have a custodial credit risk exposure.

Other limitations. The police pension fund limits its investments as follows: Not more than 5% of the fund's assets at cost shall be invested in the common stock or capital stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of the company. The REITs that trade on a major exchange shall not exceed 10% of the fund's assets at cost.

Firefighters' Pension Fund

The firefighters' pension fund has an established investment policy under which the primary objective is to earn a total rate of return of a target index. The target index for the Bradenton Firefighters' Pension Fund is defined as a 45% investment in the Russell 3000 Stock Index; a 15% investment in the MSCI World x-US, a 20% investment in the Merrill Lynch Intermediate Domestic Master Bond Index, a 5% investment in the Merrill Lynch Global Broad Market x U.S., a 5% in Merrill Lynch TIPS Index, and a 10% in NCREIF ODCE Index. On a relative basis, it is expected that the total portfolio performance will rank in the top 40th percentile of the appropriate peer universe over three and five-year time periods. On an absolute basis, the objective is that the return of the total portfolio will equal or exceed the actuarial earnings assumption (8%), and provide inflation protection by meeting Consumer Price Index plus 3%.

Other objectives of the firefighters' pension fund are as follows:

Equity Performance – The combined equity portion of the portfolio, defined as common stocks and convertible bonds, is expected to perform at a rate at least equal to the 75% S&P 500 Index, 25% MSCI World x-U.S. Index. Individual components of the equity portfolio will be compared to the specific benchmarks defined in each Investment Manager addendum. All portfolios are expected to rank in the top 40th percentile of the appropriate peer universe over three and five-year time periods. The Equities must adhere to the following guidelines: a) must be traded on a national exchange or electronic network, b) not more than 5% of the Plan's assets, at the time of purchase, shall be invested in the common stock, capital stock or convertible stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of the company, and c) additional criteria may be outlined in the manager's addendum.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Fixed Income Performance – The overall objective of the fixed income portion of the portfolio is to add stability and liquidity to the total portfolio. The fixed income portion of the portfolio is expected to perform at a rate at least equal to the Bank of America Merrill Lynch Capital U.S. Intermediate Domestic Master Bond Index. All portfolios are expected to rank in the top 40th percentile of the appropriate peer universe over three and five-year time periods. The fixed income must adhere to the following guidelines; a) all direct investment in fixed income investments shall have a minimum average categorical rating of “Investment Grade” or higher as reported by a major credit rating service, b) The value of bonds issued by any single corporation shall not exceed 3% of the total fund, and c) Additional criteria may be outlined in the manager’s addendum

Treasury Inflation Protection Securities (TIPS) – The overall objective of the TIPS portfolio is to provide inflation protection while adding stability to the total fund. The TIPS portfolio is expect to approximate the structure and performance of the Bank of America Merrill Lynch TIPS Bond Index.

Alternative (Real Estate) - The overall objective of the alternative portion of the portfolio is to provide an attractive level of income with minimal volatility to the fund. This portion of the fund is expected to provide an absolute rate of return, and as benchmarked to the NCREIF ODCE Index.

The firefighters’ pension plan investment policy further limits risk by: (1) investing in equity securities that do not exceed 70% at market of the fund’s total market value, (2) foreign securities shall not exceed 25% of Plan’s market value, and (3) all securities must be readily marketable.

Investment Type	Fair Value	Less than 1 Year	Years 1-5	Years 6-10	Years More Than 10	Average Rating
Mortgage backed securities	\$ 1,897,526	-	-	-	1,897,526	AA+
Government securities	626,145	-	-	626,145	-	AA+
Corporate bonds	4,589,693	-	-	4,589,693	-	AAA/BBB-
Municipal securities	1,061,452	-	1,061,452	-	-	AA+/BBB
Domestic stocks	24,913,221	24,913,221	-	-	-	NR
Real estate investment trust	6,034,684	6,034,684	-	-	-	NR
International funds	3,378,047	3,378,047	-	-	-	NR
Money market	1,209,903	1,209,903	-	-	-	NR
Total fair value	\$ 43,710,671	35,535,855	1,061,452	5,215,838	1,897,526	

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The objective of the firefighters’ pension fund is to preserve the purchasing power of the fund’s assets and earn a reasonable rate of return (after inflation) over the long term while minimizing the short-term volatility of results. The firefighters’ pension fund has no formal interest rate policy.

Concentration of credit risk is the risk of loss attributable to the quality of the government’s investment in a single issuer. The firefighters’ pension fund has no concentration of credit risk.

Rate of return – For the year ended September 30, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was -0.70 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Credit risk. The firefighters’ pension fund investment guidelines are in accordance with Section 112.661, Florida Statutes.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

The following is the target asset allocation for the entire Bradenton Firefighters' Retirement System (based on the market value of invested assets).

All Cap Value Equity	19%	14% - 24%	Russell 3000 Value
Broad Growth Equity	19%	14% - 24%	Russell 1000 Growth
Core Equity	7%	2% - 12%	S & P 500
International Equity	15%	10% - 20%	MSCI World x U.S.
Investment Grade Bonds	20%	15% - 35%	BoA ML Int. Dmst. Mstr.
Global Bonds*	5%	0% - 7%	BoA ML Global Brd. Mkt. X US
TIPS	5%	2% - 7%	BoA ML TIPS
Real Estate*	10%	0% - 15%	NCREIF ODCE

*Shall default to Investment Grade Bonds, if not funded.

Target Asset Allocations (May 2015 to September 2015)

Asset Class	Target Allocation	Range Allocation	Target Benchmark
Total Domestic Equity			
Domestic Core	18%	10% - 25%	S & P 500
Domestic Value	13.5%	5% - 20%	Russell 3000 Growth
Domestic Growth	13.5%	5% - 20%	Russell 3000 Growth
Total International Equity			
International Equity	15%	10% - 20%	MSCI ACWI ex U.S.
Total Fixed Income			
Domestic Fixed Income	20%	15% - 25%	BoA ML US Dmst. Mstr. 1-10yr
Global Fixed Income	5%	0% - 10%	BoA ML Global Brd. Mkt. Ind.
TIPS	5%	0% - 7%	BoA ML TPS
Real Estate	10%	0% - 15%	NCREIF ODCE

Custodial credit risk—investments is the risk that, in the event of the failure of the counterparty, the firefighters' pension fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The firefighters' pension fund does not believe that it has a custodial risk exposure as all of its securities are insured, registered, and held by an outside custodian.

Other limitations. The firefighters' pension fund investments in Collateralized Mortgage Obligations (CMOs) shall be limited to 15% of the market value of the total fixed income portfolio and shall be restricted to those issues backed by securities issued by the Government National Mortgage Association (GNMA), the Federal Home Loan Mortgage Corporation (FHLMC), or the Federal National Mortgage Association (FNMA). Also, the investments must pass the FFIEC High Risk Security Test on an annual basis. Any security in the portfolio that fails the FFIEC test shall be sold at the earliest beneficial opportunity.

NOTE D – NOTES RECEIVABLE

Manatee Players, Inc.

In August 2013, the City refinanced the loan agreement with Manatee Players, Inc. (a Florida nonprofit corporation) in the amount of \$2,800,000 for the reconstruction of the Manatee Players, Inc.'s theater. Manatee Players, Inc. is to repay the loan, with interest on the principal advanced, at a rate of 3.09% per annum with the

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

first payment of \$47,052.73 due on March 27, 2014 and the final payment due on December 27, 2033. The remaining balance was paid to the City during the year ended September 30, 2015.

In August 2013, the City entered into an agreement with Manatee Players, Inc. to provide a loan of \$450,000 for the purpose of completion of the new theater. Manatee Players, Inc. is to repay the loan, with interest on the principal advanced, at the rate of 2.250% per annum. The first payment of \$60,230.07 is due September 30, 2014 and the final payment being due September 30, 2022. The remaining balance was paid to the City during the year ended September 30, 2015.

Central Community Redevelopment Agency (CCRA)

In March 2010, the City entered into an agreement to provide a \$1,000,000 loan to the Central Community Redevelopment Agency (CCRA) for the purpose of funding the close-out of the Norma Lloyd (24th Street East) Park Project. The CCRA is to repay the loan, with interest on the principal advanced at a rate of 5.00% per annum. The City has the option of adjusting the rate every three years on the anniversary date of the agreement.

The CCRA makes quarterly principal payments of \$16,667 plus interest. All unpaid principal and accrued interest is due and payable at maturity. Maturity shall be fifteen years from the date of closing, or no later than the last date on which the CCRA is statutorily entitled to collect their tax increment financing.

The CCRA debt service requirements to the City of Bradenton are as follows:

Year Ending September 30	Principal	Interest
2016	\$ 66,671	30,415
2017	66,671	27,082
2018	66,671	23,748
2019	66,671	20,415
2020	66,671	17,081
2021-2025	299,959	35,674
Totals	<u>\$ 633,314</u>	<u>154,415</u>

Other

The City has other long-term receivables in the amount of \$2,782,516. These receivables represent amounts owed by individuals in conjunction with the rehabilitation of private property and financing for locally owned businesses.

The total amount of long term receivables discussed above is \$3,415,827 and is included within the governmental activities total accounts receivable balance in the Statement of Net Position as of September 30, 2015.

NOTE E – PROPERTY TAX

Property taxes are levied on November 1 of each year and are payable upon receipt of the Notice of Tax Levy. The Manatee County Tax Collector’s Office bills and collects property taxes on behalf of the City.

The tax rate to finance general governmental services for the fiscal year ended September 30, 2015 was \$5.8976

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

per \$1,000 of assessed taxable property value. Property tax revenues are currently recognized in the fiscal year during which the taxes are levied.

On May 1 of each year, unpaid taxes become a lien on the property. The past-due tax certificates are sold at public auction and the proceeds collected are remitted to the City.

No accrual for the property tax levy becoming due in November 2015 is included in the accompanying financial statements since such taxes do not meet the necessary measurable and available criteria. The City of Bradenton (Manatee County) property tax calendar is as follows:

July 1	Assessment roll validated
September 30	Millage resolution approved
October 1	Beginning of fiscal year for which tax is to be levied
November 1	Tax bills rendered
November 1 – March 31	Property taxes due with various discount rates
April 1	Taxes delinquent
May 31	Tax certificates sold by Manatee County

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City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

NOTE F – CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities					
Capital assets not being depreciated					
Land	\$ 3,589,995	-	-	-	3,589,995
Construction in progress	30,088	484	-	-	30,572
Total capital assets not being depreciated	<u>3,620,083</u>	<u>484</u>	<u>-</u>	<u>-</u>	<u>3,620,567</u>
Other capital assets					
Buildings	38,511,400	13,633	-	-	38,525,033
Other improvements	8,758,952	116,274	-	167,108	9,042,334
Machinery and equipment	15,440,737	926,759	853,468	(93,673)	15,420,355
Infrastructure	25,555,114	-	-	(167,108)	25,388,006
Total other capital assets at historical cost	<u>88,266,203</u>	<u>1,056,666</u>	<u>853,468</u>	<u>(93,673)</u>	<u>88,375,728</u>
Less accumulated depreciation for					
Buildings	11,964,250	1,105,410	-	-	13,069,660
Other improvements	7,309,244	177,863	-	315,923	7,803,030
Machinery and equipment	11,109,907	972,339	853,468	(75,719)	11,153,059
Infrastructure	5,746,367	712,520	-	(315,923)	6,142,964
Total accumulated depreciation	<u>36,129,768</u>	<u>2,968,132</u>	<u>853,468</u>	<u>(75,719)</u>	<u>38,168,713</u>
Governmental activities capital assets	<u>\$ 55,756,518</u>	<u>(1,910,982)</u>	<u>-</u>	<u>(17,954)</u>	<u>53,827,582</u>
	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets not being depreciated					
Land	\$ 6,372,988	-	-	-	6,372,988
Construction in progress	11,083,054	1,928,570	8,293,574	-	4,718,050
Total capital assets not being depreciated	<u>17,456,042</u>	<u>1,928,570</u>	<u>8,293,574</u>	<u>-</u>	<u>11,091,038</u>
Other capital assets					
Buildings	26,909,787	54,156	-	-	26,963,943
Other improvements	129,290,020	60,824	-	2,219,356	131,570,200
Machinery and equipment	16,352,409	2,157,790	1,305,989	(60,535)	17,143,675
Infrastructure	15,578,430	11,394,604	-	(2,219,359)	24,753,675
Total other capital assets at historical cost	<u>188,130,646</u>	<u>13,667,374</u>	<u>1,305,989</u>	<u>(60,538)</u>	<u>200,431,493</u>
Less accumulated depreciation for					
Buildings	12,521,298	493,326	-	-	13,014,624
Other improvements	104,836,444	3,657,760	-	1,936,384	110,430,588
Machinery and equipment	10,341,702	1,327,542	1,249,094	(78,492)	10,341,658
Infrastructure	2,959,491	440,798	-	(1,936,384)	1,463,905
Total accumulated depreciation	<u>130,658,935</u>	<u>5,919,426</u>	<u>1,249,094</u>	<u>(78,492)</u>	<u>135,250,775</u>
Business-type activities capital assets	<u>\$ 74,927,753</u>	<u>9,676,518</u>	<u>8,350,469</u>	<u>17,954</u>	<u>76,271,756</u>

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Depreciation expense was charged to functions as follows:

Governmental activities		
General government	\$	405,458
Public safety		618,321
Transportation		373,411
Community development		7,780
Culture and recreation		1,563,162
Total governmental activities, depreciation expense	\$	<u><u>2,968,132</u></u>
Business-type activities		
Water-sewer utility	\$	5,065,085
Sanitation		572,864
Parking		194,424
Golf course		87,053
Total business-type activities, depreciation expense	\$	<u><u>5,919,426</u></u>

Commitments

Commitments under uncompleted construction projects at September 30, 2015, consist of the following:

	Amounts <u>Authorized</u>	Expended to <u>Date</u>	<u>Committed</u>
Capital project funds			
Sidewalks to Schools	\$ 908,751	30,542	878,209
Enterprise funds			
Meter Replacement program	2,380,566	1,887,097	493,469
Water Replacement Projects	1,066,070	851,086	214,984
Reservoir Expansion	3,605,718	1,405,718	2,200,000
Mods to Reuse System	834,378	77,397	756,981
Sewer Lining Project	500,000	1,462	498,538
SW Facilities Plan and Model	699,707	326,707	373,000
Total	<u><u>\$ 9,995,190</u></u>	<u><u>4,580,009</u></u>	<u><u>5,415,181</u></u>

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

NOTE G – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund advance balances (long term in nature) at September 30, 2015, consisted of:

		Due to:
Due from:		General Fund
	State Housing Initiatives Partnership Program	\$ 152
	Nonmajor governmental	3,744
		\$ 3,896

All advances are from loans made to establish working capital; there are budgeted collections for the subsequent year.

All remaining balances resulted from the time lag between the dates that: (1) interfund goods and services are provided and reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and payments between funds are made.

Interfund transfers for the year ended September 30, 2015, consisted of:

		Advances from:
Advances to:		General Fund
	Nonmajor governmental	\$ 47,243
	Water and Sewer	208,338
	Sanitation	748,412
		\$ 1,003,993

Transfers are used to: (1) move revenues *from* the fund that statute or budget requires to collect them *to* the fund that statute or budget requires to expend them; (2) move receipts restricted to debt service *from* the funds collecting the receipts *to* the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budget authorizations.

NOTE H – LONG-TERM LIABILITIES

Long-Term Liability Activity

Long-term liability activity for the year ended September 30, 2015, is shown on the following page.

Payments on bonds and notes that pertain to the City’s governmental activities are made by the debt service fund. The general fund has been used to liquidate the liability for compensated absences and net OPEB obligation in the governmental activities. The respective fund has been used to liquidate the liability for compensated absences and net OPEB obligation in business-type activities.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

	Beginning Balance	Additions	(Reductions)	Ending Balance	Amounts Due Within One Year	Amounts Due In More Than One Year
Governmental activities						
Notes payable						
Promissory note, franchise fees	\$ 2,456,675	-	(375,438)	2,081,237	395,528	1,685,709
Bonds payable						
Florida Revenue Refunding Bond	1,620,000	-	(185,000)	1,435,000	195,000	1,240,000
Special Obligation Revenue Bond, Series 2007	16,045,000	-	(430,000)	15,615,000	445,000	15,170,000
Special Obligation Revenue Bond, Series 2012	6,953,705	-	(294,847)	6,658,858	303,928	6,354,930
Series 2007 Discount	(203,496)	-	8,848	(194,648)	-	(194,648)
Total bonds payable	<u>24,415,209</u>	<u>-</u>	<u>(900,999)</u>	<u>23,514,210</u>	<u>943,928</u>	<u>22,570,282</u>
Estimated claims payable (internal service funds)	734,717	5,273,121	(4,842,198)	1,165,640	116,564	1,049,076
Swap rate agreement liability	316,222	-	(73,184)	243,038	-	243,038
Net pension liability	21,755,160	18,528,014	(22,284,438)	17,998,736	-	17,998,736
OPEB liability	11,722,396	2,087,033	(1,146,452)	12,662,977	-	12,662,977
Compensated absences	1,305,491	172,791	(209,188)	1,269,094	203,055	1,066,039
Governmental activities long-term liabilities	<u>\$ 62,705,870</u>	<u>26,060,959</u>	<u>(29,831,897)</u>	<u>58,934,932</u>	<u>1,659,075</u>	<u>57,275,857</u>
	Beginning Balance	Additions	(Reductions)	Ending Balance	Amounts Due Within One Year	Amounts Due In More Than One Year
Business-type activities						
Notes payable						
State Revolving Loan, Wastewater	\$ 262,679	-	(14,070)	248,609	15,148	233,461
State Revolving Loan, Stormwater	422,722	-	(23,662)	399,060	24,377	374,683
State Revolving Loan, Stormwater	859,180	-	(36,846)	822,334	37,270	785,064
State Revolving Loan, Stormwater	-	1,298,809	(1,941)	1,296,868	55,845	1,241,023
State Revolving Loan, Stormwater	-	1,087,780	(847)	1,086,933	44,346	1,042,587
State Revolving Loan, Wastewater	5,845,263	-	(266,922)	5,578,341	273,988	5,304,353
State Revolving Loan, Wastewater	364,141	-	(17,176)	346,965	17,567	329,398
Promissory Note, Parking Garage Loan I	3,636,386	-	(291,505)	3,344,881	307,167	3,037,714
Promissory Note, Parking Garage Loan II	787,682	-	(56,816)	730,866	59,013	671,853
Promissory Note, Parking Garage Loan III	1,202,468	-	(84,349)	1,118,119	87,493	1,030,626
Total notes payable	<u>13,380,521</u>	<u>2,386,589</u>	<u>(794,134)</u>	<u>14,972,976</u>	<u>922,214</u>	<u>14,050,762</u>
Capital lease, sweepers	118,393	-	(118,393)	-	-	-
Other liabilities, SRF	2,170,138	216,451	(2,386,589)	-	-	-
Swap rate agreement liability	577,747	21,765	-	599,512	-	599,512
OPEB liability	6,159,492	978,526	(1,200,851)	5,937,167	-	5,937,167
Net pension liability	3,283,707	1,812,480	(171,926)	4,924,261	-	4,924,261
Customer deposits	1,491,841	484,759	(370,053)	1,606,547	-	1,606,547
Compensated absences	429,500	80,151	(112,944)	396,707	111,078	285,629
Governmental activities long-term liabilities	<u>\$ 27,611,339</u>	<u>5,980,721</u>	<u>(5,154,890)</u>	<u>28,437,170</u>	<u>1,033,292</u>	<u>27,403,878</u>

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Description of Debt

	Governmental	Business- type
<p>\$6,113,889 Franchise Fees Promissory Note, Series 2000 was issued for the purpose of financing the construction of the City Centre. The bonds are payable from and secured by a lien on certain franchise fees received by the City. The bond principal is repaid quarterly at \$319,613 with a final payment of \$123,304 due June 1, 2020. The interest rate on the note is 69% of the 30-day LIBOR rate as set at the beginning of each quarter and is payable quarterly. To lower the volatility of its borrowing cost, the original principal amount was swapped to an annual fixed rate of 5.25%. The interest is paid at a variable rate, currently .189%.</p>	\$ 2,081,237	-
<p>\$1,970,000 Florida Refunding Revenue Bond, Series 2012 was issued for the purpose of refinancing the Florida Municipal Loan 2001A. The principal is repaid annually with a final payment on November 1, 2021 of \$215,000. The interest rate is 2.20% and is paid semi-annually on November 1 and May 1. Non-ad valorem revenues are pledged to secure this issue.</p>	1,435,000	-
<p>\$6,000,000 Promissory Note, Judicial Center Parking Garage Loan I was issued for the purpose of financing the cost of construction of the Judicial Center Parking Garage. The principal of the loan is being repaid quarterly with a final payment of \$106,586 due December 16, 2024. The interest rate on the note is 63.702% of the 30 day LIBOR rate plus .62% as set at the beginning of each quarter and is payable quarterly. To lower the volatility of its borrowing cost, the original principal amount was swapped to an annual fixed rate of 3.82%. Interest is paid at a variable rate, currently .79407%. The City, by interlocal agreement, receives funding for the Judicial Center Parking Garage debt from the Manatee County Board of County Commissioners.</p>	-	3,344,881
<p>\$7,500,000 Special Obligation Revenue Bond, Series 2012 was issued for the purpose of financing the cost of capital improvements to the City's sport complex known as McKechnie Field. The principal is paid annually with the final payment of \$2,750,165 due February 1, 2027. The interest rate is 3.080% with semi-annual payments being paid on February 1 and August 1. Tourist development tax revenues and half-cent state sales tax revenues are pledged to secure this issue.</p>	6,658,858	-
<p>\$494,600 Clean Water State Revolving Fund, Wastewater WW68118P was issued to complete pre-construction activities for various identified wastewater projects. The principal is paid in semi-annual payments; final payment of \$11,071 is due March 15, 2029. Interest rate is 3.00%. The principal and interest is secured by net revenues of the water and sewer system.</p>	-	248,609
<p>\$601,860 Clean Water State Revolving Fund, Stormwater SW68117P was issued to complete pre-construction activities for identified stormwater projects. The loan principal is to be repaid in semi-annual payments with a final payment of \$18,083 due September 2029. Interest rate is 3.00%. The principal and interest is secured by net revenues of the water and sewer system.</p>	-	399,060

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

<p>\$6,496,068 Clean Water State Revolving Fund, Wastewater WW410300 was issued to rehab and replace lift stations, force mains, and new gravity sewer (Collection and Transmission) facilities projects. The principal of the loan is being repaid semi-annually with a final payment of \$209,455 due on February 15, 2032. Interest is paid at a rate of 2.63%</p>	5,578,341
<p>\$415,698 Clean Water State Revolving Fund, Wastewater WW410301 was issued as a companion loan to Clean Water State Revolving Fund, Wastewater WW410300. The principal of the loan is being repaid semi-annually with a final payment of \$12,655 due February 15, 2032. Interest is paid at a rate of 2.26%</p>	346,965
<p>\$877,372 Clean Water State Revolving Fund, Stormwater SW410320 was issued as a construction loan to fund Stormwater Management Facilities project, Wares Creek Drainage Improvement. The loan principal is to be repaid in semi-annual payments with a final payment of \$28,586 due February 2033. Interest rate is 2.33%. The principal and interest is secured by net revenues of the water and sewer system.</p>	822,334
<p>\$1,298,809 Clean Water State Revolving Fund, Stormwater SW410330 was issued for construction and demolition of bridges on Wares Creek: 12th Ave West, 14th Ave West, 20th Street West between 12th Ave West and 14th Ave West. The loan principal is to be repaid in semi-annual payments with a final payment of \$39,364 due November 2034. Interest rate is 1.84%. The principal and interest is secured by net revenues of the water and sewer system.</p>	1,296,868
<p>\$1,087,780 Clean Water State Revolving Fund, Stormwater SW410340 was issued for construction and demolition of 17th Ave West Bridge. The loan principal is to be repaid in semi-annual payments with a final payment of \$35,030 due December 2034. Interest rate is 2.39%. The principal and interest is secured by net revenues of the water and sewer system.</p>	1,086,933
<p>\$18,645,000 Special Obligation Revenue Bond was issued to finance the cost of acquisition, construction and equipping of improvements to Pirate City and McKechnie Field for Major League Baseball's Pittsburgh Pirates spring training facilities. The principal is being repaid annually with a final payment of \$1,065,000 due September 1, 2037. Interest rates range from 3.50% to 5.00%. Retained Spring Training Franchise sales tax revenues are pledged to secure this issue.</p>	15,615,000 -
<p>\$1,200,000 Promissory Note, Judicial Center Parking Garage Loan II was issued for the purpose of financing the cost of construction of the Judicial Center Parking Garage. The principal of the loan is being repaid quarterly with a final payment of \$21,549 due December 15, 2025. The interest rate on the note is 63.7% of the 30-day LIBOR rate plus .62% as set at the beginning of each quarter and is payable quarterly. To lower the volatility of its borrowing cost, the original principal amount was swapped to an annual fixed rate of 3.27%. The interest is paid at a variable rate, currently .11725%. The City, by interlocal agreement, receives funding for the Judicial Center Parking Garage debt from the Manatee County Board of County Commissioners. Franchise fees are pledged to secure this issue.</p>	- 730,866

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

	<u>Governmental</u>	<u>Business- Type</u>
\$1,800,000 Promissory Note , Judicial Center Parking Garage Loan III was issued for the purpose of financing the cost of construction of the Judicial Center Parking Garage. The principal of the loan is being repaid quarterly with a final payment of \$32,335 due February 14, 2026. The interest rate on the note is 63.7% of the 30-day LIBOR rate plus .62% as set at the beginning of each quarter and is payable quarterly. To lower the volatility of its borrowing cost, the original principal amount was swapped to an annual fixed rate of 3.28%. The interest is paid at a variable rate, currently .12169%. The City, by interlocal agreement, receives funding for the Judicial Center Parking Garage debt from the Manatee County Board of County Commissioners. Franchise fees are pledged to secure this issue.	-	1,118,119
Total bonds and notes	\$ 25,790,095	14,972,976

Debt Maturity

Debt service requirements at September 30, 2015, were as follows:

Governmental Activities, Revenue Bonds and Notes

Year Ended September 30	Revenue Bonds		Promissory Notes	
	Principal	Interest	Principal	Interest
2016	\$ 943,928	897,213	395,528	102,967
2017	973,289	859,023	417,302	81,484
2018	1,007,938	826,280	439,962	58,826
2019	1,042,885	792,326	463,853	34,938
2020	1,078,137	757,150	364,592	9,749
2021 – 2025	5,275,879	3,228,707	--	--
2026 – 2030	6,811,802	2,039,272	--	--
2031 – 2035	4,490,000	1,058,631	--	--
2036– 2037	2,085,000	137,814	--	--
Total	\$ 23,708,858	10,596,416	2,081,237	287,964

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Business-type Activities, Notes Payable

Year Ended September 30	Notes Payable	
	Principal	Interest
2016	\$ 922,214	397,265
2017	911,914	369,277
2018	941,219	340,908
2019	971,937	311,232
2020	1,003,388	280,812
2021 – 2025	5,204,497	911,309
2026 – 2030	2,890,453	325,403
2031-2035	2,127,354	37,356
Total	\$ 14,972,976	2,973,562

Other Long-Term Debt Information

Conduit Debt:

From time to time, the City issues revenue bonds to provide financial assistance to private-sector entities or other third parties for the acquisition and construction of industrial and commercial facilities. The bonds are secured by the property financed and are payable solely from payments received on the underlying loans and agreements. The City is not obligated in any manner for repayment of the bonds as discussed above. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of September 30, 2015, there were seven Industrial Revenue Bonds outstanding with an aggregate principal amount payable of \$11,580,185.

Interest Rate Swaps

The City has entered into four interest rate swap agreements to reduce the economic risks associated with variability in cash outflows for interest on notes as discussed above. The *terms* and *objectives* of the interest rate swaps are as noted in the description of debt above.

Fair Value: Because interest rates declined since execution of the swaps, the swaps had a negative fair value of \$842,550, as of September 30, 2015. The fair value was estimated using the zero coupon method, calculating the future net settlement payments required by the swap assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero coupon bonds due on the date of each future net settlement on the swap.

Credit Risk: As of September 30, 2015, the City was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swaps become positive, the City would be exposed to credit risk in the amount of the derivative's fair value.

Basis Risk: The swap does not expose the City to basis risk. The interest rate on the notes and swap are the same.

Termination Risk: The City, or the counterparty, may terminate the swap if the other party fails to perform under the terms of the contract. If at the time of termination the swap has a negative fair value, the City would be liable to the counterparty for a payment equal to the swap's fair value.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

NOTE I – EMPLOYEE RETIREMENT SYSTEMS

City-Retirement Plans

The City has two pension funds – Firefighters’ Pension Fund and Police Officers’ Pension Fund. The Firefighters’ Pension Fund and Police Officers’ Pension Fund are single-employer, defined benefit pension plans for the fire and police departments. Each plan’s financial statements are prepared using the accrual basis of accounting. The preparations of the financial statements of all plans conform to the provisions of GASB Statements No. 67 and 68. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City’s pension funds -- Firefighters and Police Officers’ Pension Trust Fund and additions to/deductions from the fiduciary net position of each plan have been determined on the same basis as they are reported by the City. Benefits and refunds of both plans are recognized using the completed transaction method. The City’s plans are treated as fiduciary funds in the financial section of the financial statements. Employer and plan member contributions are recognized in the period that contributions are due. Investments are reported at fair value. Separate audited financial statements are issued for the Firefighters’ Pension Fund. This report may be obtained from the City of Bradenton City Clerk & Treasurer’s Office. No separate audited financial statements is issued for the Police Officers’ Pension Fund.

All other employees participate in the Florida State Retirement System, a multiple-employer, cost-sharing public employee pension plan discussed further in this note.

Firefighters’ Pension Plan

Plan Description

The City’s Firefighters’ Retirement System (the “Plan”), a defined benefit single-employer public employee retirement plan, is administered in accordance with City of Bradenton Ordinance No. 2910 as approved January 27, 2010, along with subsequent amendments. The plan is subject to the provisions of Chapters 112 and 175 of the Florida Statutes. Each person employed by the City’s Fire Department as a full-time Firefighter becomes a member of the Plan as a condition of their employment. All Firefighters are therefore eligible for all plan benefits as provided for in the plan document and by applicable law.

Plan Administration

The Plan is a single-employer defined benefit pension plan administered by the Plan’s Board of Trustees comprised of: Two City residents appointed by the City Council, two Firefighters elected by majority of covered Members, and a fifth Member elected by other four and appointed by City Council (as a ministerial duty).

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Plan Membership

At September 30, 2015, membership consisted of:

	2015
Retirees, disabled participants and beneficiaries	
Currently receiving benefits	61
Members in DROP	1
Current employees	
Vested	42
Terminated vested	2
Non-vested	23
Total	129

Benefits Provided

The plan covers permanent and probationary City employees who are classified as uniform fire personnel. Any participant who has creditable service of ten years and has attained age 55, or has creditable service of 25 years is eligible for normal retirement. Such a retiree would receive a normal retirement benefit of 3% of average final compensation (average of the employee’s salary for the two best years of the last ten years of credited service, or the career average, whichever is greater) multiplied by years of credited service.

Any participant who has creditable service of ten years and has attained age 50, or has creditable service of 20 years, is eligible for early retirement and may elect a deferred or immediate benefit. A deferred benefit is calculated and commences in accordance with the normal retirement formula except that credited service and average final compensation are determined as of the early retirement date. An immediate benefit commences on the early retirement date and is determined in accordance with an actuarially adjusted early retirement formula.

The plan provides for pre-retirement death benefits for both vested and non-vested members. If a member was vested, the beneficiary may elect to receive a refund of the member’s accumulated benefits or a computed benefit payable over ten years. The beneficiary can make an election to receive a ten-year benefit immediately, or at the retiree’s scheduled early or normal retirement date. The ten-year benefit is calculated as for normal retirement based on the deceased member’s credited service and average final compensation as of the date of death and reduced as for early retirement, if applicable. The beneficiary of a deceased non-vested member shall receive a refund of the member’s accumulated contributions.

Effective October 1, 1999, an annual 3% cost-of-living adjustment is added to normal and early retirement benefits and pre-retirement death benefits effective every October 1 following the date the retiree attains, or would have attained, age 64. The monthly benefit for every retiree, or their beneficiary, who was receiving a normal, early or disability retirement benefit or pre-retirement benefit or pre-retirement death benefit on or before October 1, 1999, is increased by \$10 for each year of full retirement up to a maximum of \$100.

The plan provides disability benefits for both duty-related and non-duty-related disabilities. Disability caused by performance of duties is computed at 3% of average final compensation multiplied by years of credited service. Duty-related disability benefits cannot be less than 42% of the average final compensation of the member. Every plan participant with ten years or more of credited service is eligible to receive non-line-of-duty disability benefits. A non-line-of-duty disability is computed at 2% of the average final compensation multiplied by the total years of credited service. Non-line-of-duty disability benefits cannot be less than 25% of the average final compensation of the member.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Deferred Retirement Option Program (DROP)

Satisfaction of Normal Retirement requirements (earlier of 1) age 55 and 10 years of service, or 2) 25 years of service, regardless of age). Participation up to 60 months. At the election of the Member, the account is credited with either: 1) the actual net rate of investment return (total return net of brokerage commissions and transactions costs), or 2) 6.5% per year. The income is credited each fiscal quarter and the Member may change the method of crediting income once during the DROP period. The DROP balance as of September 30, 2015 is \$795,638.

Contributions

As a condition of participation, firefighters' are required to contribute to the Plan. The percentage increased effective April 15, 2013, from 8% to 10% currently of their earnings. If an employee separates from service before achieving ten years of credited service, the employee may either request a refund of their accumulated contribution or they may leave it deposited with the plan. If an employee has more than ten years of credited service upon termination, the member, upon reaching normal retirement, is entitled to a monthly retirement benefit equal to 3% of their average final compensation multiplied by years of credited service, provided the member does not elect to withdraw their accumulated contributions and they survive to the normal retirement date.

Other contributions are received from the State of Florida and the City. The State of Florida contribution results from the City's share of insurance tax. The City contributes an amount to make the fund actuarially sound, but not less than 8% of payroll.

The City/State actuarially determined required contribution rate for the years ended September 30, 2015 and 2014 were approximately \$2,651,436 and \$2,786,086, respectively.

Investments

The investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Investments that do not have an established market are reported at estimated fair value.

The plan did not hold investments in any one organization that represents 5 percent or more of the Pension Plan's fiduciary net position.

For the year ended September 30, 2015, the annual money-weighted rate of return on Pension Plan investments, net of Pension Plan investment expense, was -0.70 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

The following was the Firefighters' Pension Fund's adopted asset allocation policy as of September 30, 2015.

Asset Class	Target Allocation
All Cap Value Equity	13.5%
Broad Growth Equity	13.5%
Core Equity	18.0%
International Equity	15.0%
Domestic Fixed Income	20.0%
Global Fixed Income	5.0%
TIPS	5.0%
Real Estate	10.0%
Total	100.0%

Net Pension Liability

The measurement date is September 30, 2014. The measurement period for the pension expense was October 1, 2013 to September 30, 2014. The reporting period is October 1, 2014 through September 30, 2015.

The net pension liability was measured as of September 30, 2014. The total pension liability used to calculate the net pension liability was determined as of that date.

The total pension liability, net pension liability, and certain sensitivity information shown in this report are based on an actuarial valuation performed as of October 1, 2014. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ending September 30, 2015 using generally accepted actuarial principles.

Actuarial Assumptions

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2014 updated to September 30, 2015 using the following actuarial assumptions:

Inflation	3.0%
Salary increases	7.5%
Discount rate	8.0%
Investment rate of return	8.0%

Mortality Rate: RP 2000 Combined Healthy Mortality Table, Sex Distinct. Disabled lives are set forward 5 years.

Long-Term Expected Rate of Return

The pension plan investments were determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
All Cap Value Equity	7.5%
Broad Growth Equity	7.5%
Core Equity	7.5%
International Equity	8.5%
Domestic Fixed Income	2.5%
Global Fixed Income	3.5%
TIPS	2.5%
Real Estate	4.5%

Discount Rate

The discount rate used to measure the total pension liability was 8.00 percent. The projection of cash flows used to determine the Discount Rate assumed that Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate. Based on those assumptions, the Pension 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.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Changes in the Net Pension Liability

The following table shows the changes in the Net Pension Liability based on the actuarial information provided to the Firefighters' Pension Fund.

GASB Statement No. 68 Disclosures for Fiscal Year Ending September 30, 2015.

	Changes In Net Pension Liability		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at September 30, 2014	<u>\$47,477,401</u>	<u>\$ 38,415,155</u>	<u>\$ 9,062,246</u>
Changes for the year:			
Service cost	1,117,928	-	1,117,928
Interest	3,795,804	-	3,795,804
Contributions—employer	-	2,164,348	(2,164,348)
Contributions subsequent to plan year	-	452,334	(452,334)
Contributions—employee	-	373,904	(373,904)
Net investment income	-	4,989,801	(4,989,801)
Benefit payments, including refunds of employee contributions	(2,295,560)	(2,295,560)	-
Administrative expense	-	(57,326)	57,326
Net changes	<u>2,618,172</u>	<u>5,627,501</u>	<u>(3,009,329)</u>
Balances at September 30, 2015	<u><u>\$50,095,573</u></u>	<u><u>\$ 44,042,656</u></u>	<u><u>\$ 6,052,917</u></u>

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 8%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7 percent) or 1-percentage-point higher (9 percent) than the current rate.

	Current Discount		
	1% Decrease	Rate	1% Increase
	7%	8%	9%
City's Net Pension Liability	\$ 11,738,916	\$ 6,052,917	\$ 1,292,285

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Pension Expense Under GASB Statement No. 68

For the year ended September 30, 2015, the City recognized pension expense of \$1,145,702.

Deferred Outflows and Inflows of Resources

On September 30, 2015 the Sponsor reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	1,520,483
City and State contributions subsequent to the measurement date	2,688,672	-
	<u>\$ 2,688,672</u>	<u>1,520,483</u>

Future Years' Recognition of Deferred Outflows/Inflows

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer and State contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended September 30, 2015.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30	
2016	\$ (380,120)
2017	(380,121)
2018	(380,121)
2019	(380,121)
2020	-
Thereafter	-
Total	<u><u>\$(1,520,483)</u></u>

Police Officers' Pension Plan

Plan Description

The City's Police Officers' Pension Plan (the "plan"), a defined benefit single-employer public employee retirement plan, was established under the Code of Ordinances for the City of Bradenton, Florida, Subpart B, Article IV, and was most recently amended under Ordinance No. 2963 (adopted May 28, 2014). The Plan is

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

also governed by certain provisions of Chapter 185, Florida Statutes, Part VII, Chapter 112, Florida Statutes and the Internal Revenue Code.

The Plan does not issue a stand-alone financial report and is included within the City's Comprehensive Annual Financial Report.

Plan Administration

The Plan is a single-employer defined benefit pension plan administered by the Plan's Board of Trustees comprised of: Two City residents appointed by the City Council, two Police Officers elected by majority of covered Members, and a fifth Member elected by other four and appointed by City Council (as a ministerial duty).

Plan Membership

The following table summarizes the membership of the Police Officers' Pension Fund as of the latest measurement date:

Active	116
Retirees, beneficiaries and DROP	63
Disability retirees	15
Terminated vested members	1
Total Members	195

Benefits Provided

The plan covers each person employed by the City of Bradenton Police Department as a full-time Police Officer as a condition of his/her employment. All Police Officers are eligible for all plan benefits as provided for in the plan document and by applicable law. Notwithstanding, the Police Chief may, within the first three months of employment as Police Chief, elect in writing to not be a member of the System.

Effective June 1, 2013 the plan had two tiers of retirement benefits. Anyone hired prior to June 1, 2013 would be in Tier 1 with eligibility for retirement upon the earlier of the attainment of age 45 and the completion of 20 years of credited service, or the attainment of age 55 and the completion of 10 years of credited service. Such retiree would receive a normal retirement based on credited service and average final compensation. "Average Final Compensation" (AFC) is 1/12 of the average salary of the two best years if 20 or more years of credit service (the period used to determine the average final compensation is changed to three years for the employees who are not vested as of January 31, 2014), three best years if less than 20 years of credited service, but at least 10 years of credited service or five best years if 5 or more years of credited service, but less than 10 years. The normal retirement is calculated by multiplying 3% time years of service of credited service times average final compensation plus \$10.00 for each year of credited service if the retiree retires with 20 or more years of credited service. Effective after June 30, 2013, pensionable earnings excludes payments for overtime in excess of 300 hours per calendar year. Also, effective February 1, 2014, the definition of pensionable earnings is changed to exclude pay from "contracted special details." The maximum payout amount of unused sick and vacation leave that is included in pensionable earnings is the member's balance as of June 30, 2013. The balance as of June 30, 2013 is calculated as the member's current hourly rate times the current unused vacation leave hours plus half of the current unused sick leave hours.

Members who are hired on or after June 1, 2013 will be a participant in Tier 2. Theses members are eligible for normal retirement with the earlier of the attainment of age 50 and the completion of 25 years of credited

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

service, or the attainment of age 55 with 10 years of service. The averaging period used to determine average final compensation is five years. The benefit multiplier is reduced from 3% to 2.5% per year of service and the annual cost of living adjustment is delayed until age 55 and ends at age 65. For eligible members who retire on or after February 1, 2014, the annual cost of living adjustment stops at the age of 65.

The plan provides for pre-retirement death benefits for both vested and non-vested members. If a member loses their life directly in the performance of duties as a Police Officer, his/her spouse, if any, shall receive and be paid as a monthly benefit a sum equal to 3% of average final compensation, multiplied by total years of credit service, but in any event, the minimum amount paid shall be 60% of average final compensation, with such pension to be paid for the remainder of the spouse's natural life, and the Fund shall pay in addition thereto the sum of \$20.00 per month for each eligible child. The pension benefit offered by this subsection shall be in lieu of any other benefits provided by the system.

Deferred Retirement Option Program (DROP)

When an employee becomes eligible for normal retirement, and is still employed by the City as a Police Officer, has the option of "retiring" from the pension plan but continuing his/her employment as a Police Officer for up to an additional five years. An election to participate in the DROP shall constitute an irrevocable election to resign from the service of the City not later than 5 years from the commencement of DROP participation. The employee must request, in writing, to enter the DROP within 12 months following the date on which the employee first becomes eligible for normal retirement. Upon entering the DROP, the employee's retirement benefit is immediately calculated and each monthly benefit payment is deposited into a DROP account. The account is credited with interest at the rate of 6.5% per annum. The DROP balance as of September 30, 2015 is \$604,193.

Contributions

As stated each person employed by the City of Bradenton Police Department as a full-time Police Officer must contribute into the pension plan except for the Police Chief if he/she chose to opt out of the plan. The member contribution rates increased from 6% of pay to 7.5% beginning the first full pay period after the effective date of Ordinance No. 2963 and to 9% effective the first full pay period in October 2014. A start/restart is implemented based on the following; 1) the pension benefits are reduced to the Chapter 185 minimums and then immediately restored to the level in place prior to the reduction, such that there is not reductions in the benefits for any members, 2) the difference in cost between the current plan and the Chapter 185 plan is added to the base State contribution from 1998 resulting in a new adjusted base amount, and 3) as agreed in the collective bargaining agreement, the accumulated excess premium tax monies on October 1, 2013 will be used in its entirety to reduce the City's annual required pension contribution as a one-time offset.

If an employee separates from service before achieving ten years of credited service, the employee may either request a refund of the accumulated contribution or they may leave it deposited with the plan for up to five years.

Other contributions are received from the State of Florida and the City. The State of Florida contribution results from the City's share of insurance tax. The City contributes an amount to make the fund actuarially sound, but not less than 8% of payroll.

The City/State actuarially determined required contributions for the years ended September 30, 2015 and 2014 were approximately \$2,024,461 and \$2,454,885, respectively.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Investments (Pension Plan Reporting)

The investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. Investments that do not have an established market are reported at estimated fair value.

Rate of Return (Pension Plan Reporting)

The investment return rate assumed in the valuation is 8% per year, compounded annually (net after investment expenses).

The Wage Inflation Rate assumed in this valuation was 3% per year. The Wage Inflation Rate is defined to be the portion of total pay increases for an individual that are due to macro-economic forces including productivity, price inflation, and labor market conditions. The wage inflation rate does not include pay changes related to individual merit and seniority effects.

The assumed real rate of return over wage inflation is defined to be the portion of total investment return that is more than the assumed wage inflation rate. Considering other economic assumptions, the 8% investment return rate translates to an assumed real rate of return over wage inflation of 5%.

Reserves (Pension Plan Reporting)

The City's contribution requirement for fiscal year 2015 was offset by \$777,455 in State Contribution Reserve.

Net Pension Liability (Pension Plan Reporting)

The components of the net pension liability under GASB No. 67 of the City as of September 30, 2015, roll forward from the actuarial valuation date of October 1, 2015, were as follows:

Total Pension Liability	\$ 76,356,169
Plan Fiduciary Net Position	<u>(61,173,337)</u>
City's Net Pension Liability	<u><u>\$ 15,182,832</u></u>
Plan Fiduciary Net Positions as a percentage of Total Pension Liability	<u>80.12%</u>

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Actuarial Methods and Assumptions (Pension Plan Reporting)

Valuation Date	October 1, 2013
Measurement Date	September 30, 2014
Plan Year	October 1 - September 30
Actuarial Cost Method	Entry Age Normal
Inflation	3.0%
Salary Increases	6.7% to 91% depending on service, including inflation
Asset Valuation Method	5-year smoothed market
Investment Rate of Return	8.0%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	1983 Group Annuity Mortality Tables for males and females
Cost of Living Increases	2% per year (based on maximum possible COLA)

Long-Term Expected Rate of Return (Pension Plan Reporting)

The assumed real rate of return over wage inflation is defined to be portion of total investment return that is more than the assumed wage inflation rate. Considering other economic assumptions, the 8% investment return rate translates to an assumed real rate of return over wage inflation of 5%.

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic Equity	11.1%
International Equity	6.4%
Bonds	7.6%
High Yield Bonds	9.5%
TIPS	6.2%
Convertibles	9.5%
REITS	9.7%
Real Estate	7.1%
MLPs	16.9%

Discount Rate (Pension Plan Reporting)

The discount rate of 8% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 8%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these 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.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Changes in the Net Pension Liability (Pension Plan Reporting)

The following table shows the changes in the Net Pension Liability based on the actuarial information provided to the Police Officers' Pension Fund.

GASB Statement No. 67 Disclosures for Fiscal Year Ending September 30, 2015.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at September 30, 2014	\$72,009,291	\$ 64,304,038	\$ 7,705,253
Changes for the year:			
Service cost	1,704,870	-	1,704,870
Interest	5,769,530	-	5,769,530
Differences between expected and actual experience	(1,591,541)	-	(1,591,541)
Assumption Changes	2,431,535	-	2,431,535
Contributions—employer	-	947,023	(947,023)
Contributions—employer (from State)*	-	1,216,355	(1,216,355)
Contributions—member (including buyback contributions)	-	613,398	(613,398)
Net investment income	-	(1,862,850)	1,862,850
Benefit payments, including refunds of employee contributions	(3,190,061)	(3,190,061)	-
Administrative expense	-	(77,111)	77,111
Other (Use of State Contribution Reserve)	(777,455)	(777,455)	-
Net changes	4,346,878	(3,130,701)	7,477,579
Balances at September 30, 2015	\$76,356,169	\$ 61,173,337	\$ 15,182,832

*\$777,455 in State Contribution Reserve was used to offset the City's contribution requirement for fiscal year 2015 as per the collective bargaining agreement.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Sensitivity of the Net Pension Liability to Changes in the Discount Rate (Pension Plan Reporting)

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 8%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower (7%) or 1-percentage-point higher (9%) than the current rate:

	1% Decrease 7%	Current Discount Rate 8%	1% Increase 9%
City's Net Pension Liability	\$ 25,745,839	\$ 15,182,832	\$ 6,615,149

Net Pension Liability (Employer Reporting)

The net pension liability of the retirement system recorded in the City's Financial Statements for the Police Officers' Pension Fund as of September 30, 2015 is based on an actuarial valuation and measurement date of September 30, 2014 rolled forward to September 30, 2015.

The following table illustrates the Net Pension Liability under GASB 68, which is effective for September 30, 2015 fiscal year and later:

	Transition September 30, 2014	Fiscal Year Ending September 30, 2015
Total Pension Liability	\$ 68,236,658	72,009,291
Plan Fiduciary Net Position	(58,371,536)	(64,304,038)
City's Net Pension Liability	\$ 9,865,122	7,705,253

Plan Fiduciary Net Positions as a percentage of Total Pension Liability 89.30%

The actuarial assumptions, long-term expected rate of return on pension plan investments, and the discount rate used to measure the total pension liability are the same as those used for the pension plan reporting discussed earlier in this note.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Changes in the Net Pension Liability (Employer Reporting)

Shown below are details regarding the Total Pension Liability, Plan Fiduciary Net Position, and Net Pension Liability for the Measurement Period for the year ended September 30, 2014:

	Changes In Net Pension Liability		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at September 30, 2014	\$68,236,658	\$ 58,371,536	\$ 9,865,122
Changes for the year:			
Service cost	1,743,824	-	1,743,824
Interest	5,401,904	-	5,401,904
Differences between expected and actual experience	(14,634)	-	(14,634)
Contributions—employer	-	2,083,762	(2,083,762)
Contributions—employer (from State)	-	409,016	(409,016)
Contributions—member (including buyback contributions)	-	445,907	(445,907)
Net investment income	-	6,415,819	(6,415,819)
Benefit payments, including refunds of employee contributions	(3,358,461)	(3,358,461)	-
Administrative expense	-	(63,541)	63,541
Net changes	3,772,633	5,932,502	(2,159,869)
Balances at September 30, 2015	\$72,009,291	\$ 64,304,038	\$ 7,705,253

Sensitivity of the Net Pension Liability to Changes in the Discount Rate (Employer Reporting)

The following table illustrates the net pension liability of the City, calculated using the discount rate of 8.00 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (7.00 percent) or 1-percentage point higher (9.00 percent) than the current rate:

	1% Decrease 7%	Current Rate 8%	1% Increase 9%
Total Pension Liability	\$ 84,131,434	\$ 72,009,291	\$ 65,569,660
Plan Fiduciary Net Position	(64,304,038)	(64,304,038)	(64,304,038)
City's Net Pension Liability	\$ 19,827,396	\$ 7,705,253	\$ 1,265,622

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Pension Expense and Deferred Outflows/Inflows of Resources Under GASB Statement No. 68

For the year ended September 30, 2015, the City recognized pension expense of \$1,756,772. The following table illustrates the Deferred Inflows and Outflows at the end of fiscal year under GASB Statement No. 68:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	11,520
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	1,412,343
City and State contributions subsequent to the measurement date	1,385,923	-
	\$ 1,385,923	1,423,863

Future Years' Recognition of Deferred Outflows/Inflows

The outcome of the Deferred Outflows of resources related to pensions resulting from Employer and State contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended September 30, 2015.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30	
2016	\$ (356,200)
2017	(356,200)
2018	(356,200)
2019	(355,263)
2020	-
Thereafter	-
Total	\$(1,423,863)

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

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

	Pension Trust Funds		Totals
	Firefighters' Pension Fund	Police Officers' Pension Fund	
	<u> </u>	<u> </u>	
Assets			
Due from city	\$ 84,006	-	84,006
Due from plan members	15,136	-	15,136
Due from brokers	-	616,853	616,853
Interest receivable	73,708	119,876	193,584
Prepaid item	-	636	636
Investments, at fair value			
U.S. Government obligations	1,897,526	2,950,963	4,848,489
Domestic corporate bonds	4,589,693	6,667,887	11,257,580
Convertible preferred stock	-	1,000,524	1,000,524
Convertible bonds	3,378,047	2,554,077	5,932,124
Foreign stock	-	3,316,045	3,316,045
Municipal obligations	1,061,452	-	1,061,452
Domestic stocks	24,913,221	14,981,843	39,895,064
Master limited partnerships	-	2,774,176	2,774,176
Mortgage backed	626,145	3,059,199	3,685,344
Collateralized mortgage backed	-	5,980,886	5,980,886
Preferred equity securities	-	418,561	418,561
Mutual funds	-	14,582,523	14,582,523
Real estate investment trust	6,034,684	-	6,034,684
Money market	1,209,903	3,130,717	4,340,620
	<u>43,710,671</u>	<u>61,417,401</u>	<u>105,128,072</u>
Total investments			
	<u>43,883,521</u>	<u>62,154,766</u>	<u>106,038,287</u>
Total assets			
Liabilities			
Accounts payable	26,820	56,750	83,570
Benefits payable	539,988	-	539,988
Due to brokers	-	924,679	924,679
	<u>566,808</u>	<u>981,429</u>	<u>1,548,237</u>
Total liabilities			
Net Position			
Restricted for pension benefits	<u>\$ 43,316,713</u>	<u>61,173,337</u>	<u>104,490,050</u>

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

For the Fiscal Year Ended September 30, 2015

	Pension Trust Funds		Totals
	Firefighters' Pension Fund	Police Officers' Pension Fund	
	Fund	Fund	
Additions			
Contributions			
Employer	\$ 2,240,745	947,023	3,187,768
Plan members	404,002	594,132	998,134
Repayment of pension benefits	-	19,266	19,266
State of Florida (from City's General Fund)	447,927	438,900	886,827
Total contributions	<u>3,092,674</u>	<u>1,999,321</u>	<u>5,091,995</u>
Investment earnings			
Interest and dividends	1,204,797	1,681,276	2,886,073
Miscellaneous/settlement income	14,515	407	14,922
Net (decrease) increase in the fair value of investments	<u>(1,263,209)</u>	<u>(3,229,601)</u>	<u>(4,492,810)</u>
Total investment earnings	(43,897)	(1,547,918)	(1,591,815)
Less investment expenses	234,124	314,931	549,055
Net investment earnings	<u>(278,021)</u>	<u>(1,862,849)</u>	<u>(2,140,870)</u>
Total additions, net	<u>2,814,653</u>	<u>136,472</u>	<u>2,951,125</u>
Deductions			
Benefits	3,440,070	2,914,608	6,354,678
Refunds of contributions	-	155,427	155,427
DROP plan payments	-	120,026	120,026
Administrative expenses	100,526	77,111	177,637
Total deductions	<u>3,540,596</u>	<u>3,267,172</u>	<u>6,807,768</u>
Change in net position	(725,943)	(3,130,700)	(3,856,643)
Net position, beginning	<u>44,042,656</u>	<u>64,304,037</u>	<u>108,346,693</u>
Net position, ending	<u>\$ 43,316,713</u>	<u>61,173,337</u>	<u>104,490,050</u>

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Other Employees' Pension Plans

Florida Retirement System

General Information - All of the City's non-public safety employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site:

www.dms.myflorida.com/workforce_operations/retirement/publications.

Pension Plan

Plan Description – The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") for eligible employees.

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers' class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015, respectively, were as follows: Regular—7.37% and 7.26%; Special Risk Administrative Support—42.07% and 32.95%; Special Risk—19.82% and 22.04%; Senior Management Service—21.14% and 21.43%; Elected Officers'—43.24% and 42.27%; and DROP participants—12.28% and 18.75%. These employer contribution rates include 1.20% and 1.26% HIS Plan subsidy for the periods October 1, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015, respectively.

The City's contributions, including employee contributions, to the Pension Plan totaled \$921,072 for the fiscal year ended September 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2015, the City reported a liability of \$4,879,603 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The City's proportionate share of the net pension liability was based on the City's 2014-15 fiscal year contributions relative to the 2013-14 fiscal year contributions of all participating members. At June 30, 2015, the City's proportionate share was .037778521%, which was an increase of .001157271% from its proportionate share measured as of June 30, 2014.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

For the fiscal year ended September 30, 2015, the City recognized pension expense of \$461,452. In addition the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 515,142	115,729
Changes of assumptions	323,876	-
Net difference between projected and actual earnings on pension plan investments	1,716,407	2,881,575
Changes in proportion and differences between City Pension Plan contributions and proportionate share of contributions	512,785	-
City Pension Plan contributions subsequent to the measurement date	228,178	-
	<u>\$ 3,296,388</u>	<u>2,997,304</u>

The deferred outflows of resources related to the Pension Plan, totaling \$228,178 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Year Ended September 30	Amount
2016	\$ (273,426)
2017	(273,426)
2018	(273,426)
2019	687,873
2020	165,554
Thereafter	37,757
	<u>\$ 70,906</u>

Actuarial Assumptions – The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Investment rate of return	7.65%, net of pension plan investment expense, including inflation
Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.	

The actuarial assumptions used in the July 1, 2015, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	3.11%	3.10%	1.65%
Intermediate-Term Bonds	18.00%	4.18%	4.05%	5.15%
High Yield Bonds	3.00%	6.79%	6.25%	10.95%
Broad US Equities	26.50%	8.51%	6.95%	18.90%
Developed Foreign Entities	21.20%	8.66%	6.85%	20.40%
Emerging Market Equities	5.30%	11.58%	7.60%	31.15%
Private Equity	6.00%	11.80%	8.11%	30.00%
Hedge Funds/Absolute Return	7.00%	5.81%	5.35%	10.00%
Real Estate (Property)	12.00%	7.11%	6.35%	13.00%
Total	100.00%			
Assumed Inflation - Mean		2.60%		2.00%

(1) As outlined in the Pension Plan's investment policy

Discount Rate - The discount rate used to measure the total pension liability was 7.65%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 7.65%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.65%) or one percentage point higher (8.65%) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
City's proportionate share of net pension liability	\$ 12,644,154	4,879,603	(1,581,779)

Pension Plan Fiduciary Net Position - Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan - At September 30, 2015, the City reported a payable in the amount of \$168,870 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2015.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

HIS Plan

Plan Description – The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided – For the fiscal year ended September 30, 2015, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2015, the HIS contribution for the period October 1, 2014 through June 30, 2015 and from July 1, 2015 through September 30, 2015 was 1.20% and 1.26%, respectively. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contribution are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The City's contributions to the HIS Plan totaled \$160,621 for the fiscal year ended September 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2015, the City reported a liability of \$4,285,224 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The City's proportionate share of the net pension liability was based on the City's 2014-15 fiscal year contributions relative to the 2013-14 fiscal year contributions of all participating members. At June 30, 2015, the City's proportionate share was .042018479 percent, which was an increase (decrease) of .000553623 percent from its proportionate share measured as of June 30, 2014.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

For the fiscal year ended September 30, 2015, the City recognized pension expense of \$315,603. In addition the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	-
Changes of assumptions	337,135	-
investments	2,320	-
contributions and proportionate share of contributions	42,968	54,995
City Pension Plan contributions subsequent to the measurement date	56,270	-
	<u>\$ 438,693</u>	<u>54,995</u>

The deferred outflows of resources related to the HIS Plan, totaling \$56,720 resulting from City contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Year Ended September 30	Amount
2016	\$ 55,065
2017	55,065
2018	55,065
2019	54,594
2020	54,368
Thereafter	53,271
	<u>\$ 327,428</u>

Actuarial Assumptions – The total pension liability in the July 1, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 %
Salary increases	3.25%, average, including inflation
Municipal bond rate	4.29 %

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2015, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

Discount Rate - The discount rate used to measure the total pension liability was 4.29%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the City’s Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the City’s proportionate share of the net pension liability calculated using the discount rate of 4.29%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (3.29%) or one percentage point higher (5.29%) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
City's proportionate share of net pension liability	\$ 4,882,813	4,285,224	3,786,924

Pension Plan Fiduciary Net Position - Detailed information regarding the HIS Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan - At September 30, 2015, the City had no payable for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2015.

NOTE J – POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description: Pursuant to the provision of Section 112.0801, Florida Statutes, retired police officers, firefighters and general employees, as well as their dependents, are permitted to remain covered under the City’s medical plans as long as they pay the premium, not exceeding the rate developed by blending the claims experience of all plan members for the plan and coverage elected.

The City subsidizes the premium rates paid by the retirees by allowing them to participate in the plan at the blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees.

Funding Policy: Currently, the City’s OPEB benefits are unfunded. There is no separate trust fund or equivalent arrangement into which the City would make contributions to advance-fund the obligation as it does for its pension plans. Therefore, the ultimate subsidies which are provided over time are financed directly by general assets of the City, which are invested in short-term fixed income instruments according to its current investment policy. For the fiscal years 2015, 2014 and 2013, the City provided required contributions of \$817,524, \$871,085, and \$951,862, respectively, toward the annual OPEB cost comprised of benefit payments made on behalf of retirees, exclusive of retiree contributions totaling \$479,477, \$372,156 and \$407,989, respectively.

The City made the following changes to the policy: (1) added the mandate that Medicare-eligible retirees must sign up for both Medicare Parts A and B, which increased the assumption that Medicare would cover 35% of eligible costs to 60% of all costs incurred by retirees age 65 and older including, but not limited to medical claim costs, prescriptions claim costs, administrative fees, and reinsurance premiums; and (2) trend rates for premium

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

increases applicable to contributions paid by retirees eligible for discounted coverage increased from no (0%) retiree health care cost increases throughout the projection period to an 8% increase for the year beginning October 1, 2010 and matching the rates of assumed cost increases thereafter. In August 2012, additional policy changes were made; retired employees will now need 20 years of service with the City to be eligible for an insurance subsidy. The subsidy is limited to the employee only.

Part of the City's periodic contribution to the Florida Retirement System (FRS) on behalf of its general employees is a contribution toward the Health Insurance Subsidy (HIS) managed by FRS. Currently, HIS provides eligible employees with a lifetime benefit equal to \$5 per month per year of service (up to a maximum of \$150 per month) after they retire to be used toward the payment of any insurance-related premiums.

The State of Florida is treating the HIS program as a Cost-Sharing Multiple-Employer defined benefit pension plan like FRS, rather than being classified as an Agent Multiple-Employer defined benefit OPEB plan. Accordingly, the state considers the HIS program to be reported pursuant to GASB Statement No. 27.

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

Description	Amount
Normal cost (service cost for one year)	\$ 387,145
Amortization of Unfunded Actuarial Accrued Liability	1,873,729
Interest on normal cost and amortization	-
Annual Required Contribution (ARC)	2,260,874
Interest on Net OPEB Obligation (NOO)	804,685
Adjustment to (ARC)	(1,529,779)
Annual OPEB cost (expense)	1,535,780
Estimated employer contributions	(817,524)
Estimated increase (decrease) in NOO	718,256
NOO at beginning of year	17,881,888
Estimated NOO at end of year	\$ 18,600,144

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of September 30, 2015 were as follows:

Schedule of Employer Contributions				
Fiscal Year Ending	Annual OPEB Cost	Amount Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
9/30/2013	\$ 1,919,076	\$ 967,213	50.40%	\$ 16,757,584
9/30/2014	1,995,388	871,085	43.65%	17,881,887
9/30/2015	1,535,780	817,524	53.23%	18,600,144

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

The funded status and funding progress as of September 30, 2015, was as follows:

Actuarial accrued liability (AAL)	\$	21,425,620
Actuarial value of plan assets		-
Unfunded actuarial accrued liability	\$	21,425,620
Funded ration (actuarial value of plan assets/AAL)		0.00%
Covered payroll (annual payroll of active employees covered by the plan)	\$	19,496,947
UAAL as a percentage of covered payroll		109.89%

The net pension obligation has been funded through the General Fund for the governmental funds, Water and Sewer Fund, Sanitation Fund, Parking Fund and the Golf Course Fund.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions and the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made from the future.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information.

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

In the October 1, 2014, OPEB actuarial valuation, the individual entry age normal cost method with increasing normal cost pattern consistent with the salary increase assumptions used in the FRS pension plan was used. The unfunded actuarial accrued liability is amortized on a closed basis, calculated as a level percent of payroll over a 14-year period. The assumed rate of payroll growth is 4.00%. GASB Statement No. 45 requires that any such payroll growth assumption be based upon no increase in the number of active employees covered by the plan. Since there are currently no invested plan assets held in trust to finance the OPEB obligation, the investment return discount rate is the long-term expectation of investment return on assets held in City funds pursuant to its investment policy. The City has selected 4.5% compounded annually.

The City makes the following assumptions in regard to healthcare cost trend and inflation rates: (1) inflation is projected at 3%, (2) initial per capita cost trend rate is projected at 7.5%, and (3) the ultimate per capita cost trend rate is 5.09%. The initial per capita trend rate is fully offset by carrier changes, estimated to result in 7.5% savings.

NOTE K – DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

Plan amendments have been made so that the plan is in compliance with IRC Section 457, as amended by the 1996 changes to the tax code. The assets are now held in various custodial accounts. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the various participants of the plan.

NOTE L – RISK MANAGEMENT AND SELF-INSURANCE PROGRAMS

Risk Management: The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance.

Medical Self-Insurance Program: The City maintains a self-insurance program with regard to medical benefits for employees and dependents. The City contributes \$4,200 to \$13,920 for each budgeted staff position. Dependent and retiree coverage is optional and the cost is paid by employee contributions. Risks in excess of fixed individual limits of \$200,000 annually are co-insured with an outside insurance carrier.

Workers' Compensation Self-Insurance Program: The City maintains a self-insurance program with regard to workers' compensation benefits for employees. The City pays the entire cost of the program. Risks in excess of \$350,000 annually are co-insured with an outside insurance carrier.

Both the medical self-insurance and the workers' compensation plans are accounted for through separate internal service funds. Revenues for these funds consist of amounts contributed by employees and other City funds. Both revenues and the related charges are recorded as interfund services. Accordingly, the related charges are reflected as expenditures, or expense items, in the appropriate funds.

The plans are reviewed annually by an actuarial firm. These studies are used to determine the basis for premiums charged to various City departments for their workers' compensation insurance, and to City employees' dependents (medical insurance).

Estimated liabilities for claims incurred but not reported are accrued based on projections from historical data. There have been no significant reductions in insurance coverage for the current fiscal year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

The self-insurance funds establish a liability for both reported and unreported events, which includes estimates of both future payments of losses and related claim adjustment expenses. The following represents the changes in approximate aggregate liabilities for the City from October 1, 2013 to September 30, 2015:

	Medical Self-Insurance	Workers' Compensation Self-Insurance
Liability balance, September 30, 2013	\$ 516,000	370,456
Claims and changes in estimates	4,149,250	624,966
Claims payments	(4,149,250)	(776,705)
Liability balance, September 30, 2014	516,000	218,717
Claims and changes in estimates	3,604,136	1,668,985
Claims payments	(3,604,136)	(1,238,062)
Liability balance, September 30, 2015	<u>\$ 516,000</u>	<u>649,640</u>
Cash available to pay claims at September 30, 2015	<u>\$ 4,714,083</u>	<u>9,638,406</u>

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

NOTE M – CONTINGENT LIABILITIES

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

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City Council that resolution of these matters will not have a materially adverse effect on the financial condition of the City.

Pursuant to City Resolution and an Interlocal Agreement, the City has covenanted with the City’s component unit, the Bradenton Community Redevelopment Agency, holder of the Series 2011 Tax Increment Revenue Bonds that the City shall appropriate in its annual budget by amendment, if necessary, solely from non-ad valorem revenues lawfully available in each fiscal year, amounts which shall be sufficient to pay the debt service payments on the Series 2011 Tax Increment Revenue Bonds to the extent increment tax revenues are sufficient for such purposes. The bonds outstanding balance is \$5,285,000 as of September 30, 2015.

NOTE N – CHANGE IN ACCOUNTING PRINCIPLES

The City and the City’s component units, the Bradenton Downtown Development Authority and the Central Community Development Agency implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, effective October 1, 2014. The new standards significantly changed the City’s and the component units’ accounting for pension amounts. As a result of these changes in accounting principles, the City and the City’s component units were required to restate beginning net position for the following opinion units as shown below and on following pages:

City of Bradenton, Florida - Primary Government

Net Position, Water and Sewer Fund , September 30, 2014, as previously reported	\$ 74,018,267
<i>Implementation of GASB No. 68 and 71</i>	
Net Pension Liability as of September 30, 2014	(2,138,414)
Deferred outflows - pension related	420,913
Deferred inflows - pension related	(1,374,893)
Beginning Net Position, Water and Sewerage Fund, September 30, 2014, restated	<u>\$ 70,925,873</u>
Net Position, Sanitation Fund , September 30, 2014, as previously reported	\$ 6,613,457
<i>Implementation of GASB No. 68 and 71</i>	
Net Pension Liability as of September 30, 2014	(909,391)
Deferred outflows - pension related	179,000
Deferred inflows - pension related	(584,694)
Beginning Net Position, Sanitation Fund, September 30, 2014, restated	<u>\$ 5,298,372</u>

City of Bradenton, Florida
Notes To The Financial Statements
For The Fiscal Year Ended September 30, 2015

City of Bradenton, Florida - Primary Government (continued)

Net Position, Parking Fund , September 30, 2014, as previously reported	\$ 4,171,748
<i>Implementation of GASB No. 68 and 71</i>	
Net Pension Liability as of September 30, 2014	(50,725)
Deferred outflows - pension related	9,985
Deferred inflows - pension related	(32,615)
Beginning Net Position, Parking Fund, September 30, 2014, restated	<u>\$ 4,098,393</u>
Net Position, Golf Course Fund , September 30, 2014, as previously reported	\$ 2,250,428
<i>Implementation of GASB No. 68 and 71</i>	
Net Pension Liability as of September 30, 2014	(185,177)
Deferred outflows - pension related	36,449
Deferred inflows - pension related	(119,061)
Beginning Net Position, Golf Course Fund, September 30, 2014, restated	<u>\$ 1,982,639</u>
Net position, Governmental Activities , September 30, 2014, as previously reported	\$ 81,347,705
<i>Implementation of GASB No. 68 and 71</i>	
Net Pension Liability as of September 30, 2014	(21,755,160)
Deferred outflows - pension related	5,666,068
Deferred inflows - pension related	(1,818,129)
Removal of net pension asset as of September 30, 2014	(1,256,768)
Beginning net position, Governmental Activities, September 30, 2014, restated	<u>\$ 62,183,716</u>
Net Position, Business-Type Activities , September 30, 2014, as previously reported	\$ 87,053,900
<i>Implementation of GASB No. 68 and 71</i>	
Net Pension Liability as of September 30, 2014	(3,283,707)
Deferred outflows - pension related	646,347
Deferred inflows - pension related	(2,111,263)
Beginning Net Position, Business-Type Activities, September 30, 2014, restated	<u>\$ 82,305,277</u>

City of Bradenton, Florida - Component Units

Bradenton Downtown Development Authority

Net Position, September 30, 2014, as previously reported	\$ 4,675,327
<i>Implementation of GASB No. 68 and 71</i>	
Beginning Net Position, September 30, 2014, restated	<u>\$ 4,616,679</u>

City of Bradenton, Florida - Component Units

Central Community Redevelopment Agency

Net Position, September 30, 2014, as previously reported	\$ 3,549,335
<i>Implementation of GASB No. 68 and 71</i>	
Beginning Net Position, September 30, 2014, restated	<u>\$ 3,474,771</u>

All Component Units

Net position, September 30, 2014, as previously reported	\$ 8,224,662
<i>Implementation of GASB No. 68 and 71</i>	
Beginning net position, September 30, 2014, restated	<u>\$ 8,091,450</u>

Required Supplementary Information

In accordance with the Governmental Accounting Standards Board Statements Number 34, the following budgetary comparison for the General Fund and the State Housing Initiatives Partnership Program (SHIPP) Fund (a major special revenue fund) is required supplementary information.

CITY OF BRADENTON, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 25,612,525	25,639,286	26,290,041	650,755
Franchise Fees	3,122,393	3,165,581	3,234,235	68,654
Licenses and permits	1,006,849	1,006,849	1,946,876	940,027
Intergovernmental grants	31,110	60,092	40,415	(19,677)
Shared revenues	3,323,555	3,323,555	3,531,749	208,194
Charges for services	2,476,007	2,476,007	2,268,905	(207,102)
Fines and forfeitures	250,330	250,330	282,292	31,962
Interest and investment earnings	840,481	840,481	431,237	(409,244)
Payment in lieu of taxes	65,875	65,875	73,417	7,542
Rents	627,072	627,072	655,453	28,381
Special assessment-property owners	3,216	3,216	49,646	46,430
Miscellaneous	428,158	478,899	374,190	(104,709)
Total revenues	<u>37,787,571</u>	<u>37,937,243</u>	<u>39,178,456</u>	<u>1,241,213</u>
Expenditures				
General government services	8,105,109	8,688,143	8,265,081	423,062
Public safety	22,214,399	22,392,978	22,065,869	327,109
Transportation	3,936,476	3,958,971	3,740,569	218,402
Culture and recreation	1,471,787	1,500,769	1,476,248	24,521
Total expenditures	<u>35,727,771</u>	<u>36,540,861</u>	<u>35,547,767</u>	<u>993,094</u>
Excess of revenues over expenditures	2,059,800	1,396,382	3,630,689	2,234,307
Other financing sources (uses)				
Proceeds from note receivables	313,979	313,979	3,189,811	2,875,832
Transfers from other funds	633,600	633,600	633,600	-
Transfers to other funds	(3,022,379)	(2,358,961)	(2,355,566)	3,395
Proceeds from sale of capital assets	15,000	15,000	75,354	60,354
Total other financing sources (uses)	<u>(2,059,800)</u>	<u>(1,396,382)</u>	<u>1,543,199</u>	<u>2,939,581</u>
Net change in fund balance	-	-	5,173,888	5,173,888
Fund balance, October 1, 2014	<u>41,955,527</u>	<u>41,955,527</u>	<u>41,955,527</u>	-
Fund balance, September 30, 2015	<u>\$ 41,955,527</u>	<u>41,955,527</u>	<u>47,129,415</u>	<u>5,173,888</u>

CITY OF BRADENTON, FLORIDA
SPECIAL REVENUE FUND
STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM (SHIPP) FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Intergovernmental grants	\$ 233,672	233,672	248,170	14,498
Interest earnings	-	-	148	148
Special assessments, property owners	-	-	19,712	19,712
Total revenues	<u>233,672</u>	<u>233,672</u>	<u>268,030</u>	<u>34,358</u>
Expenditures				
Economic environment				
Personnel services	39,835	39,835	37,962	1,873
Operating expenditures	-	-	1,915	(1,915)
Public assistance	210,305	210,305	165,511	44,794
Total expenditures	<u>250,140</u>	<u>250,140</u>	<u>205,388</u>	<u>44,752</u>
Deficiency of revenues over (under) expenditures	(16,468)	(16,468)	62,642	79,110
Other financing sources				
Transfer from General Fund	<u>16,468</u>	<u>16,468</u>	<u>13,073</u>	<u>(3,395)</u>
Total other financing sources	<u>16,468</u>	<u>16,468</u>	<u>13,073</u>	<u>(3,395)</u>
Net change in fund balance	-	-	75,715	75,715
Fund balance, October 1, 2014	<u>28,460</u>	<u>28,460</u>	<u>28,460</u>	<u>-</u>
Fund balance, September 30, 2015	<u>\$ 28,460</u>	<u>28,460</u>	<u>104,175</u>	<u>75,715</u>

Required Supplementary Information (RSI)

The RSI subsection contains supporting information to the Basic Financial Statements. This section contains schedules pertaining to the City's Retirement Plans and the City's Post-Employment Benefits Other than Pensions (OPEB) Plan

City's Firefighters' Pension Trust Fund

Schedule of Changes in the Net Pension Liability and Related Ratios

Schedule of Contributions

Police Officers' Pension Trust Fund

Schedule of Investment Returns

Schedule of Changes in the Net Pension Liability and Related Ratios

Schedule of Contributions

City's Florida Retirement System (FRS) Pension Plan

(Administered by the Florida Department of Management Services, Division of Retirement)

Schedule of the City's Proportionate Share of the Net Pension Liability

Schedule of Contributions

Retiree Health Insurance Subsidy (HIS) Plan

(Administered by the Florida Department of Management Services, Division of Retirement)

Schedule of the City's Proportionate Share of the Net Pension Liability

Schedule of Contributions

City's Post-Employment Benefits Other than Pensions (OPEB)

Schedule of Funding Progress

Schedule of Employer Contributions

CITY OF BRADENTON, FLORIDA
FIREFIGHTERS' PENSION PLAN

REQUIRED SUPPLEMENTARY INFORMATION

Schedule Of Changes In The City's Net Pension Liability and Related Ratios

Reporting Period Ending September 30,	<u>2015</u>	<u>2014</u>
Measurement Date, September 30,	<u>2014</u>	<u>2013</u>
Total pension liability		
Service cost	\$ 1,117,928	\$ 1,160,119
Interest on total pension liability	3,795,804	3,612,482
Benefit payments, including refunds of employee contributions	<u>(2,295,560)</u>	<u>(2,707,213)</u>
Net change in total pension liability	2,618,172	2,065,388
Total pension liability - beginning	<u>47,477,401</u>	<u>45,412,013</u>
Total pension liability - ending (a)	<u><u>\$50,095,573</u></u>	<u><u>\$47,477,401</u></u>
Plan fiduciary net pension		
Contributions - employer	2,164,348	1,823,866
Contributions - state	452,334	461,961
Contributions - employee	373,904	321,130
Net investment income	4,989,801	5,335,721
Benefit payments, including refunds of member contributions	<u>(2,295,560)</u>	<u>(2,707,213)</u>
Administrative expenses	<u>(57,326)</u>	<u>(85,974)</u>
Net change in plan fiduciary net pension	5,627,501	5,149,491
Plan fiduciary net position - beginning	<u>38,415,155</u>	<u>33,265,664</u>
Plan fiduciary net position - ending (b)	<u><u>\$44,042,656</u></u>	<u><u>\$38,415,155</u></u>
City's net pension liability - ending (a) - (b)	<u><u>\$ 6,052,917</u></u>	<u><u>\$ 9,062,246</u></u>
Plan fiduciary net position as a percentage of the total pension liability	87.92%	80.91%
Covered employee payroll*	3,955,261	3,795,867
City's net pension liability as a percentage of covered -employee payroll	153.03%	238.74%

Notes to the Schedule:

* For the Reporting Period Ending years 2014 and 2015, the Covered Employee Payroll figures were based on Pensionable Salary.

Information for the fiscal years prior to 2014 is not available.

CITY OF BRADENTON, FLORIDA
FIREFIGHTERS' PENSION PLAN

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Employer Contributions

Reporting Period Ending September 30,	2015	2014
Measurement Date, September 30,	2014	2013
Actuarially determined contribution	\$ 2,616,682	\$ 2,285,827
Contributions in relation to the actuarially determined contribution	2,616,682	2,285,827
Contributions deficiency (excess)	\$ -	\$ -
Covered-employee payroll	\$ 3,955,261	\$ 3,795,867
Contributions as a percentage of covered-employee payroll	66.16%	60.22%

Information for the fiscal years prior to 2014 is not available.

Notes to the Schedule of Contributions

Valuation Date	October 1, 2013
Actuarially determined contribution rates are calculated as of October 1, two years prior to end of the fiscal year in which contributions are reported.	
Methods and assumptions used to determine contribution rates	
Funding Method	Entry Age Normal Actuarial Cost Method. The following loads are applied for determination of the Sponsor dollar funding requirement: - Interest: A half year, based on the current 8.0% assumption. - Salary: A full year, based on the current 7.5% assumption.
Amortization Method	Level Percentage of Pay, Closed
Remaining Amortization Period	27 Years (as of 10/1/2013 valuation)
Inflation	3% per year
Mortality	RP 2000 Combined Healthy Mortality Table, Sex Distinct. Disabled lives are set forward 5 years. Based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements.
Interest Rate	8.0% per year compounded annually, net of investment related expenses.
Termination Rates	See table below.
Disability Rates	See table below. It is assumed that 75% of disablements and active Member deaths are service related.
Retirement Age	Earlier of 1) age 55 and the completion of 10 years of service or 2) 25 years of service, regardless of age. Also, any Member who has reached Normal Retirement Age is assumed to continue employment for one additional year.
Early Retirement	Members eligible for Early Retirement (Earlier of 1) age 50 and the completion of 10 years of service or 2) 20 years of service, regardless of age) are assumed to retire with a subsidized benefit at the rate of 5.0% per year.
Projected Salary Increases	7.5% per year up to the assumed retirement age. Projected salary at retirement includes the April 15, 2012 value of lump sum payments attributable to unused sick and vacation time.
Cost-of-living Adjustments	3% per year from age 55 to 64.
Asset Smoothing Methodology	The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). Over time, this may result in a demines bias that is above or below the Market Value of Assets.
Payroll Growth	3% per year.

Termination and Disability Rate Table

Age	%Becoming Disabled During the Year	%Terminating During the Year
20	0.14%	14.00%
30	0.18%	8.00%
40	0.30%	2.80%
50	1.00%	0.70%

CITY OF BRADENTON, FLORIDA
POLICE OFFICERS' PENSION PLAN

REQUIRED SUPPLEMENTARY INFORMATION

Schedule Of Changes In The City's Net Pension Liability and Related Ratios		
Reporting Period Ending September 30,	2015	2014
Measurement Date, September 30,	2014	2013
Total pension liability		
Service cost	\$ 1,704,870	\$ 1,743,824
Interest on total pension liability	5,769,530	5,401,904
Differences between expected & actual experience	(1,591,541)	(14,634)
Assumption charges	2,431,535	-
Benefits payments	(3,034,634)	(3,275,825)
Refunds	(155,427)	(82,636)
Other (Use of State Contribution Reserve)	(777,455)	-
Net change in total pension liability	4,346,878	3,772,633
Total pension liability - beginning	72,009,291	68,236,658
Total pension liability - ending (a)	\$76,356,169	\$72,009,291
Plan fiduciary net pension		
Contributions - employer	947,023	2,083,762
Contributions - employer (from State)*	1,216,355	409,016
Contributions - member (including buyback contributions)	613,398	445,907
Net investment income	(1,862,850)	6,415,819
Benefits payments	(3,034,634)	(3,275,825)
Refunds	(155,427)	(82,636)
Administrative expenses	(77,111)	(63,542)
Other (Use of State Contribution Reserve)	(777,454)	-
Net change in plan fiduciary net pension	(3,130,700)	5,932,501
Plan fiduciary net position - beginning	64,304,037	58,371,536
Plan fiduciary net position - ending (b)	\$61,173,337	\$64,304,037
City's net pension liability - ending (a) - (b)	\$15,182,832	\$ 7,705,254
Plan fiduciary net position as a percentage of the total pension liability	80.12%	89.30%
Covered employee payroll*	7,051,385	6,820,408
City's net pension liability as a percentage of covered -employee payroll	215.32%	112.97%

Notes to the Schedule:

*\$777,455 in State Contribution Reserve was used to offset the City's contribution requirement for fiscal year 2015 as per the collective bargaining agreement.

CITY OF BRADENTON, FLORIDA
POLICE OFFICERS' PENSION PLAN

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Employer Contributions

Reporting Period Ending September 30,	2015	2014
Measurement Date, September 30,	2014	2013
Actuarially determined contribution	\$ 2,163,378	\$ 2,492,778
Contributions in relation to the actuarially determined contribution	2,163,378	2,492,778
Contributions deficiency (excess)	\$ -	\$ -
 Covered-employee payroll	 \$ 7,051,385	 \$ 6,820,408
 Contributions as a percentage of covered-employee payroll	 30.68%	 36.55%

Information for the fiscal years prior to 2014 is not available.

Notes to the Schedule of Contributions

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

Methods and assumptions used to determine contribution rates

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	30 Years
Asset Valuation Method	5-year smoothed market
Inflation	3.00%
Salary Increases	6.7% to 9.1% depending on service, including inflation
Investment Rate of Return	8.00%
Retirement Age	Experienced-based table of rates that are specific to the type of eligibility condition
Mortality	1983 Group Annuity Mortality Tables for males and females
Payroll Growth	3% per year.

Other Information:

Notes See Discussion of Valuation Results in the October 1, 2013 Actuarial Valuation Report. The following changes occurred after the September 30, 2014 Measurement Date:

Effective as of October 1, 2014 the mortality assumption was updated to the RP2000 Combined Healthy Participant Mortality Table for males and females with mortality improvements projected to all future years from the year 2000 using Scale BB. The impact of this change was measured in a Supplemental Actuarial Valuation Report dated April 16, 2015 as a \$2,214,839 increase in the Net Pension Liability.

CITY OF BRADENTON, FLORIDA
POLICE OFFICERS' PENSION PLAN

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Investment Returns

	<u>2015</u>	<u>2014</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	-2.50%	9.00%

Note: Information for the fiscal years prior to 2014 is not available.

CITY OF BRADENTON, FLORIDA
FLORIDA RETIREMENT SYSTEM
FRS PENSION PLAN

REQUIRED SUPPLEMENTARY INFORMATION

FRS Pension Plan (FRS)

Schedule of the City's Proportionate Share of the Net Pension Liability

Reporting Period Ending	9/30/2015	9/30/2014
Measurement Date	<u>6/30/2015</u>	<u>6/30/2014</u>
City's Proportion of the FRS net pension liability	0.037778521%	0.036621250%
City's Proportionate share of the FRS net pension liability	\$ 4,879,603	\$ 2,234,435
City's Covered-employee payroll during the measurement period	\$ 13,423,099	\$ 12,390,604
City's Proportionate share of the FRS net pension liability as a percentage of covered-employee payroll	36.35%	18.03%
FRS Plan fiduciary net position as percentage of the FRS total pension liability	92.00%	96.09%

Schedule of Contributions

Reporting Period Ending	9/30/2015	9/30/2014
Measurement Date	<u>6/30/2015</u>	<u>6/30/2014</u>
Contractually required FRS contribution	\$ 921,072	\$ 802,161
FRS Contributions made in relation to the contractually required FRS contribution	<u>921,072</u>	<u>802,161</u>
FRS Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
City's Covered-employee payroll	\$ 13,423,099	\$ 12,390,604
FRS Contributions as a percentage of covered employee payroll	6.86%	6.47%

Notes to the Schedule:

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

CITY OF BRADENTON, FLORIDA
 FLORIDA RETIREMENT SYSTEM
 HEALTH INSURANCE SUBSIDY

REQUIRED SUPPLEMENTARY INFORMATION

Health Insurance Subsidy (HIS)

Schedule of the City's Proportionate Share of the Net Pension Liability

	9/30/2015	9/30/2014
Reporting Period Ending		
Measurement Date	6/30/2015	6/30/2014
City's Proportion of the HIS net pension liability	0.042018479%	0.041464856%
City's Proportionate share of the HIS net pension liability	\$ 4,285,224	\$ 3,877,065
City's Covered-employee payroll during the measurement period	\$ 13,423,099	\$ 12,390,604
City's Proportionate share of the FRS net pension liability as a percentage of covered-employee payroll	31.92%	31.29%
HIS Plan fiduciary net position as percentage of the HIS total pension liability	0.50%	0.99%

Schedule of Contributions

	9/30/2015	9/30/2014
Reporting Period Ending		
Measurement Date	6/30/2015	6/30/2014
Contractually required HIS contribution	\$ 160,621	\$ 142,045
HIS Contributions made in relation to the contractually required HIS contribution	160,621	142,045
HIS Contribution deficiency (excess)	\$ -	\$ -
City's Covered-employee payroll	\$ 13,423,099	\$ 12,390,604
HIS Contributions as a percentage of covered employee payroll	1.20%	1.15%

Notes to the Schedule:

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

CITY OF BRADENTON, FLORIDA
POST EMPLOYMENT BENEFITS OTHER THAN PENSION

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress

Actuarial Valuation Date October 1	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio (1) / (2)	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/1/2010	-	20,950,648	20,950,648	0.00%	18,838,973	111.21%
10/1/2012	-	25,353,279	25,353,279	0.00%	19,113,086	132.65%
10/1/2014	-	21,425,620	21,425,620	0.00%	19,496,947	109.89%

The assumptions used in the preparation of the above schedule are disclosed in Note L to the financial statements.

Schedule of Employer Contributions

Fiscal Year Ending	Annual OPEB Cost	Amount Contributed	Percentage of OPEB Cost Contributed	Estimated Net OPEB Obligation
9/30/2011	\$4,062,969	\$ 872,485	21.47%	\$15,234,575
9/30/2012	1,513,882	942,736	62.27%	15,805,721
9/30/2013	1,919,075	967,213	50.40%	16,757,583
9/30/2014	1,995,388	871,085	43.65%	17,881,887
9/30/2015	1,535,780	817,524	53.23%	18,600,144

Combining and Individual Fund Statements and Schedules

These financial statements provide a more detailed view of the “Basic Financial Statements” presented in the preceding subsection.

Combining statements are presented when there is more than one fund of a given fund type. Individual fund statements are presented when there is only one fund of a given type. They are also necessary to present budgetary comparisons.

Financial schedules are presented to provide greater detailed information than reported in the financial statements. Schedules also present information that is spread throughout the statements that can be brought together and shown in greater detail.

CITY OF BRADENTON, FLORIDA
SCHEDULE OF REVENUES–BUDGET AND ACTUAL
GENERAL FUND
For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original	Final		
Taxes				
General property taxes	\$ 14,783,349	14,810,110	15,111,509	301,399
Public service taxes	2,136,769	2,136,769	2,066,854	(69,915)
Half-cent sales taxes	3,680,933	3,680,933	3,770,933	90,000
Utility taxes	4,396,474	4,396,474	4,718,156	321,682
Local business taxes	215,000	215,000	222,589	7,589
Other taxes	400,000	400,000	400,000	-
Total taxes	<u>25,612,525</u>	<u>25,639,286</u>	<u>26,290,041</u>	<u>650,755</u>
Franchise fees	<u>3,122,393</u>	<u>3,165,581</u>	<u>3,234,235</u>	<u>68,654</u>
Licenses and permits				
Building permits	947,486	947,486	1,733,676	786,190
Electrical permits	47,318	47,318	174,650	127,332
Plumbing permits	10,170	10,170	38,550	28,380
Other licenses and permits	1,875	1,875	-	(1,875)
Total licenses and permits	<u>1,006,849</u>	<u>1,006,849</u>	<u>1,946,876</u>	<u>940,027</u>
Intergovernmental grants	<u>31,110</u>	<u>60,092</u>	<u>40,415</u>	<u>(19,677)</u>
Shared revenues				
State revenue sharing	1,229,307	1,229,307	1,367,435	138,128
State motor fuel	514,421	514,421	445,419	(69,002)
State mobile home licenses	32,975	32,975	34,066	1,091
State alcohol beverage licenses	25,987	25,987	31,440	5,453
State firefighter	15,880	15,880	16,958	1,078
Ninth-cent gas tax	235,458	235,458	268,290	32,832
Five-cent gas tax	540,544	540,544	590,577	50,033
Four-cent gas tax	484,049	484,049	510,561	26,512
Two-cent gas tax	244,934	244,934	267,003	22,069
Total shared revenues	<u>3,323,555</u>	<u>3,323,555</u>	<u>3,531,749</u>	<u>208,194</u>
Charges for services				
General government fees	2,444,007	2,444,007	2,250,573	(193,434)
Culture and recreation	32,000	32,000	18,332	(13,668)
Total charges for services	<u>2,476,007</u>	<u>2,476,007</u>	<u>2,268,905</u>	<u>(207,102)</u>
Fines and forfeitures	250,330	250,330	282,292	31,962
Interest and investment earnings	840,481	840,481	431,237	(409,244)
Payment in lieu of taxes	65,875	65,875	73,417	7,542
Rents	627,072	627,072	655,453	28,381
Special assessments-property owners	3,216	3,216	49,646	46,430
Miscellaneous	428,158	478,899	374,190	(104,709)
Total revenues	<u>\$ 37,787,571</u>	<u>37,937,243</u>	<u>39,178,456</u>	<u>1,241,213</u>

CITY OF BRADENTON, FLORIDA
SCHEDULE OF EXPENDITURES—BUDGET AND ACTUAL
GENERAL FUND

For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original	Final		
General Government				
Legislative				
Personnel services	\$ 524,427	524,427	517,013	7,414
Operating expenditures	46,799	46,799	42,695	4,104
Total Legislative	<u>571,226</u>	<u>571,226</u>	<u>559,708</u>	<u>11,518</u>
Executive-City Clerk				
Personnel services	365,416	367,689	367,689	-
Operating expenditures	2,487,590	2,487,590	2,405,381	82,209
Total Executive-City Clerk	<u>2,853,006</u>	<u>2,855,279</u>	<u>2,773,070</u>	<u>82,209</u>
Financial				
Personnel services	456,681	456,681	417,346	39,335
Operating expenditures	16,359	54,515	53,140	1,375
Total Financial	<u>473,040</u>	<u>511,196</u>	<u>470,486</u>	<u>40,710</u>
Human Resources				
Personnel services	360,439	360,439	325,838	34,601
Operating expenditures	95,750	95,750	96,481	(731)
Total Human Resources	<u>456,189</u>	<u>456,189</u>	<u>422,319</u>	<u>33,870</u>
Administration				
Personnel services	50,406	50,406	49,128	1,278
Operating expenditures	1,900	1,900	709	1,191
Total Administration	<u>52,306</u>	<u>52,306</u>	<u>49,837</u>	<u>2,469</u>
Legal Counsel				
Operating expenditures	126,500	165,597	165,595	2
Purchasing				
Personnel services	195,938	195,938	195,301	637
Operating expenditures	20,645	34,857	32,817	2,040
Total Purchasing	<u>216,583</u>	<u>230,795</u>	<u>228,118</u>	<u>2,677</u>

(Continued)

CITY OF BRADENTON, FLORIDA
SCHEDULE OF EXPENDITURES–BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original	Final		
Fleet Division				
Personnel services	\$ 681,683	681,683	676,228	5,455
Operating expenditures	98,719	98,719	83,902	14,817
Total Fleet Division	<u>780,402</u>	<u>780,402</u>	<u>760,130</u>	<u>20,272</u>
Facilities Maintenance				
Personnel services	206,035	206,035	147,780	58,255
Operating expenditures	311,110	739,673	724,055	15,618
Total Facilities Maintenance	<u>517,145</u>	<u>945,708</u>	<u>871,835</u>	<u>73,873</u>
Information Technology				
Personnel services	437,570	472,355	472,355	-
Operating expenditures	668,723	665,723	614,659	51,064
Total Information Technology	<u>1,106,293</u>	<u>1,138,078</u>	<u>1,087,014</u>	<u>51,064</u>
Electrical Division				
Personnel services	438,788	420,568	367,129	53,439
Operating expenditures	81,408	99,628	81,759	17,869
Capital outlay	106,013	106,013	95,570	10,443
Total Electrical Division	<u>626,209</u>	<u>626,209</u>	<u>544,458</u>	<u>81,751</u>
Code Enforcement				
Personnel services	201,692	230,640	221,549	9,091
Operating expenditures	22,620	22,620	21,103	1,517
Capital outlay	18,500	18,500	18,649	(149)
Total Code Enforcement	<u>242,812</u>	<u>271,760</u>	<u>261,301</u>	<u>10,459</u>
Grants and Assistance				
Operating expenditures	11,500	11,500	-	11,500
Total Grants and Assistance	<u>11,500</u>	<u>11,500</u>	<u>-</u>	<u>11,500</u>
Local Business Tax				
Personnel services	66,194	66,194	66,147	47
Operating expenditures	5,704	5,704	5,063	641
Total Local Business Tax	<u>71,898</u>	<u>71,898</u>	<u>71,210</u>	<u>688</u>
Total General Government	<u>8,105,109</u>	<u>8,688,143</u>	<u>8,265,081</u>	<u>423,062</u>

(Continued)

CITY OF BRADENTON, FLORIDA
SCHEDULE OF EXPENDITURES–BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original	Final		
Public Safety				
Law Enforcement				
Personnel services	\$ 10,944,256	10,994,256	10,898,787	95,469
Operating expenditures	1,597,768	1,597,768	1,429,303	168,465
Capital outlay	319,200	369,941	379,380	(9,439)
Total Law Enforcement	<u>12,861,224</u>	<u>12,961,965</u>	<u>12,707,470</u>	<u>254,495</u>
Dispatching				
Personnel services	717,165	717,165	675,670	41,495
Operating expenditures	20,320	20,320	17,739	2,581
Total Dispatching	<u>737,485</u>	<u>737,485</u>	<u>693,409</u>	<u>44,076</u>
Fire Control				
Personnel services	7,949,262	8,027,099	8,023,203	3,896
Operating expenditures	520,146	518,348	499,796	18,552
Capital outlay	146,282	148,081	141,991	6,090
Total Fire Control	<u>8,615,690</u>	<u>8,693,528</u>	<u>8,664,990</u>	<u>28,538</u>
Total Public Safety	<u>22,214,399</u>	<u>22,392,978</u>	<u>22,065,869</u>	<u>327,109</u>
Transportation				
Street Division				
Personnel services	663,585	663,585	589,993	73,592
Operating expenditures	1,929,725	1,929,725	1,875,199	54,526
Capital outlay	2,500	2,500	-	2,500
Total Street Division	<u>2,595,810</u>	<u>2,595,810</u>	<u>2,465,192</u>	<u>130,618</u>
Planning and Community Development				
Personnel services	382,677	405,172	405,172	-
Operating expenditures	88,177	88,177	57,120	31,057
Capital outlay	29,834	29,834	21,636	8,198
Total Planning and Community Development	<u>500,688</u>	<u>523,183</u>	<u>483,928</u>	<u>39,255</u>
Building				
Personnel services	617,149	617,149	577,880	39,269
Operating expenditures	172,629	172,629	164,655	7,974
Capital outlay	50,200	50,200	48,914	1,286
Total Building	<u>839,978</u>	<u>839,978</u>	<u>791,449</u>	<u>48,529</u>
Total Transportation	<u>3,936,476</u>	<u>3,958,971</u>	<u>3,740,569</u>	<u>218,402</u>

(Continued)

CITY OF BRADENTON, FLORIDA
SCHEDULE OF EXPENDITURES–BUDGET AND ACTUAL (Continued)
GENERAL FUND
For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original	Final		
Culture and Recreation				
Landscape and Grounds Division				
Personnel services	\$ 769,253	744,544	715,984	28,560
Operating expenditures	520,089	544,798	573,780	(28,982)
Capital outlay	113,603	142,585	130,131	12,454
Total Landscape and Grounds Division	<u>1,402,945</u>	<u>1,431,927</u>	<u>1,419,895</u>	<u>12,032</u>
Special Recreation Facilities				
Personnel services	57,822	57,822	50,888	6,934
Operating expenditures	11,020	11,020	5,465	5,555
Total Special Recreation Facilities	<u>68,842</u>	<u>68,842</u>	<u>56,353</u>	<u>12,489</u>
Total Culture and Recreation	<u>1,471,787</u>	<u>1,500,769</u>	<u>1,476,248</u>	<u>24,521</u>
Total expenditures	<u>\$ 35,727,771</u>	<u>36,540,861</u>	<u>35,547,767</u>	<u>993,094</u>

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments) or to finance specified activities as required by law or administrative regulation.

Community Development Program Fund

To account for the receipt, custody and expenditure of Community Development Program grant funds. These funds are restricted for exclusive use in the Community Development Block Grant program.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Franchise Fees Promissory Note 2000 Fund

Variable interest rate, due in quarterly installments of principal and interest, maturing in 2020. These funds are restricted for the repayment of the debt's principal and interest.

Florida Municipal Loan 2012 Fund

2.2% interest rate, payable in installments from \$165,000 to \$215,000, maturing in 2021. These funds are restricted for the repayment of the debt's principal and interest.

Special Obligation Series 2007 Fund

Variable interest rate, due in annual installments of principal and interest, maturing in 2037. These funds are restricted for the repayment of the debt's principal and interest.

Special Obligation Series 2012 Fund

3.08% interest rate, payable in installments from approximately \$260,000 to \$2,750,000, maturing in 2027. These funds are restricted for the repayment of the debt's principal and interest.

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Nonmajor Governmental Funds (Continued)

Road Impact Fee Fund

To account for the receipt, custody and expenditure (including transfers) of impact fee revenue. By City ordinance, these funds shall be used exclusively for acquisitions, expansions, or capital improvements within the citywide roads impact fee district. In the event that bonds or similar debt instruments are issued for advanced provision of capital facilities for which roads impact fees may be expended, the impact fees may be used to pay debt service on such bonds or similar debt.

Parks and Recreational Impact Fee, West Fund

To account for the receipt, custody and expenditure (including transfers) of impact fee revenue. By City ordinance, these funds shall be used exclusively for acquisitions, expansions, or capital improvements within the Parks and Recreation Impact Fee West District. In the event that bonds or similar debt instruments are issued for advanced provision of capital facilities for which parks and recreation impact fees may be expended, the fees may be used to pay debt service on such bonds or similar debt instruments.

Parks and Recreational Impact Fee, East Fund

To account for the receipt, custody and expenditure (including transfers) of impact fee revenue. By City ordinance, these funds shall be used exclusively for acquisitions, expansions, or capital improvements within the Parks and Recreation Impact Fee East District. In the event that bonds or similar debt instruments are issued for advanced provision of capital facilities for which parks and recreation impact fees may be expended, the fees may be used to pay debt service on such bonds or similar debt instruments.

Public Safety Police Protection Fund

To account for the receipt, custody and expenditure (including transfers) of impact fee revenue. By City ordinance, the funds collected from public safety impact fees shall be solely for the purpose of acquiring, equipping, and/or making capital improvements to public safety facilities under the jurisdiction of the City. In the event bonds or similar debt instruments are issued for advance provision of capital facilities for which public safety impact fees may be expended, the fees may be used to pay debt service on such bonds or similar debt.

Public Safety Fire Protection Fund

To account for the receipt, custody and expenditure (including transfers) of impact fee revenue. By City ordinance, the funds collected from public safety impact fees shall be solely for the purpose of acquiring, equipping, and/or making capital improvements to public safety facilities under the jurisdiction of the City. In the event bonds or similar debt instruments are issued for advance provision of capital facilities for which public safety impact fees may be expended, the fees may be used to pay debt service on such bonds or similar debt.

General Projects Fund

To account for general City construction projects that are financed by general government resources. These funds are committed for capital improvement projects within the City.

Pirate City Capital Reserve Fund

A reserve fund designated for future capital repairs and maintenance for the Pittsburgh Pirates' spring training complex.



Boats

Artist: Jean Blackburn

Imagine a world where roads were rivers.

Docks along the river were the commercial ports of their day and everything moved in and out of Bradenton on boats, from small family-owned rowboats to steamships. Without boats and boat-building, Manatee County's growth would have been greatly limited.

The "Boats" postcard was sponsored by the Port Manatee Propeller Club.

CITY OF BRADENTON, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 September 30, 2015

	Special Revenue Fund	Debt Service Funds	
	Community Development Program	Franchise Fees Promissory Note 2000	Florida Municipal Loan 2012
Assets			
Cash and cash equivalents	\$ 112,034	69,395	1,627
Accounts receivable	605,874	-	-
Due from other governments	79,460	-	-
Total assets	\$ 797,368	69,395	1,627
Liabilities			
Accounts payable	\$ 89,130	-	-
Advances from other funds	-	-	-
Due to other funds	3,744	-	-
Accrued salaries, wages and benefits	1,289	-	-
Total liabilities	94,163	-	-
Deferred outflows of resources			
Unavailable revenue	605,874	-	-
Fund Balances			
Restricted	97,331	69,395	1,627
Committed	-	-	-
Total fund balances	97,331	69,395	1,627
Total liabilities, deferred outflows, and fund balances	\$ 797,368	69,395	1,627

Debt Service Funds

Special Obligation Series 2007	Special Obligation Series 2012	Total
4,083	739	75,844
-	-	-
-	-	-
<u>4,083</u>	<u>739</u>	<u>75,844</u>
-	-	-
-	-	-
-	-	-
-	-	-
<u>4,083</u>	<u>739</u>	<u>75,844</u>
-	-	-
<u>4,083</u>	<u>739</u>	<u>75,844</u>
<u>4,083</u>	<u>739</u>	<u>75,844</u>

(Continued)

CITY OF BRADENTON, FLORIDA
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 September 30, 2015

	Capital Projects Funds				
	Road Impact Fee	Parks and Recreation Impact Fee– West	Parks and Recreation Impact Fee– East	Public Safety Police Protection	Public Safety Fire Protection
Assets					
Cash and cash equivalents	\$ 644,670	238,010	374,572	211,021	102,346
Accounts receivable	-	-	-	-	-
Due from other governments	-	-	-	-	-
Total assets	<u>\$ 644,670</u>	<u>238,010</u>	<u>374,572</u>	<u>211,021</u>	<u>102,346</u>
Liabilities					
Accounts payable	\$ -	3,735	-	-	-
Advances from other funds	-	-	-	-	47,243
Due to other funds	-	-	-	-	-
Accrued salaries, wages and benefits	-	-	-	-	-
Total liabilities	<u>-</u>	<u>3,735</u>	<u>-</u>	<u>-</u>	<u>47,243</u>
Deferred inflows of resources					
Unavailable revenue	-	-	-	-	-
Fund Balances					
Restricted	644,670	234,275	374,572	211,021	55,103
Committed	-	-	-	-	-
Total fund balances	<u>644,670</u>	<u>234,275</u>	<u>374,572</u>	<u>211,021</u>	<u>55,103</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 644,670</u>	<u>238,010</u>	<u>374,572</u>	<u>211,021</u>	<u>102,346</u>

Capital Projects Funds

<u>General Projects</u>	<u>Pirate City Capital Reserve</u>	<u>Total</u>	<u>Total Nonmajor Governmental Funds</u>
303,843	415,161	2,289,623	2,477,501
-	-	-	605,874
-	-	-	79,460
<u>303,843</u>	<u>415,161</u>	<u>2,289,623</u>	<u>3,162,835</u>
-	-	3,735	92,865
-	-	47,243	47,243
-	-	-	3,744
-	-	-	1,289
<u>-</u>	<u>-</u>	<u>50,978</u>	<u>145,141</u>
-	-	-	605,874
-	-	1,519,641	1,692,816
<u>303,843</u>	<u>415,161</u>	<u>719,004</u>	<u>719,004</u>
<u>303,843</u>	<u>415,161</u>	<u>2,238,645</u>	<u>2,411,820</u>
<u>303,843</u>	<u>415,161</u>	<u>2,289,623</u>	<u>3,162,835</u>

CITY OF BRADENTON, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended September 30, 2015

	Special Revenue Fund	Debt Service Funds		
	Community Development Program	Franchise Fees Promissory Note 2000	Florida Municipal Loan 2012	Special Obligation Series 2007
Revenues				
Intergovernmental grants	\$ 450,745	-	-	500,004
Interest and investment earnings	-	1,020	-	-
Impact fees	-	-	-	-
Miscellaneous	12	-	-	-
Total revenues	<u>450,757</u>	<u>1,020</u>	<u>-</u>	<u>500,004</u>
Expenditures				
Current				
Transportation	-	-	-	-
Culture and recreation	-	-	-	-
Economic environment	452,300	-	-	-
Debt service				
Principal	-	375,438	185,000	430,000
Interest	-	121,372	33,605	682,431
Fees and expenditures	-	-	-	465
Capital outlay	-	-	-	-
Total expenditures	<u>452,300</u>	<u>496,810</u>	<u>218,605</u>	<u>1,112,896</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,543)</u>	<u>(495,790)</u>	<u>(218,605)</u>	<u>(612,892)</u>
Other Financing Sources (Uses)				
Transfers from other funds	-	497,191	218,605	613,431
Total other financing sources (uses)	<u>-</u>	<u>497,191</u>	<u>218,605</u>	<u>613,431</u>
Net change in fund balances	(1,543)	1,401	-	539
Fund balances (deficit), beginning	<u>98,874</u>	<u>67,994</u>	<u>1,627</u>	<u>3,544</u>
Fund balances, ending	<u>\$ 97,331</u>	<u>69,395</u>	<u>1,627</u>	<u>4,083</u>

<u>Debt Service Funds</u>	
Special Obligation Series 2012	Total
-	500,004
-	1,020
-	-
-	-
-	-
-	501,024
-	-
-	-
-	-
294,847	1,285,285
209,633	1,047,041
-	465
-	-
504,480	2,332,791
(504,480)	(1,831,767)
504,480	1,833,707
504,480	1,833,707
-	1,940
739	73,904
739	75,844

(Continued)

CITY OF BRADENTON, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES (Continued)
 NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended September 30, 2015

	Capital Projects Funds				
	Road Impact Fee	Parks and Recreation Impact Fee- West	Parks and Recreation Impact Fee- East	Public Safety Police Protection	Public Safety Fire Protection
Revenues					
Intergovernmental grants	\$ -	-	-	-	-
Interest and investment earnings	7,835	1,967	1,562	686	876
Impact fees	305,895	62,856	187,684	121,990	96,123
Miscellaneous	-	-	-	-	-
Total revenues	<u>313,730</u>	<u>64,823</u>	<u>189,246</u>	<u>122,676</u>	<u>96,999</u>
Expenditures					
Current					
Transportation	31,535	-	-	-	-
Culture and recreation	-	93,558	-	-	-
Economic environment	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	235
Fees and expenditures	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>31,535</u>	<u>93,558</u>	<u>-</u>	<u>-</u>	<u>235</u>
Excess (deficiency) of revenues over (under) expenditures	<u>282,195</u>	<u>(28,735)</u>	<u>189,246</u>	<u>122,676</u>	<u>96,764</u>
Other Financing Sources (Uses)					
Transfers from other funds	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	282,195	(28,735)	189,246	122,676	96,764
Fund balances (deficit), beginning	<u>362,475</u>	<u>263,010</u>	<u>185,326</u>	<u>88,345</u>	<u>(41,661)</u>
Fund balances, ending	<u>\$ 644,670</u>	<u>234,275</u>	<u>374,572</u>	<u>211,021</u>	<u>55,103</u>

Capital Projects Funds

<u>General Projects</u>	<u>Pirate City Capital Reserve</u>	<u>Total</u>	<u>Total Nonmajor Governmental Funds</u>
-	-	-	950,749
2,420	6,281	21,627	22,647
-	-	774,548	774,548
-	4,121	4,121	4,133
<u>2,420</u>	<u>10,402</u>	<u>800,296</u>	<u>1,752,077</u>
-	-	31,535	31,535
-	-	93,558	93,558
-	-	-	452,300
-	-	-	1,285,285
-	-	235	1,047,276
-	-	-	465
484	-	484	484
<u>484</u>	<u>-</u>	<u>125,812</u>	<u>2,910,903</u>
<u>1,936</u>	<u>10,402</u>	<u>674,484</u>	<u>(1,158,826)</u>
<u>300,000</u>	<u>141,849</u>	<u>441,849</u>	<u>2,275,556</u>
<u>300,000</u>	<u>141,849</u>	<u>441,849</u>	<u>2,275,556</u>
301,936	152,251	1,116,333	1,116,730
<u>1,907</u>	<u>262,910</u>	<u>1,122,312</u>	<u>1,295,090</u>
<u><u>303,843</u></u>	<u><u>415,161</u></u>	<u><u>2,238,645</u></u>	<u><u>2,411,820</u></u>

CITY OF BRADENTON, FLORIDA
SPECIAL REVENUE FUND
COMMUNITY DEVELOPMENT PROGRAM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Intergovernmental grants	\$ 383,600	383,600	450,745	67,145
Special assessments, property owners	100	542,454	-	(542,454)
Miscellaneous	75,433	-	12	12
Total revenues	<u>459,133</u>	<u>926,054</u>	<u>450,757</u>	<u>(475,297)</u>
Expenditures				
Economic environment				
Personnel services	155,559	155,559	155,283	276
Operating expenditures	46,161	46,161	22,240	23,921
Public assistance	257,413	724,334	274,777	449,557
Total expenditures	<u>459,133</u>	<u>926,054</u>	<u>452,300</u>	<u>473,754</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	(1,543)	(1,543)
Fund balance, October 1, 2014	<u>98,874</u>	<u>98,874</u>	<u>98,874</u>	-
Fund balance, September 30, 2015	<u><u>\$ 98,874</u></u>	<u><u>98,874</u></u>	<u><u>97,331</u></u>	<u><u>(1,543)</u></u>

CITY OF BRADENTON, FLORIDA
DEBT SERVICE FUND
FRANCHISE FEES PROMISSORY NOTE 2000 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Interest and investment earnings	\$ 1,591	1,591	1,020	(571)
Total revenues	1,591	1,591	1,020	(571)
Expenditures				
Loan principal repayments	375,438	375,438	375,438	-
Interest on bonds	123,344	123,344	121,372	1,972
Total expenditures	498,782	498,782	496,810	1,972
Deficiency of revenues (under) expenditures	(497,191)	(497,191)	(495,790)	1,401
Other financing sources				
Transfer from General Fund	497,191	497,191	497,191	-
Total other financing sources	497,191	497,191	497,191	-
Net change in fund balance	-	-	1,401	1,401
Fund balance, October 1, 2014	67,994	67,994	67,994	-
Fund balance, September 30, 2015	\$ 67,994	67,994	69,395	1,401

CITY OF BRADENTON, FLORIDA
DEBT SERVICE FUND
FLORIDA MUNICIPAL LOAN 2012 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Expenditures				
Loan principal repayments	\$ 185,000	185,000	185,000	-
Interest on bonds	33,605	33,605	33,605	-
Total expenditures	<u>218,605</u>	<u>218,605</u>	<u>218,605</u>	<u>-</u>
Other financing sources				
Transfer from General Fund	218,605	218,605	218,605	-
Total other financing sources	<u>218,605</u>	<u>218,605</u>	<u>218,605</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance, October 1, 2014	<u>1,627</u>	<u>1,627</u>	<u>1,627</u>	<u>-</u>
Fund balance, September 30, 2015	<u><u>\$ 1,627</u></u>	<u><u>1,627</u></u>	<u><u>1,627</u></u>	<u><u>-</u></u>

CITY OF BRADENTON, FLORIDA
DEBT SERVICE FUND
SPECIAL OBLIGATION SERIES 2007 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Intergovernmental grants	\$ 500,000	500,000	500,004	4
Total revenues	500,000	500,000	500,004	4
Expenditures				
Loan principal repayments	430,000	430,000	430,000	-
Interest on bonds	682,431	682,431	682,431	-
Fees and expenditures	1,000	1,000	465	535
Total expenditures	1,113,431	1,113,431	1,112,896	535
Excess deficiency of revenues over (under) expenditures	(613,431)	(613,431)	(612,892)	539
Other financing sources				
Transfer from General Fund	613,431	613,431	613,431	-
Net change in fund balance	-	-	539	539
Fund balance, October 1, 2014	3,544	3,544	3,544	-
Fund balance, September 30, 2015	\$ 3,544	3,544	4,083	539

CITY OF BRADENTON, FLORIDA
DEBT SERVICE FUND
SPECIAL OBLIGATION SERIES 2012 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Expenditures				
Loan principal repayments	\$ 294,847	294,847	294,847	-
Interest on bonds	209,633	209,633	209,633	-
Total expenditures	<u>504,480</u>	<u>504,480</u>	<u>504,480</u>	<u>-</u>
Deficiency of revenues (under) expenditures	(504,480)	(504,480)	(504,480)	-
Other financing sources				
Transfer from General Fund	<u>504,480</u>	<u>504,480</u>	<u>504,480</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance, October 1, 2014	<u>739</u>	<u>739</u>	<u>739</u>	<u>-</u>
Fund balance, September 30, 2015	<u><u>\$ 739</u></u>	<u><u>739</u></u>	<u><u>739</u></u>	<u><u>-</u></u>

CITY OF BRADENTON, FLORIDA
 CAPITAL PROJECTS FUND
 ROAD IMPACT FEE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Interest and investment earnings	\$ 3,851	3,851	7,835	3,984
Impact fees	135,000	135,000	305,895	170,895
Total revenues	<u>138,851</u>	<u>138,851</u>	<u>313,730</u>	<u>174,879</u>
Expenditures				
Transportation				
Capital Outlay	-	31,535	31,535	-
Total expenditures	<u>-</u>	<u>31,535</u>	<u>31,535</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	138,851	107,316	282,195	174,879
Fund balance, October 1, 2014	<u>362,475</u>	<u>362,475</u>	<u>362,475</u>	<u>-</u>
Fund balance, September 30, 2015	<u><u>\$ 501,326</u></u>	<u><u>469,791</u></u>	<u><u>644,670</u></u>	<u><u>-</u></u>

CITY OF BRADENTON, FLORIDA
 CAPITAL PROJECTS FUND
 PARKS AND RECREATIONAL IMPACT FEE–WEST FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Interest and investment earnings	\$ 5,683	5,683	1,967	(3,716)
Impact fees	75,000	75,000	62,856	(12,144)
Total revenues	<u>80,683</u>	<u>80,683</u>	<u>64,823</u>	<u>(15,860)</u>
Expenditures				
Culture, recreation				
Operating expenditures	-	93,559	93,558	1
Total expenditures	<u>-</u>	<u>93,559</u>	<u>93,558</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	80,683	(12,876)	(28,735)	(15,859)
Fund balance, October 1, 2014	<u>263,010</u>	<u>263,010</u>	<u>263,010</u>	<u>-</u>
Fund balance, September 30, 2015	<u><u>\$ 343,693</u></u>	<u><u>250,134</u></u>	<u><u>234,275</u></u>	<u><u>(15,859)</u></u>

CITY OF BRADENTON, FLORIDA
 CAPITAL PROJECTS FUND
 PARKS AND RECREATIONAL IMPACT FEE-EAST FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Interest and investment earnings	\$ 1,487	1,487	1,562	75
Impact fees	55,000	55,000	187,684	132,684
Total revenues	56,487	56,487	189,246	75
Fund balance, October 1, 2014	185,326	185,326	185,326	-
Fund balance, September 30, 2015	\$ 241,813	241,813	374,572	75

CITY OF BRADENTON, FLORIDA
 CAPITAL PROJECTS FUND
 PUBLIC SAFETY POLICE PROTECTION IMPACT FEE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Interest and investment earnings	\$ 174	174	686	512
Impact fees	85,000	85,000	121,990	36,990
 Total revenues	 85,174	 85,174	 122,676	 37,502
 Fund balance, October 1, 2014	 88,345	 88,345	 88,345	 -
Fund balance, September 30, 2015	\$ 173,519	173,519	211,021	37,502

CITY OF BRADENTON, FLORIDA
 CAPITAL PROJECTS FUND
 PUBLIC SAFETY FIRE PROTECTION IMPACT FEE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Interest and investment earnings	\$ 144	144	876	732
Impact fees	75,000	75,000	96,123	21,123
Total revenues	<u>75,144</u>	<u>75,144</u>	<u>96,999</u>	<u>21,855</u>
Expenditures				
Debt Service				
Interest	-	-	235	(235)
Total expenditures	<u>-</u>	<u>-</u>	<u>235</u>	<u>(235)</u>
Net change in fund balance	<u>75,144</u>	<u>75,144</u>	<u>96,764</u>	<u>21,620</u>
Fund balance (deficit), October 1, 2014	<u>(41,661)</u>	<u>(41,661)</u>	<u>(41,661)</u>	<u>-</u>
Fund balance, September 30, 2015	<u><u>\$ 33,483</u></u>	<u><u>33,483</u></u>	<u><u>55,103</u></u>	<u><u>21,620</u></u>

CITY OF BRADENTON, FLORIDA
 CAPITAL PROJECTS FUND
 GENERAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Interest and investment earnings	\$ 393	393	2,420	2,027
Intergovernmental grants	491,900	491,900	-	(491,900)
Total revenues	<u>492,293</u>	<u>492,293</u>	<u>2,420</u>	<u>(489,873)</u>
Expenditures				
General government				
Capital outlay	<u>792,293</u>	<u>792,293</u>	<u>484</u>	<u>791,809</u>
Total expenditures	<u>792,293</u>	<u>792,293</u>	<u>484</u>	<u>791,809</u>
Other financing sources				
Transfer from General Fund	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
Net change in fund balance	-	-	301,936	301,936
Fund balance, October 1, 2014	<u>1,907</u>	<u>1,907</u>	<u>1,907</u>	<u>-</u>
Fund balance, September 30, 2015	<u>\$ 1,907</u>	<u>1,907</u>	<u>303,843</u>	<u>301,936</u>

CITY OF BRADENTON, FLORIDA
 CAPITAL PROJECTS FUND
 PIRATE CITY CAPITAL RESERVE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 For the Fiscal Year Ended September 30, 2015

	Budgeted Amount		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenues				
Interest and investment earnings	\$ 4,300	4,300	6,281	1,981
Miscellaneous	-	-	4,121	4,121
Total revenues	<u>4,300</u>	<u>4,300</u>	<u>10,402</u>	<u>6,102</u>
Other financing sources (uses)				
Transfer from General Fund	<u>141,849</u>	<u>141,849</u>	<u>141,849</u>	<u>-</u>
Total other financing sources (uses)	<u>141,849</u>	<u>141,849</u>	<u>141,849</u>	<u>-</u>
Net change in fund balance	146,149	146,149	152,251	6,102
Fund balance, October 1, 2014	<u>262,910</u>	<u>262,910</u>	<u>262,910</u>	<u>-</u>
Fund balance, September 30, 2015	<u><u>\$ 409,059</u></u>	<u><u>409,059</u></u>	<u><u>415,161</u></u>	<u><u>6,102</u></u>

Internal Service Funds

Internal service funds account for the cost of operating certain facilities used by other City departments. The costs are billed to other departments based on the cost of providing units of service.

Property Insurance Fund

To account for insurance of properties for all City departments.

Medical Self-Insurance Program Fund

To account for the receipt, custody and expense of medical self-insurance program funds.

Workers' Compensation Self-Insurance Program Fund

To account for the receipt, custody and expense of workers' compensation self-insurance program funds.

CITY OF BRADENTON, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
September 30, 2015

	Medical Self-Insurance Program	Workers' Compensation Self-Insurance Program	Property Insurance	Total
Assets				
Current assets				
Cash and cash equivalents	\$ 4,714,083	9,638,406	2,106,867	16,459,356
Due from insurance	19,742	73	7,480	27,295
Prepaid items	90,339	-	-	90,339
Total current assets	<u>\$ 4,824,164</u>	<u>9,638,479</u>	<u>2,114,347</u>	<u>16,576,990</u>
Liabilities				
Current liabilities				
Accounts payable	\$ -	5,140	6,902	12,042
Unearned revenues	99,676	-	-	99,676
Estimated payable for outstanding claims	51,600	64,964	-	116,564
Total current liabilities	<u>151,276</u>	<u>70,104</u>	<u>6,902</u>	<u>228,282</u>
Noncurrent liabilities				
Estimated payable for outstanding claims	464,400	584,676	-	1,049,076
Total liabilities	<u>615,676</u>	<u>654,780</u>	<u>6,902</u>	<u>1,277,358</u>
Net position				
Unrestricted	4,208,488	8,983,699	2,107,445	15,299,632
Total liabilities and net position	<u>\$ 4,824,164</u>	<u>9,638,479</u>	<u>2,114,347</u>	<u>16,576,990</u>

CITY OF BRADENTON, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Fiscal Year Ended September 30, 2015

	Medical Self-Insurance Program	Workers' Compensation Self-Insurance Program	Property Insurance	Total
Operating revenues				
Charges for services	\$ 5,642,946	1,569,139	1,142,194	8,354,279
Operating expenses				
Contractual services	933,160	39,866	958,230	1,931,256
Supplies and materials	610,614	141,822	-	752,436
Claims	3,687,652	1,238,062	264,039	5,189,753
Total operating expenses	5,231,426	1,419,750	1,222,269	7,873,445
Operating income	411,520	149,389	(80,075)	480,834
Non-operating revenues				
Interest income and investment earnings	32,801	-	10,133	42,934
Miscellaneous	-	-	-	-
Total non-operating revenues	32,801	-	10,133	42,934
Change in net position	444,321	149,389	(69,942)	523,768
Total net position, beginning	3,764,167	8,834,310	2,177,387	14,775,864
Total net position, ending	\$ 4,208,488	8,983,699	2,107,445	15,299,632

CITY OF BRADENTON, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Fiscal Year Ended September 30, 2015

	Medical Self-Insurance Program	Workers' Compensation Self-Insurance Program	Property Insurance	Total
Cash flows from operating activities				
Receipts from charges for services	\$ 5,653,778	1,631,289	1,135,943	8,421,010
Payments to suppliers	(1,543,774)	(184,406)	(955,780)	(2,683,960)
Payments for employees	(4,082,049)	(807,139)	(264,039)	(5,153,227)
Net cash provided by (used in) operating activities	<u>27,955</u>	<u>639,744</u>	<u>(83,876)</u>	<u>583,823</u>
Cash flows from investing activities				
Interest and investment earnings received	<u>32,801</u>	<u>-</u>	<u>10,133</u>	<u>42,934</u>
Net change in cash and equivalents	60,756	639,744	(73,743)	626,757
Cash and cash equivalents, October 1, 2014	<u>4,653,327</u>	<u>8,998,662</u>	<u>2,180,610</u>	<u>15,832,599</u>
Cash and cash equivalents, September 30, 2015	<u><u>\$ 4,714,083</u></u>	<u><u>9,638,406</u></u>	<u><u>2,106,867</u></u>	<u><u>16,459,356</u></u>
Reconciliation of operating income to net cash provided by operating activities				
Operating income (loss)	\$ 411,520	149,389	(80,075)	480,834
Adjustments to reconcile operating income to net cash provided by operating activities:				
Change in assets and liabilities:				
(Increase) decrease:				
Due from insurance	(17,645)	62,150	(6,251)	38,254
Prepaid items	19,579	-	-	19,579
Increase (decrease):				
Unearned revenues	28,477	-	-	28,477
Accounts payable	(413,976)	(2,718)	2,450	(414,244)
Claims payable	-	430,923	-	430,923
Total adjustments	<u>(383,565)</u>	<u>490,355</u>	<u>(3,801)</u>	<u>102,989</u>
Net cash provided by operating activities	<u><u>\$ 27,955</u></u>	<u><u>639,744</u></u>	<u><u>(83,876)</u></u>	<u><u>583,823</u></u>

Fiduciary Funds

Trust Funds

Trust funds are used to account for assets held by the government in a trustee capacity. They are accounted for in essentially the same manner as enterprise funds since capital maintenance is critical.

Pension Trust Funds

Firefighters' Pension Fund

To account for the financial operation and condition of the firefighters' pension fund.

Police Officers' Pension Fund

To account for the financial operation and condition of the police officers' pension fund.

CITY OF BRADENTON, FLORIDA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 September 30, 2015

	Pension Trust Funds		Totals
	Firefighters' Pension Fund	Police Officers' Pension Fund	
	Fund	Fund	
Assets			
Due from city	\$ 84,006	-	84,006
Due from plan members	15,136	-	15,136
Due from brokers	-	616,853	616,853
Interest receivable	73,708	119,876	193,584
Prepaid item	-	636	636
Investments, at fair value			
U.S. Government obligations	1,897,526	2,950,963	4,848,489
Domestic corporate bonds	4,589,693	6,667,887	11,257,580
Convertible preferred stock	-	1,000,524	1,000,524
Convertible bonds	3,378,047	2,554,077	5,932,124
Foreign stock	-	3,316,045	3,316,045
Municipal obligations	1,061,452	-	1,061,452
Domestic stocks	24,913,221	14,981,843	39,895,064
Master limited partnerships	-	2,774,176	2,774,176
Mortgage backed	626,145	3,059,199	3,685,344
Collateralized mortgage backed	-	5,980,886	5,980,886
Preferred equity securities	-	418,561	418,561
Mutual funds	-	14,582,523	14,582,523
Real estate investment trust	6,034,684	-	6,034,684
Money market	1,209,903	3,130,717	4,340,620
Total investments	<u>43,710,671</u>	<u>61,417,401</u>	<u>105,128,072</u>
Total assets	<u>43,883,521</u>	<u>62,154,766</u>	<u>106,038,287</u>
Liabilities			
Accounts payable	26,820	56,750	83,570
Benefits payable	539,988	-	539,988
Due to brokers	-	924,679	924,679
Total liabilities	<u>566,808</u>	<u>981,429</u>	<u>1,548,237</u>
Net Position			
Restricted for pension benefits	<u>\$ 43,316,713</u>	<u>61,173,337</u>	<u>104,490,050</u>

CITY OF BRADENTON, FLORIDA
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS

For the Fiscal Year Ended September 30, 2015

	Pension Trust Funds		Totals
	Firefighters' Pension Fund	Police Officers' Pension Fund	
Additions			
Contributions			
Employer	\$ 2,240,745	947,023	3,187,768
Plan members	404,002	594,132	998,134
Repayment of pension benefits	-	19,266	19,266
State of Florida (from City's General Fund)	447,927	438,900	886,827
Total contributions	<u>3,092,674</u>	<u>1,999,321</u>	<u>5,091,995</u>
Investment earnings			
Interest and dividends	1,204,797	1,681,276	2,886,073
Miscellaneous/settlement income	14,515	407	14,922
Net (decrease) increase in the fair value of investments	<u>(1,263,209)</u>	<u>(3,229,601)</u>	<u>(4,492,810)</u>
Total investment earnings	(43,897)	(1,547,918)	(1,591,815)
Less investment expenses	234,124	314,931	549,055
Net investment earnings	<u>(278,021)</u>	<u>(1,862,849)</u>	<u>(2,140,870)</u>
Total additions, net	<u>2,814,653</u>	<u>136,472</u>	<u>2,951,125</u>
Deductions			
Benefits	3,440,070	2,914,608	6,354,678
Refunds of contributions	-	155,427	155,427
DROP plan payments	-	120,026	120,026
Administrative expenses	100,526	77,111	177,637
Total deductions	<u>3,540,596</u>	<u>3,267,172</u>	<u>6,807,768</u>
Change in net position	(725,943)	(3,130,700)	(3,856,643)
Net position, beginning	<u>44,042,656</u>	<u>64,304,037</u>	<u>108,346,693</u>
Net position, ending	<u>\$ 43,316,713</u>	<u>61,173,337</u>	<u>104,490,050</u>

Discretely Presented Component Units

The 'component units' columns in the Statement of Net Position and the Statement of Activities, pages 19 through 21, include the financial data of the City's discretely presented component units.

Nonmajor Discretely Presented Component Units

Bradenton Downtown Development Authority

The Bradenton Downtown Development Authority is a dependent special district created by the Laws of Florida, Chapter 74-425, Special Legislative Acts of 1974.

Bradenton Community Redevelopment Agency

The Bradenton Community Redevelopment Agency is a dependent special district created pursuant to Florida Statute 163 and City of Bradenton Ordinance 2219 passed by the Bradenton City Council on May 28, 1980.

Bradenton 14th Street Community Redevelopment Agency

The Bradenton 14th Street Community Redevelopment Agency is a dependent special district created pursuant to Florida Statute 163 and City of Bradenton Ordinance 2504 passed by the Bradenton City Council on November 24, 1993.

The Bradenton City Council, through Ordinance 2468 passed in September of 1991, has appointed the Bradenton Downtown Development Authority as the Community Redevelopment Agency of the city. Therefore all three entities have the same Board of Directors.

Central Community Redevelopment Agency

The Central Community Redevelopment Agency is a dependent special district created by the Community Redevelopment Act of 1969, Chapter 163 Part III, Florida Statutes, and City of Bradenton Ordinance 2628 passed by the Bradenton City Council on July 12, 2000. The Central Community Redevelopment Agency provides a framework for coordinating and facilitating public and private redevelopment of the Central Community Redevelopment District and adjacent areas.

CITY OF BRADENTON, FLORIDA
 COMBINING STATEMENT OF NET POSITION
 COMPONENT UNITS
 September 30, 2015

	<u>Bradenton Downtown Development Authority</u>				
	<u>Bradenton Downtown Development Authority</u>	<u>Bradenton Community Redevelopment Agency</u>	<u>14th Street Community Redevelopment Agency</u>	<u>Central Community Redevelopment Agency</u>	<u>Totals</u>
Assets					
Cash and cash equivalents	\$ -	452,933	262,088	143,550	858,571
Accounts receivable	-	-	-	6,691	6,691
Due from other governments	-	50,000	-	-	50,000
Prepaid items	-	-	-	15,586	15,586
Capital assets					
Nondepreciable, capital assets	-	-	2,923,829	3,074,336	5,998,165
Depreciable, capital assets, net	-	6,148,282	472,927	3,285,298	9,906,507
	<u>-</u>	<u>6,651,215</u>	<u>3,658,844</u>	<u>6,525,461</u>	<u>16,835,520</u>
Deferred Outflows					
Deferred outflows related to pension	-	32,624	-	32,421	65,045
Accumulated decrease in fair value of hedging derivative	-	-	-	366,715	366,715
	<u>-</u>	<u>32,624</u>	<u>-</u>	<u>399,136</u>	<u>431,760</u>
Total deferred outflows of resources	<u>-</u>	<u>32,624</u>	<u>-</u>	<u>399,136</u>	<u>431,760</u>
Liabilities					
Accounts payable	-	11,854	-	15,518	27,372
Accrued interest payable	-	21,550	-	19,497	41,047
Long-term liabilities					
Due within one year	-	-	640,949	251,957	892,906
Due in more than one year					
Revenue bonds payable	-	5,192,667	-	2,624,755	7,817,422
Net pension liability	-	90,751	-	71,868	162,619
Interest rate swap contract	-	-	-	366,715	366,715
	<u>-</u>	<u>5,316,822</u>	<u>640,949</u>	<u>3,350,310</u>	<u>9,308,081</u>
Total liabilities	<u>-</u>	<u>5,316,822</u>	<u>640,949</u>	<u>3,350,310</u>	<u>9,308,081</u>
Deferred Inflows					
Deferred inflows related to pension	-	41,958	-	52,109	94,067
	<u>-</u>	<u>41,958</u>	<u>-</u>	<u>52,109</u>	<u>94,067</u>
Total deferred inflows of resources	<u>-</u>	<u>41,958</u>	<u>-</u>	<u>52,109</u>	<u>94,067</u>
Net POSITION					
Net investment in capital assets	-	955,615	2,755,807	3,482,922	7,194,344
Unrestricted	-	369,444	262,088	39,256	670,788
	<u>-</u>	<u>1,325,059</u>	<u>2,755,807</u>	<u>3,522,178</u>	<u>7,865,132</u>
Total net position	<u>\$ -</u>	<u>1,325,059</u>	<u>3,017,895</u>	<u>3,522,178</u>	<u>7,865,132</u>

CITY OF BRADENTON, FLORIDA
 COMBINING STATEMENT OF ACTIVITIES
 COMPONENT UNITS
 For the Fiscal Year Ended September 30, 2015

ALL COMPONENT UNITS

Functions/Programs	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Change in Net Assets of the Component Units</u>
Government activities					
Community Development	\$ 3,775,603	283,290	1,499	-	\$ (3,490,814)
Interest on long-term debt	157,540	-	-	-	(157,540)
Total component units	<u>\$ 3,933,143</u>	<u>283,290</u>	<u>1,499</u>	<u>-</u>	<u>(3,648,354)</u>
General revenues					
Tax increment funding					3,416,027
Unrestricted investment earnings					<u>6,009</u>
Total general revenues					<u>3,422,036</u>
Change in net assets					(226,318)
Net position, beginning of year, restated					<u>8,091,450</u>
Net position, end of year					<u>\$ 7,865,132</u>

CITY OF BRADENTON, FLORIDA
 COMBINING STATEMENT OF ACTIVITIES
 COMPONENT UNITS
 For the Fiscal Year Ended September 30, 2015

Bradenton Community Redevelopment Agency

Functions/Programs	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Change in Net Assets of the Component Unit</u>
Government activities					
Community Development	\$ 2,759,563	89,141	-	-	\$ (2,670,422)
Total Bradenton Community Redevelopment Agency	<u>\$ 2,759,563</u>	<u>89,141</u>	<u>-</u>	<u>-</u>	<u>(2,670,422)</u>
General revenues					
Tax increment funding					2,238,389
Investment earnings					<u>4,565</u>
Total general revenues					<u>2,242,954</u>
Change in net position					(427,468)
Net position, beginning of year, restated					<u>1,752,527</u>
Net position, end of year					<u>\$ 1,325,059</u>

CITY OF BRADENTON, FLORIDA
 COMBINING STATEMENT OF ACTIVITIES
 COMPONENT UNITS
 For the Fiscal Year Ended September 30, 2015

14th Street Community Redevelopment Agency

Functions/Programs	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Change in Net Assets of the Component Unit</u>
Government activities					
Community Development	\$ 218,438	-	-	-	\$ (218,438)
Total 14th Street Community Redevelopment Agency	<u>\$ 218,438</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(218,438)</u>
General revenues					
Tax increment funding					371,299
Unrestricted investment earnings					<u>882</u>
Total general revenues					<u>372,181</u>
Change in net position					153,743
Net position, beginning of year					<u>2,864,152</u>
Net position, end of year					<u>\$ 3,017,895</u>

CITY OF BRADENTON, FLORIDA
 COMBINING STATEMENT OF ACTIVITIES
 COMPONENT UNITS
 For the Fiscal Year Ended September 30, 2015

Central Community Redevelopment Agency

Functions/Programs	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Change in Net Assets of the Component Unit</u>
Government activities					
Community Development	\$ 797,602	194,149	1,499	-	\$ (601,954)
Interest on long-term debt	<u>157,540</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(157,540)</u>
Total Central Community Redevelopment Agency	<u><u>\$ 955,142</u></u>	<u><u>194,149</u></u>	<u><u>1,499</u></u>	<u><u>-</u></u>	<u><u>(759,494)</u></u>
General revenues					
Tax increment funding					806,339
Unrestricted investment earnings					<u>562</u>
Total general revenues					<u>806,901</u>
Change in net position					47,407
Net position, beginning of year, restated					<u>3,474,771</u>
Net position, end of year					<u><u>\$ 3,522,178</u></u>

Statistical Section

This part of the City of Bradenton’s Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

Contents	Page
Financial Trends	141
<i>These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.</i>	
Revenue Capacity	147
<i>These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.</i>	
Debt Capacity	153
<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>	
Demographic and Economic Information	159
<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>	
Operating Information	161
<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>	

Source

Unless otherwise noted, the information in these schedules is derived from the City of Bradenton’s Comprehensive Annual Financial Reports for the relevant year(s).



June: Life on the River
Artist: Jean Blackburn

Life on the river meant hard work in the Florida climate. Early homesteaders were isolated from the town life inland, and the river was their connection to Bradenton and their neighbors.

Some African-Americans came to Manatee County as slaves. After emancipation, some of those families who remained lived on homesteads along the Manatee River.

Manatee County Public Library Photo Archive; USF
Library Digital Collections

CITY OF BRADENTON, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities										
Net investment in capital assets	\$ 17,729,130	16,480,126	26,757,655	26,242,893	25,595,080	23,688,608	18,853,236	29,190,556	28,792,837	28,232,135
Restricted	25,729,021	35,307,860	25,355,699	25,066,065	21,889,878	4,324,243	2,324,902	732,415	1,566,075	1,991,844
Unrestricted	31,106,637	36,230,240	35,071,462	34,293,817	33,094,759	49,753,644	57,027,749	50,785,717	50,988,793	35,272,605
Total governmental net position	\$ 74,564,788	88,018,226	87,184,816	85,602,775	80,579,717	77,766,495	78,205,887	80,708,688	81,347,705	65,496,584
Business-type activities										
Net investment in capital assets	\$ 52,193,816	50,110,225	57,932,879	57,376,349	56,563,358	58,413,500	59,890,864	65,903,360	61,428,839	61,187,702
Restricted	3,220,742	3,013,075	3,013,075	3,013,075	3,013,075	3,013,075	-	-	-	-
Unrestricted	5,604,192	11,610,427	4,982,748	6,042,809	7,224,403	8,096,837	15,266,662	16,417,089	26,097,804	28,542,831
Total business-type net position	\$ 61,018,750	64,733,727	65,928,702	66,432,233	66,800,836	69,523,412	75,157,526	82,320,449	87,526,643	89,730,533
Primary government										
Net investment in capital assets	\$ 69,922,946	66,590,351	84,690,534	83,619,242	82,158,438	82,102,108	78,744,100	95,093,916	90,221,676	89,419,837
Restricted	28,949,763	38,320,935	28,368,774	28,079,140	24,902,953	7,337,318	2,324,902	732,415	1,566,075	1,991,844
Unrestricted	36,710,829	47,840,667	40,054,210	40,336,626	40,319,162	57,850,481	72,294,411	67,202,806	77,086,597	63,815,436
Total primary net position	\$ 135,583,538	152,751,953	153,113,518	152,035,008	147,380,553	147,289,907	153,363,413	163,029,137	168,874,348	155,227,117

CITY OF BRADENTON, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities										
General government	\$ 10,362,642	7,817,764	9,927,526	10,821,162	11,031,574	9,369,379	8,247,333	9,075,136	9,011,067	7,834,108
Public safety	18,631,835	19,288,504	20,933,673	22,608,726	22,864,152	22,531,358	20,574,575	22,096,925	22,989,533	21,885,995
Transportation	3,903,857	4,307,161	4,630,993	3,300,430	3,109,157	2,793,289	2,884,855	2,577,388	3,463,464	4,070,972
Neighborhood Stabilization Grant					1,067,769	460,726	744,812	-	-	-
Community Development Program	594,060	509,025	545,736	640,582	405,125	729,978	349,438	282,940	215,252	-
Housing Assistance Program	2,807,645	2,750,502	3,246,985	3,463,616	1,133,014	-	-	-	-	598,238
Energy Efficiency Conservation Program						29,418	150,856	-	-	-
State Housing Initiatives Program	1,141,220	1,115,123	61,653	604,871	451,003	104,315	81,729	94,718	76,009	-
Shelter Plus Care Program		89,706	130,161	156,086	227,385	151,905	163,635	147,110	112,027	-
Economic environment	17,625	-	27,463	10,327	8,297	7,047	-	-	598,238	-
Culture and recreation	3,028,399	2,937,557	4,420,779	3,193,560	3,055,759	2,945,045	2,490,494	2,577,032	3,061,659	3,122,412
Interest on long-term debt	873,798	1,052,507	1,265,864	1,216,311	1,173,161	1,127,587	1,239,189	1,182,515	1,104,058	1,040,968
Total governmental activities expenses	41,370,336	39,867,649	45,190,833	46,015,671	44,526,396	40,251,610	36,933,963	38,033,764	40,631,307	38,552,693
Business-type activities										
Water and Sewer	16,471,733	17,182,008	18,046,291	19,228,039	18,173,824	17,788,224	16,845,092	17,310,472	19,053,943	18,445,277
Sanitation	6,208,743	6,350,625	6,528,224	6,506,834	6,352,001	6,131,518	5,627,349	6,181,905	6,390,604	6,276,300
Parking	236,507	771,224	774,913	818,755	783,496	800,768	697,157	718,824	766,706	617,668
Golf Course	1,294,183	1,325,772	1,390,336	1,446,488	1,413,037	1,371,498	1,265,310	1,336,245	1,337,122	1,291,953
Total business-type activities expenses	24,211,166	25,629,629	26,739,764	28,000,116	26,722,358	26,092,008	24,434,908	25,547,446	27,548,375	26,631,198
Total primary government expenses	\$ 65,581,502	65,497,278	71,930,597	74,015,787	71,248,754	66,343,618	61,368,871	63,581,210	68,179,682	65,183,891
Program Revenues										
Governmental activities										
Charges for services	\$ 5,438,417	4,448,160	5,499,999	3,118,650	3,484,499	3,777,718	5,679,319	6,914,348	8,316,511	2,682,613
General government	-	-	-	-	-	-	-	-	-	595,569
Public safety	-	-	-	-	-	-	-	-	-	1,443,003
Public safety	-	-	-	-	-	-	-	-	-	-
Community Development Program	48,675	53,567	26,919	-	2,100	9,556	8,356	-	12,155	484,918
Economic development	125,374	68,452	107,450	13,285	10,520	37,300	2,425	30,830	6,585	-
State Housing Initiatives Program	-	-	-	-	-	-	-	85,236	31,354	168,521
Culture and recreation	5,272,394	6,198,967	6,617,786	7,432,288	5,861,896	3,673,566	2,339,616	1,526,841	1,386,490	2,087,299
Operating grants and contributions	100,376	350,438	401,775	-	302,042	307,615	242,668	4,490,054	164,862	-
Capital grants and contributions	10,985,236	11,119,584	12,653,929	10,564,223	9,661,057	7,805,755	8,272,384	13,047,309	9,917,957	7,461,923
Business-type activities										
Charges for services	17,626,662	19,073,641	17,837,280	18,684,199	17,674,071	19,023,763	20,044,580	20,615,847	21,888,741	24,190,705
Water and Sewer	6,067,606	6,728,290	6,879,192	6,767,688	6,696,938	6,961,945	7,080,914	6,977,041	7,096,833	7,148,400
Sanitation	1,957,094	2,567,511	2,579,530	2,205,050	2,104,764	2,099,318	2,017,366	2,023,648	2,079,201	2,133,319
Other	-	-	-	-	412,570	769,129	587,228	1,592,094	8,574	295,245
Operating grants and contributions	-	-	-	-	-	-	-	-	1,522,923	-
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type program revenues	25,651,362	28,569,442	27,296,002	27,656,937	26,888,343	28,854,155	29,730,088	31,208,630	32,596,272	33,767,669
Total primary government program revenues	\$ 36,636,598	39,489,026	39,949,931	38,221,160	36,549,400	36,659,910	38,002,472	44,255,939	42,514,229	41,229,592
Net (expense)/revenue										
Governmental activities	\$ (30,385,100)	(28,748,065)	(32,536,904)	(35,451,448)	(34,865,339)	(32,445,855)	(28,661,579)	(24,986,455)	(30,713,350)	(31,090,770)
Business-type activities	1,440,196	2,739,813	556,238	(343,179)	165,985	2,762,147	5,295,180	5,661,184	5,047,897	7,136,471
Total primary government net expense	\$ (28,944,904)	(26,008,252)	(31,980,666)	(35,794,627)	(34,699,354)	(29,683,708)	(23,366,399)	(19,325,271)	(25,665,453)	(23,954,299)

(Continued)

(Continued)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes										
Property taxes	12,597,102	14,982,691	14,449,476	14,182,819	12,722,890	12,853,772	12,970,233	12,857,121	14,153,418	15,111,509
Utility taxes	3,923,729	3,730,455	3,614,330	3,674,959	3,864,722	3,926,752	3,932,368	4,190,724	4,591,870	4,718,156
Franchise fees	3,647,783	3,557,735	3,408,379	3,458,060	3,109,552	3,098,917	2,962,576	2,913,539	3,134,768	3,234,235
Public service taxes	2,870,757	2,882,546	2,866,892	2,634,733	2,529,202	2,472,542	2,461,325	2,439,049	2,241,335	2,066,854
Impact fees	-	-	-	-	34,933	-	-	-	-	-
Half-cent sales taxes	3,915,794	3,737,615	3,452,928	3,065,377	3,034,041	3,245,371	3,126,907	3,332,475	3,600,966	3,770,933
Local business taxes	-	-	-	-	-	-	-	-	-	222,589
Other taxes	825,615	781,258	422,857	655,991	497,245	519,064	366,602	400,000	400,000	400,000
State revenue sharing	2,035,592	2,017,301	1,852,696	1,609,583	1,616,479	1,619,296	1,378,224	1,374,790	1,480,349	3,531,749
Unrestricted investment earnings	2,103,118	2,789,012	1,308,264	3,540,262	2,208,876	1,018,973	1,554,589	(149,611)	791,282	496,966
Repayment of loan - CCRA	-	-	-	-	33,335	66,671	-	-	-	-
Gain on sale of capital assets	3,935,263	675,319	343,608	1,072,623	6,160	46,060	-	-	-	56,444
Miscellaneous	-	-	-	-	-	-	-	-	-	245,494
Transfers	270,942	(19,700)	(15,936)	(25,000)	184,846	514,675	348,147	365,493	360,141	548,709
Total governmental activities	36,125,695	35,134,232	31,703,494	33,869,407	29,842,281	29,382,093	29,100,971	27,723,580	30,754,129	34,403,638
Business-type activities										
Investment earnings	654,731	862,178	609,869	818,055	618,876	459,777	657,081	43,982	492,155	362,362
Gain on sale of capital assets	(5,095)	93,286	12,932	3,655	13,512	15,327	(348,147)	(365,493)	26,283	2,389
Transfers	(270,942)	19,700	15,936	(25,000)	(184,846)	(514,675)	(348,147)	(365,493)	(360,141)	(548,709)
Total business-type activities	378,694	975,164	638,737	846,710	447,542	(39,571)	308,934	(321,511)	158,297	(183,958)
Total primary government	\$ 36,504,389	\$ 36,109,396	\$ 32,342,231	\$ 34,716,117	\$ 30,289,823	\$ 29,342,522	\$ 29,409,905	\$ 27,402,069	\$ 30,912,426	\$ 34,219,680
Change in Net Position										
Governmental activities	\$ 5,740,595	\$ 6,386,167	\$ (833,410)	\$ (1,582,041)	\$ (5,023,058)	\$ (3,063,222)	\$ 439,392	\$ 2,737,125	\$ 639,017	\$ 3,312,868
Business-type activities	1,818,890	3,714,977	1,194,975	503,531	613,527	2,722,576	5,634,114	5,339,673	5,206,194	6,952,513
Total primary government	\$ 7,559,485	\$ 10,101,144	\$ 361,565	\$ (1,078,510)	\$ (4,409,531)	\$ (340,646)	\$ 6,073,506	\$ 8,076,798	\$ 5,845,211	\$ 10,265,381

(1) Increase is due to increased OPEB and compensated absences allocations.

(2) Increase is due to one-time salary increases and contractual agreements being allocated.

(3) Decrease is due to grant expiring.

(4) Increase includes one time contribution of \$3 million for the McKechnie Field Renovation project.

CITY OF BRADENTON, FLORIDA
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST FIVE FISCAL YEARS (Pre-GASB #54)
 (Modified Accrual Basis of Accounting)

	Fiscal Year ⁽³⁾				
	2006	2007	2008	2009	2010
General fund					
Reserved	\$ 956,734	1,730,005	839,764	569,585	546,807
Unreserved	18,546,496	17,672,862	17,869,835	19,753,036	17,979,801
Total General Fund	<u>\$ 19,503,230</u>	<u>19,402,867</u>	<u>18,709,599</u>	<u>20,322,621</u>	<u>18,526,608</u>
All other governmental funds					
Reserved	\$ 4,571,506	6,344,209	5,839,417	6,608,900	6,009,228
Unreserved, reported in					
Special revenue funds	18,949,081	17,512,722	17,587,349	16,350,074	16,563,777
Debt service funds	2,062,665	2,062,223	1,989,717 ⁽¹⁾	1,529,898	1,494,961
Capital projects funds	189,789 ⁽²⁾	9,494,884	40,345	674,607	-
Total all other governmental funds	<u>\$ 25,773,041</u>	<u>35,414,038</u>	<u>25,456,828</u>	<u>25,163,479</u>	<u>24,067,966</u>

Notes:

⁽¹⁾ Decrease is due to residual equity transfer

⁽²⁾ Increase is due to unexpended loan proceeds

⁽³⁾ GASB #54 was implemented during fiscal year 2011, see subsequent years after implementation of GASB #54 on following page.

CITY OF BRADENTON, FLORIDA
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST FIVE FISCAL YEARS

	Fiscal Year				
	2011	2012	2013	2014	2015
General Fund					
Nonspendable	\$ 3,035,344	2,677,563	2,352,321	1,860,417	1,433,003
Restricted	-	-	-	475,681	194,853
Committed	6,245,670	3,302,443	3,309,121	3,469,355	3,463,846
Assigned	1,389,565	11,072,757	11,188,450	11,206,055	14,170,506
Unassigned	19,437,408	23,396,447	23,240,348	24,944,019	27,867,207
Total General Fund	<u>\$ 30,107,987</u>	<u>40,449,210</u>	<u>40,090,240</u>	<u>41,955,527</u>	<u>47,129,415</u>
All other governmental funds					
Restricted, reported in					
Special revenue funds	\$ 1,513,929	1,248,712	732,415	127,334	201,506
Debt service funds	2,698,546	69,030	71,785	73,904	75,844
Capital projects funds	-	-	-	899,156	1,519,641
Committed, reported in					
Capital projects funds	635,160	6,708,620	139,738	264,817	719,004
Assigned, reported in					
Debt service funds	8,548,831	-	-	-	-
Unassigned, reported in					
Special revenue funds	-	(103,695)	(103,980)	(41,661)	-
Total all other governmental funds	<u>\$ 13,396,466</u>	<u>7,922,667</u>	<u>839,958</u>	<u>1,323,550</u>	<u>2,515,995</u>
Total all governmental funds	<u>\$ 43,504,453</u>	<u>48,371,877</u>	<u>40,930,198</u>	<u>43,279,077</u>	<u>49,645,410</u>

NOTE: GASB 54 was implemented during fiscal year 2011

CITY OF BRADENTON, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Taxes	\$ 20,217,203	22,376,950	21,353,555	24,213,879	22,648,100	23,018,041	23,080,688	23,442,721	25,211,755	26,290,041
Fees	3,647,783	3,557,735	3,408,379	3,458,060	3,144,485	3,098,917	2,962,576	2,917,893	3,661,040	4,008,783
Licenses and permits	1,209,567	856,491	698,400	611,915	408,822	659,196	1,048,446	1,416,904	1,852,002	1,946,876
Intergovernmental grants	4,176,287	4,791,310	5,473,651	5,315,180	3,941,244	2,659,818	2,493,234	1,907,636	935,057	1,239,334
Intergovernmental revenues	6,073,046	5,981,527	5,725,130	2,303,987	1,883,486	1,787,238	1,672,181	1,749,474	1,784,193	-
Shared revenues	1,074,823	1,354,366	1,572,848	1,524,007	1,553,687	1,548,422	1,378,224	1,374,790	1,480,349	3,531,749
Payments in lieu of taxes	37,420	26,469	-	23,530	32,135	32,739	60,599	71,048	65,874	73,417
Charges for services	1,991,797	1,810,531	1,782,019	1,260,384	1,344,936	1,326,562	1,397,788	2,304,771	2,385,279	2,268,905
Fines and forfeitures	443,675	532,968	290,816	211,744	373,336	186,348	412,666	237,690	319,227	282,292
Interest / investment earnings	2,014,139	2,789,012	1,308,264	3,232,029	2,017,029	1,020,191	1,385,249	(112,796)	718,435	454,032
Rents	828,301	669,236	494,488	470,159	466,346	512,039	518,508	612,341	644,143	655,453
Contributions	550,003	12,178	580,269	12,600	402,000	-	-	-	-	-
Miscellaneous	272,544	495,487	1,097,029	413,600	850,924	565,026	489,130	424,739	1,171,726	378,323
Special assessments, property owners	385,360	166,819	156,070	26,700	20,620	57,663	34,206	50,860	38,686	69,358
Total revenues	42,921,948	45,421,079	43,940,918	43,077,774	39,087,150	36,472,200	36,933,495	36,398,071	40,267,766	41,198,563
Expenditures										
General government services	9,685,207	9,468,737	8,943,084	8,639,038	8,925,980	7,582,145	7,881,561	7,948,040	8,310,959	8,265,081
Public safety	18,647,250	20,433,678	20,894,380	20,154,685	20,882,402	20,586,889	21,302,361	21,695,625	22,490,782	22,065,869
Transportation	3,796,308	3,961,684	4,224,462	2,823,742	2,573,471	2,239,094	2,466,669	2,257,845	3,176,830	3,772,104
Economic environment	4,597,384	4,457,254	4,007,562	4,866,802	3,284,296	1,493,782	1,490,470	971,280	399,442	657,688
Culture-recreation	2,413,482	2,518,351	3,237,798	1,892,760	1,718,338	1,624,229	1,492,401	1,685,033	1,587,131	1,569,806
Capital outlay	7,364,019	10,185,766	10,603,881	1,387,684	922,980	358,972	2,041,870	10,429,154	117,157	484
Debt service principal	1,123,184	881,989	1,242,267	929,592	975,837	1,014,089	3,962,638	1,158,019	1,237,138	1,285,285
Debt service interest	870,080	827,223	1,244,167	1,192,588	1,149,688	1,104,550	1,149,529	1,139,888	1,096,011	1,047,276
Debt service fees/expenditures	25,487	846,338	3,187	3,879	3,809	3,677	112,039	-	840	465
Total expenditures	48,522,401	53,581,020	54,400,788	41,890,770	40,436,801	36,007,427	41,899,538	47,284,884	38,416,290	38,664,058
Excess (deficiency) of revenues over (under) expenditures	(5,600,453)	(8,159,941)	(10,459,870)	1,187,004	(1,349,651)	464,773	(4,966,043)	(10,886,813)	1,851,476	2,534,505
Other financing sources (uses)										
Transfers from other funds	16,196,528	16,563,335	16,077,562	16,647,339	14,300,643	5,139,545	2,824,836	2,687,498	2,373,392	2,922,229
Transfers to other funds	(16,875,586)	(16,583,035)	(16,093,498)	(16,672,339)	(14,715,797)	(5,024,870)	(2,476,689)	(2,322,005)	(2,013,250)	(2,355,566)
Proceeds from note receivable	-	-	-	-	33,335	66,671	-	-	-	3,189,811
Sales of capital assets	4,853,057	304,366	597,205	464,669	31,394	13,760	15,320	29,397	137,261	75,354
Issuance of debt	3,000,000	18,645,000	-	-	-	-	9,470,000	3,000,000	-	-
Proceeds from capital lease	-	299,031	-	-	-	-	-	-	-	-
Special item, Manatee Players	-	(1,528,122)	(771,877)	(307,000)	(191,450)	-	-	-	-	-
Special item, CCRA	-	-	-	-	(1,000,000)	-	-	-	-	-
Total other financing sources (uses) and special items	7,173,999	17,700,575	(190,608)	132,669	(1,541,875)	195,106	9,833,467	3,394,890	497,403	3,831,828
Net change in fund balances	\$ 1,573,546	9,540,634	(10,650,478)	1,319,673	(2,891,526)	659,879	4,867,424	(7,491,923)	2,348,879	6,366,333
Debt service as a percentage of noncapital expenditures	6.94%	5.90%	3.13%	5.37%	5.44%	5.96%	13.41%	6.33%	6.26%	6.17%

CITY OF BRADENTON, FLORIDA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

Fiscal Year	Property Tax	Utility Tax	Communication Service Tax	Half-Cent Sales Tax	Total
2006	\$ 12,597,102	3,923,729	2,870,757	3,915,794	23,307,382
2007	14,982,691	3,730,455	2,882,546	3,737,615	25,333,307
2008	14,449,476	3,614,330	2,866,892	3,452,928	24,383,626
2009	14,182,819	3,674,959	2,634,733	3,065,377	23,557,888
2010	12,722,890	3,864,722	2,529,202	3,034,041	22,150,855
2011	12,853,772	3,926,752	2,472,542	3,245,371	22,498,437
2012	12,970,233	3,932,368	2,461,325	3,126,907	22,490,833
2013	12,857,121	4,190,724	2,439,049	3,332,475	22,819,369
2014	14,153,418	4,591,870	2,241,335	3,600,966	24,587,589
2015	15,111,509	4,718,156	2,066,854	3,770,933	25,667,452

CITY OF BRADENTON, FLORIDA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

Fiscal Year	Property Tax	Tourist Development Tax	Ninth Cent Gas Tax	Five-Cent Gas Tax	Four-Cent Gas Tax	Two-Cent Gas Tax	Utility Tax	Communication			Total
								Service Tax	Half-Cent Sales Tax	Half-Cent Sales Tax	
2006	\$ 12,597,102	253,906	294,054	--	550,129	230,640	3,923,729	2,870,757	3,915,794		24,636,111
2007	14,982,691	263,510	284,206	300,478	530,677	239,005	3,730,455	2,882,546	3,737,615		26,951,183
2008	14,449,476	263,610	282,212	522,542	528,430	239,664	3,614,330	2,866,892	3,452,928		26,220,084
2009	14,182,819	255,531	264,364	532,067	500,555	227,021	3,674,959	2,634,733	3,065,377		25,337,426
2010	12,722,890	269,361	268,022	522,278	525,192	238,195	3,864,722	2,529,202	3,034,041		23,973,903
2011	12,853,772	289,237	265,138	523,860	522,465	236,959	3,926,752	2,472,542	3,245,371		24,336,096
2012	12,970,233	366,602	241,460	524,300	375,499	236,965	3,932,368	2,461,325	3,126,907		24,235,659
2013	12,857,121	400,000	261,127	517,723	360,776	235,164	4,190,724	2,439,049	3,332,475		24,594,159
2014	14,153,418	400,000	244,685	550,621	447,324	237,719	4,591,870	2,241,335	3,600,966		26,467,938
2015	15,111,509	400,000	268,290	590,577	510,561	267,003	4,718,156	2,066,854	3,770,933		27,703,883

CITY OF BRADENTON, FLORIDA
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

Fiscal Year	Real Property	Personal Property	Centrally Assessed	Less Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2006	\$ 3,164,475,719	341,229,608	312,762	(612,358,030)	2,893,660,059	4.7500	4,118,376,119	86.82%
2007	3,925,825,566	348,608,525	368,986	(648,676,654)	3,626,126,423	4.7500	4,923,479,731	87.37%
2008	4,400,363,084	334,236,652	421,725	(684,559,927)	4,050,461,534	4.1134	5,419,581,388	82.34%
2009	4,029,617,425	365,563,886	427,546	(942,525,097)	3,453,083,760	4.2843	5,338,133,954	80.89%
2010	3,486,297,604	368,980,353	427,080	(910,893,012)	2,944,812,025	4.2843	4,766,598,049	75.51%
2010	3,210,891,376	356,363,905	396,212	(874,956,035)	2,692,695,458	4.9452	3,567,651,493	75.51%
2012	3,054,389,054	326,685,423	434,387	(828,217,894)	2,553,290,970	5.2002	3,381,508,864	75.30%
2013	2,904,553,317	321,276,532	441,707	(765,296,847)	2,460,974,709	5.4356	3,226,271,556	76.28%
2014	2,922,921,458	316,675,346	459,950	(761,038,444)	2,479,018,310	5.8976	3,240,056,754	76.51%
2015	3,107,639,781	334,602,216	473,540	(809,076,526)	2,633,639,011	5.8976	3,442,715,537	76.50%

Source: Manatee County Property Appraiser

Note: Property tax levies, based on assessed values as of January 1, become due and payable on November 1 of each year. A 4% discount is allowed, if the taxes are paid in November; the discount declines by 1% each month thereafter. Accordingly, taxes collected will never be 100% of the tax levy. Taxes become delinquent on April 1 of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June 1 of each year.

CITY OF BRADENTON, FLORIDA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Fiscal Year	City of Bradenton			Manatee County			School District			Total Direct and Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	
2006	4.7500	-	4.7500	7.5719	0.1344	7.7063	7.9330	-	7.9330	20.3893
2007	4.7500	-	4.7500	6.2993	0.0876	6.3869	7.6140	-	7.6140	18.7509
2008	4.1134	-	4.1134	6.2993	0.0956	6.3949	7.6660	-	7.6660	18.1743
2009	4.2843	-	4.2843	6.2993	0.1090	6.4083	7.3720	-	7.3720	18.0646
2010	4.2843	-	4.2843	6.2993	0.1254	6.4247	7.5410	-	7.5410	18.2500
2011	4.9452	-	4.9452	6.2993	0.1303	6.4296	7.5910	-	7.5910	18.9658
2012	5.2002	-	5.2002	6.2993	0.1303	6.4296	7.5890	-	7.5890	19.2188
2013	5.4356	-	5.4356	6.2993	0.1303	6.4296	7.5720	-	7.5720	19.4372
2014	5.8976	-	5.8976	6.2993	0.1303	6.4296	7.5933	-	7.5933	19.9205
2015	5.8976	-	5.8976	6.3126	0.1200	6.4326	7.3760	-	7.3760	19.7062

Source: Manatee County Property Appraiser's Office and Manatee County Government offices

CITY OF BRADENTON, FLORIDA
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value ⁽¹⁾	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Tropicana Products	\$ 139,004,253	1	5.65%	\$ 181,293,119	1	5.56%
Manatee Memorial Hospital LP	83,542,714	2	3.39%	48,261,466	3	1.48%
HCA Health Services of Florida	51,325,821	3	2.09%	66,373,963	2	2.04%
Freedom Village Ltd.	45,143,972	4	1.83%	26,618,589	7	0.82%
Florida Power & Light	34,498,457	5	1.40%	29,090,685	5	0.89%
Carlton Arms of Bradenton	31,082,929	6	1.26%	27,518,749	6	0.84%
Ronald Benderson	20,377,190	7	0.83%	-	-	-
Sawgrass Cove Vistas	19,908,734	8	0.81%	-	-	-
Graham Packaging	19,291,015	9	0.78%	-	-	-
Morguard Watermark Apartments LLC	18,827,128	10	0.77%	-	-	-
Presbyterian Retirement	-	-	-	38,584,025	4	1.18%
Palm Cove Development of Bradenton	-	-	-	18,390,505	8	0.56%
Continental 117 Fund LLC	-	-	-	18,063,194	9	0.55%
Continental 115 Fund LLC	-	-	-	17,156,590	10	0.53%
TOTALS	\$ 463,002,213		18.81%	\$ 471,350,885		14.45%

⁽¹⁾ Percentage of total net assessed value is calculated using total net taxable assessed value on page 141

Source: Manatee County Property Appraiser's Office

CITY OF BRADENTON, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy for Fiscal Year	Collection within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 13,260,011	12,565,367	94.8%	31,735	12,597,102	95.0%
2007	15,771,251	14,858,015	94.2%	124,676	14,982,691	95.0%
2008	15,206,445	14,387,727	94.6%	61,749	14,449,476	95.0%
2009	14,928,360	13,697,033	91.8%	419,268	14,116,301	94.6%
2010	13,392,221	12,683,700	94.7%	38,910	12,722,610	95.0%
2011	13,529,598	12,812,986	94.7%	40,706	12,853,692	95.0%
2012	13,277,624	12,937,796	97.4%	32,438	12,970,234	97.7%
2013	13,249,291	12,743,879	96.2%	24,661	12,768,540	96.4%
2014	14,467,803	14,015,568	96.9%	48,479	14,064,047	97.2%
2015	15,561,420	15,102,369	97.1%	9,140	15,111,509	97.1%

Source: Manatee County Property Appraiser's Office and City of Bradenton, Florida's Finance Department

CITY OF BRADENTON, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities					Business-Type Activities					Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾
	Subordinate Lien Bond	Promissory Notes/Bonds	Capital Leases	Utility Bonds	Subordinate Lien Bond	Promissory Notes/Loans	Capital Leases						
2006	\$ 2,141,625	8,229,618	327,588	6,642,371	668,375	16,687,334	7,998			34,704,909	7.515%	632.02	
2007	1,970,625	26,163,629	489,674	4,551,038	614,375	16,608,614	151,481			50,549,436	5.251%	929.06	
2008	1,792,025	25,090,668	166,592	2,340,000	557,975	16,217,211	105,044			46,269,515	5.766%	855.42	
2009	1,605,825	24,347,276	98,596	-	499,175	15,781,718	56,789			42,389,379	6.100%	784.25	
2010	1,408,225	23,569,039	28,605	-	436,775	13,055,210	6,634			38,504,488	6.696%	714.75	
2011	1,203,025	22,760,150	5,721	-	371,975	10,127,661	330,906			34,799,438	6.842%	699.85	
2012	-	29,470,537	-	-	-	7,096,343	262,017			36,828,896	6.468%	730.89	
2013	-	28,312,518	-	-	-	6,769,672	191,635			35,273,825	6.303%	699.11	
2014	-	27,075,380	-	-	-	13,380,524	118,393			40,574,297	5.627%	793.72	
2015	-	23,708,858	-	-	-	14,972,976	-			38,681,834	6.508%	736.32	

⁽¹⁾ See the Schedule of Demographic and Economic Statistics (page 159) for personal income and population data.

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

CITY OF BRADENTON, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Bonds/Notes	Less: Amounts Available in Debt Service Fund		Total	Percentage of Estimated Actual Taxable Value ⁽¹⁾ of Property	Per Capita ⁽²⁾
2006	\$ 10,371,243	2,341,886		8,029,357	1.6310%	167.15
2007	28,134,254	2,341,444		25,792,810	0.4697%	474.05
2008	26,882,693	2,268,938		24,613,755	0.4611%	455.06
2009	25,953,101	1,809,119		24,143,982	0.6655%	446.69
2010	24,977,264	1,774,182		23,203,082	0.6552%	430.72
2011	23,963,175	1,586,952		22,376,223	0.6617%	450.01
2012	29,470,537	69,030		29,401,507	0.8318%	583.49
2013	28,312,518	71,785		28,240,733	0.8753%	559.72
2014	27,075,380	73,904		27,001,476	0.8333%	528.21
2015	23,708,858	75,844		23,633,014	0.6865%	449.86

⁽¹⁾ See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property (page 149) for property value data

⁽²⁾ Population data can be found in the Schedule of Demographic and Economic Statistics (page 159)

CITY OF BRADENTON, FLORIDA
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 September 30, 2015

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ⁽¹⁾	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Manatee County	\$ 95,137,000	15.12%	14,384,714
Manatee County School Board	236,632,455	15.12%	35,778,827
Subtotal, overlapping debt			<u>50,163,541</u>
City of Bradenton direct debt	23,708,858	100.00%	<u>23,708,858</u>
Total direct and overlapping debt			<u>\$ 73,872,399</u>

Source: Manatee County Government

⁽¹⁾ The percentage of Overlapping Debt Applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the county's total taxable value.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

CITY OF BRADENTON
HISTORICAL NON-AD VALOREM REVENUES AND
DEBT SERVICE PAYABLE FROM NON-AD VALOREM REVENUES (UNAUDITED)
IN THOUSANDS (000's)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Total governmental funds	\$ 47,775	45,725	44,528	43,078	39,087	36,472	36,933	36,398	40,268	41,199
Less ad valorem revenues	12,851	14,983	14,449	14,182	12,723	12,854	12,970	12,857	14,153	15,112
Total non-ad valorem revenues	34,924	30,742	30,079	28,896	26,364	23,618	23,963	23,541	26,115	26,087
Less restricted funds:										
Special revenues ⁽²⁾	2,763	2,763	2,763	2,763	2,763	2,763	-	-	-	-
Adjusted non-ad valorem revenues	\$ 32,161	27,979	27,316	26,133	23,601	20,855	23,963	23,541	26,115	26,087
Expenditures										
General expenditures										
Public safety	\$ 18,647	20,434	20,894	20,155	20,822	20,587	21,302	21,696	22,491	22,066
General government	9,685	9,469	8,943	8,639	8,088	7,582	7,881	7,948	8,311	8,265
Total general expenditures	28,332	29,903	29,837	28,794	28,910	28,169	29,183	29,644	30,802	30,331
Less ad valorem revenues available to pay general expenditures	12,851	14,983	14,449	14,182	12,723	12,854	12,970	12,857	14,153	15,112
Adjusted general expenditures	15,481	14,920	15,388	14,612	16,187	15,315	16,213	16,787	16,649	15,219
Legally available non-ad valorem revenues	\$ 16,680	13,059	11,928	11,521	7,414	5,540	7,750	6,754	9,466	10,868
Average of current and prior year	\$ 13,942	14,870	12,494	11,725	9,468	6,477	6,562	7,169	8,110	10,167
Annual debt service requirement ⁽¹⁾	1,993	1,709	2,486	2,121	2,105	2,119	2,136	2,297	2,333	2,333
Coverage	8.37	7.64	4.80	5.43	3.52	2.61	3.63	2.94	4.06	4.66
Percentage of governmental funds	4.17%	3.74%	5.58%	4.92%	5.39%	5.81%	5.78%	6.31%	5.79%	5.66%

⁽¹⁾ Excludes debt service on obligations where non-ad valorem revenues were not used to pay debt service.

⁽²⁾ The Special Revenue Bond matured in 2011 and as such there are no further restrictions on special revenues.

Source: City of Bradenton, Florida Finance Department

CITY OF BRADENTON, FLORIDA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Computation of Legal Debt Margin

There is no debt limit mandated by law.

CITY OF BRADENTON, FLORIDA
 PLEDGED-REVENUE COVERAGE
 LAST TEN FISCAL YEARS

Fiscal Year	Utility System Refunding Revenue Bond					
	Water-Sewer Charges and Other(1)	Less: Operating Expenses(2)	Net Available Revenue	Debt Service (3) Principal	Debt Service (3) Interest	Coverage
2006	\$ 17,626,662	11,136,105	6,490,557	2,340,000	356,213	2.41
2007	18,966,413	12,413,962	6,552,451	2,398,628	233,166	2.49
2008	17,818,864	12,673,305	5,145,559	2,271,883	272,834	2.02
2009	18,684,199	14,349,381	4,334,818	2,402,364	284,804	1.61
2010	17,674,071	13,000,165	4,673,906	2,405,505	192,166	1.80
2011	19,023,763	12,772,791	6,250,972	2,494,266	97,882	2.41
2012	20,044,581	12,314,930	7,729,651	-	-	(4)
2013	20,615,847	12,443,693	8,172,154	-	-	(4)
2014	21,888,741	13,522,046	8,366,695	-	-	(4)
2015	24,190,705	13,171,598	11,019,107	-	-	(4)

Notes:

- (1) "Water-Sewer Charges and Other" does not include tap fees.
- (2) "Operating Expenses" do not include depreciation or interest expense.
- (3) Details regarding the City's outstanding debt can be found in the notes to the financial statements.
- (4) The Utility System Refunding Revenue bond matured in 2012.

CITY OF BRADENTON, FLORIDA
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS

Fiscal Year	Population ⁽¹⁾	Personal Income ⁽²⁾ <i>(in thousands)</i>	Per Capita Personal Income ⁽³⁾	Unemployment Rate ⁽⁴⁾
2006	54,911	\$ 2,252,943	41,029	3.2
2007	54,409	2,289,476	42,079	4.3
2008	54,090	2,219,096	41,026	7.6
2009	54,051	2,065,937	38,222	12.5
2010	53,871	2,141,749	39,757	12.6
2011	49,724	2,093,629	42,105	10.9
2012	50,389	2,170,607	43,077	9.0
2013	50,455	2,223,400	44,067	8.1
2014	51,119	2,283,128	44,663	6.1
2015	52,534	2,517,482	47,921	4.8

Sources:

⁽¹⁾ Bureau of Economic and Business Research

⁽²⁾ Personal income is a calculated amount based on population and per capita personal income

⁽³⁾ U.S. Bureau of Economic Analysis from 2005 to 2012, estimated for 2013 and 2014 @ 2.3%

⁽⁴⁾ Florida Department of Labor and Employment Security

CITY OF BRADENTON, FLORIDA
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO

Employer	2015			2006		
	Employees ⁽¹⁾	Rank	Percentage of Total County Employment	Employees ⁽¹⁾	Rank	Percentage of Total County Employment
Manatee County School Board	5,500	1	3.60%	5,000	1	3.25%
Beall's, Inc.	1,924	2	1.26%	2,100	2	1.37%
Manatee County Government	1,795	3	1.18%	1,730	3	1.13%
Manatee Memorial Hospital	1,445	4	0.95%	1,500	5	0.98%
Tropicana Products, Inc.	1,200	5	0.79%	1,600	4	1.04%
Manatee Co. Sheriff's Dept.	1,138	6	0.75%	1,115	6	0.73%
Blake Medical Center	1,100	7	0.72%	1,100	7	0.72%
Publix	875	8	0.57%	-	-	-
IMG Academies	564	9	0.37%	-	-	-
City of Bradenton	506	10	0.33%	580	10	0.38%
Sysco Food	-	-	-	695	8	0.45%
Hoverround	-	-	-	637	9	0.41%
Total	16,047		10.52%	16,057		10.46%
Total number of individuals employed within Manatee County(2)	152,693					

Source:

Note: Data was unavailable specifically for the City of Bradenton. The above information is based on Manatee County in which the City resides.

⁽¹⁾ Manatee Chamber of Commerce: Economic Development Council, Manatee County Government, and Manatee County Sheriff's Department

⁽²⁾ Florida Department of Economic Opportunity

CITY OF BRADENTON, FLORIDA
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
 LAST TEN YEARS

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General government										
Full-time	109	109	107	102	87	90	94	92	92	98
Part-time	24	26	5	7	8	4	5	2	1	8
Public safety										
Police										
Officers	121	121	122	122	120	119	118	120	120	120
Civilians	29	29	28	30	25	29	30	30	30	30
Part-time civilians	20	20	28	12	26	26	26	26	26	18
Fire										
Firefighters and officers	71	70	70	70	65	64	65	65	65	65
Civilians	5	6	5	5	3	3	3	3	3	3
Part-time civilians	0	0	0	0	0	0	0	0	0	0
Highway and streets										
Engineering	5	5	7	7	8	8	8	8	8	10
Part-time engineering	2	1	0	0	0	1	1	1	1	0
Maintenance	18	19	17	16	13	13	13	13	13	13
Sanitation	65	66	55	55	55	52	52	52	52	52
Culture and recreation										
Full-time	49	44	42	39	36	35	31	31	31	30
Part-time	37	36	35	32	32	32	32	32	32	28
Water										
Full-time	50	50	39	41	41	41	40	40	40	36
Sewer	58	58	50	50	47	47	50	50	50	49
Total										
Full-time	580	577	542	537	500	501	504	504	504	506
Part-time	83	83	68	51	66	63	64	61	60	54

Source: City of Bradenton annual budgets

CITY OF BRADENTON, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Police										
Physical arrests	2,244	2,641	2,720	2,834	2,576	2,424	2,137	2,229	2,351	2,895
Parking violations	6,942	9,995	11,229	9,073	7,294	7,988	4,320	4,615	4,316	4,294
Traffic citations	12,182	17,186	11,535	10,247	7,050	7,586	4,881	5,009	6,401	11,193
Fire										
Number of calls answered	4,927	4,790	4,594	4,534	4,360	4,132	4,423	4,225	4,500	4,954
Inspections	2,215	1,408	721	1,398	1,914	1,968	2,272	1,689	1,433	1,541
Highways and streets										
Street resurfacing (miles)	2,370	2,307	2,400	2,500	10,450	3,160	3,778	1,356	2,760	9,000
Potholes repaired	2,276	3,081	3,065	3,181	2,351	2,192	1,743	1,419	1,612	1,750
Sanitation										
Refuse collected (tons/day)	118.68	207.02	183.20	168.09	165.70	208.28	244.12	236.66	240.95	246.10
Recyclables collected (tons/day)	139.55	6.82	6.80	6.70	37.67	6.90	7.69	8.11	7.83	7.68
Water										
New connections	352	391	133	191	149	101	132	133	156	165
Water mains breaks	160	210	184	152	239	177	142	178	212	216
Average daily consumption (million of gallons)	5.43	5.86	4.84	4.91	5.01	5.12	5.49	5.89	5.74	5.80
Wastewater										
Average daily sewage treatment (million of gallons)	5.73	5.41	5.26	4.96	5.07	5.00	5.39	5.52	5.70	6.28

Source: Various City of Bradenton Departments

CITY OF BRADENTON, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	125	122	126	120	115	119	125	123	119	122
Fire stations	3	3	3	3	3	3	3	3	3	3
Sanitation										
Collection trucks	18	21	19	19	19	15	16	16	16	16
Highways and streets										
Streets (miles)	142.00	144.92	149.00	149.00	149.00	154.69	154.58	155.16	155.16	193.00
Streetlights	3,800	3,825	3,867	3,882	3,882	4,247	4,247	4,317	4,338	4,338
Traffic signals	352	352	352	352	352	352	352	364	412	412
Culture and recreation										
Parks acreage	167.70	167.70	167.70	167.70	167.70	193.29	193.29	193.29	193.29	193.29
Parks	10	10	10	10	10	10	11	11	10	10
Tennis courts	5	5	5	5	5	5	5	5	5	5
Water										
Water mains (miles)	184.00	254.00	254.00	254.00	254.00	254.00	254.00	254.70	255.74	255.74
Fire hydrants	1,728	1,788	1,788	1,835	1,858	1,860	1,876	1,880	1,905	1,900
Maximum daily capacity (millions of gallons)	6.95	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Sewer										
Sanitary sewers (miles)	146.20	200.00	200.00	200.00	200.00	175.50	175.50	176.10	177.05	201.90
Storm sewers (miles)	75.00	106.00	108.00	108.00	108.00	106.40	106.40	107.10	107.80	149.60
Maximum daily capacity (million of gallons)	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9	9.0

Source: Various City of Bradenton Departments



Welcome to Manatee Lands

Artists: Jean Blackburn

Don Brandes

Before automobiles and the interstate system,
the Manatee River was the main transportation route
for people and products.

When first opened for settlement,
the area was called the "Manatee Lands."



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

To the Honorable Mayor,
Members of the City Council and City Clerk
City of Bradenton, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bradenton, Florida (the “City”), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements and have issued our report thereon dated May 25, 2016. Our report includes a reference to other auditors who audited the financial statements of the City of Bradenton Firefighters’ Retirement System as described in our report on the City’s financial statements. This report does not include the results of the other auditor’s testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. Also, our report includes a reference to the changes in accounting principle resulting from the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pension Plans – an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*.

Internal Control Over Financial Reporting

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

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

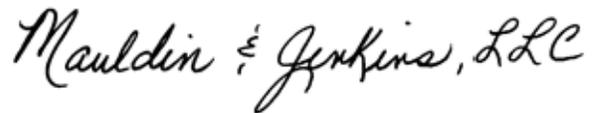
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "Mauldin & Jenkins, LLC".

Bradenton, Florida
May 25, 2016



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR STATE PROJECT AND ON
INTERNAL CONTROL OVER COMPLIANCE**

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

Report on Compliance for Each Major State Project

We have audited the City of Bradenton, Florida's (the "City") compliance with the types of compliance requirements described in the *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of the City's major state projects for the year ended September 30, 2015. The City's major state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Auditor General*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state project occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major State Project

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended September 30, 2015.

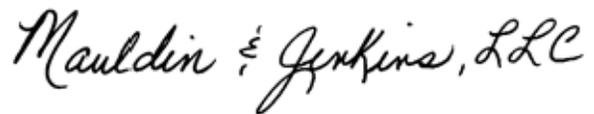
Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state project and to test and report on internal control over compliance in accordance with Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.



Bradenton, Florida
May 25, 2016

**CITY OF BRADENTON, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015**

**SECTION I
SUMMARY OF AUDIT RESULTS**

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:
Material weaknesses identified? ___ yes X no

Significant deficiencies identified not considered
to be material weaknesses? ___ yes X none reported

Noncompliance material to financial statements noted? ___ yes X no

State Financial Assistance Projects

Internal Control over major state programs:
Material weaknesses identified? ___ yes X no

Significant deficiencies identified not considered
to be material weaknesses? ___ yes X none reported

Type of auditor's report issued on compliance for
major state financial assistance projects: Unmodified

Identification of major state financial assistance projects:

CSFA Number	Name of State Project or Cluster
73.016	Facilities for Retained Spring Training Franchises

Dollar threshold used to distinguish between
Type A and Type B programs: \$300,000

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported

**SECTION III
STATE FINANCIAL ASSISTANCE PROJECT
FINDINGS AND QUESTIONED COSTS**

None reported.

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

No prior year audit findings.

CITY OF BRADENTON, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

For the Fiscal Year Ended September 30, 2015

	CFDA/CSFA Number	Grant ID Number	Actual Expenditures
Federal Awards			
Department of Housing and Urban Development Community Development Block Grant Program/ Entitlement Grants	14.218	B13MC120024	\$ 452,301 <u>452,301</u>
Total Department of Housing and Urban Development			<u>452,301</u>
Department of Justice Bullet Proof Vest Partnership Program Passed through the Florida Department of Law Enforcement of Office of Attorney General Edward Byrne Formula Grant Program	16.607	N/A	4,969
	16.579	2014-DJ-BX-0317	<u>5,930</u>
Total Department of Justice			<u>10,899</u>
Department of Transportation Sidewalk to Schools Lap	20.205	FM416236-1	<u>484</u>
Total Department of Transportation			<u>484</u>
Total expenditures of Federal awards			<u>\$ 463,684</u>

CITY OF BRADENTON, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

For the Fiscal Year Ended September 30, 2015

	<u>CFDA/CSFA Number</u>	<u>Grant ID Number</u>	<u>Actual Expenditures</u>
State Financial Assistance			
Florida Housing Finance Agency			
State Housing Initiatives Partnership Program	52.901	N/A	\$ 205,387
Florida Department of Environmental Protection			
12th & 14th Bridges , State Revolving Loan	37.077	SW410330	207,847
Florida Department of Revenue			
Facilities for Retained Spring Training Franchises	73.016	N/A	<u>500,004</u>
Total expenditures of State financial assistance			<u><u>\$ 913,238</u></u>

This Schedule includes the Federal and State grant activity of the City of Bradenton, Florida, for the fiscal year ended September 30, 2015, and is presented using the modified accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and Chapter 10.550 Rules of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts in, or used in the preparation of the basic financial statements.



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the City of Bradenton, Florida (the "City"), as of and for the fiscal year ended September 30, 2015, and have issued our report thereon dated May 25, 2016. We did not audit the financial statements of the City of Bradenton Firefighters' Retirement System which represents 34%, 35% and 20%, respectively, of the assets, net position and revenues of the aggregate remaining fund information. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Bradenton Firefighters' Retirement System, is based solely on the report of the other auditors.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; 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*; Independent Auditor's Report on Compliance for Each Major State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated May 25, 2016, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations in the preceding annual financial audit report requiring correction.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City of Bradenton, Florida was incorporated in 1903. Additional information on the City's creation and the City's component units is disclosed within the City's footnotes.

Financial Condition

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

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

Annual Financial Report

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

Special District Component Units

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

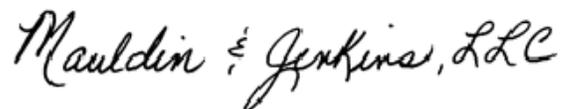
Other Matters

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

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

Purpose of this Letter

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



Bradenton, Florida
May 25, 2016



INDEPENDENT AUDITOR'S REPORT

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

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

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

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

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

Mauldin & Jenkins, LLC

Bradenton, Florida
May 25, 2016