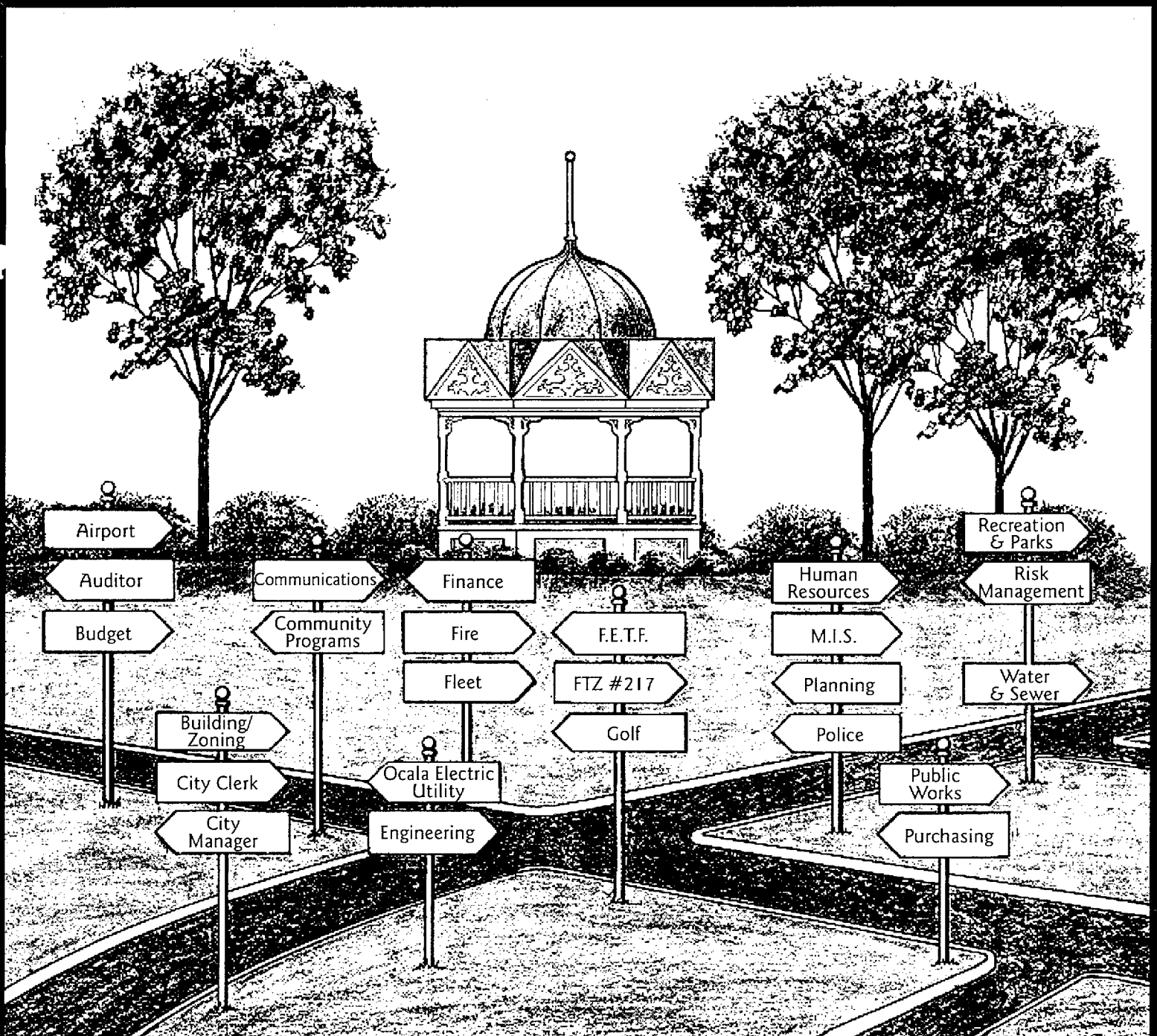


# City of Ocala, Florida



## Comprehensive Annual Financial Report

For The Year Ended September 30, 1999

**CITY OF OCALA, FLORIDA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**September 30, 1999**

**Prepared by:**  
**Department of Finance**

**CITY OF OCALA, FLORIDA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**Year Ended September 30, 1999**

**City Council**

E. L. Foster, Mayor  
Richard A. Kesselring, President  
Michael S. Amsden  
Gerald K. Ergle  
Michael A. Finn  
Mary S. Rich

**City Officials**

City Manager	Susan M. Miller
Assistant City Manager	Paul K. Nugent
Assistant City Manager	Bill J. Looney
Building, Zoning and Licensing Director	Jacques Skutt
City Attorney	Patrick G. Gilligan
City Clerk	Deborah C. Bullock
City Engineer	B. William TenBroeck
Community Programs Director	William L. Patten
Electric Utility Director	Dean G. Shaw
Finance Director	Glen L. Baker
Fire Chief	James H. Poston, Jr.
Fleet Management Director	Glenn A. Stephens
Golf Director	Michael J. McGinnis
Human Resources Director	Carolyn V. Ingham
Internal Auditor	Eric J. Lewerenz
M.I.S. Director	Lynne M. Ciaraldi
Planning Director	William B. Hunt
Police Chief	Morrell Deen
Program Evaluation Director	Oel G. Wingo
Public Works Director	Daryl J. Poole
Purchasing Director	James W. Crosby
Recreation and Parks Director	David J. Pritchard
Risk Manager	Leonard A. Baker, Jr.
Water and Sewer Director	Henry K. Hicks

## **INTRODUCTORY SECTION**

This Section contains the following Subsections:

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Letter of Transmittal

Certificate of Achievement  
for Excellence in Financial Reporting

City of Ocala Organization Charts



**CITY OF OCALA, FLORIDA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**Year Ended September 30, 1999**

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*City of Ocala*  
**FINANCE DEPARTMENT**  
P.O. Box 1270, OCALA, FLORIDA 34478-1270  
(352) 629-8501 Fax (352) 690-2025



March 31, 2000

Honorable Mayor and Members of City Council  
City Hall  
Ocala, Florida 34478

Ladies and Gentlemen:

The Comprehensive Annual Financial Report (CAFR) of the City of Ocala, Florida, for the fiscal year ended September 30, 1999, is hereby submitted.

The presentation of the CAFR is controlled by and is the responsibility of the City. We believe that the report accurately and fairly presents the financial position, results of operations of all fund types and cash flows of proprietary fund types of the City in conformity with generally accepted accounting principles. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. The report is structured to be of interest to the public, local government officials, state agencies and the banking and financial community in general.

The CAFR is presented in three sections: introductory, financial, and statistical. The introductory section contains the table of contents, this transmittal letter, and the certificate of achievement for excellence in financial reporting for the 1998 CAFR and the City's organization chart. The financial section includes the general-purpose financial statements, combining, individual fund and account group financial statements and schedules by fund type, as well as the auditors' report on the financial statements and schedules. The statistical section includes selected financial and demographic information, which is designed to enhance the reader's understanding, of the City's past and of its future potential.

All funds and account groups of the City of Ocala are included in this report. The City provides a full range of general services, including police and fire protection; general government; culture and recreation; construction and maintenance of highways, as well as streets and infrastructure.

***The CAFR is  
presented in three  
sections: intro-  
ductory, financial  
and statistical.***

**. . . Ocala/Marion  
County is a dy-  
namic community  
with a thriving  
manufacturing  
base, a growing  
regional commer-  
cial center and  
home to a grow-  
ing workforce.**

In order to provide both financial support and a vested higher quality of service to its citizens, the City also owns and operates, for public service, eleven enterprise funds as follows: two championship golf courses with a total of 45 holes and clubhouse facilities, garbage and trash pick-up service (both back door and curb side), water and sanitary sewer services, a membership tennis facility, electric utility service, an airport (Ocala Regional Airport/Jim Taylor Field), an emergency training facility, an adult athletic complex, a broadband communications network, a municipal trailer park, and a regional mass transit system. The financial activities of all-municipal boards and commissions are included in the City's financial statements. The Ocala Housing Authority has not met the established criteria for inclusion in the reporting entity, and accordingly, is excluded from this report. The Community Redevelopment Agency is included because of City Council's ability to significantly influence their operations.

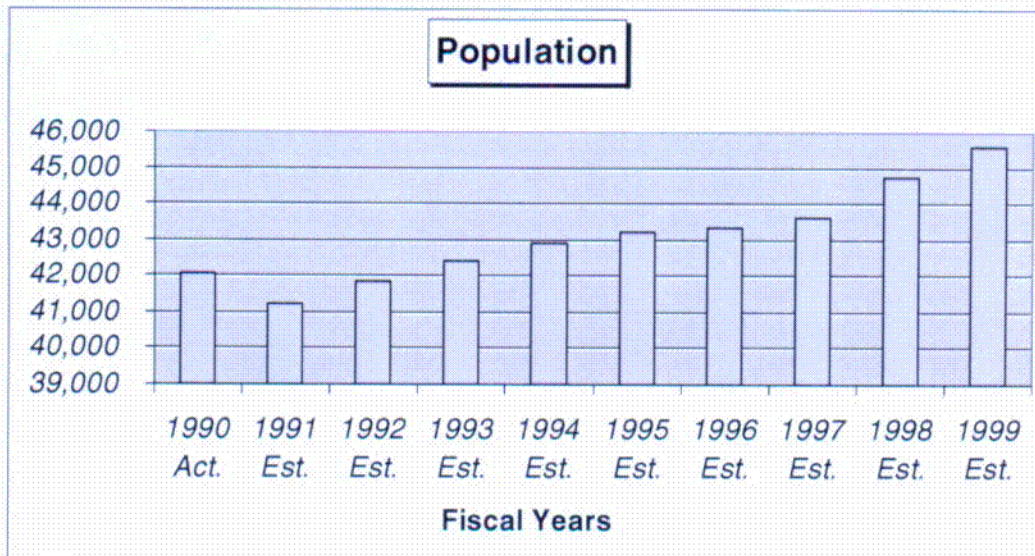
## **ECONOMIC CONDITION AND OUTLOOK**

### **Summary of Local Economy**

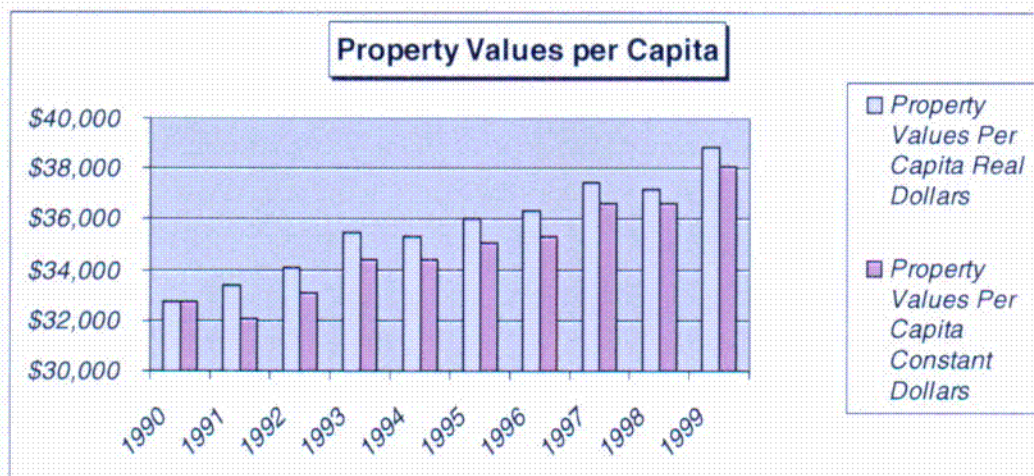
The City of Ocala offers all the amenities of big-city-living, but in a "small town" atmosphere. Nestled in the heart of central Florida, Ocala/Marion County is a dynamic community with a thriving manufacturing base, a growing regional commercial center and home to a growing workforce. The following are some reports and studies that have shown Ocala to be one of the fastest growing areas in the nation:

- 1995 All-America Designation
- 1995 Ranked 5<sup>th</sup> Best Place to Live in America – *Money Magazine*
- 1998 Ranked 53<sup>rd</sup> of the Top 100 U.S. Metro Areas to Start-up a Business – *Inc. Magazine*
- 1998 Ranked 11<sup>th</sup> Most Livable Small City – *Money Magazine*
- 1999 Lowest Median Price for Residential Homes in the Nation – *National Association of Realtors*
- 1999 "Horse Capital of the World" – Florida Thoroughbred Breeders' and Owners' Association

Industries located in Ocala/Marion County have access to major markets and population centers using several Interstate and U.S. Highways as well as railroads. Access to global markets is provided through Ocala's Foreign Trade Zone, as well as two deep-water seaports and four international airports within 100 miles of Ocala.



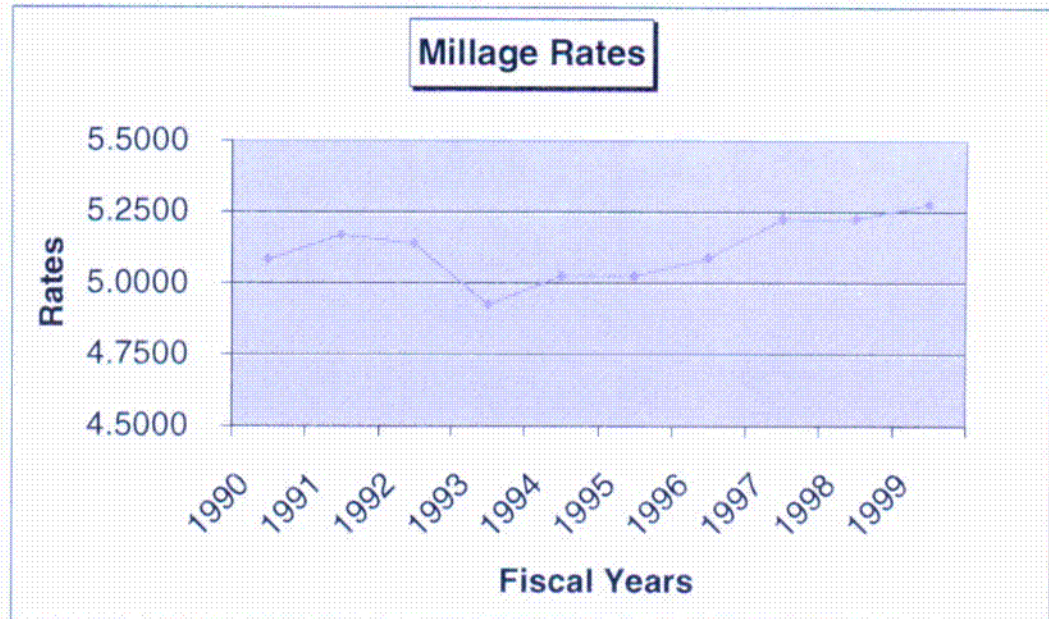
The increase in population was caused by the annexations totaling approximately eight square miles over the past ten years as well as by residents who have relocated from other areas.



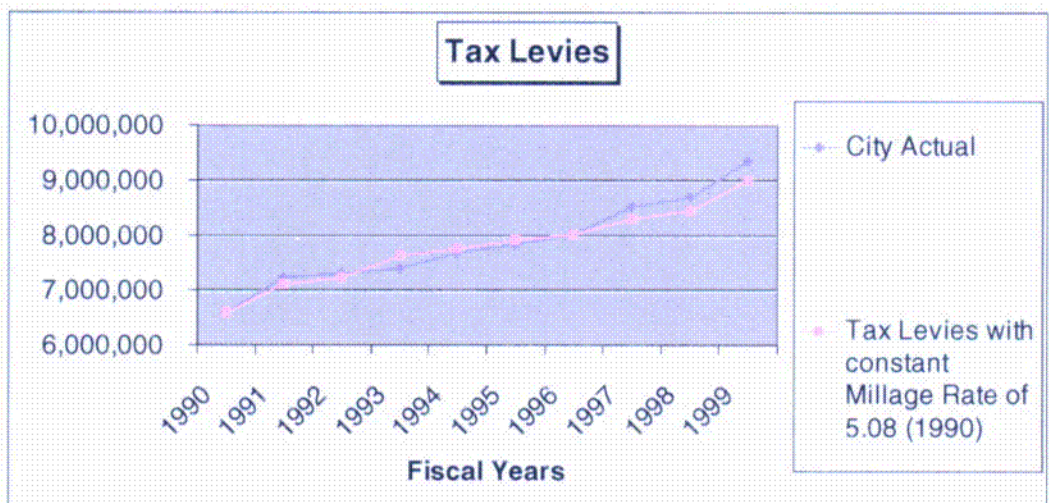
The increasing property values are due to a combination of new construction and appreciation of property values in the area.



*The City's  
millage rate  
has re-  
mained  
relatively  
constant . . .*

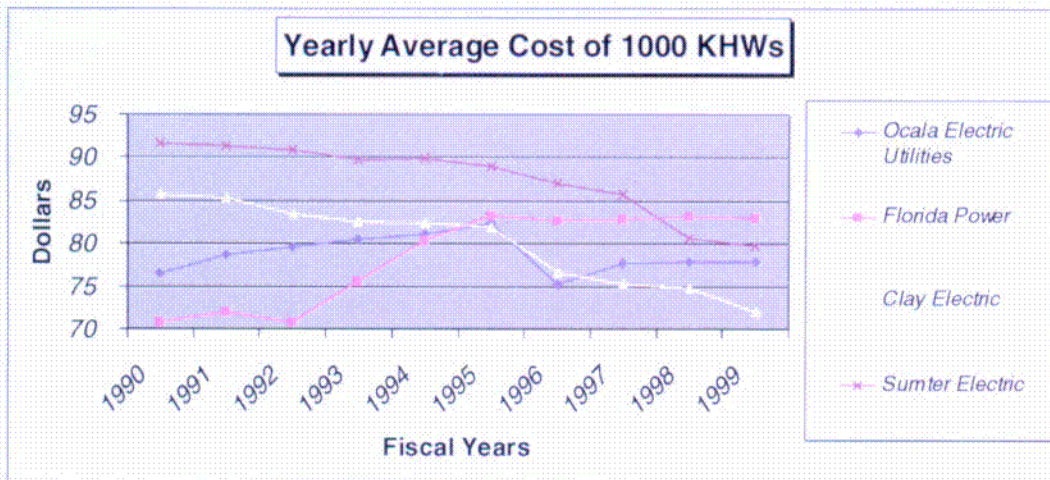


The City's millage rate has remained relatively constant, with a small increase from 5.0800 to 5.2743, which is only a 3.82% increase, over the past 10 years. The City Council strives to keep the millage rate at the lowest level possible while continuing to provide quality service to the citizens of Ocala.



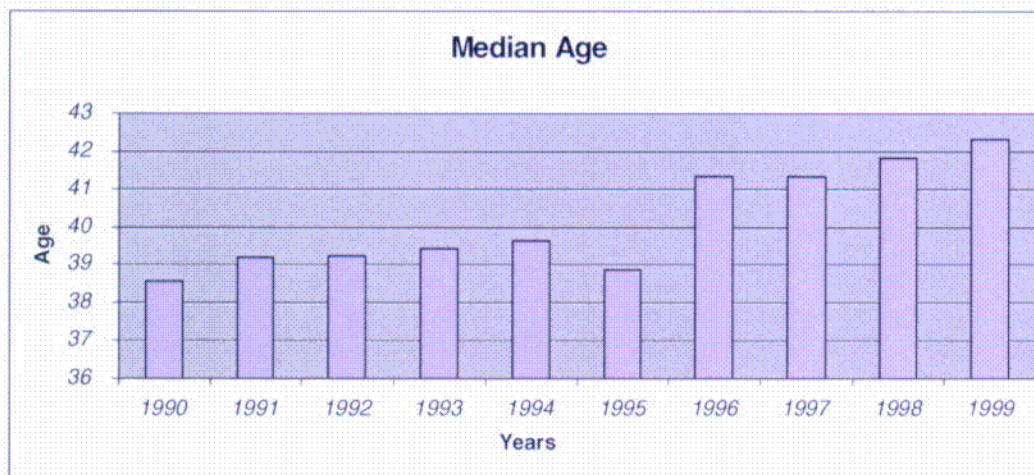
The City has experienced a steady increase in the tax levies due to the 35% increase in the assessed valuation of property within the City over the last ten years. The constant millage rate (1990) shows that the City's increase in tax levies is due to the increase in assessed valuation and not an increase in the millage rate.



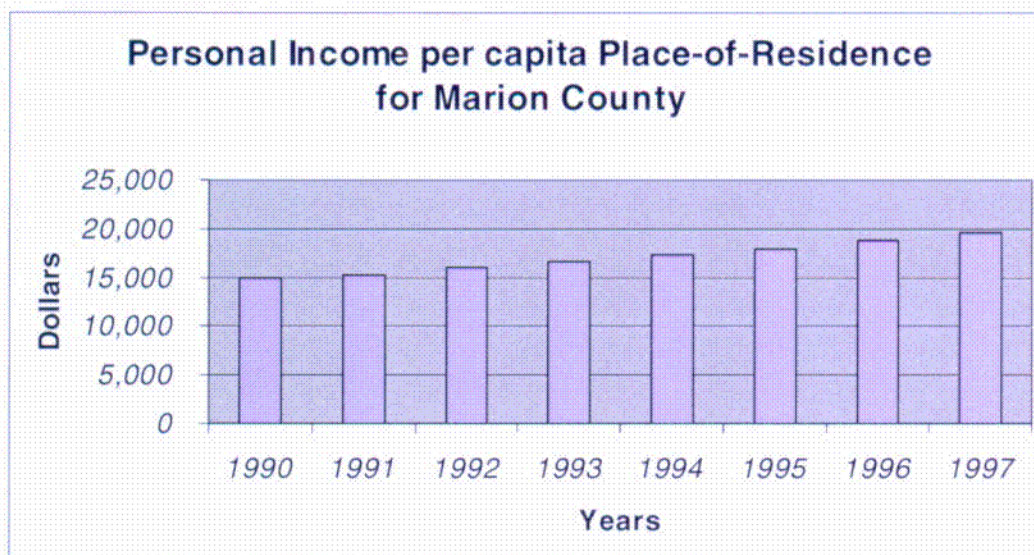


*Ocala Electric Utility . . . remains competitive with other local electric companies . . .*

Ocala Electric Utility, the City's Electric Department, remains competitive with other local electric companies in the average cost to consumers.

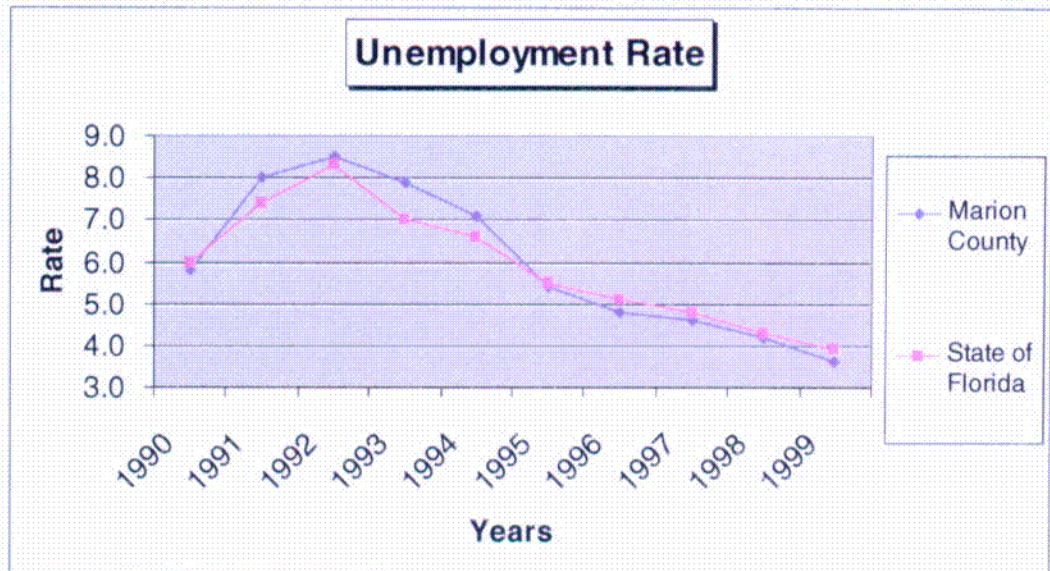


Due to the in-migration of older citizens, the median age of the City has increased in recent years.



Personal income per capita measures the ability to pay taxes. The increase in personal income per capita demonstrates to credit rating firms the ability that local governments in Marion County have to repay any debts. (1997 is the last available data.)





Marion County has experienced an unemployment rate similar to the unemployment rate of the State of Florida.

### Major Industries affecting the Local Economy

Horse breeding, dominated by Thoroughbreds and Arabians, is a major industry in the Ocala area. The tourist industry is very apparent with Silver Springs Attraction and the Ocala National Forest nearby. Also, Walt Disney World has a satellite information center in Ocala. Some other local industries making Ocala the place for their operations are Emergency One, Inc., Clairson International Corp. (Closet Maid), K-Mart Corporation (K-Mart Distribution Center), Mark IV Automotive (Dayco Products), and Signature Brands, LLC.

### Future economic outlook

Ocala/Marion County population growth rate ranks 14<sup>th</sup> among Florida's counties. Net migration to Marion County is expected to outpace job growth for the intermediate and long-term future, helping to ensure an available workforce to meet the needs of the expanding local economy.

*Through grants from the State Office of Tourism, Trade and Economic Development and the City of Ocala Economic Improvement Fund, new industries are being helped . . .*

Through grants from the State Office of Tourism, Trade and Economic Development and the City of Ocala Economic Improvement Fund new industries are being helped to set up their operations here in Ocala. Merillat Industries, Inc., a manufacturer of kitchen and bath cabinetry, is constructing a 245,000 square foot state-of-the-art cabinet manufacturing facility on a 30-acre site adjacent to I-75 South. Merillat Industries, Inc. is estimating to employ 300 – 400 people with an average hourly rate of \$9.43. Another business taking the opportunity offered here in Ocala is ABB Water Meters. ABB Water Meters, a manufacturer of residential and commercial water meters, expanded their production capacity by 50,000 square feet. ABB Water Meters added an additional 155 full-time positions to its current 80 positions with an average hourly rate of \$10.77.

The City of Ocala downtown area has gone through a major renovation. With help from the City's Downtown Development Commission (DDC) and local merchants the downtown area is brighter and more efficient than before. The landscaping is now more open, which improves visibility, and 22 new parking spaces have been added to increase the flow of traffic. Also an improved electrical system was installed. New water, sewer and stormwater lines and the repaving of the surrounding streets were other improvements done during this renovation. Through this renovation process DDC has doubled the community redevelopment area from its original 108-block area, has 3 special taxing districts, and created a credit for water and sewer impact fees to attract businesses downtown. All of this was done in accordance with Florida Statute Chapter 163 Intergovernmental Programs, Part III Community Redevelopment.

The Florida Department of Transportation provided funding to the City for the renovation of its Union Station. The Union Station is home to Amtrak, Greyhound and a transfer station for Suntran, Ocala's public bus system. Completion of this project marked the creation of a multi-use transportation facility for the future economic growth of Ocala.

### **MAJOR INITIATIVES**

#### **For the Year**

In preparing the 1999 budget, the City's focus, at City Council's direction, was the upcoming changes in the management of the City. Susan M. Miller joined the City of Ocala in May 1999, as the new City Manager. She has over 23 years of public service in Florida, holding financial or administrative positions. She has a Master's degree in Public Administration from the University of West Florida and a B.S. degree in Business Administration from the New York Institute of Technology. She holds an active CPA certificate in the State of Florida and holds the designations of Certified Government Finance Officer and Certified Government Finance Manager.

Other budget and management objectives for 1999 included maintaining orderly growth, increase the public's confidence in Council's procedures, continue the viability of the City's electric utility, proceed with economic development activities, carry on with the decreasing of the crime rate to zero, develop and support community programs, and improve communication and cooperation with other governmental bodies.

Business Plans have been developed for several enterprise funds. Ongoing improvement projects have continued in the electric and water and sewer systems. The City is also continuing its program of renovating existing City buildings. The construction of a new Police Department headquarters was completed in early fiscal year 2000. The downtown square renovation was started in 1998 and completed in 1999. For the past thirteen years, the City has levied an additional mill of ad valorem taxes of which three-quarters have been for road improvements and the remaining one-quarter has been for public safety capital outlay. For a number of years, the City and Marion County have shared the costs of improvements of

*The City of Ocala downtown area has gone through a major renovation. . .*

*The city has requested 5-year plans from departments to ensure . . .*

some major arterial streets. North Magnolia and SE 31<sup>st</sup> Street are two of the current joint road projects.

### *For the Future*

The City will continue improving the electric system, the water and sewer system and the street improvement and expansion programs, which have already been started. We will strive to provide consistent levels of service for the citizens of Ocala.

The City has created an Office of Program Evaluation with the goal of determining whether current City programs should continue to be funded at current levels. The Office of Program Evaluation will use benchmarking and performance measures to establish the best way to allocate the City's limited resources.

The City has requested 5-year business plans from departments to ensure their continued operations in the future. The Municipal Golf Course, Ft. King Tennis Center and Ocala Regional Airport have submitted their 5-year business plans, which were approved by September 30, 1999 and incorporated into the fiscal 2000 budget.

### *Department Focus*

Each year the City focuses attention on the efforts and accomplishments of a selected department. This year, the Metropolitan Planning Organization (MPO) has been selected for this purpose.

The purpose of the Metropolitan Planning Organization is to provide a forum for a coordinated, comprehensive and continual transportation planning process. The MPO is comprised of elected officials from Marion County, City of Dunnellon, City of Belleview, and City of Ocala. They are responsible for the planning and implementation of several modes of transportation including highway, transit, bicycle, pedestrian and paratransit.

A major step forward towards the improvement of transportation in the Ocala/Marion County area was the implementation of a mass transit system. The MPO started the planning for this system in 1996. In 1997, the City of Ocala and Marion County entered into an interlocal agreement to provide the local match required to secure federal and state grant funds. Later that year both the Federal Transit Administration and the Florida Department of Transportation agreed to provide funding to support the system. McDonald Transit Associates, a transit management firm, was hired in February of 1998 to run the day-to-day operations. On December 15, 1998 the mass transit system, named SunTran, began operation. In its first three weeks, SunTran transported over 10,000 passengers.

By fiscal year-end, September 30, 1999, SunTran operated six buses, covering four routes in the City and one route to Silver Springs Shores, which is in Marion County. All buses meet the Americans with Disabilities Act requirements and are

equipped with wheel chair lifts and a front door "kneeling system," which reduces step height. The buses are also equipped with bicycle racks in the front of the bus, which holds two bikes each. There are several areas around the City where route maps and passes are available. The base fare is \$1, \$.75 for students 17 and under, while seniors and disabled ride for \$.50. Monthly passes are available for \$36, students 17 and under, \$27, seniors and disabled, \$18. MPO management stated that ridership is 20 percent higher than originally anticipated.

*MPO management stated that ridership is 20 percent higher . . .*

## **FINANCIAL INFORMATION**

In developing, maintaining and evaluating the City's accounting system, consideration is given to internal accounting controls designed to ensure that the City's assets are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. The City's chart of accounts substantially complies with the Uniform Accounting System as prescribed by Chapter 3A-61 of the Florida Administrative Code.

### **Budgetary Controls**

Budgetary control is maintained on an annual allotment basis, based upon prior working capital and on revenue projections for the current year. Both expenditures and encumbrances are recorded against budgeted appropriations. At mid-year, City department heads are required to reassess their appropriations for the remainder of the year, from which a budget revision is prepared and submitted to City Council for approval. A full time budget manager coordinates the entire budget process. After the end of the year, unliquidated purchase order balances, as of September 30, are reappropriated in the form of a supplemental appropriation resolution, which is adopted by City Council. This resolution also includes a carry-forward for major projects not completed in the previous year, which are not covered by purchase orders. All items in this resolution are subject to a working capital availability test. Monthly reports are distributed to the various departments to keep them informed of their year to date expenditures, encumbrances and funds available.

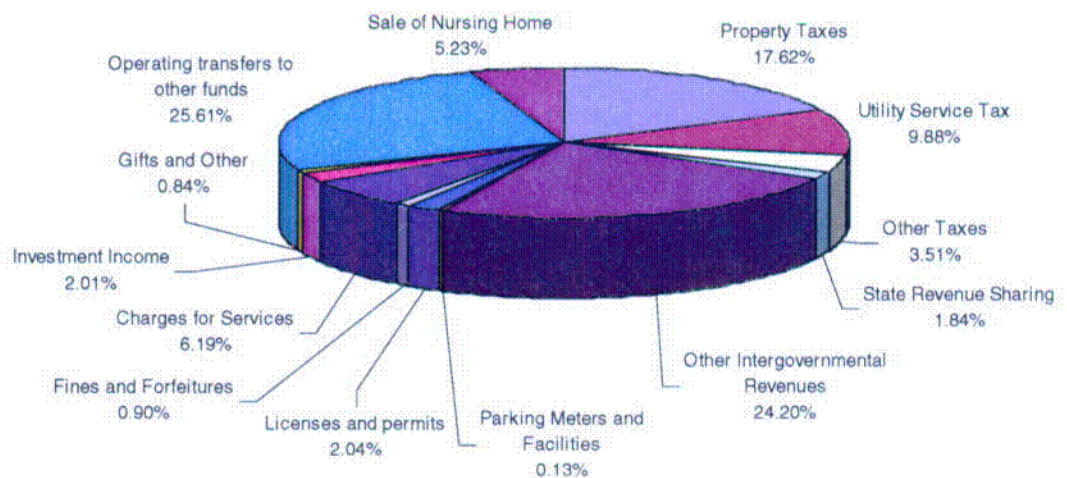
### **General Governmental Revenues**

The following schedule presents a summary of general fund, special revenue fund and debt service fund revenues and other financing sources for the fiscal year ended September 30, 1999 and the percentages of increases and decreases in relation to revenues and other financing sources for the fiscal year ended September 30, 1998.



	Amount	% of Total	Increase (Decrease) from 1998	Percent Increase (Decrease)
<b>Revenues:</b>				
Property Taxes	\$9,102,961	17.62%	\$622,381	7.34%
Utility Service Tax	5,102,382	9.88%	61,438	1.22%
Other Taxes	1,812,423	3.51%	(13,387)	(0.73%)
State Revenue Sharing	951,105	1.84%	(28,853)	(2.94%)
Other Intergovernmental Revenues	12,502,926	24.20%	1,448,269	13.10%
Parking Meters and Facilities	67,095	0.13%	1,976	3.03%
Licenses and Permits	1,054,871	2.04%	94,404	9.83%
Fines and Forfeitures	464,268	0.90%	(130,276)	(21.91%)
Charges for Services	3,195,874	6.19%	513,835	19.16%
Investment Income	1,039,143	2.01%	(1,121,867)	(51.91%)
Gifts and Other	434,366	0.84%	(2,612)	(.16%)
<b>Total revenues</b>	<b>35,727,414</b>	<b>69.16%</b>	<b>1,445,308</b>	
<b>Other financing sources:</b>				
Operating transfers from other funds	13,231,408	25.61%	(850,808)	(6.04%)
Sale of Nursing Home	2,700,000	5.23%	2,700,000	100.00%
<b>Total revenues and other financing sources</b>	<b>\$51,658,822</b>	<b>100.00%</b>	<b>\$3,294,500</b>	

### General Governmental Revenues



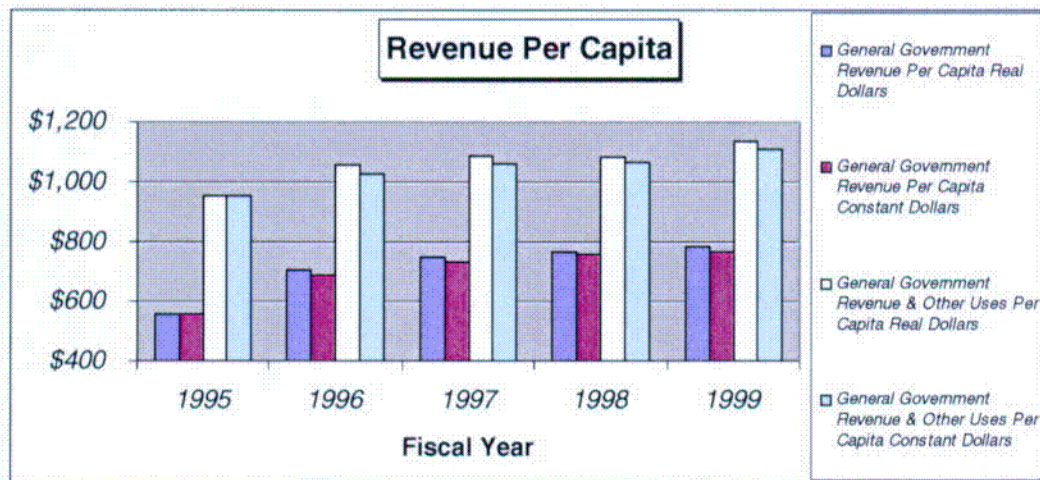


The \$662,381 (7.34%) increase in property taxes is attributable to an increase in the millage rate from 5.2237 to 5.2743 and to a 6.57% increase in the assessed valuation.

The \$1,448,269 (13.10%) increase in other intergovernmental revenues was caused primarily by increased grant activity as well as by an increased contribution from Marion County for funding road projects. An increase in the dollar value of new building construction is responsible for the \$94,404 (9.83%) increase in licenses and permits. Decreases in court fines and in confiscations are the primary reasons for the \$130,276 (21.91%) decrease in fines and forfeitures.

The \$513,835 (19.16%) increase in charges for services was caused by charges to other funds for General Fund services. The depreciation in fair value of investments at September 30, 1999 is the cause for the \$1,121,867 (51.91%) decrease in investment income. A reduction in the required contribution for debt service payments combined with nonrecurring contributions in fiscal year 1998 for the downtown square renovation are the primary causes for the \$850,808 (6.04%) decrease in operating transfers from the other funds. The \$2,700,000 (100%) increase in the sale of the nursing home is the result of a nonrecurring sale of a nursing home to which the City had acquired the deed through a conduit bond issue.

Total revenues per capita increased from \$767 in 1998 to \$784 in 1999. Total revenues and other financing uses per capita increased to \$1,133 in 1999 as compared to \$1,082 in 1998.



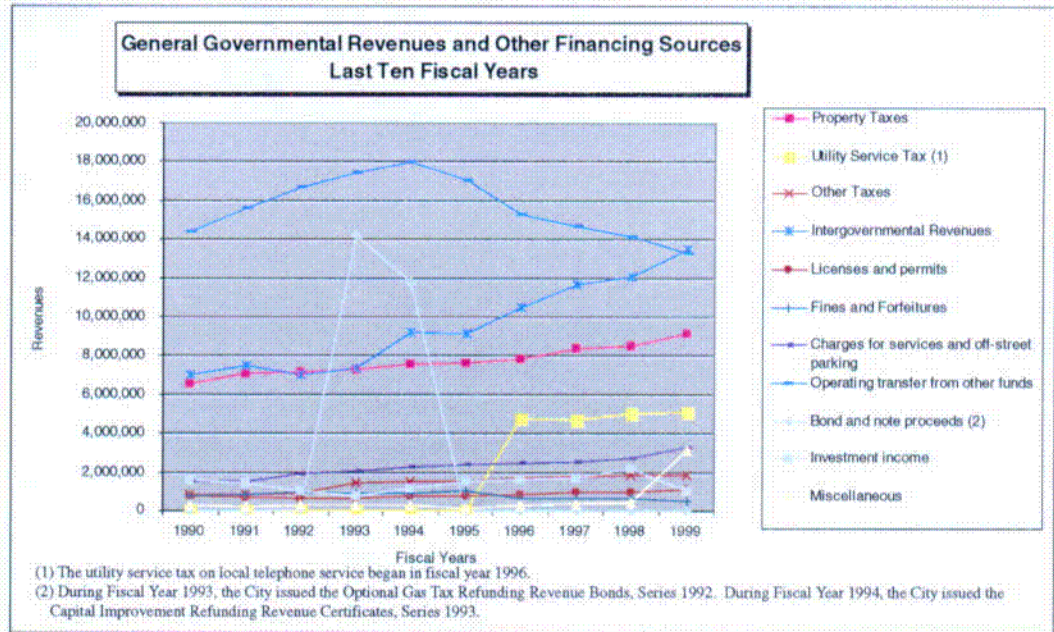
Revenue per capita has increased with the growing population of the City during the last five years. As the population has grown, the revenues for services have also grown. Intergovernmental revenues include grants for public safety and interlocal agreements with Marion County for road construction. Both of these may decrease in the future due to grant conditions and the construction completion.

*Revenue per capita has increased with the growing population*

...



The breakdown of the individual components of general governmental revenues for the past ten years is shown on the following chart.



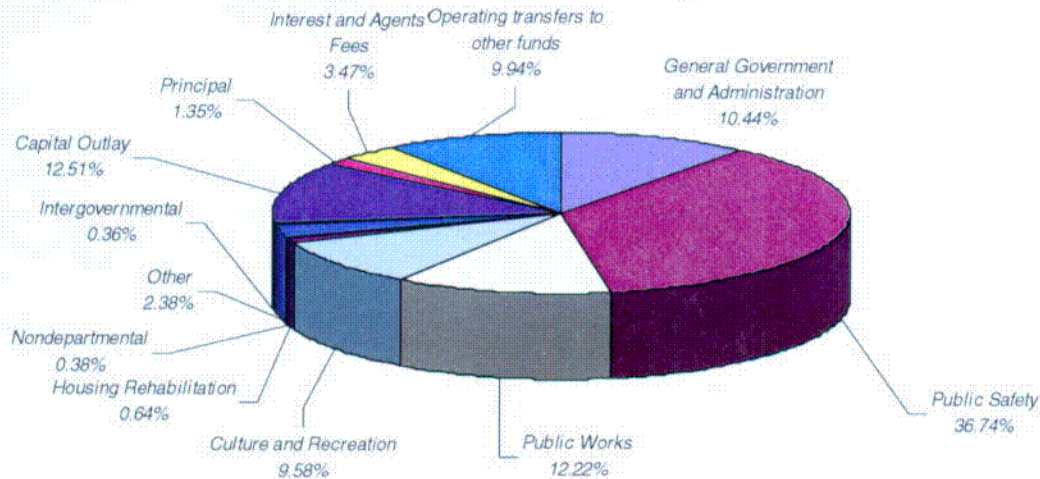
### General Governmental Expenditures

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures and other financing uses for the fiscal year ended September 30, 1999 and the percentages of increases and decreases in relation to expenditures and other financing uses for the fiscal year ended September 30, 1998.

	Amount	% of Total	Increase (Decrease) from 1998	Percent Increase (Decrease)
<b>Expenditures:</b>				
<b>Current:</b>				
General Government and Administration	\$5,353,842	10.44%	\$594,288	12.49%
Public Safety	18,844,027	36.74%	1,367,799	7.83%
Public Works	6,265,545	12.22%	619,042	10.96%
Culture and Recreation	4,911,858	9.58%	338,881	7.41%
Housing Rehabilitation	326,835	0.64%	65,755	25.19%
Nondepartmental	195,447	0.38%	(15,305)	(7.26%)
Other	1,219,331	2.38%	301,052	32.78%
Intergovernmental	183,688	0.36%	(998,886)	84.47%
Capital Outlay	6,417,164	12.51%	1,423,837	28.51%
<b>Debt Services:</b>				
Principal	690,000	1.35%	(1,170,000)	(62.90%)
Interest and Agents' Fees	1,779,619	3.47%	(118,951)	(6.27%)
<b>Total expenditures</b>	<b>46,187,356</b>	<b>90.06%</b>	<b>2,407,512</b>	
<b>Other financing uses:</b>				
Operating transfers to other funds	5,097,944	9.94%	1,080,843	26.91%
<b>Total expenditures and other financing uses</b>	<b>\$51,285,300</b>	<b>100.00%</b>	<b>\$3,488,355</b>	



## General Governmental Expenditures



During fiscal year 1999, the City experienced the impact of the third year of funding the performance evaluation merit plan, in which there were value added merit increases based on three years in addition to regular merit increases and cost of living increases. This was the primary reason for the increases in expenditures of \$594,288 (12.49%) in general government and administration, \$1,367,799 (7.83%) in public safety, \$619,042 (10.96%) in public works and \$338,881 (7.41%) in culture and recreation. Increases in grant-funded activities also contributed to the increases in general government and administration and public safety. A portion of the increase in public works expenditures as well as the \$1,423,837 (28.51%) increase in capital outlay are attributable to increased road maintenance and construction.

The \$65,755 (25.19%) increase in housing rehabilitation was the result of ten structures being fully rehabilitated and twenty-three partially rehabilitated during 1999 as compared to five full and twenty-eight partial rehabilitations during 1998. The \$301,052 (32.78%) increase in other expenditures is the result of increased grant activities, which are classified in this category.

Intergovernmental expenditures decreased by \$998,886 (84.47%), which is directly related to the transfer of the Central Florida Regional Library to Marion County during fiscal year 1998. The \$1,170,000 (62.90%) decrease in principal payments and the \$118,951 (6.27%) decrease in interest and agents' fees are attributable to scheduled debt service payments related to the City's bond issues.

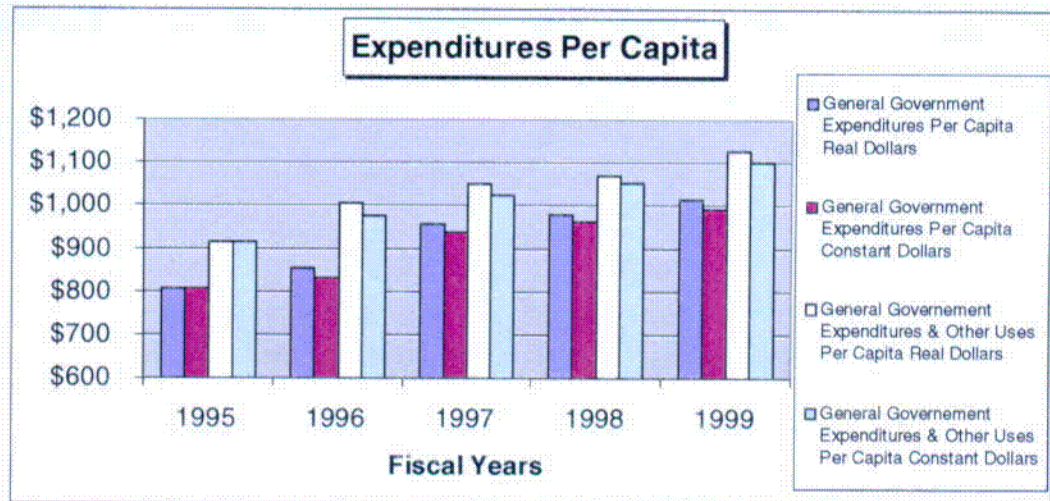
Operating transfers to other funds increased by \$1,080,843 (26.91%), which was attributable to transfers from the General Fund to the 1995 Capital Improvement Fund for construction of the new Police Department headquarters.

Total expenditures per capita increased from \$979 in 1998 to \$1,013 in 1999. Total expenditures and other financing uses per capita increased to \$1,125 in 1999 as compared to \$1,069 in 1998.

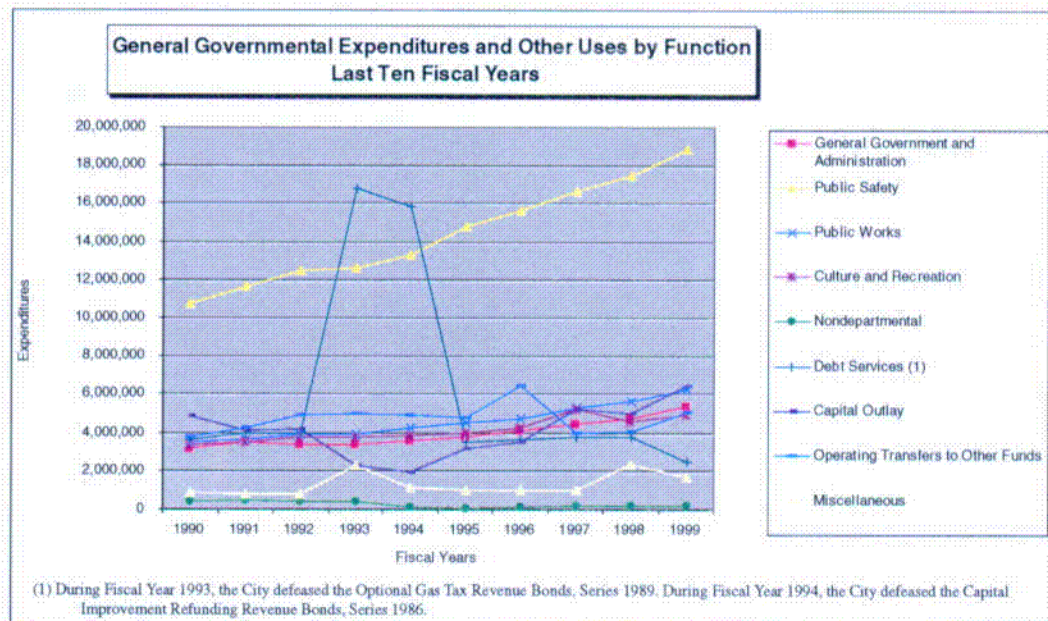
*During fiscal year 1999, the City experienced the impact of the third year of funding the performance evaluation merit plan . . .*



*As the population has grown, the need for services, especially law enforcement, has grown.*

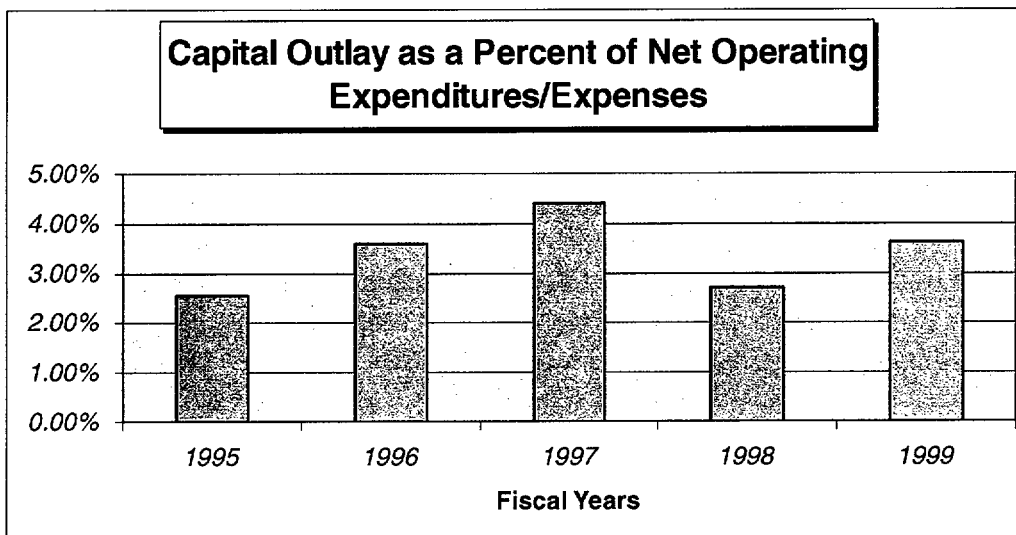
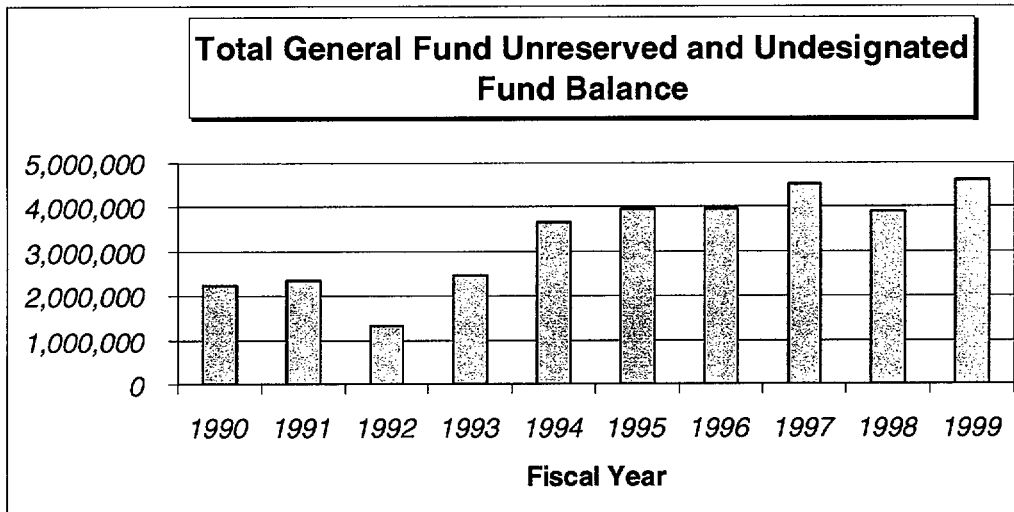


Expenditures per capita have increased with the growing population of the City during the last five years. As the population has grown, the need for services, especially law enforcement, has grown. The following chart shows the breakdown of expenditures by function for the last ten years.



### General Fund Balance

The unreserved and undesignated fund balance represents the uncommitted resources available to meet General Fund operational costs in future fiscal years. At the end of fiscal year 1999, the City's unreserved and undesignated fund balance was \$4,609,373 or 10.10% of the 1999 budgeted expenditures and operating transfers out. The following chart shows the unreserved and undesignated fund balance of the City's General Fund for the past ten years.



Capital Outlay includes General Fund, Special Revenue Funds, Enterprise Funds and Internal Service Funds. The increase in 1997 was the result of the acquisition of the AS400 computer. The chart above indicates the City's equipment is being adequately replaced and efficiently operating.

### **Enterprise Operations**

The City of Ocala operates eleven distinct enterprise funds: Electric System Revenue, Water and Sewer, Sanitation, Municipal Golf Course, Fort King Tennis Court, Municipal Trailer Park, Ocala Regional Airport, Florida Emergency Training Facility, Adult Athletic Complex, Communications, and Suntran. The Electric System Revenue enterprise fund is financially sound and continues to be the backbone of financial support of general government operations.

The Electric System Revenue Fund is the combination of the formerly consolidated Electric Revenue and Bulk Power Supply Revenue Funds. The electric system continues to be efficiently managed and operated, and has debt service coverage of 11.96, which requires only a minimum of 1.25 debt service coverage.

*The electric system continues to be efficiently managed and operated, and has debt service coverage of 11.96 . . .*

*... Water and  
Sewer Fund  
had a debt  
service  
coverage  
ratio of 6.84*

*...*

The Water and Sewer Fund, is the City's second largest enterprise fund. For the year ended September 30, 1999, the Water and Sewer Fund had a debt service coverage ratio of 6.84, which requires only a minimum of 1.25 coverage ratio.

The Sanitation Fund is responsible for trash and garbage pick-up in the City. During the year, sanitation rates did not increase. The fund is financially sound even though it had a net loss of \$87,184 during fiscal 1999. The Public Works Department will be contracting with a consulting group to help develop efficiency measures, breakmarking and business plan strategies for eliminating any future losses.

The Municipal Golf Course Fund had a net loss for the year ended September 30, 1999 of \$258,805. A business plan has been developed with a marketing strategy focusing on advertising, community involvement, instructional clinics, competitive tournaments, fun events, quality locations, and a frequent player program. This plan includes a pricing strategy to increase revenues modestly each year, which along with cost cutting measures will enable this fund to be self-supporting.

The Ocala Regional Airport Fund had a net loss of \$275,542 in 1999. There are expansion programs under way at the Airport, most of which are substantially funded by federal and state grants. A five year business plan has been developed with marketing strategies focusing mainly on advertising, refinancing of debt, cost cutting measures and a revised fee schedule which will, establish the self-sufficiency of this fund eliminating the need for General Fund operating subsidies.

The Fort King Tennis Court Fund experienced a net loss of \$5,576 during fiscal 1999. A business plan has been developed with a marketing strategy focusing on development of a quality brochure, free clinics, and increase in advertisement, which along with fee restructuring strategies will increase revenue and balance this fund.

The Municipal Trailer Park Fund had a net loss of \$1,450 in 1999. The Trailer Park has reduced some of its expenses by having a building maintenance worker run the trailer park instead of a supervisor. Using community service workers has also reduced the amount that was spent on maintenance. The Trailer Park plans to increase the rent to improve revenues. These modifications will insure the fund is self-supporting.

The Florida Emergency Training Facility Fund, which involves the construction, operation and maintenance of an emergency facility adjacent to the City's airport, was started in fiscal 1993. During 1999, this fund had a net loss of \$512,859. A business plan is being developed with a goal to improve awareness of the facility and increase participation in the classes offered.

The Adult Athletic Complex Fund includes the construction, operations and maintenance of the Ocala Regional Sportsplex and had a net loss of \$61,935 in 1999. With the completion of the facility, including new basketball courts,

lighted soccer fields and a concession stand an increase in revenues is expected. This will secure the funds the facility needs to eliminate future losses.

The Communications Fund had a net loss of \$785,984 in fiscal year 1999. A business plan has been developed with a market strategy focusing on creating awareness of the telecommunication services that are offered in preparation for the deregulation of electric services. Establishment of a telecommunication service, a resale agreement with Sprint, a metropolitan area network service, a flexible bandwidth service, and internet access service should produce the revenue needed to support continued operation of this enterprise fund.

SunTran is the new regional mass transit system, which began operations during fiscal year 1999. It is a joint partnership of the City and Marion County and is funded substantially by grants with local matching funds coming from the City's local option gas tax special revenue fund and from Marion County's general fund.

### **Pension Trust Fund Operations**

The combined Pension Trust Funds experienced a \$7,834,119 increase in plan net assets during 1999. The combined funds had a net appreciation in the fair value of investments of \$6,765,819 resulting from the restatement of investments to fair value as of September 30, 1999 as well as by realized gains and losses during the year.

The City's pension fund investments for all three plans are administered by Manning and Napier and by Sanford C. Bernstein & Co., Inc. In addition, Templeton Global Equity Management is the international fund equity manager for the General Plan. The pension fund investments consist of bonds, debentures, common stocks, U.S. Treasury obligations, mutual funds and short-term investments.

### **Debt Administration**

At September 30, 1999, the City had \$103,990,000 in outstanding serial and term bonds and certificates. Of this amount, \$70,100,000 is associated with enterprise funds and \$33,890,000 is associated with governmental funds. All of the City's issues are insured and therefore carry the highest ratings. Debt coverage ratios for the City's bond issues are included in the statistical section of this report. Although the City may issue general obligation debt in an amount up to 20% of the assessed valuation of the taxable real and personal property in the City according to article IX, section 9.02, of the City Charter, there is no general obligation debt outstanding.

### **Cash Management**

The City is authorized by Florida Statutes to invest in obligations of U.S. agencies and in interest-bearing time deposits and savings accounts in banks and in savings and loan associations. In addition the City has an investment policy,

***The combined Pension Trust Funds experienced a \$7,834,119 increase in plan net assets . . .***

*... Sawgrass  
Asset Man-  
agement ...  
deriving a  
yield of 5.5%  
and adding  
\$581,200 in  
additional  
revenue over .  
.. same funds  
would earn at  
the SBA ...*

which broadens the instruments in which the City can invest. The primary objectives of the City's investment policy are the safety and preservation of principal, liquidity and yield as well as the minimization of risk.

Cash temporarily idle during the year was invested in the State Board of Administration Local government Surplus Trust Fund, which is an investment pool administered by the State of Florida. At September 30, 1999, our investments with the State Board of Administration were earning 5.23%.

During fiscal 1998, the City hired Sawgrass Asset Management, L.L.C. as its current investment manager to maximize investment earnings. Sawgrass Asset Management, within the confines of the City investment policy, invests the City reserve funds in a broadly diversified U.S. Government, U.S. Agency and corporate debt obligations. Compliance to the terms of the City investment policy restrictions with regard to credit and market risk is strictly monitored. Sawgrass investments range from 30 days to 7 years to maturity with the average maturity of 27 months deriving a yield of 5.5% and adding \$581,200 in additional revenue over what the same funds would earn at the SBA during the same period. The City's investment portfolio of \$82,623,250 managed by Sawgrass Asset Management at September 30, 1999 consisted of U. S. Government and federal agency securities (51%), corporate bonds (45%), asset-backed securities (2%) and cash equivalents (2%). Interest earnings on those investments during fiscal year 1999 were \$4,422,842.

### **Risk Management**

The Intergovernment Risk Management Department was established through an Interlocal Agreement between the City of Ocala and Marion County in 1987. The Department is charged with minimizing the adverse impact of risk on the organizations' resources. To achieve this goal the following programs have been established within the department.

- |                      |  |
|----------------------|--|
| Employee Insurance - | Health Benefits, Dependent Coverage, Life Insurance, Disability Insurance  |
| Employer Insurance - | Workers Compensation, Property, Auto, General and Professional Liability Insurance. Claims Management and Safety Activities  |
| Environmental -      | Compliance with Federal, State and Local Environmental Regulations. Environmental Site Assessments of City properties and properties the City is considering acquiring |

Based in part on a comparison of cost of risk in state and local governments a savings of over \$7 million dollars has been achieved through the successful planning, organizing and coordination of these programs.



Information on the City's insurance coverage can be found in the Statistical Section of this report.

## **OTHER INFORMATION**

### **Independent Audit**

The City Charter and Florida Statutes require an independent audit of the books, financial records and transactions of all administrative departments of the City by a Certified Public Accountant selected by the City Council. The auditors' report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Ocala, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 1998. This was the seventeenth consecutive year that the City of Ocala has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City was awarded the Distinguished Budget Presentation Award by the Government Finance Officers Association of the United States and Canada for its annual budgets for the fiscal years beginning October 1, 1987 through 1998. In order to receive this award, which is valid for a period of one year only, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications medium.

### **Acknowledgements**

The preparation of this comprehensive annual financial report was made possible by the dedicated service of the entire staff of the Finance Department. Sincere appreciation is extended to specific individuals who worked diligently throughout the audit: Diane M. McDonald, Deputy Finance Director; Wayne C. Hodge, Chief Accountant; Diana L. Carter, Accountant; Barbara A. Carroll, Accountant and Robert D. Naugler, Financial Analyst/Grant Supervisor. Appreciation is also extended to Eric Lewerenz, the City's Internal Auditor for his assistance in this effort.

*We believe  
that our  
current  
Comprehen-  
sive Annual  
Financial  
Report con-  
tinues to  
meet the  
Certificate of  
Achievement  
Program's  
requirements  
...*

In closing, without the leadership and support of the City Council, whose continued interest in maintaining a financially sound government as an invaluable asset to our community, the preparation of this report would not have been possible.

Respectfully submitted,



Glen L. Baker  
Finance Director



Susan M. Miller  
City Manager



# Certificate of Achievement for Excellence in Financial Reporting

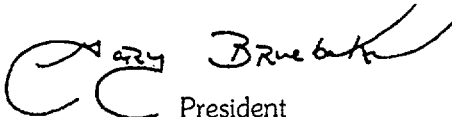
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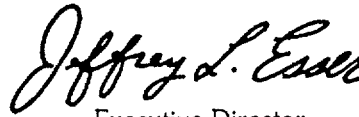
City of Ocala,  
Florida

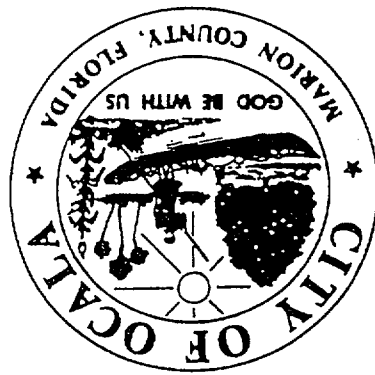
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 1998

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

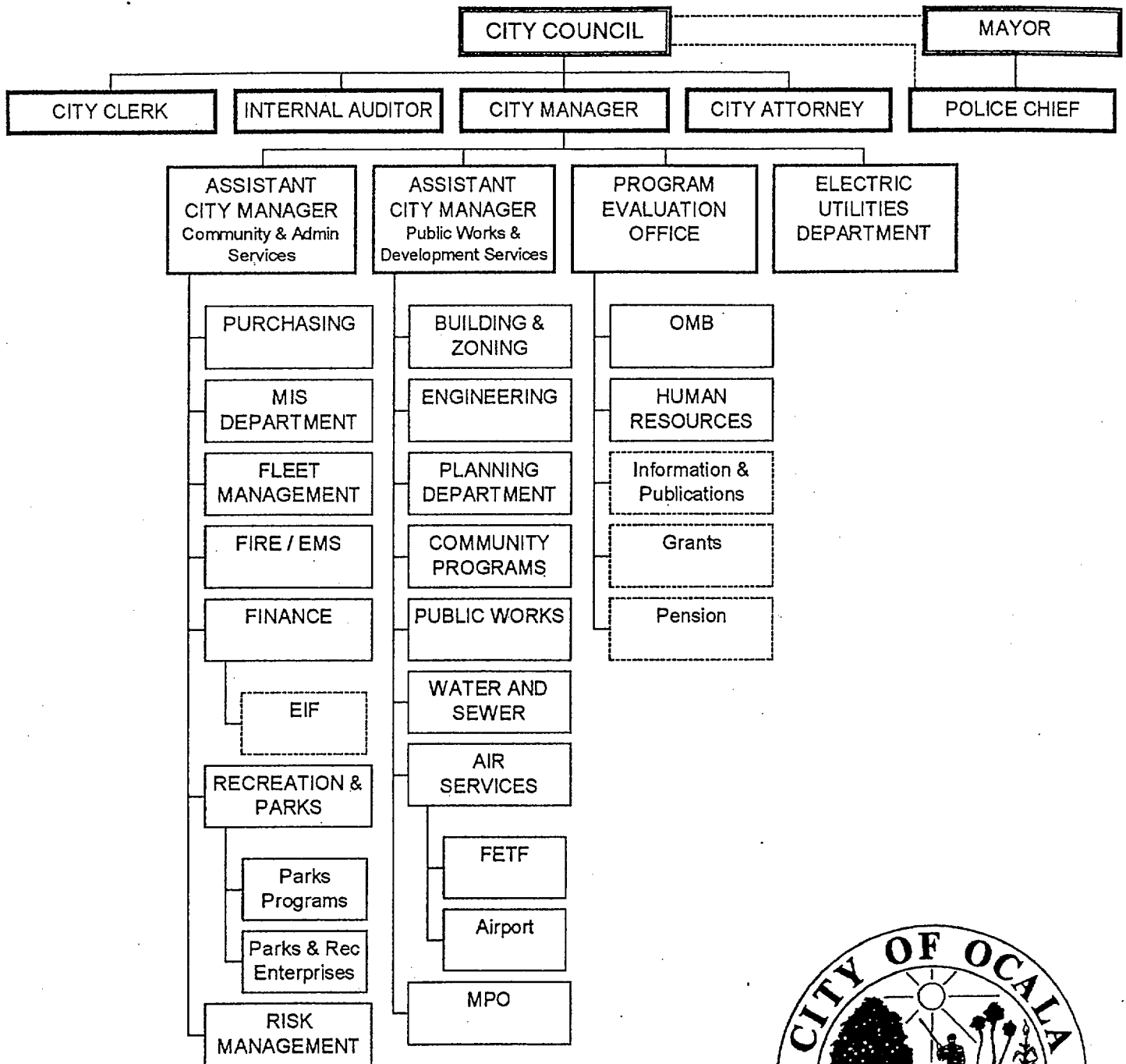


  
Cary Brubaker  
President

  
Jeffrey L. Essler  
Executive Director



# City of Ocala Organizational Chart



= Function

## **FINANCIAL SECTION**

This Section contains the following Subsections:

Report of Certified Public Accountants

General Purpose Financial Statements

Individual Fund and Combining Statements - By Fund Type

**Report of Independent Certified Public Accountants**

PricewaterhouseCoopers LLP  
Citrus Center  
Suite 1200  
255 S. Orange Avenue  
Orlando FL 32801  
Telephone (407) 843 1190  
Facsimile (407) 244 7601

The Honorable Members of City Council  
City of Ocala, Florida

We have audited the accompanying general-purpose financial statements of the City of Ocala, Florida, as of and for the year ended September 30, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the City of Ocala, Florida, management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Ocala, Florida, as of September 30, 1999, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 1999 on our consideration of the City of Ocala's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the City of Ocala, Florida. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.

Prinzipal: *Prinzipal: [Signature]*

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## **GENERAL PURPOSE FINANCIAL STATEMENTS**

### **(Combined Statements - Overview)**

These basic financial statements provide a summary overview of the financial position of all funds and account groups as well as the operating results of all funds. They also serve as an introduction to the more detailed statements that are in the following subsections.

**GENERAL-PURPOSE FINANCIAL STATEMENTS**  
**(Combined Statements - Overview)**



**CITY OF OCALA, FLORIDA**

**COMBINED BALANCE SHEET**

**ALL FUND TYPES AND ACCOUNT GROUPS**

**September 30, 1999**

<b>Assets and Other Debits</b>	<b>Governmental Fund Types</b>			
	<b>General</b>	<b>Special Revenue</b>	<b>Debt Service</b>	<b>Capital Project</b>
<b>Current Assets:</b>				
Cash and investments	\$ 6,263	\$ 256,699	\$ -	\$ -
Equity in pooled cash and investment fund	10,589,525	12,685,732	-	21,891
Accrued interest receivable	148,666	138,352	-	239
Accounts and notes receivable, net of allowance for doubtful accounts of \$653,307	567,751	44,885	-	-
Accrued unbilled revenues	-	-	-	-
Due from other funds	1,336,342	135,934	-	-
Interfund loans receivable	4,924	-	-	-
Inventories	-	-	-	-
Due from other governments	987,507	2,314,428	-	42,785
Other current assets	32,664	320	-	-
<b>Total current assets</b>	<b>13,673,642</b>	<b>15,576,350</b>	<b>-</b>	<b>64,915</b>
<b>Restricted Assets:</b>				
Cash and investments	-	-	1,099,299	-
Equity in pooled cash and investment fund	-	-	4,152,969	-
Accrued interest and dividends receivable	-	-	51,532	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Other	-	-	-	-
<b>Total restricted assets</b>	<b>-</b>	<b>-</b>	<b>5,303,800</b>	<b>-</b>
<b>Other Assets:</b>				
Interfund loans receivable after one year	37,984	-	-	-
Property, plant and equipment, net	-	-	-	-
Issuance costs on long-term debt	-	-	-	-
<b>Total other assets</b>	<b>37,984</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Debits:</b>				
Amount available in debt service funds	-	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-	-
<b>Total other debits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets and Other Debits</b>	<b>\$ 13,711,626</b>	<b>\$ 15,576,350</b>	<b>\$ 5,303,800</b>	<b>\$ 64,915</b>

*See accompanying notes to financial statements.*

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	
\$ 6,328	\$ 1,100	\$ -	\$ -	\$ -	\$ 270,390
32,653,076	14,140,709	-	-	-	70,090,933
363,749	147,569	-	-	-	798,575
7,031,678	49,690	-	-	-	7,694,004
5,734,490	-	-	-	-	5,734,490
1,456,038	-	-	-	-	2,928,314
159,394	-	-	-	-	164,318
2,314,490	153,774	-	-	-	2,468,264
562,944	1,743	-	-	-	3,909,407
365,424	499,516	-	-	-	897,924
<u>50,647,611</u>	<u>14,994,101</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,956,619</u>
19,059,409	-	103,370,339	-	-	123,529,047
33,542,938	-	86,988	-	-	37,782,895
548,845	-	681,083	-	-	1,281,460
-	-	1,911	-	-	1,911
98,381	-	-	-	-	98,381
991,081	-	-	-	-	991,081
<u>54,240,654</u>	<u>-</u>	<u>104,140,321</u>	<u>-</u>	<u>-</u>	<u>163,684,775</u>
1,749,115	-	-	-	-	1,787,099
197,873,006	18,848,686	-	28,587,779	-	245,309,471
666,575	-	-	-	-	666,575
<u>200,288,696</u>	<u>18,848,686</u>	<u>-</u>	<u>28,587,779</u>	<u>-</u>	<u>247,763,145</u>
-	-	-	-	5,303,800	5,303,800
-	-	-	-	29,139,274	29,139,274
-	-	-	-	34,443,074	34,443,074
<u>\$ 305,176,961</u>	<u>\$ 33,842,787</u>	<u>\$ 104,140,321</u>	<u>\$ 28,587,779</u>	<u>\$ 34,443,074</u>	<u>\$ 540,847,613</u>

Continued

**CITY OF OCALA, FLORIDA**

**COMBINED BALANCE SHEET - CONTINUED**

**ALL FUND TYPES AND ACCOUNT GROUPS**

**September 30, 1999**

<b>Liabilities, Equity and Other Credits</b>	<b>Governmental Fund Types</b>			
	<b>General</b>	<b>Special Revenue</b>	<b>Debt Service</b>	<b>Capital Project</b>
<b>Current Liabilities:</b>				
Accounts payable	\$ 2,104,062	\$ 390,122	\$ -	\$ 721,319
Claims payable	-	-	-	-
Compensated absences payable	827,944	15,376	-	-
Bonds, notes and capital lease payable within one year	-	-	-	-
Accrued interest payable	-	-	-	-
Due to other funds	26,526	-	-	13,547
Customer deposits	-	-	-	-
Deferred revenue	219,170	802,042	-	-
Interfund loans payable	5,225	10,761	-	-
<b>Total current liabilities</b>	<b>3,182,927</b>	<b>1,218,301</b>	<b>-</b>	<b>734,866</b>
<b>Liabilities Payable from Restricted Assets:</b>				
Accounts payable	-	-	-	-
Accrued interest payable	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
Bonds and capital lease payable within one year	-	-	-	-
Decommissioning costs	-	-	-	-
Police evidence	-	-	-	-
<b>Total liabilities payable from restricted assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Interfund Loans Payable After One Year</b>	<b>27,025</b>	<b>42,480</b>	<b>-</b>	<b>-</b>
<b>Compensated Absences Payable</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Bonds, Notes and Capital Lease Payable After One Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>3,209,952</b>	<b>1,260,781</b>	<b>-</b>	<b>734,866</b>
<b>Equity and Other Credits:</b>				
Investment in general fixed assets	-	-	-	-
Contributed equity	-	-	-	-
Retained earnings:				
Reserved for debt service	-	-	-	-
Reserved for renewal and replacement	-	-	-	-
<b>Total reserved retained earnings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Unreserved	-	-	-	-
<b>Total retained earnings</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances:</b>				
Reserved for debt service	-	-	5,303,800	-
Reserved for other retirement benefits	-	-	-	-
Reserved for deferred compensation	-	-	-	-
Reserved for employees' pension benefits	-	-	-	-
Reserved for interfund loans receivable after one year	37,984	-	-	-
Reserved for encumbrances	712,086	789,449	-	324,937
Reserved for specified projects	5,142,231	13,527,918	-	28,471
<b>Total reserved fund balances</b>	<b>5,892,301</b>	<b>14,317,367</b>	<b>5,303,800</b>	<b>353,408</b>
Unreserved and undesignated fund balances (deficit)	4,609,373	(1,798)	-	(1,023,359)
<b>Total fund balances</b>	<b>10,501,674</b>	<b>14,315,569</b>	<b>5,303,800</b>	<b>(669,951)</b>
<b>Total equity and other credits</b>	<b>10,501,674</b>	<b>14,315,569</b>	<b>5,303,800</b>	<b>(669,951)</b>
<b>Total Liabilities, Equity and Other Credits</b>	<b>\$ 13,711,626</b>	<b>\$ 15,576,350</b>	<b>\$ 5,303,800</b>	<b>\$ 64,915</b>

*See accompanying notes to financial statements.*

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	
\$ 7,054,852	\$ 331,156	\$ -	\$ -	\$ -	\$ 10,601,511
-	2,672,370	-	-	-	2,672,370
860,711	194,757	-	-	-	1,898,788
-	327,623	-	-	1,245,000	1,572,623
4,185	-	-	-	-	4,185
2,888,241	-	-	-	-	2,928,314
3,958,059	-	-	-	-	3,958,059
79,732	-	-	-	-	1,100,944
148,332	-	-	-	-	164,318
<u>14,994,112</u>	<u>3,525,906</u>	<u>-</u>	<u>-</u>	<u>1,245,000</u>	<u>24,901,112</u>
724,864	-	422,175	-	-	1,147,039
2,135,945	-	-	-	-	2,135,945
-	-	1,911	-	-	1,911
54,147	-	-	-	-	54,147
1,945,000	-	-	-	-	1,945,000
2,800,993	-	-	-	-	2,800,993
-	-	83,709	-	-	83,709
<u>7,660,949</u>	<u>-</u>	<u>507,795</u>	<u>-</u>	<u>-</u>	<u>8,168,744</u>
1,717,594	-	-	-	-	1,787,099
-	-	-	-	553,074	553,074
65,589,603	505,091	-	-	32,645,000	98,739,694
<u>89,962,258</u>	<u>4,030,997</u>	<u>507,795</u>	<u>-</u>	<u>34,443,074</u>	<u>134,149,723</u>
-	-	-	28,587,779	-	28,587,779
<u>60,747,579</u>	<u>7,270,832</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,018,411</u>
8,038,975	-	-	-	-	8,038,975
26,011,605	-	-	-	-	26,011,605
34,050,580	-	-	-	-	34,050,580
120,416,544	22,540,958	-	-	-	142,957,502
<u>154,467,124</u>	<u>22,540,958</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>177,008,082</u>
-	-	-	-	-	5,303,800
-	-	2,127,548	-	-	2,127,548
-	-	9,313,507	-	-	9,313,507
-	-	92,187,210	-	-	92,187,210
-	-	-	-	-	37,984
-	-	-	-	-	1,826,472
-	-	4,261	-	-	18,702,881
-	-	103,632,526	-	-	129,499,402
-	-	-	-	-	3,584,216
-	-	103,632,526	-	-	133,083,618
<u>215,214,703</u>	<u>29,811,790</u>	<u>103,632,526</u>	<u>28,587,779</u>	<u>-</u>	<u>406,697,890</u>
<u>\$ 305,176,961</u>	<u>\$ 33,842,787</u>	<u>\$ 104,140,321</u>	<u>\$ 28,587,779</u>	<u>\$ 34,443,074</u>	<u>\$ 540,847,613</u>

**CITY OF OCALA, FLORIDA**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**ALL GOVERNMENTAL AND EXPENDABLE TRUST FUND TYPES**

**Year Ended September 30, 1999**

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Project
Revenues:				
Property taxes	\$ 9,061,156	\$ 41,805	\$ -	\$ -
Utility service tax	5,102,382	-	-	-
Other taxes	1,812,423	-	-	-
State revenue sharing	951,105	-	-	-
Other intergovernmental revenues	7,156,857	5,346,069	-	-
Parking meters and facilities	-	67,095	-	-
Licenses and permits	591,062	463,809	-	-
Fines and forfeitures	457,538	6,730	-	-
Charges for services	1,197,793	1,998,081	-	-
Investment income	438,074	457,893	143,176	65,629
Gifts	123,843	15,650	-	-
Contributions	-	-	-	-
Other	239,870	55,003	-	1,021
Total revenues	27,132,103	8,452,135	143,176	66,650
Expenditures:				
Current:				
General government and administration	4,861,315	492,527	-	-
Public safety	18,844,027	-	-	117,277
Public works	4,090,736	2,174,809	-	2,295
Culture and recreation	4,902,138	9,720	-	-
Housing rehabilitation	326,835	-	-	-
Nondepartmental appropriations	195,447	-	-	682
Other	1,141,345	77,986	-	-
Capital outlay	1,864,131	4,553,033	-	4,526,130
Payments to participants	-	-	-	-
Intergovernmental	145,742	37,946	-	-
Debt service:				
Principal payments	-	-	690,000	-
Interest and paying agents' fees	2,934	3,493	1,773,192	-
Total expenditures	36,374,650	7,349,514	2,463,192	4,646,384
Excess (Deficiency) of Revenues Over Expenditures	(9,242,547)	1,102,621	(2,320,016)	(4,579,734)
Other Financing Sources (Uses):				
Sale of nursing home	2,700,000	-	-	-
Operating transfers from other funds	9,784,918	446,886	2,999,604	1,217,675
Operating transfers to other funds	(3,087,095)	(1,869,790)	(141,059)	-
Total other financing sources (uses)	9,397,823	(1,422,904)	2,858,545	1,217,675
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	155,276	(320,283)	538,529	(3,362,059)
Fund Balance at Beginning of Year	10,496,044	14,779,211	4,765,271	2,692,108
Equity Transfers from (to) Other Funds	(149,646)	(143,359)	-	-
Fund Balance at End of Year	\$ 10,501,674	\$ 14,315,569	\$ 5,303,800	\$ (669,951)

Fiduciary Fund Type		Totals (Memorandum Only)
Expendable Trust		
\$ -	\$	9,102,961
-		5,102,382
-		1,812,423
-		951,105
-		12,502,926
-		67,095
-		1,054,871
-		464,268
-		3,195,874
1,322,169		2,426,941
-		139,493
1,289,498		1,289,498
97,488		393,382
<u>2,709,155</u>		<u>38,503,219</u>
375		5,354,217
-		18,961,304
-		6,267,840
-		4,911,858
-		326,835
-		196,129
-		1,219,331
-		10,943,294
667,450		667,450
-		183,688
-		690,000
-		1,779,619
<u>667,825</u>		<u>51,501,565</u>
<u>2,041,330</u>		<u>(12,998,346)</u>
-		2,700,000
-		14,449,083
-		(5,097,944)
-		<u>12,051,139</u>
2,041,330		(947,207)
9,403,986		42,136,620
-		<u>(293,005)</u>
<u>\$ 11,445,316</u>	<u>\$</u>	<u>40,896,408</u>

**CITY OF OCALA, FLORIDA**

**COMBINED STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL**

**GENERAL, SPECIAL REVENUE, CAPITAL PROJECT AND EXPENDABLE TRUST FUND TYPES**

**Year Ended September 30, 1999**

	<b>Actual</b>	<b>Adjustments to Budgetary Basis</b>	<b>GENERAL Actual on a Budgetary Basis</b>
<b>Revenues:</b>			
Property taxes	\$ 9,061,156	\$ -	\$ 9,061,156
Utility service tax	5,102,382	-	5,102,382
Other taxes	1,812,423	-	1,812,423
State revenue sharing	951,105	-	951,105
Other intergovernmental revenues	7,156,857	(1,011,151)	6,145,706
Parking meters and facilities	-	-	-
Licenses and permits	591,062	-	591,062
Fines and forfeitures	457,538	-	457,538
Charges for services	1,197,793	-	1,197,793
Investment income	438,074	(808)	437,266
Gifts	123,843	(43,744)	80,099
Other	239,870	(11,561)	228,309
<b>Total revenues</b>	<b>27,132,103</b>	<b>(1,067,264)</b>	<b>26,064,839</b>
<b>Expenditures:</b>			
<b>Current:</b>			
General government and administration	4,861,315	(34,561)	4,826,754
Public safety	18,844,027	(46,175)	18,797,852
Public works	4,090,736	35,273	4,126,009
Culture and recreation	4,902,138	(77,897)	4,824,241
Housing rehabilitation	326,835	92,283	419,118
Nondepartmental appropriations	195,447	1,408	196,855
Other	1,141,345	(548,076)	593,269
Capital outlay	1,864,131	177,310	2,041,441
Payments to participants	-	-	-
Intergovernmental	145,742	(32,768)	112,974
<b>Debt service:</b>			
Principal payments	-	-	-
Interest and paying agents' fees	2,934	-	2,934
<b>Total expenditures</b>	<b>36,374,650</b>	<b>(433,203)</b>	<b>35,941,447</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(9,242,547)</b>	<b>(634,061)</b>	<b>(9,876,608)</b>
<b>Other Financing Sources (Uses):</b>			
Sale of nursing home	2,700,000	(2,700,000)	-
Operating transfers from other funds	9,784,918	60,000	9,844,918
Operating transfers to other funds	(3,087,095)	(19,173)	(3,106,268)
<b>Total other financing sources (uses)</b>	<b>9,397,823</b>	<b>(2,659,173)</b>	<b>6,738,650</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation</b>	<b>155,276</b>	<b>(3,293,234)</b>	<b>(3,137,958)</b>
<b>Fund Balance Allocation</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>\$ 155,276</b>	<b>\$ (3,293,234)</b>	<b>\$ (3,137,958)</b>

<b>Final Budget</b>	<b>Variance Favorable (Unfavorable)</b>
\$ 9,237,560	\$ (176,404)
5,500,000	(397,618)
1,850,829	(38,406)
932,404	18,701
6,524,241	(378,535)
-	-
531,686	59,376
521,200	(63,662)
1,336,271	(138,478)
596,440	(159,174)
61,690	18,409
155,292	73,017
<u>27,247,613</u>	<u>(1,182,774)</u>
5,000,102	173,348
19,343,004	545,152
3,980,967	(145,042)
5,118,871	294,630
427,324	8,206
447,433	250,578
887,085	293,816
5,288,995	3,247,554
-	-
157,250	44,276
8,565	8,565
2,934	-
<u>40,662,530</u>	<u>4,721,083</u>
<u>(13,414,917)</u>	<u>3,538,309</u>
-	-
10,102,744	(257,826)
<u>(4,985,511)</u>	<u>1,879,243</u>
<u>5,117,233</u>	<u>1,621,417</u>
(8,297,684)	5,159,726
<u>8,297,684</u>	<u>(8,297,684)</u>
<u>\$ -</u>	<u>\$ (3,137,958)</u>

Continued



**CITY OF OCALA, FLORIDA**

**COMBINED STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - CONTINUED**

**GENERAL, SPECIAL REVENUE, CAPITAL PROJECT AND EXPENDABLE TRUST FUND TYPES**

**Year Ended September 30, 1999**

	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>SPECIAL Actual on a Budgetary Basis</u>
Revenues:			
Property taxes	\$ 41,805	\$ -	\$ 41,805
Utility service tax	-	-	-
Other taxes	-	-	-
State revenue sharing	-	-	-
Other intergovernmental revenues	5,346,069	(424,035)	4,922,034
Parking meters and facilities	67,095	-	67,095
Licenses and permits	463,809	-	463,809
Fines and forfeitures	6,730	-	6,730
Charges for services	1,998,081	-	1,998,081
Investment income	457,893	(6,021)	451,872
Gifts	15,650	-	15,650
Other	55,003	(7,500)	47,503
Total revenues	<u>8,452,135</u>	<u>(437,556)</u>	<u>8,014,579</u>
Expenditures:			
Current:			
General government and administration	492,527	(437,556)	54,971
Public safety	-	-	-
Public works	2,174,809	313,003	2,487,812
Culture and recreation	9,720	10,687	20,407
Housing rehabilitation	-	-	-
Nondepartmental appropriations	-	-	-
Other	77,986	-	77,986
Capital outlay	4,553,033	462,271	5,015,304
Payments to participants	-	-	-
Intergovernmental	37,946	3,104	41,050
Debt service:			
Principal payments	-	-	-
Interest and paying agents' fees	3,493	-	3,493
Total expenditures	<u>7,349,514</u>	<u>351,509</u>	<u>7,701,023</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,102,621</u>	<u>(789,065)</u>	<u>313,556</u>
Other Financing Sources (Uses):			
Operating transfers from other funds	446,886	-	446,886
Operating transfers to other funds	(1,869,790)	-	(1,869,790)
Total other financing sources (uses)	<u>(1,422,904)</u>	<u>-</u>	<u>(1,422,904)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	<u>(320,283)</u>	<u>(789,065)</u>	<u>(1,109,348)</u>
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>\$ (320,283)</u>	<u>\$ (789,065)</u>	<u>\$ (1,109,348)</u>

*See accompanying notes to financial statements.*

# REVENUE

Final Budget	Variance Favorable (Unfavorable)
\$ 41,854	\$ (49)
-	-
-	-
4,931,338	(9,304)
68,000	(905)
539,700	(75,891)
10,100	(3,370)
1,905,000	93,081
757,525	(305,653)
-	15,650
11,350	36,153
8,264,867	(250,288)
59,035	4,064
-	-
4,010,264	1,522,452
20,407	-
-	-
-	-
80,372	2,386
17,335,279	12,319,975
-	-
41,075	25
10,922	10,922
3,473	(20)
21,560,827	13,859,804
(13,295,960)	13,609,516
494,250	(47,364)
(2,210,712)	340,922
(1,716,462)	293,558
(15,012,422)	13,903,074
15,012,422	(15,012,422)
\$ -	\$ (1,109,348)

Continued

**CITY OF OCALA, FLORIDA**

**COMBINED STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - CONTINUED**

**GENERAL, SPECIAL REVENUE, CAPITAL PROJECT AND EXPENDABLE TRUST FUND TYPES**

**Year Ended September 30, 1999**

	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>CAPITAL Actual on a Budgetary Basis</u>
Revenues:			
Property taxes	\$ -	\$ -	\$ -
Utility service tax	-	-	-
Other taxes	-	-	-
State revenue sharing	-	-	-
Other intergovernmental revenues	-	-	-
Parking meters and facilities	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Investment income	65,629	(704)	64,925
Gifts	-	-	-
Other	1,021	(1,021)	-
Total revenues	<u>66,650</u>	<u>(1,725)</u>	<u>64,925</u>
Expenditures:			
Current:			
General government and administration	-	-	-
Public safety	117,277	59,257	176,534
Public works	2,295	-	2,295
Culture and recreation	-	-	-
Housing rehabilitation	-	-	-
Nondepartmental appropriations	682	-	682
Other	-	-	-
Capital outlay	4,526,130	264,659	4,790,789
Payments to participants	-	-	-
Intergovernmental	-	-	-
Debt service:			
Principal payments	-	-	-
Interest and paying agents' fees	-	-	-
Total expenditures	<u>4,646,384</u>	<u>323,916</u>	<u>4,970,300</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,579,734)</u>	<u>(325,641)</u>	<u>(4,905,375)</u>
Other Financing Sources (Uses):			
Operating transfers from other funds	1,217,675	-	1,217,675
Operating transfers to other funds	-	-	-
Total other financing sources (uses)	<u>1,217,675</u>	<u>-</u>	<u>1,217,675</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	<u>(3,362,059)</u>	<u>(325,641)</u>	<u>(3,687,700)</u>
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>\$ (3,362,059)</u>	<u>\$ (325,641)</u>	<u>\$ (3,687,700)</u>

*See accompanying notes to financial statements.*

PROJECT		
Final Budget	Variance Favorable (Unfavorable)	
\$ -	\$ -	
-	-	
-	-	
-	-	
-	-	
-	-	
-	-	
-	64,925	
-	-	
-	64,925	
-	-	
212,765	36,231	
16,999	14,704	
-	-	
-	-	
-	(682)	
-	-	
5,591,046	800,257	
-	-	
-	-	
-	-	
-	-	
5,820,810	850,510	
(5,820,810)	915,435	
2,874,597	(1,656,922)	
-	-	
2,874,597	(1,656,922)	
(2,946,213)	(741,487)	
2,946,213	(2,946,213)	
\$ -	\$ (3,687,700)	

Continued

## CITY OF OCALA, FLORIDA

**COMBINED STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL - CONTINUED****GENERAL, SPECIAL REVENUE, CAPITAL PROJECT AND EXPENDABLE TRUST FUND TYPES**

Year Ended September 30, 1999

		Adjustments to Budgetary Basis	EXPENDABLE Actual on a Budgetary Basis
	Actual		
Revenues:			
Property taxes	\$ -	\$ -	\$ -
Utility service tax	-	-	-
Other taxes	-	-	-
State revenue sharing	-	-	-
Other intergovernmental revenues	-	-	-
Parking meters and facilities	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Investment income	1,322,169	(1,322,169)	-
Gifts	-	-	-
Contributions	1,289,498	(1,289,498)	-
Other	97,488	(97,488)	-
Total revenues	2,709,155	(2,709,155)	-
Expenditures:			
Current:			
General government and administration	375	(375)	-
Public safety	-	-	-
Public works	-	-	-
Culture and recreation	-	-	-
Housing rehabilitation	-	-	-
Nondepartmental appropriations	-	-	-
Other	-	-	-
Capital outlay	-	-	-
Payments to participants	667,450	(667,450)	-
Intergovernmental	-	-	-
Debt service:			
Principal payments	-	-	-
Interest and paying agents' fees	-	-	-
Total expenditures	667,825	(667,825)	-
Excess (Deficiency) of Revenues Over Expenditures	2,041,330	(2,041,330)	-
Other Financing Sources (Uses):			
Operating transfers from other funds	-	-	-
Operating transfers to other funds	-	-	-
Total other financing sources (uses)	-	-	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	2,041,330	(2,041,330)	-
Fund Balance Allocation	-	-	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ 2,041,330	\$ (2,041,330)	\$ -



**CITY OF OCALA, FLORIDA**

**COMBINED STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS**

**ALL PROPRIETARY FUND TYPES**

**Year Ended September 30, 1999**

	<b>Enterprise</b>	<b>Internal Service</b>	<b>Totals (Memorandum Only)</b>
Operating Revenues:			
Sale of electricity	\$ 84,114,646	\$ -	\$ 84,114,646
Sale of water	4,351,854	-	4,351,854
Sewer and sanitation service charges	16,317,772	-	16,317,772
Fees and rentals	2,649,242	11,000,632	13,649,874
City insurance contributions	-	4,166,265	4,166,265
Employee insurance contributions	-	1,417,215	1,417,215
Commissions	95,196	-	95,196
Other	4,047,260	183,936	4,231,196
Total operating revenues	<u>111,575,970</u>	<u>16,768,048</u>	<u>128,344,018</u>
Operating Expenses:			
Purchase of electricity	50,502,389	-	50,502,389
Distribution	8,711,348	-	8,711,348
Operation and maintenance	12,548,489	-	12,548,489
Water and sewer treatment	2,956,515	-	2,956,515
Sewer collection	1,099,448	-	1,099,448
Fleet management	-	3,549,927	3,549,927
Purchasing and warehousing	-	744,596	744,596
Management information system and central services	-	1,637,603	1,637,603
Building maintenance	-	1,360,354	1,360,354
Insurance, administration and other	5,958,078	5,447,965	11,406,043
Depreciation and amortization	8,791,664	2,397,789	11,189,453
Economic improvement incentives	501,327	-	501,327
Other	2,544,942	203,054	2,747,996
Total operating expenses	<u>93,614,200</u>	<u>15,341,288</u>	<u>108,955,488</u>
Operating Income	<u>17,961,770</u>	<u>1,426,760</u>	<u>19,388,530</u>
Non-Operating Revenues (Expenses):			
Investment income	2,754,145	419,485	3,173,630
Interest expense	(4,186,619)	(41,079)	(4,227,698)
Other non-operating revenue	611,976	-	611,976
Total non-operating revenues (expenses)	<u>(820,498)</u>	<u>378,406</u>	<u>(442,092)</u>
Income Before Operating Transfers	<u>17,141,272</u>	<u>1,805,166</u>	<u>18,946,438</u>
Operating Transfers:			
From other funds	591,020	17,949	608,969
To other funds	(9,934,685)	(25,423)	(9,960,108)
Total operating transfers	<u>(9,343,665)</u>	<u>(7,474)</u>	<u>(9,351,139)</u>
Net Income	7,797,607	1,797,692	9,595,299
Retained Earnings at Beginning of Year	<u>146,669,517</u>	<u>20,743,266</u>	<u>167,412,783</u>
Retained Earnings at End of Year	<u>\$ 154,467,124</u>	<u>\$ 22,540,958</u>	<u>\$ 177,008,082</u>

*See accompanying notes to financial statements.*

CITY OF OCALA, FLORIDA

COMBINED STATEMENT OF CHANGES IN PLAN NET ASSETS

ALL PENSION TRUST FUNDS

Year Ended September 30, 1999

Additions:	
Contributions:	
Employer	\$ 2,014,606
State	643,822
Employee	437,900
Total contributions	<u>3,096,328</u>
Investment income:	
Net appreciation in fair value of investments	6,765,819
Investment income	2,536,764
Dividend income	1,207,564
Total income on investments	<u>10,510,147</u>
Less: Investment management fees	<u>(431,114)</u>
Net investment income	<u>10,079,033</u>
Total additions	<u>13,175,361</u>
Deductions:	
Pension payments	5,172,191
Refunds to employees	45,954
Administration	123,097
Total deductions	<u>5,341,242</u>
Net Increase	7,834,119
Fund Balance Reserved for Employees' Pension Benefits:	
Beginning of year	<u>84,353,091</u>
End of year	<u>\$ 92,187,210</u>

*See accompanying notes to financial statements.*



**CITY OF OCALA, FLORIDA**  
**COMBINED STATEMENT OF CASH FLOWS**  
**ALL PROPRIETARY FUND TYPES**  
**Year Ended September 30, 1999**

	<b>Proprietary Fund Types</b>		<b>Totals</b>
	<b>Enterprise</b>	<b>Internal Service</b>	<b>(Memorandum Only)</b>
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers	\$ 111,683,900	\$ -	\$ 111,683,900
Cash received from employees	-	1,417,215	1,417,215
Cash paid to suppliers for goods and services	(70,712,711)	(8,449,833)	(79,162,544)
Cash paid to employees for services	(11,709,804)	(3,545,192)	(15,254,996)
Cash received from other funds	-	15,371,233	15,371,233
Cash paid for insurance claims	-	(1,172,405)	(1,172,405)
Net cash provided by operating activities	29,261,385	3,621,018	32,882,403
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Operating transfers in	591,020	17,949	608,969
Operating transfers out	(9,934,685)	(25,423)	(9,960,108)
Operating grants	196,234	-	196,234
Principal received on loans to other funds	152,861	-	152,861
Interest received on loans to other funds	70,148	-	70,148
Principal paid on loans from other funds	(140,317)	-	(140,317)
Interest paid on loans from other funds	(66,901)	-	(66,901)
Loans to other funds	(748,710)	-	(748,710)
Net cash used in non-capital financing activities	(9,880,350)	(7,474)	(9,887,824)
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Principal paid on bonds, notes and capital lease payable	(4,950,000)	(321,609)	(5,271,609)
Interest paid on bonds, notes and capital lease payable	(4,417,236)	(41,079)	(4,458,315)
Proceeds of loans from other funds	748,710	-	748,710
Proceeds from sale of fixed assets	(12,333,357)	(2,546,573)	(14,879,930)
Acquisition and construction of capital assets	-	-	-
Contributions received from other governments, developers and customers	4,047,027	-	4,047,027
Net cash used in capital and related financing activities	(16,904,856)	(2,909,261)	(19,814,117)
<b>Cash Flows from Investing Activities:</b>			
Purchase of investments	(241,870)	-	(241,870)
Proceeds from sales and maturities of investments	-	-	-
Investment income	2,655,246	382,572	3,037,818
Net cash provided by investing activities	2,413,376	382,572	2,795,948
<b>Net Increase in Cash and Cash Equivalents</b>	<b>4,889,555</b>	<b>1,086,855</b>	<b>5,976,410</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>70,889,602</b>	<b>13,054,954</b>	<b>83,944,556</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>\$ 75,779,157</b>	<b>\$ 14,141,809</b>	<b>\$ 89,920,966</b>

*See accompanying notes to financial statements.*

Continued

**CITY OF OCALA, FLORIDA**

**COMBINED STATEMENT OF CASH FLOWS - CONTINUED**

**ALL PROPRIETARY FUND TYPES**

**Year Ended September 30, 1999**

	<b>Proprietary Fund Types</b>		<b>Totals (Memorandum Only)</b>
	<b>Enterprise</b>	<b>Internal Service</b>	
Reconciliation of Cash and Cash Equivalents to Balance Sheet:			
Total unrestricted cash and investments per the balance sheet	\$ 32,659,404	\$ 14,141,809	\$ 46,801,213
Total restricted cash and investments per the balance sheet	52,602,347	-	52,602,347
Total cash and investments	85,261,751	14,141,809	99,403,560
Less: Investments not meeting the definition of cash equivalents	9,482,594	-	9,482,594
Cash and Cash Equivalents, end of year	<u>\$ 75,779,157</u>	<u>\$ 14,141,809</u>	<u>\$ 89,920,966</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income	\$ 17,961,770	\$ 1,426,760	19,388,530
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	8,720,488	2,397,789	11,118,277
Amortization	71,176	-	71,176
Loss on fixed asset disposals	367,344	578,318	945,662
(Increase) decrease in assets:			
Accounts and notes receivable	(385,205)	7,880	(377,325)
Accrued unbilled revenue	110,619	-	110,619
Due from other funds	(515,642)	-	(515,642)
Inventories	361,447	(5,780)	355,667
Due from other governments	2,811	12,520	15,331
Other current assets	186,825	(255,949)	(69,124)
Increase (decrease) in liabilities:			
Accounts payable	905,865	16,416	922,281
Claims payable	-	(571,488)	(571,488)
Compensated absences payable	68,431	14,552	82,983
Due to other funds	886,979	-	886,979
Customer deposits	274,156	-	274,156
Deferred revenue	2,451	-	2,451
Decommissioning costs	241,870	-	241,870
Net Cash Provided by Operating Activities	<u>\$ 29,261,385</u>	<u>\$ 3,621,018</u>	<u>\$ 32,882,403</u>
Noncash Capital and Related Financing Activities:			
Plant and equipment contributed from other funds	\$ 293,005	\$ -	\$ 293,005
Total noncash capital and related financing activities	<u>\$ 293,005</u>	<u>\$ -</u>	<u>\$ 293,005</u>



**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**Year Ended September 30, 1999**

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**CITY OF OCALA, FLORIDA**  
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**Year Ended September 30, 1999**

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CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

1. Reporting Entity and Description of Funds:

A. Reporting Entity

The City of Ocala, Florida (the "City") operates under a council-manager form of government, including a six-member City Council comprised of a Mayor (elected at large) and five district Councilmen and provides the following services as authorized by its charter: public safety, public works, public utilities, culture, recreation and community development.

In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may or may not be financially accountable and, as such, be includable within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Management determined that the Community Redevelopment Agency is the only organization that should be included in the City's financial statements as a component unit.

1. Blended Component Unit:

Community Redevelopment Agency (CRA) - The Community Redevelopment Agency was created pursuant to Chapter 163.356, Florida Statutes, City Ordinance 2009 and City Resolutions 88-37, 88-52 and 89-44. The City Council serves as the CRA Board. Although legally separate, the CRA is appropriately blended as a governmental fund type component unit into the primary government. Separate financial statements for the CRA are not presently developed.

The City includes advisory boards and commissions within the City in its financial statements in circumstances where the City selects the governing authority, designates management, has the ability to influence operations, and has accountability for fiscal matters of the advisory boards and commissions.

2. Related Organization:

The City is responsible for appointing the Ocala Housing Authority's board. However, the City's accountability for this organization does not extend beyond making these appointments.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

1. Reporting Entity and Description of Funds - Continued:

B. Description of Funds

The accounting records of the City are organized on the basis of funds and account groups. The operations of each fund are accounted for within a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the accompanying financial statements into seven generic fund types and three broad fund categories: governmental funds, proprietary funds and fiduciary funds.

Homogeneous funds are consolidated for purposes of financial statement presentation. Interfund transactions and balances are eliminated in the consolidation of homogeneous funds. Other funds which are similar by type but not homogeneous are combined. Interfund transactions and balances are not eliminated on funds which are combined rather than consolidated.

Governmental Funds - Governmental funds include the General, Special Revenue, Debt Service and Capital Project funds. The measurement focus of governmental funds is determination of financial position and sources and uses of resources rather than net income determination. The funds are maintained on the modified accrual basis of accounting. Generally, only current assets and current liabilities are included on their balance sheets. Their reported fund balances are considered a measure of available spendable resources. The following is a description of the governmental funds of the City:

General Fund - The General Fund is the general operating fund of the City. It is used to account for revenues and current, capital outlay, debt service and intergovernmental expenditures not specifically required by law or administrative action to be accounted for in another fund. All general property taxes (except for those levied for the Downtown Development Commission and those required to be deposited to the Community Redevelopment Trust Fund), franchise taxes, licenses, fines and certain intergovernmental revenues are recorded in this fund. Current, capital outlay, debt service and intergovernmental expenditures of the administrative, public safety, public works and numerous other departments are paid for through this fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or administratively restricted to expenditure for specific purposes.

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for the payment of principal, interest and related costs of the City's general long-term debt.

Capital Project Funds - The capital projects funds are used to account for resources earmarked for the acquisition and construction of major capital facilities and other project oriented activities other than those financed by proprietary funds.



CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

1. Reporting Entity and Description of Funds - Continued:

B. Description of Funds - Continued

Proprietary Funds - Proprietary funds include enterprise and internal service funds. The measurement focus of proprietary funds is determination of net income, financial position and cash flows. The generally accepted accounting principles for proprietary funds are similar to those applicable to businesses in the private sector and thus, these funds are maintained on the accrual basis of accounting. Accordingly, all assets and liabilities associated with their activity are included on their balance sheets. Their reported fund equity is segregated into contributed equity and retained earnings components. Proprietary funds used by the City are as follows:

Enterprise Funds - Enterprise funds are used to account for operations that are financed and operated in a manner similar to private businesses where the intent of the governing body is that the costs (including depreciation) of providing certain goods and services to the general public be financed or recovered primarily through user charges or where the governing body has deemed that periodic determination of net income is appropriate for purposes of monitoring capital maintenance, accountability or other purposes.

Internal Service Funds - The internal service funds account for the operation of departments which exist solely to provide services to other City departments. The revenues of the internal service funds are derived from user fees and self insurance premiums charged to other City funds.

Pronouncements of the Financial Accounting Standards Board (FASB), issued after November 30, 1989, are not applied in the preparation of the financial statements of the proprietary fund types.

Trust and Agency Funds - The trust and agency funds of the City are pension trust funds, expendable trust funds and the police evidence fund. The trust funds are used to account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, other governments and/or funds. The measurement focus and basis of accounting of the pension trust funds are similar to proprietary funds and they are therefore maintained on the accrual basis of accounting. The pension trust funds are utilized to account for the financial transactions of the City-administered pension plans. The measurement focus and basis of accounting of the expendable trust funds are similar to governmental funds and they are therefore maintained on the modified accrual basis of accounting. The agency fund does not measure results of operations, but assets and liabilities are measured on the modified accrual basis of accounting.

Account Groups - Fixed assets and long-term liabilities associated with governmental funds are accounted for in the General Fixed Asset and General Long-Term Debt Account Groups. The two account groups are not funds and are concerned only with the measurement of financial position.

General Fixed Asset Account Group - Fixed assets used in governmental fund type operations are accounted for in the General Fixed Asset Account Group. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings such as roads, sidewalks and drainage systems are not, however, capitalized as general fixed assets.

General Long-Term Debt Account Group - Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

2. **Summary of Significant Accounting Policies:**

The accounting principles and reporting practices of the City conform to generally accepted accounting principles applicable to governmental units. The more significant of these policies and principles are summarized below:

A. **Basis of Accounting**

**Accrual Basis** - This basis of accounting is utilized for the proprietary and pension trust funds. Under this basis, revenues are recognized in the period earned and expenses are recognized in the period incurred.

**Modified Accrual Basis** - This basis of accounting is utilized by the governmental funds. Under this basis, revenues are recognized when they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures of the fiscal period. All material revenues of the governmental funds, such as other intergovernmental revenues and other taxes, are accrued or deferred, as appropriate. Property taxes are not accrued since they are substantially collected during the period in which they are due.

Under the modified accrual basis, expenditures are generally recognized when the liability is incurred, with the following exceptions:

- Principal and interest on general long-term debt are recognized as expenditures in the debt service funds when due.
- Prepaid items are reported as current period expenditures rather than allocating the related expenditures to the periods benefited.
- Inventory of governmental funds is reported as an expenditure in the period purchased.
- Interest income on special assessments receivable is not accrued.

B. **Annual Budgets**

An annual budget is prepared for all governmental and proprietary funds except for one special revenue fund (SHIP Local Housing Assistance), one capital project fund (Capital Improvement Fund), the expendable trust funds, the agency fund, and all debt service funds. Some portions of the City's General Fund and special revenue funds which are related to grants, financially non-measurable trial programs, special assessments and other similar activities are not formally budgeted. These activities are monitored by the appropriate City personnel. The budget amounts presented in the accompanying financial statements for the governmental funds are as originally adopted, or as legally amended, by the City Council during the year ended September 30, 1999.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

2. Summary of Significant Accounting Policies - Continued:

B. Annual Budgets - Continued

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any budget amendments that alter the total expenditures of any fund must be approved by the City Council. During 1999, the City Council approved various supplemental budget appropriations to provide for unanticipated requirements of the period. Budget appropriations may not be legally exceeded on a fund basis. Appropriations lapse at the end of each fiscal year. The budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are treated as expenditures. Accordingly, budgetary comparisons presented for the governmental funds in the accompanying financial statements are on this non-GAAP budgetary basis. In addition, certain activities accounted for within the governmental funds are not formally budgeted by the City. Therefore, both revenues and expenditures associated with those activities have also been treated as adjustments to convert actual revenues and expenditures of the governmental funds to a budgetary basis in order that the budgetary comparisons reflect only those activities for which legally adopted budgets are prepared.

C. Equity in Pooled Cash and Investments

The City maintains a pooled cash and investment fund which allows the various funds of the City to pool monies for investment purposes. The City maintains records to identify the equity of each fund investing in the pool as well as amounts borrowed from the pool. Investment earnings of the pool are recorded as earned and are allocated to the participating funds based on the respective fund's equity in the pool at the end of each month.

D. Cash Flows

For purposes of the statement of cash flows, cash and cash equivalents include cash on hand (including equity pooled cash), demand deposit accounts and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased.

E. Investments

All investments are stated at fair value based on quoted market prices at the end of the fiscal year.

Income from other investments owned by the individual funds is recorded in the respective funds as earned.

F. Inventories

Inventories held by the proprietary funds consist of golf retail merchandise, equipment and supplies held for maintenance use or for capital improvements and are stated at the lower of average cost or market. Obsolete and unusable items have been reduced to estimated salvage values.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

2. Summary of Significant Accounting Policies - Continued:

G. Property, Plant and Equipment

Governmental Funds - General fixed asset additions are recorded as capital outlay expenditures in the respective governmental fund and are simultaneously capitalized at cost in the General Fixed Asset Account Group, except for infrastructure assets which are immovable and of value only to the City. Donated fixed assets are recorded at their fair market value on the date donated. Unit costs of property and equipment recorded in the General Fixed Asset Account Group were established at historical cost or estimated historical cost in a manner similar to fixed assets of proprietary funds. Depreciation is not provided on general fixed assets.

Proprietary Funds - Property, plant and equipment of the proprietary funds are carried at historical cost. Contributed assets are recorded at their estimated fair market value on the date donated. Depreciation is provided on all exhaustible assets of proprietary funds on the straight-line method over the following estimated useful lives:

Buildings	30 years
Extensions and improvements other than buildings	30-60 years
Fixtures, vehicles and equipment	5-15 years

An annual depreciation rate of 3.6% is applied to the historical cost of Crystal River Unit No. 3 (CR-3). This annual depreciation rate was approved by the Florida Public Service Commission for use by Florida Power Corporation, the majority owner of the project. The City's share of nuclear fuel, which is included in the CR-3 investment account, is amortized on a unit-of-production method at a rate based on actual BTU's of energy produced.

Expenditures for maintenance and repairs which do not add to the value of the assets or extend their useful lives are charged to operating expenses as incurred. However, expenditures for repairs and improvements which add to the value or extend the useful life of an asset are capitalized.

Capitalization of Interest - In accordance with FASB Statement No. 62, the Electric System and Water and Sewer System enterprise funds capitalize net interest costs on funds borrowed to finance the construction of fixed assets. For the year ended September 30, 1999, capitalization of net interest costs was as follows:

	<u>Electric System</u>	<u>Water and Sewer System</u>
Interest expense	\$ 11,639	\$ 225,306
Amortization of bond issuance costs	306	8,795
Interest income	<u>(475)</u>	<u>(100,947)</u>
Increase in construction in progress	<u>\$ 11,470</u>	<u>\$ 133,154</u>

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

2. Summary of Significant Accounting Policies - Continued:

G. Property, Plant and Equipment - Continued

Capital Leases and Installment Purchase Contracts - Property and equipment and long-term liabilities associated with capital leases and installment purchase contracts of governmental funds are accounted for in the General Fixed Asset and General Long-Term Debt account groups, respectively.

The acquisition or construction of general fixed assets under a capital lease agreement or installment purchase contract is recognized as an expenditure and other financing source and principal and interest expenditures in the governmental funds.

Property and equipment and liabilities associated with capital leases and installment purchase contracts of proprietary funds are accounted for and reported in the financial statements of the respective proprietary fund.

H. Accrued Revenue

Revenues of enterprise funds are accrued based on estimated unbilled services provided to customers at the end of the fiscal year.

I. Property Taxes

Property taxes levied by the City are billed and collected by Marion County and normally attach as an enforceable lien on property as of January 1. Generally taxes are levied on November 1 and are payable on or before June 1. Substantially all property tax billings are collected during the fiscal period billed.

The City is permitted under its charter to levy taxes up to \$10 per \$1,000 of assessed valuation for general government services other than the payment of principal and interest on general long-term debt and in unlimited amounts for the payment of principal and interest on long-term debt. Additional taxes assessed for the payment of general long-term debt issues of the City must be approved by the public. The tax rate assessed by the City for the year ended September 30, 1999 was \$5.2743 per \$1,000 of assessed property value.

J. Interfund Payables and Receivables

Interfund payables and receivables are non-interest bearing and generally are liquidated monthly (Note 5). Interfund advances are liquidated in accordance with the City Council's resolution and may bear interest (Note 6).

K. Compensated Absences

In governmental funds the amount of compensated absences associated with employee vacations that are recorded as expenditures represent the amounts accrued during the year that would normally be liquidated with available spendable resources. The amount of compensated absences associated with employee sick leave is based on the historical annual trend of adjusted sick leave payments made at retirement. Accordingly, the amount of the compensated absence liability that would normally be liquidated with expendable available resources in the next fiscal year is reflected in the financial statements of governmental funds. The remainder of the compensated absence liability of governmental funds is reported in the General Long-Term Debt Account Group.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

2. Summary of Significant Accounting Policies - Continued:

K. Compensated Absences - Continued

In proprietary funds, the amount of compensated absences associated with employee vacations that are recorded as expenses represent the amounts accrued during the year and the amount of compensated absences associated with employee sick leave is based on the historical annual trend of adjusted sick leave payments made at retirement. The liability for compensated absences of these funds is reflected in the respective financial statements.

L. Self-Insurance Claims

Liabilities for reported claims and incurred but not reported claims are estimated based on an actuarial review of claims pending and historical experience.

M. Pension Costs

Pension plan contributions include provision for normal cost plus an amount sufficient to amortize the past service liability over a thirty-year period.

N. Reserves of Retained Earnings and Fund Balance

Reserves of retained earnings on the proprietary funds are created by increases in net assets restricted for debt service and renewal and replacement. There is no reservation of retained earnings for assets set aside for construction under bond indentures.

Fund balances of governmental funds are reserved for assets which have been legally segregated for specific future uses or which are not available for expenditure. Open encumbrances at year end are reported as reservations of fund balance to reserve that portion of the current year budget appropriation which has not been recognized as an expenditure or a liability.

O. Grants and Contributions

Program and capital grants received by governmental funds are recorded in the applicable governmental fund as receivables and revenues at the time reimbursable costs are incurred and all significant grant restrictions are satisfied. Grant revenues received in advance of meeting all major grant restrictions are deferred. Capital grants for general fixed asset additions are recorded in the general fixed asset account group as contributions from federal or state grants.

Capital grants received by proprietary funds are also recorded as receivables when reimbursable project costs are incurred or as deferred credits if the grant money is received in advance of project expenditures. Capital grants and other contributions for fixed asset additions to the proprietary funds are recorded as additions to contributed equity. Depreciation on proprietary fund assets purchased with capital grants or other capital contributions is not closed to contributed capital.

Contributed assets, including property and equipment, are recorded in proprietary funds and in the general fixed asset account group at fair market value at the time received.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

2. Summary of Significant Accounting Policies - Continued:

P. Bond Discounts and Issuance Costs

Bond discounts and issuance costs are deferred and amortized over the term of the bonds using the effective interest method.

Bond discounts are presented as a reduction of the face amount of the related bonds payable and issuance costs are recorded as other assets.

Q. Deferred Loss on Defeasance of Debt

In proprietary fund types, the difference between the reacquisition price (new debt) and the net carrying value of the old debt in a debt refinancing is deferred and amortized as a component of interest expense over the shorter remaining life of the old or new debt. The deferred loss on defeasance of debt is presented as a reduction of the face amount of the new bonds payable.

R. Administrative Fees

Certain administrative expenses are incurred by the City's Electric System Revenue Fund on behalf of the Water and Sewer and Sanitation funds. The Electric System Revenue Fund charges for these services based on the receiving fund's original budgeted appropriations. The reimbursement for these services is recorded as an operating expense of the Water and Sewer and Sanitation funds and as an operating revenue of the Electric Revenue Fund.

The City's General Fund also incurs certain administrative expenditures on behalf of other funds of the City. The General Fund is reimbursed for these expenditures based on actual cost allocations. The amounts reimbursed are recorded as revenue of the General Fund. The related reimbursements are recorded as either an operating expense of the proprietary funds or as an expenditure of the governmental funds.

S. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve a portion of the applicable budget appropriation, is utilized by the governmental funds of the City. Encumbrances outstanding at year end are reported as reserves of fund balance of governmental funds since they do not constitute expenditures or liabilities. They are recognized as expenditures in the period in which the actual goods or services are received and a liability is incurred.

T. Total Columns on Combined Statements - Overview

The columns entitled "Total(s) (Memorandum Only)" included in the General-Purpose Financial Statements (Combined Statements - Overview) section of this report are presented only to facilitate financial analysis. These total columns are not comparable to consolidated financial information as the basic reporting entity is by fund types which utilize differing bases of accounting. The columns do not present information that reflects financial position, results of operations or cash flows in accordance with generally accepted accounting principles. In addition, interfund eliminations have not been made in the aggregation of this data.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

3. Budget Reconciliation:

A. Budgetary Basis Reconciliation

Since the accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, entity and timing differences in the excess of revenues and other sources of financial resources over expenditures and other uses of financial resources for the year ended September 30, 1999 is presented below:

	Governmental Fund Types			Expendable Trust
	General	Special Revenue	Capital Project	
Excess (deficiency) of revenues and other sources of financial resources over expenditures and other uses of financial resources (budgetary basis)	\$ (3,137,958)	\$ (1,109,348)	\$ (3,687,700)	\$ -
Adjustments:				
Encumbrances	712,086	789,449	324,937	-
Encumbrances of non-formally budgeted activities	(73,710)	(384)	-	-
Non-formally budgeted activities	2,654,858	-	704	2,041,330
Excess (deficiency) of revenues and other sources of financial resources over expenditures and other uses of financial resources (GAAP basis)	<u>\$ 155,276</u>	<u>\$ (320,283)</u>	<u>\$ (3,362,059)</u>	<u>\$ 2,041,330</u>

B. Excess of Expenditures Over Appropriations

For the year ended September 30, 1999, no expenditures exceeded the budget at the fund level.



CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

**4. Cash and Investments and Equity in Pooled Cash and Investments:**

The City maintains a cash and investment pool that is available for use by all funds, except the pension trust funds and certain other funds required to have separate bank accounts. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in pooled cash and investment fund". In addition, investments are held separately by several of the City's funds. The deposits and investments of the pension trust funds are held separately from those of other City funds.

**A. Cash**

At September 30, 1999, the carrying amount of the City's deposits was \$7,975,733. These deposits, consisting of interest bearing and non-interest bearing demand accounts and certificates of deposit, were entirely insured by federal depository insurance or by collateral held by the City's agent pursuant to the Public Depository Security Act of the State of Florida. This Act requires that the City maintain deposits only in "qualified public depositories". All qualified public depositories must deposit with the State Treasurer eligible collateral in such amounts as required by the Act. In addition, qualified public depositories are required under the Act to assume mutual responsibility against loss caused by the default or insolvency of other qualified public depositories of the same type. Should a default or insolvency occur, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City.

Funds not prohibited by bond covenants have pooled their cash balances in order to maximize investment earnings. The City's banking arrangement provides that the City will pay monthly direct service charges and will earn interest on collected balances at the effective federal funds rate less 50 basis points and adjusted for reserve requirement.

**B. Investments**

Florida Statutes authorize the City to invest in the Local Government Surplus Funds Trust Fund, obligations of the U.S. Government, U.S. Government Instrumentalities, interest-bearing time deposits and savings accounts in banks and savings and loans provided such deposits are collateralized as described above, mutual funds investing in U.S. Government securities and repurchase agreements fully collateralized by U.S. Government obligations. In addition to the above, the City's investment policy also authorizes the City to invest in corporate bonds, bankers acceptances, prime commercial paper, repurchase agreements, collateralized mortgage obligations, yankee securities and eurodollar securities. Assets of the Ocala Firefighters' Supplemental Plan and the Ocala Police Officers' Supplemental Plan may also be invested, under state statute, in corporate bonds, corporate stocks, commercial paper and life insurance contracts.

Cash Management Funds are mutual funds administered by NationsBank. Investments held in these funds consist of U.S. Government and other short-term obligations. Investment income is recognized as earned and is allocated to participants of the funds based on their equity participation.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

4. Cash and Investments and Equity in Pooled Cash and Investments - Continued:

B. Investments - Continued

The Local Government Surplus Funds Trust Fund is an investment pool administered by the Florida State Board of Administration. Investments held in the Fund consist of short-term federal agency obligations, treasury bills, repurchase agreements, and commercial paper. Investment income is recognized as earned and is allocated to participants of the fund based on their equity participation. In accordance with GASB Statement 31, the SBA has reported that the Local Government Investment Trust, which it operates, is a "2A-7 like" pool and, thus, these investments are valued using the pooled share price.

Collateralized mortgage obligations (CMO's) are investments used by the City to maximize yields. The City's CMO's, consisting of planned amortization classes (PAC's) and adjustable rate mortgage pools (ARM's), are based on cash flows from principal and interest payments on underlying mortgages. The PAC's have fixed interest rates; therefore, as interest rates rise, they will decline in value. The ARM's have an adjustable interest rate based on an underlying index; therefore, they will normally retain their value as interest rates change. Although there is market risk in connection with fluctuating interest rates, the City feels that the risk for these types of CMO's is minimal.

The City's investments are categorized by type to give an indication of the level of credit risk assumed by the City at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments, with securities held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name.

	Category 1	Category 2	Category 3	Fair Value
U.S. Government securities	\$ -	\$ 6,681,601	\$ 80,284,701	\$ 86,966,302
Common stocks and debentures	-	-	90,643,164	90,643,164
	<u>\$ -</u>	<u>\$ 6,681,601</u>	<u>\$ 170,927,865</u>	177,609,466
Cash Management Funds				5,948,865
Local Government Surplus Funds Trust Fund				30,825,694
Deferred Compensation Investments				<u>9,313,507</u>
Total Investments				<u>\$ 223,697,532</u>

The pension trust funds hold approximately 53% of the investments in Category 3.

The types of investments and their levels of risk exposure as of September 30, 1999 were typical of those items held during the fiscal year then ended.

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**5. Due From (To) Other Funds:**

The following summarizes the interfund receivables and payables of the various funds of the City at September 30, 1999:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Unrestricted Interfund Receivable/Payable:		
General Fund	\$ 1,336,342	\$ 26,526
Special Revenue Funds:		
Occupational License	26,526	-
Local Gasoline Tax	13,547	-
Stormwater Utility	95,861	-
	<u>135,934</u>	<u>-</u>
Capital Project Funds:		
Optional Gas Tax Construction	-	13,547
Enterprise Funds:		
Electric System Revenue	515,143	1,308,787
Water and Sewer	626,001	-
Sanitation	314,894	-
Ft. King Tennis Court	-	3,753
Florida Emergency Training Facility	-	326,030
Adult Athletic Complex	-	221,189
Communications	-	515,143
SunTran	-	513,339
	<u>1,456,038</u>	<u>2,888,241</u>
Total Current Unrestricted Interfund Receivable/ Payable	<u>2,928,314</u>	<u>2,928,314</u>
Restricted Interfund Receivable/Payable:		
Trust and Agency Funds:		
Employees' Retirement Fund	1,911	-
Police Officers' Supplemental Pension	-	1,911
	<u>1,911</u>	<u>1,911</u>
Total Interfund Receivable/Payable	<u>\$ 2,930,225</u>	<u>\$ 2,930,225</u>

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**6. Interfund Transactions:**

On July 27, 1995, the City Council approved a loan of \$10,000 from the Electric System Revenue Fund to the General Fund for the replacement of lights at the Brick City Park football field. This loan, which bears interest at 8%, is to be repaid over a five-year period beginning in fiscal year 1996. At September 30, 1999, \$2,000 of the loan is outstanding, with \$-0- classified as long-term. Interfund interest recognized on this loan in fiscal year 1999 was \$320.

On May 28, 1996, the City Council approved a loan of \$10,000 from the Electric System Revenue Fund to the General Fund for the purchase of computer equipment for the Recreation and Parks Department's senior citizen computer program. This loan, which bears interest at 7%, is to be repaid over a three-year period beginning in fiscal year 1997. The final principal payment of this loan was made during fiscal year 1999. Interfund interest recognized on this loan in fiscal year 1999 was \$137.

On June 11, 1996, the City Council approved a loan of \$27,000 from the Electric System Revenue Fund to the General Fund for the purchase of a modular home at Cohadjoe Park. This loan, which bears interest at 8%, is to be repaid over fifteen years beginning in fiscal year 1997. At September 30, 1999, \$23,837 of this loan is outstanding, with \$22,603 classified as long-term. Interfund interest recognized on this loan in fiscal year 1999 was \$1,957.

On May 6, 1997, the City Council approved a loan of \$10,000 from the Electric System Revenue Fund to the General Fund for the relocation of the All Children's Playground. This loan, which bears interest at 7%, is to be repaid over five years commencing in fiscal year 1998. At September 30, 1999, \$6,413 of the loan is outstanding, with \$4,422 classified as long-term. Interfund interest recognized on this loan in fiscal year 1999 was \$520.

On September 27, 1994, the City Council approved a loan of \$82,838 from the Electric System Revenue Fund to the Parking/Parks Enforcement Fund for the purchase of an additional parking lot. This loan, which bears interest at 6%, is to be repaid over a ten-year period. At September 30, 1999, \$47,570 of the loan balance is outstanding, with \$39,159 classified as long-term. Interfund interest recognized on this loan in fiscal year 1999 was \$3,114.

On October 18, 1994, the City Council approved a loan of \$9,000 from the Electric System Revenue Fund to the Parking/Parks Enforcement Fund for improvements to the leased First Presbyterian Church parking lot. This loan, which bears interest at 6%, is to be repaid in a minimum of 3 years, depending on the sufficiency of the revenues from the parking lot. At September 30, 1999, \$5,671 of the loan is outstanding, with \$3,321 classified as long-term. Interfund interest recognized on this loan in fiscal year 1999 was \$379.

On September 24, 1996, the City Council approved a loan of \$325,000 from the Electric System Revenue Fund to the Water and Sewer Fund for specific water and sewer extensions. This loan, which bears no interest, is to be repaid over five years beginning in fiscal year 1997. At September 30, 1999, \$130,000 of this loan is outstanding, with \$65,000 classified as long-term.

On January 12, 1999, the City Council approved a loan of \$504,735 from the Electric System Revenue Fund to the Municipal Golf Course Fund for renovations to the clubhouse. This loan, which bears interest at 7%, will be payable over ten years commencing after the project is completed. At September 30, 1999, \$423,624 of this loan is outstanding and is classified as long-term. Interfund interest recognized on this loan in fiscal year 1999 was \$5,879.

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**6. Interfund Transactions - Continued:**

On August 13, 1996, the City Council approved a loan of \$55,775 from the General Fund to the Fort King Tennis Court Fund for the refinancing of the \$43,275 balance at September 30, 1996 of the interfund loan approved by City Council on July 18, 1989 and \$12,500 for resurfacing and lighting the hard courts at the tennis center. This loan, which bears interest at 7%, is to be repaid over ten years beginning in fiscal year 1997. At September 30, 1999, \$42,908 of this loan is outstanding, with \$37,984 classified as long-term. Interfund interest recognized on this loan in fiscal year 1999 was \$3,180.

On February 14, 1989, the City Council authorized a loan from the Electric System Revenue Fund to the Airport Fund of \$345,000 for the City's portion of the costs of the airport operations center. On March 14, 1989, the amount of this loan, which bears interest at a fluctuating rate based on the State Board of Administration interest rate, was reduced to \$292,000. The loan, which was made in September, 1989, is to be repaid over a fifteen-year period. At September 30, 1999, \$207,396 of the loan balance is outstanding, with \$193,991 classified as long-term. Interfund interest recognized on this loan in fiscal year 1999 was \$10,841.

On June 29, 1993, the City Council approved a loan from the Electric System Revenue Fund to the Airport Fund to cover the Airport's portion of the debt service payments through 1998 for various improvements. The total amount of the loan was \$149,285. This interfund loan bears interest at a fluctuating rate using the same rate the City receives on its investments with the State Board of Administration and is to be repaid during fiscal years 1999 through 2007. At September 30, 1999, \$136,384 of the loan is outstanding, with \$122,687 classified as long-term. Interfund interest recognized on this loan in fiscal year 1999 was \$7,263.

On February 28, 1995, the City Council approved a loan of \$75,000 from the Electric System Revenue Fund to the Airport Fund for the City's match for the upgrading and reconstruction of an existing hangar at the Airport. This loan, which bears interest at 7%, will be payable over ten years commencing after the project is completed. The first portion of the loan was made in September, 1995. At September 30, 1999, \$69,705 of this loan is outstanding, with \$66,828 classified as long-term. Interfund interest recognized on this loan in fiscal year 1999 was \$4,879.

On June 20, 1995, the City Council approved a loan of \$250,000 from the Electric System Revenue Fund to the Airport Fund for the City's portion of the construction of 28 T-hangars. This loan, which bears interest at 8%, is payable over 15 years commencing with fiscal year 1998. The actual amount of this loan was \$242,828. At September 30, 1999, \$224,629 of this loan is outstanding, with \$214,382 classified as long-term. Interfund interest recognized on this loan in fiscal year 1999 was \$18,386.

On June 20, 1995, the City Council approved a loan of \$18,777 from the Electric System Revenue Fund to the Airport Fund for the remainder of the City's portion for the reconstruction of a hangar at the Airport. This loan, which bears interest at 8%, is payable over five years commencing in March, 1997. At September 30, 1999, \$10,009 of the loan is outstanding, with \$6,100 classified as long-term. Interfund interest recognized in fiscal year 1999 was \$959.

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**6. Interfund Transactions - Continued:**

On June 27, 1995, the City Council approved a loan from the Electric System Revenue Fund to the Airport Fund to cover the Airport's portion of the debt service payments through 1998 related to the land acquisition in 1993. The total amount of the loan was \$308,504. This interfund loan bears interest at a fluctuating rate using the same rate the City receives on its investments with the State Board of Administration and is to be repaid during fiscal years 1999 through 2007. At September 30, 1999, \$281,842 of the loan is outstanding, with \$253,538 classified as long-term. Interfund interest recognized on this loan in fiscal year 1999 was \$15,000.

On December 5, 1995, the City Council approved a loan of \$15,000 from the Electric System Revenue Fund to the Airport Fund for the cost of the pre-activation phase of the Foreign Trade Zone project. This loan, which bears no interest, is to be repaid over five years. At September 30, 1999, \$8,000 of the loan is outstanding, with \$4,000 classified as long-term.

On July 1, 1997, the City Council authorized a loan of up to \$12,000 from the Electric System Revenue Fund to the Airport Fund for the completion of a concrete apron for hangar #12. The actual loan was for \$9,891, bears interest at 7%, and is to be repaid over five years commencing in fiscal year 1998. At September 30, 1999, \$6,343 of the loan is outstanding, with \$4,374 classified as long-term. Interfund interest recognized on this loan in fiscal year 1999 was \$514.

On September 16, 1997, the City Council approved a loan of \$70,000 from the Electric System Revenue Fund to the Airport Fund for the City's portion of the glide slope at the Airport. This loan, which bears interest at 7%, will be payable over ten years commencing after the project is completed. The first portion of the loan was made in September 1999. At September 30, 1999, \$170 of this loan is outstanding and is classified as long-term. No interfund interest was recognized on this loan during fiscal year 1999.

On March 24, 1998, the City Council approved a loan of \$800,000 from the Electric System Revenue Fund to the Florida Emergency Training Facility Fund to cover the second and third year State funding of the ARFF facility buildings. This loan, which bears interest at 7%, will be repaid when the State funding becomes available. The first portion of this loan was made in September 1999. At September 30, 1999, \$251,396 of this loan is outstanding and is classified as long-term. No interfund interest was recognized on this loan during fiscal year 1999.

On February 9, 1999, the City Council approved a loan of \$89,661 from the Electric System Revenue Fund to the Florida Emergency Training Facility Fund for support equipment which was not included in any grant. Repayment terms for this loan, which bears no interest, will be determined by Council at a later date. The actual loan was for \$73,520, which is the outstanding balance at September 30, 1999 and is classified as long-term.



**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**6. Interfund Transactions – Continued:**

The following summarizes the interfund loans receivable and payable of the various funds of the City at September 30, 1999:

<u>Fund</u>	<u>Loans Receivable</u>	<u>Loans Payable</u>
Current Unrestricted Interfund Loans Receivable/Payable:		
General Fund	\$ 4,924	\$ 5,225
Special Revenue Funds:		
Parking/Parks Enforcement	-	10,761
Enterprise Funds:		
Electric System Revenue	159,394	-
Water and Sewer	-	65,000
Fort King Tennis Court	-	4,924
Ocala Regional Airport	-	78,408
	<u>159,394</u>	<u>148,332</u>
Total current unrestricted interfund loans receivable/payable	<u>164,318</u>	<u>164,318</u>
Interfund Loans Receivable/Payable After One Year:		
General Fund	37,984	27,025
Special Revenue Funds:		
Parking/Parks Enforcement	-	42,480
Enterprise Funds:		
Electric System Revenue	1,749,115	-
Water and Sewer	-	65,000
Municipal Golf Course	-	423,624
Fort King Tennis Court	-	37,984
Ocala Regional Airport	-	866,070
Florida Emergency Training Facility	-	324,916
	<u>1,749,115</u>	<u>1,717,594</u>
Total interfund loans receivable/payable after one year	<u>1,787,099</u>	<u>1,787,099</u>
Total Interfund Loans Receivable/Payable	<u>\$ 1,951,417</u>	<u>\$ 1,951,417</u>

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**7. Property, Plant and Equipment:**

Property, plant and equipment of the proprietary fund types at September 30, 1999 is summarized as follows:

	Enterprise Funds	Internal Service Funds
Buildings	\$ 6,713,190	\$ 11,445,543
Extensions and improvements other than buildings	226,249,101	1,633,154
Crystal River Unit No. 3	15,774,063	-
Fixtures, vehicles and equipment	9,321,225	15,012,287
	<u>258,057,579</u>	<u>28,090,984</u>
Less accumulated depreciation	(90,747,737)	(10,032,896)
	<u>167,309,842</u>	<u>18,058,088</u>
Land	16,792,698	667,770
Construction in progress	13,770,466	122,828
	<u>197,873,006</u>	<u>18,848,686</u>
Total	\$ 197,873,006	\$ 18,848,686

The cost of Crystal River Unit No. 3 (CR-3) represents the City's 1.3333% share of the ownership of a nuclear power generating plant (bulk power supply system) acquired through a participation agreement with Florida Power Corporation (FPC). Under the participation agreement, FPC is acting as agent for the City in the maintenance and operation of the plant. The City is committed to pay its ownership share of the operational costs of the plant as well as capital improvements, nuclear fuel procurements and plant decommissioning costs. For its investment, the City receives the ratio of its percentage ownership in the net energy output of the CR-3 plant.

In 1976, the City Council adopted resolution 76-44 which authorized the construction of the Municipal Service Complex to house the operations of the electric, water and sewer and other public works activities of the City. The cost of the Complex has been partially financed by contributions from various City funds and is being accounted for within the internal service fund since operations of the Complex are funded by user charges to the respective funds utilizing the Complex.

During the fiscal year ended September 30, 1999, the following changes in general fixed assets occurred:

	Balance September 30, 1998	Additions	Retirements & Other Deletions	Balance September 30, 1999
Land	\$ 4,127,848	\$ -	\$ -	\$ 4,127,848
Buildings	6,721,969	203,920	-	6,925,889
Equipment	8,694,053	1,442,796	643,150	9,493,699
Construction in Progress	1,460,176	6,784,087	203,920	8,040,343
Total	<u>\$ 21,004,046</u>	<u>\$ 8,430,803</u>	<u>\$ 847,070</u>	<u>\$ 28,587,779</u>

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

**8. Pension Plans:**

The City maintains a single-employer, defined benefit pension plan which covers substantially all of the City's full-time employees (General Plan), a single-employer defined benefit pension plan which covers all of its full-time certified law enforcement officers (Supplemental Police Officers' Plan) and a single-employer defined benefit pension plan which covers all of its full-time certified firefighters (Supplemental Firefighters' Plan). The provisions of each of the Plans are established by City ordinance. All benefit provisions, including changes in contribution requirements, can only be amended by City ordinance. Administrative costs are financed through investment earnings.

**A. Plan Descriptions and Provisions**

General Plan - The General Plan is a noncontributory defined benefit pension plan covering substantially all full-time employees of the City.

Employees are eligible to retire at age sixty-five (65) with ten (10) years of credited service or may elect early retirement with twenty-five (25) years of credited service or at age fifty-five (55) with ten (10) years of credited service. Employees become vested after ten (10) years of credited service. Employees hired after the age of fifty-five (55) become vested at the later of attainment of the age of sixty-five (65) or completion of five (5) or more years of credited service.

Supplemental Police Officers' Plan - The Supplemental Police Officers' Plan is a contributory defined benefit pension plan covering any person employed full-time in the Ocala Police Department who is certified as a law enforcement officer in compliance with the provisions of Chapter 943.14 of the Florida Statutes. The Plan supplements the General Plan which covers all qualified employees of the City. Florida Statutes Chapter 185 allows contributions to the Plan by the State of Florida.

A law enforcement officer is eligible to retire on the first day of the month following their sixtieth (60) birthday or may elect to take early retirement upon the completion of twenty-five (25) years of service or at age fifty (50) and at least ten (10) years of service and begin receiving a benefit from the Plan payable until age sixty-five (65). Law enforcement officers become vested in the Plan after ten (10) years of credited service.

Pursuant to Florida Statutes Section 185.08, an excise tax amounting to 1% of the gross amount of receipts of premiums from policyholders on all premiums collected on casualty insurance policies covering property within the corporate limits of the City is collected by the Insurance Commissioner. Such amounts collected by the Insurance Commissioner, less expenses, are contributed annually to the Plan. The City does not contribute to the Plan. The law enforcement officers contribute 2% of their salaries or wages to the Supplemental Police Officers' Plan.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

8. Pension Plans - Continued:

A. Plan Descriptions and Provisions - Continued

Supplemental Firefighters' Plan - The Supplemental Firefighters' Plan is a contributory defined benefit pension plan covering any person employed full-time in the Ocala Fire Department who is certified as a firefighter as a condition of employment in accordance with the provisions of Section 633.35 of the Florida Statutes. The Plan supplements the General Plan which covers all qualified employees of the City. Florida Statutes Chapter 175 allows contributions to the Plan by the State of Florida.

On either the first day of the month following his fifty-fifth (55) birthday or the first day of the month following his thirtieth (30) year of credited service, a firefighter is eligible to retire and begin receiving a benefit from the Plan payable until age sixty-five (65). Firefighters become vested in the Plan after ten (10) years of credited service.

Pursuant to Florida Statutes Section 175.101, an excise tax amounting to 2% of the gross amount of receipts of premiums from policyholders on all premiums collected on casualty insurance policies covering property within the corporate limits of the City is collected by the Insurance Commissioner. Such amounts collected by the Insurance Commissioner, less expenses, are contributed annually to the Plan. The City does not contribute to the Plan. The firefighters contribute 8.42% of their salaries or wages to the Supplemental Firefighters' Plan.

Participation - At September 30, 1999, participation in the plans consisted of the following:

	<u>General</u>	<u>Police</u>	<u>Fire</u>
Retirees and beneficiaries currently receiving benefits	300	27	28
Terminated employees entitled to benefits not yet receiving them	<u>100</u>	<u>8</u>	<u>1</u>
	<u>400</u>	<u>35</u>	<u>29</u>
Current employees:			
Vested	416	67	48
Nonvested	<u>650</u>	<u>82</u>	<u>62</u>
Total	<u>1,066</u>	<u>149</u>	<u>110</u>

B. Investments

The investments of the two Supplemental Plans are pooled. Interest and dividend income, gains and losses on sale of investments and appreciation or depreciation in fair market value of investments are allocated to the two Supplemental Plans monthly based upon the investment balances of the respective funds at the beginning of each month.

Investments of the three plans, consisting of bonds, common stocks, debentures and mutual funds, are stated at fair market value based on quoted market prices at the end of the fiscal year.

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**8. Pension Plans - Continued:**

**C. Contributions Required and Contribution Made**

The contribution requirement for the General Plan for the 1999 fiscal year, determined through an actuarial valuation performed as of October 1, 1998, was \$1,413,903 (4.7% of current covered payroll). Actual employer contributions amounted to \$2,014,606 (6.2% of current covered payroll).

The contribution requirement for the Supplemental Police Officers' Plan for the 1999 fiscal year, determined through an actuarial valuation performed as of October 1, 1998, was \$555,771 (10.45% of current covered payroll). Actual employee contributions totalled \$117,639 (2.0% of current covered payroll) and actual state contributions amounted to \$389,760 (6.63% of current covered payroll). Excess State annual required contributions are accumulated in the Contributions Surplus Account which is drawn upon if actual State contributions fall below the annual required contribution. The net Contribution Surplus Account balance was \$20,165 as of September 30, 1999.

The contribution requirement for the Supplemental Firefighters' Plan for the 1999 fiscal year, determined through an actuarial valuation performed as of October 1, 1998, was \$620,912 (17.3% of current covered payroll). Actual employee contributions totalled \$320,261 (8.42% of current covered payroll) and actual state contributions amounted to \$254,062 (6.68% of current covered payroll). Excess State annual required contributions are accumulated in the Contributions Surplus Account which is drawn upon if actual State contributions fall below the annual required contribution. The net Contribution Surplus Account balance was \$214,235 as of September 30, 1999.

There is no net pension obligation or asset for each of these Plans.

**D. Three-Year Trend Information**

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
General Plan:			
9/30/97	\$ 1,438,894	100%	—
9/30/98	1,350,660	100%	—
9/30/99	1,413,903	100%	—
Supplemental Police Officers' Plan:			
9/30/97	\$ -	100%	—
9/30/98	31,477	100%	—
9/30/99	100,829	100%	—
Supplemental Firefighters' Plan:			
9/30/97	\$ 8,632	100%	—
9/30/98	-	100%	—
9/30/99	-	100%	—

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**9. Proprietary Funds - Long-Term Debt:**

Enterprise Funds - Following is a maturity schedule of outstanding debt of the enterprise funds:

<u>Fiscal Year Ended September 30.</u>	<u>Series 1992A Utility Systems Subordinate Refunding Revenue Bonds</u>	<u>Series 1992B Utility Systems Subordinate Refunding Revenue Bonds</u>	<u>Series 1995 Water and Sewer Revenue Bonds</u>	<u>Series 1996 Water and Sewer Refunding Revenue Bonds</u>	<u>Total Principal Due</u>
2000	\$ 1,525,000	\$ -	\$ 10,000	\$ 410,000	\$ 1,945,000
2001	1,610,000	-	10,000	435,000	2,055,000
2002	1,705,000	-	10,000	450,000	2,165,000
2003	1,805,000	1,815,000	10,000	485,000	4,115,000
2004	1,905,000	1,920,000	10,000	510,000	4,345,000
2005-2021	<u>34,935,000</u>	<u>6,500,000</u>	<u>4,935,000</u>	<u>9,105,000</u>	<u>55,475,000</u>
Total long-term debt	43,485,000	10,235,000	4,985,000	11,395,000	70,100,000
Less:					
Current portion	1,525,000	-	10,000	410,000	1,945,000
Unamortized bond discount	1,235,396	301,650	164,759	152,117	1,853,922
Unamortized deferred loss on defeasance of debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>711,475</u>	<u>711,475</u>
Total long-term portion	<u>\$ 40,724,604</u>	<u>\$ 9,933,350</u>	<u>\$ 4,810,241</u>	<u>\$ 10,121,408</u>	<u>\$ 65,589,603</u>
Interest rate	<u>5.60 - 6.50%</u>	<u>6.00 - 6.25%</u>	<u>4.00 - 5.50%</u>	<u>4.80 - 6.00%</u>	

Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A and 1992B - The Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A and 1992B, were issued in March, 1992. The Series 1992A issue consisted of \$23,415,000 in serial bonds maturing from October 1, 1992 through 2006 and of \$28,465,000 in term bonds maturing from October 1, 2010 through 2015. The Series 1992B issue consisted of \$28,435,000 in serial bonds maturing from October 1, 1992 through 2006. The proceeds of these issues were used to advance refund the Water and Sewer Revenue Bonds, Series 1985A, the Water and Sewer Refunding Revenue Bonds, Series 1986, and the Electric System Revenue Bonds, Series 1989A.

Major Debt Provisions - The major debt provisions of the resolution authorizing issuance of the Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A and 1992B, are as follows:

- 1) The debt obligation and related interest are collateralized by a pledge of the Water and Sewer Surplus Revenues and the Electric Surplus Revenues.
- 2) The City shall establish and maintain rates which will provide pledged revenues in each fiscal year sufficient to pay 125% of the maximum debt service requirement on the Series 1992 bonds and 100% of all other reserves and payments required.
- 3) The City will deposit into the Sinking Fund, on or before the 25th day of each month, an amount equal to one-sixth of the next semi-annual interest payment and one-sixth or one-twelfth, as applicable, of the next principal payment.



CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

9. Proprietary Funds - Long-Term Debt:

Enterprise Funds – Continued -

Water and Sewer Revenue Bonds, Series 1995 - The Water and Sewer Revenue Bonds, Series 1995, were issued in October, 1995, and consisted of \$155,000 serial bonds maturing from October 1, 1997 through 2011 and \$4,845,000 term bonds maturing on October 1, 2020. The proceeds of this issue are being used primarily to finance the cost of acquisition and construction of additions, improvements and extensions to the City's water and sewer system.

Major Debt Provisions - The major provisions of the resolution authorizing the issuance of the Water and Sewer Revenue Bonds, Series 1995, are as follows:

- 1) The debt obligation and related interest are collateralized by a pledge of the net revenues of the Water and Sewer system.
- 2) The City will establish and maintain rates which will provide net revenues in each bond year sufficient to pay 100% of the debt service requirement and 100% of all reserve or other payments, including the cost of operation and maintenance of the system.
- 3) The City will deposit into the Operation and Maintenance Fund, on or before the 25th day of each month, an amount necessary to make the balance equal to one-fourth of the budgeted cost of operation and maintenance expenses for the current fiscal year.
- 4) The City shall deposit into the Sinking Fund, on or before the 25th day of each month, an amount equal to one-sixth of the next semi-annual interest payment and one-twelfth of the next annual principal amount.
- 5) The City will deposit into the Water renewal and replacement fund, on or before the 25th day of each month, one-twelfth of an amount not less than five percent of the gross revenues of the system for the preceding fiscal year.
- 6) The City will allocate to the Sewer renewal and replacement fund on a monthly basis, an amount sufficient to pay at least one-twelfth of the annual amount required by the Florida Administrative Code Section 17.50-17(2) to be on deposit.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

9. Proprietary Funds - Long-Term Debt:

Enterprise Funds – Continued -

Water and Sewer Refunding Revenue Bonds, Series 1996 - The Water and Sewer Refunding Revenue Bonds, Series 1996, were issued in July, 1996, and consisted of \$1,620,000 serial bonds maturing on October 1, 1997 and 1998 and \$10,550,000 term bonds maturing on October 1, 2005, 2010 and 2015. The proceeds of this issue were used primarily for the forward refunding of the City's outstanding Water and Sewer Refunding Revenue Bonds, Series 1988.

Major Debt Provisions - The major provisions of the resolution authorizing the issuance of the Water and Sewer Refunding Revenue Bonds, Series 1996, are as follows:

- 1) The debt obligation and related interest are collateralized by a pledge of the net revenues of the Water and Sewer system.
- 2) The City will establish and maintain rates which will provide net revenues in each bond year sufficient to pay 100% of the debt service requirement and 100% of all reserve or other payments, including the cost of operation and maintenance of the system.
- 3) The City will deposit into the Operation and Maintenance Fund, on or before the 25th day of each month, an amount necessary to make the balance equal to one-fourth of the budgeted cost of operation and maintenance expenses for the current fiscal year.
- 4) The City shall deposit into the Sinking Fund, on or before the 25th day of each month, an amount equal to one-sixth of the next semi-annual interest payment and one-twelfth of the next annual principal amount.
- 5) The City will deposit into the Water renewal and replacement fund, on or before the 25th day of each month, one-twelfth of an amount not less than five percent of the gross revenues of the system for the preceding fiscal year.
- 6) The City will allocate to the Sewer renewal and replacement fund on a monthly basis, an amount sufficient to pay at least one-twelfth of the annual amount required by the Florida Administrative Code Section 17.50-17(2) to be on deposit.

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**9. Proprietary Funds - Long-Term Debt - Continued:**

*Enterprise Funds - Continued -*

Following is a schedule of debt service requirements to maturity for all outstanding bonded debt of the City's enterprise funds as of September 30, 1999:

Fiscal Year Ended September 30,	<u>Series 1992A</u> Utility Systems Subordinate Refunding Revenue Bonds	<u>Series 1992B</u> Utility Systems Subordinate Refunding Revenue Bonds	<u>Series 1995</u> Water and Sewer Revenue Bonds	<u>Series 1996</u> Water and Sewer Refunding Revenue Bonds	Total Principal and Interest Due
2000	\$ 4,199,280	\$ 629,720	\$ 282,900	\$ 1,052,045	\$ 6,163,945
2001	4,194,890	629,720	282,488	1,056,125	6,163,223
2002	4,192,903	629,720	282,062	1,046,750	6,151,435
2003	4,188,455	2,390,270	281,630	1,053,700	7,914,055
2004	4,176,202	2,382,260	281,185	1,048,850	7,888,497
2005	4,180,931	2,381,225	280,730	1,047,350	7,890,236
2006	4,168,888	2,376,094	280,265	1,053,750	7,878,997
2007	4,167,450	2,366,719	279,790	1,048,050	7,862,009
2008	4,161,750	-	279,305	1,045,400	5,486,455
2009	4,153,437	-	278,810	1,045,500	5,477,747
2010	4,154,400	-	278,305	1,043,200	5,475,905
2011	4,143,988	-	282,660	1,043,350	5,469,998
2012	4,140,625	-	281,873	1,042,838	5,465,336
2013	4,138,750	-	281,062	1,041,775	5,461,587
2014	4,124,375	-	280,238	1,043,100	5,447,713
2015	4,121,719	-	279,412	1,036,812	5,437,943
2016	4,114,687	-	278,588	1,037,775	5,431,050
2017	-	-	1,099,525	-	1,099,525
2018	-	-	1,095,987	-	1,095,987
2019	-	-	1,094,838	-	1,094,838
2020	-	-	1,090,937	-	1,090,937
2021	-	-	1,089,150	-	1,089,150
Total	<u>\$ 70,722,730</u>	<u>\$ 13,785,728</u>	<u>\$ 10,241,740</u>	<u>\$ 17,786,370</u>	<u>\$ 112,536,568</u>

*Internal Service Fund Capital Lease* - The City has entered into a lease-purchase agreement to purchase a copier. Information relative to the capital lease is as follows:

Asset capitalized	\$ 89,053
Less accumulated amortization	<u>(81,633)</u>
Net book value of asset	<u>\$ 7,420</u>

Amortization of assets under capital leases for the year amounted to \$17,811 and is included in depreciation expense.

CITY OF OCALA, FLORIDA

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

Year Ended September 30, 1999

**9. Proprietary Funds - Long-Term Debt - Continued:**

*Internal Service Fund Capital Lease - Continued* - The following is a schedule by years of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of September 30, 1999:

Year Ending September 30,	
2000	\$ 7,568
Total minimum lease payments	7,568
Less amount representing interest	165
Present value of net minimum lease payments	7,403
Less: Current portion	7,403
Total long-term portion	\$ -

*Internal Service Fund Note Payable* - The City has entered into installment purchase contracts bearing interest at 3.76% and 3.80%. These obligations are collateralized by computer hardware and software.

Following is a schedule of principal requirements to maturity as of September 30, 1999:

Fiscal Year Ending September 30,	Total Principal Due
2000	\$ 320,220
2001	333,338
2002	171,753
Total	825,311
Less: Current portion	320,220
Total long-term portion	\$ 505,091

Following is a schedule of debt service requirements to maturity as of September 30, 1999:

Fiscal Year Ending September 30,	
2000	\$ 347,551
2001	347,551
2002	173,776
	\$ 868,878

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**10. General Long-Term Debt:**

The following is a summary of changes in the City's general long-term debt for the year ended September 30, 1999:

	<u>Balance at October 1, 1998</u>	<u>General Long-Term Debt Additions</u>	<u>General Long-Term Debt Retired</u>	<u>Debt Service Funds Operations</u>	<u>Balance at September 30, 1999</u>
Amounts Available in Debt Service Funds	\$ 4,765,271	\$ -	\$ -	\$ 538,529	\$ 5,303,800
Amount to be Provided:					
Term bonds	2,425,000	-	-	-	2,425,000
Serial bonds	6,680,522	-	(690,000)	(18,529)	5,971,993
Term certificates	15,985,000	-	-	-	15,985,000
Serial certificates	4,724,207	-	-	(520,000)	4,204,207
Compensated absences payable	480,259	72,815	-	-	553,074
	<u>30,294,988</u>	<u>72,815</u>	<u>(690,000)</u>	<u>(538,529)</u>	<u>29,139,274</u>
Total Amount Available and to be Provided	<u>\$ 35,060,259</u>	<u>\$ 72,815</u>	<u>\$ (690,000)</u>	<u>\$ -</u>	<u>\$ 34,443,074</u>
General Long-Term Debt Payable:					
Term bonds	\$ 2,425,000	\$ -	\$ -	\$ -	\$ 2,425,000
Serial bonds	8,790,000	-	(690,000)	-	8,100,000
Term certificates	15,985,000	-	-	-	15,985,000
Serial certificates	7,380,000	-	-	-	7,380,000
Compensated absences payable	480,259	72,815	-	-	553,074
Total General Long-Term Debt Payable	<u>\$ 35,060,259</u>	<u>\$ 72,815</u>	<u>\$ (690,000)</u>	<u>\$ -</u>	<u>\$ 34,443,074</u>

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**10. General Long-Term Debt - Continued:**

General long-term debt matures as follows:

<u>Fiscal Year Ended September 30,</u>	<u>Optional Gas Tax Refunding Revenue Bonds Series 1992</u>	<u>Capital Improvement Refunding Revenue Certificates Series 1993</u>	<u>Capital Improvement Revenue Certificates Series 1995</u>	<u>Total Principal Due</u>
2000	\$ 725,000	\$ 440,000	\$ 80,000	\$ 1,245,000
2001	755,000	460,000	80,000	1,295,000
2002	800,000	475,000	85,000	1,360,000
2003	840,000	500,000	85,000	1,425,000
2004	890,000	520,000	90,000	1,500,000
2005-2023	<u>6,515,000</u>	<u>15,970,000</u>	<u>4,580,000</u>	<u>27,065,000</u>
	<u>\$ 10,525,000</u>	<u>\$ 18,365,000</u>	<u>\$ 5,000,000</u>	<u>\$ 33,890,000</u>
Interest rate	<u>5.00 - 6.00%</u>	<u>3.90 - 5.25%</u>	<u>4.00 - 5.375%</u>	

The City's charter limits the aggregate amount of general obligation bonds outstanding to twenty percent (20%) of the assessed valuation of the taxable real and personal property in the City. At September 30, 1999, there was no general obligation debt outstanding.

Optional Gas Tax Refunding Revenue Bonds - In December, 1992, the City Council authorized the issuance of not exceeding \$17,500,000 Optional Gas Tax Refunding Revenue Bonds, Series 1992. The bonds were issued in the amount of \$14,340,000 during December, 1992. The proceeds of this issue were used to refund the City's Optional Gas Tax Revenue Bonds, Series 1989. These bonds are collateralized by a lien upon and a pledge of the proceeds of the six cent optional gas tax.

Capital Improvement Refunding Revenue Certificates - In December, 1993, the City Council authorized the issuance of not exceeding \$18,500,000 Capital Improvement Refunding Revenue Certificates, Series 1993. The certificates were issued in the amount of \$18,365,000 during December, 1993. The proceeds of this issue were used to refund the \$10,835,000 outstanding balance of the Capital Improvement Refunding Revenue Bonds, Series 1986, and to finance certain capital improvements in the City. These certificates are collateralized by a lien upon and a pledge of certain non-ad valorem revenues of the City.

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**10. General Long-Term Debt - Continued:**

Capital Improvement Revenue Certificates - In September, 1995, the City Council authorized the issuance of \$5,000,000 Capital Improvement Revenue Certificates, Series 1995. The certificates were issued in the amount of \$5,000,000 during October, 1995. The proceeds of this issue are being used to finance certain capital projects of the City. The bonds are collateralized by a lien upon and pledge of certain non-ad valorem revenues of the City.

Debt service requirements to maturity for all outstanding general long-term debt are as follows:

<u>Fiscal Year Ended September 30,</u>	<u>Optional Gas Tax Refunding Revenue Bonds Series 1992</u>	<u>Capital Improvement Refunding Revenue Certificates Series 1993</u>	<u>Capital Improvement Revenue Certificates Series 1995</u>	<u>Total Principal and Interest Due</u>
2000	\$ 1,303,395	\$ 1,329,482	\$ 338,936	\$ 2,971,813
2001	1,296,018	1,331,702	335,636	2,963,356
2002	1,300,565	1,327,765	337,130	2,965,460
2003	1,296,265	1,332,528	333,454	2,962,247
2004	1,298,245	1,330,848	334,559	2,963,652
2005	1,296,887	1,327,518	335,349	2,959,754
2006	1,291,988	1,332,258	335,814	2,960,060
2007	1,292,812	1,325,283	335,944	2,954,039
2008	1,288,800	1,326,538	335,729	2,951,067
2009	1,285,250	1,325,733	335,159	2,946,142
2010	1,287,500	1,323,148	339,096	2,949,744
2011	-	1,322,719	337,528	1,660,247
2012	-	1,324,131	335,571	1,659,702
2013	-	1,844,400	196,994	2,041,394
2014	-	1,837,869	196,994	2,034,863
2015	-	1,839,500	196,994	2,036,494
2016	-	1,839,125	196,994	2,036,119
2017	-	1,835,000	196,994	2,031,994
2018	-	1,832,000	196,994	2,028,994
2019	-	1,834,750	196,994	2,031,744
2020	-	-	1,019,284	1,019,284
2021	-	-	1,017,656	1,017,656
2022	-	-	1,018,475	1,018,475
2023	-	-	1,016,606	1,016,606
	<u>\$ 14,237,725</u>	<u>\$ 30,122,297</u>	<u>\$ 9,820,884</u>	<u>\$ 54,180,906</u>



CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

**10. General Long-Term Debt - Continued:**

Conduit Debt Obligations - In April, 1983, \$2,500,000 Industrial Development Revenue Bonds were issued. The proceeds of the bonds are being used by an independent real estate developer for the construction of a commercial project within an area of the City designated as blighted. The bonds, which mature in 1999, do not represent debt or an obligation of the City and are collateralized solely from the gross revenues of the completed project. The completed project and all revenues derived therefrom, subsequent to the payment of all debt service requirements, belong exclusively to the developer.

In January, 1994, \$3,500,000 Student Housing Revenue Bonds were issued. The proceeds of the bonds are being used by the Central Florida Community College Foundation to acquire real property and to construct student housing facilities. The bonds, which mature in 2014, do not represent debt or an obligation of the City and are collateralized solely from the gross revenues of the completed project. The completed project and all revenues derived therefrom, subsequent to the payment of all debt service requirements, belong exclusively to the Foundation.

In December, 1994, \$1,920,000 Health Care Facilities Revenue Bonds were issued. The proceeds of the bonds are being used by the Hospice of Marion County, Inc. to build an administrative office complex. The bonds, which mature in 2009, do not represent debt or an obligation of the City and are collateralized solely from the gross operating revenues. The completed project and all revenues derived therefrom, subsequent to the payment of all debt service requirements, belong exclusively to Hospice.

**11. Prior Year Defeasance of Debt:**

The City has defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At September 30, 1999, \$9,940,000 of bonds outstanding are considered defeased, as follows:

Enterprise Funds:	
Electric System Revenue:	
Power Supply Revenue Bonds, Series 1977	\$ 5,305,000
Water and Sewer:	
Water and Sewer Refunding Revenue Bonds, Series 1983	<u>4,635,000</u>
	<u>\$ 9,940,000</u>

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**12. Financial Segment Information of Enterprise Funds:**

Each of the City's enterprise operations is accounted for within a separate fund. A substantial portion of the combined assets, revenues, and expenses of the enterprise funds are attributable to utility funds used to account for the transactions of the City's electric and bulk power, water and sewer, and sanitation systems. Other enterprise funds are used to account for the operations of golf, tennis, trailer park, airport facilities, a sports complex, and a fiber optics network provided for the benefit of the general public. Following is a summary of significant financial information of the enterprise funds:

	Electric System Revenue	Water and Sewer	Sanitation	Other	Total
Current Assets	\$ 35,771,114	\$ 11,410,419	\$ 1,507,971	\$ 1,958,107	\$ 50,647,611
Current Liabilities	11,889,803	428,511	708,740	1,967,058	14,994,112
Working Capital	<u>\$ 23,881,311</u>	<u>\$ 10,981,908</u>	<u>\$ 799,231</u>	<u>\$ (8,951)</u>	<u>\$ 35,653,499</u>
Property, Plant and Equipment:					
Additions	<u>\$ 4,223,278</u>	<u>\$ 5,396,155</u>	<u>\$ 241,092</u>	<u>\$ 2,938,964</u>	<u>\$ 12,799,489</u>
Deletions	<u>\$ 745,534</u>	<u>\$ 230,956</u>	<u>\$ 448,236</u>	<u>\$ 146,449</u>	<u>\$ 1,571,175</u>
Total Property, Plant and Equipment, net	<u>\$ 73,002,736</u>	<u>\$ 91,448,831</u>	<u>\$ 603,202</u>	<u>\$ 32,818,237</u>	<u>\$ 197,873,006</u>
Restricted Assets	<u>\$ 19,588,819</u>	<u>\$ 34,614,003</u>	<u>\$ -</u>	<u>\$ 37,832</u>	<u>\$ 54,240,654</u>
Total Assets	<u>\$ 130,232,334</u>	<u>\$ 138,019,278</u>	<u>\$ 2,111,173</u>	<u>\$ 34,814,176</u>	<u>\$ 305,176,961</u>
Liabilities Payable from Restricted Assets	<u>\$ 3,144,855</u>	<u>\$ 4,516,094</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,660,949</u>
Bonds and Other Long-Term Liabilities	<u>\$ 9,933,350</u>	<u>\$ 55,721,253</u>	<u>\$ -</u>	<u>\$ 1,652,594</u>	<u>\$ 67,307,197</u>
Total Fund Equity	<u>\$ 105,264,326</u>	<u>\$ 77,353,420</u>	<u>\$ 1,402,433</u>	<u>\$ 31,194,524</u>	<u>\$ 215,214,703</u>
Total Operating Revenues	\$ 87,237,236	\$ 14,479,797	\$ 6,744,333	\$ 3,114,604	\$ 111,575,970
Operating Expenses (less depreciation and amortization)	66,886,048	6,611,637	6,601,483	4,723,368	84,822,536
Depreciation and amortization	<u>4,238,514</u>	<u>3,257,155</u>	<u>166,342</u>	<u>1,129,653</u>	<u>8,791,664</u>
Operating Income (Loss)	16,112,674	4,611,005	(23,492)	(2,738,417)	17,961,770
Operating Transfers From Other Funds	286,378	98,341	7,174	199,127	591,020
Operating Transfers To Other Funds	(9,605,244)	(202,593)	(126,848)	-	(9,934,685)
Investment Income	1,180,180	1,501,661	34,648	37,656	2,754,145
Interest Expense	(658,387)	(3,461,331)	-	(66,901)	(4,186,619)
Other Non-Operating Revenue	<u>35,470</u>	<u>2,515</u>	<u>21,334</u>	<u>552,657</u>	<u>611,976</u>
Net Income (Loss)	<u>\$ 7,351,071</u>	<u>\$ 2,549,598</u>	<u>\$ (87,184)</u>	<u>\$ (2,015,878)</u>	<u>\$ 7,797,607</u>
Capital Contributions	<u>\$ 451,851</u>	<u>\$ 2,024,390</u>	<u>\$ -</u>	<u>\$ 1,865,769</u>	<u>\$ 4,342,010</u>

Interfund loans payable and long-term debt of individual enterprise funds are presented in Notes 6 and 9.

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**13. Reserved Retained Earnings:**

The following is a reconciliation of the reserved retained earnings to the net restricted assets of enterprise funds as of September 30, 1999:

Total Restricted Assets	\$ 54,240,654
Less:	
Restricted assets set aside for construction under bond indentures	(13,279,134)
Liabilities payable from restricted assets	(7,660,949)
Add:	
Liabilities payable from restricted assets set aside for construction under bond indenture	<u>750,009</u>
Total reserved retained earnings	<u>\$ 34,050,580</u>

**14. Fund Deficits:**

Following is a summary of accumulated deficits of individual proprietary funds and deficit fund balance of individual governmental funds as of September 30, 1999 which are included in the accompanying combining financial statements:

	<u>Accumulated Deficit/ Deficit Fund Balance</u>
<b>Proprietary Funds</b>	
Ocala Regional Airport	\$ 1,133,438

The deficit in the Ocala Regional Airport Fund was caused primarily by the construction of grant-funded capital improvements to the Airport as well as by debt service requirements on interfund loans. A business plan has been developed to help this fund to do better in the future.

Florida Emergency Training Facility	\$ 275,679
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The deficit in the Florida Emergency Training Facility Fund was also caused primarily by the construction of a grant-funded facility. In addition, there was some turnover of key personnel involved with the new facility as well as some operational shortfalls. A business plan has also been developed to aid on the growth of this fund.

SunTran	\$ 113,727
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The deficit in the SunTran Fund was caused by depreciation. In the first partial year of operations of the new mass transit system, all other items in this fund were covered by grants, subsidies or operating revenues.

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**14. Fund Deficit – Continued:**

**Governmental Funds**

Parking/Parks Enforcement \$ 1,876

The deficit in the Parking/Parks Enforcement Fund is the result of obtaining an additional parking lot funded by an interfund loan. Although this fund still has a deficit, it has improved over the past few years. Future revenues will pay the debt service requirements as well as increase the fund balance of this fund.

1995 Capital Improvement Fund \$ 720,552

The deficit in the 1995 Capital Improvement Fund was caused by construction costs of the new Police Headquarters incurred in fiscal 1999 but not yet paid. These costs will actually be funded in fiscal year 2000 by transfers from the General Fund when the payments are made to the vendors.

**15. Contributed Capital:**

During the year ended September 30, 1999, contributed equity increased as follows:

	Contributed Capital October 1, 1998	Other Governments	Developers	Customers	Other Funds	Contributed Capital September 30, 1999
<b>Enterprise Funds:</b>						
Electric System Revenue	\$ 7,214,812	\$ -	\$ -	\$ 451,851	\$ -	\$ 7,666,663
Water and Sewer	22,906,173	-	2,024,390	-	-	24,930,563
Sanitation	8,515	-	-	-	-	8,515
Municipal Golf Course	3,853,439	-	-	-	-	3,853,439
Ocala Regional Airport	10,465,850	27,161	-	-	-	10,493,011
Florida Emergency Training Facility	9,953,745	468,754	-	-	-	10,422,499
Adult Athletic Complex	804,053	-	-	-	149,646	953,699
Communications	1,198,982	-	-	-	-	1,198,982
SunTran	-	1,076,849	-	-	143,359	1,220,208
<b>Total Enterprise Funds</b>	<b>\$ 56,405,569</b>	<b>\$ 1,572,764</b>	<b>\$ 2,024,390</b>	<b>\$ 451,851</b>	<b>\$ 293,005</b>	<b>\$ 60,747,579</b>
<b>Internal Service Funds:</b>						
Internal Service	\$ 7,250,431	\$ -	\$ -	\$ -	\$ -	\$ 7,250,431
Self Insurance	20,401	-	-	-	-	20,401
<b>Total Internal Service Funds</b>	<b>\$ 7,270,832</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,270,832</b>

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**16. Equity Transfers:**

The following is a summary of equity transfers made during the fiscal year ended September 30, 1999:

	Equity Transfers	
	To/(From) Other Funds	Increase in Contributions
General Fund	\$ (149,646)	\$ -
Special Revenue Fund:		
Local Gasoline Tax	(143,359)	-
Enterprise Funds:		
Adult Athletic Complex	-	149,646
SunTran	-	143,359
	<u>\$ (293,005)</u>	<u>\$ 293,005</u>

These equity transfers resulted primarily from additions made to the Adult Athletic Complex and to SunTran being paid for by other funds, as authorized by City Council.

**17. Deferred Compensation Plan:**

The City has deferred compensation plans, created in accordance with Internal Revenue Code Section 457, in which all employees are eligible to participate. The plans are administered by International City Managers Association (ICMA), Great American Reserve Insurance Company (GAR) and AETNA Life Insurance and Annuity Company (AETNA). Deferred compensation amounts withheld from participating employees' pay are not taxable as current income until withdrawn from the plan. Annual contributions by a participant may not exceed the lesser of \$8,000 or 25% of includable compensation.

It is the City's opinion that the City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

ICMA, GAR and AETNA are responsible for investment of funds, distribution of benefits and reporting to participants. The plans are reported in an Expendable Trust Fund by the City. Since all earnings are credited either monthly or quarterly, the amounts reflect market value. At September 30, 1999, the fair value and carrying value of the deferred compensation investments in the City's Expendable Trust Fund was \$9,313,507.

**CITY OF OCALA, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**Year Ended September 30, 1999**

**18. Risk Management:**

The City has established a self-insurance fund (an internal service fund) to account for the City's self-insured programs. This fund is used to account for the City's workers' compensation, general liability, automobile liability, disability income replacement, medical and dental programs. The City uses a combination of self-insurance and private insurance to protect itself against risks which cannot be eliminated.

The City has general liability insurance with a \$100,000 retention per claimant and \$200,000 retention per occurrence with limits of \$1,000,000. The City has workers' compensation insurance with a \$250,000 deductible per occurrence with limits of \$5,000,000. The disability income replacement, dental programs and auto liability programs are fully self-insured. The City's employee health insurance program was fully self-insured through February, 1994, after which it is fully insured except for the prescription program which was fully self-insured through December, 1997. The City had no significant reductions in insurance coverage during the fiscal year ended September 30, 1999.

All departments of the City participate in the program. Payments are made by various funds to the Self Insurance Fund based on past experience of the amounts needed to pay current year claims. For the year ended September 30, 1999, the City obtained actuarially determined estimates of the total claims loss reserves for all self-insurance risks. The claims liability of \$2,672,370 reported in the Fund at September 30, 1999 is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be accrued when insured events occur. In addition, there have been no settlements which exceeded the City's insurance coverage in any of the past three fiscal years. Changes in the Fund's claim liability amount during the past three fiscal years is as follows:

<u>Beginning-of- Fiscal-Year-Liability</u>		<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year End</u>
1996-1997	\$ 3,238,642	\$ 1,729,593	\$ 1,718,965	\$ 3,249,270
1997-1998	3,249,270	1,474,485	1,479,897	3,243,858
1998-1999	3,243,858	600,917	1,172,405	2,672,370

**19. Central Florida Regional Library Fund:**

In September, 1997, the City Council approved the Central Florida Regional Library interlocal agreement under which Marion County would become the governing body of the library on October 1, 1997. Under the terms of the agreement, the library operations and personal property including vehicles owned by the City and used by the library were transferred to Marion County. The City will provide the staffing on a contractual basis and will lease the building currently housing the Ocala Public Library to Marion County for a nominal fee. Additionally, the City agreed to pay Marion County \$133,000 per year for a period of three years to be used for library purposes only.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1999

20. **Commitments and Contingent Liabilities:**

Economic Improvement Incentives - The City has designated a portion of the savings resulting from the decision to purchase power through the Florida Municipal Power Agency to be set aside for economic improvement incentives. The funds are utilized to encourage local businesses to remain in Ocala and to attract existing businesses to relocate to Ocala to create new employment opportunities and, thereby, increasing City revenues through electric utility usage and an expanded tax base.

In 1995, the City entered into an agreement with a large manufacturer which provides for certain payments to be made on their behalf as a result of creation of new jobs. The City had agreed to pay \$500,000 per year provided that these new jobs are maintained in accordance with the agreement. The agreement expired in fiscal year 1999. Payments under this agreement, as well as other economic incentive payments, amounted to \$501,327 for the year ended September 30, 1999.

Grants - The City receives significant financial assistance from federal agencies primarily in the form of capital grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Disallowed claims, if any, resulting from such audits may become liabilities of the City. However, in the opinion of management, disallowed claims, if any, will not have a material effect on the City's financial statements.

Litigation - Various suits and claims arising in the ordinary course of City operations are pending against the City of Ocala. While the ultimate effect of such litigation cannot be ascertained at this time, the City does not expect any of these routine items to have a material impact on the financial condition of the City.

Other Commitments - Outstanding commitments of governmental funds are presented in the accompanying combined financial statements as reserves of fund balance. The outstanding commitments of the Internal Service and Enterprise Funds as of September 30, 1999 were \$790,035 and \$5,141,220, respectively. These commitments, which are not recorded in the financial statements, are evidenced by signed purchase orders and contracts which were entered into prior to September 30, 1999.

Purchased Power Contract - The City presently purchases power exclusively from Florida Municipal Power Agency (FMPA) through the 230 kv State-wide bulk power system. Additionally, since 1977, the City has become the owner of an undivided 1.333% or 11 MW share of the 825 MW Crystal River Nuclear Plant No. 3 (CR-3).

The City has an All Requirements Power Supply Project Contract ("Requirements Contract") with FMPA which requires FMPA to sell and deliver to the City and the City to purchase from FMPA all electric power that the City requires in excess of the amount the City receives from its percentage ownership interest in CR-3. The Requirements Contract expires in 2025, but automatically extends for additional five-year terms unless either party notifies the other of its decision not to extend the Requirements Contract. The City pays for electric power under the Requirements Contract at the rates set forth in the applicable rate schedule of FMPA, which FMPA may revise from time to time.

## **REQUIRED SUPPLEMENTARY INFORMATION**





**CITY OF OCALA, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION  
HISTORICAL TREND INFORMATION FOR PENSION TRUST FUNDS**

**SCHEDULE OF FUNDING PROGRESS (1)**

<b>Fiscal Year</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Liability (AAL) Frozen Entry Age* (b)</b>	<b>Unfunded AAL (UAAL) (b - a)</b>	<b>Funded Ratio (a / b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll [ (b - a) / c ]</b>
<b>General Plan:</b>						
1999	\$ 66,142,950	\$ 71,753,284	\$ 5,610,334	92.18 %	\$ 31,891,235	17.59 %
1998	62,105,361	67,670,920	5,565,559	91.78	30,016,764	18.54
1997	56,707,127	62,080,721	5,373,594	91.34	28,804,565	18.66
1996	49,420,418	52,524,812	3,104,394	94.09	27,595,962	11.25
1995	43,877,931	47,088,273	3,210,342	93.18	26,378,138	12.17
1994	38,705,966	42,014,408	3,308,442	92.13	25,855,900	12.80
1993	35,879,550	39,278,825	3,399,275	91.35	24,393,777	13.94

\* The frozen entry age actuarial cost method does not have a defined AAL after the initial year. The AAL was created by adding the UAAL (which is defined under the frozen entry age method) to the actuarial value of assets.

**Supplemental Firefighters' and Police Officers' Plan:**

The aggregate actuarial cost method is used in determining the funding requirements and does not identify or separately amortize unfunded actuarial liabilities. These liabilities are amortized through the normal cost.

(1) Actuarial information as of the latest actuarial valuation is as follows:

<b>Valuation date:</b>	
General plan	October 1, 1998
Supplemental plans	October 1, 1998
<b>Actuarial cost method:</b>	
General plan	Frozen entry age
Supplemental plans	Aggregate
<b>Amortization method:</b>	
General plan	Level percent closed
Supplemental plans	N/A
<b>Remaining amortization period:</b>	
General plan	30 years
Supplemental plans	N/A
<b>Asset valuation method</b>	
General Plan	5-year weighted index
Supplemental Plans	Market value
<b>Actual assumptions (all plans):</b>	
Net investment rate of return*	8.0%
Projected salary increases*	6.0%
* Includes inflation at	3.0%
Cost-of-living adjustments	0.0%

**CITY OF OCALA, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION**  
**HISTORICAL TREND INFORMATION FOR PENSION TRUST FUNDS**

**SCHEDULE OF CONTRIBUTIONS FROM EMPLOYER AND OTHER CONTRIBUTING ENTITIES**

**General Plan:**

<u>Fiscal Year</u>	<u>Annual Required Contribution (City)</u>	<u>Percentage Contributed</u>
1999	\$ 1,413,903	100.00 %
1998	1,350,660	100.00
1997	1,438,894	100.00
1996	1,605,229	100.00
1995	1,569,609	100.00
1994	1,457,067	100.00
1993	1,628,421	100.00

**Supplemental Firefighters' Plan:**

<u>Fiscal Year</u>	<u>Annual Required Contribution</u>	<u>Annual Required Contribution (1) (City)</u>	<u>Annual Required Contribution (2) (State)</u>	<u>Percentage Contributed</u>
1999	\$ 219,086	\$ -	\$ 219,086	100.00 %
1998	215,356	-	215,356	100.00
1997	234,465	8,632	225,833	100.00
1996	227,726	19,403	208,323	100.00
1995	166,829	-	166,829	100.00
1994	160,400	-	160,400	100.00
1993	141,864	-	141,864	100.00

(1) These "City" contributions are funds that were drawn from the Contributions Surplus Account.

(2) Excess State annual required contributions are accumulated in the Contributions Surplus Account which is drawn upon if actual State contributions fall below the annual required contributions. The net Contributions Surplus Account balance was \$214,235 as of September 30, 1999.

**Supplemental Police Officers' Plan:**

<u>Fiscal Year</u>	<u>Annual Required Contribution</u>	<u>Annual Required Contribution (1) (City)</u>	<u>Annual Required Contribution (2) (State)</u>	<u>Percentage Contributed</u>
1999	\$ 471,671	\$ 100,829	\$ 370,842	100.00 %
1998	402,319	31,477	370,842	100.00
1997	347,104	-	347,104	100.00
1996	315,440	-	315,440	100.00
1995	327,957	13,053	314,904	100.00
1994	280,987	-	280,987	100.00
1993	286,054	-	286,054	100.00

(1) These "City" contributions are funds that were drawn from the Contributions Surplus Account.

(2) Excess State annual required contributions are accumulated in the Contributions Surplus Account which is drawn upon if actual State contributions fall below the annual required contributions. The net Contributions Surplus Account balance was \$20,165 as of September 30, 1999.

## **INDIVIDUAL FUND AND COMBINING STATEMENTS - BY FUND TYPE**

These financial statements provide a more detailed view of the "General Purpose Financial Statements" presented in the preceding subsection.

Combining statements are presented when there are more than one fund of a given fund type.

**INDIVIDUAL FUND AND COMBINING STATEMENTS  
BY FUND TYPE**



**CITY OF OCALA, FLORIDA**

**SPECIAL REVENUE FUNDS**

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or administratively restricted to expenditure for specific purposes. Special revenue funds used by the City are:

Occupational License Fund - Business license and permit revenues are recorded in this fund.

Central Florida Regional Library Fund - This fund is used to account for federal, state and county contributions, and General Fund subsidies which are restricted for the operation of the regional library. Effective October 1, 1997, Marion County assumed operation of the regional library.

Parking/Parks Enforcement Fund - This fund accounts for the proceeds from the City's parking system and for the enforcement of the City's parks ordinance for the implementation of fines.

Downtown Development Fund - This fund accounts for property taxes levied against downtown property owners.

Local Gasoline Tax Fund - This fund accounts for street related maintenance and improvement projects financed by the City's share of local gasoline taxes. These taxes are required by law to be used to maintain streets.

Stormwater Utility Fund - This fund accounts for resources collected which are to be used for additions to, improvements to and maintenance of the storm drainage system.

SHIP Local Housing Assistance Fund - This fund accounts for the receipt and uses of funds received from the Florida "local housing assistance trust fund" for the State Housing Initiative Partnership (low income housing).

**CITY OF OCALA, FLORIDA**  
**COMBINING BALANCE SHEET**  
**SPECIAL REVENUE FUNDS**  
**September 30, 1999**

<b>Assets</b>	<b>Occupational License</b>	<b>Central Florida Regional Library</b>
Cash and investments	\$ 256,649	\$ -
Equity in pooled cash and investment fund	-	13,791
Accrued interest receivable	-	-
Accounts and notes receivable	-	-
Due from other funds	26,526	-
Due from other governments	-	-
Other current assets	-	-
<b>Total Assets</b>	<b>\$ 283,175</b>	<b>\$ 13,791</b>
<b>Liabilities and Fund Balances (Deficits)</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 75	\$ -
Compensated absences payable	-	-
Deferred revenue	282,638	-
Interfund loans payable within one year	-	-
Interfund loans payable after one year	-	-
<b>Total liabilities</b>	<b>282,713</b>	<b>-</b>
<b>Fund Balance (Deficit):</b>		
Reserved for encumbrances	-	13,791
Reserved for specified projects	-	-
<b>Total reserved fund balance</b>	<b>-</b>	<b>13,791</b>
Unreserved and undesignated (deficit)	462	-
<b>Total fund balance (deficit)</b>	<b>462</b>	<b>13,791</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 283,175</b>	<b>\$ 13,791</b>



<b>Parking/ Parks Enforcement</b>	<b>Downtown Development</b>	<b>Local Gasoline Tax</b>	<b>Stormwater Utility</b>	<b>SHIP Local Housing Assistance</b>	<b>Total</b>
\$ 50	\$ -	\$ -	\$ -	\$ -	\$ 256,699
53,744	26,750	6,955,473	5,428,656	207,318	12,685,732
612	314	75,673	59,560	2,193	138,352
-	-	175	44,710	-	44,885
-	-	13,547	95,861	-	135,934
-	-	2,314,428	-	-	2,314,428
320	-	-	-	-	320
<u>\$ 54,726</u>	<u>\$ 27,064</u>	<u>\$ 9,359,296</u>	<u>\$ 5,628,787</u>	<u>\$ 209,511</u>	<u>\$ 15,576,350</u>
\$ 2,526	\$ 544	\$ 288,552	\$ 97,970	\$ 455	\$ 390,122
835	531	3,345	10,665	-	15,376
-	-	310,348	-	209,056	802,042
10,761	-	-	-	-	10,761
42,480	-	-	-	-	42,480
<u>56,602</u>	<u>1,075</u>	<u>602,245</u>	<u>108,635</u>	<u>209,511</u>	<u>1,260,781</u>
-	-	603,459	171,815	384	789,449
-	25,989	8,153,592	5,348,337	-	13,527,918
-	25,989	8,757,051	5,520,152	384	14,317,367
(1,876)	-	-	-	(384)	(1,798)
(1,876)	25,989	8,757,051	5,520,152	-	14,315,569
<u>\$ 54,726</u>	<u>\$ 27,064</u>	<u>\$ 9,359,296</u>	<u>\$ 5,628,787</u>	<u>\$ 209,511</u>	<u>\$ 15,576,350</u>

**CITY OF OCALA, FLORIDA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**SPECIAL REVENUE FUNDS**

**Year Ended September 30, 1999**

	<u>Occupational License</u>	<u>Central Florida Regional Library</u>
Revenues:		
Property taxes	\$ -	\$ -
Other intergovernmental revenues	-	-
Parking meters and facilities	-	-
Licenses and permits	463,809	-
Fines and forfeitures	-	-
Charges for services	-	-
Investment income	8,819	-
Gifts	-	-
Other	864	-
Total revenues	<u>473,492</u>	<u>-</u>
Expenditures:		
Current:		
General government and administration	-	-
Public works	-	-
Culture and recreation	-	9,720
Other	-	-
Capital outlay	-	-
Intergovernmental	-	37,271
Debt service:		
Interest and paying agents' fees	-	-
Total expenditures	<u>-</u>	<u>46,991</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>473,492</u>	<u>(46,991)</u>
Other Financing Sources (Uses):		
Operating transfers from other funds	-	-
Operating transfers to other funds	(468,480)	-
Total other financing sources (uses)	<u>(468,480)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	5,012	(46,991)
Fund Balance (Deficit) at Beginning of Year	(4,550)	60,782
Equity Transfers to Other Funds	-	-
Fund Balance (Deficit) at End of Year	<u>\$ 462</u>	<u>\$ 13,791</u>

<u>Parking/ Parks Enforcement</u>	<u>Downtown Development</u>	<u>Local Gasoline Tax</u>	<u>Stormwater Utility</u>	<u>SHIP Local Housing Assistance</u>	<u>Total</u>
\$ -	\$ 41,805	\$ -	\$ -	\$ -	\$ 41,805
-	-	4,922,034	-	424,035	5,346,069
67,095	-	-	-	-	67,095
-	-	-	-	-	463,809
6,730	-	-	-	-	6,730
-	-	-	1,998,081	-	1,998,081
2,082	1,598	266,965	172,408	6,021	457,893
-	-	15,650	-	-	15,650
10,056	65	36,518	-	7,500	55,003
<u>85,963</u>	<u>43,468</u>	<u>5,241,167</u>	<u>2,170,489</u>	<u>437,556</u>	<u>8,452,135</u>
-	54,971	-	-	437,556	492,527
-	-	889,509	1,285,300	-	2,174,809
-	-	-	-	-	9,720
77,986	-	-	-	-	77,986
-	-	3,991,041	561,992	-	4,553,033
-	175	-	500	-	37,946
<u>3,493</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,493</u>
<u>81,479</u>	<u>55,146</u>	<u>4,880,550</u>	<u>1,847,792</u>	<u>437,556</u>	<u>7,349,514</u>
<u>4,484</u>	<u>(11,678)</u>	<u>360,617</u>	<u>322,697</u>	<u>-</u>	<u>1,102,621</u>
-	-	446,886	-	-	446,886
-	-	(1,401,310)	-	-	(1,869,790)
-	-	(954,424)	-	-	(1,422,904)
4,484	(11,678)	(593,807)	322,697	-	(320,283)
(6,360)	37,667	9,494,217	5,197,455	-	14,779,211
-	-	(143,359)	-	-	(143,359)
<u>\$ (1,876)</u>	<u>\$ 25,989</u>	<u>\$ 8,757,051</u>	<u>\$ 5,520,152</u>	<u>\$ -</u>	<u>\$ 14,315,569</u>

## CITY OF OCALA, FLORIDA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**

## SPECIAL REVENUE FUNDS

Year Ended September 30, 1999

	Occu- pational License	Central Florida Regional Library	Parking/ Parks Enforcement
Revenues:			
Property taxes	\$ -	\$ -	\$ -
Other intergovernmental revenues	-	-	-
Parking meters and facilities	-	-	67,095
Licenses and permits	463,809	-	-
Fines and forfeitures	-	-	6,730
Charges for services	-	-	-
Investment income	8,819	-	2,082
Gifts	-	-	-
Other	864	-	10,056
Total revenues	<u>473,492</u>	<u>-</u>	<u>85,963</u>
Expenditures:			
Current:			
General government and administration	-	-	-
Public works	-	-	-
Culture and recreation	-	9,720	-
Other	-	-	77,986
Capital outlay	-	-	-
Intergovernmental	-	37,271	-
Debt service:			
Principal payments	-	-	-
Interest and paying agents' fees	-	-	3,493
Total expenditures	<u>-</u>	<u>46,991</u>	<u>81,479</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>473,492</u>	<u>(46,991)</u>	<u>4,484</u>
Other Financing Sources (Uses):			
Operating transfers from other funds	-	-	-
Operating transfers to other funds	(468,480)	-	-
Total other financing sources (uses)	<u>(468,480)</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	5,012	(46,991)	4,484
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	5,012	(46,991)	4,484
Fund Balance (Deficit) at Beginning of Year	(4,550)	60,782	(6,360)
Equity Transfers to Other Funds	-	-	-
Fund Balance (Deficit) at End of Year	<u>\$ 462</u>	<u>\$ 13,791</u>	<u>\$ (1,876)</u>

Actual					Adjustments to a Budgetary Basis	Total Actual on a Budgetary Basis
Downtown Develop- ment	Local Gasoline Tax	Stormwater Utility	SHIP Local Housing Assistance	Total		
\$ 41,805	\$ -	\$ -	\$ -	\$ 41,805	\$ -	\$ 41,805
-	4,922,034	-	424,035	5,346,069	(424,035)	4,922,034
-	-	-	-	67,095	-	67,095
-	-	-	-	463,809	-	463,809
-	-	-	-	6,730	-	6,730
-	-	1,998,081	-	1,998,081	-	1,998,081
1,598	266,965	172,408	6,021	457,893	(6,021)	451,872
-	15,650	-	-	15,650	-	15,650
65	36,518	-	7,500	55,003	(7,500)	47,503
43,468	5,241,167	2,170,489	437,556	8,452,135	(437,556)	8,014,579
54,971	-	-	437,556	492,527	(437,556)	54,971
-	889,509	1,285,300	-	2,174,809	313,003	2,487,812
-	-	-	-	9,720	10,687	20,407
-	-	-	-	77,986	-	77,986
-	3,991,041	561,992	-	4,553,033	462,271	5,015,304
175	-	500	-	37,946	3,104	41,050
-	-	-	-	-	-	-
-	-	-	-	3,493	-	3,493
55,146	4,880,550	1,847,792	437,556	7,349,514	351,509	7,701,023
(11,678)	360,617	322,697	-	1,102,621	(789,065)	313,556
-	446,886	-	-	446,886	-	446,886
-	(1,401,310)	-	-	(1,869,790)	-	(1,869,790)
-	(954,424)	-	-	(1,422,904)	-	(1,422,904)
(11,678)	(593,807)	322,697	-	(320,283)	(789,065)	(1,109,348)
-	-	-	-	-	-	-
(11,678)	(593,807)	322,697	-	(320,283)	<u>\$ (789,065)</u>	<u>\$ (1,109,348)</u>
37,667	9,494,217	5,197,455	-	14,779,211		
-	(143,359)	-	-	(143,359)		
<u>\$ 25,989</u>	<u>\$ 8,757,051</u>	<u>\$ 5,520,152</u>	<u>\$ -</u>	<u>\$ 14,315,569</u>		

Continued

**CITY OF OCALA, FLORIDA**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL - CONTINUED**

**SPECIAL REVENUE FUNDS**

**Year Ended September 30, 1999**

	<b>Total Actual on a Budgetary Basis</b>	<b>Occu- pational License</b>	<b>Final Central Florida Regional Library</b>
<b>Revenues:</b>			
Property taxes	\$ 41,805	\$ -	\$ -
Other intergovernmental revenues	4,922,034	-	-
Parking meters and facilities	67,095	-	-
Licenses and permits	463,809	539,700	-
Fines and forfeitures	6,730	-	-
Charges for services	1,998,081	-	-
Investment income	451,872	20,000	-
Gifts	15,650	-	-
Other	47,503	1,150	-
Total revenues	<u>8,014,579</u>	<u>560,850</u>	<u>-</u>
<b>Expenditures:</b>			
Current:			
General government and administration	54,971	-	-
Public works	2,487,812	-	-
Culture and recreation	20,407	-	20,407
Other	77,986	-	-
Capital outlay	5,015,304	-	-
Intergovernmental	41,050	-	40,375
Debt service:			
Principal payments	-	-	-
Interest and paying agents' fees	3,493	-	-
Total expenditures	<u>7,701,023</u>	<u>-</u>	<u>60,782</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>313,556</u>	<u>560,850</u>	<u>(60,782)</u>
<b>Other Financing Sources (Uses):</b>			
Operating transfers from other funds	446,886	-	-
Operating transfers to other funds	(1,869,790)	(600,000)	-
Total other financing sources (uses)	<u>(1,422,904)</u>	<u>(600,000)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	(1,109,348)	(39,150)	(60,782)
Fund Balance Allocation	<u>-</u>	<u>39,150</u>	<u>60,782</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>\$ (1,109,348)</u>	<u>\$ -</u>	<u>\$ -</u>

**Budget**

<b>Parking/ Parks Enforcement</b>	<b>Downtown Development</b>	<b>Local Gasoline Tax</b>	<b>Stormwater Utility</b>	<b>Total</b>	<b>Variance Favorable (Unfavorable)</b>
\$ -	\$ 41,854	\$ -	\$ -	\$ 41,854	\$ (49)
-	-	4,931,338	-	4,931,338	(9,304)
68,000	-	-	-	68,000	(905)
-	-	-	-	539,700	(75,891)
10,100	-	-	-	10,100	(3,370)
-	-	-	1,905,000	1,905,000	93,081
3,150	3,125	425,000	306,250	757,525	(305,653)
-	-	-	-	-	15,650
10,200	-	-	-	11,350	36,153
<u>91,450</u>	<u>44,979</u>	<u>5,356,338</u>	<u>2,211,250</u>	<u>8,264,867</u>	<u>(250,288)</u>
-	59,035	-	-	59,035	4,064
-	-	2,184,303	1,825,961	4,010,264	1,522,452
-	-	-	-	20,407	-
80,372	-	-	-	80,372	2,386
-	25,000	13,663,003	3,647,276	17,335,279	12,319,975
-	200	-	500	41,075	25
10,922	-	-	-	10,922	10,922
3,473	-	-	-	3,473	(20)
<u>94,767</u>	<u>84,235</u>	<u>15,847,306</u>	<u>5,473,737</u>	<u>21,560,827</u>	<u>13,859,804</u>
<u>(3,317)</u>	<u>(39,256)</u>	<u>(10,490,968)</u>	<u>(3,262,487)</u>	<u>(13,295,960)</u>	<u>13,609,516</u>
-	-	494,250	-	494,250	(47,364)
-	-	(1,610,712)	-	(2,210,712)	340,922
-	-	(1,116,462)	-	(1,716,462)	293,558
(3,317)	(39,256)	(11,607,430)	(3,262,487)	(15,012,422)	13,903,074
<u>3,317</u>	<u>39,256</u>	<u>11,607,430</u>	<u>3,262,487</u>	<u>15,012,422</u>	<u>(15,012,422)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,109,348)</u>





## CITY OF OCALA, FLORIDA

**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**

## SPECIAL REVENUE FUNDS

Year Ended September 30, 1999

OCCUPATIONAL LICENSE FUND			
	Actual	Final Budget	Variance Favorable (Unfavorable)
Revenues:			
Licenses and permits	\$ 463,809	\$ 539,700	\$ (75,891)
Investment income	8,819	20,000	(11,181)
Other	864	1,150	(286)
Total revenues	473,492	560,850	(87,358)
Other Financing Uses:			
Operating transfers to other funds	(468,480)	(600,000)	131,520
Excess (Deficiency) of Revenues Over Other Uses Before Fund Balance Allocation	5,012	(39,150)	44,162
Fund Balance Allocation	-	39,150	(39,150)
Excess of Revenues Over Other Uses	5,012	\$ -	\$ 5,012
Fund Balance:			
Beginning of year	(4,550)		
End of year	\$ 462		

Continued

## CITY OF OCALA, FLORIDA

**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - CONTINUED**

## SPECIAL REVENUE FUNDS

Year Ended September 30, 1999

	<u>Actual</u>	<u>CENTRAL FLORIDA REGIONAL Adjustments to Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>
Revenues:			
Other intergovernmental revenues	\$ -	\$ -	\$ -
Investment income	-	-	-
Gifts	-	-	-
Other	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Current - Culture and recreation	9,720	10,687	20,407
Capital outlay	-	-	-
Intergovernmental	<u>37,271</u>	<u>3,104</u>	<u>40,375</u>
Total expenditures	<u>46,991</u>	<u>13,791</u>	<u>60,782</u>
Deficiency of Revenues Over Expenditures Before Fund Balance Allocation	(46,991)	(13,791)	(60,782)
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Deficiency of Revenues and Other Sources Over Expenditures	(46,991)	<u>\$ (13,791)</u>	<u>\$ (60,782)</u>
Fund Balance:			
Beginning of year	<u>60,782</u>		
End of year	<u>\$ 13,791</u>		

LIBRARY FUND

<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ -	\$ -
-	-
-	-
-	-
<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>
20,407	-
-	-
<u>40,375</u>	<u>-</u>
<u>60,782</u>	<u>-</u>
(60,782)	-
<u>60,782</u>	<u>(60,782)</u>
<u>\$ -</u>	<u>\$ (60,782)</u>

Continued

## CITY OF OCALA, FLORIDA

**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - CONTINUED**

## SPECIAL REVENUE FUNDS

Year Ended September 30, 1999

	<b><u>PARKING/PARKS ENFORCEMENT FUND</u></b>		
	<b><u>Actual</u></b>	<b><u>Final Budget</u></b>	<b><u>Variance Favorable (Unfavorable)</u></b>
Revenues:			
Parking meters and facilities	\$ 67,095	\$ 68,000	\$ (905)
Fines and forfeitures	6,730	10,100	(3,370)
Investment income	2,082	3,150	(1,068)
Other	10,056	10,200	(144)
Total revenues	<u>85,963</u>	<u>91,450</u>	<u>(5,487)</u>
Expenditures:			
Current - other	77,986	80,372	2,386
Debt service:			
Principal payments	-	10,922	10,922
Interest and paying agents' fees	3,493	3,473	(20)
Total expenditures	<u>81,479</u>	<u>94,767</u>	<u>13,288</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures Before Fund Balance Allocation	4,484	(3,317)	7,801
Fund Balance Allocation	<u>-</u>	<u>3,317</u>	<u>(3,317)</u>
Excess of Revenues and Other Sources Over Expenditures	4,484	\$ -	\$ 4,484
Fund Balance (Deficit):			
Beginning of year	<u>(6,360)</u>		
End of year	<u>\$ (1,876)</u>		

Continued

**CITY OF OCALA, FLORIDA**

**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - CONTINUED**

**SPECIAL REVENUE FUNDS**

**Year Ended September 30, 1999**

**DOWNTOWN DEVELOPMENT FUND**

	<b><u>Actual</u></b>	<b><u>Final Budget</u></b>	<b><u>Variance Favorable (Unfavorable)</u></b>
Revenues:			
Property taxes	\$ 41,805	\$ 41,854	\$ (49)
Investment income	1,598	3,125	(1,527)
Other	65	-	65
Total revenues	<u>43,468</u>	<u>44,979</u>	<u>(1,511)</u>
Expenditures:			
Current - General government and administration	54,971	59,035	4,064
Capital outlay	-	25,000	25,000
Intergovernmental	175	200	25
Total expenditures	<u>55,146</u>	<u>84,235</u>	<u>29,089</u>
Excess (Deficiency) of Revenues Over Expenditures Before Fund Balance Allocation	(11,678)	(39,256)	27,578
Fund Balance Allocation	<u>-</u>	<u>39,256</u>	<u>(39,256)</u>
Deficiency of Revenues Over Expenditures	(11,678)	<u>\$ -</u>	<u>\$ (11,678)</u>
Fund Balance:			
Beginning of year	<u>37,667</u>		
End of year	<u>\$ 25,989</u>		

## CITY OF OCALA, FLORIDA

**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - CONTINUED**

## SPECIAL REVENUE FUNDS

Year Ended September 30, 1999

	<u>LOCAL GASOLINE TAX</u>		
	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>
Revenues:			
Other intergovernmental revenues	\$ 4,922,034	\$ -	\$ 4,922,034
Investment income	266,965	-	266,965
Gifts	15,650	-	15,650
Other	36,518	-	36,518
Total revenues	<u>5,241,167</u>	<u>-</u>	<u>5,241,167</u>
Expenditures:			
Current - Public works	889,509	212,012	1,101,521
Capital outlay	3,991,041	391,447	4,382,488
Total expenditures	<u>4,880,550</u>	<u>603,459</u>	<u>5,484,009</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>360,617</u>	<u>(603,459)</u>	<u>(242,842)</u>
Other Financing Sources (Uses):			
Operating transfers from other funds	446,886	-	446,886
Operating transfers to other funds	(1,401,310)	-	(1,401,310)
Total other financing sources (uses)	<u>(954,424)</u>	<u>-</u>	<u>(954,424)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	(593,807)	(603,459)	(1,197,266)
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(593,807)	<u>\$ (603,459)</u>	<u>\$ (1,197,266)</u>
Equity Transfers to Other Funds	(143,359)		
Fund Balance at Beginning of Year	<u>9,494,217</u>		
Fund Balance at End of Year	<u>\$ 8,757,051</u>		

**FUND**

<u>Final</u> <u>Budget</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
\$ 4,931,338	\$ (9,304)
425,000	(158,035)
-	15,650
-	36,518
<u>5,356,338</u>	<u>(115,171)</u>
2,184,303	1,082,782
<u>13,663,003</u>	<u>9,280,515</u>
<u>15,847,306</u>	<u>10,363,297</u>
<u>(10,490,968)</u>	<u>10,248,126</u>
494,250	(47,364)
<u>(1,610,712)</u>	<u>209,402</u>
<u>(1,116,462)</u>	<u>162,038</u>
(11,607,430)	10,410,164
<u>11,607,430</u>	<u>(11,607,430)</u>
<u>\$ -</u>	<u>\$ (1,197,266)</u>

Continued

## CITY OF OCALA, FLORIDA

**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - CONTINUED**

## SPECIAL REVENUE FUNDS

Year Ended September 30, 1999

	<b><u>STORMWATER UTILITY</u></b>		
	<b><u>Actual</u></b>	<b><u>Adjustments to Budgetary Basis</u></b>	<b><u>Actual on a Budgetary Basis</u></b>
Revenues:			
Other intergovernmental revenues	\$ -	\$ -	\$ -
Charges for services	1,998,081	-	1,998,081
Investment income	172,408	-	172,408
Other	-	-	-
Total revenues	<u>2,170,489</u>	<u>-</u>	<u>2,170,489</u>
Expenditures:			
Current - Public works	1,285,300	100,991	1,386,291
Capital outlay	561,992	70,824	632,816
Intergovernmental	500	-	500
Total expenditures	<u>1,847,792</u>	<u>171,815</u>	<u>2,019,607</u>
Excess (Deficiency) of Revenues Over Expenditures Before Fund Balance Allocation	322,697	(171,815)	150,882
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	322,697	<u><u>\$ (171,815)</u></u>	<u><u>\$ 150,882</u></u>
Fund Balance:			
Beginning of year	<u>5,197,455</u>		
End of year	<u><u>\$ 5,520,152</u></u>		



**FUND**

<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ -	\$ -
1,905,000	93,081
306,250	(133,842)
-	-
<u>2,211,250</u>	<u>(40,761)</u>
1,825,961	439,670
3,647,276	3,014,460
500	-
<u>5,473,737</u>	<u>3,454,130</u>
(3,262,487)	3,413,369
<u>3,262,487</u>	<u>(3,262,487)</u>
<u>\$ -</u>	<u>\$ 150,882</u>

Continued

## CITY OF OCALA, FLORIDA

**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - CONTINUED**

## SPECIAL REVENUE FUNDS

Year Ended September 30, 1999

SHIP LOCAL HOUSING ASSISTANCE FUND			
	Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis
Revenues:			
Other intergovernmental revenues	\$ 424,035	\$ (424,035)	\$ -
Investment income	6,021	(6,021)	-
Other	7,500	(7,500)	-
Total revenues	<u>437,556</u>	<u>(437,556)</u>	<u>-</u>
Expenditures:			
Current - General government and administration	<u>437,556</u>	<u>(437,556)</u>	<u>-</u>
Total expenditures	<u>437,556</u>	<u>(437,556)</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	-	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:			
Beginning of year	<u>-</u>		
End of year	<u>\$ -</u>		

**CITY OF OCALA, FLORIDA**

**DEBT SERVICE FUNDS**

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for the payment of principal, interest and related costs of the City's general long-term debt. Debt service funds used by the City are:

1993 Improvement Certificates Fund - This fund is used for the payment of principal, interest and related costs of the Capital Improvement Refunding Revenue Certificates, Series 1993.

1995 Improvement Certificates Fund - This fund is used for the payment of principal, interest and related costs of the Capital Improvement Revenue Certificates, Series 1995.

Optional Gas Tax Bonds Fund - This fund is used for the payment of principal, interest and related costs of the Optional Gas Tax Refunding Revenue Bonds, Series 1992.

**CITY OF OCALA, FLORIDA**  
**COMBINING BALANCE SHEET**

**DEBT SERVICE FUNDS**

**September 30, 1999**

<b>Assets</b>	<b><u>1993 Improvement Certificates</u></b>	<b><u>1995 Improvement Certificates</u></b>	<b><u>Optional Gas Tax Bonds</u></b>	<b><u>Total</u></b>
Restricted cash and investments	\$ 889,031	\$ 210,268	\$ -	\$ 1,099,299
Restricted equity in pooled cash and investment fund	1,748,189	299,622	2,105,158	4,152,969
Restricted accrued interest receivable	<u>24,251</u>	<u>4,432</u>	<u>22,849</u>	<u>51,532</u>
Total Restricted Assets	<u><u>\$ 2,661,471</u></u>	<u><u>\$ 514,322</u></u>	<u><u>\$ 2,128,007</u></u>	<u><u>\$ 5,303,800</u></u>
 <b>Fund Balances</b>				
Fund Balance:				
Reserved for debt service	<u>\$ 2,661,471</u>	<u>\$ 514,322</u>	<u>\$ 2,128,007</u>	<u>\$ 5,303,800</u>
Total Fund Balances	<u><u>\$ 2,661,471</u></u>	<u><u>\$ 514,322</u></u>	<u><u>\$ 2,128,007</u></u>	<u><u>\$ 5,303,800</u></u>

**CITY OF OCALA, FLORIDA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**DEBT SERVICE FUNDS**

**Year Ended September 30, 1999**

	<b>1993 Improvement Certificates</b>	<b>1995 Improvement Certificates</b>	<b>Optional Gas Tax Bonds</b>	<b>Total</b>
Revenues:				
Investment income	\$ 76,426	\$ 14,250	\$ 52,500	\$ 143,176
Expenditures:				
Debt Service:				
Principal payments	-	-	690,000	690,000
Interest and paying agents' fees	898,814	261,038	613,340	1,773,192
Total expenditures	898,814	261,038	1,303,340	2,463,192
Deficiency of Revenues Over Expenditures	(822,388)	(246,788)	(1,250,840)	(2,320,016)
Other Financing Sources (Uses):				
Operating transfers from other funds	1,338,063	340,536	1,321,005	2,999,604
Operating transfers to other funds	(75,675)	(13,748)	(51,636)	(141,059)
Total other financing sources (uses)	1,262,388	326,788	1,269,369	2,858,545
Excess of Revenues and Other Sources Over Expenditures and Other Uses	440,000	80,000	18,529	538,529
Fund Balance at Beginning of Year	2,221,471	434,322	2,109,478	4,765,271
Fund Balance at End of Year	\$ 2,661,471	\$ 514,322	\$ 2,128,007	\$ 5,303,800



**CITY OF OCALA, FLORIDA**

**CAPITAL PROJECT FUNDS**

Capital Project Funds - The Capital Projects Funds are used to account for resources earmarked for the acquisition and construction of major capital facilities and other project oriented activities other than those financed by proprietary funds. Capital project funds used by the City are:

Optional Gas Tax Construction Fund - This fund is used to account for resources earmarked for construction of and improvements to several roadways exclusive of the N.E. 14th Street project.

Capital Improvement Fund - This fund is used to account for the resources earmarked for the acquisition and construction of certain capital improvements funded by the new money portion of the Capital Improvement Refunding Revenue Certificates, Series 1993.

1995 Capital Improvement Fund - This fund is used to account for the resources earmarked for the acquisition and construction of certain capital improvements funded by the Capital Improvement Revenue Certificates, Series 1995.

**CITY OF OCALA, FLORIDA**  
**COMBINING BALANCE SHEET**

**CAPITAL PROJECT FUNDS**

**September 30, 1999**

<b>Assets</b>	<b>Optional Gas Tax Construction</b>	<b>Capital Improvement</b>	<b>1995 Capital Improvement</b>	<b>Total</b>
Equity in pooled cash and investment fund	\$ -	\$ 21,891	\$ -	\$ 21,891
Accrued interest receivable	-	239	-	239
Due from other governments	42,785	-	-	42,785
<b>Total Assets</b>	<b>\$ 42,785</b>	<b>\$ 22,130</b>	<b>\$ -</b>	<b>\$ 64,915</b>
<b>Liabilities and Fund Balances</b>				
Current Liabilities:				
Accounts payable	\$ 767	\$ -	\$ 720,552	\$ 721,319
Due to other funds	13,547	-	-	13,547
Total liabilities	14,314	-	720,552	734,866
Fund Balance:				
Reserved for encumbrance	-	-	324,937	324,937
Reserved for specified projects	28,471	-	-	28,471
Unreserved and undesignated fund balance (deficit)	-	22,130	(1,045,489)	(1,023,359)
Total fund balance (deficit)	28,471	22,130	(720,552)	(669,951)
<b>Total Liabilities and Fund Balances</b>	<b>\$ 42,785</b>	<b>\$ 22,130</b>	<b>\$ -</b>	<b>\$ 64,915</b>



**CITY OF OCALA, FLORIDA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE**

**CAPITAL PROJECTS FUNDS**

**Year Ended September 30, 1999**

	<u>Optional Gas Tax Construction</u>	<u>Capital Improvement</u>	<u>1995 Capital Improvement</u>	<u>Total</u>
Revenues:				
Investment income	\$ -	\$ 704	\$ 64,925	\$ 65,629
Other governmental revenues	-	1,021	-	1,021
Total revenues	<u>-</u>	<u>1,725</u>	<u>64,925</u>	<u>66,650</u>
Expenditures:				
Current:				
Public safety	-	-	117,277	117,277
Public works	2,295	-	-	2,295
Nondepartmental appropriations	-	-	682	682
Capital outlay	-	1,021	4,525,109	4,526,130
Total expenditures	<u>2,295</u>	<u>1,021</u>	<u>4,643,068</u>	<u>4,646,384</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,295)</u>	<u>704</u>	<u>(4,578,143)</u>	<u>(4,579,734)</u>
Other Financing Sources:				
Operating transfers from other funds	-	-	1,217,675	1,217,675
Total other financing sources	<u>-</u>	<u>-</u>	<u>1,217,675</u>	<u>1,217,675</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Sources	<u>(2,295)</u>	<u>704</u>	<u>(3,360,468)</u>	<u>(3,362,059)</u>
Fund Balance at Beginning of Year	<u>30,766</u>	<u>21,426</u>	<u>2,639,916</u>	<u>2,692,108</u>
Fund Balance at End of Year	<u>\$ 28,471</u>	<u>\$ 22,130</u>	<u>\$ (720,552)</u>	<u>\$ (669,951)</u>

## CITY OF OCALA, FLORIDA

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL**

## CAPITAL PROJECT FUNDS

Year Ended September 30, 1999

	ACTUAL			
	Optional Gas Tax Construction	Capital Improvement	1995 Capital Improvement	Total
Revenues:				
Investment income	\$ -	\$ 704	\$ 64,925	\$ 65,629
Other	-	1,021	-	1,021
Total revenues	-	1,725	64,925	66,650
Expenditures:				
Current:				
Public safety	-	-	117,277	117,277
Public works	2,295	-	-	2,295
Nondepartmental appropriations	-	-	682	682
Capital outlay	-	1,021	4,525,109	4,526,130
Total expenditures	2,295	1,021	4,643,068	4,646,384
Excess (Deficiency) of Revenues Over Expenditures	(2,295)	704	(4,578,143)	(4,579,734)
Other Financing Sources:				
Operating transfers from other funds	-	-	1,217,675	1,217,675
Total other financing sources	-	-	1,217,675	1,217,675
Excess (Deficiency) of Revenues Over Expenditures and Other Uses Before Fund Balance Allocation	(2,295)	704	(3,360,468)	(3,362,059)
Fund Balance Allocation	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures and Other Uses	(2,295)	704	(3,360,468)	(3,362,059)
Fund Balance at Beginning of Year	30,766	21,426	2,639,916	2,692,108
Fund Balance at End of Year	\$ 28,471	\$ 22,130	\$ (720,552)	\$ (669,951)

<u>Adjustments to a Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>	<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ (704)	\$ 64,925	\$ -	\$ 64,925
(1,021)	-	-	-
<u>(1,725)</u>	<u>64,925</u>	<u>-</u>	<u>64,925</u>
59,257	176,534	212,765	36,231
-	2,295	16,999	14,704
-	682	-	(682)
<u>264,659</u>	<u>4,790,789</u>	<u>5,591,046</u>	<u>800,257</u>
<u>323,916</u>	<u>4,970,300</u>	<u>5,820,810</u>	<u>850,510</u>
<u>(325,641)</u>	<u>(4,905,375)</u>	<u>(5,820,810)</u>	<u>915,435</u>
-	1,217,675	2,874,597	(1,656,922)
<u>-</u>	<u>1,217,675</u>	<u>2,874,597</u>	<u>(1,656,922)</u>
(325,641)	(3,687,700)	(2,946,213)	(741,487)
<u>-</u>	<u>-</u>	<u>2,946,213</u>	<u>(2,946,213)</u>
<u>\$ (325,641)</u>	<u>\$ (3,687,700)</u>	<u>\$ -</u>	<u>\$ (3,687,700)</u>



## CITY OF OCALA, FLORIDA

**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**

## CAPITAL PROJECT FUNDS

Year Ended September 30, 1999

	<b><u>OPTIONAL GAS TAX CONSTRUCTION</u></b>		
	<b><u>Actual</u></b>	<b><u>Final Budget</u></b>	<b><u>Variance Favorable (Unfavorable)</u></b>
Revenues:			
Other intergovernmental revenues	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Current - Public works	2,295	16,999	14,704
Capital outlay	<u>-</u>	<u>289,298</u>	<u>289,298</u>
Total expenditures	<u>2,295</u>	<u>306,297</u>	<u>304,002</u>
Deficiency of Revenues Over Expenditures			
Before Fund Balance Allocation	(2,295)	(306,297)	304,002
Fund Balance Allocation	<u>-</u>	<u>306,297</u>	<u>(306,297)</u>
Deficiency of Revenues and Other Sources			
Over Expenditures	(2,295)	<u>\$ -</u>	<u>\$ (2,295)</u>
Fund Balance:			
Beginning of year	<u>30,766</u>		
End of year	<u>\$ 28,471</u>		

## CITY OF OCALA, FLORIDA

**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - CONTINUED**

## CAPITAL PROJECT FUNDS

Year Ended September 30, 1999

	<u>CAPITAL IMPROVEMENT</u>		
	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>
Revenues:			
Investment income	\$ 704	\$ (704)	\$ -
Other	1,021	(1,021)	-
Total revenues	<u>1,725</u>	<u>(1,725)</u>	<u>-</u>
Expenditures:			
Capital outlay	<u>1,021</u>	<u>(1,021)</u>	<u>-</u>
Total expenditures	<u>1,021</u>	<u>(1,021)</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures Before Fund Balance Allocation	704	(704)	-
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	704	<u>\$ (704)</u>	<u>\$ -</u>
Fund Balance at Beginning of Year	<u>21,426</u>		
Fund Balance at End of Year	<u>\$ 22,130</u>		

## FUND \_\_\_\_\_

Final Budget		Variance Favorable (Unfavorable)
\$ -		\$ -
-		-
-		-
-		-
-		-
-		-
-		-
-		-
\$ -		\$ -

Continued

## CITY OF OCALA, FLORIDA

**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL - CONTINUED**

## CAPITAL PROJECT FUNDS

Year Ended September 30, 1999

	<b>1995 CAPITAL IMPROVEMENT</b>		
	<b>Actual</b>	<b>Adjustments to Budgetary Basis</b>	<b>Actual on a Budgetary Basis</b>
Revenues:			
Investment income	\$ 64,925	\$ -	\$ 64,925
Total revenues	<u>64,925</u>	<u>-</u>	<u>64,925</u>
Expenditures:			
Current:			
Public safety	117,277	59,257	176,534
Nondepartmental appropriations	682	-	682
Capital outlay	<u>4,525,109</u>	<u>265,680</u>	<u>4,790,789</u>
Total expenditures	<u>4,643,068</u>	<u>324,937</u>	<u>4,968,005</u>
Excess (Deficiency) of Revenues Over Expenditures	(4,578,143)	(324,937)	(4,903,080)
Other Financing Sources:			
Operating transfers from other funds	<u>1,217,675</u>	<u>-</u>	<u>1,217,675</u>
Deficiency of Revenues and Other Financing Sources Over Expenditures Before Fund Balance Allocation	(3,360,468)	(324,937)	(3,685,405)
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	(3,360,468)	<u>\$ (324,937)</u>	<u>\$ (3,685,405)</u>
Fund Balance at Beginning of Year	<u>2,639,916</u>		
Fund Balance at End of Year	<u><u>\$ (720,552)</u></u>		



**FUND**

<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ -	\$ 64,925
-	64,925
212,765	36,231
-	(682)
5,301,748	510,959
<u>5,514,513</u>	<u>546,508</u>
(5,514,513)	611,433
<u>2,874,597</u>	<u>(1,656,922)</u>
(2,639,916)	(1,045,489)
<u>2,639,916</u>	<u>(2,639,916)</u>
<u>\$ -</u>	<u>\$ (3,685,405)</u>



## CITY OF OCALA, FLORIDA

### ENTERPRISE FUNDS

Enterprise Funds - Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private businesses where the intent of the governing body is that the costs (including depreciation) of providing certain goods and services to the general public be financed or recovered primarily through user charges or where the governing body has deemed that periodic determination of net income is appropriate for purposes of monitoring capital maintenance, accountability or other purposes.

Electric System Revenue Fund - This fund is used to account for the construction, operation and maintenance of the City-owned portion of CR-3 and the City-owned electric system as well as sales of electricity and other services to the general public. Electricity rates charged to customers are set by City Council within the rate structure established by the Florida Public Service Commission.

Water and Sewer Fund - This fund accounts for the construction, operation and maintenance of the City-owned water and sewer system.

Sanitation Fund - This fund accounts for the operation and maintenance of the City's refuse collection system.

Municipal Golf Course Fund - This fund accounts for the construction, operation and maintenance of the City's golf courses.

Fort King Tennis Court Fund - This fund accounts for the operation and maintenance of the Fort King tennis courts.

Municipal Trailer Park Fund - This fund accounts for the operation and maintenance of the City-owned trailer park.

Ocala Regional Airport (Jim Taylor Field) Fund - This fund accounts for the construction, operation and maintenance of the City's airport and for the operation of Foreign Trade Zone #217.

Florida Emergency Training Facility Fund - This fund accounts for the construction, operations and maintenance of an emergency training facility adjacent to the City airport.

Adult Athletic Complex Fund - This fund accounts for the construction, operations and maintenance of the Ocala Regional Sportsplex.

Communications Fund - This fund accounts for the construction, operations and maintenance of the City's broadband communications (fiber optics) network.

SunTran Fund - This fund accounts for the operation and maintenance of the new mass transit regional system which began operations during fiscal year 1999.

**CITY OF OCALA, FLORIDA**  
**COMBINING BALANCE SHEET**

**ENTERPRISE FUNDS**

**September 30, 1999**

<b>Assets</b>	<b>Electric System Revenue</b>	<b>Water and Sewer</b>	<b>Sanitation</b>	<b>Municipal Golf Course</b>	<b>Fort King Tennis Court</b>
<b>Current Assets:</b>					
Cash and investments	\$ 2,300	\$ 250	\$ -	\$ 3,578	\$ 100
Equity in pooled cash and investment fund	20,196,800	10,505,372	1,172,965	635,878	-
Accrued interest receivable	225,627	116,060	12,136	6,803	-
Accounts and notes receivable	6,890,056	114,917	-	75	-
Accrued unbilled revenues	5,734,490	-	-	-	-
Due from other funds	515,143	626,001	314,894	-	-
Interfund loans receivable	159,394	-	-	-	-
Inventories	1,683,514	47,819	-	61,385	-
Due from other governments	-	-	7,976	-	-
Other current assets	363,790	-	-	1,211	-
Total current assets	<u>35,771,114</u>	<u>11,410,419</u>	<u>1,507,971</u>	<u>708,930</u>	<u>100</u>
<b>Restricted Assets:</b>					
Cash and investments	3,115,853	15,943,556	-	-	-
Equity in pooled cash and investment fund	15,435,908	18,107,030	-	-	-
Accrued interest receivable	174,326	374,519	-	-	-
Due from other governments	-	60,549	-	-	-
Other	862,732	128,349	-	-	-
Total restricted assets	<u>19,588,819</u>	<u>34,614,003</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Interfund Loans Receivable After One Year</b>	1,749,115	-	-	-	-
<b>Property, Plant and Equipment, net</b>	73,002,736	91,448,831	603,202	4,769,367	72,732
<b>Issuance Costs on Long-Term Debt</b>	<u>120,550</u>	<u>546,025</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Assets</b>	<u>\$ 130,232,334</u>	<u>\$ 138,019,278</u>	<u>\$ 2,111,173</u>	<u>\$ 5,478,297</u>	<u>\$ 72,832</u>

<u>Municipal Traller Park</u>	<u>Ocala Regional Airport</u>	<u>Florida Emergency Training Facility</u>	<u>Adult Athletic Complex</u>	<u>Communi- cations</u>	<u>SunTran</u>	<u>Total</u>
\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,328
96,899	45,162	-	-	-	-	32,653,076
1,059	2,064	-	-	-	-	363,749
126	14,394	6,277	-	5,762	71	7,031,678
-	-	-	-	-	-	5,734,490
-	-	-	-	-	-	1,456,038
-	-	-	-	-	-	159,394
-	-	9,851	-	511,921	-	2,314,490
-	20,571	17,186	-	-	517,211	562,944
-	-	-	-	423	-	365,424
<u>98,184</u>	<u>82,191</u>	<u>33,314</u>	<u>-</u>	<u>518,106</u>	<u>517,282</u>	<u>50,647,611</u>
-	-	-	-	-	-	19,059,409
-	-	-	-	-	-	33,542,938
-	-	-	-	-	-	548,845
-	11,459	26,373	-	-	-	98,381
-	-	-	-	-	-	991,081
<u>-</u>	<u>11,459</u>	<u>26,373</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,240,654</u>
-	-	-	-	-	-	1,749,115
53,685	10,237,977	10,772,503	1,405,019	4,400,473	1,106,481	197,873,006
-	-	-	-	-	-	666,575
<u>\$ 151,869</u>	<u>\$ 10,331,627</u>	<u>\$ 10,832,190</u>	<u>\$ 1,405,019</u>	<u>\$ 4,918,579</u>	<u>\$ 1,623,763</u>	<u>\$ 305,176,961</u>

Continued

**CITY OF OCALA, FLORIDA**  
**COMBINING BALANCE SHEET - CONTINUED**

**ENTERPRISE FUNDS**

**September 30, 1999**

Liabilities and Fund Equity	Electric System Revenue	Water and Sewer	Sanitation	Municipal Golf Course	Fort King Tennis Court
<b>Current Liabilities:</b>					
Accounts payable	\$ 6,206,150	\$ 188,192	\$ 527,658	\$ 61,765	\$ 1,856
Compensated absences payable	412,622	173,379	181,082	57,556	-
Accrued interest payable	4,185	-	-	-	-
Due to other funds	1,308,787	-	-	-	3,753
Customer deposits	3,958,059	-	-	-	-
Deferred revenue	-	1,940	-	71,326	-
Interfund loans payable	-	65,000	-	-	4,924
<b>Total current liabilities</b>	<b>11,889,803</b>	<b>428,511</b>	<b>708,740</b>	<b>190,647</b>	<b>10,533</b>
<b>Liabilities Payable from Restricted Assets:</b>					
Accounts payable	29,002	695,862	-	-	-
Accrued interest payable	314,860	1,821,085	-	-	-
Deferred revenue	-	54,147	-	-	-
Revenue bonds payable within one year	-	1,945,000	-	-	-
Decommissioning costs	2,800,993	-	-	-	-
<b>Total liabilities payable     from restricted assets</b>	<b>3,144,855</b>	<b>4,516,094</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Interfund Loans Payable After One Year</b>	<b>-</b>	<b>65,000</b>	<b>-</b>	<b>423,624</b>	<b>37,984</b>
<b>Revenue Bonds and Notes Payable After One Year</b>	<b>9,933,350</b>	<b>55,656,253</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>24,968,008</b>	<b>60,665,858</b>	<b>708,740</b>	<b>614,271</b>	<b>48,517</b>
<b>Fund Equity:</b>					
Contributed equity	7,666,663	24,930,563	8,515	3,853,439	-
Retained earnings:					
Reserved for debt service	-	8,038,975	-	-	-
Reserved for renewal and replacement	17,345,287	8,666,318	-	-	-
<b>Total reserved retained         earnings</b>	<b>17,345,287</b>	<b>16,705,293</b>	<b>-</b>	<b>-</b>	<b>-</b>
Unreserved (accumulated deficit)	80,252,376	35,717,564	1,393,918	1,010,587	24,315
<b>Total retained earnings     (accumulated deficit)</b>	<b>97,597,663</b>	<b>52,422,857</b>	<b>1,393,918</b>	<b>1,010,587</b>	<b>24,315</b>
<b>Total fund equity     (accumulated deficit)</b>	<b>105,264,326</b>	<b>77,353,420</b>	<b>1,402,433</b>	<b>4,864,026</b>	<b>24,315</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 130,232,334</b>	<b>\$ 138,019,278</b>	<b>\$ 2,111,173</b>	<b>\$ 5,478,297</b>	<b>\$ 72,832</b>

<b>Municipal Trailer Park</b>	<b>Ocala Regional Airport</b>	<b>Florida Emergency Training Facility</b>	<b>Adult Athletic Complex</b>	<b>Communi- cations</b>	<b>SunTran</b>	<b>Total</b>
\$ 3,223	\$ 17,488	\$ 30,246	\$ 2,240	\$ 15,465	\$ 569	\$ 7,054,852
4,471	7,203	4,178	2,889	17,331	-	860,711
-	-	-	-	-	-	4,185
-	-	326,030	221,189	515,143	513,339	2,888,241
-	-	-	-	-	-	3,958,059
-	2,885	-	207	-	3,374	79,732
-	78,408	-	-	-	-	148,332
<u>7,694</u>	<u>105,984</u>	<u>360,454</u>	<u>226,525</u>	<u>547,939</u>	<u>517,282</u>	<u>14,994,112</u>
-	-	-	-	-	-	724,864
-	-	-	-	-	-	2,135,945
-	-	-	-	-	-	54,147
-	-	-	-	-	-	1,945,000
-	-	-	-	-	-	2,800,993
-	-	-	-	-	-	7,660,949
-	866,070	324,916	-	-	-	1,717,594
-	-	-	-	-	-	65,589,603
<u>7,694</u>	<u>972,054</u>	<u>685,370</u>	<u>226,525</u>	<u>547,939</u>	<u>517,282</u>	<u>89,962,258</u>
-	10,493,011	10,422,499	953,699	1,198,982	1,220,208	60,747,579
-	-	-	-	-	-	8,038,975
-	-	-	-	-	-	26,011,605
-	-	-	-	-	-	34,050,580
<u>144,175</u>	<u>(1,133,438)</u>	<u>(275,679)</u>	<u>224,795</u>	<u>3,171,658</u>	<u>(113,727)</u>	<u>120,416,544</u>
<u>144,175</u>	<u>(1,133,438)</u>	<u>(275,679)</u>	<u>224,795</u>	<u>3,171,658</u>	<u>(113,727)</u>	<u>154,467,124</u>
<u>144,175</u>	<u>9,359,573</u>	<u>10,146,820</u>	<u>1,178,494</u>	<u>4,370,640</u>	<u>1,106,481</u>	<u>215,214,703</u>
<u>\$ 151,869</u>	<u>\$ 10,331,627</u>	<u>\$ 10,832,190</u>	<u>\$ 1,405,019</u>	<u>\$ 4,918,579</u>	<u>\$ 1,623,763</u>	<u>\$ 305,176,961</u>

**CITY OF OCALA, FLORIDA**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS**

**ENTERPRISE FUNDS**

**Year Ended September 30, 1999**

	<b>Electric System Revenue</b>	<b>Water and Sewer</b>	<b>Sanitation</b>	<b>Municipal Golf Course</b>	<b>Fort King Tennis Court</b>
Operating Revenues:					
Sale of electricity	\$ 84,114,646	\$ -	\$ -	\$ -	\$ -
Sale of water	-	4,351,854	-	-	-
Sewer and sanitation service charges	-	9,581,791	6,735,981	-	-
Fees and rentals	-	10,940	-	1,796,978	53,133
Commissions	-	-	-	17,250	-
Other	3,122,590	535,212	8,352	335,611	14
Total operating revenues	<u>87,237,236</u>	<u>14,479,797</u>	<u>6,744,333</u>	<u>2,149,839</u>	<u>53,147</u>
Operating Expenses:					
Purchase of electricity	50,502,389	-	-	-	-
Distribution	8,104,054	607,294	-	-	-
Operation and maintenance	2,408,088	-	6,218,280	1,647,095	50,926
Water and sewer treatment	-	2,956,515	-	-	-
Sewer collection	-	1,099,448	-	-	-
Administration	3,740,445	1,491,337	361,840	364,456	-
Depreciation and amortization	4,238,514	3,257,155	166,342	250,847	4,928
Economic improvement incentives	501,327	-	-	-	-
Other	1,629,745	457,043	21,363	164,940	-
Total operating expenses	<u>71,124,562</u>	<u>9,868,792</u>	<u>6,767,825</u>	<u>2,427,338</u>	<u>55,854</u>
Operating Income (Loss)	<u>16,112,674</u>	<u>4,611,005</u>	<u>(23,492)</u>	<u>(277,499)</u>	<u>(2,707)</u>
Non-Operating Revenues (Expenses):					
Investment income	1,180,180	1,501,661	34,648	24,573	311
Interest expense	(658,387)	(3,461,331)	-	(5,879)	(3,180)
Other non-operating revenue	35,470	2,515	21,334	-	-
Total non-operating revenues (expenses)	<u>557,263</u>	<u>(1,957,155)</u>	<u>55,982</u>	<u>18,694</u>	<u>(2,869)</u>
Income (Loss) Before Operating Transfers	<u>16,669,937</u>	<u>2,653,850</u>	<u>32,490</u>	<u>(258,805)</u>	<u>(5,576)</u>
Operating Transfers:					
From other funds	286,378	98,341	7,174	-	-
To other funds	(9,605,244)	(202,593)	(126,848)	-	-
Total operating transfers	<u>(9,318,866)</u>	<u>(104,252)</u>	<u>(119,674)</u>	<u>-</u>	<u>-</u>
Net Income (Loss)	<u>7,351,071</u>	<u>2,549,598</u>	<u>(87,184)</u>	<u>(258,805)</u>	<u>(5,576)</u>
Retained Earnings (Accumulated Deficit), Beginning of year	<u>90,246,592</u>	<u>49,873,259</u>	<u>1,481,102</u>	<u>1,269,392</u>	<u>29,891</u>
Retained Earnings (Accumulated Deficit), End of year	<u>\$ 97,597,663</u>	<u>\$ 52,422,857</u>	<u>\$ 1,393,918</u>	<u>\$ 1,010,587</u>	<u>\$ 24,315</u>



<u>Municipal Trailer Park</u>	<u>Ocala Regional Airport</u>	<u>Florida Emergency Training Facility</u>	<u>Adult Athletic Complex</u>	<u>Communi- cations</u>	<u>SunTran</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,114,646
-	-	-	-	-	-	4,351,854
-	-	-	-	-	-	16,317,772
89,145	211,069	99,557	92,540	235,309	60,571	2,649,242
-	77,946	-	-	-	-	95,196
37	26,459	5,609	5,900	7,476	-	4,047,260
<u>89,182</u>	<u>315,474</u>	<u>105,166</u>	<u>98,440</u>	<u>242,785</u>	<u>60,571</u>	<u>111,575,970</u>
-	-	-	-	-	-	50,502,389
-	-	-	-	-	-	8,711,348
90,147	338,110	255,316	130,493	968,869	441,165	12,548,489
-	-	-	-	-	-	2,956,515
-	-	-	-	-	-	1,099,448
-	-	-	-	-	-	5,958,078
3,578	301,866	361,948	29,982	62,777	113,727	8,791,664
-	-	-	-	-	-	501,327
-	37,643	3,804	-	-	230,404	2,544,942
<u>93,725</u>	<u>677,619</u>	<u>621,068</u>	<u>160,475</u>	<u>1,031,646</u>	<u>785,296</u>	<u>93,614,200</u>
<u>(4,543)</u>	<u>(362,145)</u>	<u>(515,902)</u>	<u>(62,035)</u>	<u>(788,861)</u>	<u>(724,725)</u>	<u>17,961,770</u>
3,093	6,802	-	-	2,877	-	2,754,145
-	(57,842)	-	-	-	-	(4,186,619)
-	18,821	3,043	100	-	530,693	611,976
<u>3,093</u>	<u>(32,219)</u>	<u>3,043</u>	<u>100</u>	<u>2,877</u>	<u>530,693</u>	<u>(820,498)</u>
<u>(1,450)</u>	<u>(394,364)</u>	<u>(512,859)</u>	<u>(61,935)</u>	<u>(785,984)</u>	<u>(194,032)</u>	<u>17,141,272</u>
-	118,822	-	-	-	80,305	591,020
-	-	-	-	-	-	(9,934,685)
-	118,822	-	-	-	80,305	(9,343,665)
<u>(1,450)</u>	<u>(275,542)</u>	<u>(512,859)</u>	<u>(61,935)</u>	<u>(785,984)</u>	<u>(113,727)</u>	<u>7,797,607</u>
145,625	(857,896)	237,180	286,730	3,957,642	-	146,669,517
<u>\$ 144,175</u>	<u>\$ (1,133,438)</u>	<u>\$ (275,679)</u>	<u>\$ 224,795</u>	<u>\$ 3,171,658</u>	<u>\$ (113,727)</u>	<u>\$ 154,467,124</u>

**CITY OF OCALA, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ENTERPRISE FUNDS**

**Year Ended September 30, 1999**

	<b>Electric System Revenue</b>	<b>Water and Sewer</b>	<b>Sanitation</b>	<b>Municipal Golf Course</b>	<b>Fort King Tennis Court</b>
<b>Cash Flows from Operating Activities:</b>					
Cash received from customers	\$ 87,345,248	\$ 14,472,470	\$ 6,744,650	\$ 2,152,463	\$ 56,987
Cash paid to suppliers for goods and services	(60,634,419)	(3,834,983)	(4,095,688)	(1,139,608)	(26,780)
Cash paid to employees for services	(5,307,264)	(2,692,665)	(2,171,820)	(1,040,250)	(25,714)
Net cash provided by (used in) operating activities	<u>21,403,565</u>	<u>7,944,822</u>	<u>477,142</u>	<u>(27,395)</u>	<u>4,493</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>					
Operating transfers in	286,378	98,341	7,174	-	-
Operating transfers out	(9,605,244)	(202,593)	(126,848)	-	-
Operating grants	35,470	2,515	25,594	-	-
Principal received on loans to other funds	152,861	-	-	-	-
Interest received on loans to other funds	70,148	-	-	-	-
Principal paid on loans from other funds	-	(65,000)	-	-	(4,591)
Interest paid on loans from other funds	-	-	-	(5,879)	(3,180)
Loans to other funds	(748,710)	-	-	-	-
Net cash provided by (used in) non-capital financing activities	<u>(9,809,097)</u>	<u>(166,737)</u>	<u>(94,080)</u>	<u>(5,879)</u>	<u>(7,771)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Principal paid on bonds	(3,105,000)	(1,845,000)	-	-	-
Interest paid on bonds	(726,605)	(3,690,631)	-	-	-
Proceeds of loans from other funds	-	-	-	423,624	-
Acquisition and construction of capital assets	(4,162,271)	(4,718,176)	(239,145)	(487,192)	-
Contributions received from other governments and developers	451,851	1,326,525	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>(7,542,025)</u>	<u>(8,927,282)</u>	<u>(239,145)</u>	<u>(63,568)</u>	<u>-</u>
<b>Cash Flows from Investing Activities:</b>					
Purchase of investments	(241,870)	-	-	-	-
Investment income	972,954	1,613,753	32,022	24,031	343
Net cash provided by investing activities	<u>731,084</u>	<u>1,613,753</u>	<u>32,022</u>	<u>24,031</u>	<u>343</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>4,783,527</u>	<u>464,556</u>	<u>175,939</u>	<u>(72,811)</u>	<u>(2,935)</u>
<b>Cash and Cash Equivalents, beginning of year</b>	<u>31,166,341</u>	<u>37,410,051</u>	<u>997,026</u>	<u>712,267</u>	<u>3,035</u>
<b>Cash and Cash Equivalents, end of year</b>	<u>\$ 35,949,868</u>	<u>\$ 37,874,607</u>	<u>\$ 1,172,965</u>	<u>\$ 639,456</u>	<u>\$ 100</u>

<b>Municipal Trailer Park</b>	<b>Ocala Regional Airport</b>	<b>Florida Emergency Training Facility</b>	<b>Adult Athletic Complex</b>	<b>Communi- cations</b>	<b>SunTran</b>	<b>Total</b>
\$ 89,056	\$ 314,122	\$ 104,825	\$ 94,529	\$ 249,050	\$ 60,500	\$ 111,683,900
(40,485)	(412,592)	(158,692)	(63,337)	(46,319)	(259,808)	(70,712,711)
(44,592)	(83,443)	(72,784)	(29,164)	(242,108)	-	(11,709,804)
3,979	(181,913)	(126,651)	2,028	(39,377)	(199,308)	29,261,385
-	118,822	-	-	-	80,305	591,020
-	-	-	-	-	-	(9,934,685)
-	18,821	3,043	100	-	110,691	196,234
-	-	-	-	-	-	152,861
-	-	-	-	-	-	70,148
-	(70,726)	-	-	-	-	(140,317)
-	(57,842)	-	-	-	-	(66,901)
-	-	-	-	-	-	(748,710)
-	9,075	3,043	100	-	190,996	(9,880,350)
-	-	-	-	-	-	(4,950,000)
-	-	-	-	-	-	(4,417,236)
-	170	324,916	-	-	-	748,710
(12,096)	(47,897)	(1,283,397)	(2,128)	(304,206)	(1,076,849)	(12,333,357)
-	109,713	1,082,089	-	-	1,076,849	4,047,027
(12,096)	61,986	123,608	(2,128)	(304,206)	-	(16,904,856)
-	-	-	-	-	-	(241,870)
2,944	6,322	-	-	2,877	-	2,655,246
2,944	6,322	-	-	2,877	-	2,413,376
(5,173)	(104,530)	-	-	(340,706)	(8,312)	4,889,555
102,172	149,692	-	-	340,706	8,312	70,889,602
\$ 96,999	\$ 45,162	\$ -	\$ -	\$ -	\$ -	\$ 75,779,157

Continued

**CITY OF OCALA, FLORIDA**

**COMBINING STATEMENT OF CASH FLOWS - CONTINUED**

**ENTERPRISE FUNDS**

**Year Ended September 30, 1999**

	<u>Electric System Revenue</u>	<u>Water and Sewer</u>	<u>Sanitation</u>	<u>Municipal Golf Course</u>	<u>Fort King Tennis Court</u>
Reconciliation of Cash and Cash Equivalents to Balance Sheet:					
Total unrestricted cash and invest- ments per the balance sheet	\$ 20,199,100	\$ 10,505,622	\$ 1,172,965	\$ 639,456	\$ 100
Total restricted cash and invest- ments per the balance sheet	18,551,761	34,050,586	-	-	-
Total cash and investments	38,750,861	44,556,208	1,172,965	639,456	100
Less: Investments not meeting the definition of cash equivalents	2,800,993	6,681,601	-	-	-
Cash and Cash Equivalents, end of year	<u>\$ 35,949,868</u>	<u>\$ 37,874,607</u>	<u>\$ 1,172,965</u>	<u>\$ 639,456</u>	<u>\$ 100</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Operating income (loss)	\$ 16,112,674	\$ 4,611,005	\$ (23,492)	\$ (277,499)	\$ (2,707)
Adjustments to reconcile operating income (loss) to cash provided by operating activities:					
Depreciation	4,221,968	3,202,525	166,342	250,847	4,928
Amortization	16,546	54,630	-	-	-
Loss (gain) on fixed asset disposal	223,106	64,974	61,103	(1,487)	-
(Increase) decrease in assets:					
Accounts and notes receivable	(382,688)	(6,511)	-	565	87
Accrued unbilled revenue	110,619	-	-	-	-
Due from other funds	(515,143)	(816)	317	-	-
Inventories	213,271	7,704	-	(831)	-
Due from other governments	-	-	-	-	-
Other current assets	165,647	19,887	230	399	-
Increase (decrease) in liabilities:					
Accounts payable	703,445	(10,202)	238,203	(553)	(574)
Compensated absences payable	18,987	1,626	34,439	(2,382)	(994)
Due to other funds	(893)	-	-	-	3,753
Customer deposits	274,156	-	-	-	-
Deferred revenue	-	-	-	3,546	-
Decommissioning costs	241,870	-	-	-	-
Net Cash Provided by (Used in) Operating Activities	<u>\$ 21,403,565</u>	<u>\$ 7,944,822</u>	<u>\$ 477,142</u>	<u>\$ (27,395)</u>	<u>\$ 4,493</u>
Noncash Capital and Related Financing Activities:					
Plant and equipment contributed from other funds	\$ -	\$ -	\$ -	\$ -	\$ -
Total noncash capital and related financing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Municipal Trailer Park</u>	<u>Ocala Regional Airport</u>	<u>Florida Emergency Training Facility</u>	<u>Adult Athletic Complex</u>	<u>Communi- cations</u>	<u>SunTran</u>	<u>Total</u>
\$ 96,999	\$ 45,162	\$ -	\$ -	\$ -	\$ -	\$ 32,659,404
-	-	-	-	-	-	52,602,347
96,999	45,162	-	-	-	-	85,261,751
-	-	-	-	-	-	9,482,594
<u>\$ 96,999</u>	<u>\$ 45,162</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,779,157</u>
\$ (4,543)	\$ (362,145)	\$ (515,902)	\$ (62,035)	\$ (788,861)	\$ (724,725)	\$ 17,961,770
3,578	301,866	361,948	29,982	62,777	113,727	8,720,488
-	-	-	-	-	-	71,176
1,523	503	4,828	(3,912)	16,706	-	367,344
(126)	426	(3,152)	-	6,265	(71)	(385,205)
-	-	-	-	-	-	110,619
-	-	-	-	-	-	(515,642)
-	-	(2,152)	-	143,455	-	361,447
-	-	2,811	-	-	-	2,811
-	-	790	-	(128)	-	186,825
1,170	(607)	26,363	(18,257)	(5,745)	(27,378)	905,865
2,377	5,551	(2,185)	1	11,011	-	68,431
-	(126,411)	-	56,248	515,143	439,139	886,979
-	-	-	-	-	-	274,156
-	(1,096)	-	1	-	-	2,451
-	-	-	-	-	-	241,870
<u>\$ 3,979</u>	<u>\$ (181,913)</u>	<u>\$ (126,651)</u>	<u>\$ 2,028</u>	<u>\$ (39,377)</u>	<u>\$ (199,308)</u>	<u>\$ 29,261,385</u>
\$ -	\$ -	\$ -	\$ 149,646	\$ -	\$ 143,359	\$ 293,005
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 149,646</u>	<u>\$ -</u>	<u>\$ 143,359</u>	<u>\$ 293,005</u>



CITY OF OCALA, FLORIDA

INTERNAL SERVICE FUNDS

Internal Service Funds - The Internal Service Funds account for the operation of departments which exist solely to provide services to other City departments. The revenues of the Internal Service Funds are derived from user fees and self insurance premiums charged to other City funds. The Internal Service Funds used by the City are:

Internal Service Fund - This fund accounts for the operation of the management information system, central services, building maintenance, clinic and purchasing and warehousing departments.

Fleet Management Fund - This fund accounts for the operation of the fleet management department, which is responsible for replacing, specifying, acquiring, maintaining and disposing of approximately 930 units of gas driven equipment.

Self-Insurance Fund - This fund accounts for the operation of the risk management department and for the costs of the City's self-insurance plans.

**CITY OF OCALA, FLORIDA**  
**COMBINING BALANCE SHEET**  
**INTERNAL SERVICE FUNDS**  
**September 30, 1999**

Assets	Internal Service	Fleet Management	Self- Insurance	Total
Current Assets:				
Cash and investments	\$ 150	\$ 800	\$ 150	\$ 1,100
Equity in pooled cash and investment fund	1,634,445	8,050,478	4,455,786	14,140,709
Accrued interest receivable	22,992	81,261	43,316	147,569
Accounts receivable	374	-	49,316	49,690
Inventories	59,428	94,346	-	153,774
Due from other governments	-	-	1,743	1,743
Other current assets	133,912	321	365,283	499,516
Total current assets	1,851,301	8,227,206	4,915,594	14,994,101
Property, Plant and Equipment, net	11,535,033	7,289,483	24,170	18,848,686
Total Assets	<u>\$ 13,386,334</u>	<u>\$ 15,516,689</u>	<u>\$ 4,939,764</u>	<u>\$ 33,842,787</u>
<b>Liabilities and Fund Equity</b>				
Current Liabilities:				
Accounts payable	\$ 90,399	\$ 153,881	\$ 86,876	\$ 331,156
Claims payable	-	-	2,672,370	2,672,370
Compensated absences payable	124,027	70,730	-	194,757
Capital lease and notes payable within one year	327,623	-	-	327,623
Total current liabilities	542,049	224,611	2,759,246	3,525,906
Capital Lease and Notes Payable After One Year	505,091	-	-	505,091
Total liabilities	1,047,140	224,611	2,759,246	4,030,997
Fund Equity:				
Contributed equity	7,250,431	-	20,401	7,270,832
Unreserved retained earnings	5,088,763	15,292,078	2,160,117	22,540,958
Total fund equity	12,339,194	15,292,078	2,180,518	29,811,790
Total Liabilities and Fund Equity	<u>\$ 13,386,334</u>	<u>\$ 15,516,689</u>	<u>\$ 4,939,764</u>	<u>\$ 33,842,787</u>



**CITY OF OCALA, FLORIDA**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS**

**INTERNAL SERVICE FUNDS**

**Year Ended September 30, 1999**

	<u>Internal Service</u>	<u>Fleet Management</u>	<u>Self- Insurance</u>	<u>Total</u>
Operating Revenues:				
Fees and rentals	\$ 4,418,549	\$ 5,722,614	\$ 859,469	\$ 11,000,632
City insurance contributions	-	-	4,166,265	4,166,265
Employee insurance contributions	-	-	1,417,215	1,417,215
Other	144	183,036	756	183,936
Total operating revenues	<u>4,418,693</u>	<u>5,905,650</u>	<u>6,443,705</u>	<u>16,768,048</u>
Operating Expenses:				
Fleet management	-	3,549,927	-	3,549,927
Purchasing and warehousing	744,596	-	-	744,596
Management information system and central services	1,637,603	-	-	1,637,603
Building maintenance	1,360,354	-	-	1,360,354
Insurance, administration and other	-	-	5,447,965	5,447,965
Depreciation	995,542	1,394,361	7,886	2,397,789
Other	203,054	-	-	203,054
Total operating expenses	<u>4,941,149</u>	<u>4,944,288</u>	<u>5,455,851</u>	<u>15,341,288</u>
Operating Income (Loss)	<u>(522,456)</u>	<u>961,362</u>	<u>987,854</u>	<u>1,426,760</u>
Non-Operating Revenues (Expenses):				
Investment income	80,306	198,691	140,488	419,485
Interest expense	(41,079)	-	-	(41,079)
Total non-operating revenues (expenses)	<u>39,227</u>	<u>198,691</u>	<u>140,488</u>	<u>378,406</u>
Income (Loss) Before Operating Transfers	<u>(483,229)</u>	<u>1,160,053</u>	<u>1,128,342</u>	<u>1,805,166</u>
Operating Transfers:				
From other funds	17,949	-	-	17,949
To other funds	(25,423)	-	-	(25,423)
Total operating transfers	<u>(7,474)</u>	<u>-</u>	<u>-</u>	<u>(7,474)</u>
Net Income (Loss)	<u>(490,703)</u>	<u>1,160,053</u>	<u>1,128,342</u>	<u>1,797,692</u>
Retained Earnings, beginning of year	<u>5,579,466</u>	<u>14,132,025</u>	<u>1,031,775</u>	<u>20,743,266</u>
Retained Earnings, end of year	<u>\$ 5,088,763</u>	<u>\$ 15,292,078</u>	<u>\$ 2,160,117</u>	<u>\$ 22,540,958</u>

**CITY OF OCALA, FLORIDA**

**COMBINING STATEMENT OF CASH FLOWS**

**INTERNAL SERVICE FUNDS**

**Year Ended September 30, 1999**

	<u>Internal Service</u>	<u>Fleet Management</u>	<u>Self- Insurance</u>	<u>Total</u>
Cash Flows from Operating Activities:				
Cash received from employees	\$ -	\$ -	\$ 1,417,215	\$ 1,417,215
Cash paid to suppliers for goods and services	(1,874,630)	(1,844,178)	(4,731,025)	(8,449,833)
Cash paid to employees for services	(2,061,833)	(1,081,835)	(401,524)	(3,545,192)
Cash received from other funds	4,419,076	5,920,126	5,032,031	15,371,233
Cash paid for insurance claims	-	-	(1,172,405)	(1,172,405)
Net cash provided by operating activities	<u>482,613</u>	<u>2,994,113</u>	<u>144,292</u>	<u>3,621,018</u>
Cash Flows from Non-Capital Financing Activities:				
Operating transfers in	17,949	-	-	17,949
Operating transfers out	(25,423)	-	-	(25,423)
Net cash used in non-capital financing activities	<u>(7,474)</u>	<u>-</u>	<u>-</u>	<u>(7,474)</u>
Cash Flows from Capital and Related Financing Activities:				
Principal paid on capital lease and notes payable	(321,609)	-	-	(321,609)
Interest paid on capital lease and notes payable	(41,079)	-	-	(41,079)
Acquisition and construction of capital assets	(133,533)	(2,398,147)	(14,893)	(2,546,573)
Net cash used in capital and related financing activities	<u>(496,221)</u>	<u>(2,398,147)</u>	<u>(14,893)</u>	<u>(2,909,261)</u>
Cash Flows from Investing Activities:				
Investment income	75,979	177,940	128,653	382,572
Net cash provided by investing activities	<u>75,979</u>	<u>177,940</u>	<u>128,653</u>	<u>382,572</u>
Net Increase in Cash and Cash Equivalents	54,897	773,906	258,052	1,086,855
Cash and Cash Equivalents, beginning of year	<u>1,579,698</u>	<u>7,277,372</u>	<u>4,197,884</u>	<u>13,054,954</u>
Cash and Cash Equivalents, end of year	<u>\$ 1,634,595</u>	<u>\$ 8,051,278</u>	<u>\$ 4,455,936</u>	<u>\$ 14,141,809</u>

Continued

## CITY OF OCALA, FLORIDA

COMBINING STATEMENT OF CASH FLOWS - CONTINUED

## INTERNAL SERVICE FUNDS

Year Ended September 30, 1999

	<u>Internal Service</u>	<u>Fleet Management</u>	<u>Self- Insurance</u>	<u>Total</u>
Reconciliation of Operating Income (Loss) to Cash Provided by Operating Activities:				
Operating income (loss)	\$ (522,456)	\$ 961,362	\$ 987,854	\$ 1,426,760
Adjustment to reconcile operating income to cash flows provided by operating activities:				
Depreciation	995,542	1,394,361	7,886	2,397,789
Loss on fixed asset disposal	17,477	554,187	6,654	578,318
(Increase) decrease in assets:				
Accounts and notes receivable	383	213	7,284	7,880
Inventories	(12,778)	6,998	-	(5,780)
Due from other governments	-	14,263	(1,743)	12,520
Other current assets	52,709	(231)	(308,427)	(255,949)
Increase (decrease) in liabilities:				
Accounts payable	(60,664)	60,808	16,272	16,416
Compensated absences payable	12,400	2,152	-	14,552
Claims payable	-	-	(571,488)	(571,488)
Net Cash Provided by Operating Activities	<u>\$ 482,613</u>	<u>\$ 2,994,113</u>	<u>\$ 144,292</u>	<u>\$ 3,621,018</u>



## **CITY OF OCALA, FLORIDA**

### **TRUST AND AGENCY FUNDS**

Trust and Agency Funds - The Trust Funds of the City are Pension Trust Funds and Expendable Trust Funds. The Trust Funds are used to account for assets held by the City in a trustee capacity. The measurement focus and basis of accounting of the Pension Trust Funds are similar to Proprietary Funds and they are therefore maintained on the accrual basis of accounting. The Pension Trust Funds are utilized to account for the financial transactions of the City-administered pension plans. The measurement focus and basis of accounting of the Expendable Trust Funds are similar to governmental funds and they are therefore maintained on the modified accrual basis of accounting. The Agency Fund does not measure results of operations, but assets and liabilities are measured on the modified accrual basis of accounting.

#### *Expendable Trust Funds*

Pension Medical Reserve Fund - This fund is used to accumulate funds for future retiree benefits. It is being treated as an expendable trust fund until the start of the related benefits.

Community Redevelopment Trust Fund - The Community Redevelopment Trust Fund is used to account for receipts and transfers of the tax increment fees collected for improving and redeveloping the downtown area.

Employees' Deferred Compensation Fund - Accounts for an IRC Section 457 deferred compensation program open to all City employees and officials.

#### *Pension Trust Funds*

The Ocala Employees' Retirement Fund - This fund provides regular benefits to all active and inactive participants of the former system.

The Ocala Firefighters' Supplemental Pension Fund - This fund provides supplemental benefits to qualifying firefighters.

The Ocala Police Officers' Supplemental Pension Fund - This fund provides supplemental benefits to qualifying police officers.

#### *Agency Fund*

Police Evidence Fund - This fund is used to hold money that comes into the custody of the Ocala Police Department as evidence or as recovered property until the disposition is determined by the court.

**CITY OF OCALA, FLORIDA**  
**COMBINING BALANCE SHEET**  
**TRUST AND AGENCY FUNDS**  
**September 30, 1999**

Assets	Expendable Trust Funds		
	Pension Medical Reserve	Community Redevelopment Trust	Deferred Compensation
Restricted Assets:			
Cash and investments	\$ 2,127,548	\$ -	\$ 9,313,507
Equity in pooled cash and investment fund	-	4,215	-
Accrued interest and dividends receivable	-	46	-
Due from other funds	-	-	-
Total Restricted Assets	<u>\$ 2,127,548</u>	<u>\$ 4,261</u>	<u>\$ 9,313,507</u>
<b>Liabilities and Fund Balances</b>			
Liabilities Payable from Restricted Assets:			
Accounts payable	\$ -	\$ -	\$ -
Due to other funds	-	-	-
Police evidence	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:			
Reserved for employee's pension benefits	-	-	-
Reserved for other retirement benefits	2,127,548	-	-
Reserved for deferred compensation	-	-	9,313,507
Reserved for specified projects	-	4,261	-
Total fund balances	<u>2,127,548</u>	<u>4,261</u>	<u>9,313,507</u>
Total Liabilities and Fund Balances	<u>\$ 2,127,548</u>	<u>\$ 4,261</u>	<u>\$ 9,313,507</u>

Pension Trust Funds			Agency Fund	
Employees' Retirement	Firefighters' Supplemental Pension	Police Officers' Supplemental Pension	Police Evidence	Total
\$ 68,944,709	\$ 8,750,130	\$ 14,234,445	\$ -	\$ 103,370,339
-	-	-	82,773	86,988
478,620	76,703	124,778	936	681,083
1,911	-	-	-	1,911
<u>\$ 69,425,240</u>	<u>\$ 8,826,833</u>	<u>\$ 14,359,223</u>	<u>\$ 83,709</u>	<u>\$ 104,140,321</u>
\$ 395,287	\$ 21,182	\$ 5,706	\$ -	\$ 422,175
-	-	1,911	-	1,911
-	-	-	83,709	83,709
<u>395,287</u>	<u>21,182</u>	<u>7,617</u>	<u>83,709</u>	<u>507,795</u>
69,029,953	8,805,651	14,351,606	-	92,187,210
-	-	-	-	2,127,548
-	-	-	-	9,313,507
-	-	-	-	4,261
<u>69,029,953</u>	<u>8,805,651</u>	<u>14,351,606</u>	<u>-</u>	<u>103,632,526</u>
<u>\$ 69,425,240</u>	<u>\$ 8,826,833</u>	<u>\$ 14,359,223</u>	<u>\$ 83,709</u>	<u>\$ 104,140,321</u>





**CITY OF OCALA, FLORIDA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**EXPENDABLE TRUST FUNDS**

**Year Ended September 30, 1999**

	<b>Pension Medical Reserve</b>	<b>Community Redevelopment Trust</b>	<b>Deferred Compensation</b>	<b>Total</b>
Revenues:				
Investment income	\$ 101,603	\$ 136	\$ 1,220,430	\$ 1,322,169
Contributions	-	-	1,289,498	1,289,498
Other	97,488	-	-	97,488
Total revenues	<u>199,091</u>	<u>136</u>	<u>2,509,928</u>	<u>2,709,155</u>
Expenditures:				
Current:				
General government and administrative	-	-	375	375
Payments to participants	-	-	667,450	667,450
Total expenditures	<u>-</u>	<u>-</u>	<u>667,825</u>	<u>667,825</u>
Excess of Revenues Over Expenditures	199,091	136	1,842,103	2,041,330
Fund Balance, beginning of year	<u>1,928,457</u>	<u>4,125</u>	<u>7,471,404</u>	<u>9,403,986</u>
Fund Balance, end of year	<u>\$ 2,127,548</u>	<u>\$ 4,261</u>	<u>\$ 9,313,507</u>	<u>\$ 11,445,316</u>

**CITY OF OCALA, FLORIDA**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL**

**EXPENDABLE TRUST FUNDS**

**Year Ended September 30, 1999**

	<b><u>Pension Medical Reserve</u></b>	<b><u>Community Redevelopment Trust</u></b>	<b><u>Deferred Compensation</u></b>
Revenues:			
Investment income	\$ 101,603	\$ 136	\$ 1,220,430
Contributions	-	-	1,289,498
Other	97,488	-	-
Total revenues	<u>199,091</u>	<u>136</u>	<u>2,509,928</u>
Expenditures:			
Current:			
General government and administrative	-	-	375
Payments to participants	-	-	667,450
Total expenditures	<u>-</u>	<u>-</u>	<u>667,825</u>
Excess (Deficiency) of Revenues Over Expenditures Before Fund Balance Allocation	199,091	136	1,842,103
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	199,091	136	1,842,103
Fund Balance, beginning of year	<u>1,928,457</u>	<u>4,125</u>	<u>7,471,404</u>
Fund Balance, end of year	<u>\$ 2,127,548</u>	<u>\$ 4,261</u>	<u>\$ 9,313,507</u>

<u>Total Actual</u>	<u>Adjustments to a Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>	<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 1,322,169	\$ (1,322,169)	\$ -	\$ -	\$ -
1,289,498	(1,289,498)	-	-	-
97,488	(97,488)	-	-	-
<u>2,709,155</u>	<u>(2,709,155)</u>	<u>-</u>	<u>-</u>	<u>-</u>
375	(375)	-	-	-
667,450	(667,450)	-	-	-
<u>667,825</u>	<u>(667,825)</u>	<u>-</u>	<u>-</u>	<u>-</u>
2,041,330	(2,041,330)	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
2,041,330	<u>\$ (2,041,330)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>9,403,986</u>				
<u>\$ 11,445,316</u>				

**CITY OF OCALA, FLORIDA**

**COMBINING STATEMENT OF PLAN NET ASSETS**

**PENSION TRUST FUNDS**

**September 30, 1999**

<b>Assets</b>	<b>Employees' Retirement</b>	<b>Firefighters' Supplemental Pension</b>	<b>Police Officers' Supplemental Pension</b>	<b>Total</b>
Cash and Cash Equivalents	\$ 1,061,596	\$ 246,512	\$ 401,019	\$ 1,709,127
Receivables:				
Interest and dividends receivable	478,620	76,703	124,778	680,101
Due from other funds	1,911	-	-	1,911
Total receivables	480,531	76,703	124,778	682,012
Investments, at fair value:				
Mutual funds	2,198,836	-	-	2,198,836
Common stock	24,857,873	3,300,447	5,369,067	33,527,387
Government obligations	26,928,620	4,294,522	6,986,197	38,209,339
International stock	7,940,814	-	-	7,940,814
Non-government obligations	5,956,970	908,649	1,478,162	8,343,781
Total investments	67,883,113	8,503,618	13,833,426	90,220,157
Total Assets	69,425,240	8,826,833	14,359,223	92,611,296
<b>Liabilities</b>				
Accounts Payable	395,287	21,182	5,706	422,175
Due to Other Funds	-	-	1,911	1,911
Total liabilities	395,287	21,182	7,617	424,086
Fund Balance Reserved for Employees' Pension Benefits	\$ 69,029,953	\$ 8,805,651	\$ 14,351,606	\$ 92,187,210

**CITY OF OCALA, FLORIDA**

**COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS**

**PENSION TRUST FUNDS**

**Year Ended September 30, 1999**

	<u>Employees'</u> <u>Retirement</u>	<u>Firefighters'</u> <u>Supplemental</u> <u>Pension</u>	<u>Police</u> <u>Officers'</u> <u>Supplemental</u> <u>Pension</u>	<u>Total</u>
Additions:				
Contributions:				
Employer	\$ 2,014,606	\$ -	\$ -	\$ 2,014,606
State	-	254,062	389,760	643,822
Employee	-	320,261	117,639	437,900
Total contributions	<u>2,014,606</u>	<u>574,323</u>	<u>507,399</u>	<u>3,096,328</u>
Investment income:				
Net appreciation in fair value of investments	5,435,092	517,083	813,644	6,765,819
Investment income	1,761,667	298,182	476,915	2,536,764
Dividend income	<u>1,015,031</u>	<u>74,355</u>	<u>118,178</u>	<u>1,207,564</u>
Total income on investments	8,211,790	889,620	1,408,737	10,510,147
Less: Investment management fees	<u>(298,229)</u>	<u>(52,127)</u>	<u>(80,758)</u>	<u>(431,114)</u>
Net investment income	<u>7,913,561</u>	<u>837,493</u>	<u>1,327,979</u>	<u>10,079,033</u>
Total additions	<u>9,928,167</u>	<u>1,411,816</u>	<u>1,835,378</u>	<u>13,175,361</u>
Deductions:				
Pension payments	3,832,238	804,864	535,089	5,172,191
Refunds to employees	-	35,035	10,919	45,954
Administration	<u>34,985</u>	<u>65,688</u>	<u>22,424</u>	<u>123,097</u>
Total deductions	<u>3,867,223</u>	<u>905,587</u>	<u>568,432</u>	<u>5,341,242</u>
Net Increase	6,060,944	506,229	1,266,946	7,834,119
Fund Balance Reserved for Employees'				
Pension Benefits:				
Beginning of year	<u>62,969,009</u>	<u>8,299,422</u>	<u>13,084,660</u>	<u>84,353,091</u>
End of year	<u>\$ 69,029,953</u>	<u>\$ 8,805,651</u>	<u>\$ 14,351,606</u>	<u>\$ 92,187,210</u>

**CITY OF OCALA, FLORIDA**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**AGENCY FUND**

**Year Ended September 30, 1999**

<b>Police Evidence Fund</b>	
Equity in Pooled Cash and Investment Fund	\$ 82,773
Accrued Interest Receivable	<u>936</u>
Total Assets	<u><u>\$ 83,709</u></u>
Police Evidence Payable, beginning of year	\$ 58,066
Add: Police evidence	23,658
Investment income	<u>1,985</u>
Total Police Evidence Payable, end of year	<u><u>\$ 83,709</u></u>

**GENERAL FIXED ASSET ACCOUNT GROUP**

CITY OF OCALA, FLORIDA

SCHEDULE OF GENERAL FIXED ASSETS BY SOURCE

September 30, 1999

General Fixed Assets:

Land	\$ 4,127,848
Buildings	6,925,889
Machinery and equipment	9,493,699
Construction in progress	<u>8,040,343</u>
Total general fixed assets	<u>\$ 28,587,779</u>

Investment in General Fixed Assets by Source:

Bond proceeds	\$ 1,744,689
Federal and state grants	1,399,942
General fund	14,581,878
Special revenue funds	3,088,221
Capital projects funds	7,664,115
Contributions	107,939
Other	<u>995</u>
Total investment in general fixed assets	<u>\$ 28,587,779</u>



**CITY OF OCALA, FLORIDA**

**SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY**

**September 30, 1999**

<b><u>Function and Activity</u></b>	<b><u>Total</u></b>	<b><u>Land</u></b>	<b><u>Buildings</u></b>	<b><u>Machinery and Equipment</u></b>
General Government and Administration:				
Legislative	\$ 960	\$ -	\$ -	\$ 960
Executive	155,569	16,025	8,360	131,184
Finance	51,141	-	433	50,708
Purchasing	1,465	-	-	1,465
Personnel and safety	28,412	-	1,233	27,179
Planning	629,031	165,236	321,473	142,322
Building inspection	183,775	-	-	183,775
Total general government and administration	<u>1,050,353</u>	<u>181,261</u>	<u>331,499</u>	<u>537,593</u>
Public Safety:				
Police protection	4,813,658	584,828	818,541	3,410,289
Fire protection	3,919,195	32,290	1,201,383	2,685,522
Other public safety	17,873	-	-	17,873
Total public safety	<u>8,750,726</u>	<u>617,118</u>	<u>2,019,924</u>	<u>6,113,684</u>
Public Works:				
Flood control	718,046	1,063	2,000	714,983
Engineering	1,125,465	458,746	197,604	469,115
Highway and street construction	916,104	-	9,100	907,004
Total public works	<u>2,759,615</u>	<u>459,809</u>	<u>208,704</u>	<u>2,091,102</u>
Culture and Recreation:				
Library	157,884	-	148,782	9,102
Recreation	2,118,540	14,972	1,437,117	666,451
Total culture and recreation	<u>2,276,424</u>	<u>14,972</u>	<u>1,585,899</u>	<u>675,553</u>
Nondepartmental	<u>5,710,318</u>	<u>2,854,688</u>	<u>2,779,863</u>	<u>75,767</u>
Total General Fixed Assets Allocated to Functions	20,547,436	<u>\$ 4,127,848</u>	<u>\$ 6,925,889</u>	<u>\$ 9,493,699</u>
Construction in Progress	<u>8,040,343</u>			
Total General Fixed Assets	<u>\$ 28,587,779</u>			

**CITY OF OCALA, FLORIDA**

**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY**

**Year Ended September 30, 1999**

<b><u>Function and Activity</u></b>	<b><u>General Fixed Assets September 30, 1998</u></b>	<b><u>Additions</u></b>	<b><u>Deletions</u></b>	<b><u>General Fixed Assets September 30, 1999</u></b>
General Government and Administration:				
Legislative	\$ 960	\$ -	\$ -	\$ 960
Executive	112,217	46,888	3,536	155,569
Finance	42,506	15,219	6,584	51,141
Purchasing	1,465	-	-	1,465
Personnel and safety	25,059	3,353	-	28,412
Planning	643,044	29,022	43,035	629,031
Building inspection	191,495	3,709	11,429	183,775
Total general government and administration	<u>1,016,746</u>	<u>98,191</u>	<u>64,584</u>	<u>1,050,353</u>
Public Safety:				
Police protection	4,488,366	563,882	238,590	4,813,658
Fire protection	3,422,343	563,659	66,807	3,919,195
Other public safety	17,873	-	-	17,873
Total public safety	<u>7,928,582</u>	<u>1,127,541</u>	<u>305,397</u>	<u>8,750,726</u>
Public Works:				
Flood control	813,343	26,230	121,527	718,046
Engineering	1,077,996	57,075	9,606	1,125,465
Highway and street construction	921,462	25,524	30,882	916,104
Total public works	<u>2,812,801</u>	<u>108,829</u>	<u>162,015</u>	<u>2,759,615</u>
Culture and Recreation:				
Library	157,884	-	-	157,884
Recreation	1,904,043	310,102	95,605	2,118,540
Total culture and recreation	<u>2,061,927</u>	<u>310,102</u>	<u>95,605</u>	<u>2,276,424</u>
Nondepartmental	<u>5,723,814</u>	<u>2,053</u>	<u>15,549</u>	<u>5,710,318</u>
Construction in Progress	<u>1,460,176</u>	<u>6,784,087</u>	<u>203,920</u>	<u>8,040,343</u>
Total General Fixed Assets	<u>\$ 21,004,046</u>	<u>\$ 8,430,803</u>	<u>\$ 847,070</u>	<u>\$ 28,587,779</u>

## **STATISTICAL SECTION**

Statistical schedules differ from financial statements because they usually cover more than one fiscal year and may present nonaccounting data. These schedules reflect social and economic data and financial trends of the government.

**STATISTICAL SECTION**  
**Description of Schedules**

General Governmental Revenues and Other Financing Sources by Source

General Governmental Expenditures and Other Uses by Function

Property Tax Levies, Tax Collections and Assessed Valuations

Property Tax Rates and Levies – Direct and Overlapping Governments

Special Assessment Collections

Computation of Legal Debt Margin

Schedules of Bond Coverage:

Electric System Revenue and Revenue Refunding Bonds

Water and Sewer Revenue and Refunding Revenue Bonds

Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A and 1992B

Capital Improvement Revenue and Refunding Revenue Bonds and Capital

Improvement Revenue, Revenue Refunding and Refunding Revenue Certificates

Optional Gas Tax Revenue Bonds and Optional Gas Tax Refunding Revenue Bonds

Computation of Direct and Overlapping General Obligation Debt

Miscellaneous Statistical Data

Demographic Statistics

List of Ten Largest Taxpayers

Schedule of Insurance in Force

Property Value, Construction and Bank Deposits

Summary of Debt Service Requirements to Maturity – All Bonded Debt

Statements of Bonded Debt and Interest:

Capital Improvement Revenue Certificates, Series 1993

Capital Improvement Revenue Certificates, Series 1995

Optional Gas Tax Refunding Revenue Bonds, Series 1992

Utility Systems Subordinate Refunding Bonds, Series 1992A

Utility Systems Subordinate Refunding Bonds, Series 1992B

Water and Sewer Revenue Bonds, Series 1995

Water and Sewer Refunding Revenue Bonds, Series 1996

Analysis of Sewerage System Capital Improvement Fund Established for Florida Department  
of Environmental Regulation Grant #621080

**CITY OF OCALA, FLORIDA**

**GENERAL GOVERNMENTAL REVENUES AND OTHER FINANCING SOURCES BY SOURCE (1)**

**LAST TEN FISCAL YEARS**

	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>
Property taxes	\$ 6,505,843	\$ 7,091,592	\$ 7,149,471	\$ 7,270,662
Utility service tax	-	-	-	-
Other taxes	801,394	825,622	884,258	1,409,034
Intergovernmental revenues	6,982,067	7,489,550	6,989,818	7,360,769
Licenses and permits	736,411	651,013	631,461	604,787
Fines and forfeitures	734,132	812,701	967,438	873,112
Charges for services and off-street parking	1,497,702	1,479,127	1,897,707	2,025,300
Operating transfers from other funds	14,321,507	15,609,360	16,694,506	17,411,663
Bond and note proceeds	-	-	42,922	14,143,855
Investment income	1,545,540	1,394,582	1,048,948	780,108
Miscellaneous	<u>261,093</u>	<u>178,115</u>	<u>286,064</u>	<u>277,420</u>
Total	<u>\$ 33,385,689</u>	<u>\$ 35,531,662</u>	<u>\$ 36,592,593</u>	<u>\$ 52,156,710</u>

- (1) This schedule includes revenues and other financing sources of the General Fund, Special Revenue Funds and Debt Service Funds. Interfund revenues have not been eliminated between these funds.

<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
\$ 7,575,276	\$ 7,638,214	\$ 7,819,975	\$ 8,368,548	\$ 8,480,580	\$ 9,102,961
-	-	4,791,403	4,722,401	5,040,944	5,102,382
1,502,077	1,508,766	1,673,396	1,777,951	1,825,810	1,812,423
9,214,202	9,122,383	10,495,025	11,657,539	12,034,615	13,454,031
763,066	772,036	800,587	957,288	960,467	1,054,871
891,455	1,052,858	580,973	642,935	594,544	464,268
2,246,292	2,380,049	2,463,001	2,526,920	2,747,158	3,262,969
17,944,570	17,000,557	15,256,416	14,637,135	14,082,216	13,231,408
11,749,269	-	-	-	-	-
1,130,987	1,467,264	1,632,089	1,733,101	2,161,010	1,039,143
271,518	154,506	297,975	314,017	436,978	3,134,366
<u>\$ 53,288,712</u>	<u>\$ 41,096,633</u>	<u>\$ 45,810,840</u>	<u>\$ 47,337,835</u>	<u>\$ 48,364,322</u>	<u>\$ 51,658,822</u>

**CITY OF OCALA, FLORIDA**

**GENERAL GOVERNMENTAL EXPENDITURES AND OTHER USES BY FUNCTION (1)**

**LAST TEN FISCAL YEARS**

	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>
General government and administration	\$ 3,168,947	\$ 3,469,028	\$ 3,339,215	\$ 3,388,158
Public safety	10,759,495	11,677,768	12,438,951	12,621,517
Public works	3,466,758	3,655,998	3,915,990	3,933,610
Culture and recreation	3,376,898	3,508,653	3,740,232	3,771,641
Nondepartmental	389,988	474,371	381,785	428,063
Debt service	3,619,989	3,949,011	3,941,987	16,791,576
Capital outlay	4,834,530	4,122,771	4,174,687	2,262,339
Operating transfers to other funds	3,764,846	4,242,111	4,900,835	5,015,385
Miscellaneous	<u>871,121</u>	<u>829,112</u>	<u>805,283</u>	<u>2,250,678</u>
Total	<u>\$ 34,252,572</u>	<u>\$ 35,928,823</u>	<u>\$ 37,638,965</u>	<u>\$ 50,462,967</u>

- (1) This schedule includes expenditures and other financing uses of the General Fund, Special Revenue Funds and Debt Service Funds. Interfund expenditures have not been eliminated between these funds.

<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
\$ 3,570,694	\$ 3,750,855	\$ 4,141,798	\$ 4,472,247	\$ 4,759,554	\$ 5,353,842
13,296,158	14,812,271	15,621,375	16,672,853	17,476,228	18,844,027
4,242,507	4,531,891	4,732,747	5,253,535	5,646,503	6,265,545
3,826,126	3,939,075	4,259,453	5,184,240	4,572,977	4,911,858
151,883	87,932	143,264	191,039	210,752	195,447
15,843,482	3,501,935	3,627,857	3,760,178	3,758,570	2,469,619
1,939,122	3,160,173	3,497,923	5,175,529	4,993,327	6,417,164
4,923,349	4,777,853	6,455,475	3,990,763	4,017,101	5,097,944
<u>1,130,298</u>	<u>995,400</u>	<u>1,025,824</u>	<u>1,057,508</u>	<u>2,361,933</u>	<u>1,729,854</u>
<u>\$ 48,923,619</u>	<u>\$ 39,557,385</u>	<u>\$ 43,505,716</u>	<u>\$ 45,757,892</u>	<u>\$ 47,796,945</u>	<u>\$ 51,285,300</u>



**CITY OF OCALA, FLORIDA**  
**PROPERTY TAX LEVIES, TAX COLLECTIONS AND ASSESSED VALUATIONS (3)**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Assessed Valuation (100% at Market)</b>	<b>Tax Rate In Mills (3)</b>	<b>Total Tax Levy (1)</b>	<b>Current Tax Collections</b>	<b>Total (2) Tax Collections</b>	<b>Ratio of Total Collections to Tax Levy</b>	<b>Uncollected Taxes</b>
1990	\$ 1,310,033,579	5.08	\$ 6,667,187	\$ 5,956,404	\$ 6,459,659	96.9	\$ 710,783
1991	1,399,122,711	5.17	7,244,086	6,592,981	7,043,228	97.2	651,105
1992	1,426,577,239	5.14	7,340,847	6,677,841	7,101,641	96.7	663,006
1993	1,501,855,447	4.92	7,402,331	6,837,706	7,223,752	97.6	564,625
1994	1,514,377,939	5.03	7,623,382	7,136,533	7,529,041	98.8	486,849
1995	1,556,395,804	5.03	7,836,849	7,289,707	7,595,038	96.9	547,142
1996	1,574,831,300	5.09	8,041,653	7,474,513	7,781,671	96.8	567,140
1997	1,634,063,072	5.22	8,567,696	7,925,026	8,328,857	97.2	642,670
1998	1,662,531,988	5.22	8,725,865	8,131,668	8,441,660	96.8	594,197
1999	1,771,686,458	5.27	9,385,714	8,755,381	9,061,156	96.5	630,333

Source: Marion County Tax Collector and City Finance Department.

- (1) Includes penalties under Section 193.072 of the Florida Statutes.
- (2) Tax collections include current and delinquent taxes, and tax certificates and payments to local governments for homestead exemptions.
- (3) Excludes property tax levies of the Downtown Development Commission.

**CITY OF OCALA, FLORIDA**

**PROPERTY TAX RATES AND LEVIES - DIRECT AND OVERLAPPING GOVERNMENTS**

**LAST TEN FISCAL YEARS**

**Millage Rates**

<u>Fiscal Year</u>	<u>City</u>	<u>County</u>	<u>School</u>	<u>Water Management Districts</u>	<u>Total</u>
1990	5.08	4.98	7.93	0.35	18.34
1991	5.17	5.66	9.21	0.36	20.40
1992	5.14	6.04	9.29	0.36	20.83
1993	4.92	6.05	9.41	0.36	20.74
1994	5.03	6.10	9.58	0.47	21.18
1995	5.03	5.74	9.88	0.48	21.13
1996	5.09	5.40	9.75	0.48	20.72
1997	5.22	5.71	9.99	0.48	21.40
1998	5.22	6.22	10.59	0.48	22.51
1999	5.27	6.15	10.62	0.48	22.52

**Tax Levies**

<u>Fiscal Year</u>	<u>City (1)</u>	<u>County (2)</u>	<u>School (2)</u>	<u>Districts (2)</u>	<u>Total</u>
1990	\$ 6,654,971	\$ 6,523,967	\$ 10,388,566	\$ 458,512	\$ 24,026,016
1991	7,233,464	7,919,035	12,885,920	503,684	28,542,103
1992	7,328,327	8,616,527	13,250,505	510,715	29,706,074
1993	7,389,129	9,086,225	14,132,460	540,668	31,148,482
1994	7,611,869	9,237,705	14,507,741	711,758	32,069,073
1995	7,823,068	8,933,712	15,377,191	747,070	32,881,041
1996	8,027,264	8,504,089	15,354,605	755,919	32,641,877
1997	8,551,764	9,330,500	16,324,290	784,350	34,990,904
1998	8,705,206	10,340,949	17,606,214	798,015	37,450,384
1999	9,365,048	10,895,872	18,815,310	850,409	39,926,639

- (1) Does not include penalties under Section 193.072 of the Florida Statutes.
- (2) The tax levies for overlapping governments reflect each government's millage applied to the total assessed valuation within the City's corporate boundaries.

**CITY OF OCALA, FLORIDA**  
**SPECIAL ASSESSMENT COLLECTIONS**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Net Liens Assessed</u>	<u>Collections and Adjustments</u>	<u>Total Outstanding Assessments (1)</u>
1990	\$ 106,229	\$ 159,966	\$ 509,401
1991	-	97,955	411,446
1992	-	164,544	246,902
1993	13,679	68,822	191,759
1994	-	59,140	132,619
1995	-	16,916	115,703
1996	-	7,336	108,367
1997	-	21,112	87,255
1998	-	4,106	83,149
1999	-	11,595	71,554

(1) Does not reflect reserves for uncollectible special assessment levies.

**CITY OF OCALA, FLORIDA**  
**COMPUTATION OF LEGAL DEBT MARGIN**

**September 30, 1999**

Assessed Value (100% at market as of January 1, 1999)	\$ 1,771,686,458
Debt Limit: 20% of Assessed Value	\$ 354,337,292
Amount of General Obligation Debt Outstanding	<u>-</u>
Legal Debt Margin	<u><u>\$ 354,337,292</u></u>

In accordance with Article IX, Section 9.02, of the City of Ocala Charter, the "aggregate amount of general obligation bonds of the City outstanding at any one time shall not be greater than twenty percent (20%) of the assessed valuation of the taxable real and personal property in the City according to the latest assessment of such real and personal property".

**CITY OF OCALA, FLORIDA**

**SCHEDULE OF ELECTRIC SYSTEM REVENUE AND REVENUE REFUNDING BONDS COVERAGE**

**LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Net Revenue Available for Debt Service (1)</u>	<u>Debt Service Requirements (2) (3)</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
1990	\$20,319,802	\$ 1,435,000	\$ 1,698,359	\$ 3,133,359	6.48
1991	22,421,756	1,845,000	2,748,830	4,593,830	4.88
1992	21,664,962	1,965,000	2,633,056	4,598,056	4.71
1993	21,524,640	1,260,000	663,780	1,923,780	11.19
1994	23,081,766	1,345,000	582,353	1,927,353	11.98
1995	22,733,287	1,435,000	494,065	1,929,065	11.78
1996	19,025,573	1,530,000	398,038	1,928,038	9.87
1997	18,935,425	1,630,000	293,325	1,923,325	9.85
1998	22,891,440	1,745,000	179,390	1,924,390	11.90
1999	21,531,368	1,740,000	60,030	1,800,030	11.96

- (1) Represents gross operating revenues and interest income (including interest income capitalized) less gross operating expenses, excluding amortization and depreciation, of the electric system.
- (2) In October, 1989, the City issued Electric System Revenue Bonds, Series 1989A in the amount of \$28,425,000 and Electric System Revenue Refunding Bonds, Series 1989B in the amount of \$13,000,000. The 1989B Bonds were issued for the purpose of advance refunding the City's outstanding Power Supply Revenue Bonds, Series 1977 and the City's outstanding Power Supply Revenue Refunding Bonds, Series 1988. The refunding bonds are no longer considered outstanding debt of the City because an escrow account was created for them; and, therefore, all debt service requirements subsequent to October, 1989 for the refunded bonds have been excluded from the determination of debt service coverage. The proceeds of the 1989A Bonds are being used to fund the cost of the acquisition system and certain infrastructure improvements related thereto. The first interest payments on the Series 1989A and 1989B Bonds occurred in April, 1990; the first principal payments were made October 1, 1990.
- (3) In March, 1992, the City issued the \$28,435,000 Utility Systems Subordinate Refunding Revenue Bonds, Series 1992B, for the purpose of refunding the outstanding Electric System Revenue Bonds, Series 1989A. The refunded bonds are no longer considered outstanding debt of the City since an escrow account was created for them; and, therefore, all debt service requirements subsequent to 1992 will be excluded from the determination of debt service coverage. Since the Series 1992B Bonds, as well as the Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A, are payable from a lien upon the surplus revenues of the City's Water and Sewer System and the City's Electric System, the debt service coverage for those two issues is shown in a separate schedule for 1993 and subsequent years.

**CITY OF OCALA, FLORIDA**

**SCHEDULE OF WATER AND SEWER REVENUE AND REFUNDING REVENUE BONDS COVERAGE**

**LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Net Revenue Available for Debt Service (1)</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
1990	\$ 6,778,281	\$ 425,000	\$ 4,004,180	\$ 4,429,180	1.53
1991	7,383,205	555,000	3,971,896	4,526,896	1.63
1992	8,076,099	640,000	3,930,831	4,570,831	1.77
1993	8,426,555	- (2)	948,311 (2)	948,311	8.89
1994	8,177,122	45,000	946,928	991,928	8.24
1995	8,596,135	245,000	937,825	1,182,825	7.26
1996	9,041,538	260,000 (3)(4)	1,051,660 (3)(4)	1,311,660	6.89
1997	9,355,166	-	786,254	786,254	11.90
1998	10,048,277	385,000	953,281	1,338,281	7.51
1999	9,167,898	405,000	934,771	1,339,771	6.84

- (1) Represents gross operating revenues less gross operating expenses, excluding amortization and depreciation, of the water and sewer system. Additional pledge revenues are the unlevied public service tax (all issues), interest earnings on investments and any income realized from such investments of the sinking, sinking reserve, and renewal and replacement funds.
- (2) In March, 1992, the City issued the \$51,880,000 Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A, primarily for the purpose of refunding the outstanding Water and Sewer Revenue Bonds, Series 1985A and Water and Sewer Refunding Revenue Bonds, Series 1986. The refunded bonds are no longer considered outstanding debt of the City since an escrow account was created for them; and, therefore, all debt service requirements subsequent to 1992 will be excluded from the determination of debt service coverage. Since the Series 1992A Bonds, as well as the Utility Systems Subordinate Refunding Revenue Bonds, Series 1992B, are payable from a lien upon the surplus revenues of the City's Water and Sewer System and the City's Electric System, the debt service coverage for these two issues is shown in a separate schedule for 1993 and subsequent years.
- (3) In October, 1995, the City issued the \$5,000,000 Water and Sewer Revenue Bonds, Series 1995, primarily for the purpose of financing the cost of acquisition and construction of additions, improvements and extensions to the City's water and sewer system. The first interest payment on the Series 1995 Bonds occurred in April, 1996 and the first principal payment occurred in October, 1997.
- (4) In July, 1996, the City issued the \$12,170,000 Water and Sewer Refunding Revenue Bonds, Series 1996, primarily for the purpose of forward refunding the outstanding Water and Sewer Refunding Revenue Bonds, Series 1988. The refunded bonds are no longer considered outstanding debt of the City since an escrow account was created for them; and, therefore, all debt service requirements subsequent to 1996 will be excluded from the determination of debt service charge. The first interest payment on the Series 1996 Bonds occurred in October, 1996 and the first principal payment occurred in October, 1997.



**CITY OF OCALA, FLORIDA**

**SCHEDULE OF UTILITY SYSTEMS SUBORDINATE REFUNDING REVENUE BONDS,  
SERIES 1992A AND 1992B, COVERAGE**

**LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Net Revenue Available for Debt Service (1)</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
1993	\$27,079,104	\$ 1,785,000	\$ 4,814,527	\$ 6,599,527	4.10
1994	28,339,607	3,140,000	4,520,538	7,660,538	3.70
1995	28,213,532	3,255,000	4,107,890	7,362,890	3.83
1996	24,827,413	3,415,000	3,953,546	7,368,546	3.37
1997	25,581,012	3,575,000	3,783,065	7,358,065	3.48
1998	29,677,046	3,760,000	3,595,930	7,355,930	4.03
1999	27,559,440	2,805,000	3,422,435	6,227,435	4.43

- (1) Represents the surplus revenues of the City's Electric System and of the City's Water and Sewer System available after the payment of the debt service requirements on the senior lien bonds.



**CITY OF OCALA, FLORIDA**

**SCHEDULE OF CAPITAL IMPROVEMENT REVENUE AND REFUNDING REVENUE BONDS  
AND CAPITAL IMPROVEMENT REVENUE, REVENUE REFUNDING AND  
REFUNDING REVENUE CERTIFICATES COVERAGE**

**LAST TEN FISCAL YEARS**

<b>Year</b>	<b>Pledged Revenues</b>						<b>Total Revenue Available for Debt Service</b>
	<b>Local Government Half-Cent Sales Tax</b>	<b>Franchise Fees</b>	<b>Occupational License Tax</b>	<b>Guaranteed Entitlement (1)</b>	<b>Mobile Home Licenses</b>	<b>Court Fines and Forfeitures</b>	
1990	\$ 1,875,964	\$ 344,210	\$ 386,809	\$ 643,622	\$ 26,375	\$612,535	\$ 3,889,515
1991	1,735,149	392,588	386,804	643,622	24,768	701,281	3,884,212
1992	1,662,566	458,619	380,567	643,622	25,231	787,389	3,957,994
1993	1,764,593	488,574	365,591	643,622	16,025	732,964	4,011,369
1994	1,997,084	542,026	367,467	643,622	15,457	735,266	4,300,922
1995	2,106,763	497,871	378,545	643,622	16,913	660,082	4,303,796
1996	2,196,321	573,247	436,646	643,622	21,030	507,069	4,377,935
1997	2,245,440	627,813	439,902	643,622	25,700	468,236	4,450,713
1998	2,443,377	594,940	452,402	643,622	26,486	532,189	4,693,016
1999	2,632,262	564,533	463,809	643,622	29,113	431,951	4,765,290

- (1) The minimum amount of state revenue sharing funds to be received by the City in accordance with the provisions of the State of Florida Revenue Sharing Act.
- (2) The Capital Improvement Refunding Revenue Bonds, Series 1986 were sold in August, 1986. The first interest payment for this issue was on October 1, 1986, and the first principal payment was on October 1, 1987. This issue places a senior lien on the pledged revenues. The outstanding portion of this issue was refunded in December, 1993 by the Capital Improvement Refunding Revenue Certificates, Series 1993. Since an escrow account was established for the redemption of this issue, the 1986 bonds will not be included in the debt service requirements for 1994 and subsequent years.
- (3) The Capital Improvement Revenue Refunding Certificates, Series 1988 were sold in August, 1988. The first principal and interest payments were made on April 1, 1989. This issue constituted a junior or subordinate lien on the pledged revenues until the senior debt, the Capital Improvement Refunding Revenue Bonds, Series 1986, was refunded in December, 1993. The final principal and interest payments for this issue were made on April 1, 1998.
- (4) The Capital Improvement Refunding Revenue Certificates, Series 1993 were sold in December, 1993. The first interest payment was made on April 1, 1994, and the first principal payment was made on October 1, 1999. This issue is on a parity with the Capital Improvement Revenue Refunding Certificates, Series 1988 and with the Capital Improvement Revenue Certificates, Series 1995.

<u>Debt Service Requirements (2) (3) (4) (5)</u>			
<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Coverage</u>
\$ 810,000	\$ 1,372,694	\$ 2,182,694	1.78
865,000	1,324,897	2,189,897	1.77
930,000	1,271,543	2,201,543	1.80
1,145,000	1,212,244	2,357,244	1.70
1,410,000	1,058,229	2,468,229	1.74
980,000	1,201,352	2,181,352	1.97
1,050,000	1,258,467	2,308,467	1.90
1,120,000	1,322,799	2,442,799	1.82
1,200,000	1,244,399	2,444,399	1.92
-	1,158,599	1,158,599	4.11

- (5) The Capital Improvement Revenue Certificates, Series 1995 were sold in October, 1995. The first interest payment was made on April 1, 1996, and the first principal payment was made on October 1, 1999. This issue is on a parity with the Capital Improvement Revenue Refunding Certificates, Series 1988 and with the Capital Improvement Refunding Revenue Certificates, Series 1993.

**CITY OF OCALA, FLORIDA**

**SCHEDULE OF OPTIONAL GAS TAX REVENUE BONDS AND  
OPTIONAL GAS TAX REFUNDING REVENUE BONDS COVERAGE**

**LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Pledged Revenue - Six-Cent Optional Gas Tax</u>	<u>Debt Service Requirements (1) (2)</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
1990	\$ 1,745,142	\$ -	\$ 1,005,255	\$ 1,005,255	1.74
1991	1,829,804	350,000	994,405	1,344,405	1.36
1992	1,945,252	370,000	971,900	1,341,900	1.45
1993	2,060,097	395,000	851,586	1,246,586	1.65
1994	2,065,100	620,000	734,403	1,354,403	1.52
1995	2,077,200	595,000	715,763	1,310,763	1.58
1996	2,156,374	615,000	694,578	1,309,578	1.65
1997	2,304,362	635,000	670,490	1,305,490	1.77
1998	2,282,798	660,000	642,953	1,302,953	1.75
1999	2,416,976	690,000	612,476	1,302,476	1.86

- (1) The Optional Gas Tax Revenue Bonds, Series 1989 were sold in February, 1989. The first interest payment occurred in June, 1989, and the first principal payment occurred in December, 1990. The outstanding portion of this issue was advance refunded in December, 1992 by the Optional Gas Tax Refunding Revenue Bonds, Series 1992. Since an escrow account was established for the redemption of this issue, the 1989 bonds will not be included in the debt service requirements after 1993.
- (2) The Optional Gas Tax Refunding Revenue Bonds, Series 1992 were sold in December, 1992. The first interest payment occurred in June, 1993, and the first principal payment occurred in December, 1993.

**CITY OF OCALA, FLORIDA**

**COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION DEBT (2)**

**September 30, 1999**

<u>Governmental Unit</u>	<u>Bonds Outstanding</u>	<u>Applicable to City of Ocala</u>	
		<u>Percent (1)</u>	<u>Amount</u>
Marion County			
Limited Ad Valorem Refunding Tax Bonds, Series 1994	\$ 8,205,000		
Limited Ad Valorem Refunding Tax Bonds, Series 1998	<u>9,935,000</u>		
	18,140,000	28.4%	\$ 5,151,760
School District of Marion County			
General Obligation Bonds, Series 1990	2,175,000		
General Obligation Refunding Bonds, Series 1992	10,865,000		
General Obligation Partial Refunding Bonds, Series 1993	<u>13,875,000</u>		
	<u>26,915,000</u>	28.4%	<u>7,643,860</u>
Total Overlapping Debt	<u>\$ 45,055,000</u>	<u>28.4%</u>	<u>\$ 12,795,620</u>

- (1) Represents the fraction of assessed valuation of taxable property in the City of Ocala over the assessed valuation of taxable property in Marion County.
- (2) The City of Ocala did not have any general obligation debt outstanding during the fiscal year ended September 30, 1999.

**CITY OF OCALA, FLORIDA**  
**MISCELLANEOUS STATISTICAL DATA**

**September 30, 1999**

Date of Incorporation	February 4, 1869
City Charter Adopted	January 28, 1885
Form of Government	Council/Manager
Area of City	38.8 square miles
Miles of Streets, Sidewalks and Bikepaths:	
Streets - Paved	281.55 miles
Streets - Unpaved	11.85 miles
Sidewalks (2)	73.13 miles
Bikepaths	24.37 miles
Miles of Sewers:	
Storm	68.95 miles
Sanitary	289.44 miles
Force Main	64.49 miles
Lift Stations	93
Building Permits (October 1997 - September 1998) (1):	
Permits Issued	4,981
Permit Value	\$105,980,693
Fire Protection:	
Stations	5
Employees - Sworn	111
Employees - Civilian	10
Fire and rescue response time (minutes)	4
Police Protection:	
Stations	3
Employees - Sworn	147
Employees - Reserve	18
Employees - Civilian	79
Vehicular Patrol Units	119
- Marked Vehicles	6
- Motorcycles	63
- Other Vehicles	
Recreation:	
Activity areas	93
Land area (acres)	561
Activity centers	7
Pools	2

- (1) Includes plumbing, gas, electrical, water, heating, air conditioning, refrigeration, ventilation and building permits, the latter of which is exclusive of moving and sign permits.
- (2) Includes 11.66 miles of sidewalks installed by the Florida Department of Transportation but located inside the City limits.

**CITY OF OCALA, FLORIDA**  
**DEMOGRAPHIC STATISTICS**

**POPULATION (1)**

<u>Year</u>	<u>City of Ocala</u>	<u>Marion County</u>
1990	42,045	194,833
1991	41,198	200,314
1992	41,863	206,642
1993	42,400	213,328
1994	42,920	217,862
1995	43,207	224,612
1996	43,332	229,260
1997	43,630	237,204
1998	44,718	242,357
1999	45,585	249,433

Sources: The Bureau of Business and Economic Research - University of Florida, Gainesville (1990) and the City of Ocala Comprehensive Plan - Planning Department (years 1991 through 1999).

**POPULATION PROJECTIONS \***

<u>Year</u>	<u>Marion County</u>	<u>State of Florida</u>
2000	255,587	15,512,940
2005	284,777	16,756,975
2010	312,372	17,927,835

Source: Bureau of Business and Economic Research - University of Florida, Gainesville. Figures for years subsequent to year 2010 are unavailable.

**% POPULATION BY AGE GROUP \***

<u>Year</u>	<u>Marion County</u>	<u>State of Florida</u>
0-14	18.0	19.2
15-44	33.9	40.7
45-64	23.2	21.7
65 +	24.9	18.4

Source: 1998 Florida Statistical Abstract, Bureau of Business and Economic Research, University of Florida.

\* Figures are not maintained for individual cities within Marion County.

- (1) On April 1, 1998, Ocala ranked 41st in population size among Florida cities; Marion County ranked 17th in population among Florida counties; and Marion County ranked 30th in population density among Florida counties.

**CITY OF OCALA, FLORIDA**  
**LIST OF TEN LARGEST TAXPAYERS**  
**1999 TAX ROLL**

	<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>	<u>City Tax Bill (1) (2)</u>
1.	Sprint-Florida, Inc.	Telephone Communications	\$ 44,225,838	2.50%	\$ 234,126
2.	K-Mart Corporation	Distribution Center	34,666,168	1.96%	183,555
3.	Columbia Ocala Regional Medical Center	General Hospital Care	28,094,639	1.58%	147,968
4.	Paddock Mall Associates	Regional Shopping Center	26,397,558	1.49%	139,539
5.	Clairson Inter- national	Manufacturing	22,488,244	1.27%	118,936
6.	Paddock Park Apartments	Apartment Complex	14,427,029	0.81%	75,857
7.	C.C. Ocala Joint Venture	Local Shopping Center	11,818,728	0.67%	62,746
8.	Cray Lumber Co. (Tuscany Apts)	Apartment Complex	10,996,320	0.62%	58,063
9.	Kimco of Ocala	Local Shopping Center	8,039,535	0.45%	42,143
10.	LC Realty (Lowe's)	Home Improvement Store	<u>7,584,615</u>	<u>0.43%</u>	<u>40,270</u>
	Total Adjusted Value		208,738,674	11.78%	1,103,203
	Other Taxpayers		<u>1,562,947,784</u>	<u>88.22%</u>	<u>8,261,845</u>
	Total Assessed Value		<u>\$ 1,771,686,458</u>	<u>100.00%</u>	<u>\$ 9,365,048</u>

- (1) City of Ocala taxpayers pay City, County, School Board and certain water district levies. The City levy only is shown here.
- (2) Excludes property tax levies of the Downtown Development Commission.

**CITY OF OCALA, FLORIDA**  
**SCHEDULE OF INSURANCE IN FORCE**

**September 30, 1999**

<u>Company</u>	<u>Policy #</u>	<u>Type of Coverage</u>	<u>Deductible Self Retention</u>	<u>Limit of Coverage</u>
City of Ocala	Self-Insured	Workers' Compensation	-	Statutory
U.S. Fidelity and Guaranty Co.	30030690-800	Workers' Compensation excess	\$250,000	Statutory
American International Group	10171	Police and Firefighters accidental death and dismemberment	-	\$ 25,000
American International Group	10171	Fresh Pursuit/Emergency Response	-	\$ 25,000
American International Group	10171	Police and Firefighters intentional death and dismemberment	-	\$ 75,000
Shenandoah Life	07-0009629	Employee Life, AD and D	-	Various as specified in policy
City of Ocala	Self-Insured	Disability Income Replacement	-	60% of income
U.S. Fidelity and Guaranty Co.	SPP 300000- 701	All risk property	\$100,000	As specified in policy
Great American Insurance Co.	GHK-004798-3	Airport Liability	-	\$5,000,000 per occurrence
Coregis	10170	General Liability	\$100,000 per person \$200,000 per occurrence	\$1,000,000 per occurrence
Coregis	10170	Public Officials, EMT, Employer Practices Liability	\$100,000 per person \$200,000 per occurrence	\$1,000,000 per occurrence
Coregis	10170	Fire legal	\$100,000 per occurrence	\$1,000,000
Coregis	10170	Law Enforcement Liability	\$100,000 per claim	\$1,100,000 per person \$1,200,000 per occurrence
City of Ocala	Self-Insured	Auto Liability	-	-

Continued



**CITY OF OCALA, FLORIDA**

**SCHEDULE OF INSURANCE IN FORCE - CONTINUED**

**September 30, 1999**

<u>Company</u>	<u>Policy #</u>	<u>Type of Coverage</u>	<u>Deductible Self Retention</u>	<u>Limit of Coverage</u>
City of Ocala	Self-Insured	Auto Physical Damage	-	Actual cash value
Coregis	651-000641-4	Auto Physical Damage, High Cost Vehicles	\$ 3,000	Actual cash value
Coregis	651-000641-4	Leased Autos	\$250 collision \$500 compensation	\$100/300/100
Blue Cross/Blue Shield of Florida	15920	Employee Health Coverage	Fully insured	Various as specified in policy
City of Ocala	Self-Insured	Dental	Fully self-insured	\$1,000 per person
City of Ocala	Self-Insured	Blanket Honesty Bond	Fully self-insured	-
Interstate Fire & Casualty	LQA2002626	Legal Liquor Liability	-	\$300,000
Fidelity and Deposit Company of Maryland		Bond, Over-weight charge (landfill)	-	\$ 10,000
<b><u>Surety Bonds Required by Ordinance</u></b>			<b><u>Amount</u></b>	
City Manager Coregis			\$ 95,000	
Finance Director Coregis			\$95,000	

**CITY OF OCALA, FLORIDA**

**PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS**

**LAST TEN FISCAL YEARS**

	<b>Commercial Construction (1)</b>		<b>Residential Construction (1)</b>		<b>Bank Deposits (in thousands)</b>	
	<b>Number of Units</b>	<b>Value</b>	<b>Number of Units</b>	<b>Value</b>	<b>Bank (2) (4)</b>	<b>Savings and Loan Association (3) (4)</b>
1990	179	\$ 42,657,459	204	\$ 11,441,739	\$ 1,330,496	\$ 768,062
1991	70	30,114,989	83	5,716,862	1,409,328	800,513
1992	65	24,020,610	68	5,366,231	1,418,489	723,894
1993	35	9,475,119	96	8,105,884	1,422,021	711,342
1994	70	38,309,231	112	10,159,393	2,074,371	85,726
1995	72	32,579,580	119	8,439,036	2,134,528	119,237
1996	51	14,222,885	122	9,314,269	2,332,913	-
1997	55	32,731,058	118	10,547,982	2,391,266	-
1998	61	21,826,358	208	30,564,248	2,520,364	-
1999	79	39,962,937	212	19,190,387	2,541,736	409

- (1) Obtained from records maintained by the City of Ocala Building, Zoning and Licensing Department.
- (2) Obtained by the Florida Bankers Association for 1989 through 1992, 1997 and 1998; Barnett Bank for 1993 through 1996; FDIC web site for 1999. Figures shown are for Marion County and represent total bank deposits at September 30 for the years 1990 through 1998; June 30 for 1999.
- (3) Obtained by the Federal Home Loan Bank for the years 1990 and 1991, the U.S. Savings and Loan League for 1992, Barnett Bank for 1993 through 1996, and the Florida Bankers Association for 1997 and 1998, FDIC web site for 1999. Figures shown are for Marion County and represent total savings and loan association deposits at June 30 for 1992 and 1999, and at September 30 for 1990 and 1991, and 1993 through 1998.
- (4) The swing in deposits from savings and loan associations to banks represents the purchase/merger of Mid-State Federal Savings and Loan Association by AmSouth Bank and of California Federal Savings and Loan Association by NationsBank during fiscal year 1994, and purchase/merger of Citizens Savings and Loan Association by NationsBank during fiscal year 1996.

**CITY OF OCALA, FLORIDA**

**SUMMARY OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**ALL BONDED DEBT**

**1999-2023**

<b>Fiscal Year</b>	<b>Capital Improvement Revenue and Refunding Revenue Certificates</b>	<b>Water and Sewer Revenue and Refunding Revenue Bonds</b>	<b>Utility Systems Subordinate Refunding Revenue Bonds Series 1992A</b>	<b>Utility Systems Subordinate Refunding Revenue Bonds Series 1992B</b>	<b>Optional Gas Tax Refunding Revenue Bonds</b>	<b>Total Principal and Interest Due</b>
2000	\$ 1,668,418	\$ 1,334,945	\$ 4,199,280	\$ 629,720	\$ 1,303,395	\$ 9,135,758
2001	1,667,338	1,338,613	4,194,890	629,720	1,296,018	9,126,579
2002	1,664,895	1,328,812	4,192,903	629,720	1,300,565	9,116,895
2003	1,665,982	1,335,330	4,188,455	2,390,270	1,296,265	10,876,302
2004	1,665,407	1,330,035	4,176,202	2,382,260	1,298,245	10,852,149
2005	1,662,867	1,328,080	4,180,931	2,381,225	1,296,887	10,849,990
2006	1,668,072	1,334,015	4,168,888	2,376,094	1,291,988	10,839,057
2007	1,661,227	1,327,840	4,167,450	2,366,719	1,292,812	10,816,048
2008	1,662,267	1,324,705	4,161,750	-	1,288,800	8,437,522
2009	1,660,892	1,324,310	4,153,437	-	1,285,250	8,423,889
2010	1,662,244	1,321,505	4,154,400	-	1,287,500	8,425,649
2011	1,660,247	1,326,010	4,143,988	-	-	7,130,245
2012	1,659,702	1,324,711	4,140,625	-	-	7,125,038
2013	2,041,394	1,322,837	4,138,750	-	-	7,502,981
2014	2,034,863	1,323,338	4,124,375	-	-	7,482,576
2015	2,036,494	1,316,224	4,121,719	-	-	7,474,437
2016	2,036,119	1,316,363	4,114,687	-	-	7,467,169
2017	2,031,994	1,099,525	-	-	-	3,131,519
2018	2,028,994	1,095,987	-	-	-	3,124,981
2019	2,031,744	1,094,838	-	-	-	3,126,582
2020	1,019,284	1,090,937	-	-	-	2,110,221
2021	1,017,656	1,089,150	-	-	-	2,106,806
2022	1,018,475	-	-	-	-	1,018,475
2023	1,016,606	-	-	-	-	1,016,606
<b>Total</b>	<b>\$ 39,943,181</b>	<b>\$ 28,028,110</b>	<b>\$ 70,722,730</b>	<b>\$ 13,785,728</b>	<b>\$ 14,237,725</b>	<b>\$ 166,717,474</b>

**CITY OF OCALA, FLORIDA**

**STATEMENT OF BONDED DEBT AND INTEREST - CONTINUED**

**CAPITAL IMPROVEMENT REFUNDING REVENUE CERTIFICATES, SERIES 1993**

**September 30, 1999**

The Capital Improvement Refunding Revenue Certificates, Series 1993, dated December 14, 1993, bear interest at 3.90-5.25%, payable semi-annually on April 1 and October 1. The certificates, which are fully registered and were issued in denominations of \$5,000 or any integral multiple thereof, consist of \$6,045,000 of serial certificates and \$12,320,000 of term certificates. The principal of and premium, if any, are payable upon presentation and surrender to the paying agent, The Bank of New York, as successor to NationsBank of Georgia, National Association, Atlanta, Georgia.

The Series 1993 Certificates and the interest thereon are payable solely from and secured by a lien upon and pledge of sales tax revenues, franchise fees, occupational license taxes, the guaranteed entitlement portion of state revenue sharing funds, mobile home licenses and court fines and forfeitures. The Series 1993 Certificates are payable on a parity with the City's outstanding Capital Improvement Revenue Refunding Certificates, Series 1988.

Proceeds received from the sale of the Series 1993 Certificates, were used primarily to refund the City's Capital Improvement Refunding Revenue Bonds, Series 1986, and to finance the costs of acquisition and construction of certain capital improvements in the City.

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due 10-1</u>	<u>Interest Due 10-1</u>	<u>Interest Due 4-1</u>	<u>Total</u>
2000	3.90%	\$ 440,000	\$ 449,031	\$ 440,451	\$ 1,329,482
2001	4.00%	460,000	440,451	431,251	1,331,702
2002	4.10%	475,000	431,251	421,514	1,327,765
2003	4.20%	500,000	421,514	411,014	1,332,528
2004	4.30%	520,000	411,014	399,834	1,330,848
2005	4.50%	540,000	399,834	387,684	1,327,518
2006	4.60%	570,000	387,684	374,574	1,332,258
2007	4.70%	590,000	374,574	360,709	1,325,283
2008	4.80%	620,000	360,709	345,829	1,326,538
2009	4.90%	650,000	345,829	329,904	1,325,733
2010	4.90%	680,000	329,904	313,244	1,323,148
2011	5.25%	715,000	313,244	294,475	1,322,719
2012	5.25%	755,000	294,475	274,656	1,324,131
2013	5.25%	1,330,000	274,656	239,744	1,844,400
2014	5.25%	1,395,000	239,744	203,125	1,837,869
2015	5.00%	1,470,000	203,125	166,375	1,839,500
2016	5.00%	1,545,000	166,375	127,750	1,839,125
2017	5.00%	1,620,000	127,750	87,250	1,835,000
2018	5.00%	1,700,000	87,250	44,750	1,832,000
2019	5.00%	1,790,000	44,750	-	1,834,750
Total		<u>\$18,365,000</u>	<u>\$ 6,103,164</u>	<u>\$ 5,654,133</u>	<u>\$30,122,297</u>

Continued

**CITY OF OCALA, FLORIDA**

**STATEMENT OF BONDED DEBT AND INTEREST - CONTINUED**

**CAPITAL IMPROVEMENT REVENUE CERTIFICATES, SERIES 1995**

**September 30, 1999**

In October, 1995, the \$5,000,000 Capital Improvement Revenue Certificates, Series 1995 were sold. This issue consists of \$1,335,000 in serial certificates maturing on October 1, 1999 through 2011 and of \$3,665,000 in term certificates maturing on October 1, 2022. The schedule below shows the actual maturities for the serial certificates and the debt service requirements for the term certificates. The certificates are fully registered and were issued in denominations of \$5,000 or any integral multiple thereof. The paying agent and registrar is The Bank of New York.

The Series 1995 Certificates and the interest thereon are payable solely from and secured by a lien upon and pledge of sales tax revenues, franchise fees, occupational license taxes, the guaranteed entitlement portion of state revenue sharing funds, mobile home licenses and court fines and forfeitures. The Series 1995 Certificates are payable on a parity with the City's outstanding Capital Improvement Revenue Refunding Certificates, Series 1988, and Capital Improvement Refunding Revenue Certificates, Series 1993.

Proceeds received from the sale of the Series 1995 Certificates are being used primarily to finance the costs of acquisition and construction of certain capital improvements in the City.

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due 10-1</u>	<u>Interest Due 10-1</u>	<u>Interest Due 4-1</u>	<u>Total</u>
2000	4.000%	\$ 80,000	\$ 130,268	\$ 128,668	\$ 338,936
2001	4.250%	80,000	128,668	126,968	335,636
2002	4.250%	85,000	126,968	125,162	337,130
2003	4.400%	85,000	125,162	123,292	333,454
2004	4.500%	90,000	123,292	121,267	334,559
2005	4.600%	95,000	121,267	119,082	335,349
2006	4.700%	100,000	119,082	116,732	335,814
2007	4.800%	105,000	116,732	114,212	335,944
2008	4.900%	110,000	114,212	111,517	335,729
2009	5.000%	115,000	111,517	108,642	335,159
2010	5.100%	125,000	108,642	105,454	339,096
2011	5.200%	130,000	105,454	102,074	337,528
2012	5.300%	135,000	102,074	98,497	335,571
2013	-	-	98,497	98,497	196,994
2014	-	-	98,497	98,497	196,994
2015	-	-	98,497	98,497	196,994
2016	-	-	98,497	98,497	196,994
2017	-	-	98,497	98,497	196,994
2018	-	-	98,497	98,497	196,994
2019	-	-	98,497	98,497	196,994
2020	5.375%	845,000	98,497	75,787	1,019,284
2021	5.375%	890,000	75,787	51,869	1,017,656
2022	5.375%	940,000	51,869	26,606	1,018,475
2023	5.375%	990,000	26,606	-	1,016,606
Total		<u>\$ 5,000,000</u>	<u>\$ 2,475,576</u>	<u>\$ 2,345,308</u>	<u>\$ 9,820,884</u>

Continued

**CITY OF OCALA, FLORIDA**

**STATEMENT OF BONDED DEBT AND INTEREST - CONTINUED**

**OPTIONAL GAS TAX REFUNDING REVENUE BONDS, SERIES 1992**

**September 30, 1999**

The Optional Gas Tax Refunding Revenue Bonds, Series 1992, dated December 10, 1992, bear interest at 2.75-6.0%, payable semi-annually on June 1 and December 1. The bonds, which are fully registered and were issued in denominations of \$5,000 or any integral multiple thereof, consists of \$11,915,000 of serial bonds and \$2,425,000 of term bonds. As of September 30, 1999, \$3,815,000 of these bonds have been retired. The principal of and premium, if any, are payable upon presentation and surrender to the paying agent, The Bank of New York, as successor to NationsBank of Georgia, National Association, Atlanta, Georgia.

The Series 1992 Bonds and the interest thereon are payable solely from and secured by a lien and pledge of the proceeds of the six cent optional gas tax received by the City.

Proceeds received from the sale of the Series 1992 Bonds were used primarily to refund the City's Optional Gas Tax Revenue Bonds, Series 1989.

<b>Fiscal Year</b>	<b>Interest Rate</b>	<b>Principal Due 12-1</b>	<b>Interest Due 12-1</b>	<b>Interest Due 6-1</b>	<b>Total</b>
2000	5.000%	\$ 725,000	\$ 298,260	\$ 280,135	\$ 1,303,395
2001	5.100%	755,000	280,135	260,883	1,296,018
2002	5.300%	800,000	260,882	239,683	1,300,565
2003	5.500%	840,000	239,682	216,583	1,296,265
2004	5.600%	890,000	216,582	191,663	1,298,245
2005	5.625%	940,000	191,662	165,225	1,296,887
2006	5.750%	990,000	165,225	136,763	1,291,988
2007	5.850%	1,050,000	136,762	106,050	1,292,812
2008	6.000%	1,110,000	106,050	72,750	1,288,800
2009	6.000%	1,175,000	72,750	37,500	1,285,250
2010	6.000%	1,250,000	37,500	-	1,287,500
Total		<u>\$10,525,000</u>	<u>\$ 2,005,490</u>	<u>\$ 1,707,235</u>	<u>\$14,237,725</u>

Continued

**CITY OF OCALA, FLORIDA**

**STATEMENT OF BONDED DEBT AND INTEREST - CONTINUED**

**UTILITY SYSTEMS SUBORDINATE REFUNDING REVENUE BONDS, SERIES 1992A**

**September 30, 1999**

The Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A, dated March 15, 1992, bear interest at 3.25-6.50%, payable semi-annually on April 1 and October 1. The bonds are fully registered and were issued in denominations of \$5,000 or any integral multiple thereof. As of September 30, 1999, \$8,395,000 of the total issue of \$51,880,000 have been retired. The principal of and premium, if any, are payable upon presentation and surrender to the paying agent, The Bank of New York, as successor to Nations Bank of Georgia, National Association, Atlanta, Georgia.

The Series 1992A Bonds and the interest are payable solely from and secured by a lien on the surplus revenues of the City's Water and Sewer System and Electric System.

The proceeds received from the sale of the Series 1992A Bonds were used primarily to refund the City's Water and Sewer Revenue Bonds, Series 1985A and the Water and Sewer Refunding Revenue Bonds, Series 1986.

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due 10-1</u>	<u>Interest Due 10-1</u>	<u>Interest Due 4-1</u>	<u>Total</u>
2000	5.600%	\$ 1,525,000	\$ 1,358,490	\$ 1,315,790	\$ 4,199,280
2001	5.800%	1,610,000	1,315,790	1,269,100	4,194,890
2002	5.900%	1,705,000	1,269,100	1,218,803	4,192,903
2003	6.000%	1,805,000	1,218,802	1,164,653	4,188,455
2004	6.100%	1,905,000	1,164,652	1,106,550	4,176,202
2005	6.125%	2,030,000	1,106,550	1,044,381	4,180,931
2006	6.500%	2,150,000	1,044,382	974,506	4,168,888
2007	6.250%	2,290,000	974,506	902,944	4,167,450
2008	6.500%	2,435,000	902,944	823,806	4,161,750
2009	6.500%	2,590,000	823,806	739,631	4,153,437
2010	6.500%	2,765,000	739,631	649,769	4,154,400
2011	6.500%	2,940,000	649,769	554,219	4,143,988
2012	6.250%	3,130,000	554,219	456,406	4,140,625
2013	6.250%	3,330,000	456,406	352,344	4,138,750
2014	6.250%	3,530,000	352,344	242,031	4,124,375
2015	6.250%	3,755,000	242,032	124,687	4,121,719
2016	6.250%	3,990,000	124,687	-	4,114,687
Total		<u>\$43,485,000</u>	<u>\$ 14,298,110</u>	<u>\$12,939,620</u>	<u>\$70,722,730</u>

Continued

CITY OF OCALA, FLORIDA

STATEMENT OF BONDED DEBT AND INTEREST - CONTINUED

UTILITY SYSTEMS SUBORDINATE REFUNDING REVENUE BONDS, SERIES 1992B

September 30, 1999

The Utility Systems Subordinate Refunding Revenue Bonds, Series 1992B, dated March 15, 1992, bear interest at 3.25-6.25%, payable semi-annually on April 1 and October 1. The bonds are fully registered and were issued in denominations of \$5,000 or any integral multiple thereof. As of September 30, 1999, \$18,200,000 of the total issue of \$28,435,000 have been retired. The principal of and premium, if any, are payable upon presentation and surrender to the paying agent, The Bank of New York, as successor to Nations Bank of Georgia, National Association, Atlanta, Georgia.

The Series 1992B Bonds and the interest are payable solely from and secured by a lien on the surplus revenues of the City's Water and Sewer System and Electric System.

Proceeds received from the sale of the Series 1992B Bonds were used primarily to refund the City's Electric System Revenue Bonds, Series 1989A.

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due 10-1</u>	<u>Interest Due 10-1</u>	<u>Interest Due 4-1</u>	<u>Total</u>
2000	-	\$ -	\$ 314,860	\$ 314,860	\$ 629,720
2001	-	-	314,860	314,860	629,720
2002	-	-	314,860	314,860	629,720
2003	6.000%	1,815,000	314,860	260,410	2,390,270
2004	6.100%	1,920,000	260,410	201,850	2,382,260
2005	6.125%	2,040,000	201,850	139,375	2,381,225
2006	6.250%	2,165,000	139,375	71,719	2,376,094
2007	6.250%	<u>2,295,000</u>	<u>71,719</u>	<u>-</u>	<u>2,366,719</u>
Total		<u>\$10,235,000</u>	<u>\$ 1,932,794</u>	<u>\$ 1,617,934</u>	<u>\$13,785,728</u>

Continued



## CITY OF OCALA, FLORIDA

**STATEMENT OF BONDED DEBT AND INTEREST - CONTINUED****WATER AND SEWER REVENUE BONDS, SERIES 1995****September 30, 1999**

In October, 1995, the \$5,000,000 Water and Sewer Revenue Bonds, Series 1995 were sold. This issue consists of \$155,000 in serial bonds maturing on October 1, 1997 through 2011 and of \$4,845,000 in term bonds maturing on October 1, 2020. As of September 30, 1999, \$15,000 of these bonds have been retired. The schedule below shows the actual maturities for the serial bonds and the debt service requirements for the term bonds. The bonds are fully registered and were issued in denominations of \$5,000 or any integral multiple thereof. The paying agent and registrar is The Bank of New York.

The Series 1995 Bonds and the interest thereon are payable solely from and secured by a lien upon the net revenues derived from the operation of the water and sewer system on a parity with the Water and Sewer Refunding Revenue Bonds, Series 1996.

The proceeds of this issue are being used primarily to finance the cost of acquisition and construction of additions, improvements and extensions to the City's water and sewer system.

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due 10-1</u>	<u>Interest Due 10-1</u>	<u>Interest Due 4-1</u>	<u>Total</u>
2000	4.00%	\$ 10,000	\$ 136,550	\$ 136,350	\$ 282,900
2001	4.25%	10,000	136,350	136,138	282,488
2002	4.25%	10,000	136,137	135,925	282,062
2003	4.40%	10,000	135,925	135,705	281,630
2004	4.50%	10,000	135,705	135,480	281,185
2005	4.60%	10,000	135,480	135,250	280,730
2006	4.70%	10,000	135,250	135,015	280,265
2007	4.80%	10,000	135,015	134,775	279,790
2008	4.90%	10,000	134,775	134,530	279,305
2009	5.00%	10,000	134,530	134,280	278,810
2010	5.10%	10,000	134,280	134,025	278,305
2011	5.20%	15,000	134,025	133,635	282,660
2012	5.30%	15,000	133,635	133,238	281,873
2013	5.50%	15,000	133,237	132,825	281,062
2014	5.50%	15,000	132,825	132,413	280,238
2015	5.50%	15,000	132,412	132,000	279,412
2016	5.50%	15,000	132,000	131,588	278,588
2017	5.50%	860,000	131,587	107,938	1,099,525
2018	5.50%	905,000	107,937	83,050	1,095,987
2019	5.50%	955,000	83,050	56,788	1,094,838
2020	5.50%	1,005,000	56,787	29,150	1,090,937
2021	5.50%	1,060,000	29,150	-	1,089,150
Total		<u>\$ 4,985,000</u>	<u>\$ 2,696,642</u>	<u>\$ 2,560,098</u>	<u>\$ 10,241,740</u>

Continued

**CITY OF OCALA, FLORIDA**

**STATEMENT OF BONDED DEBT AND INTEREST - CONTINUED**

**WATER AND SEWER REFUNDING REVENUE BONDS, SERIES 1996**

**September 30, 1999**

In July, 1996, the \$12,170,000 Water and Sewer Refunding Revenue Bonds, Series 1996 were sold. This issue consists of \$1,620,000 in serial bonds maturing on October 1, 1997 through 2000 and of \$10,550,000 in term bonds maturing on October 1, 2005, 2010 and 2015. As of September 30, 1999, \$775,000 of these bonds have been retired. The schedule below shows the actual maturities for the serial bonds and the debt service requirements for the term bonds. The bonds are fully registered and were issued in denominations of \$5,000 or any integral multiple thereof. The paying agent and registrar is The Bank of New York.

The Series 1996 Bonds and the interest thereon are payable solely from and secured by a lien upon the net revenues derived from the operation of the water and sewer system on a parity with the Water and Sewer Revenue Bonds, Series 1995.

The proceeds of this issue are being used primarily for the forward refunding of the City's outstanding Water and Sewer Refunding Revenue Bonds, Series 1988.

<b><u>Fiscal Year</u></b>	<b><u>Interest Rate</u></b>	<b><u>Principal Due 10-1</u></b>	<b><u>Interest Due 10-1</u></b>	<b><u>Interest Due 4-1</u></b>	<b><u>Total</u></b>
2000	4.90%	\$ 410,000	\$ 326,045	\$ 316,000	\$ 1,052,045
2001	5.00%	435,000	316,000	305,125	1,056,125
2002	6.00%	450,000	305,125	291,625	1,046,750
2003	6.00%	485,000	291,625	277,075	1,053,700
2004	6.00%	510,000	277,075	261,775	1,048,850
2005	6.00%	540,000	261,775	245,575	1,047,350
2006	6.00%	580,000	245,575	228,175	1,053,750
2007	6.00%	610,000	228,175	209,875	1,048,050
2008	6.00%	645,000	209,875	190,525	1,045,400
2009	6.00%	685,000	190,525	169,975	1,045,500
2010	6.00%	725,000	169,975	148,225	1,043,200
2011	6.00%	770,000	148,225	125,125	1,043,350
2012	5.50%	815,000	125,125	102,713	1,042,838
2013	5.50%	860,000	102,712	79,063	1,041,775
2014	5.50%	910,000	79,062	54,038	1,043,100
2015	5.50%	955,000	54,037	27,775	1,036,812
2016	5.50%	1,010,000	27,775	-	1,037,775
<b>Total</b>		<b><u>\$11,395,000</u></b>	<b><u>\$ 3,358,706</u></b>	<b><u>\$ 3,032,664</u></b>	<b><u>\$17,786,370</u></b>

**CITY OF OCALA, FLORIDA**

**ANALYSIS OF SEWERAGE SYSTEM CAPITAL IMPROVEMENT FUND**  
**ESTABLISHED FOR FLORIDA DEPARTMENT OF ENVIRONMENTAL**  
**REGULATION GRANT #621080**

The City received grant number 621080 from the State of Florida Department of Environmental Regulation for a portion of the construction of Sewer Treatment Plant #1. One of the requirements of this grant is that the City provide for a sewerage system capital improvement account to accumulate the equivalent future value of the grant amount adjusted for inflationary cost increases upon completion of the grant-related project. In December, 1985, the City adopted ordinance #1810 which addresses this subject in section 5. The amount to be accumulated by the City is \$6,020,462.40. Grant condition number 23 requires annual certification that the sewerage system capital improvement account is maintained in accordance with Section 17-501.610 of the Florida Administrative Code.

The construction of the grant-related project, Sewer Treatment Plant #1, was completed during fiscal year 1988. Since prepayments to the capital improvement fund are allowed, the City started making deposits in fiscal year 1986. The following schedule shows all activity in the sewerage system capital improvement fund since its inception:

<u>Fiscal Year</u>	<u>Deposits</u>	<u>Investment Income</u>	<u>Balance September 30,</u>
1987	\$ 301,023.12	\$ 18,714.00	\$ 620,760.24
1988	301,023.12	50,909.96	972,693.32
1989	301,023.12	91,647.90	1,365,364.34
1990	301,023.12	125,170.01	1,791,557.47
1991	301,023.12	142,728.85	2,235,309.44
1992	301,023.12	111,185.27	2,647,517.83
1993	301,023.00	116,575.01	3,065,115.84
1994	301,023.00	133,077.65	3,499,216.49
1995	301,023.00	178,917.78	3,979,157.27
1996	301,023.00	232,147.37	4,512,327.64
1997	301,023.00	278,526.52	5,091,877.16
1998	301,023.00	412,080.84	5,804,981.00
1999	301,023.00	191,600.02	6,297,604.02