

City of Ocala, Florida

COMPREHENSIVE ANNUAL FINANCIAL REPORT

*FOR THE YEAR ENDED
SEPTEMBER 30, 2001*

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF OCALA, FLORIDA

SEPTEMBER 30, 2001

Prepared By:

**Department of Finance and
Administrative Services**

CITY OF OCALA, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2001

CITY COUNCIL

E.L. Foster, Mayor
Gerald K. Ergle, President
Michael S. Amsden
Michael A. Finn
R. Kent Guinn
Mary S. Rich

CITY OFFICIALS

City Manager	Susan M. Miller
Assistant City Manager	Paul K. Nugent
Assistant City Manager	Bill J. Looney
Airport Director	Gary P. Quill
Building, Zoning and Licensing Director	Jacques Skutt
City Attorney	Patrick G. Gilligan
City Clerk	Valerie J. Forster
City Engineer	Bruce H. Phillips
Community Programs Director	William L. Patten
Electric Utility Director	Dean G. Shaw
Finance and Administrative Services Director	Donald A. Corley
Fire Chief	William C. Vola
Fleet Management Director	Glenn A. Stephens
Human Resources Director	Sandra R. Wilson
Internal Auditor	Eric J. Lewerenz
M.I.S. Director	Lynne M. Ciaraldi
Planning Director	Tye L. Chighizola
Police Chief	Morrell Deen
Public Works Director	Daryl J. Poole
Purchasing Director	James W. Crosby
Recreation and Parks Director	David J. Pritchard
Risk Manager	James A. Dalke
Water and Sewer Director	Henry K. Hicks

INTRODUCTORY SECTION

This Section contains the following Subsections:

Table of Contents

Letter of Transmittal

Certificate of Achievement
for Excellence in Financial Reporting

City of Ocala Organization Charts

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
CITY OF OCALA, FLORIDA
SEPTEMBER 30, 2001**

Table of Contents

Introductory Section

Letter of Transmittal	i-xxii
Certificate of Achievement For Excellence in Financial Reporting	xxiii
City of Ocala Organization Chart	xxiv

Financial Section

Independent Auditors' Report	1-2
---	------------

General-Purpose Financial Statements (Combined Statements - Overview)

Combined Balance Sheet - All Fund Types and Account Groups	3-6
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental and Expendable Trust Fund Types	7-8
Combined Statement of Revenues and Expenditures - Budget and Actual - General, Special Revenue, Capital Projects and Expendable Trust Fund Types	9-12
Combined Statement of Revenues, Expenses and Changes in Retained Earnings - All Proprietary Fund Types	13
Combined Statement of Changes in Plan Net Assets - All Pension Trust Funds	14
Combined Statement of Cash Flows - All Proprietary Fund Types	15-16
Notes to Financial Statements	17-55

Required Supplementary Information

Historical Trend Information For Pension Trust Funds - Schedule of Funding Progress	56-57
Historical Trend Information For Pension Trust Funds - Schedule of Contributions From Employer and Other Contributing Entities	58-59

Individual Fund and Combining Statements - By Fund Type

Special Revenue Funds

Combining Balance Sheet	60-61
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	62-63
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	64-67

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
CITY OF OCALA, FLORIDA
SEPTEMBER 30, 2001**

**Table of Contents
(Continued)**

Financial Section (Continued)

Individual Fund and Combining Statements - By Fund Type (Continued)

Special Revenue Funds (Concluded)

Schedules of Revenues Expenditures and Changes in Fund Balance-

Budget and Actual:

Occupational License Fund	68
Parking/Parks Enforcement Fund	69
Downtown Development Fund	70
Local Gasoline Tax Fund	71
Stormwater Utility Fund	72
SHIP Local Housing Assistance Fund	73

Debt Service Funds

Combining Balance Sheet	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	75

Capital Projects Funds

Combining Balance Sheet	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	77
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	78-79
Schedules of Revenues Expenditures and Changes in Fund Balance - Budget and Actual:	
Optional Gas Tax Construction Fund	80
Capital Improvement Fund	81
1995 Capital Improvement Fund	82

Enterprise Funds

Combining Balance Sheet	83-86
Combining Statement of Revenues, Expenses and Changes in Retained Earnings	87-88
Combining Statement of Cash Flows	89-92

Internal Service Funds

Combining Balance Sheet	93
Combining Statement of Revenues, Expenses and Changes in Retained Earnings	94
Combining Statement of Cash Flows	95

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
CITY OF OCALA, FLORIDA
SEPTEMBER 30, 2001**

**Table of Contents
(Continued)**

Financial Section (Concluded)

Individual Fund and Combining Statements - By Fund Type (Concluded)

Trust and Agency Funds

Combining Balance Sheet	96-97
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Expendable Trust Funds	98
Combining Statements of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Expendable Trust Funds	99
Combining Statement of Plan Net Assets - Pension Trust Funds	100
Combining Statement of Changes in Plan Net Assets - Pension Trust Funds	101
Statement of Changes in Assets and Liabilities - Agency Fund	102

General Fixed Assets Account Group

Schedule of General Fixed Assets By Source	103
Schedule of General Fixed Assets By Function and Activity	104
Schedule of Changes in General Fixed Assets By Function and Activity	105

Statistical Section

General Governmental Revenues and Other Financing Sources By Source - Last Ten Fiscal Years	106
General Governmental Expenditures and Other Uses By Function - Last Ten Fiscal Years	107
Property Tax Levies, Tax Collections and Assessed Valuations - Last Ten Fiscal Years	108
Property Tax Rates and Levies - Direct and Overlapping Governments - Last Ten Fiscal Years	109
Special Assessment Collections - Last Ten Fiscal Years	110
Computation of Legal Debt Margin	111
Schedules of Bond Coverage:	
Schedule of Electric System Revenue and Refunding Revenue Bonds Coverage - Last Ten Fiscal Years	112
Schedule of Water and Sewer Revenue and Refunding Revenue Bonds Coverage - Last Ten Fiscal Years	113
Schedule of Utility Systems Subordinate Refunding Revenue Bonds Coverages, Series 1992A and 1992B - Last Ten Fiscal Years	114
Schedule of Capital Improvement Revenue and Refunding Revenue Bonds and Capital Improvement Revenue, Revenue Refunding and Refunding Revenue Certificates - Last Ten Fiscal Years	115-117

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
CITY OF OCALA, FLORIDA
SEPTEMBER 30, 2001**

**Table of Contents
(Concluded)**

Statistical Section (Concluded)

Schedules of Bond Coverage: *(Concluded)*

Schedule of Optional Gas Tax Revenue Bonds and Optional Gas Tax Refunding Revenue Bond - Last Ten Fiscal Years	118
Computation of Direct and Overlapping General Obligation Debt	119
Miscellaneous Statistical Data	120
Demographic Statistics	121
List of Ten Largest Taxpayers - 2001 Tax Roll	122
Schedule of Insurance in Force	123-124
Property Value, Construction and Bank Deposits - Last Ten Fiscal Years	125
Summary of Debt Service Requirements to Maturity - All Bonded Debt	126
Statement of Bonded Debt and Interest:	
Capital Improvement Refunding Revenue Certificate, Series 1993	127
Capital Improvement Revenue Certificates, Series 1995	128
Optional Gas Tax Refunding Revenue Bonds, Series 1992	129
Water and Sewer Revenue Bonds, Series 1995	130
Water and Sewer Refunding Revenue Bonds, Series 1996	131
Water and Sewer Revenue Bonds, Series 2001	132
Water and Sewer Refunding Revenue Bonds, Series 2001A	133
Electric System Refunding Revenue Bonds, Series 2001	134
Analysis of Sewerage System Capital Improvement Fund Established For Florida Department of Environmental Regulation Grant No. 621080	135



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



March 27, 2002

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, 2001, is hereby submitted.

The presentation of the CAFR is controlled by and is the responsibility of the City's management. 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 2000 CAFR from the Government Finance Officer's Association 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 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:
introductory,
financial and
statistical.***

....Ocala is a dynamic community with a thriving manufacturing base, a growing regional commercial center and home to a growing 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, ten 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, electric utility service, an airport (Ocala International Airport/Jim Taylor Field), an adult athletic complex, a broadband communications network, a municipal trailer park, an emergency training facility 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.

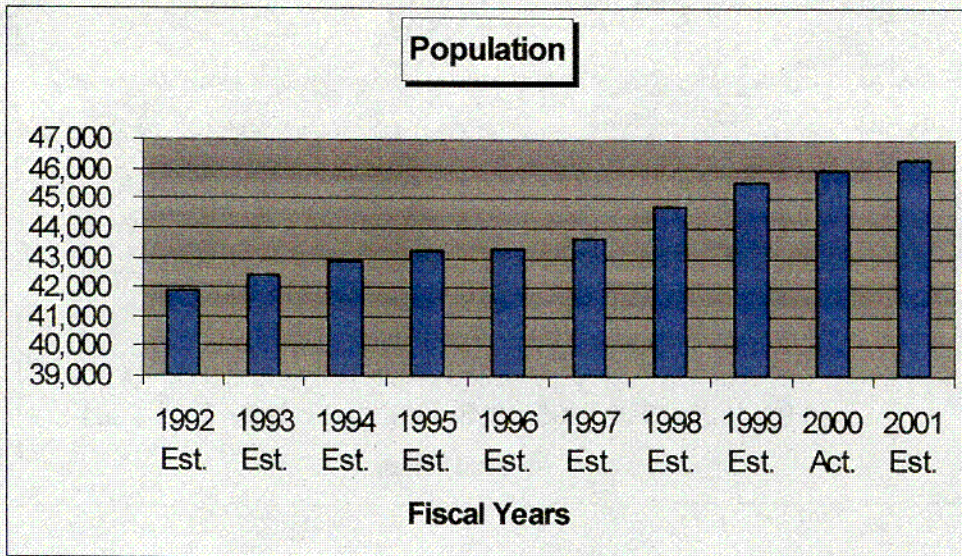
ECONOMIC CONDITION AND OUTLOOK

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 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 and Marion County to be one of the fastest growing areas in the nation:

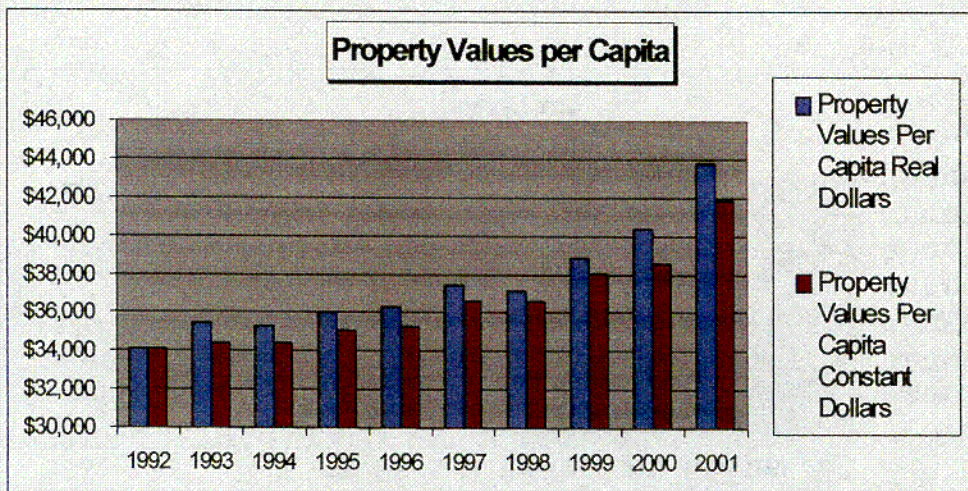
- 1995 All America Designation
- 1995 Ranked 5th Best Place to Live in America – *Money Magazine*
- 1998 Ranked 11th Most Livable Small City – *Money Magazine*
- 1999 Lowest Median Price for Residential Homes in the Nation – *National Association of Realtors*
- 1999 "Horse Capital of the World" – Florida Thoroughbred Breeders' and Owners' Association
- 1999 Ranked 36th Best Small Metro Areas in America for Starting and Growing a Business – *Inc. Magazine*
- 2000 Ranked 41st Best Small Metro Areas for Entrepreneurial Businesses – *Inc. Magazine*
- 2000 Census Report

Industries located in Ocala 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 following series of charts and graphs provide more empirical data related to the community.



The increase in population was caused, in part, by annexations totaling approximately eight square miles over the past ten years, as well as by residents who have relocated from other areas. Population growth in the last ten years was less than 1% per year.

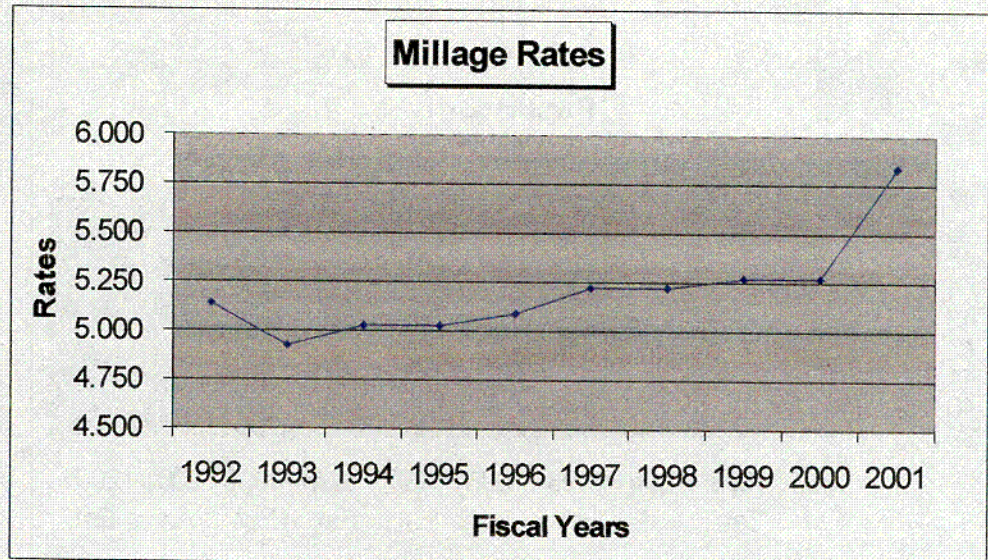
Demographic Statistics



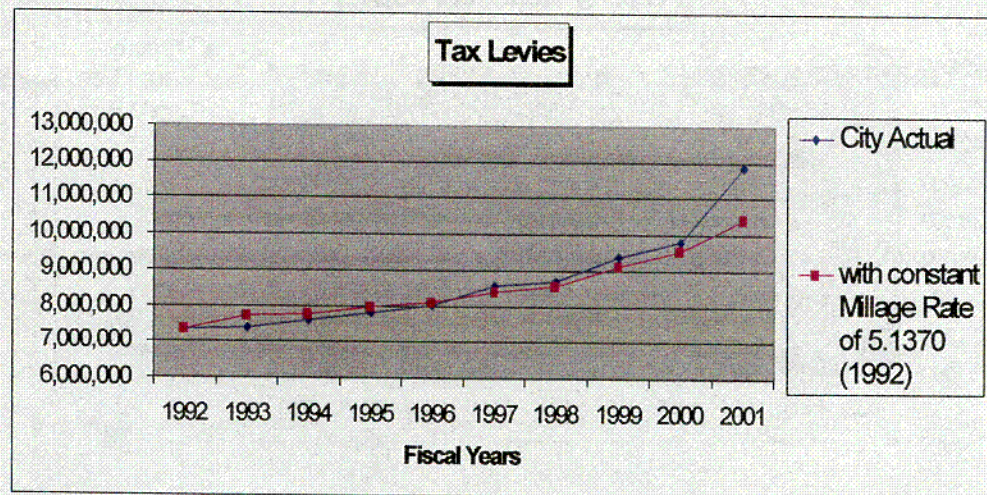
The increasing property values are due to a combination of new construction and appreciation of property values in the area, as well as City annexations.

C-01

...the rate was increased by approximately 10.6% in an effort to balance the general fund with current revenue to increase the general fund balance to a more appropriate level...

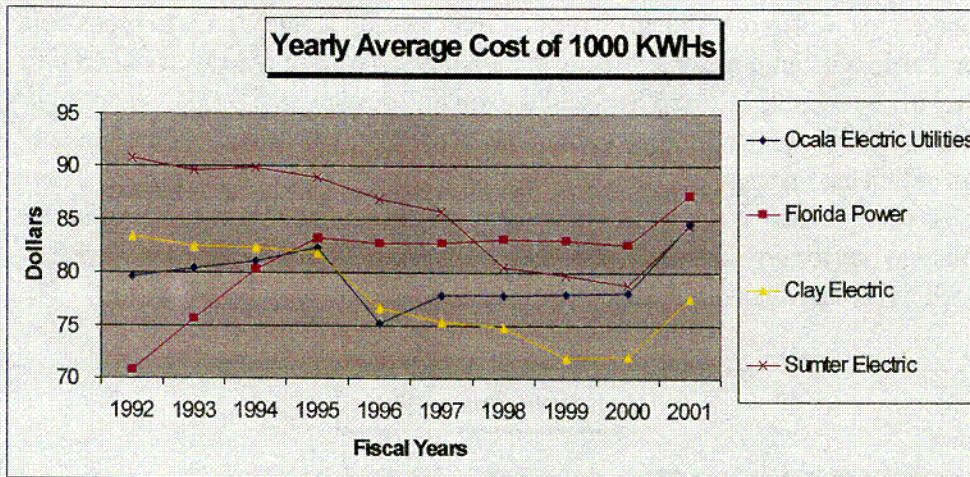


After many years of a relatively constant millage rate, the rate was increased by approximately 10.6% in an effort to balance the general fund with current revenue to increase the general fund balance to a more appropriate level and to provide necessary public safety capital and operating resources in excess of baseline budgets. 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.



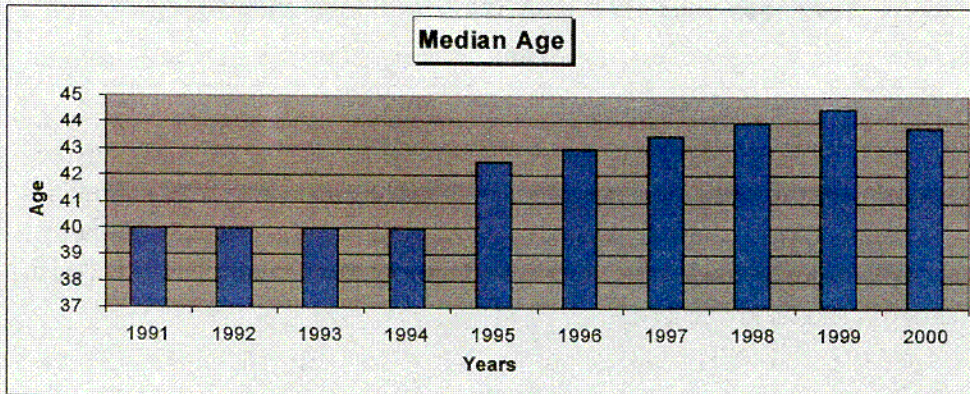
The City has experienced a steady increase in the tax levies due to a 42% increase in the assessed valuation of property within the City over the last ten years. The constant millage rate (1992) shows that the City's increase in tax levies is largely due to the increase in assessed valuation rather than an increase in the millage rate.

C-02

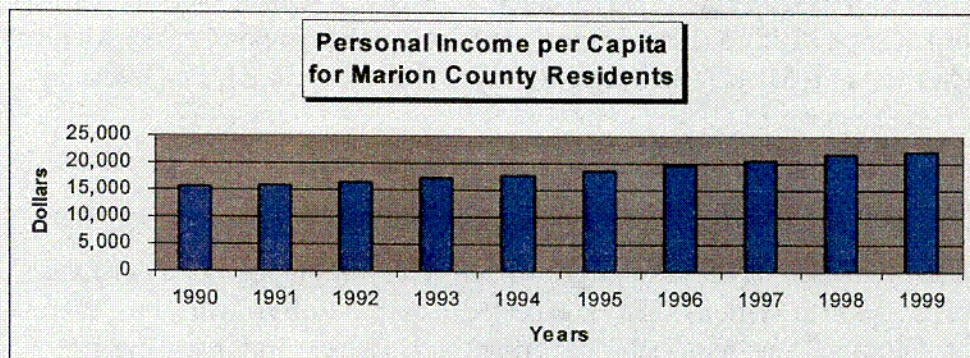


Ocala Electric Utility rates remain competitive with other local electric companies in the average cost to consumers. The current year increases reflect the recent increases in natural gas and rates have subsequently been reduced with the decline in gas prices.

Ocala Electric Utility rates remain competitive with other local electric companies....

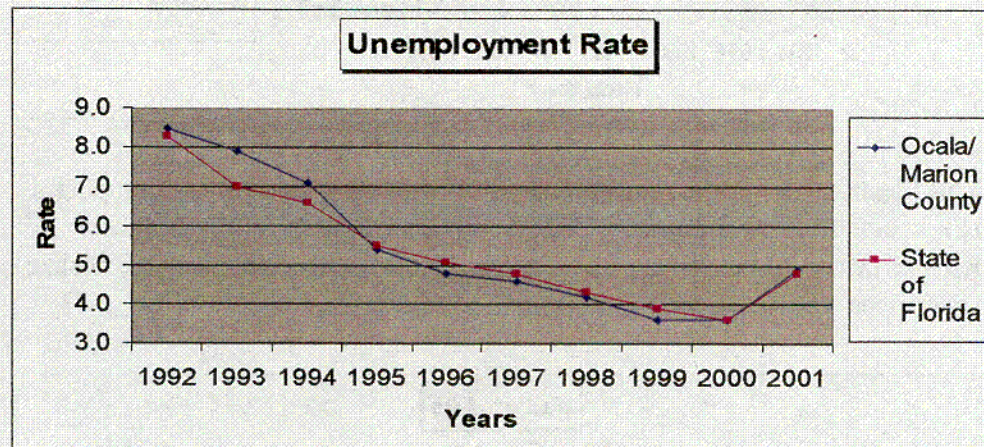


Due to the in-migration of older citizens the median age of the City has generally increased in recent years. The 2001 numbers are adjusted consistent with 2000 census data.



Personal income per capita measures the ability to pay taxes. The increase in personal income per capita demonstrates to credit rating agencies the community's

capacity, as well as other local governments in Marion County, have to repay debt service on outstanding bonds. In the community the economy supports a certain level of expendable income. Some of the dollars are allocated by individuals to pay their mandatory expenditures e.g. food, clothing, etc. Additionally, some percentage of that income supports the cost of government. To the extent personal income levels change, there is a commensurate increase or reduction in an individual's ability to pay for governmental services of which part would be for debt service (1999 is the last available data).



Historically, Marion County has experienced an unemployment rate similar to the unemployment rate of the State of Florida. This is attributable to the City's efforts pursuant to economic development. The City's Electric Utility allocates dollars annually to be leveraged against other community resources, which has resulted in a much stronger employment base.

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. 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), Merillat Industries, Inc., Mark IV Automotive (Dayco Products), Class I, CarQuest and Signature Brands, LLC.

Future economic outlook

Ocala/Marion County population growth rate ranks 15th among Florida's counties. Net migration to Marion County is expected to outpace job growth for the intermediate future and long-term, helping to ensure an available workforce to meet the needs of the expanding local economy. Through the City of Ocala Economic Improvement Fund (EIF) new industries are being helped to set up their operations here in Ocala.

Through the City of Ocala Economic Improvement Fund (EIF) new industries are being helped to set up their operations here in Ocala.

Merillat Industries, Inc., a manufacturer of kitchen and bath cabinetry, has constructed 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 by 2002.

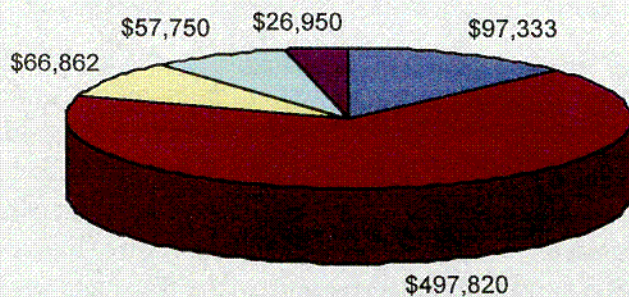
Clairson International used their approved EIF to expand their operations off of SW 27th Avenue. By expanding their manufacturing and warehousing facility the company will be able to purchase wirepulling machinery. This will enable the company to perform this operation locally instead of having it done elsewhere.

CarQuest is also using an EIF grant to expand their operations off of SW 38th Avenue. The 127,480 square-foot distribution facility will mean 51 new jobs at an hourly rate of \$11.00

Dayco Products, an international manufacturer and supplier of a wide range of automotive and industrial use rubber products, received from the State of Florida, Office of Tourism, Trade and Economic Development (OTTED) a "Qualified Target Industry Tax Refund" (QTI). In conjunction with the QTI tax refund, Dayco was given an Economic Improvement Fund grant by the City to invest in new equipment, repair and refurbish its existing facility and construct a 30,000 square foot facilities expansion. This expansion means 135 new jobs with average pay of \$11.03 per hour plus a full benefits package.

The following chart reflects the City's fiscal 2001 allocation for these projects.

Economic Improvement Fund Grants



■ Clairson ■ Merillat ■ CarQuest ■ Dayco ■ Dayco (QTI)

C-05

MAJOR INITIATIVES

For the Year

In preparing the 2001 budget, the City's focus, at City Council's direction, was to maintain an orderly growth, increase the public's and employee'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.

During fiscal year 2001, the City also implemented a 5% utility tax on natural and bottled gas and changed the methodology used for collecting the telecommunications tax...

Business plans have been developed for several enterprise funds. Ongoing improvement projects have continued in the electric and water and sewer systems. During fiscal year 2001, the City issued bonds for the construction of Water Reclamation Facility #3; and construction has begun. The City is also continuing its program of renovating existing City buildings. For the past fifteen 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. In fiscal year 2001, a quarter mill is dedicated to fire operating and capital expenditures, a quarter mill is allocated for police capital outlay and operating expenditures, an additional three-sixteenths mill was added for general employees and an additional one-eighth mill was added to support neighborhood enhancements. During fiscal year 2001, the City also implemented a 5% utility tax on natural and bottled gas and changed the methodology used for collecting the telecommunications tax to broaden the tax base and therefore increase the amount received by the City. For a number of years, the City and Marion County have shared the costs of improvements of some major arterial streets. North Magnolia and SE 31st Street are two of the recent 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. The City has developed capital improvement program that includes \$77 million in water and sewer projects, which are inclusive of a new water reclamation plant and several replacement and renewal projects. A portion of the capital improvements were financed through the issuance of the Water and Sewer Revenue Bonds, Series 2001. Additionally, the Electric Utility has an expansive \$39 million program, which will add capacity for the future.

The City has created an Office of Program Analysis with the goal of determining the most cost-effective mechanisms for the provision of city services. The office uses benchmarking and performance measures as a technique of evaluating effectiveness.

The City has requested 5-year operational plans from departments to ensure their continued operations in the future. The Municipal Golf Course, Ft. King Tennis Center and Ocala International Airport have submitted their 5-year plans, which were approved by September 30, 1999 and incorporated into the fiscal 2000 and 2001 budgets. Modifications to the operational plans for the Airport and for Golf are being considered. Fire, Information Technology, Recreation and Parks and Purchasing are the next departments to be studied.

Department Focus

Each year the City focuses attention on the efforts and accomplishments of a selected department. This year, Ocala Police Department has been selected for this purpose.

The Ocala Police Department began in the year 1869 with a single "Town Marshall". This title was changed in May of 1918 to "Chief of Police". The department now employs 154 full time sworn law enforcement officers and 88 full time non-sworn employees. The department also has 24 part time positions, along with several volunteers. The Ocala Police Department is dedicated to the safety and security of the community and the orderly flow of traffic throughout the city. The Police Department responded to a total of 125,000 calls for service during the calendar year 2001.

The Community Policing Operations Bureau is the largest bureau in the department. Uniformed patrol is the bureau's primary focus. In the early 1990's the department went to an overall community policing philosophy which encourages community cooperation and communication through aggressive neighborhood watch campaigns, community partnerships, and local community councils. This philosophy is used throughout the department but is primarily practiced within this bureau.

The Investigative Services Bureau has diverse responsibilities. Sections with the bureau consist of Evidence, Crime Prevention, Victim Witness Advocate, Targeted Crimes, Major Crimes, and District Investigations. The primary focus of this bureau is the follow up investigation of all part one crimes that occur within the City's jurisdiction. The City of Ocala experienced a total of 6,574 reported part one crimes. Of those reported the department realized a 40% clearance rate of those crimes. The Crime Prevention Section is responsible for all of the youth programs that are conducted by the department, such as DARE, GREAT, DEFY, Leadership Camp, School Resource, Junior Citizens Police Academy Truancy Intervention Partnership Program (TIPP), Safe Halloween, Community Helpers, Doe Lake Camping Trip, Bicycle Rodeo, Weed and Seed, Explorers, Groundhog Shadow Day and the Recreation Trailer. The department is committed to the youth of our community through these programs.

The Ocala Police Department is dedicated to the safety and security of the community...

***The department
went to a
“paperless”
reporting system
during this year.***

The Support Operations Bureau includes Records, Communications, Personnel, Building Maintenance, Traffic, Canine Unit, Mounted Unit, and the Bicycle Unit. The Records Section has the responsibility to maintain and distribute all of the documents that are created by the department. The department went to a “paperless” reporting system during this year. Records employees transcribe reports that are dictated by the road officers and detectives thus reducing the amount of time spent by the sworn officers writing reports.

During the last year, the department has implemented Mobile Data Computers in the on duty patrol vehicles. The department is in the process of equipping all of the marked vehicles with MDT’s. These computers have increased the overall efficiency and effectiveness of the department by providing the street officers with a means of viewing the pending calls for service screen from the Communications Center. The department has also begun a program titled “City Watch”. Crime Data is analyzed through our H.T.E. System, presented to the staff of the department at the biweekly CrimeStat meeting, and plans are developed to combat specific crime problems and trends in the community.

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 for City Council approval if required. The Finance and Administrative Services Director 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

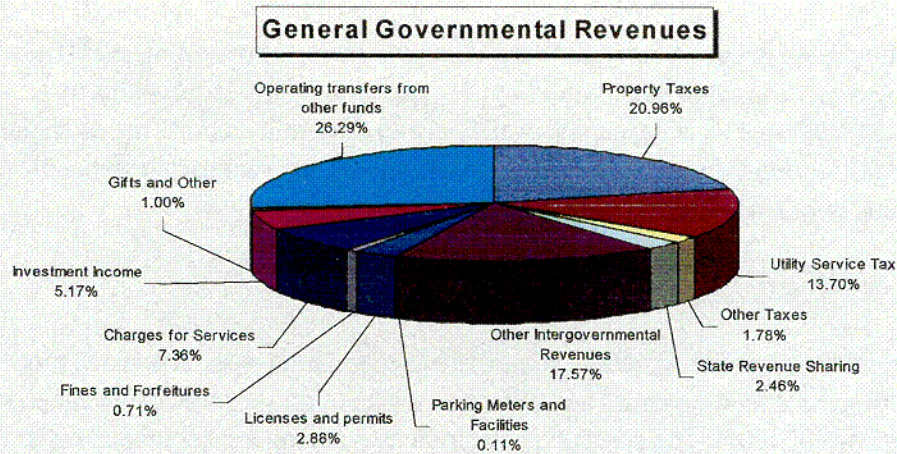
resolution also includes a carry-forward for major projects not completed in the previous year, which are not covered by purchase orders. All items in this resolution are subject to a working capital availability test. Monthly reports are distributed to the various departments to keep them informed of 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, 2001. The percentages of increases and decreases in relation to revenues and other financing sources for the fiscal year ended September 30, 2000.

	<u>Amount</u>	<u>% of Total</u>	<u>Increase (Decrease) from 2000</u>	<u>Percent Increase (Decrease)</u>
Revenues:				
Property taxes	\$ 11,548,574	20.96 %	\$ 2,036,682	21.41 %
Utility service tax	7,551,057	13.70	2,244,909	42.31
Other taxes	979,605	1.78	-1,075,319	(52.33)
State revenue sharing	1,355,904	2.46	256,696	23.35
Other intergovernmental revenues	9,680,466	17.57	-1,492,813	(13.36)
Parking meters and facilities	62,136	0.11	-9,816	(13.64)
Licenses and permits	1,589,534	2.88	493,516	45.03
Fines and forfeitures	391,965	0.71	10,895	2.86
Charges for services	4,052,998	7.36	302,675	8.07
Investment income	2,849,560	5.17	1,002,188	54.25
Gifts and other	553,724	1.01	-540,057	(49.38)
Total revenues	40,615,523	73.71	3,229,556	
Other financing sources:				
Operating transfers from other funds	14,488,147	26.29	548,289	3.93
Total revenues and other financing sources	\$ 55,103,670	100.00 %	\$ 3,777,845	7.36

...increase in property taxes is attributable to a 9.35% increase in assessed valuation and an increase in the millage rate...



The \$2,036,682 (21.41%) increase in property taxes is attributable to a 9.35% increase in assessed valuation and an increase in the millage rate from 5.2743 to 5.8368. The \$2,244,909 (42.31%) increase in utility service taxes is the result of reclassification of the telecommunications tax as well as a change in the method of collecting this tax which broadens the base of the tax. In addition, a 5% tax on natural and bottled gas was instituted on April 1, 2001. Other taxes decreased by \$1,075,319 (52.33%) because the state sharing of the cigarette tax was repealed and the telecommunications tax was reclassified to utility tax.

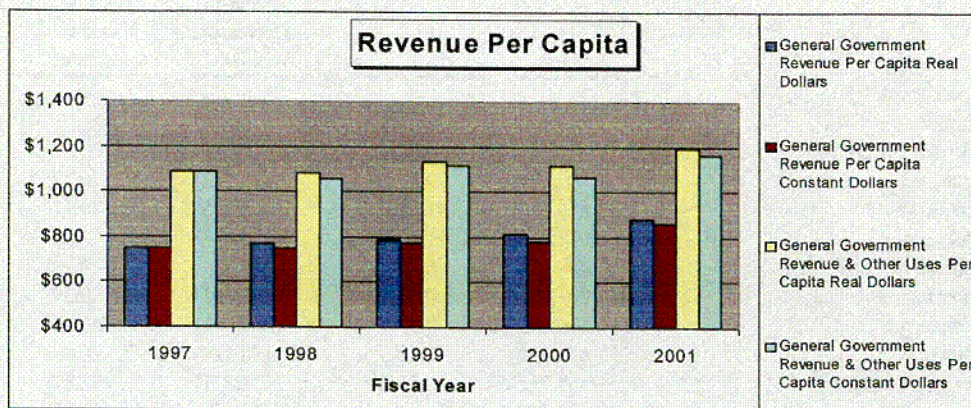
The \$256,696 (23.35%) increase in state revenue sharing resulted from a change in the state law regarding the sources of revenue included in the distribution on revenue sharing to municipalities. Other intergovernmental revenues decreased this year by \$1,492,813 (13.36%). While there was a significant increase in state sales tax revenues returned to the City and in some federal grants, particularly in the area of public safety, amounts received from the County and the State for road construction decreased by approximately \$2,000,000.

An 81% increase in the dollar value of new building construction is responsible for the \$493,526 (45.03%) increase in licenses and permit revenues. This increase in new construction also contributed over half of the \$302,675 (8.07%) increase in charges for services through site plan inspection and approval fees. Another significant portion of the increase in charges for services resulted from the transfer of the Discovery Science and Outdoor Center into the City's General Fund from Central Florida Community College.

The \$1,002,188 (54.25%) increase in investment income is attributable to higher interest rates, as well as an increase in the fair market value of investments for the fiscal year. The \$540,057 (49.38%) decrease in gifts and other revenue resulted from a more than \$700,000 decrease in nonrecurring donations related to the Magnolia Walk Apartments and to tree mitigation to the City in fiscal year 2000 which was partially offset by the sale of surplus lands for \$186,000 in fiscal year 2001.

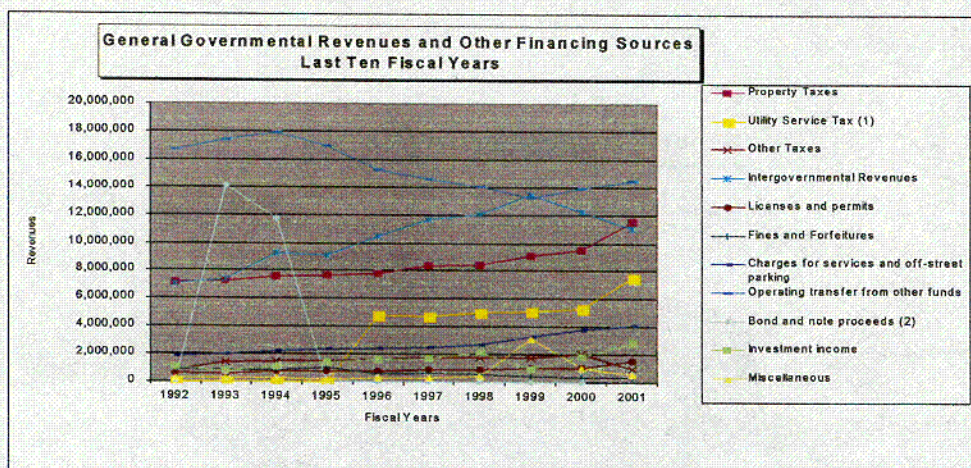
While there was a small increase in the operating transfer from the Electric Revenue Fund to the General Fund this year, \$500,000 of the overall \$548,289 (3.93%) increase in operating transfers from other funds came from a first time transfer from the Water and Sewer Fund.

Total revenues per capita increased from \$814 in 2000 to \$877 in 2001. Total revenues and other financing sources per capita increased to \$1,190 in 2001 as compared to \$1,117 in 2000. The major variances described above combined with an increase in the population contributed to these changes.



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.

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



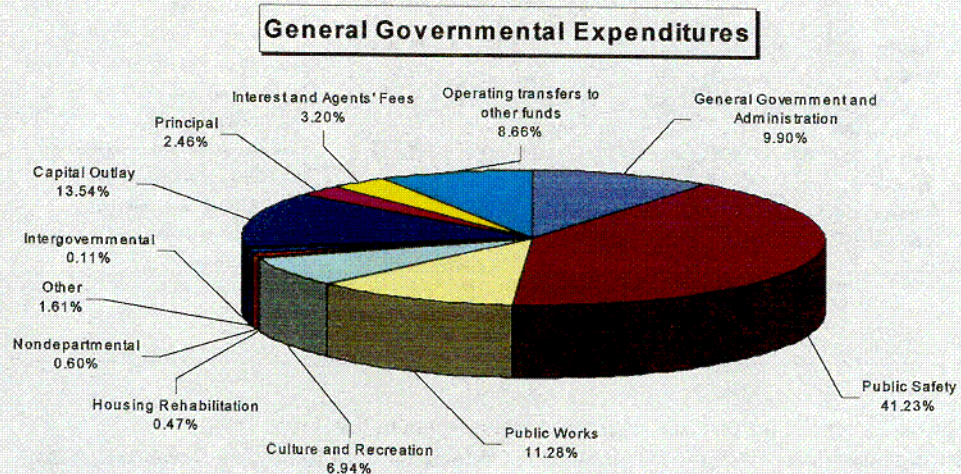
- (1) The utility service tax on local telephone service began in fiscal year 1996.
- (2) During Fiscal Year 1993, the City issued the Optional Gas Tax Refunding Revenue Bonds, Series 1992. During Fiscal Year 1994, the City issued the Capital Improvement Refunding Revenue Certificates, Series 1993.

Revenue per capita has increased with the growing population...

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, 2001 and the percentages of increases and decreases in relation to expenditures and other financing uses for the fiscal year ended September 30, 2000.

	Amount	% of Total	Increase (Decrease) from 2000	Percent Increase (Decrease)
Expenditures:				
Current:				
General government and administration	\$ 5,207,855	9.90 %	\$ (348,549)	(6.27) %
Public safety	21,686,577	41.23	2,098,195	10.71
Public works	5,931,960	11.28	118,892	2.05
Culture and recreation	3,650,228	6.94	308,322	9.23
Housing rehabilitation	247,636	0.47	(63,422)	(20.39)
Nondepartmental	316,333	0.60	(414,092)	(56.69)
Other	846,194	1.61	(80,474)	(8.68)
Intergovernmental	59,753	0.11	(157,271)	(72.47)
Capital outlay	7,120,700	13.54	(2,400,670)	(25.21)
Debt service:				
Principal	1,295,000	2.46	50,000	4.02
Interest and agents' fees	1,684,339	3.20	(53,296)	(3.07)
Total expenditures	48,046,575	91.34	(942,365)	
Other financing uses:				
Operating transfers to other funds	4,552,992	8.66	(634,056)	(12.22)
Total expenditures and other financing uses	\$ 52,599,567	100.00 %	\$ (1,576,421)	(2.91)



During fiscal year 2001 a city-wide wage classification study was implemented. Classification adjustments as a result of this study, as well as merit increases averaging 4%, employment cost index of 3.68% and soaring health insurance premiums of approximately 26% resulted in an overall increase in personal service expenditures of approximately 10%. These increases were largely responsible for larger expenditures of \$2,098,195 (10.71%) in public safety and \$308,311 (9.23%) in culture and recreation. Another significant portion of the increase in culture and recreation resulted from the transfer of the Discovery Science and Outdoor Center into the City's General Fund from Central Florida Community College. The significant increases in personal services expenditures in general government and administration were more than offset by reductions and reclassification of city hall maintenance and professional services expenditures resulting in a \$348,549 (6.27%) decrease in this area.

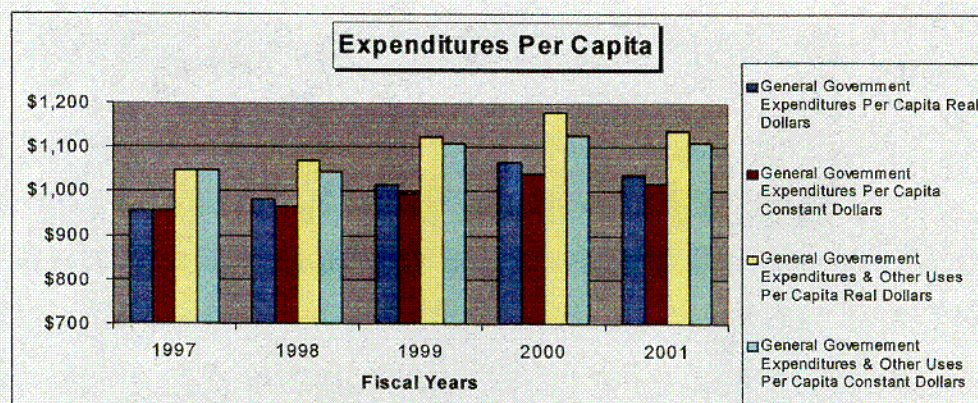
The \$63,422 (20.39%) decrease in housing rehabilitation was the result of only eight structures being fully rehabilitated and twenty-eight partially rehabilitated during 2001 as compared to 14 full and twenty-seven partial rehabilitations during 2000.

The \$414,092 (56.69%) decrease in nondepartmental expenditures over fiscal year 2000 was caused by the participation of the City in two non-recurring community projects in fiscal year 2000. The \$80,492 (8.68%) decrease in other expenditures is the result of declining grant expenditures, which are classified in this category. Intergovernmental expenditures decreased by \$157,271 (72.47%) due to the elimination of payments to Marion County for the library.

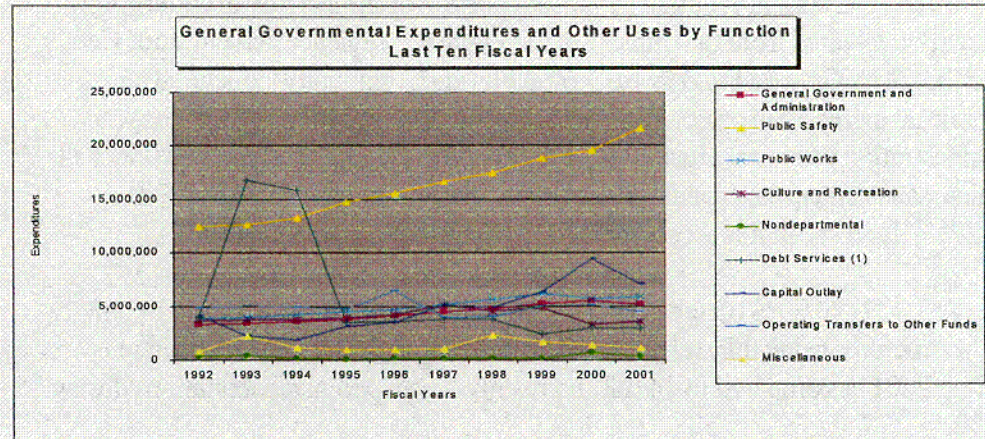
Reduced expenditures for street improvements and the completion of storm water utility projects resulted in a decrease of \$2,400,670 (25.21%) in capital outlay. Operating transfers to other funds decreased by \$634,056 (12.22%), which is attributable to the reduction of the transfers from the General Fund to the 1995 Capital Improvement Capital Projects Fund for costs associated with the completion of the new Police Headquarters.

Total expenditures per capita decreased from \$1,066 in 2000 to \$1,038 in 2001. Total expenditures and other financing uses per capita decreased to \$1,136 in 2001 as compared to \$1,179 in 2000.

...increases in personal services expenditures in general government and administration were more than offset by reductions and reclassification of city hall maintenance and professional services expenditures...



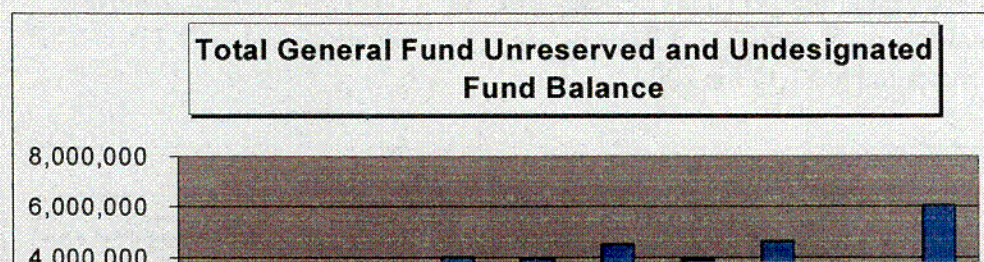
Expenditures per capita have generally increased with the growing population of the City during the last five years although the current year has shown a small decrease. As the population has grown, the need for services, especially law enforcement, has grown. The following chart shows the breakdown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



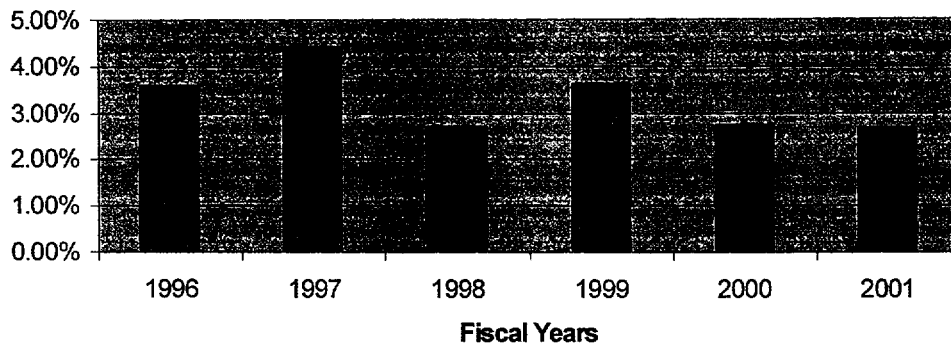
(1) During Fiscal Year 1993, the City defeased the Optional Gas Tax Revenue Bonds, Series 1989. During Fiscal Year 1994, the City defeased the Capital Improvement Refunding Revenue Bonds, Series 1986.

General Fund Balance

The unreserved and undesignated fund balances represents the uncommitted resources available to meet General Fund operational costs in future fiscal years. At the end of fiscal year 2001, the City's unreserved and undesignated fund balance was \$6,036,617 or 12.8% of the 2001 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 as a Percent of Net Operating Expenditures/Expenses



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 ten distinct enterprise funds: Electric System Revenue, Water and Sewer, Sanitation, Municipal Golf Course, Municipal Trailer Park, Ocala International Airport, Florida Emergency Training Facility, Adult Athletic Complex, Communications, and SunTran.

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. The Electric System Revenue enterprise fund is financially sound and continues to be the backbone of financial support of general government operations.

The Water and Sewer Fund, is the City's second largest enterprise fund. For the year ended September 30, 2001, the Water and Sewer Fund had a debt service coverage ratio of 9.58, which requires only a minimum of 1.25 coverage ratio.

The Sanitation Fund is responsible for municipal solid waste collection in the City. The fund is currently financially sound and had a net income of \$146,485 during fiscal 2001. There is some uncertainty about the future, however. The landfill, which is owned and operated by Marion County, is nearing capacity within the next couple years; and the City may be forced to find alternative solid waste disposal methods.

The electric system continues to be efficiently managed and operated.

The plan included a pricing strategy to increase revenues modestly each year...

The Municipal Golf Course Fund had a net loss for the year ended September 30, 2001 of \$273,629. A business plan was developed with a marketing strategy focusing on advertising, community involvement, instructional clinics, competitive tournaments, fun events, quality locations, and a frequent player program. The plan included a pricing strategy to increase revenues modestly each year, which along with cost cutting measures will enable this fund to be self-supporting.

The Municipal Trailer Park Fund had a net loss of \$3,066 in 2001. 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 spent on maintenance. The Trailer Park plans to increase the rent to improve revenues. These modifications will help to insure that this fund is self-supporting.

The Ocala International Airport Fund had a net loss of \$203,860 in 2001, which is a small increase from the \$194,308 net loss in fiscal year 2000. 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 name of the City's airport was changed from Ocala Regional Airport to Ocala International Airport in March 2001 primarily because of the foreign trade zone and the presence of the U.S. Customs at the airport.

The Florida Emergency Training Facility Fund, which involves the operation and maintenance of an emergency facility adjacent to the City's airport, was started in fiscal 1993. During 2001, this fund had a net loss of \$491,271, which was down from a net loss of \$595,932 in fiscal year 2000. This year's loss was caused by lower than anticipated revenues and by depreciation. Since the inception of this facility, it has experienced difficulty generating sufficient revenue to offset costs. In an effort to have this facility be on a full recovery of cost basis, the City made a conscious decision to privatize this operation. During fiscal year 2001, the City entered into a lease agreement with the International Center for Emergency Response Training Academy, Inc. (ICERTA) for the operation and management of this facility. ICERTA has agreed to operate the facility in accordance with the terms of the initial grants and provides assurances that it will not require subsidies from the City.

The Adult Athletic Complex Fund includes the construction, operations and maintenance of the Ocala Regional Sportsplex and had a net loss of \$120,044 in 2001. 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 gain of \$451,727 in fiscal year 2001, compared to a \$347,374 net loss in fiscal year 2000. A restructuring plan was developed with a market strategy focusing on creating awareness of the telecommunication through direct marketing campaigns to different industries. Establishment of a telecommunication service, a resale agreement with Sprint, a metropolitan area network service, a flexible bandwidth service, and internet access service has produced the revenue needed to support continued operation of this enterprise fund.

SunTran is the 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. During fiscal year 2001, this fund experienced a net loss of \$200,890, which was caused primarily by the recording of depreciation.

Pension Trust Fund Operations

During fiscal year 2000, the City's pension plans were restructured, which addressed the changes in the requirements of the Florida Statutes, Chapters 175 and 185. The General Employees' Retirement System covers substantially all full-time employees excluding certified police officers and certified firefighters. The Police Officers' Retirement System and the Firefighters' Retirement Plan provide all pension benefits for the City's full-time certified police officers and for the City's full-time certified firefighters.

Due to adverse market conditions, the combined Pension Trust Funds experienced a \$6,848,235 decrease in plan net assets during 2001. The combined funds had a net investment loss of \$4,627,424 for the year ended September 30, 2001 resulting from realized and unrealized investment losses which more than offset dividend income.

The pension fund investments of the General Employees' Retirement System are administered by Alliance Capital Management, by PIMCO and by Templeton Global Equity Management, by Batterymarch Financial Management, Inc. and by Nicholas Applegate Capital Management. Investments of the Firefighters' Retirement Plan are administered by Alliance Capital Management, by Dresdner RCM Global Investors and by Deutsche Asset Management; and those of the Police Officers' Retirement Systems are administered by Alliance Capital Management, by PIMCO and by Merrill Lynch. The pension fund investments consist of domestic and international common stocks, government and non-government obligations and mutual funds and are stated at fair value based on quoted market prices at the end of the fiscal year.

***...the combined
Pension Trust
Funds experienced a
\$6,848,235
decrease in plan
net assets during
2001.***

*...the City hired
Sawgrass Asset
Management,
L.L.C. as its cur-
rent investment
manager to maxi-
mize investment
earnings.*

Debt Administration

At September 30, 2001, the City had \$133,475,000 in outstanding serial and term bonds and certificates. Of this amount, \$102,125,000 is associated with enterprise funds and \$31,350,000 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.

During the year, the City issued \$36,205,000 Water and Sewer Revenue Bonds, Series 2001, for the acquisition and construction of a water reclamation facility (WRF #3) and related projects. The City also issued \$39,885,000 Water and Sewer Refunding Revenue Bonds, Series 2001A, and \$10,520,000 Electric System Refunding Revenue Bonds, Series 2001, for the current refunding of the City's Utility Systems Subordinate Refunding Revenue Bonds, Series 1992 A and Series 1992B. All of these issues are fully insured and are secured by the net revenues of the appropriate system. The City defeased the refunded bonds by depositing sufficient funds with an escrow agent for the purpose of the current refunding on October 1, 2001 at a redemption price of 102% plus accrued interest to the redemption date. The defeasance of the 1992A and 1992B bonds resulted in present value savings of \$4,606,913 and \$548,546 respectively, even though there were extraordinary losses for accounting purposes of \$2,396,003 and \$590,613 which have been deferred and will be amortized over the lives of the old bonds.

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, 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, 2001, our investments with the State Board of Administration were earning 3.46%.

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 corpo-

rate 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 29.8 months deriving a yield of 11.05%. The City's investment portfolio of \$98,228,945 managed by Sawgrass Asset Management at September 30, 2001 consisted of U. S. Government and federal agency securities (52.8%), corporate bonds (44.8%) and cash equivalents (2.4%). Interest earnings on those investments during fiscal year 2001 were \$5,714,906.

Risk Management

The Intergovernmental 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.

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.

***This was the
nineteenth consecutive year that
the City of Ocala
has achieved this
prestigious
award.***

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, 2000. This was the nineteenth 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 2000. 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 and Administrative Services Department. Sincere appreciation is extended to specific individuals who worked diligently throughout the audit: Diane M. McDonald, Controller; Wayne C. Hodge, Chief Accountant; Cheryl Knight, Accountant III and Myron Taylor, Accountant III. Appreciation is also extended to Eric Lewerenz, the City's Internal Auditor for his assistance in this effort.

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,


Donald A. Corley
Director of Finance and
Administrative Services


Susan M. Miller
City Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Ocala,
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2000

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.



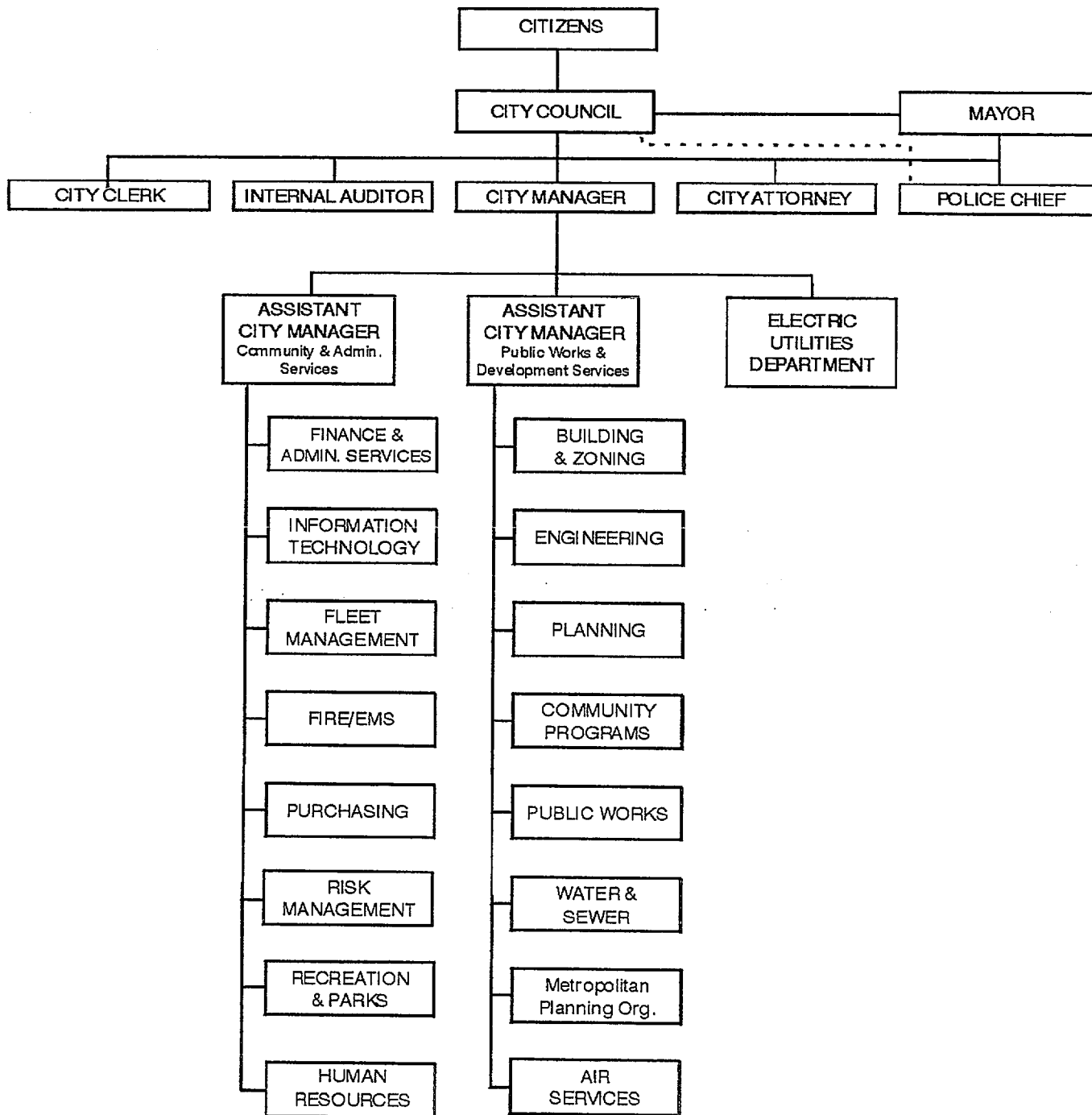
Thomas D. Brown
President

Jeffrey L. Esser
Executive Director



CITY OF OCALA

Organizational Chart





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
AUDITORS**

INDEPENDENT AUDITORS' REPORT

The Honorable Members of the City Council
City of Ocala
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, 2001, as listed in the table of contents. These general-purpose financial statements are the responsibility of the City of Ocala, Florida's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

Our audit was made in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose 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 at September 30, 2001, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in the notes to the general-purpose financial statements, the City of Ocala, Florida adopted the provisions of Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions* and GASB Statement No. 36, *Recipient Reporting for Certain Shared Nonexchange Revenues* as of October 1, 2000. This results in a change to the City of Ocala, Florida's method of accounting for certain nonexchange revenue.

In accordance with *Government Auditing Standards*, we have also issued a report dated February 15, 2002, on our consideration of the City of Ocala, Florida's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Certified Public Accountants

P.O. Box 23999 • 222 N.E. 1st Street • Gainesville, Florida 32602 • (352) 378-2461 • FAX (352) 378-2505
Laurel Ridge Professional Center • 2347 S.E. 17th Street • Ocala, Florida 34471 • (352) 732-3872 • FAX (352) 732-0542
443 East College Avenue • Tallahassee, Florida 32301 • (850) 224-7144 • FAX (850) 224-1762
1727 2nd Street • Sarasota, Florida 34236 • (941) 365-3774 • FAX (941) 365-0236

MEMBERS OF AMERICAN AND FLORIDA INSTITUTES OF CERTIFIED PUBLIC ACCOUNTANTS
MEMBER OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS PRIVATE COMPANIES AND S.E.C. PRACTICE SECTIONS

The Honorable Members of the City Council
City of Ocala
Ocala, Florida

INDEPENDENT AUDITORS' REPORT
(Concluded)

Our audit was made for the purpose of forming an opinion on the general-purpose financial statements of the City of Ocala, Florida taken as a whole. The required supplementary information listed in the table of contents is not a required part of the general-purpose financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it. 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 stated in all material respects in relation to the general-purpose financial statements taken as a whole.

The information presented in the statistical section is presented for the purposes of additional analysis and is not a required part of the general-purpose financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, accordingly, we express no opinion on it.

February 15, 2002
Ocala, Florida

Purvis, Gray and Company

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)

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
SEPTEMBER 30, 2001
CITY OF OCALA FLORIDA

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Assets and Other Debits				
Current Assets				
Cash and Investments	\$ 4,485			
Equity in Pooled Cash and Investment Fund	14,383,600	\$ 13,745,144		\$ 10,999
Accrued Interest Receivable	168,889	147,661		
Accounts and Notes Receivable, Net of Allowance For Doubtful Accounts of \$1,013,298	1,062,892	1,333		
Accrued Unbilled Revenues				
Due From Other Funds	1,415,310	101,702		
Interfund Loans Receivable	5,661			
Inventories				
Due From Other Governments	1,161,401	656,311		126
Other Current Assets	11,960			
Total Current Assets	<u>18,214,198</u>	<u>14,652,151</u>	<u>\$ 0</u>	<u>11,125</u>
Restricted Assets				
Cash and Investments			1,118,219	
Equity in Pooled Cash and Investments Fund			2,147,767	
Accrued Interest and Dividends Receivable			23,607	
Due From Other Funds				
Due From Other Governments				
Other				
Total Restricted Assets	<u>0</u>	<u>0</u>	<u>3,289,593</u>	<u>0</u>
Other Assets				
Interfund Loans Receivable After One Year	27,043			
Property, Plant and Equipment, Net				
Issuance Costs on Long-Term Debt				
Total Other Assets	<u>27,043</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other Debits				
Amount Available in Debt Service Funds				
Amount to be Provided For Retirement of General Long-Term Debt				
Total Other Debits	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets and Other Debits	<u>\$ 18,241,241</u>	<u>\$ 14,652,151</u>	<u>\$ 3,289,593</u>	<u>\$ 11,125</u>

See accompanying notes.

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	
\$ 6,878	\$ 1,100				\$ 12,463
64,512,095	13,436,339				106,088,177
702,155	151,772				1,170,477
9,289,264	81,520				10,435,009
5,935,501					5,935,501
1,453,224					2,970,236
78,369					84,030
2,828,648	173,676				3,002,324
454,466	7,000				2,279,304
481,838	82,287				576,085
<u>85,742,438</u>	<u>13,933,694</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>132,553,606</u>
37,471,393		93,030,776			131,620,388
25,686,434		117,857			27,952,058
538,749		146,868			709,224
		31,322			31,322
129,189		20,875			150,064
371,944		2,895			374,839
<u>64,197,709</u>	<u>0</u>	<u>93,350,593</u>	<u>0</u>	<u>0</u>	<u>160,837,895</u>
1,931,527					1,958,570
210,854,286	18,654,480		30,862,442		260,371,208
856,298					856,298
<u>213,642,111</u>	<u>18,654,480</u>	<u>0</u>	<u>30,862,442</u>	<u>0</u>	<u>263,186,076</u>
				3,283,808	3,283,808
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	28,622,495	28,622,495
				<u>31,906,303</u>	<u>31,906,303</u>
<u>\$ 363,582,258</u>	<u>\$ 32,588,174</u>	<u>\$ 93,350,593</u>	<u>\$ 30,862,442</u>	<u>\$ 31,906,303</u>	<u>\$ 588,483,880</u>

(Continued)

See accompanying notes.

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Liabilities, Fund Equity and Other Credits				
Current Liabilities				
Accounts Payable	\$ 2,829,198	\$ 663,069		\$ 6,186
Claims Payable				
Compensated Absences Payable	952,667	27,568		
Bonds, Notes and Capital Lease Payable Within One Year				
Accrued Interest Payable				
Due to Other Funds				
Customer Deposits				
Deferred Revenue	891,659	451,219		
Interfund Loans Payable	14,317	11,080		
Total Current Liabilities	<u>4,687,841</u>	<u>1,152,936</u>	<u>\$ 0</u>	<u>6,186</u>
Liabilities Payable From Restricted Assets				
Accounts Payable			5,785	
Accrued Interest Payable				
Due to Other Funds				
Deferred Revenue				
Bonds and Capital Lease Payable Within One Year				
Decommissioning Costs				
Police Evidence				
Total Liabilities Payable From Restricted Assets	<u>0</u>	<u>0</u>	<u>5,785</u>	<u>0</u>
Long-Term Liabilities				
Interfund Loans Payable After One Year	152,619	20,750		
Compensated Absences Payable				
Bonds, Notes and Capital Lease Payable After One Year				
Total Long-Term Liabilities	<u>152,619</u>	<u>20,750</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>4,840,460</u>	<u>1,173,686</u>	<u>5,785</u>	<u>6,186</u>
Fund Equity and Other Credits				
Investment in General Fixed Assets				
Contributed Equity				
Retained Earnings:				
Reserved For Debt Service				
Reserved For Renewal and Replacement				
Unreserved				
Fund Balances:				
Reserved For Debt Service			3,283,808	
Reserved For Employees' Pension Benefits				
Reserved For Interfund Loans Receivable After One Year	27,043			
Reserved For Encumbrances	1,036,469	4,341,392		
Reserved For Specified Projects	6,300,652	9,137,073		4,939
Unreserved and Undesignated Fund Balances	6,036,617			
Total Fund Equity and Other Credits	<u>13,400,781</u>	<u>13,478,465</u>	<u>3,283,808</u>	<u>4,939</u>
Total Liabilities, Fund Equity and Other Credits	<u>\$ 18,241,241</u>	<u>\$ 14,652,151</u>	<u>\$ 3,289,593</u>	<u>\$ 11,125</u>

See accompanying notes.

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	
\$ 9,368,829	\$ 496,431				\$ 13,363,713
932,473	3,067,719				3,067,719
	207,115				2,119,823
	171,753			\$ 1,360,000	1,531,753
2,370					2,370
2,970,236					2,970,236
2,784,991					2,784,991
69,717					1,412,595
58,633					84,030
<u>16,187,249</u>	<u>3,943,018</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>1,360,000</u>	<u>27,337,230</u>
1,510,861		848,116			2,364,762
1,574,617		31,322			1,574,617
98,680					31,322
					98,680
460,000					460,000
4,274,424					4,274,424
		119,029			119,029
<u>7,918,582</u>	<u>0</u>	<u>998,467</u>	<u>0</u>	<u>0</u>	<u>8,922,834</u>
1,785,201					1,958,570
				556,303	556,303
97,628,152				29,990,000	127,618,152
<u>99,413,353</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>30,546,303</u>	<u>130,133,025</u>
123,519,184	3,943,018	998,467	0	31,906,303	166,393,089
			30,862,442		30,862,442
67,468,818	7,270,832				74,739,650
2,936,831					2,936,831
12,974,469					12,974,469
156,682,956	21,374,324				178,057,280
		92,352,016			3,283,808
					92,352,016
					27,043
		110			5,377,861
					15,442,774
<u>240,063,074</u>	<u>28,645,156</u>	<u>92,352,126</u>	<u>30,862,442</u>	<u>0</u>	<u>6,036,617</u>
<u>\$ 363,582,258</u>	<u>\$ 32,588,174</u>	<u>\$ 93,350,593</u>	<u>\$ 30,862,442</u>	<u>\$ 31,906,303</u>	<u>\$ 422,090,791</u>
					<u>\$ 588,483,880</u>

(Concluded)

See accompanying notes.

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
ALL GOVERNMENTAL AND EXPENDABLE TRUST FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Revenues				
Property Taxes	\$11,504,383	\$ 44,191		
Utility Service Tax	7,551,057			
Other Taxes	979,605			
State Revenue Sharing	1,355,904			
Other Intergovernmental Revenues	5,460,101	4,220,365		
Parking Meters and Facilities		62,136		
Licenses and Permits	1,099,287	490,247		
Fines and Forfeitures	385,806	6,159		
Charges For Services	1,888,346	2,164,652		
Investment Income	1,344,750	1,112,195	\$ 392,615	\$ 3,436
Gifts	74,823	695		
Other	262,621	215,585		
Total Revenues	<u>31,906,683</u>	<u>8,316,225</u>	<u>392,615</u>	<u>3,436</u>
Expenditures				
Current:				
General Government and Administration	4,898,834	309,021		
Public Safety	21,686,577			6,235
Public Works	3,994,570	1,937,390		8,633
Culture and Recreation	3,650,228			
Housing Rehabilitation	247,636			
Nondepartmental Appropriations	258,635		57,698	
Other	770,129	76,065		
Capital Outlay	2,951,967	4,168,733		179,465
Intergovernmental	52,894	6,859		24,671
Debt Service:				
Principal Payments			1,295,000	
Interest and Paying Agents' Fees	12,417	2,323	1,669,599	
(Total Expenditures)	<u>(38,523,887)</u>	<u>(6,500,391)</u>	<u>(3,022,297)</u>	<u>(219,004)</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	(6,617,204)	1,815,834	(2,629,682)	(215,568)
Other Financing Sources (Uses)				
Operating Transfers From Other Funds	10,846,768	644,257	2,997,122	442,467
Operating Transfers to Other Funds	(2,189,670)	(1,971,951)	(391,371)	
Total Other Financing Sources (Uses)	<u>8,657,098</u>	<u>(1,327,694)</u>	<u>2,605,751</u>	<u>442,467</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	2,039,894	488,140	(23,931)	226,899
Fund Balances (Deficit), Beginning of Year, As Restated	9,311,058	13,020,890	5,326,536	(199,460)
Equity Transfers From (To) Other Funds	2,049,829	(30,565)	(2,018,797)	(22,500)
Fund Balances, End of Year	<u>\$13,400,781</u>	<u>\$13,478,465</u>	<u>\$ 3,283,808</u>	<u>\$ 4,939</u>

See accompanying notes.

<u>Fiduciary Fund Type Expendable Trust</u>	<u>Totals (Memorandum Only)</u>
\$ 18	\$ 11,548,592
	7,551,057
	979,605
	1,355,904
	9,680,466
	62,136
	1,589,534
	391,965
	4,052,998
10	2,853,006
	75,518
	478,206
<u>28</u>	<u>40,618,987</u>
	5,207,855
	21,692,812
	5,940,593
	3,650,228
	247,636
	316,333
	846,194
	7,300,165
	84,424
	1,295,000
	1,684,339
<u>0</u>	<u>(48,265,579)</u>
<u>28</u>	<u>(7,646,592)</u>
	14,930,614
	(4,552,992)
<u>0</u>	<u>10,377,622</u>
28	2,731,030
82	27,459,106
	(22,033)
<u>\$ 110</u>	<u>\$ 30,168,103</u>

See accompanying notes.

**COMBINED STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
GENERAL, SPECIAL REVENUE, CAPITAL PROJECTS
AND EXPENDABLE TRUST FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

			General		
		Adjustments	Actual		Variance
	Actual	to	on a	Final	Favorable
		Budgetary	Budgetary	Budget	(Unfavorable)
		Basis	Basis		
Revenues					
Property Taxes	\$ 11,504,383		\$ 11,504,383	\$ 11,483,835	\$ 20,548
Utility Service Tax	7,551,057		7,551,057	7,620,000	(68,943)
Other Taxes	979,605		979,605	1,285,000	(305,395)
State Revenue Sharing	1,355,904		1,355,904	950,000	405,904
Other Intergovernmental Revenues	5,460,101	\$ (620,667)	4,839,434	6,386,909	(1,547,475)
Parking Meters and Facilities					
Licenses and Permits	1,099,287		1,099,287	647,200	452,087
Fines and Forfeitures	385,806		385,806	374,825	10,981
Charges For Services	1,888,346		1,888,346	2,026,720	(138,374)
Investment Income	1,344,750	198	1,344,948	693,731	651,217
Gifts	74,823	(31,277)	43,546	113,514	(69,968)
Other	262,621	(7,154)	255,467	218,522	36,945
Total Revenues	<u>31,906,683</u>	<u>(658,900)</u>	<u>31,247,783</u>	<u>31,800,256</u>	<u>(552,473)</u>
Expenditures					
Current:					
General Government and Administration	4,898,834	(212,440)	4,686,394	5,007,902	321,508
Public Safety	21,686,577	(99,057)	21,587,520	21,881,359	293,839
Public Works	3,994,570	70,663	4,065,233	4,168,982	103,749
Culture and Recreation	3,650,228	(17,604)	3,632,624	4,134,818	502,194
Housing Rehabilitation	247,636	43,253	290,889	326,850	35,961
Nondepartmental Appropriations	258,635	(1,110)	257,525	788,430	530,905
Other	770,129	(69,671)	700,458	1,119,433	418,975
Capital Outlay	2,951,967	572,578	3,524,545	7,528,093	4,003,548
Intergovernmental	52,894	(22,823)	30,071	31,150	1,079
Debt Service:					
Principal Payments				11,447	11,447
Interest and Paying Agents' Fees	12,417		12,417	14,309	1,892
(Total Expenditures)	<u>(38,523,887)</u>	<u>(263,789)</u>	<u>(38,787,676)</u>	<u>(45,012,773)</u>	<u>6,225,097</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>(6,617,204)</u>	<u>(922,689)</u>	<u>(7,539,893)</u>	<u>(13,212,517)</u>	<u>5,672,624</u>
Other Financing Sources (Uses)					
Operating Transfers From Other Funds	10,846,768	49,128	10,895,896	11,281,374	(385,478)
Operating Transfers to Other Funds	(2,189,670)	(6,153)	(2,195,823)	(2,297,052)	101,229
Total Other Financing Sources (Uses)	<u>8,657,098</u>	<u>42,975</u>	<u>8,700,073</u>	<u>8,984,322</u>	<u>(284,249)</u>
Excess (Deficiency) of Revenues and					
Other Financing Sources Over (Under)					
Expenditures and Other Financing Uses	<u>2,039,894</u>	<u>(879,714)</u>	<u>1,160,180</u>	<u>(4,228,195)</u>	<u>5,388,375</u>
Fund Balance Allocation	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,228,195</u>	<u>(4,228,195)</u>
Excess (Deficiency) of Revenues and Other					
Sources Over (Under) Expenditures and					
Other Uses	<u>\$ 2,039,894</u>	<u>\$ (879,714)</u>	<u>\$ 1,160,180</u>	<u>\$ 0</u>	<u>\$ 1,160,180</u>

See accompanying notes.

Special Revenue				
Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	Final Budget	Variance Favorable (Unfavorable)
\$ 44,191		\$ 44,191	\$ 43,507	\$ 684
4,220,365	\$ (253,797)	3,966,568	5,233,000	(1,266,432)
62,136		62,136	68,800	(6,664)
490,247		490,247	481,000	9,247
6,159		6,159	4,220	1,939
2,164,652		2,164,652	2,221,000	(56,348)
1,112,195	(17,403)	1,094,792	428,400	666,392
695		695	314,000	(313,305)
215,585	(500)	215,085	926,900	(711,815)
<u>8,316,225</u>	<u>(271,700)</u>	<u>8,044,525</u>	<u>9,720,827</u>	<u>(1,676,302)</u>
309,021	(271,700)	37,321	41,320	3,999
1,937,390	207,914	2,145,304	3,355,785	1,210,481
76,065	1,500	77,565	77,926	361
4,168,733	4,131,978	8,300,711	15,555,757	7,255,046
6,859		6,859	675	(6,184)
			10,730	10,730
2,323		2,323	2,333	10
<u>(6,500,391)</u>	<u>(4,069,692)</u>	<u>(10,570,083)</u>	<u>(19,044,526)</u>	<u>8,474,443</u>
1,815,834	(4,341,392)	(2,525,558)	(9,323,699)	6,798,141
644,257		644,257	573,080	71,177
(1,971,951)		(1,971,951)	(2,120,849)	148,898
<u>(1,327,694)</u>	<u>0</u>	<u>(1,327,694)</u>	<u>(1,547,769)</u>	<u>220,075</u>
488,140	(4,341,392)	(3,853,252)	(10,871,468)	7,018,216
<u>0</u>	<u>0</u>	<u>0</u>	<u>10,871,468</u>	<u>(10,871,468)</u>
<u>\$ 488,140</u>	<u>\$ (4,341,392)</u>	<u>\$ (3,853,252)</u>	<u>\$ 0</u>	<u>\$ (3,853,252)</u>

(Continued)

See accompanying notes.

**COMBINED STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL
GENERAL, SPECIAL REVENUE, CAPITAL
PROJECTS AND EXPENDABLE TRUST FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	Capital Projects				
	Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	Final Budget	Variance Favorable (Unfavorable)
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	\$ 3,436	\$ (2,018)	\$ 1,418		\$ 1,418
Gifts					
Other					
Total Revenues	<u>3,436</u>	<u>(2,018)</u>	<u>1,418</u>	<u>\$ 0</u>	<u>1,418</u>
Expenditures					
Current:					
General Government and Administration					
Public Safety	6,235		6,235	6,236	1
Public Works	8,633		8,633	9,831	1,198
Culture and Recreation					
Housing Rehabilitation					
Nondepartmental Appropriations					
Other					
Capital Outlay	179,465		179,465	181,446	1,981
Intergovernmental	24,671	(24,671)			
Debt Service:					
Principal Payments					
Interest and Paying Agents' Fees					
(Total Expenditures)	<u>(219,004)</u>	<u>(24,671)</u>	<u>(194,333)</u>	<u>(197,513)</u>	<u>3,180</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>(215,568)</u>	<u>22,653</u>	<u>(192,915)</u>	<u>(197,513)</u>	<u>4,598</u>
Other Financing Sources (Uses)					
Operating Transfers From Other Funds	442,467		442,467	3,565	438,902
Operating Transfers to Other Funds					
Total Other Financing Sources (Uses)	<u>442,467</u>	<u>0</u>	<u>442,467</u>	<u>3,565</u>	<u>438,902</u>
Excess (Deficiency) of Revenues and					
Other Financing Sources Over (Under)					
Expenditures and Other Financing Uses	226,899	22,653	249,552	(193,948)	443,500
Fund Balance Allocation	<u>0</u>	<u>0</u>	<u>0</u>	<u>193,948</u>	<u>(193,948)</u>
Excess (Deficiency) of Revenues and Other					
Sources Over (Under) Expenditures and					
Other Uses	<u>\$ 226,899</u>	<u>\$ 22,653</u>	<u>\$ 249,552</u>	<u>\$ 0</u>	<u>\$ 249,552</u>

See accompanying notes.

Expendable Trust				
Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	Final Budget	Variance Favorable (Unfavorable)
\$ 18	\$ (18)			
10	(10)			
<u>28</u>	<u>(28)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>28</u>	<u>(28)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>28</u>	<u>(28)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>28</u>	<u>(28)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 28</u>	<u>\$ (28)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

(Concluded)

See accompanying notes.

**COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	Enterprise	Internal Service	Totals (Memorandum Only)
Operating Revenues			
Sale of Electricity	\$ 97,440,477		\$ 97,440,477
Sale of Water	4,673,810		4,673,810
Sewer and Sanitation Service Charges	17,234,586		17,234,586
Fees and Rentals	3,432,402	\$ 9,184,428	12,616,830
City Insurance Contributions		4,885,529	4,885,529
Employee Insurance Contributions		1,800,320	1,800,320
Commissions	113,344		113,344
Other	5,078,628	17,698	5,096,326
Total Operating Revenues	<u>127,973,247</u>	<u>15,887,975</u>	<u>143,861,222</u>
Operating Expenses			
Purchase of Electricity	68,318,299		68,318,299
Distribution	10,317,705		10,317,705
Operation and Maintenance	13,633,932		13,633,932
Water and Sewer Treatment	2,677,148		2,677,148
Sewer Collection	1,354,799		1,354,799
Fleet Management		2,412,284	2,412,284
Purchasing and Warehousing		777,775	777,775
Management Information System and Central Services		1,956,025	1,956,025
Facilities Maintenance		1,237,706	1,237,706
Insurance, Administration and Other	6,692,848	8,400,509	15,093,357
Depreciation and Amortization	9,146,678	2,880,731	12,027,409
Economic Improvement Incentives	746,715		746,715
Other	2,263,287	88,536	2,351,823
(Total Operating Expenses)	<u>(115,151,411)</u>	<u>(17,753,566)</u>	<u>(132,904,977)</u>
Operating Income (Loss)	<u>12,821,836</u>	<u>(1,865,591)</u>	<u>10,956,245</u>
Nonoperating Revenues (Expenses)			
Investment Income	8,699,706	1,250,146	9,949,852
Interest Expense	(4,423,683)	(14,213)	(4,437,896)
Other Nonoperating Revenue	2,640,812	644	2,641,456
Total Nonoperating Revenues (Expenses)	<u>6,916,835</u>	<u>1,236,577</u>	<u>8,153,412</u>
Income (Loss) Before Operating Transfers	<u>19,738,671</u>	<u>(629,014)</u>	<u>19,109,657</u>
Operating Transfers			
From Other Funds	1,200,916	166,948	1,367,864
(To) Other Funds	(11,346,978)	(398,508)	(11,745,486)
Total Operating Transfers	<u>(10,146,062)</u>	<u>(231,560)</u>	<u>(10,377,622)</u>
Net Income (Loss)	<u>9,592,609</u>	<u>(860,574)</u>	<u>8,732,035</u>
Retained Earnings, Beginning of Year	<u>163,001,647</u>	<u>22,234,898</u>	<u>185,236,545</u>
Retained Earnings, End of Year	<u>\$ 172,594,256</u>	<u>\$ 21,374,324</u>	<u>\$ 193,968,580</u>

See accompanying notes.

COMBINED STATEMENT OF CHANGES IN PLAN NET ASSETS
ALL PENSION TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

Additions	
Contributions:	
Employer	\$ 2,367,213
State	675,575
Employee	675,087
Total Contributions	<u>3,717,875</u>
Investment Income:	
Investment Income (Loss)	(7,019,775)
Dividend Income	2,947,643
Total Income (Loss) on Investments	<u>(4,072,132)</u>
(Investment Management Fees)	(555,292)
Net Investment Income (Loss)	<u>(4,627,424)</u>
Total Additions (Reductions)	<u>(909,549)</u>
Deductions	
Pension Payments	5,653,157
Refunds to Employees	36,805
Administration	248,724
(Total Deductions)	<u>(5,938,686)</u>
Net Increase (Decrease)	(6,848,235)
Fund Balance - Reserved For	
Employees' Pension Benefits:	
Beginning of Year	<u>99,200,251</u>
End of Year	<u><u>\$ 92,352,016</u></u>

See accompanying notes.

**COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	Proprietary Fund Types		Totals (Memorandum Only)
	Enterprise	Internal Service	
Cash Flows From Operating Activities			
Cash Received From Customers	\$ 124,485,274		\$ 124,485,274
Cash Received From Employees		\$ 1,800,320	1,800,320
Cash Paid to Suppliers For Goods and Services	(91,205,685)	(9,198,791)	(100,404,476)
Cash Paid to Employees For Services	(13,842,568)	(3,736,236)	(17,578,804)
Cash Received From Other Funds		14,089,959	14,089,959
Cash Paid For Insurance Claims		(1,659,020)	(1,659,020)
Net Cash Provided By (Used In) Operating Activities	<u>19,437,021</u>	<u>1,296,232</u>	<u>20,733,253</u>
Cash Flows From Noncapital Financing Activities			
Operating Transfers In	843,044	18,452	861,496
Operating Transfers (Out)	(11,232,832)	(6,286)	(11,239,118)
FPL/IDO Settlement	1,882,101		1,882,101
Operating Grants	569,316	644	569,960
Principal Received on Loans to Other Funds	108,975		108,975
Interest Received on Loans to Other Funds	134,952		134,952
Principal Paid on Loans From Other Funds	(89,978)		(89,978)
Interest Paid on Loans From Other Funds	(122,703)		(122,703)
Loans to Other Funds	(40,535)		(40,535)
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>(7,947,660)</u>	<u>12,810</u>	<u>(7,934,850)</u>
Cash Flows From Capital and Related Financing Activities			
Proceeds From Issuance of Bonds	86,654,662		86,654,662
Deposit to Escrow Agent	(52,987,685)		(52,987,685)
Bond Issuance Costs	(698,854)		(698,854)
Principal Paid on Bonds, Notes and Capital Lease Payable	(2,055,000)	(333,338)	(2,388,338)
Interest Paid on Bonds, Notes and Capital Payable	(4,108,222)	(14,213)	(4,122,435)
Proceeds on Loans From Other Funds	40,535		40,535
Proceeds From Sale of Fixed Assets	26,000		26,000
Acquisition and Construction of Capital Assets	(15,007,641)	(2,919,983)	(17,927,624)
Contributions Received From Other Governments, Developers and Customers	3,417,797		3,417,797
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>15,281,592</u>	<u>(3,267,534)</u>	<u>12,014,058</u>
Cash Flows From Investing Activities			
Purchase of Investments	(25,068,476)		(25,068,476)
Proceeds From Sales and Maturities of Investments	6,695,000		6,695,000
Investment Income	9,080,503	1,267,833	10,348,336
Net Cash Provided By (Used In) Investing Activities	<u>(9,292,973)</u>	<u>1,267,833</u>	<u>(8,025,140)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	17,477,980	(690,659)	16,787,321
Cash and Cash Equivalents, Beginning of Year	81,680,727	14,128,098	95,808,825
Cash and Cash Equivalents, End of Year	<u>\$ 99,158,707</u>	<u>\$ 13,437,439</u>	<u>\$ 112,596,146</u>

(Continued)

See accompanying notes.

COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

	Proprietary Fund Types		Totals (Memorandum Only)
	Enterprise	Internal Service	
<u>Reconciliation of Cash and Cash Equivalents to Balance Sheet</u>			
Cash and Investments			
Unrestricted Cash and Investments			
Per Balance Sheet	\$ 64,518,973	\$ 13,437,439	\$ 77,956,412
Restricted Cash and Investments			
Per Balance Sheet	63,157,827		63,157,827
Total Cash and Investments	127,676,800	13,437,439	141,114,239
(Investments Not Meeting the Definition of Cash Equivalents)	(28,518,093)		(28,518,093)
Cash and Cash Equivalents, End of Year	<u>\$ 99,158,707</u>	<u>\$ 13,437,439</u>	<u>\$ 112,596,146</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</u>			
Operating Income (Loss)	\$ 12,821,836	\$ (1,865,591)	\$ 10,956,245
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:			
Depreciation	9,054,192	2,880,731	11,934,923
Amortization	92,486		92,486
Loss (Gain) on Fixed Asset Disposals	40,708	212,171	252,879
Decrease (Increase) in Assets:			
Accounts and Notes Receivable	(642,161)	2,304	(639,857)
Accrued Unbilled Revenue	(613,241)		(613,241)
Due From Other Funds	379,889		379,889
Inventories	(106,562)	(15,459)	(122,021)
Due From Other Governments	(6,089)		(6,089)
Other Current Assets	(347,304)	48,005	(299,299)
Increase (Decrease) in Liabilities:			
Accounts Payable	211,307	(341,744)	(130,437)
Claims Payable		370,111	370,111
Compensated Absences Payable	63,345	5,704	69,049
Due to Other Funds	(198,223)		(198,223)
Customer Deposits	(251,320)		(251,320)
Deferred Revenue	(1,886,649)		(1,886,649)
Decommissioning Costs	824,807		824,807
Net Cash Provided By (Used In) Operating Activities	<u>\$ 19,437,021</u>	<u>\$ 1,296,232</u>	<u>\$ 20,733,253</u>
<u>Noncash Capital and Related Financing Activities</u>			
Plant and Equipment Contributed From Other Funds	<u>\$ 22,033</u>	<u>\$ 0</u>	<u>\$ 22,033</u>
<u>Noncash Investing Activities</u>			
Change in Fair Value of Investments	<u>\$ 275,684</u>	<u>\$ 0</u>	<u>\$ 275,684</u>

(Concluded)

See accompanying notes.



NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

	<u>Page</u>
Reporting Entity and Description of Funds	
Reporting Entity	19
Description of Funds	20-22
Summary of Significant Accounting Policies	
Basis of Accounting	22-23
Annual Budgets	23
Equity in Pooled Cash and Investments	24
Cash Flows	24
Investments	24
Inventories	24
Property, Plant and Equipment	24-26
Accrued Revenue	26
Property Taxes	26
Interfund Payables and Receivables	26
Compensated Absences	26-27
Self-Insurance Claims	27
Pension Costs	27
Reserves of Retained Earnings and Fund Balance	27
Grants and Contributions	27
Bond Premiums, Discounts and Issuance Costs	28
Deferred Loss on Defeasance of Debt	28
Administrative Fees	28
Encumbrances	28
Total Columns on Combined Statements - Overview	28
Budget Reconciliation	
Budgetary Basis Reconciliation	29
Excess of Expenditures Over Appropriations	29
Cash and Investments and Equity in Pooled Cash and Investments	
Cash	29-30
Investments	30-31
Due From (To) Other Funds	31-32
Interfund Transactions	32-34
Property, Plant and Equipment	35

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA
(Concluded)

	<u>Page</u>
Pension Plans	
Plan Descriptions and Provisions	36-38
Investments	38
Contributions Required and Contribution Made	38
Three-Year Trend Information	39
Proprietary Funds — Long-Term Debt	
Enterprise Funds	39-45
Internal Service Fund Note Payable	45-46
General Long-Term Debt	46-47
Optional Gas Tax Refunding Revenue Bonds	47
Capital Improvement Refunding Revenue Certificates	47
Capital Improvement Revenue Certificates	47-48
Conduit Debt Obligations	48
Prior Year Defeasance of Debt	49
Financial Segment Information of Enterprise Funds	49-50
Reserved Retained Earnings	50
Fund Deficits	51
Contributed Capital	51-52
Equity Transfers	52-53
Risk Management	53-54
Commitments and Contingent Liabilities	
Economic Improvement Incentives	54
Grants	54
Litigation	54
Other Commitments	54
Purchased Power Contract	55
Prior Period Adjustment Restatement	55

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

Note 1 - Reporting Entity and Description of Funds

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. The City was created pursuant to the Laws of Florida, Chapter 67-1782.

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.

■ **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 of 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.

■ **Related Organizations**

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.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 1 - Reporting Entity and Description of Funds (Continued)

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 full 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 projects 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 1 - Reporting Entity and Description of Funds (Continued)

Description of Funds (Continued)

■ **Governmental Funds**

- **Capital Projects 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.

■ **Proprietary Funds**

Proprietary funds include enterprise and internal service funds. The measurement focus of proprietary funds is the 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, an expendable trust fund, 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, therefore, they are maintained on the accrual basis of accounting.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 1 - Reporting Entity and Description of Funds (Concluded)

Description of Funds (Concluded)

■ **Trust and Agency Funds (Concluded)**

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 fund are similar to governmental funds and, therefore, it is 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 assets 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 Assets Account Group** - Fixed assets used in governmental fund type operations are accounted for in the general fixed assets 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.

Note 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:

Basis of Accounting

The accrual basis of accounting is utilized for the proprietary and pension trust funds. Under this basis of accounting, revenues are recognized in the period earned and expenses are recognized in the period incurred.

The modified accrual basis of accounting is utilized by the governmental funds. Under this basis of accounting, 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 2 - Summary of Significant Accounting Policies (Continued)

Basis of Accounting (Concluded)

Under the modified accrual basis of accounting, 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 benefitted.
- Inventory of governmental funds is reported as an expenditure in the period purchased.
- Interest income on special assessments receivable is not accrued.

Annual Budgets

An annual budget is prepared for all governmental and proprietary funds except for one special revenue funds (SHIP local housing assistance), one capital project fund (capital improvement fund), the expendable trust fund, 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 nonmeasurable 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, 2001.

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 2001, 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 2 - Summary of Significant Accounting Policies (Continued)

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.

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.

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.

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.

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 assets 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 assets 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:

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 2 - Summary of Significant Accounting Policies (Continued)

Property, Plant and Equipment (Continued)

■ **Proprietary Funds (Concluded)**

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% has been applied to the historical cost of Crystal River Unit No. 3 (CR-3) through fiscal year 2000. 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 balance of the historical cost as of October 1, 2000, is being depreciated over 20 years starting in fiscal year 2001. The balance of the City's share of nuclear fuel, which is included in the CR-3 investment account, is being amortized over a three-year period starting in fiscal year 2001.

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 water and sewer system enterprise fund capitalizes net interest costs on funds borrowed to finance the construction of fixed assets. For the year ended September 30, 2001, capitalization of net interest costs was as follows:

	Water and Sewer System
Interest Expense	\$ 651,362
Amortization of Bond Issuance Costs	6,351
Interest Income (Loss)	(716,543)
Increase (Decrease) in Construction in Progress	\$ (58,830)

■ **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 assets 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 2 - Summary of Significant Accounting Policies *(Continued)*

Property, Plant and Equipment *(Concluded)*

■ **Capital Leases and Installment Purchase Contracts *(Concluded)***

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.

Accrued Revenue

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

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, 2001, was \$5.8368 per \$1,000 of assessed property value.

Interfund Payables and Receivables

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

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 the governmental funds. The remainder of the compensated absence liability of governmental funds is reported in the general long-term debt account group.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 2 - Summary of Significant Accounting Policies (Continued)

Compensated Absences (Concluded)

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.

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.

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.

Reserves of Retained Earnings and Fund Balance

Reserves of retained earnings of 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.

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 assets 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 assets account group at fair market value at the time received.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 2 - Summary of Significant Accounting Policies (Concluded)

Bond Premiums, Discounts and Issuance Costs

Bond premiums, 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 bond premiums are presented as an addition to the face amount of the related bonds payable. Issuance costs are recorded as other assets.

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.

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.

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.

Total Columns on Combined Statements - Overview

The columns entitled "Totals (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.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 3 - Budget Reconciliation

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 financing sources over expenditures and other financing uses for the year ended September 30, 2001, is presented below:

	<u>Governmental Fund Types</u>			<u>Expendable</u>
	<u>General</u>	<u>Special</u>	<u>Capital</u>	<u>Trust</u>
		<u>Revenue</u>	<u>Projects</u>	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses (Budgetary Basis)	\$ 1,160,180	\$ (3,853,252)	\$ 249,552	
Adjustments:				
Encumbrances	1,036,469	4,341,392		
Encumbrances of Nonformally Budgeted Activities	(159,673)			
Nonformally Budgeted Activities	2,918		(22,653)	\$ 28
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses (GAAP Basis)	<u>\$ 2,039,894</u>	<u>\$ 488,140</u>	<u>\$ 226,899</u>	<u>\$ 28</u>

Excess of Expenditures Over Appropriations

For the year ended September 30, 2001, no expenditures exceeded the budget at the fund level.

Note 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.

Cash

At September 30, 2001, the carrying amount of the City's deposits was \$8,164,307. These deposits consisting of interest-bearing and noninterest-bearing demand accounts and certificates of deposit, were entirely insured by federal depository insurance or by collateral held by the

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 4 - Cash and Investments and Equity in Pooled Cash and Investments *(Continued)*

Cash (Concluded)

City's agent pursuant to the Public Depository Security Act (the 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.

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' Retirement Plan and the Ocala Police Officers' Retirement System may also be invested, under state statutes, in corporate bonds, corporate stocks, commercial paper and life insurance contracts.

Cash management funds are mutual funds administered by Bank of America and by the Bank of New York. 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.

The Local Government Surplus Funds Trust Fund is an investment pool administered by the Florida State Board of Administration (SBA). 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 No. 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 4 - Cash and Investments and Equity in Pooled Cash and Investments (Concluded)

Investments (Concluded)

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.

	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Fair Value</u>
U.S. Government Securities			\$ 70,754,003	\$ 70,754,003
Nongovernment Obligations			56,412,644	56,412,644
Common Stock			36,004,347	36,004,347
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 163,170,994</u>	163,170,994
Cash Management Funds				8,983,374
Mutual Funds - Bonds				37,005,735
Mutual Funds - Equities				3,573,933
Mutual Funds - Foreign Equities				6,456,074
Local Government Surplus Funds				
Trust Fund				38,318,669
Total Investments				<u><u>\$ 257,508,779</u></u>

The pension trust funds hold approximately 26% of the investments in Category 3. The types of investments and their levels of risk exposure as of September 30, 2001, were typical of those items held during the fiscal year then ended.

Investments in the Local Government Surplus Funds Trust Fund Investment Pool mutual funds and money market funds are not required to be categorized since the investments are not evidenced by securities that exist in physical or book entry form.

Note 5 - Due From (To) Other Funds

The following summarizes the interfund receivables and payables of the various funds of the City at September 30, 2001:

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 5 - Due From (To) Other Funds (Concluded)

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Current Unrestricted Interfund Receivables/Payables		
General Fund	\$ 1,415,310	\$ 0
Special Revenue Fund:		
Stormwater Utility	101,702	0
Enterprise Funds:		
Electric System Revenue	452,507	1,334,087
Water and Sewer	665,170	
Sanitation	335,547	
Florida Emergency Training Facility		620,348
Adult Athletic Complex		316,325
Communications		452,507
SunTran		246,969
	<u>1,453,224</u>	<u>2,970,236</u>
Total Current Unrestricted Interfund Receivables/ Payables	<u>2,970,236</u>	<u>2,970,236</u>
Restricted Interfund Receivables/Payables		
Trust and Agency Funds:		
General Employees' Retirement System	7,010	24,312
Firefighters' Retirement Plan		7,010
Police Officers' Retirement System	24,312	
Total Restricted Interfund Receivables/Payables	<u>31,322</u>	<u>31,322</u>
Total Interfund Receivables/Payables	<u>\$ 3,001,558</u>	<u>\$ 3,001,558</u>

Note 6 - Interfund Transactions

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, 2001, \$21,267 of this loan is outstanding with \$19,819 classified as long-term. Interfund interest recognized on this loan in fiscal year 2001 was \$1,760.

On August 13, 1996, the City Council approved a loan of \$55,775 from the general fund to the Fort King tennis court fund, which is now included in the City's general 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, 2001, \$32,704 of this loan is outstanding, with \$27,043 classified as long-term. Interfund interest recognized on this loan in fiscal year 2001 was \$2,492.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 6 - Interfund Transactions (Continued)

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, 2001, \$2,288 of the loan is outstanding and is classified as current. Interfund interest recognized on this loan in fiscal year 2001 was \$242.

On May 2, 2000, the City Council approved a loan of \$116,000 from the electric system revenue fund to the general fund for the train station restaurant renovation project. This loan, which bears interest at 7%, is to be repaid over fifteen years upon completion of the project. The project was completed in fiscal year 2000. At September 30, 2001, \$110,677 of the loan is outstanding, with \$105,757 classified as long-term. Interfund interest recognized on this loan in fiscal year 2001 was \$7,923.

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, 2001, \$30,230 of the loan balance is outstanding, with \$20,750 classified as long-term. Interfund interest recognized on this loan in fiscal year 2001 was \$2,107.

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 three years, depending on the sufficiency of the revenues from the parking lot. At September 30, 2001, \$1,600 of the loan is outstanding and is classified as current. Interfund interest recognized on this loan in fiscal year 2001 was \$216.

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. The final payment on this loan was made during fiscal year 2001.

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, 2001, \$504,735 of this loan is outstanding and \$468,597 is classified as long-term. Interfund interest recognized on this loan in fiscal year 2001 was \$33,309.

On December 5, 1995, the City Council approved a loan of \$15,000 from the electric system revenue fund to the Ocala International Airport fund for the cost of the preactivation phase of the foreign trade zone project. This loan, which bears no interest, is to be repaid over five years. The final payment on this loan was made during fiscal year 2001.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 6 - Interfund Transactions (Continued)

On December 21, 1999, the City Council approved a loan of \$1,301,357 from the electric system revenue fund to the Ocala International Airport fund to consolidate eight of the existing interfund loans and to provide the funds for additional approved debt related to grant matching amounts. This loan, which bears interest at 7%, is to be repaid over a twenty-five year period commencing in fiscal year 2000. At September 30, 2001, \$1,265,579 of the loan is outstanding, with \$1,243,084 classified as long-term. Interfund interest recognized on this loan in fiscal year 2001 was \$89,394.

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 the City Council at a later date. The actual loan was for \$73,520, which is the outstanding balance at September 30, 2001, and is classified as long-term.

The following summarizes the interfund loans receivable and payable of the various funds of the City at September 30, 2001:

	<u>Loans Receivable</u>	<u>Loans Payable</u>
Current Unrestricted Interfund Loans Receivable/ Payable		
General Fund	\$ 5,661	\$ 14,317
Special Revenue Funds:		
Parking/Parks Enforcement	0	11,080
Enterprise Funds:		
Electric System Revenue	78,369	
Water and Sewer		36,138
Ocala Regional Airport		22,495
Total Enterprise Funds	78,369	58,633
Total Current Unrestricted Interfund Loans Receivable/ Payable	84,030	84,030
Interfund Loans Receivable/Payable After One Year		
General Fund	27,043	152,619
Special Revenue Funds:		
Parking/Parks Enforcement	0	20,750
Enterprise Funds:		
Electric System Revenue	1,931,527	
Municipal Golf Course		468,597
Ocala Regional Airport		1,243,084
Florida Emergency Training Facility		73,520
Total Enterprise Funds	1,931,527	1,785,201
Total Interfund Loans Receivable/Payable After One Year	1,958,570	1,958,570
Total Interfund Loans Receivable/Payable	\$ 2,042,600	\$ 2,042,600

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 7 - Property, Plant and Equipment

Property, plant and equipment of the proprietary fund types at September 30, 2001, is summarized as follows:

	Enterprise Funds	Internal Service Funds
Buildings	\$ 8,783,066	\$ 11,426,001
Extensions and Improvements Other Than Buildings	243,943,187	1,633,154
Crystal River Unit No. 3	16,168,423	
Fixtures, Vehicles and Equipment	9,015,394	19,461,581
	<u>277,910,070</u>	<u>32,520,736</u>
(Accumulated Depreciation)	(106,349,651)	(14,648,053)
	<u>171,560,419</u>	<u>17,872,683</u>
Land	17,248,292	667,770
Construction in Progress	22,045,575	114,027
Total	<u><u>\$ 210,854,286</u></u>	<u><u>\$ 18,654,480</u></u>

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 cost of the plant as well as capital improvements, nuclear fuel procurements and plant decommissioning costs. For its investment, the City received 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 (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, 2001, the following changes in general fixed assets occurred:

	Balance September 30, 2000	Additions	(Retirements and Other Deletions)	Balance September 30, 2001
Land	\$ 4,252,160	\$ 118,235		\$ 4,370,395
Buildings and Improvements	7,532,442	5,891,487	\$ (528,328)	12,895,601
Equipment	9,391,550	1,225,089	(1,224,559)	9,392,080
Construction in Progress	8,714,935	1,499,364	(6,009,933)	4,204,366
Total	<u><u>\$ 29,891,087</u></u>	<u><u>\$ 8,734,175</u></u>	<u><u>\$ (7,762,820)</u></u>	<u><u>\$ 30,862,442</u></u>

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 8 - Pension Plans

The City maintains a single-employer defined benefit pension plan which covers substantially all of the City's full-time employees excluding certified law enforcement officers and certified firefighters (General Employees' Retirement System), a single-employer defined benefit pension plan which covers all of its full-time certified law enforcement officers (Police Officers' Retirement System) and a single-employer defined benefit pension plan which covers all of its full-time certified firefighters (Firefighters' Retirement 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. During fiscal year 2000, the City's pension plans were restructured, which addressed the changes in the requirements of the Florida Statutes, Chapters 175 and 185.

Plan Descriptions and Provisions

■ **General Employees' Retirement System**

The General Employees' Retirement System is a noncontributory defined benefit pension plan covering substantially all full-time employees of the City, excluding certified law enforcement officers and certified firefighters.

Employees are eligible to retire at age sixty-five with five years of credited service or at any age with thirty years of credited service; or may elect early retirement at age fifty-five with five years of credited service or at any age with twenty-five years of credited service. Employees become vested after five years of credited service.

■ **Police Officers' Retirement System**

The Police Officers' Retirement System 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. 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 any month coincident with, or next following the earlier of the attainment of age fifty-two and the completion of ten years of credited service or the completion of twenty-five years of credited service or may elect to take early retirement on the first day of any month coincident with or next following the attainment of age fifty and the completion of ten years of credited service. Those electing early retirement have the option of receiving either a deferred or an immediate monthly retirement benefit. Law enforcement officers become vested in the plan after ten 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

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 8 - Pension Plans (Continued)

Plan Description and Provisions (Continued)

■ **Police Officers' Retirement System (Concluded)**

the Insurance Commissioner. Such amounts collected by the Insurance Commissioner, less expenses, are contributed annually to the plan. The City contributes 6.5% and the law enforcement officers contribute 5% of their salaries or wages to the Police Officers' Retirement System.

■ **Firefighters' Retirement Plan**

The Firefighters' Retirement 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. Florida Statutes, Chapter 175, allows contributions to the plan by the State of Florida.

Firefighters are eligible for normal service retirement on the first day of the month coincident with or next following the earlier of the sum of age and years of service equal to seventy or the attainment of age fifty-five and the completion of ten years of credited service. There shall be no mandatory retirement age. Early retirement is available to firefighter members on the first day of the month coincident with or next following the attainment of age fifty and the completion of ten years of continuous years of credited service. Those electing early retirement may receive either a deferred or an immediate monthly retirement benefit. Firefighters become vested in the plan after ten 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 contributes 6.65% and the firefighters contribute 7.40% of their salaries or wages to the Firefighters' Retirement Plan.

■ **Participation**

At September 30, 2001, participation in the plans consisted of the following:

	<u>General</u>	<u>Police</u>	<u>Fire</u>
Retirees and Beneficiaries Currently Receiving Benefits	277	31	43
DROP Retirees	3	3	
Terminated Employees Entitled to Benefits Not Yet Receiving Them	130	9	5
Total	<u>410</u>	<u>43</u>	<u>48</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 8 - Pension Plans (Continued)

Plan Description and Provisions (Concluded)

■ **Participation (Concluded)**

	<u>General</u>	<u>Police</u>	<u>Fire</u>
Current Employees:			
Vested	440	72	50
Nonvested	321	75	56
Total	<u>761</u>	<u>147</u>	<u>106</u>

Investments

Investments of the three plans, consisting of domestic and international common stocks, government and nongovernment obligations and mutual funds, are stated at fair value based on quoted market prices at the end of the fiscal year.

Contributions Required and Contribution Made

The contribution requirement for the General Employees' Retirement System for the 2001 fiscal year, determined through an actuarial valuation performed as of October 1, 2000, was \$1,790,087 (8.2% of current covered payroll). Actual employer contributions to the General Employees' Retirement System amounted to \$1,632,129 (6.65% of current covered payroll).

The contribution requirement for the Police Officers' Retirement System for the 2001 fiscal year, determined through an actuarial valuation performed as of October 1, 2000, was \$1,340,089 (21.0% of current covered payroll). Actual employee contributions to the Police Officers' Retirement System totalled \$340,044 (5.0% of current covered payroll), actual City contributions were \$440,902 (6.65% of current covered payroll) and actual state contributions amounted to \$403,078 (6.01% 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 contribution requirement for the Firefighters' Retirement Plan for the 2001 fiscal year, determined through an actuarial valuation performed as of October 1, 2000, was \$1,043,266 (30.41% of current covered payroll). Actual employee contributions totalled \$328,349 (7.40% of current covered payroll), actual City contributions were \$294,182 (6.65% of current covered payroll) and actual state contributions amounted to \$272,497 (6.16% 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.

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

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 8 - Pension Plans (Concluded)

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			
September 30, 1999	\$ 1,413,903	100%	\$ 0
September 30, 2000	1,471,544	100%	0
September 30, 2001	1,790,087	100%	0
Police Officers' Plan			
September 30, 1999	\$ 100,829	100%	\$ 0
September 30, 2000	331,892	100%	0
September 30, 2001	617,506	100%	0
Firefighters' Plan			
September 30, 1998	\$ 0	100%	\$ 0
September 30, 1999	0	100%	0
September 30, 2000*	205,319	100%	0

* Actuarial information for the firefighters' retirement plan as of October 1, 2001, is not yet available.

Note 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 1995 Water and Sewer Revenue Bonds</u>	<u>Series 1996 Water and Sewer Refunding Revenue Bonds</u>	<u>Series 2001 Water and Sewer Revenue Bonds</u>	<u>Series 2001A Water and Sewer Refunding Revenue Bonds</u>	<u>Series 2001 Electric System Refunding Revenue Bonds</u>	<u>Total Principal Due</u>
2002	\$ 10,000	\$ 450,000				\$ 460,000
2003	10,000	485,000		\$ 2,080,000	\$ 1,940,000	4,515,000
2004	10,000	510,000		2,300,000	2,035,000	4,855,000
2005	10,000	540,000		2,390,000	2,105,000	5,045,000
2006	10,000	580,000		2,480,000	2,185,000	5,255,000
2007-2032	4,915,000	7,985,000	\$ 36,205,000	30,635,000	2,255,000	81,995,000
Total Long-Term Debt	4,965,000	10,550,000	36,205,000	39,885,000	10,520,000	102,125,000
(Current Portion)	(10,000)	(450,000)				(460,000)
(Unamortized Bond Discount/Premium)	(149,068)	(133,103)	(155,150)	(91,718)	54,107	(474,932)
(Unamortized Deferred Loss on Defeasance of Debt)		(622,540)		(2,367,815)	(571,561)	(3,561,916)
Total Long-Term Portion	<u>\$ 4,805,932</u>	<u>\$ 9,344,357</u>	<u>\$ 36,049,850</u>	<u>\$ 37,425,467</u>	<u>\$ 10,002,546</u>	<u>\$ 97,628,152</u>
Interest Rate	<u>4.25%-5.50%</u>	<u>5.50%-6.0%</u>	<u>5.00%-5.75%</u>	<u>3.25%-4.50%</u>	<u>3.25%-4.00%</u>	

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 9 - Proprietary Funds - Long-Term Debt *(Continued)*

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 125% 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 semiannual 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 5% 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.

■ **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.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 9 - Proprietary Funds - Long-Term Debt (Continued)

Enterprise Funds (Continued)

■ **Water and Sewer Refunding Revenue Bonds, Series 1996 (Concluded)**

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 125% 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 semiannual 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 5% 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.

■ **Water and Sewer Revenue Bonds, Series 2001**

The Water and Sewer Revenue Bonds, Series 2001, were issued in May 2001, and consisted of \$9,120,000 serial bonds maturing from October 1, 2016 through 2022, and \$27,085,000 term bonds maturing of October 1, 2024, 2027 and 2031. 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 2001, are as follows:

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 9 - Proprietary Funds - Long-Term Debt *(Continued)*

Enterprise Funds *(Continued)*

■ **Water and Sewer Revenue Bonds, Series 2001 *(Concluded)***

Major Debt Provisions *(Concluded)*

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 125% 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 all net revenues derived from the operation and maintenance of the City's water and sewer system into the revenue fund.
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 semiannual interest payment and one-twelfth of the next annual principal amount; or of the next amortization installment for term bonds.
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 5% 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.

■ **Water and Sewer Refunding Revenue Bonds, Series 2001A**

The Water and Sewer Refunding Revenue Bonds, Series 2001A, were issued in August 2001, and consisted of \$10,520,000 serial bonds maturing on October 1, 2002 through 2015. The proceeds of this issue were used primarily for the current refunding of the City's outstanding Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A.

The City defeased the \$40,350,000 of the 1992A bonds by depositing sufficient funds with an escrow agent for the purpose of the current refunding on October 1, 2001, of the refundable bonds at a redemption price of 102% of the principal amount plus accrued interest to the redemption date. The defeasance has resulted in an extraordinary loss of \$2,396,003, which has been deferred and will be amortized over the life of the old bonds.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 9 - Proprietary Funds - Long-Term Debt (Continued)

Enterprise Funds (Continued)

■ **Water and Sewer Refunding Revenue Bonds, Series 2001A (Concluded)**

The defeasance resulted in the following:

Annual Average Savings	\$ 404,229
Aggregate Future Value Savings	6,063,422
Present Value Savings*	4,606,913

*Discounted Using Average Interest Cost of 4.15%

Major Debt Provisions

The major provisions of the resolution authorizing the issuance of the Water and Sewer Refunding Revenue Bonds, Series 2001A, 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 125% 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 all net revenues derived from the operation and maintenance of the City's water and sewer system into the revenue fund.
4. The City shall deposit the sinking fund, on or before the 25th day of each month, an amount equal to one-sixth of the next semiannual 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 5% 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.

■ **Electric System Refunding Revenue Bonds, Series 2001**

The Electric System Refunding Revenue Bonds, Series 2001, were issued in August 2001, and consisted of \$10,520,000 serial bonds maturing on October 1, 2002 through 2006. The proceeds of this issue were used primarily for the current refunding of the City's outstanding Utility Systems Subordinate Refunding Revenue Bonds, Series 1992B.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 9 - Proprietary Funds - Long-Term Debt (Continued)

Enterprise Funds (Continued)

■ **Electric System Refunding Revenue Bonds, Series 2001 (Concluded)**

The City defeased the \$10,235,000 of the 1992B bonds by depositing sufficient funds with an escrow agent for the purpose of the current refunding on October 1, 2001, of the refundable bonds at a redemption price of 102% of the principal amount plus accrued interest to the redemption date. The defeasance has resulted in an extraordinary loss of \$590,613, which has been deferred and will be amortized over the life of the old bonds.

The defeasance resulted in the following:

Annual Average Savings	\$ 99,012
Aggregate Future Value Savings	594,072
Present Value Savings*	548,546

*Discounted Using Average Interest Cost of 3.26%

Major Debt Provisions

The major provisions of the resolution authorizing the issuance of the Electric System Refunding Revenue Bonds, Series 2001, are as follows:

1. The debt obligation and related interest are collateralized by a pledge of the net revenues of the electric system.
2. The City will establish and maintain rates which will provide net revenues in each bond year sufficient to pay 125% 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 all gross revenues derived from the operation of the system into the revenue fund. Moneys in the revenue fund are to be used to pay the current operating expenses of the system.
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 semiannual interest payment and one-twelfth of the next annual principal amount.
5. The City will deposit into the electric renewal and replacement fund, on or before the 25th day of each month, one twelfth of an amount not less than 5% of the gross revenues of the system for the preceding fiscal year.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 9 - Proprietary Funds - Long-Term Debt (Continued)

Enterprise Funds (Concluded)

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, 2001:

Fiscal Year Ended September 30,	Series 1995 Water and Sewer Revenue Bonds	Series 1996 Water and Sewer Refunding Revenue Bonds	Series 2001 Water and Sewer Revenue Bonds	Series 2001A Water and Sewer Refunding Revenue Bonds	Series 2001 Electric System Refunding Revenue Bonds	Total Principal and Interest Due
2002	\$ 282,062	\$ 1,046,750	\$ 1,772,409	\$ 1,067,282	\$ 243,571	\$ 4,412,074
2003	281,630	1,053,700	1,933,537	3,639,322	2,271,406	9,179,595
2004	281,185	1,048,850	1,933,538	3,777,472	2,299,387	9,340,432
2005	280,730	1,047,350	1,933,537	3,779,422	2,294,219	9,335,258
2006	280,265	1,053,750	1,933,538	3,781,322	2,296,613	9,345,488
2007	279,790	1,048,050	1,933,537	3,777,823	2,293,053	9,332,253
2008	279,305	1,045,400	1,933,538	3,768,310		7,026,553
2009	278,810	1,045,500	1,933,537	3,765,341		7,023,188
2010	278,305	1,043,200	1,933,538	3,766,385		7,021,428
2011	282,660	1,043,350	1,933,537	3,759,585		7,019,132
2012	281,873	1,042,838	1,933,538	3,756,638		7,014,887
2013	281,062	1,041,775	1,933,537	3,755,465		7,011,839
2014	280,238	1,043,100	1,933,538	3,745,608		7,002,484
2015	279,412	1,036,812	1,933,537	3,741,475		6,991,236
2016	278,588	1,037,775	1,933,538	3,737,238		6,987,139
2017	1,099,525		2,747,662			3,847,187
2018	1,095,987		2,749,788			3,845,775
2019	1,094,838		2,744,787			3,839,625
2020	1,090,937		2,747,538			3,838,475
2021	1,089,150		2,747,787			3,836,937
2022			3,837,538			3,837,538
2023			3,840,162			3,840,162
2024			3,841,913			3,841,913
2025			3,847,412			3,847,412
2026			3,847,925			3,847,925
2027			3,843,025			3,843,025
2028			3,840,513			3,840,513
2029			3,832,012			3,832,012
2030			3,816,575			3,816,575
2031			3,796,219			3,796,219
2032			3,775,513			3,775,513
Total	\$ 9,676,352	\$ 15,678,200	\$ 84,698,303	\$ 53,618,688	\$ 11,698,249	\$ 175,369,792

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.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 9 - Proprietary Funds - Long-Term Debt (Concluded)

Internal Service Fund Note Payable (Concluded)

Following is a schedule of principal requirements to maturity as of September 30, 2001:

Fiscal Year Ending September 30, <u>2002</u> (Current Portion) Total Long-Term Portion	Total Principal Due
	\$ 171,753
	(171,753)
	<u>\$ 0</u>

Following is a schedule of debt service requirements to maturity as of September 30, 2001:

Fiscal Year Ending September 30, <u>2002</u>	\$ 173,776
---	------------

Note 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, 2001:

	Balance at October 1, 2000	General Long-Term Debt Additions	General Long-Term Debt Retired	Debt Service Funds Operations	Balance at September 30, 2001
Amount Available in Debt Service Funds	\$ 5,326,536	\$ 0	\$ 0	\$ (2,042,728)	\$ 3,283,808
Amount to be Provided					
Term Bonds	2,425,000				2,425,000
Serial Bonds	5,234,077		(755,000)	(24,666)	4,454,411
Term Certificates	15,985,000				15,985,000
Serial Certificates	3,674,387		(540,000)	2,067,394	5,201,781
Compensated Absences Payable	561,835		(5,532)		556,303
	<u>27,880,299</u>	<u>0</u>	<u>(1,300,532)</u>	<u>2,042,728</u>	<u>28,622,495</u>
Total Amount Available and to be Provided	<u>33,206,835</u>	<u>0</u>	<u>(1,300,532)</u>	<u>0</u>	<u>31,906,303</u>
General Long-Term Debt Payable					
Term Bonds	2,425,000				2,425,000
Serial Bonds	7,375,000		(755,000)		6,620,000
Term Certificates	15,985,000				15,985,000
Serial Certificates	6,860,000		(540,000)		6,320,000
Compensated Absences Payable	561,835		(5,532)		556,303
Total General Long-Term Debt Payable	<u>\$ 33,206,835</u>	<u>\$ 0</u>	<u>\$ (1,300,532)</u>	<u>\$ 0</u>	<u>\$ 31,906,303</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 10 - General Long-Term Debt (Continued)

General long-term debt matures as follows:

Fiscal Year Ending September 30,	Optional Gas Tax Refunding Revenue Bonds, Series 1992	Capital Improvement Refunding Revenue Certificates, Series 1993	Capital Improvement Revenue Certificates, Series 1995	Total Principal Due
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	940,000	540,000	95,000	1,575,000
2006	990,000	570,000	100,000	1,660,000
2007-2023	4,585,000	14,860,000	4,385,000	23,830,000
Total	\$ 9,045,000	\$ 17,465,000	\$ 4,840,000	\$ 31,350,000
Interest Rate	<u>5.30%-6.00%</u>	<u>4.10%-5.25%</u>	<u>4.25%-5.375%</u>	

The City's charter limits the aggregate amount of general obligation bonds outstanding to 20% of the assessed valuation of the taxable real and personal property in the City. At September 30, 2001, 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 option 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.

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.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 10 - General Long-Term Debt (Continued)

Capital Improvement Revenue Certificates (Concluded)

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

Fiscal Year Ending September 30,	Optional Gas Tax Refunding Revenue Bonds, Series 1992	Capital Improvement Refunding Revenue Certificates, Series 1993	Capital Improvement Revenue Certificates, Series 1995	Total Principal and Interest Due
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
Total	\$ 11,638,312	\$ 27,461,113	\$ 9,146,312	\$ 48,245,737

Conduit Debt Obligations

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 (the 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 Hospice of Marion County, Inc. (Hospice) 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 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, 2001, \$57,600,000 of bonds outstanding are considered defeased, as follows:

Enterprise Funds

Electric System Revenue:

Power Supply Revenue Bonds, Series 1977	\$ 3,990,000
Utility Systems Subordinate Refunding Revenue Bonds, Series 1992B	10,235,000

Water and Sewer:

Water and Sewer Refunding Revenue Bonds, Series 1983	3,025,000
Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A	40,350,000

Total	<u><u>\$ 57,600,000</u></u>
--------------	-----------------------------

Note 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	\$ 56,915,419	\$ 24,890,810	\$ 1,873,951	\$ 2,062,258	\$ 85,742,438
Current Liabilities	(12,988,529)	(408,841)	(537,289)	(2,252,590)	(16,187,249)
Working Capital	<u>\$ 43,926,890</u>	<u>\$ 24,481,969</u>	<u>\$ 1,336,662</u>	<u>\$ (190,332)</u>	<u>\$ 69,555,189</u>
Property, Plant and Equipment:					
Additions	<u>\$ 4,569,721</u>	<u>\$ 11,282,366</u>	<u>\$ 93,309</u>	<u>\$ 732,562</u>	<u>\$ 16,677,958</u>
Deletions	<u>\$ 658,344</u>	<u>\$ 601,449</u>	<u>\$ 248,923</u>	<u>\$ 88,224</u>	<u>\$ 1,596,940</u>
Total Property, Plant and Equipment, Net	<u>\$ 74,940,005</u>	<u>\$ 103,659,152</u>	<u>\$ 376,410</u>	<u>\$ 31,878,719</u>	<u>\$ 210,854,286</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 12 - Financial Segment Information of Enterprise Funds (Concluded)

	Electric System Revenue	Water and Sewer	Sanitation	Other	Total
Restricted Assets	\$ 10,645,095	\$ 53,423,425	\$ 0	\$ 129,189	\$ 64,197,709
Total Assets	\$ 144,517,685	\$ 182,744,046	\$ 2,250,361	\$ 34,070,166	\$ 363,582,258
Liabilities Payable From Restricted Assets	\$ 4,341,157	\$ 3,455,262	\$ 0	\$ 122,163	\$ 7,918,582
Bonds and Other Long- Term Liabilities	\$ 10,002,546	\$ 87,625,606	\$ 0	\$ 1,785,201	\$ 99,413,353
Total Fund Equity	\$ 117,185,453	\$ 91,254,337	\$ 1,713,072	\$ 29,910,212	\$ 240,063,074
Total Operating Revenues	\$ 101,142,186	\$ 15,689,072	\$ 7,300,799	\$ 3,841,190	\$ 127,973,247
Operating Expenses (Less Depreciation and Amortization)	(87,052,068)	(7,139,181)	(7,014,050)	(4,799,434)	(106,004,733)
Depreciation and Amortization	(4,095,770)	(3,620,952)	(147,719)	(1,282,237)	(9,146,678)
Operating Income (Loss)	9,994,348	4,928,939	139,030	(2,240,481)	12,821,836
Operating Transfers From Other Funds	63,085	288,236	27,658	821,937	1,200,916
Operating Transfers to Other Funds	(10,451,312)	(727,088)	(165,134)	(3,444)	(11,346,978)
Investment Income	4,457,927	3,988,795	135,440	117,544	8,699,706
Interest Expense	(654,676)	(3,500,895)		(268,112)	(4,423,683)
Other Nonoperating Revenue	1,892,941	6,857	9,491	731,523	2,640,812
Net Income (Loss)	\$ 5,302,313	\$ 4,984,844	\$ 146,485	\$ (841,033)	\$ 9,592,609
Capital Contributions	\$ 501,008	\$ 2,798,920	\$ 0	\$ 268,596	\$ 3,568,524

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

Note 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, 2001:

Total Restricted Assets	\$ 64,197,709
Less: Restricted Assets Set Aside For Construction Under Bond Indentures	(41,975,556)
Liabilities Payable From Restricted Assets	(7,918,582)
Add: Liabilities Payable From Restricted Assets Set Aside For Construction Under Bond Indenture	1,607,729
Total Reserved Retained Earnings	\$ 15,911,300

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 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, 2001, which are included in the accompanying combined financial statements:

	Accumulated Deficit/ Deficit Fund Balance
Proprietary Funds:	
Ocala International Airport	\$ <u>1,531,606</u>

The deficit in the Ocala International Airport fund was caused primarily by the construction of grant-funded capital improvements to the Ocala International Airport, as well as by debt service requirements on interfund loans. During fiscal year 2001, a business plan has been developed to help this fund to do better in the future.

Florida Emergency Training Facility	\$ <u>1,362,882</u>
-------------------------------------	---------------------

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. During fiscal year 2001, the City entered into a lease agreement with a private enterprise for the operation of the training facility. The City will share in any future profits.

SunTran	\$ <u>505,715</u>
---------	-------------------

The deficit in the SunTran fund was caused primarily by depreciation. In the first two years of operations of the mass transit system, most of the other items in this fund were covered by grants, subsidiaries or operating revenues.

Note 15 - Contributed Capital

During the year ended September 30, 2001, contributed equity increased as follows:

	Contributed Capital 9/30/00	Other Governments	Developers	Customers	Other Funds	Contributed Capital 9/30/01
Enterprise Funds						
Electric System Revenue	\$ 8,321,995			\$ 501,008		\$ 8,823,003
Water and Sewer	26,619,126	\$ (60,549)	\$ 2,859,469			29,418,046
Sanitation	8,515					8,515
Municipal Golf Course	3,853,439					3,853,439
Ocala International						
Airport	10,848,197	112,841				10,961,038

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 15 - Contributed Capital (Concluded)

	<u>Contributed Capital 9/30/00</u>	<u>Other Governments</u>	<u>Developers</u>	<u>Customers</u>	<u>Other Funds</u>	<u>Contributed Capital 9/30/01</u>
Enterprise Funds <i>(Concluded)</i>						
Florida Emergency Training Facility	\$ 10,652,195					\$ 10,652,195
Adult Athletic Complex	978,869				\$ 20,943	999,812
Communications	1,198,982					1,198,982
SunTran	1,418,976	\$ 133,722			1,090	1,553,788
Total Enterprise Funds	<u>\$ 63,900,294</u>	<u>\$ 186,014</u>	<u>\$ 2,859,469</u>	<u>\$ 501,008</u>	<u>\$ 22,033</u>	<u>\$ 67,468,818</u>
Internal Service Funds						
Internal Service	\$ 7,250,431					\$ 7,250,431
Self-Insurance	20,401					20,401
Total Internal Service Funds	<u>\$ 7,270,832</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 7,270,832</u>

Note 16 - Equity Transfers

The following is a summary of equity transfers made during the fiscal year ended September 30, 2001:

	<u>Equity Transfers</u>	
	<u>To/(From) Other Funds</u>	<u>Increase in Contributions</u>
General Fund	\$ 2,049,829	
Special Revenue Funds		
Occupational License Fund	(29,475)	
Local Gasoline Tax	(1,090)	
Debt Service Funds		
1993 Improvement Certificates	(1,723,192)	
1995 Improvement Certificates	(295,605)	
Capital Projects Fund		
Capital Improvement Fund	(22,500)	
Enterprise Funds		
Adult Athletic Complex		\$ 20,943
SunTran		1,090
Total	<u>\$ (22,033)</u>	<u>\$ 22,033</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 16 - Equity Transfers (Concluded)

The equity transfer from the local gasoline tax special revenue fund and a portion of the transfer from the general fund resulted primarily from additions made to SunTran and to the Adult Athletic Complex being paid for by other funds, as authorized by City Council. At the end of fiscal year 2001, the occupational license special revenue fund and the capital improvement capital projects funds were moved to the City's general fund. The equity transfers from the 1993 improvement certificates and the 1995 improvement certificates debt service funds to the general fund were the result of the replacement of the cash sinking reserves with surety bonds. These funds will be used on appropriate capital items in the future.

Note 17 - 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, and 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, 2001.

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, 2001, the City obtained actuarially determined estimates of the total claims loss reserves for all self-insurance risks. The claims liability of \$3,067,719 reported in the fund at September 30, 2001, is based on the requirements of GASB 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:

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Continued)

Note 17 - Risk Management (Concluded)

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End
1998-1999	\$ 3,243,858	\$ 600,917	\$ 1,172,405	\$ 2,672,370
1999-2000	2,672,370	1,471,538	1,446,300	2,697,608
2000-2001	2,697,608	2,029,131	1,659,020	3,067,719

Note 18 - 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. Economic incentive payments amounted to \$746,715 for the year ended September 30, 2001.

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. 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, 2001, were \$222,384 and \$23,855,521, 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, 2001.

NOTES TO FINANCIAL STATEMENTS
CITY OF OCALA, FLORIDA
(Concluded)

Note 18 - Commitments and Contingent Liabilities (Concluded)

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 Plan 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.

Note 19 - Prior Period Adjustment Restatement

The City implemented GASB Statement No. 33, *Accounting and Reporting for Nonexchange Transactions*, and GASB Statement No. 36, *Recipient Reporting for Certain Shared Nonexchange Revenues* during fiscal year 2001, which changed the timing of recognition of certain revenues. Fund balances in the City's general fund and local gasoline special revenue fund were restated as follows:

	<u>General Fund</u>	<u>Local Gasoline Tax Fund</u>
Fund Balance, September 30, 2000, As Originally Reported	\$ 9,080,751	\$ 8,297,883
Prior Period Adjustment	<u>230,307</u>	<u>250,623</u>
Fund Balance, September 30, 2000, As Restated	<u>\$ 9,311,058</u>	<u>\$ 8,548,506</u>



REQUIRED SUPPLEMENTARY INFORMATION

**REQUIRED SUPPLEMENTARY INFORMATION
HISTORICAL TREND INFORMATION FOR PENSION TRUST FUNDS
CITY OF OCALA, FLORIDA**

SCHEDULE OF FUNDING PROGRESS (1)

General Plan

Fiscal Year 9/30	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL) Frozen Entry Age*	(b-a) Unfunded (UAAL) AAL	(a/b) Funded Ratio	(c) Covered Payroll	(b-a)/c UAAL as a Percentage of Covered Payroll
2001	\$ 49,715,165	\$ 58,555,697	\$ 8,840,532	84.90%	\$ 24,305,928	36.37%
2000	49,300,452	57,844,296	8,543,844	85.23%	21,757,209	39.27%
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%

Police Officers' Plan

Fiscal Year 9/30	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL) Frozen Entry Age*	(b-a) Unfunded (UAAL) AAL	(a/b) Funded Ratio	(c) Covered Payroll	(b-a)/c UAAL as a Percentage of Covered Payroll
2001	\$ 30,329,305	\$ 28,564,746	\$ (1,764,559)	106.16%	\$ 6,625,498	(26.63%)
2000	28,632,326	30,103,745	1,471,419	95.11%	6,434,809	22.87%
1999	27,130,310	28,611,663	1,481,353	91.74%	5,783,939	25.61%
1998	13,084,660	13,084,660		91.32%	5,316,552	-
1997	12,495,738	13,495,738		89.73%	5,262,071	-
1996	10,342,342	10,342,342		100.00%	4,994,300	-

* 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.

(Continued)

REQUIRED SUPPLEMENTARY INFORMATION
HISTORICAL TREND INFORMATION FOR PENSION TRUST FUNDS
CITY OF OCALA, FLORIDA
(Concluded)

SCHEDULE OF FUNDING PROGRESS (1) (Concluded)

Firefighters' 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:

	<u>General</u>	<u>Police Officers</u>	<u>Firefighters</u>
Valuation Date	October 1, 2001	October 1, 2001	October 1, 2000
Actuarial Cost Method	Frozen Entry Age	Frozen Entry Age	Aggregate
Amortization Method	Level Percent of Pay-Closed	Level Percent of Pay-Closed	N/A
Remaining Amortization Period	29 Years	29 Years	N/A
Assets Valuation Method	4-Year Smoothing	Market Value	Market Value
Actual Assumptions (All Plans):			
Net Investment Rate of Return	8.0%	8.0%	8.0%
Projected Salary Increases*	6.0%	6.0%	6.0%
*Includes Inflation at	3.0%	3.0%	3.5%
Cost-of-Living Adjustments	0.0%	0.0%	0.0%

**REQUIRED SUPPLEMENTARY INFORMATION
HISTORICAL TREND INFORMATION FOR PENSION TRUST FUNDS
CITY OF OCALA, FLORIDA**

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

General Plan

Fiscal Year	Annual Required Contribution (City)	Percentage Contributed
2001	\$ 1,790,087	100.00%
2000	1,471,544	100.00%
1999	1,413,903	100.00%
1998	1,350,660	100.00%
1997	1,438,894	100.00%
1996	1,605,229	100.00%

Firefighters' Plan

Fiscal Year	Annual Required Contribution	(1) Annual Required Contribution (City)	(2) Annual Required Contribution (State)	Percentage Contributed
2000*	\$ 254,062	\$ 0	\$ 254,062	100.00%
1999	219,086	0	219,086	100.00%
1998	215,356	8,632	206,724	100.00%
1997	234,465	8,632	225,833	100.00%
1996	227,726	19,403	208,323	100.00%
1995	166,829	0	166,829	100.00%

* Actuarial information for the firefighters' retirement plan as of October 1, 2001, is not yet available.

- (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.

(Continued)

**REQUIRED SUPPLEMENTARY INFORMATION
HISTORICAL TREND INFORMATION FOR PENSION TRUST FUNDS
CITY OF OCALA, FLORIDA**

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

(Concluded)

Police Officers' Plan

Fiscal Year	Annual Required Contribution	(1) Annual Required Contribution (City)	(2) Annual Required Contribution (State)	Percentage Contributed
2001	\$ 1,020,584	\$ 617,506	\$ 403,078	100.00%
2000	714,755	416,374	382,863	100.00%
1999	471,671	100,829	370,842	100.00%
1998	402,319	31,477	370,842	100.00%
1997	347,104	0	347,104	100.00%
1996	315,440	0	315,440	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.



**NOTES TO FINANCIAL
STATEMENTS**

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**



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. At the end of fiscal year 2001, this fund was transferred to the City's general fund.

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, improvement to and maintenance of the storm drainage system.

State Housing Initiative Partnership (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 SHIP (low-income housing).

**COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	<u>Occupational License</u>	<u>Parking/ Parks Enforcement</u>
Assets		
Equity in Pooled Cash and Investment Fund		\$ 43,490
Accrued Interest Receivable		494
Accounts and Notes Receivable		
Due From Other Funds		
Due From Other Governments		
Total Assets	<u>\$ 0</u>	<u>43,984</u>
Liabilities and Fund Balances		
Liabilities		
Accounts Payable		2,381
Compensated Absences Payable		2,255
Deferred Revenue		
Interfund Loans Payable Within One Year		11,080
Interfund Loans Payable After One Year		20,750
Total Liabilities	<u>0</u>	<u>36,466</u>
Fund Balances		
Reserved For Encumbrances		1,500
Reserved For Specified Projects		6,018
Total Fund Balances	<u>0</u>	<u>7,518</u>
Total Liabilities and Fund Balances	<u>\$ 0</u>	<u>\$ 43,984</u>

Downtown Development	Local Gasoline Tax	Stormwater Utility	SHIP Local Housing Assistance	Totals
\$ 19,893	\$ 9,204,470	\$ 4,199,320	\$ 277,971	\$ 13,745,144
258	97,422	46,644	2,843	147,661
		1,333		1,333
		101,702		101,702
	656,311			656,311
<u>20,151</u>	<u>9,958,203</u>	<u>4,348,999</u>	<u>280,814</u>	<u>14,652,151</u>
1,644	479,771	178,606	667	663,069
441	5,884	18,988		27,568
	171,072		280,147	451,219
				11,080
				20,750
<u>2,085</u>	<u>656,727</u>	<u>197,594</u>	<u>280,814</u>	<u>1,173,686</u>
	4,118,279	221,613		4,341,392
18,066	5,183,197	3,929,792		9,137,073
<u>18,066</u>	<u>9,301,476</u>	<u>4,151,405</u>	<u>0</u>	<u>13,478,465</u>
\$ 20,151	\$ 9,958,203	\$ 4,348,999	\$ 280,814	\$ 14,652,151

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	Occupational License	Parking/ Parks Enforcement
Revenues		
Property Taxes		
Other Intergovernmental Revenues		
Parking Meters and Facilities		\$ 62,136
Licenses and Permits	\$ 490,247	
Fines and Forfeitures		6,159
Charges For Services		
Investment Income	24,033	4,370
Gifts		
Other	1,008	11,386
Total Revenues	<u>515,288</u>	<u>84,051</u>
Expenditures		
Current:		
General Government and Administrative		
Public Works		
Other		76,065
Capital Outlay		
Intergovernmental		
Debt Service:		
Interest and Paying Agents' Fees		2,323
(Total Expenditures)	<u>0</u>	<u>(78,388)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>515,288</u>	<u>5,663</u>
Other Financing Sources (Uses)		
Operating Transfers From Other Funds		
Operating Transfers to Other Funds	(491,000)	
Total Other Financing Sources (Uses)	<u>(491,000)</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Source Over (Under) Expenditures and Other Financing Uses	<u>24,288</u>	<u>5,663</u>
Fund Balances, Beginning of Year, As Restated	<u>5,187</u>	<u>1,855</u>
(Equity Transfers to Other Funds)	<u>(29,475)</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 7,518</u>

Downtown Development	Local Gasoline Tax	Stormwater Utility	SHIP Local Housing Assistance	Totals
\$ 44,191	\$ 3,966,568		\$ 253,797	\$ 44,191
				4,220,365
				62,136
				490,247
				6,159
		\$ 2,164,652		2,164,652
2,356	663,438	400,595	17,403	1,112,195
	695			695
16	200,441	2,234	500	215,585
<u>46,563</u>	<u>4,831,142</u>	<u>2,567,481</u>	<u>271,700</u>	<u>8,316,225</u>
37,321			271,700	309,021
	514,142	1,423,248		1,937,390
				76,065
6,425	2,731,194	1,431,114		4,168,733
175		6,684		6,859
				2,323
<u>(43,921)</u>	<u>(3,245,336)</u>	<u>(2,861,046)</u>	<u>(271,700)</u>	<u>(6,500,391)</u>
2,642	1,585,806	(293,565)	0	1,815,834
	644,177	80		644,257
	(1,475,923)	(5,028)		(1,971,951)
<u>0</u>	<u>(831,746)</u>	<u>(4,948)</u>	<u>0</u>	<u>(1,327,694)</u>
2,642	754,060	(298,513)	0	488,140
15,424	8,548,506	4,449,918	0	13,020,890
0	(1,090)	0	0	(30,565)
<u>\$ 18,066</u>	<u>\$ 9,301,476</u>	<u>\$ 4,151,405</u>	<u>\$ 0</u>	<u>\$ 13,478,465</u>

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (BUDGET AND ACTUAL)
SPECIAL REVENUE FUNDS
FOR YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	<u>Occupational License</u>	<u>Parking/ Parks Enforcement</u>
Revenues		
Property Taxes		
Other Intergovernmental Revenues		
Parking Meters and Facilities		
Licenses and Permits	\$ 490,247	\$ 62,136
Fines and Forfeitures		6,159
Charges For Services		
Investment Income	24,033	4,370
Gifts		
Other	1,008	11,386
Total Revenues	<u>515,288</u>	<u>84,051</u>
Expenditures		
Current:		
General Government and Administrative		
Public Works		
Other		76,065
Capital Outlay		
Intergovernmental		
Debt Service:		
Interest and Paying Agents' Fees		2,323
(Total Expenditures)	<u>0</u>	<u>(78,388)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>515,288</u>	<u>5,663</u>
Other Financing Sources (Uses)		
Operating Transfers From Other Funds		
Operating Transfers to Other Funds	(491,000)	
Total Other Financing Sources (Uses)	<u>(491,000)</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	24,288	5,663
Fund Balances, Beginning of Year, As Restated	5,187	1,855
(Equity Transfers to Other Funds)	<u>(29,475)</u>	<u>0</u>
Fund Balances, End of Year	<u>\$ 0</u>	<u>\$ 7,518</u>

Actual					Adjustments to a Budgetary Basis	Total Actual on a Budgetary Basis
Downtown Development	Local Gasoline Tax	Stormwater Utility	SHIP Local Housing Assistance	Totals		
\$ 44,191	\$ 3,966,568		\$ 253,797	\$ 44,191 4,220,365	\$ (253,797)	\$ 44,191 3,966,568
				62,136		62,136
				490,247		490,247
				6,159		6,159
		\$ 2,164,652		2,164,652		2,164,652
2,356	663,438	400,595	17,403	1,112,195	(17,403)	1,094,792
	695			695		695
16	200,441	2,234	500	215,585	(500)	215,085
<u>46,563</u>	<u>4,831,142</u>	<u>2,567,481</u>	<u>271,700</u>	<u>8,316,225</u>	<u>(271,700)</u>	<u>8,044,525</u>
37,321	514,142	1,423,248	271,700	309,021	(271,700)	37,321
				1,937,390	207,914	2,145,304
				76,065	1,500	77,565
6,425	2,731,194	1,431,114		4,168,733	4,131,978	8,300,711
175		6,684		6,859		6,859
				2,323		2,323
<u>(43,921)</u>	<u>(3,245,336)</u>	<u>(2,861,046)</u>	<u>(271,700)</u>	<u>(6,500,391)</u>	<u>(4,069,692)</u>	<u>(10,570,083)</u>
2,642	1,585,806	(293,565)	0	1,815,834	(4,341,392)	(2,525,558)
	644,177	80		644,257		644,257
	(1,475,923)	(5,028)		(1,971,951)		(1,971,951)
<u>0</u>	<u>(831,746)</u>	<u>(4,948)</u>	<u>0</u>	<u>(1,327,694)</u>	<u>0</u>	<u>(1,327,694)</u>
2,642	754,060	(298,513)	0	488,140	\$ (4,341,392)	\$ (3,853,252)
15,424	8,548,506	4,449,918	0	13,020,890		
0	(1,090)	0	0	(30,565)		
<u>\$ 18,066</u>	<u>\$ 9,301,476</u>	<u>\$ 4,151,405</u>	<u>\$ 0</u>	<u>\$ 13,478,465</u>		

(Continued)

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	Total Actual on a Budgetary Basis
Revenues	
Property Taxes	\$ 44,191
Other Intergovernmental Revenues	3,966,568
Parking Meters and Facilities	62,136
Licenses and Permits	490,247
Fines and Forfeitures	6,159
Charges For Services	2,164,652
Investment Income	1,094,792
Gifts	695
Other	215,085
Total Revenues	<u>8,044,525</u>
Expenditures	
Current:	
General Government and Administrative	37,321
Public Works	2,145,304
Other	77,565
Capital Outlay	8,300,711
Intergovernmental	6,859
Debt Service:	
Principal Payments	
Interest and Paying Agents' Fees	2,323
(Total Expenditures)	<u>(10,570,083)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,525,558)</u>
Other Financing Sources (Uses)	
Operating Transfers From Other Funds	644,257
Operating Transfers to Other Funds	(1,971,951)
Total Other Financing Sources (Uses)	<u>(1,327,694)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses Before Fund Balance Allocation	<u>(3,853,252)</u>
Fund Balance Allocation	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses After Fund Balance Allocation	<u>\$ (3,853,252)</u>

Final Budget

Occupational License	Parking/ Parks Enforcement	Downtown Development	Local Gasoline Tax	Stormwater Utility	Total	Variance Favorable (Unfavorable)
		\$ 43,507			\$ 43,507	\$ 684
			\$ 5,233,000		5,233,000	(1,266,432)
\$ 481,000	\$ 68,800				68,800	(6,664)
	4,220				481,000	9,247
					4,220	1,939
10,000	3,400	2,000	300,000	\$ 2,221,000	2,221,000	(56,348)
			314,000	113,000	428,400	666,392
	10,200		916,700		314,000	(313,305)
491,000	86,620	45,507	6,763,700	2,334,000	926,900	(711,815)
					9,720,827	(1,676,302)
		41,320			41,320	3,999
	77,926		1,267,443	2,088,342	3,355,785	1,210,481
		7,824	11,716,997	3,830,936	77,926	361
		175		500	15,555,757	7,255,046
					675	(6,184)
	10,730				10,730	10,730
	2,333				2,333	10
0	(90,989)	(49,319)	(12,984,440)	(5,919,778)	(19,044,526)	8,474,443
491,000	(4,369)	(3,812)	(6,220,740)	(3,585,778)	(9,323,699)	6,798,141
(491,000)			573,000	80	573,080	71,177
(491,000)	0	0	(1,624,821)	(5,028)	(2,120,849)	148,898
			(1,051,821)	(4,948)	(1,547,769)	220,075
0	(4,369)	(3,812)	(7,272,561)	(3,590,726)	(10,871,468)	7,018,216
0	4,369	3,812	7,272,561	3,590,726	10,871,468	(10,871,468)
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (3,853,252)

(Concluded)

SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUNDS
OCCUPATIONAL LICENSE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

	Occupational License Fund		
	Actual	Final Budget	Variance Favorable (Unfavorable)
Revenues			
Licenses and Permits	\$ 490,247	\$ 481,000	\$ 9,247
Investment Income	24,033	10,000	14,033
Other	1,008		1,008
Total Revenues	<u>515,288</u>	<u>491,000</u>	<u>24,288</u>
 Other Financing Sources (Uses)			
Operating Transfers to Other Funds	<u>(491,000)</u>	<u>(491,000)</u>	<u>0</u>
 Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Other Financing Uses Before Fund Balance Allocation	24,288	0	24,288
 Fund Balance Allocation	<u>0</u>	<u>0</u>	<u>0</u>
 Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Other Financing Uses After Fund Balance Allocation	24,288	<u>\$ 0</u>	<u>\$ 24,288</u>
 Fund Balance, Beginning of Year	5,187		
 Equity Transfers to Other Funds	<u>(29,475)</u>		
 Fund Balance, End of Year	<u>\$ 0</u>		

**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUNDS
PARKING/PARKS ENFORCEMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

Parking/Parks Enforcement Fund					
	Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	Final Budget	Variance Favorable (Unfavorable)
Revenues					
Parking Meters and Facilities	\$ 62,136		\$ 62,136	\$ 68,800	\$ (6,664)
Fines and Forfeitures	6,159		6,159	4,220	1,939
Investment Income	4,370		4,370	3,400	970
Other	11,386		11,386	10,200	1,186
Total Revenues	<u>84,051</u>	<u>\$ 0</u>	<u>84,051</u>	<u>86,620</u>	<u>(2,569)</u>
Expenditures					
Current:					
Other	76,065	1,500	77,565	77,926	361
Debt Service:					
Principal Payments				10,730	10,730
Interest and Paying Agents' Fees	2,323		2,323	2,333	10
(Total Expenditures)	<u>(78,388)</u>	<u>(1,500)</u>	<u>(79,888)</u>	<u>(90,989)</u>	<u>11,101</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures Before Fund Balance Allocation	5,663	(1,500)	4,163	(4,369)	8,532
Fund Balance Allocation	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,369</u>	<u>(4,369)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures After Fund Balance Allocation	5,663	<u>\$ (1,500)</u>	<u>\$ 4,163</u>	<u>\$ 0</u>	<u>\$ 4,163</u>
Fund Balance, Beginning of Year	<u>1,855</u>				
Fund Balance, End of Year	<u>\$ 7,518</u>				

**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUNDS
DOWNTOWN DEVELOPMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	Downtown Development Fund		
	Actual	Final Budget	Variance Favorable (Unfavorable)
Revenues			
Property Taxes	\$ 44,191	\$ 43,507	\$ 684
Investment Income	2,356	2,000	356
Other	16		16
Total Revenues	<u>46,563</u>	<u>45,507</u>	<u>1,056</u>
Expenditures			
Current:			
General Government and Administration	37,321	41,320	3,999
Capital Outlay	6,425	7,824	1,399
Intergovernmental	175	175	
(Total Expenditures)	<u>(43,921)</u>	<u>(49,319)</u>	<u>5,398</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures Before Fund Balance Allocation	2,642	(3,812)	6,454
Fund Balance Allocation	<u>0</u>	<u>3,812</u>	<u>(3,812)</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures After Fund Balance Allocation	2,642	<u>\$ 0</u>	<u>\$ 2,642</u>
Fund Balance, Beginning of Year	<u>15,424</u>		
Fund Balance, End of Year	<u>\$ 18,066</u>		

**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUNDS
LOCAL GASOLINE TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

Local Gasoline Tax Fund					
	Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	Final Budget	Variance Favorable (Unfavorable)
Revenues					
Other Intergovernmental Revenues	\$ 3,966,568		\$ 3,966,568	\$ 5,233,000	\$ (1,266,432)
Investment Income	663,438		663,438	300,000	363,438
Gifts	695		695	314,000	(313,305)
Other	200,441		200,441	916,700	(716,259)
Total Revenues	<u>4,831,142</u>	<u>\$ 0</u>	<u>4,831,142</u>	<u>6,763,700</u>	<u>(1,932,558)</u>
Expenditures					
Current:					
Public Works	514,142	69,967	584,109	1,267,443	683,334
Capital Outlay	2,731,194	4,048,312	6,779,506	11,716,997	4,937,491
(Total Expenditures)	<u>(3,245,336)</u>	<u>(4,118,279)</u>	<u>(7,363,615)</u>	<u>(12,984,440)</u>	<u>5,620,825</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,585,806</u>	<u>(4,118,279)</u>	<u>(2,532,473)</u>	<u>(6,220,740)</u>	<u>3,688,267</u>
Other Financing Sources (Uses)					
Operating Transfers From Other Funds	644,177		644,177	573,000	71,777
Operating Transfers to Other Funds	(1,475,923)		(1,475,923)	(1,624,821)	148,898
Total Other Financing Sources (Uses)	<u>(831,746)</u>	<u>0</u>	<u>(831,746)</u>	<u>(1,051,821)</u>	<u>220,075</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses Before Fund Balance Allocation	<u>754,060</u>	<u>(4,118,279)</u>	<u>(3,364,219)</u>	<u>(7,272,561)</u>	<u>3,908,342</u>
Fund Balance Allocation	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,272,561</u>	<u>(7,272,561)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses After Fund Allocation	<u>754,060</u>	<u>\$ (4,118,279)</u>	<u>\$ (3,364,219)</u>	<u>\$ 0</u>	<u>\$ (3,364,219)</u>
Equity Transfers to Other Funds	(1,090)				
Fund Balance, Beginning of Year, As Restated	<u>8,548,506</u>				
Fund Balance, End of Year	<u>\$ 9,301,476</u>				

**SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUNDS
STORMWATER UTILITY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	Stormwater Utility Fund				
	Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	Final Budget	Variance Favorable (Unfavorable)
Revenues					
Charges For Service	\$ 2,164,652		\$ 2,164,652	\$ 2,221,000	\$ (56,348)
Investment Income	400,595		400,595	113,000	287,595
Other	2,234		2,234		2,234
Total Revenues	<u>2,567,481</u>	<u>\$ 0</u>	<u>2,567,481</u>	<u>2,334,000</u>	<u>233,481</u>
Expenditures					
Current:					
Public Works	1,423,248	137,947	1,561,195	2,088,342	527,147
Capital Outlay	1,431,114	83,666	1,514,780	3,830,936	2,316,156
Intergovernmental	6,684		6,684	500	(6,184)
(Total Expenditures)	<u>(2,861,046)</u>	<u>(221,613)</u>	<u>(3,082,659)</u>	<u>(5,919,778)</u>	<u>2,837,119</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(293,565)</u>	<u>(221,613)</u>	<u>(515,178)</u>	<u>(3,585,778)</u>	<u>3,070,600</u>
Other Financing Sources (Uses)					
Operating Transfers From Other Funds	80		80	80	0
Operating Transfers to Other Funds	(5,028)		(5,028)	(5,028)	0
Total Other Financing Sources (Uses)	<u>(4,948)</u>	<u>0</u>	<u>(4,948)</u>	<u>(4,948)</u>	<u>0</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses Before Fund Balance Allocation	<u>(298,513)</u>	<u>(221,613)</u>	<u>(520,126)</u>	<u>(3,590,726)</u>	<u>3,070,600</u>
Fund Balance Allocation	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,590,726</u>	<u>(3,590,726)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses After Fund Balance Allocation	<u>(298,513)</u>	<u>\$ (221,613)</u>	<u>\$ (520,126)</u>	<u>\$ 0</u>	<u>\$ (520,126)</u>
Fund Balance, Beginning of Year	<u>4,449,918</u>				
Fund Balance, End of Year	<u>\$ 4,151,405</u>				

SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL REVENUE FUNDS
SHIP LOCAL HOUSING ASSISTANCE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

	SHIP Local Housing Assistance Fund		
	Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis
Revenues			
Other Intergovernmental Revenue	\$ 253,797	\$ (253,797)	
Investment Income	17,403	(17,403)	
Other	500	(500)	
Total Revenues	<u>271,700</u>	<u>(271,700)</u>	<u>\$ 0</u>
Expenditures			
Current:			
General Government and Administration	<u>(271,700)</u>	<u>271,700</u>	<u>0</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	\$ <u>0</u>	\$ <u>0</u>
Fund Balance, Beginning of Year	<u>0</u>		
Fund Balance, End of Year	<u>\$ 0</u>		



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

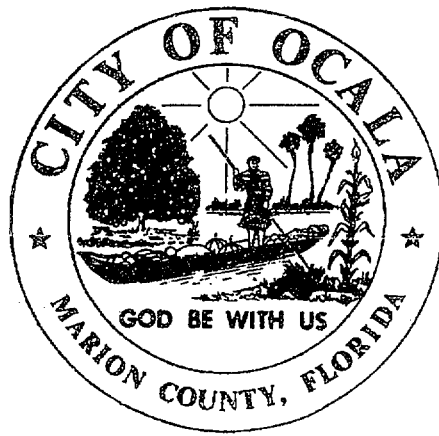
This fund is used for the payment of principal, interest and related costs of the Optional Gas Tax Refunding Revenue Bonds, Series 1992.

**COMBINING BALANCE SHEET
DEBT SERVICE FUNDS
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	<u>1993 Improvement Certificates</u>	<u>1995 Improvement Certificates</u>	<u>Optional Gas Tax Bonds</u>	<u>Totals</u>
Assets				
Restricted Cash and Investment	\$ 906,251	\$ 211,968		\$ 1,118,219
Restricted Equity in Pooled Cash and Investment Fund	4,938	847	\$ 2,141,982	2,147,767
Restricted Accrued Interest Receivable			23,607	23,607
Total Assets	<u>911,189</u>	<u>212,815</u>	<u>2,165,589</u>	<u>3,289,593</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable From Restricted Assets	4,938	847		5,785
Fund Balances				
Reserved For Debt Service	<u>906,251</u>	<u>211,968</u>	<u>2,165,589</u>	<u>3,283,808</u>
Total Liabilities and Fund Balances	<u>\$ 911,189</u>	<u>\$ 212,815</u>	<u>\$ 2,165,589</u>	<u>\$ 3,289,593</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
DEBT SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	1993 Improvement Certificates	1995 Improvement Certificates	Optional Gas Tax Bonds	Totals
Revenues				
Investment Income	\$ 187,866	\$ 34,572	\$ 170,177	\$ 392,615
Expenditures				
Current:				
Nondepartmental	49,249	8,449		57,698
Debt Service:				
Principal Payments	460,000	80,000	755,000	1,295,000
Interest and Paying Agents' Fees	872,444	256,138	541,017	1,669,599
(Total Expenditures)	<u>(1,381,693)</u>	<u>(344,587)</u>	<u>(1,296,017)</u>	<u>(3,022,297)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,193,827)</u>	<u>(310,015)</u>	<u>(1,125,840)</u>	<u>(2,629,682)</u>
Other Financing Sources (Uses)				
Operating Transfers From Other Funds	1,337,503	338,936	1,320,683	2,997,122
Operating Transfers to Other Funds	(187,124)	(34,070)	(170,177)	(391,371)
Total Other Financing Sources (Uses)	<u>1,150,379</u>	<u>304,866</u>	<u>1,150,506</u>	<u>2,605,751</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(43,448)	(5,149)	24,666	(23,931)
Fund Balances, Beginning of Year	2,672,891	512,722	2,140,923	5,326,536
Equity Transfers to Other Funds	<u>(1,723,192)</u>	<u>(295,605)</u>	<u>0</u>	<u>(2,018,797)</u>
Fund Balances, End of Year	<u>\$ 906,251</u>	<u>\$ 211,968</u>	<u>\$ 2,165,589</u>	<u>\$ 3,283,808</u>



CAPITAL PROJECTS FUNDS

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. This fund was closed during fiscal year 2001.

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.

**COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	<u>Optional Gas Tax Construction</u>	<u>Capital Improvement</u>	<u>1995 Capital Improvement</u>	<u>Totals</u>
Assets				
Equity in Pooled Cash and Investment Fund	\$ 10,247		\$ 752	\$ 10,999
Due From Other Governments	<u>126</u>			<u>126</u>
Total Assets	<u><u>10,373</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 752</u></u>	<u><u>\$ 11,125</u></u>
Liabilities and Fund Balances				
Current Liabilities				
Accounts Payable	<u>5,434</u>	<u>0</u>	<u>752</u>	<u>6,186</u>
Fund Balances				
Reserved For Specified Projects	<u>4,939</u>	<u>0</u>	<u>0</u>	<u>4,939</u>
Total Liabilities and Fund Balances	<u><u>\$ 10,373</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 752</u></u>	<u><u>\$ 11,125</u></u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	<u>Optional Gas Tax Construction</u>	<u>Capital Improvement</u>	<u>1995 Capital Improvement</u>	<u>Totals</u>
Revenues				
Investment Income	\$ 1,418	\$ 2,018	\$ 0	\$ 3,436
Expenditures				
Current:				
Public Safety			6,235	6,235
Public Works	8,633			8,633
Intergovernmental	24,671			24,671
Capital Outlay	5,189		174,276	179,465
(Total Expenditures)	<u>(38,493)</u>	<u>0</u>	<u>(180,511)</u>	<u>(219,004)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(37,075)</u>	<u>2,018</u>	<u>(180,511)</u>	<u>(215,568)</u>
Other Financing Sources (Uses)				
Operating Transfers From Other Funds	<u>0</u>	<u>0</u>	<u>442,467</u>	<u>442,467</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(37,075)</u>	<u>2,018</u>	<u>261,956</u>	<u>226,899</u>
Fund Balances (Deficit), Beginning of Year	42,014	20,482	(261,956)	(199,460)
Equity Transfers to Other Funds	<u>0</u>	<u>(22,500)</u>	<u>0</u>	<u>(22,500)</u>
Fund Balances, End of Year	<u>\$ 4,939</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,939</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	Actual			
	Optional Gas Tax Construction	Capital Improvement	1995 Capital Improvement	Totals
Revenues				
Investment Income	\$ 1,418	\$ 2,018	\$ 0	\$ 3,436
Expenditures				
Current:				
Public Safety			6,235	6,235
Public Works	8,633			8,633
Intergovernmental	24,671			24,671
Capital Outlay	5,189		174,276	179,465
(Total Expenditures)	(38,493)	0	(180,511)	(219,004)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(37,075)	2,018	(180,511)	(215,568)
Other Financing Sources (Uses)				
Operating Transfers From Other Funds	0	0	442,467	442,467
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses Before Fund Balance Allocation	(37,075)	2,018	261,956	226,899
Fund Balance Allocation	0	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses After Fund Balance Allocation	(37,075)	2,018	261,956	226,889
Fund Balances (Deficit), Beginning of Year	42,014	20,482	(261,956)	(199,460)
Equity Transfers to Other Funds	0	(22,500)	0	(22,500)
Fund Balances (Deficit), End of Year	\$ 4,939	\$ 0	\$ 0	\$ 4,939

Adjustments to a Budgetary Basis	Actual on a Budgetary Basis	Final Budget	Variance Favorable (Unfavorable)
\$ (2,018)	\$ 1,418	\$ 0	\$ 1,418
	6,235	6,236	1
	8,633	9,831	1,198
(24,671)			
	179,465	181,446	1,981
(24,671)	194,333	197,513	3,180
22,653	(192,915)	(197,513)	4,598
0	442,467	3,565	438,902
22,653	249,552	(193,948)	443,500
0	0	193,948	(193,948)
\$ 22,653	\$ 249,552	\$ 0	\$ 249,552

**SCHEDULES OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	<u>Optional Gas Tax Construction Fund</u>			
		Adjustments	Actual	
		to	on a	
	Actual	Budgetary	Budgetary	Final
		Basis	Basis	Budget
				Variance
				Favorable
				(Unfavorable)
Revenues				
Investment Income	\$ 1,418	\$ 0	\$ 1,418	\$ 0
				\$ 1,418
Expenditures				
Current:				
Public Works	8,633		8,633	9,831
Intergovernmental	24,671	(24,671)		1,198
Capital Outlay	5,189		5,189	7,169
(Total Expenditures)	(38,493)	(24,671)	(13,822)	17,000
				3,178
Excess (Deficiency) of Revenues Over (Under) Expenditures Before Fund Balance Allocation	(37,075)	(24,671)	(12,404)	(17,000)
				4,596
Fund Balance Allocation	0	0	0	17,000
				(17,000)
Excess (Deficiency) of Revenues Over (Under) Expenditures After Fund Balance Allocation	(37,075)	\$ (24,671)	\$ (12,404)	\$ 0
				\$ (12,404)
Fund Balance, Beginning of Year	42,014			
Fund Balance, End of Year	\$ 4,939			

**SCHEDULES OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

Capital Improvement Fund					
	Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	Final Budget	Variance Favorable (Unfavorable)
Revenues					
Investment Income	\$ 2,018	\$ (2,018)	\$ 0	\$ 0	\$ 0
Expenditures					
Capital Outlay	0	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures Before Fund Balance Allocation	2,018	(2,018)	0	0	0
Fund Balance Allocation	0	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures After Fund Balance Allocation	2,018	<u>\$ (2,018)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund Balance, Beginning of Year	20,482				
Equity Transfers From Other Funds	<u>(22,500)</u>				
Fund Balance, End of Year	<u>\$ 0</u>				

**SCHEDULES OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	1995 Capital Improvement Fund				
	Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	Final Budget	Variance Favorable (Unfavorable)
Revenues	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Expenditures					
Current:					
Public Safety	6,235		6,235	6,236	1
Capital Outlay	174,276		174,276	174,277	1
(Total Expenditures)	(180,511)	0	(180,511)	(180,513)	2
Excess (Deficiency) of Revenues Over (Under) Expenditures	(180,511)	0	(180,511)	(180,513)	2
Other Financing Sources (Uses)					
Operating Transfers From Other Funds	442,467	0	442,467	3,565	438,902
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses Before Fund Balance Allocation	261,956	0	261,956	(176,948)	438,904
Fund Balance Allocation	0	0	0	176,948	(176,948)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses After Fund Balance Allocation	261,956	\$ 0	\$ 261,956	\$ 0	\$ 261,956
Fund Balance (Deficit), Beginning of Year	(261,956)				
Fund Balance, End of Year	\$ 0				

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 System

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.

Municipal Trailer Park Fund

This fund accounts for the operation and maintenance of the City-owned trailer park.

Ocala International 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 mass transit regional system which began operations during fiscal year 1999.

**COMBINING BALANCE SHEET
ENTERPRISE FUNDS
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

Assets	Electric System Revenue	Water and Sewer	Sanitation	Municipal Golf Course
Current Assets				
Cash and Investments	\$ 2,300	\$ 250		\$ 4,128
Equity in Pooled Cash and Investment Fund	38,101,730	23,871,159	\$ 1,518,056	527,108
Accrued Interest Receivable	434,477	237,694	16,460	7,119
Accounts and Notes Receivable	9,126,183	81,953		611
Accrued Unbilled Revenues	5,935,501			
Due From Other Funds	452,507	665,170	335,547	
Interfund Loans Receivable	78,369			
Inventories	2,288,501	30,139		80,577
Due From Other Governments	22,195		3,888	
Other Current Assets	473,656	4,445		3,512
Total Current Assets	<u>56,915,419</u>	<u>24,890,810</u>	<u>1,873,951</u>	<u>623,055</u>
Restricted Assets				
Cash and Investments:				
Crystal River Decommissioning Trust	4,274,424			
Construction Accounts		31,490,066		
Debt Service Accounts		1,706,903		
Equity in Pooled Cash and Investment Fund:				
Construction Accounts	372,262	8,114,945		
Debt Service Accounts	60,552	267,141		
Impact Fee Accounts		4,038,016		
Renewal and Replacement	5,868,884	6,964,634		
Accrued Interest Receivable:				
Construction Accounts	4,096	346,465		
Debt Service Accounts	340	1,491		
Impact Fee Accounts		45,405		
Renewal and Replacement	64,537	76,415		
Due From Other Governments				
Other		371,944		
Total Restricted Assets	<u>10,645,095</u>	<u>53,423,425</u>	<u>0</u>	<u>0</u>
Interfund Loans Receivable After One Year	<u>1,931,527</u>	<u>0</u>	<u>0</u>	<u>0</u>
Property, Plant and Equipment, Net	<u>74,940,005</u>	<u>103,659,152</u>	<u>376,410</u>	<u>4,554,349</u>
Issuance Costs on Long-Term Debt	<u>85,639</u>	<u>770,659</u>	<u>0</u>	<u>0</u>
Total Assets	<u>\$ 144,517,685</u>	<u>\$ 182,744,046</u>	<u>\$ 2,250,361</u>	<u>\$ 5,177,404</u>

<u>Municipal Trailer Park</u>	<u>Ocala International Airport</u>	<u>Florida Emergency Training Facility</u>	<u>Adult Athletic Complex</u>	<u>Communications</u>	<u>SunTran</u>	<u>Totals</u>
\$ 100	\$ 100					\$ 6,878
107,820	386,222					64,512,095
1,202	5,203					702,155
	20,166	\$ 59,589	\$ 375	\$ 387		9,289,264
						5,935,501
						1,453,224
						78,369
				429,431		2,828,648
					\$ 428,383	454,466
				225		481,838
<u>109,122</u>	<u>411,691</u>	<u>59,589</u>	<u>375</u>	<u>430,043</u>	<u>428,383</u>	<u>85,742,438</u>
						4,274,424
						31,490,066
						1,706,903
						8,487,207
						327,693
						4,038,016
						12,833,518
						350,561
						1,831
						45,405
	129,189					140,952
						129,189
<u>0</u>	<u>129,189</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>371,944</u>
						64,197,709
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,931,527</u>
46,834	10,316,588	9,945,996	1,359,941	4,606,938	1,048,073	210,854,286
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>856,298</u>
<u>\$ 155,956</u>	<u>\$ 10,857,468</u>	<u>\$ 10,005,585</u>	<u>\$ 1,360,316</u>	<u>\$ 5,036,981</u>	<u>\$ 1,476,456</u>	<u>\$363,582,258</u>

**COMBINING BALANCE SHEET
ENTERPRISE FUNDS
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA
(Concluded)**

Liabilities and Fund Equity	Electric System Revenue	Water and Sewer	Sanitation	Municipal Golf Course
Current Liabilities				
Accounts Payable	\$ 8,395,951	\$ 238,741	\$ 338,583	\$ 68,084
Compensated Absences Payable	471,130	170,100	198,706	60,465
Accrued Interest Payable	2,370			
Due to Other Funds	1,334,087			
Customer Deposits	2,784,991			
Deferred Revenue				63,174
Interfund Loans Payable				36,138
Total Current Liabilities	<u>12,988,529</u>	<u>408,841</u>	<u>537,289</u>	<u>227,861</u>
Liabilities Payable From Restricted Assets				
Accounts Payable	5,840	1,382,858		
Accrued Interest Payable	60,893	1,513,724		
Deferred Revenue		98,680		
Revenue Bonds Payable Within One Year		460,000		
Decommissioning Costs	4,274,424			
Total Liabilities Payable From Restricted Assets	<u>4,341,157</u>	<u>3,455,262</u>	<u>0</u>	<u>0</u>
Interfund Loans Payable After One Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>468,597</u>
Revenue Bonds and Notes Payable After One Year	<u>10,002,546</u>	<u>87,625,606</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>27,332,232</u>	<u>91,489,709</u>	<u>537,289</u>	<u>696,458</u>
Fund Equity				
Contributed Equity	8,823,003	29,418,046	8,515	3,853,439
Retained Earnings:				
Reserved For Debt Service		2,936,831		
Reserved For Renewal and Replacement	5,933,420	7,041,049		
Total Reserved Retained Earnings	5,933,420	9,977,880	0	0
Unreserved (Accumulated Deficit)	102,429,030	51,858,411	1,704,557	627,507
Total Retained Earnings (Accumulated Deficit)	108,362,450	61,836,291	1,704,557	627,507
Total Fund Equity (Accumulated Deficit)	<u>117,185,453</u>	<u>91,254,337</u>	<u>1,713,072</u>	<u>4,480,946</u>
Total Liabilities and Fund Equity	<u>\$ 144,517,685</u>	<u>\$ 182,744,046</u>	<u>\$ 2,250,361</u>	<u>\$ 5,177,404</u>

<u>Municipal Trailer Park</u>	<u>Ocala International Airport</u>	<u>Florida Emergency Training Facility</u>	<u>Adult Athletic Complex</u>	<u>Communications</u>	<u>SunTran</u>	<u>Totals</u>
\$ 2,255	\$ 27,728	\$ 14,823	\$ 3,308	\$ 101,600	\$ 177,756	\$ 9,368,829
2,968	9,681	7,581	3,961	7,881		932,473
						2,370
		620,348	316,325	452,507	246,969	2,970,236
						2,784,991
	2,885				3,658	69,717
	22,495					58,633
<u>5,223</u>	<u>62,789</u>	<u>642,752</u>	<u>323,594</u>	<u>561,988</u>	<u>428,383</u>	<u>16,187,249</u>
	122,163					1,510,861
						1,574,617
						98,680
						460,000
						4,274,424
<u>0</u>	<u>122,163</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,918,582</u>
<u>0</u>	<u>1,243,084</u>	<u>73,520</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,785,201</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>97,628,152</u>
<u>5,223</u>	<u>1,428,036</u>	<u>716,272</u>	<u>323,594</u>	<u>561,988</u>	<u>428,383</u>	<u>123,519,184</u>
<u>0</u>	<u>10,961,038</u>	<u>10,652,195</u>	<u>999,812</u>	<u>1,198,982</u>	<u>1,553,788</u>	<u>67,468,818</u>
						2,936,831
						12,974,469
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,911,300</u>
150,733	(1,531,606)	(1,362,882)	36,910	3,276,011	(505,715)	156,682,956
150,733	(1,531,606)	(1,362,882)	36,910	3,276,011	(505,715)	172,594,256
150,733	9,429,432	9,289,313	1,036,722	4,474,993	1,048,073	240,063,074
<u>\$ 155,956</u>	<u>\$ 10,857,468</u>	<u>\$ 10,005,585</u>	<u>\$ 1,360,316</u>	<u>\$ 5,036,981</u>	<u>\$ 1,476,456</u>	<u>\$363,582,258</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	Electric System Revenue	Water and Sewer	Sanitation	Municipal Golf Course
Operating Revenues				
Sale of Electricity	\$ 97,440,477			
Sale of Water		\$ 4,673,810		
Sewer and Sanitation Service Charges		10,047,622	\$ 7,186,964	
Fees and Rentals		25,279		\$ 1,892,556
Commissions				
Other	3,701,709	942,361	113,835	317,282
Total Operating Revenues	<u>101,142,186</u>	<u>15,689,072</u>	<u>7,300,799</u>	<u>2,209,838</u>
Operating Expenses				
Purchase of Electricity	68,318,299			
Distribution	8,950,279	1,367,426		
Operation and Maintenance	2,430,737		6,565,270	2,264,373
Water and Sewer Treatment		2,677,148		
Sewer Collection		1,354,799		
Administration	4,551,777	1,651,579	439,295	50,197
Depreciation and Amortization	4,095,770	3,620,952	147,719	223,561
Economic Improvement Incentives	746,715			
Other	2,054,261	88,229	9,485	
(Total Operating Expenses)	<u>(91,147,838)</u>	<u>(10,760,133)</u>	<u>(7,161,769)</u>	<u>(2,538,131)</u>
Operating Income (Loss)	<u>9,994,348</u>	<u>4,928,939</u>	<u>139,030</u>	<u>(328,293)</u>
Nonoperating Revenues (Expenses)				
Investment Income	4,457,927	3,988,795	135,440	70,822
Interest Expense	(654,676)	(3,500,895)		(33,309)
Other Nonoperating Revenue	1,892,941	6,857	9,491	
Total Nonoperating Revenues (Expenses)	<u>5,696,192</u>	<u>494,757</u>	<u>144,931</u>	<u>37,513</u>
Income (Loss) Before Operating Transfers	<u>15,690,540</u>	<u>5,423,696</u>	<u>283,961</u>	<u>(290,780)</u>
Operating Transfers				
From Other Funds	63,085	288,236	27,658	18,939
To Other Funds	(10,451,312)	(727,088)	(165,134)	(1,788)
Total Operating Transfers	<u>(10,388,227)</u>	<u>(438,852)</u>	<u>(137,476)</u>	<u>17,151</u>
Net Income (Loss)	<u>5,302,313</u>	<u>4,984,844</u>	<u>146,485</u>	<u>(273,629)</u>
Retained Earnings (Accumulated Deficit), Beginning of Year	<u>103,060,137</u>	<u>56,851,447</u>	<u>1,558,072</u>	<u>901,136</u>
Equity Transfers to Other Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Retained Earnings (Accumulated Deficit), End of Year	<u>\$ 108,362,450</u>	<u>\$ 61,836,291</u>	<u>\$ 1,704,557</u>	<u>\$ 627,507</u>

<u>Municipal Trailer Park</u>	<u>Ocala International Airport</u>	<u>Florida Emergency Training Facility</u>	<u>Adult Athletic Complex</u>	<u>Communications</u>	<u>SunTran</u>	<u>Totals</u>
						\$ 97,440,477
						4,673,810
						17,234,586
\$ 85,976	\$ 367,834	\$ 75,423	\$ 76,524	\$ 759,778	\$ 149,032	3,432,402
	113,344					113,344
5	1,573	1,405	16	442		5,078,628
<u>85,981</u>	<u>482,751</u>	<u>76,828</u>	<u>76,540</u>	<u>760,220</u>	<u>149,032</u>	<u>127,973,247</u>
						68,318,299
						10,317,705
95,647	528,195	105,210	115,623	582,712	946,165	13,633,932
						2,677,148
						1,354,799
						6,692,848
3,646	325,796	409,659	53,861	64,824	200,890	9,146,678
	110,988					746,715
<u>(99,293)</u>	<u>(964,979)</u>	<u>(514,869)</u>	<u>(169,484)</u>	<u>(647,536)</u>	<u>324</u>	<u>2,263,287</u>
						<u>(115,151,411)</u>
<u>(13,312)</u>	<u>(482,228)</u>	<u>(438,041)</u>	<u>(92,944)</u>	<u>112,684</u>	<u>(998,347)</u>	<u>12,821,836</u>
10,246	36,472				4	8,699,706
	(89,394)	(53,750)	(27,100)	(64,559)		(4,423,683)
	88,790	520			642,213	2,640,812
<u>10,246</u>	<u>35,868</u>	<u>(53,230)</u>	<u>(27,100)</u>	<u>(64,559)</u>	<u>642,217</u>	<u>6,916,835</u>
<u>(3,066)</u>	<u>(446,360)</u>	<u>(491,271)</u>	<u>(120,044)</u>	<u>48,125</u>	<u>(356,130)</u>	<u>19,738,671</u>
	242,500			405,258	155,240	1,200,916
<u>0</u>	<u>242,500</u>	<u>0</u>	<u>0</u>	<u>(1,656)</u>		<u>(11,346,978)</u>
				<u>403,602</u>	<u>155,240</u>	<u>(10,146,062)</u>
(3,066)	(203,860)	(491,271)	(120,044)	451,727	(200,890)	9,592,609
153,799	(1,327,746)	(871,611)	156,954	2,824,284	(304,825)	163,001,647
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 150,733</u>	<u>\$ (1,531,606)</u>	<u>\$ (1,362,882)</u>	<u>\$ 36,910</u>	<u>\$ 3,276,011</u>	<u>\$ (505,715)</u>	<u>\$172,594,256</u>

**COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	Electric System Revenue	Water and Sewer	Sanitation	Municipal Golf Course
Cash Flows From Operating Activities				
Cash Received From Customers	\$ 97,609,366	\$ 15,644,799	\$ 7,280,791	\$ 2,208,055
Cash Paid to Suppliers For Goods and Services	(79,034,382)	(4,647,952)	(4,412,053)	(1,260,002)
Cash Paid to Employees For Services	(6,584,236)	(2,654,801)	(2,567,495)	(1,067,497)
Net Cash Provided By (Used In) Operating Activities	11,990,748	8,342,046	301,243	(119,444)
Cash Flows From Noncapital Financing Activities				
Operating Transfers In	43,274	24,214	18,313	
Operating Transfers Out	(10,423,464)	(682,573)	(126,795)	
FPL/IDO Settlement	1,882,101			
Operating Grants	10,840	6,857	21,583	
Principal Received on Loans to Other Funds	108,975			
Interest Received on Loans to Other Funds	134,952			
Principal Paid on Loans From Other Funds		(65,000)		
Interest Paid on Loans From Other Funds				(33,309)
Loans to Other Funds	(40,535)			
Net Cash Provided By (Used In) Noncapital Financing Activities	(8,283,857)	(716,502)	(86,899)	(33,309)
Cash Flows From Capital and Related Financing Activities				
Proceeds From Issuance of Bonds	10,604,326	76,050,336		
Deposit to Escrow Agent	(10,721,313)	(42,266,372)		
Bond Issuance Costs	(88,494)	(610,360)		
Principal Paid on Bonds		(2,055,000)		
Interest Paid on Bonds	(629,720)	(3,478,502)		
Proceeds of Loans From Other Funds				40,535
Proceeds From Sale of Fixed Assets			26,000	
Acquisition and Construction of Capital Assets	(4,439,785)	(10,038,546)	(83,964)	(232,842)
Contributions Received From Other Governments and Developers	501,008	2,874,654		
Net Cash Provided By (Used In) Capital and Related Financing Activities	(4,773,978)	20,476,210	(57,964)	(192,307)
Cash Flows From Investing Activities				
Purchase of Investments	(824,807)	(24,243,669)		
Proceeds From Sales and Maturities of Investments		6,695,000		
Investment Income	4,291,691	4,533,019	133,851	73,654
Net Cash Provided By (Used In) Investing Activities	3,466,884	(13,015,650)	133,851	73,654
Net Increase (Decrease) in Cash and Cash Equivalents	2,399,797	15,086,104	290,231	(271,406)
Cash and Cash Equivalents, Beginning of Year	42,005,931	37,123,341	1,227,825	802,642
Cash and Cash Equivalents, End of Year	\$ 44,405,728	\$ 52,209,445	\$ 1,518,056	\$ 531,236

Municipal Trailer Park	Ocala International Airport	Florida Emergency Training Facility	Adult Athletic Complex	Communications	SunTran	Totals
\$ 85,981	\$ 493,622	\$ 42,024	\$ 76,059	\$ 899,203	\$ 145,374	\$124,485,274
(47,034)	(443,946)	(22,784)	(34,999)	(565,940)	(736,593)	(91,205,685)
(48,143)	(213,518)	(21,854)	(41,060)	(643,964)		(13,842,568)
(9,196)	(163,842)	(2,614)	0	(310,701)	(591,219)	19,437,021
	242,500			359,503	155,240	843,044
						(11,232,832)
	60,530	520			468,986	1,882,101
						569,316
						108,975
	(24,978)					134,952
	(89,394)					(89,978)
						(122,703)
						(40,535)
0	188,658	520	0	359,503	624,226	(7,947,660)
						86,654,662
						(52,987,685)
						(698,854)
						(2,055,000)
						(4,108,222)
						40,535
						26,000
	(105,691)			(48,802)	(58,011)	(15,007,641)
	17,135				25,000	3,417,797
0	(88,556)	0	0	(48,802)	(33,011)	15,281,592
						(25,068,476)
						6,695,000
10,275	35,915	2,094			4	9,080,503
10,275	35,915	2,094	0	0	4	(9,292,973)
1,079	(27,825)	0	0	0	0	17,477,980
106,841	414,147	0	0	0	0	81,680,727
\$ 107,920	\$ 386,322	\$ 0	\$ 0	\$ 0	\$ 0	\$ 99,158,707

COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA
(Concluded)

	Electric System Revenue	Water and Sewer	Sanitation	Municipal Golf Course
<u>Reconciliation of Cash and Cash Equivalents to Balance Sheet</u>				
Total Unrestricted Cash and Investments Per the Balance Sheet	\$ 38,104,030	\$ 23,871,409	\$ 1,518,056	\$ 531,236
Total Restricted Cash and Investments Per the Balance Sheet	10,576,122	52,581,705		
Total Cash and Investments	48,680,152	76,453,114	1,518,056	531,236
(Investments Not Meeting the Definition of Cash Equivalents)	(4,274,424)	(24,243,669)		
Cash and Cash Equivalents, End of Year	\$ 44,405,728	\$ 52,209,445	\$ 1,518,056	\$ 531,236
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</u>				
Operating Income (Loss)	\$ 9,994,348	\$ 4,928,939	\$ 139,030	\$ (328,293)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided By (Used In) Operating Activities:				
Depreciation	4,064,670	3,559,566	147,719	223,561
Amortization	31,100	61,386		
Loss (Gain) on Fixed Assets Disposal	29,733	8,054	955	3,169
Decrease (Increase) in Assets:				
Accounts and Notes Receivable	(763,963)	22,048	2,921	(477)
Accrued Unbilled Services	(613,241)			
Due From Other Funds	467,199	(64,381)	(22,929)	
Inventories	42,617	16,833		(6,232)
Due From Other Governments	(22,195)			
Other Current Assets	(182,552)	(172,233)	166	3,230
Increase (Decrease) in Liabilities:				
Accounts Payable	142,301	(28,901)	19,685	(14,597)
Compensated Absences Payable	32,363	12,675	13,696	1,501
Due to Other Funds	76,982			
Customer Deposits	(251,320)			
Deferred Revenue	(1,882,101)	(1,940)		(1,306)
Decommissioning Costs	824,807			
Net Cash Provided By (Used In) Operating Activities	\$ 11,990,748	\$ 8,342,046	\$ 301,243	\$ (119,444)
<u>Noncash Capital and Related Financing Activities</u>				
Plant and Equipment Contributed From Other Funds	\$ 0	\$ 0	\$ 0	\$ 0
<u>Noncash Investing Activities</u>				
Change in Fair Value of Investments	\$ 37,344	\$ 238,340	\$ 0	\$ 0

<u>Municipal Trailer Park</u>	<u>Ocala International Airport</u>	<u>Florida Emergency Training Facility</u>	<u>Adult Athletic Complex</u>	<u>Communications</u>	<u>SunTran</u>	<u>Totals</u>
\$ 107,920	\$ 386,322					\$ 64,518,973
						63,157,827
<u>107,920</u>	<u>386,322</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>127,676,800</u>
						(28,518,093)
<u>\$ 107,920</u>	<u>\$ 386,322</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 99,158,707</u>
\$ (13,312)	\$ (482,228)	\$ (438,041)	\$ (92,944)	\$ 112,684	\$ (998,347)	\$ 12,821,836
3,646	325,796	409,659	53,861	64,824	200,890	9,054,192
	(1,203)					92,486
	13,170	(50,910)	(275)	138,983	(3,658)	40,708
						(642,161)
						(613,241)
						379,889
		3,330		(163,110)		(106,562)
		16,106				(6,089)
	4,250			(165)		(347,304)
261	(22,909)	9,954	(2,149)	68,021	39,641	211,307
209	378	2,060	643	(180)		63,345
		45,228	41,070	(531,758)	170,255	(198,223)
						(251,320)
	(1,096)		(206)			(1,886,649)
						824,807
<u>\$ (9,196)</u>	<u>\$ (163,842)</u>	<u>\$ (2,614)</u>	<u>\$ 0</u>	<u>\$ (310,701)</u>	<u>\$ (591,219)</u>	<u>\$ 19,437,021</u>
\$ 0	\$ 0	\$ 0	\$ 20,943	\$ 0	\$ 1,090	\$ 22,033
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 275,684</u>



INTERNAL SERVICE FUNDS

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, facilities 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 insurance and self-insurance plans.

**COMBINING BALANCE SHEET
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

Assets	<u>Internal Service</u>	<u>Fleet Management</u>	<u>Self- Insurance</u>	<u>Totals</u>
Current Assets				
Cash and Investments	\$ 150	\$ 800	\$ 150	\$ 1,100
Equity in Pooled Cash and Investment Fund	2,659,318	7,319,927	3,457,094	13,436,339
Inventories	31,531	82,988	37,253	151,772
Accrued Interest Receivable	29,118	50	52,352	81,520
Accounts Receivable	38,074	135,602		173,676
Due From Other Governments			7,000	7,000
Other Current Assets	27,079		55,208	82,287
Total Current Assets	<u>2,785,270</u>	<u>7,539,367</u>	<u>3,609,057</u>	<u>13,933,694</u>
Property, Plant and Equipment, Net	<u>9,743,098</u>	<u>8,898,582</u>	<u>12,800</u>	<u>18,654,480</u>
Total Assets	<u>12,528,368</u>	<u>16,437,949</u>	<u>3,621,857</u>	<u>32,588,174</u>
 Liabilities and Fund Equity				
Current Liabilities				
Accounts Payable	120,661	181,956	193,814	496,431
Claims Payable			3,067,719	3,067,719
Compensated Absences Payable	139,191	67,924		207,115
Capital Lease and Notes Payable Within One Year	171,753			171,753
Total Liabilities - All Current	<u>431,605</u>	<u>249,880</u>	<u>3,261,533</u>	<u>3,943,018</u>
Fund Equity				
Contributed Equity	7,250,431		20,401	7,270,832
Unreserved Retained Earnings	4,846,332	16,188,069	339,923	21,374,324
Total Fund Equity	<u>12,096,763</u>	<u>16,188,069</u>	<u>360,324</u>	<u>28,645,156</u>
Total Liabilities and Fund Equity	<u>\$ 12,528,368</u>	<u>\$ 16,437,949</u>	<u>\$ 3,621,857</u>	<u>\$ 32,588,174</u>

**COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	<u>Internal Service</u>	<u>Fleet Management</u>	<u>Self- Insurance</u>	<u>Totals</u>
Operating Revenues				
Fees and Rentals	\$ 4,473,668	\$ 4,146,034	\$ 564,726	\$ 9,184,428
City Insurance Contributions			4,885,529	4,885,529
Employee Insurance Contributions			1,800,320	1,800,320
Other	11,332	5,145	1,221	17,698
Total Operating Revenues	<u>4,485,000</u>	<u>4,151,179</u>	<u>7,251,796</u>	<u>15,887,975</u>
Operating Expenses				
Fleet Management		2,412,284		2,412,284
Purchasing and Warehousing	777,775			777,775
Management Information System and Central Services	1,956,025			1,956,025
Facilities Maintenance	1,237,706			1,237,706
Insurance, Administration and Other			8,400,509	8,400,509
Depreciation	945,834	1,928,944	5,953	2,880,731
Other	88,536			88,536
(Total Operating Expenses)	<u>(5,005,876)</u>	<u>(4,341,228)</u>	<u>(8,406,462)</u>	<u>(17,753,566)</u>
Operating Income (Loss)	<u>(520,876)</u>	<u>(190,049)</u>	<u>(1,154,666)</u>	<u>(1,865,591)</u>
Nonoperating Revenues (Expenses)				
Investment Income	271,057	686,151	292,938	1,250,146
Interest Expense	(14,213)			(14,213)
Other Nonoperating Revenue	364	280		644
Total Nonoperating Revenues (Expenses)	<u>257,208</u>	<u>686,431</u>	<u>292,938</u>	<u>1,236,577</u>
Income (Loss) Before Operating Transfers	<u>(263,668)</u>	<u>496,382</u>	<u>(861,728)</u>	<u>(629,014)</u>
Operating Transfers				
From Other Funds	148,496		18,452	166,948
To Other Funds	(62,236)	(328,661)	(7,611)	(398,508)
Total Operating Transfers	<u>86,260</u>	<u>(328,661)</u>	<u>10,841</u>	<u>(231,560)</u>
Net Income (Loss)	<u>(177,408)</u>	<u>167,721</u>	<u>(850,887)</u>	<u>(860,574)</u>
Retained Earnings, Beginning of Year	<u>5,023,740</u>	<u>16,020,348</u>	<u>1,190,810</u>	<u>22,234,898</u>
Retained Earnings, End of Year	<u>\$ 4,846,332</u>	<u>\$ 16,188,069</u>	<u>\$ 339,923</u>	<u>\$ 21,374,324</u>

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	Internal Service	Fleet Management	Self- Insurance	Totals
Cash Flows From Operating Activities				
Cash Received From Employees			\$ 1,800,320	\$ 1,800,320
Cash Paid to Suppliers For Goods and Services	\$ (1,635,108)	\$ (1,613,827)	(5,949,856)	(9,198,791)
Cash Paid to Employees For Services	(2,209,168)	(1,144,484)	(382,584)	(3,736,236)
Cash Received From Other Funds	4,493,495	4,151,307	5,445,157	14,089,959
Cash Paid For Insurance Claims			(1,659,020)	(1,659,020)
Net Cash Provided By (Used In) Operating Activities	<u>649,219</u>	<u>1,392,996</u>	<u>(745,983)</u>	<u>1,296,232</u>
Cash Flows From Noncapital Financing Activities				
Operating Transfers In			18,452	18,452
Operating Transfers (Out)	(6,286)			(6,286)
Operating Grants	364	280		644
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>(5,922)</u>	<u>280</u>	<u>18,452</u>	<u>12,810</u>
Cash Flows From Capital and Related Financing Activities				
Principal Paid on Capital Lease and Notes Payable	(333,338)			(333,338)
Interest Paid on Capital Lease and Notes Payable	(14,213)			(14,213)
Acquisition and Construction of Capital Assets	(150,820)	(2,769,163)		(2,919,983)
Net Cash Flows Provided By (Used In) Capital and Related Financing Activities	<u>(498,371)</u>	<u>(2,769,163)</u>	<u>0</u>	<u>(3,267,534)</u>
Cash Flows From Investing Activities				
Investment Income	274,556	692,878	300,399	1,267,833
Net Increase in Cash and Cash Equivalents	419,482	(683,009)	(427,132)	(690,659)
Cash and Cash Equivalents, Beginning of Year	2,239,986	8,003,736	3,884,376	14,128,098
Cash and Cash Equivalents, End of Year	<u>\$ 2,659,468</u>	<u>\$ 7,320,727</u>	<u>\$ 3,457,244</u>	<u>\$ 13,437,439</u>
Reconciliation of Operating Income (Loss) to Cash Provided By (Used In) Operating Activities				
Operating Income (Loss)	\$ (520,876)	\$ (190,049)	\$ (1,154,666)	\$ (1,865,591)
Adjustment to Reconcile Operating Income (Loss) to Cash Flows Provided By (Used In) Operating Activities:				
Depreciation	945,834	1,928,944	5,953	2,880,731
Income (Loss) on Fixed Asset Disposal	184,879	26,923	369	212,171
Decrease (Increase) in Assets:				
Accounts and Notes Receivable	8,495	128	(6,319)	2,304
Inventories	10,705	(26,164)		(15,459)
Other Current Assets	52,553	540	(5,088)	48,005
Increase (Decrease) in Liabilities:				
Accounts Payable	(34,951)	(350,450)	43,657	(341,744)
Compensated Absences Payable	2,580	3,124		5,704
Claims Payable			370,111	370,111
Net Cash Provided By (Used In) Operating Activities	<u>\$ 649,219</u>	<u>\$ 1,392,996</u>	<u>\$ (745,983)</u>	<u>\$ 1,296,232</u>

TRUST AND AGENCY FUNDS

The trust funds of the City are pension trust funds and expendable trust fund. 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, therefore, they are 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, therefore, it is 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 Fund

■ 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.

Pension Trust Fund

■ General Employees' Retirement System

This fund provides retirement benefits to all active and inactive participants of the plan.

■ Firefighters' Retirement Plan

This fund provides retirement benefits to qualifying firefighters.

■ Police Officers' Retirement System

This fund provides retirement 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.

**COMBINING BALANCE SHEET
TRUST AND AGENCY FUNDS
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	Expendable Trust Fund Community Redevelopment Trust
Assets	
Restricted Assets	
Cash and Investments	
Equity in Pooled Cash and Investment Fund	\$ 110
Accrued Interest and Dividends Receivable	
Due From Other Governments	
Due From Other Funds	
Other Restricted Assets	
Total Restricted Assets	<u>110</u>
Liabilities and Fund Balances	
Liabilities Payable From Restricted Assets	
Accounts Payable	
Due to Other Funds	
Police Evidence	
Total Liabilities	<u>0</u>
Fund Balances	
Reserved For Employees' Pension Benefits	
Reserved For Specified Projects	110
Total Fund Balances	<u>110</u>
Total Liabilities and Fund Balances	<u>\$ 110</u>

Pension Trust Funds			Agency Fund	
General Employees' Retirement System	Firefighters' Retirement Plan	Police Officers' Retirement System	Police Evidence	Totals
\$ 46,842,707	\$ 18,470,709	\$ 27,717,360		\$ 93,030,776
26,474	648	118,464	\$ 117,747	117,857
1,797	19,078		1,282	146,868
7,010		24,312		20,875
579	2,316			31,322
<u>46,878,567</u>	<u>18,492,751</u>	<u>27,860,136</u>	<u>119,029</u>	<u>93,350,593</u>
462,865	28,249	357,002		848,116
24,312	7,010			31,322
			119,029	119,029
<u>487,177</u>	<u>35,259</u>	<u>357,002</u>	<u>119,029</u>	<u>998,467</u>
46,391,390	18,457,492	27,503,134		92,352,016
				110
<u>46,391,390</u>	<u>18,457,492</u>	<u>27,503,134</u>	<u>0</u>	<u>92,352,126</u>
\$ <u>46,878,567</u>	\$ <u>18,492,751</u>	\$ <u>27,860,136</u>	\$ <u>119,029</u>	\$ <u>93,350,593</u>

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
EXPENDABLE TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

	Community Redevelopment Trust
Revenues	
Property Taxes	\$ 18
Investment Income	10
Total Revenues	<u>28</u>
 Expenditures	 <u>0</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 28
 Fund Balance, Beginning of Year	 <u>82</u>
 Fund Balance, End of Year	 <u><u>\$ 110</u></u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	Community Redevelopment Trust Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	Final Budget	Variance Favorable (Unfavorable)
Revenues					
Property Taxes	\$ 18	\$ (18)			
Investment Income	10	(10)			
Total Revenues	<u>\$ 28</u>	<u>\$ (28)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Expenditures					
Current:					
General Government and Administrative	0	0	0	0	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	28	(28)	0	0	0
Other Financing Sources (Uses)					
Operating Transfers to Other Funds	0	0	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses Before Fund Balance Allocation	28	(28)	0	0	0
Fund Balance Allocation	0	0	0	0	0
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses After Fund Balance Allocation	28	<u>\$ (28)</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund Balances, Beginning of Year	82				
Equity Transfer to Other Funds	0				
Fund Balances, End of Year	<u>\$ 110</u>				

COMBINING STATEMENT OF PLAN NET ASSETS
PENSION TRUST FUNDS
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

	General Employees' Retirement System	Firefighters' Retirement Plan	Police Officers' Retirement System	Totals
Assets				
Cash and Cash Equivalents	\$ 397,112	\$ 200,171	\$ 3,363,063	\$ 3,960,346
Receivables:				
Interest and Dividends Receivable	26,474	648	118,464	145,586
Due From Other Governments	1,797	19,078		20,875
Due From Other Funds	7,010		24,312	31,322
Prepaid Expense	579	2,316		2,895
Total Receivables	<u>35,860</u>	<u>22,042</u>	<u>142,776</u>	<u>200,678</u>
Investments, At Fair Value:				
Mutual Funds:				
Equities		3,573,933		3,573,933
Bonds	20,199,696	10,491,558	6,314,481	37,005,735
Common Stock	21,534,170	4,205,047	10,265,130	36,004,347
Government Obligations			2,702,602	2,702,602
International Stock	4,711,729		1,744,345	6,456,074
Nongovernment Obligations			3,327,739	3,327,739
Total Investments	<u>46,445,595</u>	<u>18,270,538</u>	<u>24,354,297</u>	<u>89,070,430</u>
Total Assets	<u>46,878,567</u>	<u>18,492,751</u>	<u>27,860,136</u>	<u>93,231,454</u>
Liabilities				
Accounts Payable	462,865	28,249	357,002	848,116
Due to Other Funds	24,312	7,010		31,322
Total Liabilities	<u>487,177</u>	<u>35,259</u>	<u>357,002</u>	<u>879,438</u>
Fund Balances Reserved For Employees' Pension Benefits	<u>\$ 46,391,390</u>	<u>\$ 18,457,492</u>	<u>\$ 27,503,134</u>	<u>\$ 92,352,016</u>

**COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS
PENSION TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

	General Employees' Retirement System	Firefighters' Retirement Plan	Police Officers' Retirement System	Totals
Additions				
Contributions:				
Employer	\$ 1,632,129	\$ 294,182	\$ 440,902	\$ 2,367,213
State		272,497	403,078	675,575
Employee	6,694	328,349	340,044	675,087
Total Contributions	<u>1,638,823</u>	<u>895,028</u>	<u>1,184,024</u>	<u>3,717,875</u>
Investment Income:				
Investment Income (Loss)	(4,710,678)	(21,943)	(2,287,154)	(7,019,775)
Dividend Income	2,290,055	139,201	518,387	2,947,643
Total Investment Income (Loss)	<u>(2,420,623)</u>	<u>117,258</u>	<u>(1,768,767)</u>	<u>(4,072,132)</u>
(Investment Management Fees)	(255,741)	(157,371)	(142,180)	(555,292)
Net Investment Income (Loss)	<u>(U2,676,364)</u>	<u>(40,113)</u>	<u>(1,910,947)</u>	<u>(4,627,424)</u>
Total Additions (Reductions)	<u>(1,037,541)</u>	<u>854,915</u>	<u>(726,923)</u>	<u>(909,549)</u>
Deductions				
Pension Payments	2,938,201	1,552,007	1,162,949	5,653,157
Refunds to Employees		23,551	13,254	36,805
Administration	<u>95,015</u>	<u>109,005</u>	<u>44,704</u>	<u>248,724</u>
(Total Deductions)	<u>(3,033,216)</u>	<u>(1,684,563)</u>	<u>(1,220,907)</u>	<u>(5,938,686)</u>
Net Increase (Decrease)	<u>(4,070,757)</u>	<u>(829,648)</u>	<u>(1,947,830)</u>	<u>(6,848,235)</u>
Fund Balances Reserved For Employees' Pension Benefits:				
Beginning of Year	50,462,147	19,287,140	29,450,964	99,200,251
End of Year	<u>\$ 46,391,390</u>	<u>\$ 18,457,492</u>	<u>\$ 27,503,134</u>	<u>\$ 92,352,016</u>

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND (POLICE EVIDENCE FUND)
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

Assets

Equity in Pooled Cash and Investment Fund	\$ 117,747
Accrued Interest Receivable	<u>1,282</u>

Total Assets	<u><u>119,029</u></u>
---------------------	-----------------------

Police Evidence Payable, Beginning of Year	100,840
---	---------

Add:

Police Evidence	8,066
Investment Income	<u>10,123</u>

Total Police Evidence Payable, End of Year	<u><u>\$ 119,029</u></u>
---	--------------------------

GENERAL FIXED ASSETS ACCOUNT GROUP

SCHEDULES OF GENERAL FIXED ASSETS BY SOURCE
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

General Fixed Assets

Land	\$ 4,370,395
Buildings	12,860,735
Improvements Other Than Buildings	34,866
Machinery and Equipment	9,392,080
Construction in Progress	4,204,366
Total General Fixed Assets	<u><u>30,862,442</u></u>

Investment in General Fixed Assets By Source

Bond Proceeds	988,679
Federal and State Grants	1,668,600
General Fund	14,596,517
Special Revenue Funds	4,619,734
Capital Projects Funds	8,880,973
Contributions	107,939
Total Investment in General Fixed Assets	<u><u>\$ 30,862,442</u></u>

**SCHEDULE OF GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

<u>Function and Activity</u>	<u>Totals</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Machinery and Equipment</u>
General Government and Administration				
Legislative	\$ 1,335			\$ 1,335
Executive	164,234	\$ 16,025	\$ 8,359	139,850
Financial and Administrative	83,808		1,665	82,143
Planning	108,464	1,181	26,663	80,620
Building Inspection	145,283			145,283
Total General Government and Administration	<u>503,124</u>	<u>17,206</u>	<u>36,687</u>	<u>449,231</u>
Public Safety				
Police Protection	11,186,671	703,062	6,611,513	3,872,096
Fire Protection	3,729,375	32,290	1,198,901	2,498,184
Other Public Safety	43,257			43,257
Total Public Safety	<u>14,959,303</u>	<u>735,352</u>	<u>7,810,414</u>	<u>6,413,537</u>
Public Works				
Flood Control	777,625	105,535	2,000	670,090
Engineering	1,349,018	458,746	204,593	685,679
Highway and Street Construction	457,051		5,263	451,788
Total Public Works	<u>2,583,694</u>	<u>564,281</u>	<u>211,856</u>	<u>1,807,557</u>
Culture and Recreation	<u>2,338,636</u>	<u>46,274</u>	<u>1,673,029</u>	<u>619,333</u>
Other				
Parking Facilities	109,987	109,987		
Transportation Services	220,428		164,601	55,827
Other	5,334			5,334
Total Other	<u>335,749</u>	<u>109,987</u>	<u>164,601</u>	<u>61,161</u>
Nondepartmental	<u>5,937,570</u>	<u>2,897,295</u>	<u>2,999,014</u>	<u>41,261</u>
Total General Fixed Assets Allocated to Functions	26,658,076	<u>\$ 4,370,395</u>	<u>\$ 12,895,601</u>	<u>\$ 9,392,080</u>
Construction in Progress	<u>4,204,366</u>			
Total General Fixed Assets	<u>\$ 30,862,442</u>			

**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

Function and Activity	General Fixed Assets September 30, 2000	Additions	(Deletions)	General Fixed Assets September 30, 2001
General Government and Administration				
Legislative	\$ 1,335			\$ 1,335
Executive	153,250	\$ 29,091	\$ (18,107)	164,234
Financial and Administrative	77,503	18,881	(12,576)	83,808
Planning	98,174	24,177	(13,887)	108,464
Building Inspection	176,076	41,438	(72,231)	145,283
Total General Government and Administration	<u>506,338</u>	<u>113,587</u>	<u>(116,801)</u>	<u>503,124</u>
Public Safety				
Police Protection	4,818,316	6,643,235	(274,880)	11,186,671
Fire Protection	3,926,079	41,927	(238,631)	3,729,375
Other Public Safety	73,167		(29,910)	43,257
Total Public Safety	<u>8,817,562</u>	<u>6,685,162</u>	<u>(543,421)</u>	<u>14,959,303</u>
Public Works				
Flood Control	840,857	18,656	(81,888)	777,625
Engineering	1,397,100	270,729	(318,811)	1,349,018
Highway and Street Construction	480,013	53,664	(76,626)	457,051
Total Public Works	<u>2,717,970</u>	<u>343,049</u>	<u>(477,325)</u>	<u>2,583,694</u>
Culture and Recreation	<u>2,420,346</u>	<u>82,966</u>	<u>(164,676)</u>	<u>2,338,636</u>
Other				
Parking Facilities	109,987			109,987
Transportation Services	235,796		(15,368)	220,428
Other	5,400	2,800	(2,866)	5,334
Total Other	<u>351,183</u>	<u>2,800</u>	<u>(18,234)</u>	<u>335,749</u>
Nondepartmental	<u>6,362,753</u>	<u>7,247</u>	<u>(432,430)</u>	<u>5,937,570</u>
Construction in Progress	<u>8,714,935</u>	<u>1,499,364</u>	<u>(6,009,933)</u>	<u>4,204,366</u>
Total General Fixed Assets	<u>\$ 29,891,087</u>	<u>\$ 8,734,175</u>	<u>\$ (7,762,820)</u>	<u>\$ 30,862,442</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 Refunding Revenue 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

Statement of Bonded Debt and Interest:

- Capital Improvement Refunding Revenue Certificates, Series 1993

- Capital Improvement Revenue Certificates, Series 1995

- Optional Gas Tax Refunding Revenue Bonds, Series 1992

- Water and Sewer Revenue Bonds, Series 1995

- Water and Sewer Refunding Revenue Bonds, Series 1996

- Water and Sewer Refunding Revenue Bonds, Series 2001

- Water and Sewer Refunding Revenue Bonds, Series 2001A

- Electric Refunding Revenue Bonds, Series 2001

Analysis of Sewerage System Capital Improvement Fund Established for Florida Department of Environmental Regulation Grant No. 621080

GENERAL GOVERNMENTAL REVENUES AND OTHER FINANCING SOURCES BY SOURCE (1)
LAST TEN FISCAL YEARS
CITY OF OCALA, FLORIDA

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Property Taxes	\$ 7,149,471	\$ 7,270,662	\$ 7,575,276	\$ 7,638,214	\$ 7,819,975	\$ 8,368,548	\$ 8,480,580	\$ 9,102,961	\$ 9,511,892	\$ 11,548,574
Utility Service Tax	-	-	-	-	4,791,403	4,722,401	5,040,944	5,102,382	5,306,148	7,551,057
Other Taxes	884,258	1,409,034	1,502,077	1,508,766	1,673,396	1,777,951	1,825,810	1,812,423	2,054,924	979,605
Intergovernmental Revenues	6,989,818	7,360,769	9,214,202	9,122,383	10,495,025	11,657,539	12,034,615	13,454,031	12,272,487	11,036,370
Licenses and Permits	631,461	604,787	763,066	772,036	800,587	957,288	960,467	1,054,871	1,096,018	1,589,534
Fines and Forfeitures	967,438	873,112	891,455	1,052,858	580,973	642,935	594,544	464,268	381,070	391,965
Charges for Services and Off-Street Parking	1,897,707	2,025,300	2,246,292	2,380,049	2,463,001	2,526,920	2,747,158	3,262,969	3,822,275	4,115,134
Operating Transfers From Other Funds	16,694,506	17,411,663	17,944,570	17,000,557	15,256,416	14,637,135	14,082,216	13,231,408	13,939,858	14,488,147
Bond and Note Proceeds	42,922	14,143,855	11,749,269	-	-	-	-	-	-	-
Investment Income	1,048,948	780,108	1,130,987	1,467,264	1,632,089	1,733,101	2,161,010	1,039,143	1,847,372	2,849,560
Miscellaneous	286,064	277,420	271,518	154,506	297,975	314,017	436,978	3,134,366	1,093,781	553,724
Total	\$ 36,592,593	\$ 52,156,710	\$ 53,288,712	\$ 41,096,633	\$ 45,810,840	\$ 47,337,835	\$ 48,364,322	\$ 51,658,822	\$ 51,325,825	\$ 55,103,670

- (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.

GENERAL GOVERNMENTAL EXPENDITURES AND OTHER USES BY FUNCTION (1)
LAST TEN FISCAL YEARS
CITY OF OCALA, FLORIDA

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
General Government and										
Administration	\$ 3,339,215	\$ 3,388,158	\$ 3,570,694	\$ 3,750,855	\$ 4,141,798	\$ 4,472,247	\$ 4,759,554	\$ 5,353,842	\$ 5,556,404	\$ 5,207,855
Public Safety	12,438,951	12,621,517	13,296,158	14,812,271	15,621,375	16,672,853	17,476,228	18,844,027	19,588,382	21,686,577
Public Works	3,915,990	3,933,610	4,242,507	4,531,891	4,732,747	5,253,535	5,646,503	6,265,545	5,813,068	5,931,960
Culture and Recreation	3,740,232	3,771,641	3,826,126	3,939,075	4,259,453	5,184,240	4,572,977	4,911,858	3,341,906	3,650,228
Nondepartmental	381,785	428,063	151,883	87,932	143,264	191,039	210,752	195,447	730,425	316,333
Debt Service	3,941,987	16,791,576	15,843,482	3,501,935	3,627,857	3,760,178	3,758,570	2,469,619	2,982,635	2,979,339
Capital Outlay	4,174,687	2,262,339	1,939,122	3,160,173	3,497,923	5,175,529	4,993,327	6,417,164	9,521,370	7,120,700
Operating Transfers to Other										
Funds	4,900,835	5,015,385	4,923,349	4,777,853	6,455,475	3,990,763	4,017,101	5,097,944	5,187,048	4,552,992
Miscellaneous	805,283	2,250,678	1,130,298	995,400	1,025,824	1,057,508	2,361,933	1,729,854	1,454,750	1,153,583
Total	<u>\$ 37,638,965</u>	<u>\$ 50,462,967</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>	<u>\$ 54,175,988</u>	<u>\$ 52,599,567</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.

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

Fiscal Year	Assessed Valuation (100% at Market)	Tax Rate in Mills (3)	Total Tax Levy (1)	Current Tax Collections	Total (2) Tax Collections	Ratio of Total Collections to Tax Levy	Uncollected Taxes
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
2000	1,853,082,830	5.27	9,821,569	9,172,117	9,468,965	96.4	649,452
2001	2,026,300,739	5.84	11,884,723	11,133,462	11,504,383	96.8	751,261

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.

**PROPERTY TAX RATES AND LEVIES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
CITY OF OCALA, FLORIDA**

Millage Rates

Fiscal Year	City	County	School	Water Management Districts	Totals
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
2000	5.27	6.15	9.83	0.48	21.73
2001	5.84	6.18	9.66	0.47	22.15

Tax Levies

Fiscal Year	City (1)	County (2)	School (2)	Water Management Districts (2)	Totals
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
2000	9,797,630	11,396,459	18,215,804	889,480	40,299,373
2001	11,855,904	12,522,539	19,574,065	952,361	44,904,869

- (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.

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

Fiscal Year	Net Liens Assessed	Collections and Adjustments	Total Outstanding Assessments (1)
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
2000	-	22,770	48,784
2001	-	25,044	23,740

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

**COMPUTATION OF LEGAL DEBT MARGIN
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

Assessed Value (100% at Market as of January 1, 2001)	<u>\$ 2,026,300,739</u>
Debt Limit: 20% of Assessed Value	\$ 405,260,148
Amount of General Obligation Debt Outstanding	<u>-</u>
Legal Debt Margin	<u>\$ 405,260,148</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 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."

**SCHEDULE OF ELECTRIC SYSTEM REVENUE AND
REFUNDING REVENUE BONDS COVERAGE
LAST TEN FISCAL YEARS
CITY OF OCALA, FLORIDA**

Year	Net Revenue Available For Debt Service (1)	Debt Service Requirements (2) (3) (4)			Coverage
		Principal	Interest	Totals	
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
2000	20,413,962	-	-	-	-
2001	18,548,045	-	-	-	-

- (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; 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. The final principal and interest payments on the Series 1989B Bonds were made on October 1, 1998.
- (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; 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.
- (4) In August 2001, the City issued the \$10,520,000 Electric System Refunding Revenue Bonds, Series 2001, for the purpose of the current refunding of the Utility Systems Subordinate Refunding Revenue Bonds, Series 1992B. The refunded bonds are no longer considered outstanding debt of the City since an escrow account was created for them. The first interest payment on the Series 2001 bonds will occur in April 2002; the first principal payment will be made on October 1, 2002.

**SCHEDULE OF WATER AND SEWER REVENUE AND
REFUNDING REVENUE BONDS COVERAGE
LAST TEN FISCAL YEARS
CITY OF OCALA, FLORIDA**

Year	Net Revenue Available For Debt Service (1)	Debt Service Requirements (2) (3) (4)			Coverage
		Principal	Interest	Totals	
1992	\$ 8,076,099	\$ 640,000	\$ 3,930,831	\$ 4,570,831	1.77
1993	8,426,555	-	948,311	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	1,051,660	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
2000	10,960,270	420,000	914,745	1,334,745	8.21
2001	12,826,558	445,000	893,613	1,338,613	9.58

- (1) Represents gross operating revenues less gross operating expenses, excluding amortization and depreciation, of the water and sewer system. Additional pledged 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; 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; 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.

**SCHEDULE OF WATER AND SEWER REVENUE AND
REFUNDING REVENUE BONDS COVERAGE
LAST TEN FISCAL YEARS
CITY OF OCALA, FLORIDA
(Concluded)**

- (6) In April 2001, the City issued the \$36,205,000 Water and Sewer Revenue Bonds, Series 2001, 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 2001 Bonds will occur on October 1, 2002, and the first principal payment will occur on October 1, 2016.
- (7) In August 2001, the City issued the \$39,885,000 Water and Sewer Refunding Revenue Bonds, Series 2001A, for the purpose of the current refunding of the Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A. The refunded bonds are no longer considered outstanding debt of the City since an escrow account was created for them. The first interest payment on the Series 2001 bonds will occur in April 2002; the first principal payment will be made on October 1, 2002.

**SCHEDULE OF UTILITY SYSTEMS SUBORDINATE REFUNDING
REVENUE BONDS, SERIES 1992A AND 1992B COVERAGE
LAST TEN FISCAL YEARS
CITY OF OCALA, FLORIDA**

Year	Net Revenue Available For Debt Service (1)	Debt Service Requirements			Coverage
		Principal	Interest	Totals	
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
2000	30,039,487	1,525,000	3,304,000	4,829,000	6.22

- (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 of the senior lien bonds.
- (2) In August 2001, the City issued the \$39,885,000 Water and Sewer Refunding Revenue Bonds, Series 2001A, and the \$10,520,000 Electric System Refunding Revenue Bonds, Series 2001, primarily for the purpose of the current refunding of the outstanding Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A and 1992B. The refunded bonds are no longer considered outstanding debt of the City since an escrow account was created for them; therefore, all debt service coverage subsequent to 2001 will be excluded from the determination of debt service coverage.

**SCHEDULE OF CAPITAL IMPROVEMENT REVENUE AND
REFUNDING REVENUE BONDS AND CAPITAL IMPROVEMENT REVENUE,
REVENUE REFUNDING AND REFUNDING REVENUE CERTIFICATES COVERAGE
LAST TEN FISCAL YEARS
CITY OF OCALA, FLORIDA**

Year	Pledged Revenues						Total Revenue Available For Debt Service
	Local Government Half-Cent Sales Tax	Franchise Fees	Occupational License Tax	Guaranteed Entitlement (1)	Mobile Home Licenses	Court Fines and Forfeitures	
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
2000	2,530,619	807,441	488,485	643,622	43,358	337,801	4,851,326
2001	2,804,438	911,727	490,247	643,622	43,124	360,264	5,253,422

- (1) The minimum amount of state revenue sharing funds to be received by the City in accordance with the provision 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 1998 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 1995.

Debt Service Requirements (2) (3) (4) (5)				
Principal	Interest	Totals	Coverage	
\$ 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	
520,000	1,148,418	1,668,418	2.91	
540,000	1,127,339	1,667,339	3.15	

- (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 1998 and with the Capital Improvement Refunding Revenue Certificates, Series 1993.

**SCHEDULE OF OPTIONAL GAS TAX REVENUE BONDS AND
OPTIONAL GAS TAX REFUNDING REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS
CITY OF OCALA, FLORIDA**

Year	Pledged Revenue - Six-Cent Optional Gas Tax	Debt Service Requirements (1) (2)			Coverage
		Principal	Interest	Totals	
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
2000	2,440,994	725,000	578,395	1,303,395	1.87
2001	2,515,737	755,000	541,018	1,296,018	1.94

- (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 requirement 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.

**COMPUTATION OF DIRECT AND OVERLAPPING
GENERAL OBLIGATION DEBT (2)
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

<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	\$ 7,005,000		
Limited Ad Valorem Refunding Tax Bonds, Series 1998	9,195,000		
	<u>16,200,000</u>	27.70%	\$ 4,487,400
School District of Marion County			
General Obligation Refunding Bonds, Series 1992	5,710,000		
General Obligation Partial Refunding Bonds, Series 1993	11,220,000		
	<u>16,930,000</u>	27.70%	4,689,610
St. John's River Water Management District			
General Obligation Debt	<u>72,105,000</u>	1.33%	<u>958,997</u>
Total Overlapping Debt	<u><u>\$ 105,235,000</u></u>		<u><u>\$ 10,136,007</u></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, 2001.

**MISCELLANEOUS STATISTICAL DATA
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

Date of Incorporation	February 4, 1869
City Charter Adopted	January 28, 1885
Form of Government	Council/Manager
Area of City	39.1 Square Miles
Miles of Streets, Sidewalks and Bikepaths:	
Streets - Paved	284.57 Miles
Streets - Unpaved	11.49 Miles
Sidewalks (1)	73.18 Miles
Bikepaths	25.47 Miles
Miles of Sewers:	
Storm	72.13 Miles
Sanitary	296.64 Miles
Force Main	69.40 Miles
Lift Stations	93
Building Permits (October 2000 - September 2001) (2):	
Permits Issued	5,047
Permit Value	\$245,631,630
Fire Protection:	
Stations	5
Employees - Sworn	120
Employees - Civilian	5
Fire and Rescue Response Time (Minutes)	4
Police Protection:	
Stations	5
Employees - Sworn	156
Employees - Civilian	88
Vehicular Patrol Units - Marked Vehicles	100
Vehicular Patrol Units - Motorcycles	5
Vehicular Patrol Units - Other Vehicles	62
Recreation:	
Land Area (Acres)	731
Activity Centers	7
Pools	1
Playgrounds	17

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

DEMOGRAPHIC STATISTICS
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

POPULATION (1)

<u>Year</u>	<u>City of Ocala</u>	<u>Marion County</u>
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
2000	45,943	258,900
2001	46,288	264,277

Source: The City of Ocala Comprehensive Plan - Planning Department (Years 1991 Through 2000).

POPULATION PROJECTIONS*

<u>Year</u>	<u>Marion County</u>	<u>State of Florida</u>
2005	287,200	17,546,600
2010	317,900	18,776,400
2015	348,300	20,211,100
2020	379,600	21,683,300
2025	410,300	23,111,100
2030	438,500	24,420,700

Source: Bureau of Business and Economic Research - University of Florida, Gainesville. Figures for years subsequent to year 2015 are unavailable.

% POPULATION BY AGE GROUP*

<u>Year</u>	<u>Marion County</u>	<u>State of Florida</u>
0-14	17.6	19.0
15-44	34.0	40.7
45-64	23.9	22.7
65+	24.5	17.6

Source: 2001 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, 2000, Ocala ranked 43rd 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.

**2001 TAX ROLL
LIST OF TEN LARGEST TAXPAYERS
CITY OF OCALA, FLORIDA**

2001 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>
K-Mart Corporation	Distribution Center	\$ 49,911,046	2.46%	\$ 291,321
Sprint-Florida, Inc.	Telephone Communications	44,340,670	2.19%	258,808
Ocala Regional Medical Center	General Hospital Care	29,346,074	1.45%	171,287
Clairson International	Manufacturing	25,606,303	1.26%	149,459
Paddock Mall Associates	Regional Shopping Center	25,366,906	1.25%	148,062
Paddock Park Apartments	Apartment Complex	14,459,840	0.71%	84,399
C.C. Ocala Joint Venture	Local Shopping Center	12,463,391	0.62%	72,746
Gray Lumber Company (Tuscany Apartments)	Apartment Complex	10,959,015	0.54%	63,966
Wal-Mart Stores, Inc.	Department Store	10,554,920	0.52%	61,607
Carlton Arms of Ocala	Apartment Complex	9,446,575	0.47%	55,138
Total Adjusted Value		232,454,740	11.47%	1,356,793
Other Taxpayers		1,793,845,639	88.53%	10,499,112
Total Assessed Value		<u>\$ 2,026,300,379</u>	<u>100.00%</u>	<u>\$11,855,905</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.

SCHEDULE OF INSURANCE IN FORCE
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

<u>Company</u>	<u>Policy Number</u>	<u>Type of Coverage</u>	<u>Deductible Self-Retention</u>	<u>Limit of Coverage</u>
City of Ocala	Self-Insured	Workers' Compensation	--	Statutory
Safety National Casualty Corporation	SP 4277-FL	Workers' Compensation Excess	\$250,000	Statutory
Hartford Life Insurance Company	ETB-110402	Police and Firefighters' Accidental Death and Dismemberment	--	\$25,000
Hartford Life Insurance Company	ETB-110402	Fresh Pursuit/Emergency Response	--	\$25,000
Hartford Life Insurance Company	ETB-110402	Police and Firefighters' Intentional Death and Dismemberment	--	\$75,000
Unum-Provident Life Insurance Company	125543	Employee Life, AD and D	--	Various as Specified in Policy
City of Ocala	Self-Insured	Disability Income Replacement	--	60% of Income
Coregis Insurance Co.	651-006889	All Risk Property	\$100,000	Replacement Cost
National Union Fire Insurance	AE3388673-01	Airport Liability	--	\$5,000,000 Per Occurrence
Coregis Insurance Co.	651-006889	General Liability, Including Fire, Legal and EMT Liability	\$100,000 Per Person \$200,000 Per Occurrence	\$1,000,000 Per Occurrence
Coregis Insurance Co.	POD-001813	Public Officials' Liability and Employer Practices Liability	\$15,000 Per Occurrence	\$1,000,000 Per Occurrence
Coregis Insurance Co.	651-006889	Crime Policy Including Employee Dishonesty	\$10,000 Per Occurrence	\$250,000 Per Occurrence
Hartford Steam Boiler	FBP 9429840	Boiler and Machinery	\$10,000	\$25,000,000 Limit
ECS/Greenwich Insurance Company	PEC 0006048	Pollution Liability	\$50,000	\$1,000,000 Per Occurrence
City of Ocala	Self-Insured	Auto Liability	--	--

SCHEDULE OF INSURANCE IN FORCE
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA
(Concluded)

<u>Company</u>	<u>Policy Number</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 Insurance Co.	651-006889	Auto Physical Damage, High Cost Vehicles	\$100,000	Actual Cash Value
Coregis Insurance Co.	651-006889	Out-of-State Auto Liability	\$100,000	\$1,000,000 Per Occurrence
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
Ulico Insurance Co.	FPL1801478	Fiduciary Liability	\$1,000	\$1,000,000 Per Claim
Reliance Surety Company	6800307	Bond, Over-Weight Charge (Landfill)	--	\$10,000

<u>Surety Bonds Required By Ordinance</u>	<u>Amount</u>
City Manager:	\$95,000
Reliance Surety Company, Policy #6894635	
Finance and Administrative Services Director:	
Reliance Surety Company Policy #6800306	\$95,000

**PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN FISCAL YEARS
CITY OF OCALA, FLORIDA**

Year	Commercial Construction (1)		Residential Construction (1)		Bank Deposits (in Thousands)	
	Number Units	Value	Number of Units	Value	Bank (2) (4)	Savings and Loan Association (3) (4)
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
2000	76	44,932,744	207	22,497,308	2,533,202	-
2001	72	83,284,180	172	24,646,219	2,732,180	-

- (1) Obtained from records maintained by the City of Ocala Building, Zoning and Licensing Department.
- (2) Obtained by the Florida Bankers Association for 1991, 1992, 1997 and 1998; Barnett Bank for 1993 through 1996; FDIC web site for 1999 and 2000. Figures shown are for Marion County and represent total bank deposits at September 30 for the years 1990 through 1998; June 30 for 1999 through 2001.
- (3) Obtained by the Federal Home Loan Bank for 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 and 2000. Figures shown are for Marion County and represent total savings and loan association deposits at June 30 for 1992, 1999 through 2001, 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.

SUMMARY OF DEBT SERVICE REQUIREMENTS TO MATURITY
ALL BONDED DEBT
2001-2032
CITY OF OCALA, FLORIDA

Fiscal Year	Capital Improvement Revenue and Refunding Revenue Certificates	Water and Sewer Revenue and Refunding Revenue Bonds	Electric System Refunding Revenue Bonds, Series 2001	Optional Gas Tax Refunding Revenue Bonds	Total Principal and Interest Due
2002	\$ 1,664,895	\$ 4,168,503	\$ 243,571	\$ 1,300,565	\$ 7,377,534
2003	1,665,982	6,908,189	2,271,406	1,296,265	12,141,842
2004	1,665,407	7,041,045	2,299,387	1,298,245	12,304,084
2005	1,662,867	7,041,039	2,294,219	1,296,887	12,295,012
2006	1,668,072	7,048,875	2,296,613	1,291,988	12,305,548
2007	1,661,227	7,039,200	2,293,053	1,292,812	12,286,292
2008	1,662,267	7,026,553		1,288,800	9,977,620
2009	1,660,892	7,023,188		1,285,250	9,969,330
2010	1,662,244	7,021,428		1,287,500	9,971,172
2011	1,660,247	7,019,132			8,679,379
2012	1,659,702	7,014,887			8,674,589
2013	2,041,394	7,011,839			9,053,233
2014	2,034,863	7,002,484			9,037,347
2015	2,036,494	6,991,236			9,027,730
2016	2,036,119	6,987,139			9,023,258
2017	2,031,994	3,847,187			5,879,181
2018	2,028,994	3,845,775			5,874,769
2019	2,031,744	3,839,625			5,871,369
2020	1,019,284	3,838,475			4,857,759
2021	1,017,656	3,836,937			4,854,593
2022	1,018,475	3,837,538			4,856,013
2023	1,016,606	3,840,162			4,856,768
2024		3,841,913			3,841,913
2025		3,847,412			3,847,412
2026		3,847,925			3,847,925
2027		3,843,025			3,843,025
2028		3,840,513			3,840,513
2029		3,832,012			3,832,012
2030		3,816,575			3,816,575
2031		3,796,219			3,796,219
2032		3,775,513			3,775,513
Totals	<u>\$ 36,607,425</u>	<u>\$ 163,671,543</u>	<u>\$ 11,698,249</u>	<u>\$ 11,638,312</u>	<u>\$ 223,615,529</u>

STATEMENT OF BONDED DEBT AND INTEREST
CAPITAL IMPROVEMENT REFUNDING REVENUE CERTIFICATES, SERIES 1993
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

The Capital Improvement Refunding Revenue Certificates, Series 1993, dated December 14, 1993, bear interest at 3.90%-5.25%, payable semiannually 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. As of September 30, 2001, \$440,000 of these certificates 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 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 for 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.

Fiscal Year	Interest Rate	Principal Due October 1	Interest Due October 1	Interest Due April 1	Totals
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
Totals		<u>\$ 17,465,000</u>	<u>\$ 5,213,682</u>	<u>\$ 4,782,431</u>	<u>\$ 27,461,113</u>

STATEMENT OF BONDED DEBT AND INTEREST
CAPITAL IMPROVEMENT REVENUE CERTIFICATES, SERIES 1995
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

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. As of September 30, 2001, \$80,000 of these certificates have been retired. 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.

Fiscal Year	Interest Rate	Principal Due October 1	Interest Due October 1	Interest Due April 1	Totals
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
Totals		<u>\$ 4,840,000</u>	<u>\$ 2,216,640</u>	<u>\$ 2,089,672</u>	<u>\$ 9,146,312</u>

STATEMENT OF BONDED DEBT AND INTEREST
OPTIONAL GAS TAX REFUNDING REVENUE BONDS, SERIES 1992
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

The Optional Gas Tax Refunding Revenue Bonds, Series 1992, dated December 10, 1992, bear interest at 2.75%-6.0%, payable semiannually 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, consist of \$11,915,000 of serial bonds and \$2,425,000 of term bonds. As of September 30, 2001, \$4,540,000 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.

Fiscal Year	Interest Rate	Principal Due December 1	Interest Due December 1	Interest Due June 1	Totals
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>\$ 9,045,000</u>	<u>\$ 1,427,095</u>	<u>\$ 1,166,217</u>	<u>\$ 11,638,312</u>

**STATEMENT OF BONDED DEBT AND INTEREST
WATER AND SEWER REVENUE BONDS, SERIES 1995
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

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, 2001, \$25,000 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.

Fiscal Year	Interest Rate	Principal Due October 1	Interest Due October 1	Interest Due April 1	Totals
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>\$ 4,965,000</u>	<u>\$ 2,423,742</u>	<u>\$ 2,287,610</u>	<u>\$ 9,676,352</u>

STATEMENT OF BONDED DEBT AND INTEREST
WATER AND SEWER REFUNDING REVENUE BONDS, SERIES 1996
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

In July 1996, the \$12,170,000 Water and Sewer Revenue Refunding 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, 2001, \$1,185,000 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.

Fiscal Year	Interest Rate	Principal Due October 1	Interest Due October 1	Interest Due April 1	Totals
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
Totals		<u>\$ 10,550,000</u>	<u>\$ 2,716,661</u>	<u>\$ 2,411,539</u>	<u>\$ 15,678,200</u>

STATEMENT OF BONDED DEBT AND INTEREST
WATER AND SEWER REVENUE BONDS, SERIES 2001
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

In May 2001, the \$36,205,000 Water and Sewer Revenue Bonds, Series 2001, were sold. This issue consists of \$9,120,000 in serial bonds maturing on October 1, 2016 through 2022, and of \$27,085,000 in term bonds maturing on October 1, 2024, 2027 and 2031. The schedule below shows the actual maturities for the serial bonds and the debt service requirements for the term bonds. The paying agent and registrar is The Bank of New York.

The Series 2001 Bonds and the interest thereon are payable solely from and secured by a lien on the net revenues derived from the operation of the City's water and sewer system on a parity with the Water and Sewer Revenue Bonds, Series 1995, the Water and Sewer Refunding Revenue Bonds, Series 1986, and the Water and Sewer Refunding Revenue Bonds, Series 2001A.

The proceeds received from the sale of the Series 2001 Bonds 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.

Fiscal Year	Interest Rate	Principal Due October 1	Interest Due October 1	Interest Due April 1	Totals
2002			\$ 805,641	\$ 966,768	\$ 1,772,409
2003			966,768	966,769	1,933,537
2004			966,769	966,769	1,933,538
2005			966,769	966,768	1,933,537
2006			966,769	966,769	1,933,538
2007			966,768	966,769	1,933,537
2008			966,769	966,769	1,933,538
2009			966,769	966,768	1,933,537
2010			966,769	966,769	1,933,538
2011			966,768	966,769	1,933,537
2012			966,769	966,769	1,933,538
2013			966,769	966,768	1,933,537
2014			966,769	966,769	1,933,538
2015			966,768	966,769	1,933,537
2016			966,769	966,769	1,933,538
2017	5.00%	\$ 835,000	966,769	945,893	2,747,662
2018	5.00%	880,000	945,894	923,894	2,749,788
2019	5.00%	920,000	923,893	900,894	2,744,787
2020	5.00%	970,000	900,894	876,644	2,747,538
2021	5.00%	1,020,000	876,643	851,144	2,747,787
2022	5.00%	2,190,000	851,144	796,394	3,837,538
2023	5.00%	2,305,000	796,394	738,768	3,840,162
2024	5.00%	2,425,000	738,769	678,144	3,841,913
2025	5.00%	2,555,000	678,144	614,268	3,847,412
2026	5.25%	2,690,000	614,269	543,656	3,847,925
2027	5.25%	2,830,000	543,656	469,369	3,843,025
2028	5.25%	2,980,000	469,369	391,144	3,840,513
2029	5.75%	3,140,000	391,143	300,869	3,832,012
2030	5.75%	3,310,000	300,869	205,706	3,816,575
2031	5.75%	3,485,000	205,706	105,513	3,796,219
2032	5.75%	3,670,000	105,513		3,775,513
Total		<u>\$ 36,205,000</u>	<u>\$ 24,649,472</u>	<u>\$ 23,843,831</u>	<u>\$ 84,698,303</u>

STATEMENT OF BONDED DEBT AND INTEREST
WATER AND SEWER REFUNDING REVENUE BONDS, SERIES 2001A
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

In August 2001, the \$39,885,000 Water and Sewer Refunding Revenue Bonds, Series 2001A, were sold. This issue consists of \$39,885,000 in serial bonds maturing on October 1, 2002 through 2015. At September 30, 2001, none of these bonds have been retired. The schedule below shows the actual maturities for the serial 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 2001A Bonds and the interest are payable solely from and secured by a lien on the net revenues derived from the operation of the City's water and sewer system on a parity with the Water and Sewer Revenue Bonds, Series 1995, the Water and Sewer Refunding Revenue Bonds, Series 1996, and the Water and Sewer Revenue Bonds, Series 2001.

The proceeds received from the sale of the Series 2001A Bonds are being used primarily for the current refunding of the City's Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A.

Fiscal Year	Interest Rate	Principal Due October 1	Interest Due October 1	Interest Due April 1	Totals
2002				\$ 1,067,282	\$ 1,067,282
2003	4.000%	\$ 2,080,000	\$ 800,461	758,861	3,639,322
2004	3.500%	2,300,000	758,861	718,611	3,777,472
2005	4.000%	2,390,000	718,611	670,811	3,779,422
2006	3.250%	2,480,000	670,811	630,511	3,781,322
2007	3.375%	2,560,000	630,512	587,311	3,777,823
2008	4.250%	2,650,000	587,311	530,999	3,768,310
2009	3.750%	2,755,000	530,999	479,342	3,765,341
2010	4.000%	2,865,000	479,343	422,042	3,766,385
2011	4.000%	2,975,000	422,042	362,543	3,759,585
2012	4.100%	3,095,000	362,543	299,095	3,756,638
2013	4.200%	3,225,000	299,095	231,370	3,755,465
2014	4.300%	3,355,000	231,370	159,238	3,745,608
2015	4.400%	3,500,000	159,237	82,238	3,741,475
2016	4.500%	3,655,000	82,238		3,737,238
Totals		<u>\$ 39,885,000</u>	<u>\$ 6,733,434</u>	<u>\$ 7,000,254</u>	<u>\$ 53,618,688</u>

STATEMENT OF BONDED DEBT AND INTEREST
ELECTRIC SYSTEM REFUNDING REVENUE BONDS, SERIES 2001
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA

In August 2001, the \$10,520,000 Electric System Refunding Revenue Bonds, Series 2001, were sold. This issue consists of \$10,520,000 in serial bonds maturing on October 1, 2002 through 2006. As of September 30, 2001, none of these bonds have been retired. The schedule below shows the actual maturities for the serial 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 2001 Bonds and the interest thereon are payable solely from and secured by a lien on the net revenues derived from the operation of the City's electric system.

The proceeds of this issue are being used primarily for the current refunding of the City's Utility Systems Subordinate Refunding Revenue Bonds, Series 1992B.

Fiscal Year	Interest Rate	Principal Due October 1	Interest Due October 1	Interest Due April 1	Totals
2002				\$ 243,571	\$ 243,571
2003	3.500%	\$ 1,940,000	\$ 182,678	148,728	2,271,406
2004	3.250%	2,035,000	148,728	115,659	2,299,387
2005	4.000%	2,105,000	115,659	73,560	2,294,219
2006	3.250%	2,185,000	73,560	38,053	2,296,613
2007	3.375%	2,255,000	38,053		2,293,053
Totals		<u>\$ 10,520,000</u>	<u>\$ 558,678</u>	<u>\$ 619,571</u>	<u>\$ 11,698,249</u>

**ANALYSIS OF SEWERAGE SYSTEM CAPITAL IMPROVEMENT FUND
ESTABLISHED FOR FLORIDA DEPARTMENT OF ENVIRONMENTAL
REGULATION GRANT NO. 621080
SEPTEMBER 30, 2001
CITY OF OCALA, FLORIDA**

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 No. 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 No. 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 No. 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. During fiscal year 2000, \$1,500,000 was withdrawn from this fund for the Water Reclamation Facility No. 3 project, which is an expansion of the system. The following schedule shows all activity in the sewerage system capital improvement fund since its inception:

Fiscal Year	Deposits (Withdrawals)	Investment Income	Balance September 30,
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
2000	(1,500,000.00)	350,778.24	5,148,382.26
2001	-	507,048.67	5,655,430.93

