



Orlando  
Utilities  
Commission

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## Comparative Highlights and Statistics

1. Unaudited statistics.
  2. Includes Bond Anticipation Notes (BANs).
  3. 1989 ratings: Duff & Phelps, Inc., Moody's Investors Service, Standard & Poor's, respectively 1988: Moody's and S&P's only.
  4. Includes monthly customer charge.
- \*New peak of 838 MW was reached Dec. 24, 1989.

**Years ended Sept. 30**

**1989**

**1988**

**% Increase  
(Decrease)**

### Combined Operations

Operating Revenues	\$ 289,774,627	\$ 244,516,879	18.5
Operating Expenses	\$ 190,518,784	\$ 182,359,495	14.5
Customer Accounting, General and Administrative Expenses	\$ 24,401,922	\$ 23,025,505	6.0
Interest, other income	\$ 23,489,478	\$ 18,822,969	24.8
Payments to City of Orlando	\$ 19,262,587	\$ 17,529,496	9.9
Funds available for debt service <sup>1</sup>	\$ 126,028,455	\$ 102,103,939	23.4
Net Income	\$ 16,073,344	\$ 6,478,834	148.1
Utility Plant (Net book value)	\$ 931,559,045	\$ 895,454,450	4.0
Equity (Accumulated Retained Earnings)	\$ 320,119,990	\$ 295,470,703	8.3
Long-term Debt	\$ 803,070,200	\$ 831,604,780 <sup>2</sup>	(3.4)
Debt Service Coverage	2.22x	2.15x	3.3
Senior Bond Ratings <sup>3</sup>	AAA, Aa1, AA	—, Aa, AA	

### Electric Operations

Operating Revenues	\$ 272,050,607	\$ 228,193,719	19.2
Total Expenses	\$ 181,981,966	\$ 151,583,999	20.1
Fuel/Purchased Power	\$ 102,944,877	\$ 77,340,353	33.1
Departmental Operations	\$ 79,037,089	\$ 74,243,646	6.5
Total Sales (MWH)	4,803,435	3,649,488	31.6
Total Retail Sales (MWH)	3,260,639	3,046,237	7.0
Commercial/Industrial	2,104,724	1,948,845	8.0
Residential	1,155,915	1,097,392	5.1
Sales for Resales (MWH)	1,542,796	603,251	155.8
Total Active Services	113,780	109,874	3.6
Residential	98,350	94,740	3.8
Commercial/Industrial	15,430	15,134	2.0
Average Annual Residential Use (KWH)	11,753	11,583	1.5
Average Revenue per KWH			
Residential Sales <sup>4</sup>	7.71¢	7.53¢	1.8
Heating Degree Days	360	604	(40.4)
Cooling Degree Days	3,751	3,255	15.2
Gross Peak Demand (MW) <sup>*</sup>	765 MW	695 MW	20.6

### Water Operations

Operating Revenues	\$ 17,724,020	\$ 16,323,159	8.6
Department Operation Expense	\$ 8,536,818	\$ 7,749,991	10.2
Sales (Millions Gallons)	24,245	22,914	5.8
Total Active Services	95,519	92,284	3.5
Residential	80,699	78,318	3.0
Commercial/Industrial	9,760	9,547	2.2
Irrigation	5,060	4,419	14.5
Average Annual Residential Consumption (Gallons)	163,000	151,000	8.0
Average Revenue per 1,000 Gallons Residential Sales <sup>4</sup>	76.1¢	78.1¢	(2.6)
Rainfall (inches)	47.9	59.8	(19.9)
Peak Pumping Rate (Million Gallons per Day)	139.7	139.2	.4

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*A  
Letter from  
the General  
Manager*



1989 was, perhaps, the most successful period in our 66 year history. From financial results to system performance and customer service it was a spectacular year.

I'm very proud to report that Orlando Utilities received the singular distinction in 1989 of becoming the only municipal utility in the nation to receive an "AAA" rating on its bonds from a major rating agency.

Our achievements were the culmination of planning and activities that carried OUC through a decade of phenomenal growth and challenge. During that time, we made the necessary improvements and system expansions to provide service on demand to a growing customer base.

In fact, because of available capacity, Orlando Utilities was able to increase bulk power sales to other utilities significantly during 1989. Through this and prudent cost controls, OUC will be able to maintain retail rates essentially at 1988 levels through 1990.

OUC also continued to meet and exceed its obligation to provide power in an environmentally responsible manner, operating at levels five times cleaner than state and federal standards. Likewise, we continued to deliver high quality water that is far better than all standards require.

Today, we reaffirm our dedication to providing exceptional service that extends beyond our products. We are an industry pacesetter in placing power lines and equipment underground and out of sight. We are maintaining our equipment and facilities to insure reliable operation and attractiveness to complement the neighborhoods we serve. In short, we strive in every way to enhance the quality of life in Orlando.

As we look to our horizons, we see new and expanding challenges and opportunities. More importantly, we see a future full of promise. And, as we have always done, we are planning and preparing now to be ahead of the "curve" when we reach those horizons and prepare for new ones.

T. C. Pope  
*Executive Vice President  
and General Manager*

## Expanding Horizons

### And the boom goes on

For Orlando, Florida 1989 marked the end of a decade of phenomenal growth, the beginning of one filled with promise. It was a year full of magic and stardust. The NBA's Orlando Magic team made its debut in the new \$100 million Orlando Arena. More than 1 million spectators filled arena seats during its maiden year. MCA/Universal and Disney/MGM opened studios here, producing "Parenthood," and "Superboy."

"...OUC is one of the better managed utilities in the industry."

Duff & Phelps, Inc.

Metro Orlando became one of the nation's top 10 convention centers. The nation's fastest growing jetport, Orlando International Airport led the state in domestic passengers. More than 17 million travelers passed through its gates; 1.5 million were from abroad, 100% more than the year before.

Orlando's transformation in the '80s still dazzles observers. *Inc* Magazine ranks Orlando as the second fastest growing business community in the nation. *U.S. News and World Report* hails it as "one of America's new boom towns." And no wonder.

City-wide, construction permits were up 44%, reaching \$510 million. Office space, 1.5 million square feet in 1980, topped 7 million in '89.

Orange County population is up 28%, employment up 21%. Disney has opened its third theme park and plans a fourth; Universal Studios is about to open its \$600 million theme park. Clearly, Orlando's horizons are still expanding.

### A supercharged era for OUC

The '80s were supercharged for the Orlando Utilities Commission as it raced ahead in response to the rapid heartbeat of extraordinary growth. A municipal electric and water utility, it serves not only its hometown but also parts of Orange County and shares energy with 12 other Florida cities.

In a decade, its hometown became the urban heart of Central Florida, an area which has become a "megapolopolis" since 1979 as newcomers arrived at the rate of one every seven and one-half minutes.

To stay ahead of this galloping growth, OUC had to nearly double its capacity to generate power and supply water safely, reliably, and economically. In the process, its assets nearly quadrupled. Its annual gross revenues increased 152%. Commercial/industrial electric sales soared 73%, reflecting Orlando's emergence as one of the nation's "hot" spots for business growth.

### Bond ratings the tops

In 1989, Orlando Utilities received the highest bond ratings of any municipal utility in the nation.

It was the only municipal utility to receive Duff & Phelps Inc's coveted "AAA" rating. D&P gave OUC's \$548

million in uninsured senior lien bonds its highest marks, noting that "... OUC is one of the better managed utilities in the industry." One investor-owned electric utility has also received this rating.

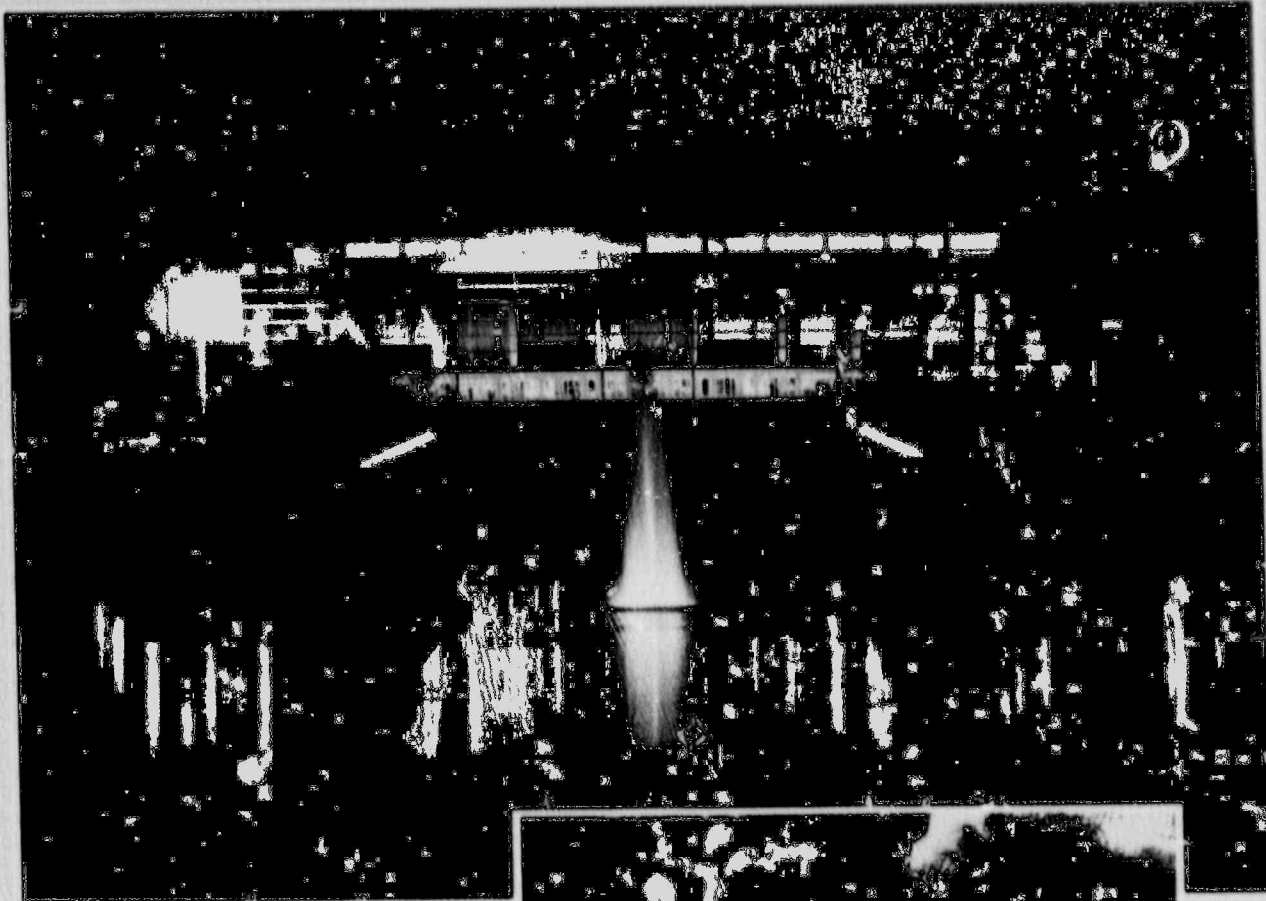
Moody's Investors Service upgraded its rating from "Aa" to "Aa1" on OUC's senior debt. Again, OUC is the only municipal utility nationally to receive this rating. Standard and Poor's Corporation reaffirmed its "AA" rating. Like Moody's, it has ranked OUC bonds double A for more than 40 years.

D&P analysts reported "Our ratings reflect the outstanding fundamentals of OUC's electric and water utilities." "We consider the overall management of the electric system to be exemplary," they said, adding that, "The water utility is a positive to OUC's overall credit quality."

D&P and Moody's also assigned high ratings to the utility's \$75 million junior lien issue, "AA+" and "Aa" respectively. S&P rated these issues "AA-".

"Low production costs, well managed financial operations, a steadily expanding economic and customer base, and good management have consistently characterized this high quality credit," Moody's reported.

The new ratings mean OUC's financial condition is even better than ever, its bonds are among the very safest investments, and that it will save customers millions of dollars in lower future interest costs.



*Orlando's new 15,000 seat Arena is symbolic of the urban growth which ranks the city as one of the nation's top spots for business. Still, there's always a quiet place at one of Orlando's 80 parks to relax and enjoy life's simpler pleasures.*

## Expanding Horizons

### **The year in review**

In Fiscal 1989, OUC's gross revenues shot up nearly \$50 million to a record \$313 million while rates remained stable. This includes Electric and Water Operations revenues plus interest and other non-operating income. As a result, net income rebounded from \$6.5 million in '88 to \$16.1 million and the utility ended the year with \$69.8 million in net working capital.

With power sales to other utilities skyrocketing 156%, Electric Operations revenues jumped 19.2% to \$272 million, \$44 million over '88 when mild weather had depressed energy sales growth. In '89, commercial electric sales rose 8%; residential sales, 5%. Almost two-thirds of OUC's retail energy sales were to commercial customers, a sign of the impact business growth is having on the utility.

Active electric services increased 3.6% to a total of 113,780. Energy charges for residential customers will remain 7.1 cents per kilowatt hour in 1990 for the third consecutive year.

Interest and other non-operating income rose \$4.7 million to a total of \$23.5 million.

Water Operations revenues rose \$1.4 million to \$17.7 million. Sales were affected by drier weather, a very slight rate increase, and a 3.5% increase in active meters, now totalling 95,519. Curbs on water use imposed by the St. Johns River Water Management District dampened sales growth slightly. The water rate increase amounted to only 20 cents per 10,000 gallons for residential customers.

Total expenses climbed \$40 million to \$297 million; 64% of the increase,

\$25.6 million, was for fuel. Increased energy sales drove fuel costs up 33% to \$103 million. Interest expenses rose \$6.9 million to \$68 million partly as the result of OUC's converting its short term Bond Anticipation Notes to long term debt.

However, OUC kept the brakes on controllable operation and maintenance expenses. Other production, transmission, distribution, administrative, general, customer accounting, and service costs rose only \$4.15 million to \$71.6 million.

OUC's contributions to the City of Orlando increased 9.9% to \$19.3 million. These payments are based on sales within the city limits and net income.

### **OUC passes a frigid test of reliability**

Three days of sub-freezing temperatures during Christmas 1989 sent shivers up and down the spines of many Floridians. Much of the state reeled under the effect of rolling blackouts and outages. OUC, however, weathered one of the biggest chills of the century with remarkably few hitches. On Sunday, December 24, the mercury plummeted to 22 degrees in Orlando and OUC's gross peak demand hit a record 838 MW, 9.5% higher than the 765 MW peak recorded in February of the same year.

During this frigid test of reliability, 86% of OUC's customers experienced *no service interruptions at all*. A scant 4% lost service for more than one hour. Fewer than one-half of one percent lost service for more than three hours. Nor were there any system interruptions of OUC's water supply.



Not only did OUC provide its customers with dependable service during this time, it also was often able to sell power to other utilities.

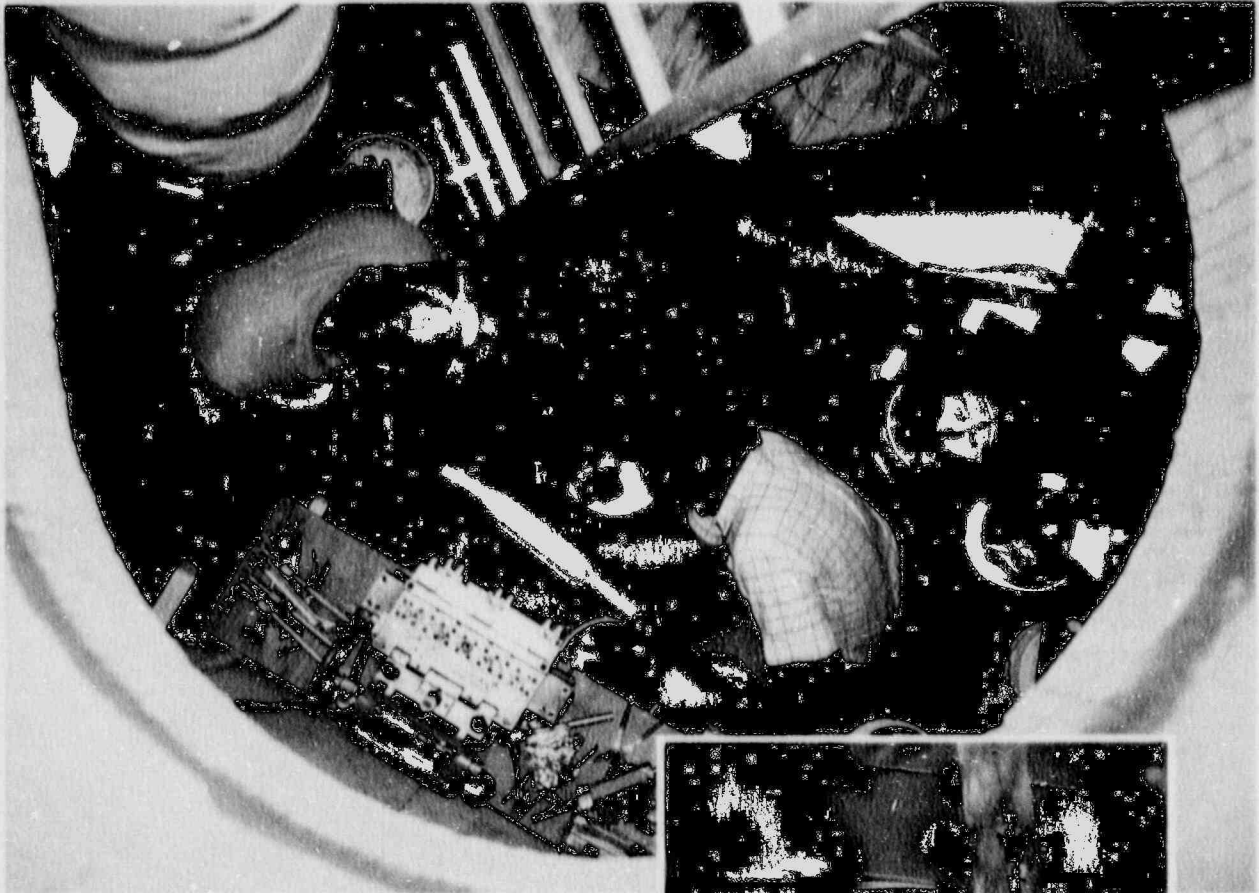
OUC weathered the cold so well for a variety of reasons. First, it has sufficient power capacity to meet its customers needs in extreme weather conditions. Furthermore, it designs, maintains and operates its plants, and transmission and distribution systems so that they are as reliable as possible. In fact, the utility has a longstanding record of beating national and state averages for reliability.

System reliability is further enhanced by the fact that nearly 40% of its distribution system is underground, more than any other utility in the state.

Above all, OUC employees responded to the challenge with enthusiasm and dedication. More than 30% of the entire workforce was on the job over Christmas weekend to handle customer calls, electrical problems, and problems related to frozen plumbing.

Year-round, OUC provides service that exceeds expectations. On a system-wide average, OUC customers experienced no more than 55 minutes without power for the entire year.





*OUC is an industry leader in placing electrical equipment underground; nearly 40% of the electric system is already out of sight. Sound design and aggressive maintenance of both the underground and overhead distribution system make OUC one of the state's most reliable utilities.*

# Expanding Energy Horizons

## Electric Operations milestones

1989 was a milestone year for Electric Operations with OUC generating more power than ever before while also achieving the lowest system net heat rate ever. Gross generation topped 4.9 million MWH, while the heat rate dropped to 10,407 BTU per KWH. Electric retail sales for the year increased 7%; these increases averaged 4.6% for the decade. And other utilities bought a record 1.5 MWH of power from OUC, the highest bulk sale transactions in the utility's history.

Efficiency of performance is reflected in the fact that in a decade, electric operation, maintenance and fuel expenses combined increased only 1.2% per kilowatt hour sold, rising from 3.28 cents per KWH sold in 1980 to 3.32 cents in 1989.

Unit 1 of the Stanton Energy Center continued to operate in a superior manner with an availability rate of 86.6% and an equivalent forced outage rate of 3.5%, significantly better than national averages for similar units. Environmentally, it continues to be one of the cleanest coal-fired plants in the nation.

And the Indian River Power Plant made an astounding comeback after two years of extensive outages scheduled for intensified maintenance and modernization so that the plant operates even more reliably and efficiently than ever before.

## Benchmark year for IRP

The Indian River Power Plant is making more megawatts than ever for Orlando Utilities and its customers. It is not only OUC's largest but also its most flexible power generating station.

There are now five units with a total net winter capacity of 741 MW situated on Indian River's 100-acre site located in Brevard County. These include three steam generating units with a combined capacity of 645 MW and the jointly-owned 48-MW simple cycle combustion turbine peaking units which began commercial operation in 1989. All five units can be operated on either oil or natural gas. This gives OUC leverage to negotiate for fuel and enhances reliability.

The \$25.2 million cost to install the peakers was shared by joint owners, the Florida Municipal Power Agency, the Kissimmee Utility Authority and OUC. OUC has a 49% ownership interest in the units; FMPP, 39%, and KUA, 12%. The peaking units give OUC critical cold-start capabilities and are a cost effective way to meet daily as well as seasonal peaks. Such units can also help delay adding a baseload unit.

Although it is OUC's oldest plant, Indian River is a modern, high pressure plant, a reliable source of power for OUC and its customers, in addition to the coal-fired Stanton Energy Center in Orlando.

However, IRP's horizon has expanded. Just over 31% of IRP's steam generation is committed to the FMPP, KUA, and Disney's Reedy Creek Improvement District through long-term,

firm power purchase agreements; 51% of the peaking unit generation is also committed to FMPP and KUA. In addition, utilities often buy emergency or economy IRP power.

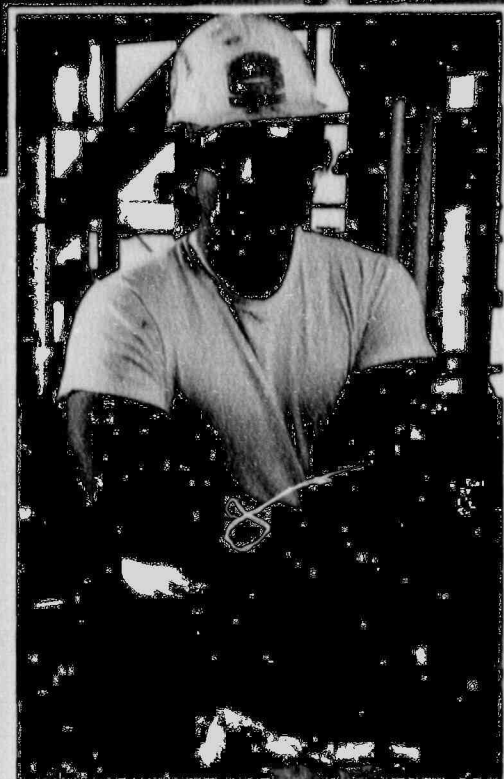
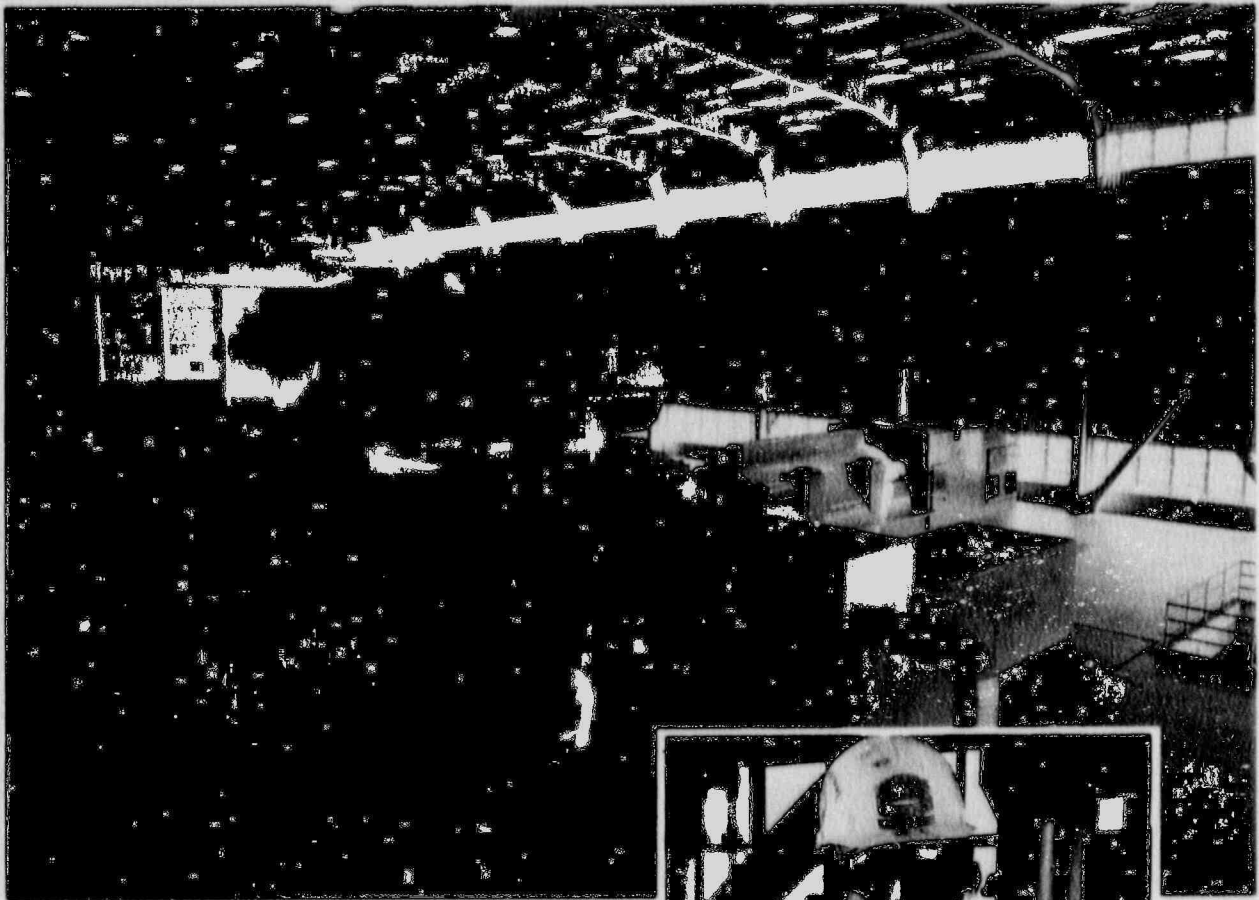
Thus this plant was a key player in OUC's 1989 bulk sales boom. The revenues generated by these sales help offset OUC's own cost of operating and maintaining the plant.

## Bulk sales bonanza

OUC's 156% increase in interchange sales generated \$12.6 million in net revenues, 60% more than in '88. A new power pool, firm power sale agreements, a tightening energy market, and the high availability of IRP combined to produce this bulk sales bonanza. Of these total net revenues, \$5.6 million were generated from sales of IRP power through firm sales agreements, \$5.1 from the power pool, and \$1.9 million from transmission transactions.

The new Florida Municipal Power Pool completed its first full year of operation in 1989, producing total economic benefits of \$9.2 million for all participants, nearly twice as much as originally anticipated. And it only cost participants \$365,409 to implement the pool! The FMPP consists of OUC, the City of Lakeland and the FMPP on behalf of five member utilities: Jacksonville Beach, Ocala, Leesburg, Bushnell, and Green Cove Springs. OUC loads and commits all pool generation from its Load Dispatch Center.

The benefits of the pool are two-fold. First, participants provide their own customers with the most economical



*The order and cleanliness of the turbine deck at the Indian River Plant offer no hint of the thousands of routine maintenance jobs that employees engage in to keep the plant performance above national average.*

## Expanding Energy Horizons

energy by committing and dispatching pooled power generation in the most cost-effective manner. Second, the pool enables OUC to "capture" many small, marginally profitable economy sales missed by using the Florida Energy Broker System because quotes can now be estimated on a real-time basis.

OUC expects to maintain higher than average bulk sales for the next several years. However, as OUC's own customer base grows, the utility will have less IRP energy to sell to other utilities.

### On the environmental horizon

OUC's commitment to clean air is evident in the outstanding performance of its power plants. They are already operating well under the sulfur dioxide limitations Congress is considering imposing on electric utilities by the year 2000 as well as the limits already in effect.

A key feature of the new Clean Air Act calls for utilities to reduce these emissions below the 1.2 pounds per million British Thermal Units benchmark by the end of this century.

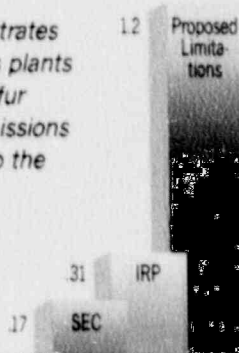
The coal-fired Stanton Energy Center Unit 1 is designed to operate far cleaner than the proposed 1.2-pound requirements, averaging only 0.17 pounds per million BTU in '89.

Indian River's three gas/oil-fired units steam generating units emitted on average only 0.31 pounds per million BTU in 1989.

The utility and its customers have invested heavily in environmental protection, spending approximately \$100 million for the best available systems and clean air technology at the Stanton Energy Center alone.

Utility officials, however, have been concerned that some proposed legislation would penalize OUC customers by requiring them to pay for cleaning up other utilities' plants through indirect taxation or cost allocation plans. Some proposals also would have, in effect, restricted the clean utilities' ability to grow to meet increasing demand. Therefore, OUC is working with other clean utilities to protect its customers against any unfair environmental legislation.

Graph illustrates how OUC's plants level of sulfur dioxide emissions compare to the proposed limitations.



### Fuel tactics pay off

Electric Operations continues to keep the brakes on fuel expenses because of its fuel mix and flexibility and its aggressive strategy of buying oil on the spot market.

Fuel costs per kilowatt hour of gross generation edged up from 1.882 cents in '88 to 1.970 cents in '89.

Most of this increase was due to greater use of oil and gas for bulk

sales and did not significantly impact OUC's local, retail customers because a large percent of their generation is based on coal and nuclear fuel.

OUC kept increases to a minimum because: 1) of the success of its oil procurement timing strategies; 2) it can use gas or oil at Indian River which gives it leverage to keep the price of gas competitive with the replacement price of oil; and 3) it has a diverse fuel mix.

Looking ahead, OUC is continuing to participate in energy futures as a hedge against oil and natural gas price increases and realized net gains of \$4.5 million which go into a fuel cost stabilization account.

OUC has also successfully negotiated a firm supply gas contract which will provide future gas supplies based on oil prices once this new pact is implemented. This is significant because gas is a cleaner fuel which is expected to demand a premium price, especially in view of the more stringent Clean Air Act legislation being proposed.

OUC fuel costs have averaged 1.896 cents per KWH of gross generation since the coal-fired Stanton unit went on line in 1987. From 1980 to 1986, these fuel costs averaged 2.88 cents, reaching a high of 3.45 cents in 1983, then declining in part because more coal and nuclear-fueled power became available to OUC for its customers.

The fuel mix for system generation in 1989 was 53% coal, 30% gas, 9% nuclear, and 8% oil. However, the fuel mix for generation for local, retail customers was 70% coal, 13% nuclear, 11% gas, and only 6% oil.



*Florida's delicate environment co-exists harmoniously with the need to provide power for the growing state. Sensitive air monitoring equipment and trained professionals keep tabs on air quality at SEC.*

## Expanding Water Horizons

### **Expanding water horizons**

Over 1,000 feet below Central Florida lies an 82,000-square-mile natural underground reservoir: the Floridan Aquifer. It contains water of such high quality that it is practically ready to drink.

OUC brings this precious resource to the surface through 30 deep wells at nine interconnected plants. Harmless, but not-too-tasty, hydrogen sulfide is removed through OUC's patented activated carbon reaction process or by mixture with forced air. To prevent the growth of bacteria, chlorine is added to the water along with just a pinch of fluoride to help prevent tooth decay.

To safeguard the water's high quality from the plants and through 1,363 miles of top-of-the-line, ductile iron pipe, OUC emphasized upgrading facilities in 1989. For example, 30-year-old equipment at the Primrose plant was replaced with computerized analyzers and chlorine feed equipment. In all, \$4.2 million was invested in water plants and equipment.

**“OUC water continues to beat the most rigid standards established by the Safe Drinking Water Act.”**

### **Better than it has to be**

OUC's in-house, state-certified laboratory keeps strict surveillance on the quality of water, testing samples taken at each well and 175 points strategically located throughout the service area. These, and tests by independent laboratories, insure that OUC water continues to beat the most rigid standards established by the Safe Drinking Water Act. It's truly "better than it has to be".

OUC's Water Quality Assurance team aggressively monitors industrial users. Inspectors make sure special valves prevent accidental backflow of hazardous materials into the water system.

### **Growing again**

Construction activity picked up in 1989, with 3,000 new customer connections installed and more than 41 miles of water mains added. Overall consumption was up nearly 9% in 1989; 26.7 billion gallons of water was pumped to more than 371,000 consumers.

The Sky Lake Water Plant, under construction in South Orlando, is expected on-line by mid-1990, adding 10 million gallons per day capacity to supply the area's explosive growth. Its 3 million-gallon ground storage tank and support buildings combine attractive architectural design and function.

Looking to the future, the Water Quality Laboratory kicked off a three-month research project to determine whether ozone treatment could successfully remove hydrogen sulfide from well water.

The Water Department's computerized network analysis model was modified to run on a personal computer. Using the model, engineers can predict the impact of development at any given location by downloading actual customer demand records from OUC's main computer. Information from more than 200 computer simulations has been compiled for the 20-Year Water System Master Plan to be completed in 1990.

### **Consumptive Use Permit Renewed**

The St. John's River Water Management District Governing Board renewed OUC's Consumptive Use Permit for 10 years, authorizing OUC to continue drawing water from the aquifer at its anticipated growth levels. Review of the permit issued by the South Florida Water Management District is currently underway.

For the first time in OUC history, mandatory restrictions were placed on non-essential use of water, principally irrigation, by the St. John's River Water Management District. With rainfall down sharply from 1988, a water shortage was declared throughout the 19-county district. Although portions of the district (primarily along the coast) experienced record low water levels, the aquifer in OUC's area remained plentiful.

A 1990 rate change will encourage conservation at the highest levels of consumption. Rates, however, remain unchanged for 97% of OUC's customers. Water rates are among the very lowest in the state and about one-half of those charged by Orange County.



*If it's not good enough for her it's not good enough for us. OUC water exceeds all state and federal requirements for quality and safety. Daily samples confirm that water quality remains high throughout the distribution system.*

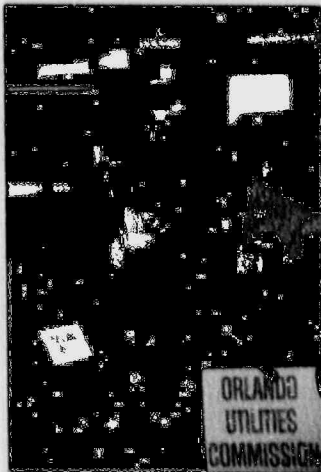


## Expanding Service Horizons

### **Proud Volunteers**

OUC and its employees are making an indelible mark on this community through volunteer efforts, starting with General Manager Ted Pope, president-elect of the Greater Orlando Chamber of Commerce and head of its drug task force committee, all the way down to employees who planted trees in Turkey Lake Park.

With community-spirited employees such as these, OUC has launched a program to reward and recognize them and the organizations they serve. This program will get into full swing in 1990.



*As part of a network of over 600 two-way radios, OUC employees also serve as the eyes and ears of the community, reporting emergencies and suspicious activity.*

### **Helping the Elderly**

Because so many OUC employees come in contact with many citizens regularly, it was only natural that OUC intensify its efforts to help the elderly. The utility launched a Gatekeeper program in 1989 to accomplish this goal. Special programs are conducted to teach customer-contact employees and field workers, such as meter readers, to be on the alert for senior citizens who may be in need of help. Employees then report would-be problems to an OUC liaison who contacts the appropriate social service agency and follows up on the case.

### **Conserving Resources**

OUC staff, through a wide range of programs, has helped more than 12,000 residential and commercial customers learn ways to use power and water wisely. Nearly 2,700 free Home Energy Surveys were conducted, including water audits for customers using an average of more than 15,000 gallons of water a month. To date, 1,118 customers' homes were weatherized through OUC's low income Home Energy Fix-up program. More than 1,130 residential customers participated in OUC's new power conditioning program, buying equipment that helps protect solid state, microchip appliances and equipment.

OUC also test-marketed a new Housepower program in 1989 that offers customers nighttime security in the form of outdoor lighting fixtures they can pay for over a 12 or 24 month period (interest free) on their electric bill.

For commercial/industrial customers, OUC has installed a demonstration Thermal Energy Storage system at its new Pershing Operations Center. These systems, which can be used to cool or heat whole office buildings, make ice at night for daytime cooling and hot water for daytime heating, depending on seasonal needs. A TES system is being planned for Orlando's new city hall.

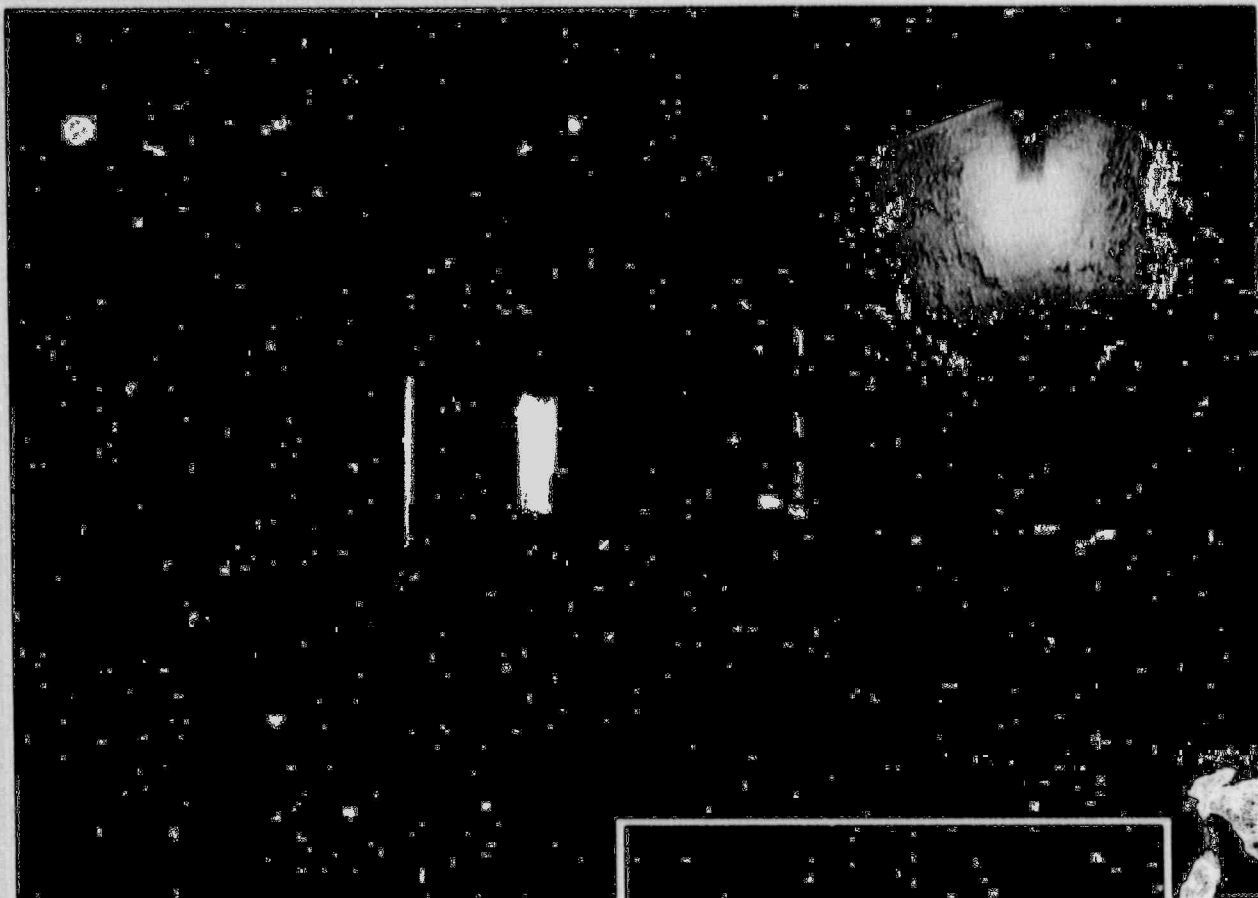
OUC also reaches out to future customers through an extensive school program that brought conservation information to more than 6,000 students in 1989 and provides a "WATTS News" newsletter to elementary school teachers.

Preliminary work was begun in 1989 to develop "Xeriscape" literature that will provide information about drought-resistant grasses, shrubs, and trees. Staff also spearheaded the formation of a Water Conservation Action Committee, inviting representatives of other Florida water utilities to meet and share information on water conservation programs.

### **Getting close to you**

OUC is "branching" out. The utility opened its first satellite operations and warehouse center in the summer of 1989, bringing maintenance and construction personnel closer to the busy, growing southeast sector of its service area. This new facility is located next to the Pershing Substation near South Semoran Boulevard. A second such center is planned for the southwest. The utility, which has already opened a Southwest Customer Service Center where customers can pay bills more conveniently, plans a similar center in the southeast.

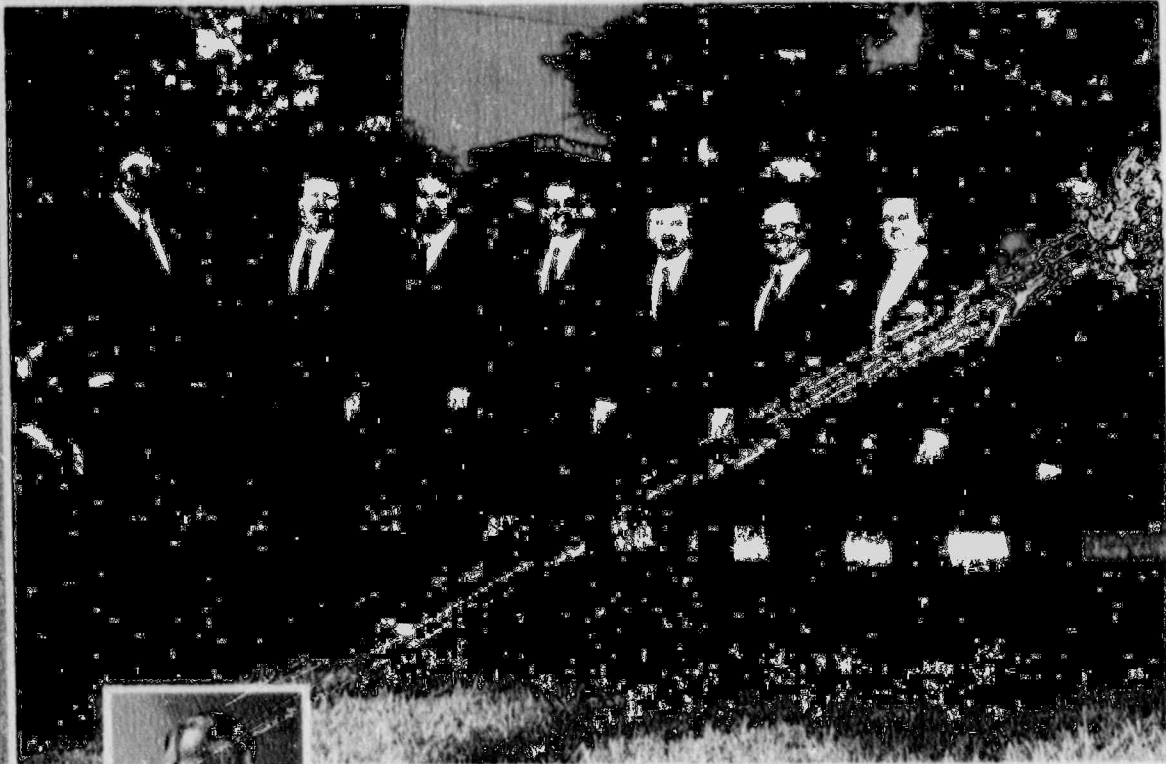




*Special night lighting now available through OUC's new HousePower program provides customers with security. Customer Relations employees also often go that extra mile to help customers.*



*The  
Management  
Team*



*Standing left to right are: T.C. Pope, W.H. Herrington, A.R. Boyd, M.E. Mazak, G.M. Standridge, D.E. Moore, T.B. Tart, and T.L. Smith.*

*L.E. Stone*



*R.D. Brown*



*S.P. Willis*



1989 was a year of leadership transition for Orlando Utilities with three members of senior management retiring. Retiring were: Louis E. Stone, Assistant General Manager; Richard D. Brown, Manager of Financial Operations, and Stephen P. Willis, Manager of Customer Relations and Support Operations.

The members of the 1990 senior management team represent more than 130 years of service on the Commission. As did their predecessors, these men will give leadership to the more than 1,100 skilled employees in their endeavor to meet the company's overall goal to "provide a level of service that exceeds customer expectations." The 1990 team, picture above, is composed of:

Theodore C. Pope, Executive Vice President and General Manager; William H. Herrington, Manager of Electric Operations; A. Raymond Boyd, Manager of Water Operations; Mark E. Mazak, Manager of Financial Operations; George M. Standridge, Manager of Customer Relations and Support Operations; Donald E. Moore, Manager of Strategic Planning; and Thomas B. Tart, Esq., General Counsel. Tracy L. Smith is Managing Director of Communications.

*The  
1989 OUC  
Commission*

*James H.  
Fugh, Jr.  
President*



*Jerry  
Chicora, Jr.  
First Vice  
President*



*Royce B.  
Walden  
Second Vice  
President*



*Theodore G. Pope  
Secretary*

*Louis E. Stone  
Richard Brown  
Betty J. Parrow  
Sylvia A. Walco  
Assistant Secretaries*

*Susan T.  
McCaskill  
Commissioner*



*Frederick  
Meyer*





*"Never look to test the ground before taking your next step. Only he who keeps his eyes fixed on the far horizon will find his right road."*

*Benjamin Franklin*

## On The Horizon

Finding the "right road" is the challenge facing the Orlando Utilities Commission as it looks to the '90s and beyond, especially with Metro Orlando expecting a 33% population increase in the new decade.

During the '90s, OUC's number of electric customers is expected to increase 35%, representing 40,000 new services. The number of water customers is expected to climb 24%, representing 23,000 new services. Retail electric sales are projected to grow at an average annual rate of 4.3%. Sales in the smaller, more densely populated water service area are projected to increase at a rate of 3.1%.

Planning forecasts, updated annually, continue to indicate that OUC needs more small peaking units no later than 1994 and more baseload capacity before January 1997.

To meet those needs, OUC is considering installing two additional gas/oil-fired combustion turbine units at the Indian River Power Plant. OUC is also moving ahead with the critical planning steps needed to have Stanton Unit II or another power source available by January 1997. The utility will also solicit bids on supply resources from independent power producers, co-generators and small power producers.

Retail water consumption is projected to increase 35%, to 32.79 billion gallons a year while average daily consumption is projected to reach 89.84 million gallons compared to 66.41 million. Studies are underway to determine when and where to add new wells to meet the increasing demand.

Nor is all of the growth on the far horizon. Electric engineering work orders increased a record 38% in 1989. This a sign of growth that is right around the corner, requiring millions of dollars for the infrastructure needed to deliver power to new customers.

To help finance these needs, and to share its success with customers, OUC is selling \$250 tax-exempt municipal mini-bonds in the '90s. It is the first municipal utility in the state and among the first in the nation to sell bonds in small denominations the grassroots customer can afford.

OUC also plans to vacate its Lake Highland facilities eventually as it establishes more operations and service centers closer to customers. Thus, it is studying ways to use the property to benefit its customers while enhancing the renaissance taking place at Downtown Orlando's Northern Gateway.

There appears to be no end in sight to the economic progress and growth here. But, the "big picture" vision, the sound business acumen, and the creative planning that have always kept OUC "ahead of the curve" will continue to do so throughout the decade and into the 21st century. Looking to the far horizon, OUC is taking the "next steps" to provide customers with reliable, adequate, and competitive energy and water resources. As always, it is planning for tomorrow as if it were today.

# Audited Financial Statements

## Orlando Utilities Commission

September 30, 1989

### *1989 Commission Members and Officers*

James H. Pugh, Jr.  
*President*

Jerry Chicone, Jr.  
*First Vice President*

Royce B. Walden  
*Second Vice President*

Susan T. McCaskill  
*Commissioner*

Bill Frederick  
*Mayor—Commissioner*

Theodore C. Pope  
*Secretary*

Louis E. Stone  
Richard Brown  
Betty J. Perrow  
Sylvia A. Waldo  
*Assistant Secretaries*

### *1989 Management*

Theodore C. Pope  
*Executive Vice President  
and General Manager*

Louis E. Stone  
*Assistant General Manager*

William H. Herrington  
*Manager, Electric Operations*

A. Raymond Boyd, Jr.  
*Manager, Water Operations*

Stephen P. Willis  
*Manager, Customer Relations  
and Support Operations*

Richard D. Brown  
*Manager, Financial Operations*

Donald E. Moore,  
*Manager, Strategic Operations*

Thomas B. Tart, Esq.  
*General Counsel*

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Tracy L. Smith  
*Managing Director,  
Communications*

### *1989 Consultants*

Consulting Engineers  
Black & Veatch  
*Kansas City, Missouri*

Financial Consultants  
Fray Municipal Securities, Inc.  
*Winter Park, Florida*

Bond Counsel  
Greenberg, Traurig, Askew,  
Hoffman, Lipoff, Rosen  
& Quentel, P.A.  
*Miami, Florida*

Independent Auditors  
Ernst & Young  
*Orlando, Florida*

**Balance Sheets  
September 30, 1989  
and 1988**

**ASSETS**

	<i>1989</i>	<i>1988</i>
<b>UTILITY PLANT—Note F</b>		
In service:		
Electric—Notes G and J . . . . .	\$1,008,858,892	\$ 957,023,770
Water . . . . .	113,823,502	102,992,591
Common . . . . .	31,557,840	21,755,011
Allowances for depreciation and amortization (deduction) . . . . .	(247,842,072)	(219,022,288)
	<u>906,398,162</u>	<u>862,749,084</u>
Construction work in progress . . . . .	25,160,883	32,705,366
	<u>931,559,045</u>	<u>895,454,450</u>
<b>RESTRICTED ASSETS—Notes B and D</b>		
Debt service and related accounts . . . . .	113,547,169	167,084,144
Construction and related accounts . . . . .	8,061,603	1,615,670
Renewal and replacement account . . . . .	25,076,479	22,042,291
Customer meter deposits . . . . .	8,625,313	6,882,045
	<u>155,310,564</u>	<u>197,624,150</u>
<b>CURRENT ASSETS</b>		
Cash and investments—Note D . . . . .	17,629,450	25,802,856
Customer accounts receivable, less allowance for doubtful accounts (1989—\$667,411; 1988—\$539,160) . . . . .	31,076,958	24,367,210
Accrued utility revenues . . . . .	14,363,916	14,758,123
Fuel for generation . . . . .	8,645,350	7,412,750
Margin deposit on futures contracts . . . . .	6,407,729	1,899,791
Materials and supplies . . . . .	19,063,375	14,477,958
Accrued interest receivable . . . . .	1,921,174	1,220,115
Miscellaneous receivables and prepaid expenses . . . . .	4,269,432	4,848,910
	<u>103,377,384</u>	<u>94,787,713</u>
<b>OTHER ASSETS AND DEFERRED CHARGES</b>		
Self insurance fund—Notes C and D . . . . .	5,797,708	5,432,770
Fuel cost stabilization account . . . . .	5,582,642	
Base rate stabilization account . . . . .	1,346,775	
Unamortized debt expenses . . . . .	834,090	98,621
Deferred compensation plan investments—Note H . . . . .	3,074,980	2,501,346
	<u>16,636,195</u>	<u>8,032,737</u>
<b>Total Assets</b>	<b>\$1,206,883,188</b>	<b>\$1,195,899,050</b>

**Balance Sheets  
September 30, 1989  
and 1988**

**CAPITALIZATION AND LIABILITIES**

CAPITALIZATION	1989	1988
Equity:		
Accumulated retained earnings:		
Reserved for debt service .....	\$ 85,132,558	\$ 71,782,254
Reserved for renewal and replacement .....	25,076,479	22,042,291
Unreserved—invested in or designated for plant and working capital .....	152,570,404	151,491,244
	262,779,441	245,315,789
Contributed capital .....	57,340,549	50,154,919
	320,119,990	295,470,708
Long-term debt—Note E:		
Bond principal .....	818,970,000	553,205,000
Unamortized discount (deduction) .....	(20,539,800)	(20,399,149)
	798,430,200	532,805,851
<b>Total Capitalization</b>	<b>1,118,550,190</b>	<b>828,276,559</b>
<b>CURRENT LIABILITIES—payable from restricted assets</b>		
Accrued interest payable on notes and bonds .....	23,774,611	26,227,285
Current portion of long-term debt—Note E .....	4,640,000	4,380,000
Bond anticipation notes—Note E .....		64,694,605
Customer meter deposits and interest thereon .....	8,625,313	6,882,045
	37,039,924	102,183,935
<b>CURRENT LIABILITIES—payable from current assets</b>		
Bond anticipation notes, net of unamortized discount of \$181,071—Note E .....		229,724,324
Accounts payable and accrued expenses .....	26,579,095	21,962,820
Collections on behalf of state and local governments .....	5,935,886	5,424,678
Due to the General Fund of the City of Orlando .....	1,019,400	
	33,534,381	257,111,822
<b>OTHER LIABILITIES AND DEFERRED CREDITS</b>		
Fuel cost stabilization account .....	11,379,695	2,288,984
Base rate stabilization account .....	1,346,775	
Customer water and electric line extension deposits .....	1,957,243	3,536,404
Deferred compensation plan liability—Note H .....	3,074,980	2,501,346
	17,758,693	8,326,734
<b>Total Liabilities</b>	<b>88,332,998</b>	<b>367,622,491</b>
<b>Total Capitalization and Liabilities</b>	<b>\$1,206,883,188</b>	<b>\$1,195,899,050</b>

See notes to financial statements.

**Statements of  
Income and  
Accumulated  
Retained Earnings  
Year Ended  
September 30**

	<u>1989</u>	<u>1988</u>
Operating revenues .....	\$289,774,627	\$244,516,879
Operating expenses:		
Fuel for generation and purchased power .....	102,944,877	77,340,353
Production .....	35,514,381	33,109,161
Transmission and distribution .....	10,075,903	9,545,340
Depreciation and amortization .....	28,134,975	26,415,010
Customer accounts .....	6,340,645	5,918,664
Customer service and information .....	1,586,283	1,750,888
General and administrative .....	18,061,277	17,106,841
State utilities gross receipts taxes .....	3,211,778	2,902,742
Revenue based payments to the General Fund of the City of Orlando—Note 1 .....	9,050,587	8,270,496
<b>Total Operating Expenses</b>	<b>214,920,706</b>	<b>182,359,495</b>
<b>Operating Income</b>	<b>74,853,921</b>	<b>62,157,384</b>
Non-operating Income (Expense):		
Interest income .....	22,055,164	18,023,224
Other income .....	1,434,314	799,745
Interest expense .....	(68,620,952)	(61,688,466)
Other deductions .....	(3,437,103)	(3,554,053)
<b>Income Before Income Based Payments To The General Fund Of The City Of Orlando</b>	<b>26,285,344</b>	<b>15,737,834</b>
Income based payments to the General Fund of the City of Orlando—Note 1 .....	(10,212,000)	(9,259,000)
<b>Net Income</b>	<b>16,073,344</b>	<b>6,478,834</b>
Depreciation of contributed utility plant .....	1,390,308	1,244,245
<b>Increase In Accumulated Retained Earnings</b>	<b>17,463,562</b>	<b>7,723,079</b>
Accumulated retained earnings at beginning of year .....	245,315,789	237,592,710
<b>Accumulated Retained Earnings At End Of Year</b>	<b>\$262,779,441</b>	<b>\$245,315,789</b>

*See notes to financial statements.*



**Statements of Changes  
in Financial Position  
Year Ended  
September 30**

SOURCE OF FUNDS	1989	1988
Net income .....	\$ 16,073,344	\$ 6,478,834
Charges to operations not requiring current outlay of working capital:		
Depreciation and amortization of plant charged to operations .....	28,134,975	26,415,010
Depreciation and amortization charged to fuel costs .....	3,226,630	3,717,393
Depreciation of vehicles and equipment charged to general and administrative costs .....	933,643	895,470
Amortization of bond discount and expenses related to long term debt .....	1,513,722	1,655,705
<b>Total From Operations</b>	<b>49,882,314</b>	<b>39,162,412</b>
Contributed capital .....	8,575,938	10,727,246
Increase in current liabilities—restricted .....		58,682,241
Decrease in restricted assets .....	42,313,586	57,920,045
Increase in other liabilities and deferred credits .....	9,431,959	919,589
Increase in long-term debt—net .....	264,276,695	
	374,480,492	167,411,533
<b>APPLICATION OF FUNDS</b>		
Additions to utility plant—net .....	68,399,843	68,184,711
Reduction of long-term debt—net .....		298,798,929
Increase in other assets and deferred charges .....	8,769,526	338,345
Decrease in other liabilities—restricted .....	65,144,011	
	142,313,380	367,321,985
<b>Increase (Decrease) In Working Capital</b>	<b>\$232,167,112</b>	<b>\$(199,910,452)</b>
<b>CHANGES IN COMPONENTS OF WORKING CAPITAL</b>		
Increase (decrease) in current assets:		
Cash and investments .....	\$ (8,173,406)	\$ 16,250,460
Customer accounts receivable—net .....	6,709,748	6,336,651
Accrued utility revenues .....	(394,207)	1,495,631
Fuel for generation .....	1,232,600	1,161,396
Margin deposit on futures contracts .....	4,507,938	1,899,791
Materials and supplies .....	4,585,417	5,402,180
Accrued interest receivable .....	701,059	333,000
Miscellaneous receivables and prepaid expenses .....	(579,478)	2,353,597
	8,589,671	35,232,706
Increase (decrease) in current liabilities:		
Bond anticipation notes .....	(229,724,324)	229,724,324
Accounts payable and accrued expenses .....	4,616,275	5,065,319
Collections on behalf of state and local governments .....	511,208	540,782
Due to the General Fund of the City of Orlando .....	1,019,400	(187,267)
	(223,577,441)	235,143,158
<b>Increase (Decrease) In Working Capital</b>	<b>\$232,167,112</b>	<b>\$(199,910,452)</b>

See notes to financial statements.

#### NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Orlando Utilities Commission are presented in conformity with generally accepted accounting principles as applicable to governments and substantially in conformity with accounting principles and methods prescribed by the Federal Energy Regulatory Commission (FERC) and other regulatory authorities except for the method of accounting for contributed capital described in the notes to financial statements.

The following is a summary of the more significant accounting policies:

**Reporting Entity:** The Orlando Utilities Commission (the Commission) was created by a Special Act of the Florida State Legislature as a statutory commission. The Commission consists of five members, including the Mayor of the City of Orlando. Members, with the exception of the Mayor who is an ex-officio member of the Commission, serve without compensation, may serve no more than two consecutive four year terms and new members are selected in the following manner. The Nominating Board of the City of Orlando submits the names of three persons to the Commission for consideration. The Commission may nominate one of these persons or reject all three. The nominee is then subject to election by the Orlando City Council.

The accompanying financial statements present the financial position, results of operations and changes in financial position of the Commission, in accordance with the National Council on Governmental Accounting (NCGA) Statement No. 3 and affirmed by the Governmental Accounting Standards Board.

The reporting entity of the Commission includes the operation, management, and oversight responsibilities of the electric and water systems of the City of Orlando. Oversight responsibilities include but are not limited to financial inter-dependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. Payments to the City of Orlando are based upon a unilateral policy established by the Commission (see Note I). The City of Orlando has been excluded from these financial statements since it has no operational, managerial, budgetary involvement or fiscal responsibility for the Commission. No other component units exist in which the Commission has any oversight responsibilities which would require inclusion in the Commission's financial statements.

**Measurement Focus:** The Commission operates the electric and water systems of the City of Orlando in a manner similar to private business; therefore, operations are accounted for as an enterprise fund where costs (expenses, including depreciation) of providing services to customers on a continuing basis are recovered through user charges.

**Basis of Accounting:** The Commission's financial statements are prepared on a full accrual basis of accounting with revenues being recognized when earned and expenses recognized when incurred.

**Budgets:** Revenue and expense budgets are prepared on an annual basis in accordance with the Commission's bond indentures and submitted to the Commission for approval prior to October 1 of the fiscal year. Legal adoption of budgets is not required. Actual revenues and expenses are compared to the budgets on a line item basis within departments and an analysis of variances report is prepared and submitted to the Commission each month as required by bond indentures.

**Utility Plant:** Utility plant is stated at historical cost which includes cost of contract work, labor, materials and allocated indirect charges for equipment, supervision and engineering and labor related costs. Donated assets are recorded at the cost provided by the developer which approximates fair market value. The Commission charges the cost of repairs and minor replacements to maintenance expense. The cost of electric or water plant retired or otherwise disposed of, together with removal costs less salvage, is charged to accumulated depreciation at such time as property is removed from service.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

The following is a summary of utility plant at September 30, 1989, by major classes:

	Electric	Water	Common	Total
Land .....	\$ 17,944,033	\$ 424,081	\$ 1,738,597	\$ 20,106,711
Electric generating plant .....	741,223,262			741,223,262
Water wells .....		7,311,712		7,311,712
Structures and improvements .....	22,110,796	3,829,185	10,634,790	36,574,771
Equipment .....	227,580,801	102,258,524	19,184,453	349,023,778
	1,008,858,892	113,823,502	31,557,840	1,154,240,234
Less allowances for depreciation and amortization .....	208,881,579	25,982,128	12,978,365	247,842,072
Construction work in progress .....	19,578,583	4,851,017	731,283	25,160,883
Net utility plant .....	\$ 819,555,896	\$ 92,692,391	\$ 19,310,758	\$ 931,559,045

The following is a summary of changes in utility plant:

	Balance September 30 1988	Additions	Deletions	Balance September 30 1989
Land .....	\$ 20,004,310	\$ 102,401		\$ 20,106,711
Electric generating plant .....	702,518,335	45,632,927	\$ 6,928,000	741,223,262
Water wells .....	6,244,448	1,067,264		7,311,712
Structures and improvements .....	35,225,156	1,349,615		36,574,771
Equipment .....	317,779,123	49,587,655	18,343,000	349,023,778
	1,081,771,372	97,739,862	25,271,000	1,154,240,234
Less allowances for depreciation and amortization .....	219,022,288	32,295,248	3,475,464	247,842,072
Construction work in progress .....	32,705,366	64,288,384	71,832,867	25,160,883
Net utility plant .....	\$ 895,454,450	\$ 129,732,998	\$ 93,628,403	\$ 931,559,045

**Notes to Financial  
Statements  
September 30, 1989**  
Continued

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

**Depreciation:** Utility plant is depreciated using the straight-line method for each of the various plant classifications at rates which will amortize the costs over the estimated economic useful lives of the assets. Depreciation of vehicles and other construction equipment is charged to departmental operating expenses or construction work in progress. Amounts for all other assets are charged to depreciation expense. The estimated useful lives of utility plant are as follows:

Electric Plant	
Generating Plant:	
Fossil	30-40 years
Nuclear	30-36 years
Structures and improvements	30-50 years
Equipment	6 $\frac{1}{2}$ -50 years
Water Plant:	
Water wells	25-50 years
Structures and improvements	50 years
Equipment	6 $\frac{1}{2}$ -50 years
Common Plant:	
Structures and improvements	50 years
Office equipment	14 $\frac{1}{2}$ years
Vehicles and other construction equipment	5-30 years

**Cash and Investments:** The Commission maintains cash in demand accounts. Investments are recorded at cost. Florida statutes and applicable debt resolutions authorize the Commission to invest its investments in obligations of the U.S. Treasury, the Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation, Federal Home Loan Bank or its district banks, including Federal Home Loan Mortgage Corporation participation certificates, or obligations guaranteed by the Government National Mortgage Association. The Commission is also authorized to invest in municipal obligations. In addition, the Commission may invest in interest bearing time deposits or savings accounts of Florida or national banks and savings and loan associations provided the deposits are collateralized by federal government securities.

Additionally, Florida statutes and applicable debt resolutions permit the Commission's investments to include repurchase agreements; that is, a purchase of securities from authorized dealers or banking institutions, with a simultaneous agreement that the dealers or banking institutions will repurchase them in the future at the same price plus a contract rate of interest. The market value of the securities underlying repurchase agreements normally exceeds the cash received, providing a margin against a decline in market value of the securities. Except for overnight repurchase agreements, securities underlying repurchase agreements are held in Commission accounts by a third party. If the dealers default on their obligations to repurchase these securities from the Commission, the Commission would suffer an economic loss equal to the difference between the market value plus accrued interest of the underlying securities and the agreement obligation, including accrued interest. The Commission has established that authorized dealers are primary dealers as defined by the Federal Reserve Bank and report to the Securities and Exchange Commission and authorized banking institutions are limited to the fifteen largest U.S. banks.

**Customer Accounts Receivable:** The Commission bills customers monthly on a cyclical basis and accrues revenues at the end of the fiscal year for energy and water consumed but not billed.

**Fuel for Generation and Materials and Supplies:** Fuel oil, coal and materials and supplies inventories are stated at the lower of average cost or market. Nuclear fuel is included in electric utility plant and amortized to fuel cost over the estimated usage of the fuel.

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

**Futures Contracts:** Since 1987 the Commission has entered into oil futures contracts to offset the price fluctuations of anticipated future acquisitions of fossil fuels. The Commission had a \$6,407,729 and \$1,899,791 margin deposit on open futures contracts with an original cost of \$10,274,280 and \$11,445,370 and a market value of \$11,379,840 and \$10,368,500 at September 30, 1989 and 1988, respectively.

The difference between the original cost and market value of \$1,105,560 and (\$1,076,870) on open futures contracts at September 30, 1989 and 1988, respectively as well as net realized gains of \$4,557,197 and losses of \$10,982 on closed futures contracts during the years ended September 30, 1989 and 1988, respectively, have been recognized through the fuel cost stabilization account. See "Rates and Revenues" below.

**Contributed Capital:** The Commission considers amounts received for construction of utility plant and utility plant contributed by developers as capital contributions. Accordingly, these capital contributions are added to plant assets and are treated as a separate component of Commission capitalization. Depreciation applicable to contributed utility plant is included as an operating expense in determining net income and is subsequently charged against contributed capital from accumulated retained earnings.

**Debt Discount and Expenses:** Debt discount and issue expenses are deferred and amortized to operations over the lives of the related issues using the bonds outstanding method of amortization.

**Rates and Revenues:** Each year, the Commission's staff performs a rate adequacy study to determine the electric and water revenue requirements. Based on this study, current cost of service studies, and regulations of the Florida Public Service Commission regarding electric "rate structure", the Commission's staff develops its electric and water rate schedules which are presented to the Commission at a public workshop and then presented for their approval at a public hearing.

The Commission's staff makes its determination of revenue requirements using the rate base method and includes construction work in progress in the rate base. Therefore, in accordance with proper ratemaking theory, the Commission does not use an allowance for funds used during construction (AFUDC) in determining revenue requirements. Since the Commission's level of revenue requirements and subsequent revenue is determined without regard to AFUDC, the Commission does not capitalize interest on construction work in progress.

Operating revenues are recorded based on actual billings to customers plus an estimate for accrued unbilled electric and water consumption at the end of each fiscal year.

The Commission has established a policy on recovery of fuel costs in accordance with guidelines from the Public Utilities Regulatory Policies Act of 1978 (PURPA). Under PURPA only fuel costs incurred are to be recovered. The Commission estimates on an annual basis a fuel component charge to be applied during the next fiscal year. The difference between the fuel costs actually charged to the customers and the fuel cost actually incurred is applied to the fuel cost stabilization account. During the process of determining the fuel component the Commission determines what portion of the fuel cost stabilization account will be utilized.

Effective fiscal year 1989, costs (revenues) which are to be recovered by (used to reduce) rates in periods other than when incurred (realized) are deferred until the periods in which the Commission recognizes them in utility rates. These items are included in the base rate stabilization account. Specific Commission approval is required for all increases or decreases to this account.

The balances in the fuel cost stabilization account and the base rate stabilization account are funded by internally restricted cash accounts and earn the same interest rate as the Commission's operating investment portfolio.

**Compensated Absences:** The Commission records compensation for unused vacation and sick leave as an expense in the year in which the vacation and sick leave is earned in accordance with NCGA Statement 4. At September 30, 1989, annual vacation leave earned but not taken was \$885,997 and sick leave accumulated but not taken was \$1,697,197.

When operations and scheduling permit, compensatory time to offset overtime hours may be granted through mutual agreement between the employee and his supervisor. A maximum of 40 hours compensatory time may be accrued and carried over from pay period to pay period. Compensatory time is expensed in the period earned. At September 30, 1989, the liability was \$48,080.

NOTE B—RESTRICTED ASSETS

Certain assets are restricted by bond resolution, additionally, some assets have been classified as restricted in accordance with governmental accounting standards for enterprise funds and utility industry accounting practices. The Commission's restricted assets consist of the following accounts:

	1989	1988
Debt service and related accounts—Note E:		
Investment account .....	\$ 18,208,404	\$ 13,646,191
Principal and interest accounts .....	29,126,605	27,563,477
Debt service reserve accounts .....	66,212,160	81,557,073
1985B bond anticipation note capitalized interest account .....		44,317,403
	113,547,169	167,084,144
Construction and related accounts:		
Nuclear generation facility decommissioning accounts .....	2,562,164	1,615,670
1989C bond construction account .....	5,499,439	
	8,061,603	1,615,670
Renewal and replacement account .....	25,076,479	22,042,291
Customer deposits and interest thereon .....	8,625,313	6,882,045
	33,701,792	28,924,336
	<u>\$155,310,564</u>	<u>\$197,624,150</u>
The accounts consist of:		
Cash .....	\$ 114,629	\$ 1,224
Investments .....	148,763,034	192,271,707
Interest receivable .....	6,432,901	5,351,219
	<u>\$155,310,564</u>	<u>\$197,624,150</u>

NOTE C—SELF-INSURANCE FUND

Effective November 1, 1986 the Commission implemented a self-insurance program to cover a portion of its workers' compensation, general liability and automobile liability exposures. During 1989, \$117,688 was expended for claims and \$482,626 of interest income was added to the fund. Claims expense and interest income for 1988 were \$84,842 and \$364,396, respectively. Under the self-insurance program the Commission is liable for all claims up to certain maximum amounts. Claims in excess of the maximum amounts are covered by insurance. The maximum amounts are as follows:

Workers' compensation	\$250,000
General liability	500,000
Automobile liability	500,000

Total claims incurred but not reported at year end were estimated to be less than \$5,000. It is the opinion of general counsel that the Orlando Utilities Commission, as a statutory Commission may enjoy sovereign immunity in the same manner as a municipality, as allowed by recent Florida Courts of Appeals rulings. Under said rulings, Florida Statutes limit liability for claims or judgements by one person to \$100,000 or a total of \$200,000 for the same incident or occurrence; greater liability can result only through an act of the Florida Legislature. Furthermore, any defense of sovereign immunity shall not be deemed to have been waived or the limits of liability increased as a result of obtaining or providing insurance in excess of statutory limitations. It is also the opinion of general counsel that the Commission, as a municipal utility, is statutorily immune from suit for malicious prosecution.

**Notes to Financial  
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September 30, 1989  
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**NOTE D—CASH AND INVESTMENTS**

At September 30, 1989 and 1988, the carrying amount of the Commission's cash was \$218,096 and \$1,024,151, respectively, and the bank statement balances were \$362,449 and \$577,193, respectively. The bank balances were covered by federal depository insurance or collateralized by a pool of U.S. Government securities held in trust by another bank in the name of the Commission's banking institution. The Commission's investments are summarized and categorized below to give an indication of the level of risk assumed by the Commission at September 30, 1989 and 1988. Category 1 includes investments that are insured or registered or for which the securities are held by the Commission or its agent in the Commission's name.

Category 2 includes uninsured and unregistered investments for which the securities are held by the bank's trust department or agent in the Commission's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the bank's trust department or agent but not in the Commission's name.

Margin deposit on futures contracts and deferred compensation plan benefit investments are not categorized because they are not evidenced by securities that exist in physical or book entry form.

	Category			Carrying Amount	Market Value
	1	2	3		
<u>September 30, 1989</u>					
Investments:					
U.S. government securities . . . . .	\$142,567,859			\$142,567,859	\$148,457,766
Other U.S. backed securities . . . . .	6,072,403			6,072,403	6,066,786
Repurchase agreements . . . . .	29,015,326		\$ 9,600,000	38,615,326	38,615,326
Cash clearing account . . . . .			114,629	114,629	114,629
	<u>\$177,655,588</u>	<u>\$ —</u>	<u>\$ 9,714,629</u>	<u>\$187,370,217</u>	<u>\$193,254,507</u>
<u>September 30, 1988</u>					
Investments:					
U.S. government securities . . . . .	\$148,441,957			\$148,441,957	\$153,965,626
Repurchase agreements . . . . .	40,500,000		\$11,165,000	51,665,000	51,665,000
Municipal obligations . . . . .	28,947,559			28,947,559	28,947,559
Cash clearing account . . . . .			1,224	1,224	1,224
	<u>\$217,889,516</u>	<u>\$ —</u>	<u>\$11,166,224</u>	<u>\$229,055,740</u>	<u>\$234,579,409</u>

These investments are held in the following accounts:

September 30	1989	1988
Restricted assets . . . . .	\$155,310,564	\$197,624,150
Cash and investments . . . . .	17,629,450	25,802,856
Accrued interest receivable . . . . .	1,921,174	1,220,115
Self insurance fund . . . . .	5,797,708	5,432,770
Fuel cost stabilization account . . . . .	5,582,642	
Base rate stabilization account . . . . .	1,346,775	
	<u>187,588,313</u>	<u>230,079,891</u>
Less: Cash . . . . .	218,096	1,024,151
	<u>\$187,370,217</u>	<u>\$229,055,740</u>

#### NOTE E—LONG-TERM DEBT

During 1978, the Commission provided for the advance refunding of all of its \$123,325,000 water and electric revenue bonds (Refunded Bonds) outstanding at April 1, 1978 by the sale of \$110,330,000 Water and Electric Revenue Refunding and Improvement Bonds, Series 1978 and \$94,650,000 Special Obligation Bonds, Series 1978. The Refunding and Improvement Bonds were subsequently advance refunded in December 1985. From the proceeds of the sale of the two 1978 issues, monies were invested in United States obligations in an irrevocable Escrow Deposit Trust Fund. Such United States obligations mature at such time so as to provide sufficient funds for the payment of maturing principal and interest on the Refunded Bonds. All interest earned or accrued on the United States obligations has been pledged and will be used for the payment of the principal and interest on the Special Obligation Bonds, Series 1978. The Refunded Bonds are treated as extinguished debt for financial reporting purposes, were removed from the balance sheets and have a remaining principal balance of \$73,050,000 at September 30, 1989.

In December 1985, the Commission provided for the advance refunding of all of its water and electric revenue bonds then outstanding in the aggregate principal amount of \$577,730,000 (Refunded Bonds) by the sale of \$565,040,000 Water and Electric Revenue Refunding Bonds, Series 1985 (\$950 million authorized and validated and confirmed by the Supreme Court of Florida). Sale proceeds were invested in United States obligations in an irrevocable Escrow Deposit Trust Fund. Such United States obligations will mature at such time and in such amounts so as to provide sufficient funds for the payment of maturing principal and interest on the Refunded Bonds. The Refunded Bonds are treated as extinguished debt for financial reporting purposes, were removed from the balance sheets and have a remaining principal balance of \$562,550,000 at September 30, 1989.

The outstanding bonds are payable from and secured by a first lien upon and pledge of the net revenues derived by the Commission from the operation of the water and electric system and from investment income earned on monies and obligations in certain sinking fund accounts.

The Commission has covenanted in the senior bond resolution to fix, establish and maintain rates and collect fees, rentals or other charges for the services and facilities as will always provide in each fiscal year net revenues which shall be adequate at all times to pay in each fiscal year the sum of at least one hundred twenty-five percent (125%) of the annual debt service requirement on the outstanding bonds and that net revenues shall be sufficient to make all other payments required by the terms of the senior bond resolution.

The senior bond resolution establishes the Revenue Fund Account, Renewal and Replacement Fund Account and Sinking Fund Account, which is comprised of the Interest, Principal, Investment, Bond Redemption, Debt Service Reserve and Demand Charge Component accounts.

In accordance with the senior bond resolution, gross revenues derived from the operation of the water and electric system are to be deposited in the Revenue Fund and shall be applied only in the following manner:

1. Revenues are first to be used to pay the current operating expenses of the water and electric system and then all Sinking Fund and Renewal and Replacement Fund requirements.
2. The balance of any revenues remaining in the Revenue Fund shall at the option of the Commission, be used (i) for any lawful purpose in connection with the water and electric system and (ii) to make any payments of funds to the City of Orlando; provided however, that none of the revenues is ever to be used for the purposes described in (i) and (ii) unless all payments required in (1) above, including any deficiencies for prior payments, have been made in full to the date of such use, and the Commission shall have fully complied with all covenants and agreements contained in the bond resolution.

Also, in December 1985 the Commission issued \$294,600,000 Series 1985B Water and Electric Revenue Bond Anticipation Notes (BAN's). Proceeds of the Series 1985B BAN's, together with other available funds, were used to refund the principal and accrued interest of the Series 1985A BAN's, to fund all the interest requirements on the Series 1985B BAN's and to establish a debt service reserve fund for the Series 1985B BAN's. The Series 1985B BAN's matured on May 31, 1989. The Series 1985B BAN's were paid by the proceeds of the Water and Electric Subordinated Revenue Bonds Series 1989A and from the Series 1985B BAN's capitalized interest account and debt services reserve account.

In March 1989, the Commission issued the Water and Electric Subordinated Revenue Bonds Series 1989A (Series 1989A) in the amount of \$241,905,000 to pay a portion of the Series 1985B BAN's maturing in May 1989. The balance of the Series 1985B BAN's were paid off using funds in the 1985B BAN Capitalized Interest and Debt Service Reserve accounts. In May 1989, the Commission issued the Water and Electric Subordinated Revenue Bonds Series 1989B (Series 1989B) in the amount of \$241,905,000 to pay the principal portion of the Water and Electric Subordinated Revenue Bonds Series 1989A. The Series 1989B bonds are variable rate. Rates during 1989 ranged from 5.5% to 6.45%.



NOTE E—LONG-TERM DEBT—Continued

In August 1989, the Commission issued the Water and Electric Subordinated Revenue Bonds Series 1989C (Series 1989C) in the amount of \$75,000,000 to refund \$46,500,000 of the Series 1989B and to undertake certain capital improvements to the water and electric system. From the proceeds an amount sufficient to pay the principal and related interest of the refunded portion of the Series 1989B Bonds was invested in United States obligations and irrevocably deposited into an escrow account. All of the \$46,500,000 in 1989B Bonds refunded were still outstanding at September 30, 1989 and were redeemed in October and November 1989. The refunding resulted in an accounting loss of \$209,199 and is reflected in other deductions on the statement of income and accumulated retained earnings. The purpose of the refunding was to reduce the Commission's exposure to interest rate fluctuations by reducing the amount of variable rate debt outstanding. Based on the performance of the 1989B Bonds, there is no material change in debt service.

The remaining portion of the Series 1989C Bonds are payable from and secured by a lien upon and a pledge of the net revenues derived by the Commission from the operation of the water and electric system and certain investment income, subject to the prior lien thereon of the Commission's outstanding senior debt obligations (Water and Electric Revenue Refunding Bonds, Series 1985).

The Commission has covenanted in the junior lien bond resolution to fix, establish and maintain such rates and collect such fees, rentals or other charges for the services and facilities as will always provide in each fiscal year, net revenues which will be adequate after the deduction of amounts required to be deposited from net revenues in each fiscal year to provide for the annual debt service requirement for senior debt obligations, to fund any debt service reserve requirement for such senior debt obligations and to make any required deposit to other funds and accounts established under documents evidencing or servicing senior debt obligations at all times to pay in each fiscal year the sum of at least (i) one hundred percent (100%) of the annual debt service requirement for the bonds issued pursuant to the Resolution and any pari passu additional bonds hereafter issued for the then current fiscal year and (ii) one hundred percent (100%) of the amount required to be deposited into the Demand Charge Component Account for the then current fiscal year, and that such net revenues will be sufficient to make all other payments required by the terms of the Resolution and that such rates, fees, rentals or other charges shall not be reduced so as to be insufficient to provide adequate revenues for such purposes.

The junior lien bond resolution establishes the Sinking Fund which includes the Interest, Principal, Bond Redemption and Demand Charge Component Accounts. In accordance with the resolution revenues are to be applied in accordance with the senior bond resolution and then to be applied to the Junior Lien Sinking Fund accounts.

In addition to the authorized but unissued 1985 bonds of \$384,960,000, the Commission has also been authorized to issue an additional \$955,000,000 of bonds for a total of \$1,339,960,000 to be used for refunding or other designated purposes.

The Commission has no material operating or capital leases.

Bonds and Bond Anticipation Notes principal outstanding is as follows:

September 30	<u>1989</u>	<u>1988</u>
Bonds:		
Series 1985, 5.25%–8.625% due serially 1986 to 2000 and in term form from 2002 to 2010 .....	\$553,205,000	\$557,585,000
Less current portion of long-term debt .....	4,640,000	4,380,000
Long term portion of Series 1985 .....	548,565,000	553,205,000
Series 1989B, variable rate due 2023 .....	195,405,000	
Series 1989C, 7.00% due serially 2011 to 2015 and in term form 2023 .....	75,000,000	
	<u>818,970,000</u>	<u>553,205,000</u>
Bond Anticipation Notes:		
Series 1985B unit priced demand adjustable notes due May 31, 1989 .....		294,600,000
Less current portion of long-term debt .....		294,600,000
	<u>\$818,970,000</u>	<u>\$553,205,000</u>

NOTE E—LONG-TERM DEBT—Continued

Following is a schedule of annual principal and interest sinking fund requirements on the revenue bonds outstanding at September 30, 1989:

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September 30, 1989

Continued

Year Ending Sept. 30	Debt Service for Series 1985 Bonds		Debt Service for Series 1989B Bonds		Debt Service for Series 1989C Bonds		Total
	Principal	Interest	Principal	Interest(1)	Principal	Interest	
1990	\$ 4,955,000	\$ 45,486,023		\$ 12,701,325		\$ 5,250,000	\$ 68,392,348
1991	5,295,000	45,139,173		12,701,325		5,250,000	68,385,498
1992	5,595,000	44,757,933		12,701,325		5,250,000	68,304,258
1993	10,105,000	44,343,903		12,701,325		5,250,000	72,400,228
1994	13,895,000	43,575,923		12,701,325		5,250,000	75,422,248
1995	14,975,000	42,499,060		12,701,325		5,250,000	75,425,385
1996	16,150,000	41,316,035		12,701,325		5,250,000	75,417,360
1997	17,465,000	40,007,885		12,701,325		5,250,000	75,424,210
1998	18,910,000	38,558,290		12,701,325		5,250,000	75,419,615
1999	20,495,000	36,969,850		12,701,325		5,250,000	75,416,175
2000	22,245,000	35,227,775		12,701,325		5,250,000	75,424,100
2001	24,135,000	33,336,950		12,701,325		5,250,000	75,423,275
2002	26,210,000	31,255,306		12,701,325		5,250,000	75,416,631
2003	28,480,000	28,994,694		12,701,325		5,250,000	75,426,019
2004	30,930,000	26,538,294		12,701,325		5,250,000	75,419,619
2005	71,685,000	23,870,581		12,701,325		5,250,000	113,506,906
2006	36,640,000	17,687,750		12,701,325		5,250,000	72,279,075
2007	39,755,000	14,573,350		12,701,325		5,250,000	72,279,675
2008	43,135,000	11,194,175		12,701,325		5,250,000	72,280,500
2009	46,800,000	7,527,700		12,701,325		5,250,000	72,279,025
2010	50,710,000	3,549,700		12,701,325		5,250,000	72,211,025
2011			\$ 9,435,000	12,701,325	\$ 3,725,000	5,250,000	31,111,325
2012			10,135,000	12,088,050	3,985,000	4,989,250	31,197,300
2013			10,890,000	11,429,275	4,265,000	4,710,300	31,294,575
2014			11,700,000	10,721,425	4,560,000	4,411,750	31,393,175
2015			12,570,000	9,960,925	4,880,000	4,092,550	31,503,475
2016			13,500,000	9,143,875	5,225,000	3,750,950	31,619,825
2017			14,505,000	8,266,375	5,590,000	3,385,200	31,746,575
2018			15,580,000	7,323,550	5,980,000	2,993,960	31,877,450
2019			16,740,000	6,310,850	6,400,000	2,575,300	32,026,150
2020			17,980,000	5,222,750	6,845,000	2,127,300	32,175,050
2021			19,320,000	4,054,050	7,325,000	1,648,150	32,347,200
2022			20,755,000	2,798,250	7,840,000	1,135,400	32,528,650
2023			22,295,000	1,449,175	8,380,000	586,600	32,710,775
	\$548,565,000	\$656,410,350	\$195,405,000	\$368,197,700	\$ 75,000,000	\$151,906,650	\$1,995,484,700

(1) Assumes interest rate of 6.5% on Series 1989B Bonds.

For the 1985 and 1989C Bonds, interest is payable on April 1 and October 1 with principal payments due on October 1. The 1989B Bond interest and principal have varying due dates.

NOTE F—PARTICIPATION AGREEMENTS

In 1980 the Commission entered into a Participation Agreement with Florida Power and Light Company (FPL) to purchase a 6.08951% (52 net megawatts) undivided ownership interest in St. Lucie Unit No. 2 nuclear powered electric generating facility constructed by FPL. This unit is presently rated at 853 net megawatts (MW) and commenced commercial operation in 1983. The Commission has also entered into a Reliability Exchange Agreement with FPL. The Reliability Exchange Agreement results in the Commission exchanging 50% of its share of the output from St. Lucie Unit No. 2 for a like amount from St. Lucie Unit No. 1, a nuclear powered electric generating facility. FPL has operational control of both projects.

The Commission also has a Participation Agreement with the City of Lakeland, Florida dated April 4, 1978. Under the terms of this Agreement the Commission has a 40% (136 net MW) undivided ownership interest in a 340 net MW refuse and coal-fired steam generating unit (McIntosh Unit No. 3) owned by the City of Lakeland. The City of Lakeland has operational control of this project.

Since 1975, the Commission has owned a 1.6015% (13 net MW) undivided ownership interest in Florida Power Corporation's 769 net MW nuclear powered electric generating plant designated Crystal River Unit No. 3. This ownership interest was acquired under the terms of a single Participation Agreement with Florida Power Corporation and ten Florida municipal utilities. Florida Power Corporation has operational control of this project.

In 1984 and 1985, the Commission entered into Participation Agreements with Florida Municipal Power Agency (FMPA) and the Kissimmee Utility Authority (KUA) to sell a portion of Stanton Energy Center Unit #1 (SEC 1) excluding common and external facilities. SEC 1 is rated at 435 net MW. Under the terms of these agreements, FMPA has a 26.6265% undivided ownership interest and the Kissimmee Utility Authority has a 4.8193% undivided ownership interest. The Commission, which has retained a 68.5542% undivided ownership interest, has operational control of this project.

In 1988, the Commission entered into Participation Agreements with FMPA and KUA to sell a portion of the Commission's Indian River Plant Combustion Turbine Project excluding common facilities. The Commission's Combustion Turbine Project includes two 48 MW combustion turbines which can generate electricity utilizing natural gas or light diesel oil. The combustion turbines were placed in commercial operation, one on June 1 and another on July 1, 1989. Under the terms of these agreements, FMPA has a 39% undivided ownership interest and the KUA has a 12.2% undivided ownership interest. The Commission, which has retained a 48.8% undivided ownership interest, has control of this project.

Following is a summary of the Commission's proportionate share of each jointly owned plant. SEC 1, McIntosh Unit No. 3 and the Indian River Plant Combustion Turbine Project include the cost of common and/or external facilities. The other plants do not, but the participants pay user charges to the operating entity. According to the participation agreements, each participant must provide its own financing and each participant's share of expenses for the operations of the plants are included in the corresponding operating expenses of its own income statement. Allowance for depreciation and amortization on utility plant in service is determined by each participant based on their depreciation methods and rates relating to their share of the plant.

	Plants as of September 30, 1989				
	St. Lucie Unit No. 2	McIntosh Unit No. 3	Crystal River Unit No. 3	Stanton Energy Center Unit No. 1	Indian River Combustion Turbines A and B
Utility plant in service . . . . .	\$104,112,952	\$95,370,391	\$14,236,108	\$419,693,653	\$12,195,619
Allowance for depreciation and amortization . . . . .	25,882,833	21,936,603	6,294,221	22,811,786	112,977
Construction work in progress . . . . .				336,954	
Commission's net share . . . . .	\$ 78,230,119	\$73,433,788	\$ 7,941,887	\$397,218,821	\$12,082,642

#### NOTE F—PARTICIPATION AGREEMENTS—Continued

It has been determined that none of the participation agreements to which the Commission is a party meet the criteria of a joint venture as specified by the NCGA Statement 7. The Commission lacks operational control over the St. Lucie Unit No. 2, Crystal River Unit No. 3 and McIntosh Unit No. 3 plants. SEC 1 and Indian River Combustion Turbines Project are controlled by the Commission. Fiscal and budgetary control of SEC 1 and the Combustion Turbines Project remains with the Commission. No separate governing authority exists for any of the participation plants.

The Commission also has an agreement with Orange County, Florida to share approximately 50% of the cost of a waste water treatment facility at the SEC 1 site. The Commission operates the facility. Effective July 1, 1988, the County pays a \$520,000 annual fee for the operation and maintenance of the facility. The fee is subject to annual increases based upon inflationary factors and is subject to renegotiation within the form of the contract. The annual fee is classified as a reduction to SEC 1 operating and maintenance expenses.

#### NOTE G—ELECTRIC SUPPLY AGREEMENTS

**Capacity Commitment:** In 1985 the Commission entered into an agreement with the Florida Municipal Power Agency (FMPA) to provide FMPA with a total of 130 MW of the Commission's 645 MW generating capacity of the Indian River plant on a take or pay basis. Payment to the Commission is based upon a 21.65% share of the cost of operation and maintenance of this oil/gas fired plant. The contract's initial term began during 1986 and extends to 2001. FMPA has an option to renew the contract for an additional five years.

In 1989 the Commission also entered into capacity commitment contracts with FMPA and KUA for each to receive 20MW of generating capacity of the Commission's Indian River generating plant on a take or pay basis.

**Maintenance Exchange Service:** An agreement between the Commission and the Seminole Electric Cooperative, Inc. (Seminole), effective January 1, 1988, provides for energy to be supplied during planned or forced outages at certain of the participants' electric generating plants, subject to proper notification and schedule of energy needed from the supplying party. The agreement's initial term is five years, automatically extended for successive one year periods unless cancelled with one year's notice by the Commission or Seminole. However, the initial term may be cancelled by either party upon ninety days notice at any time between January 1, 1989 and December 31, 1989. Transactions under this agreement are recorded as interchange sales or purchased power.

**Florida Municipal Power Pool:** In May 1988, an agreement was entered into between the Commission, the City of Lakeland, Florida, and the Florida Municipal Power Agency's All-Requirements Project to cooperate in the interconnected operation of the respective electric supply systems, so as to obtain the fullest advantage of each systems' generating resources.

A management committee consisting of a representative from each organization supervises the operation of this Pool. The Commission operates the dispatching service and administers the Pool. Production cost savings due to the operation of the Pool are accounted for and allocated to each organization by individual pool participation.

The term of the agreement is for one year, to be automatically renewed from year to year until terminated by the consent of all participants; however, any one participant may withdraw at any time upon one year's written notice.

#### NOTE H—DEFERRED COMPENSATION PLAN

The Commission offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Commission employees, permits employees to contribute 25% of their base salary exclusive of total pension contributions up to \$7,500 per year. Assets and liabilities of the plan are recorded at market. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, are (until paid or made available to the employee or other beneficiary) solely the property of the Commission (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Commission's general creditors. Participants' rights under the plan are equal to those of general creditors of the Commission in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the Commission's legal counsel that the Commission has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The Commission believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

#### NOTE I—PAYMENTS TO THE CITY OF ORLANDO AND ORANGE COUNTY

Two types of payments are made to the General Fund of the City of Orlando. The revenue based payment is calculated at six percent of gross retail electric and water billings to customers within the City. This payment is classified as an operating expense. The income based payment is calculated at 50% of a rolling five year average of net income, with some exclusions, before deduction for the payment and is not considered an expense for rate making purposes. This payment is classified as a non-operating expense.

Payments are made to Orange County based on one percent of gross retail electric billings within the County but outside the city limits of the City of Orlando. This payment, which was \$605,953 and \$581,119 for fiscal years ended September 30, 1989 and 1988, respectively, is classified as an operating general and administrative expense.

All payments are made pursuant to a unilateral policy established by the Commission.

#### NOTE J—COMMITMENTS AND CONTINGENT LIABILITIES

1. Claims have been received from various contractors relating to the construction of SEC 1. Most of these claims have been settled. One settlement negotiation involves the filing of a claim by OUC for the unattained high pressure performance that was guaranteed for the high pressure turbines. The Commission is confident that a mutual agreement for settlement can be reached.
2. The Commission and the other participants in SEC 1 have a coal supply contract with a 10 year primary term that began on July 1, 1987 with the option of two successive five year terms. The contract covers all of the coal requirements of SEC 1 during the first five years of the contract. During the second five years, the contract covers at least 600,000 tons per year with an option to purchase 100% of the coal requirements. The usage is estimated at 8,250,000 to 12,000,000 tons over the ten year contract period.
3. The Commission and the other participants in SEC 1 have also agreed to a twelve year contract that began on June 17, 1987 for rail delivery of the unit's coal purchases.
4. The Commission has been named in a number of hearings claiming discrimination or wrongful discharge by former employees. Management and legal counsel consider these claims to be without merit and will not result in a material liability.
5. The Commission has appealed through an administrative process with the Brevard County Property Tax Assessor's Office for property tax assessment on the Commission's real property for the current year and the three years prior. The 1989 proposed tax assessment is \$794,571 with the total assessment for 1986 through 1989 totaling \$2,705,410. The Commission has found legal basis against the assessments and therefore, does not expect any loss from the legal outcome.
6. There are a number of bodily injury cases pending in which the Commission is named as a defendant. It is believed that any possible recoveries by the plaintiffs will be adequately covered by insurance and the Commission's self insurance fund.

#### NOTE K—PENSION PLAN

The Orlando Utilities Commission has a single employer defined benefit pension plan covering substantially all employees.

The pension plan approved by the Orlando Utilities Commission states that the Commission shall make such contributions to the retirement fund as shall be required under accepted actuarial principles to at least be sufficient to maintain the plan as a qualified employee defined benefit plan meeting the minimum funding standard requirements of the Internal Revenue Code with respect to its members, as shall be determined from time to time under accepted actuarial principles by the Actuary.

Each participant shall contribute monthly to the plan four percent of earnings until the completion of 25 years of service. After completion of 25 years of service, each participant shall contribute monthly to the plan two percent of earnings. Such required contributions shall cease upon a participant's completion of 35 years of service.

The Commission shall not have any right, title, or interest in the contributions made to the retirement fund under the plan, and no part of the retirement fund shall revert to the Commission, except that:

- a. Upon complete termination of the plan and the allocation and distribution of the retirement funds as provided herein, any funds remaining in the retirement fund because of actuarial computations after the satisfaction of all fixed and contingent liabilities under the plan with respect to the Commission may revert to the Commission.
- b. If an excess contribution is made to the retirement fund by the Commission, then such contribution may be returned to the Commission within one year after the payment of the contribution.
- c. If the Internal Revenue Service determines that the plan does not meet the requirements of Code section 401(a), the plan shall be null and void, and any contributions shall be returned to the Commission within one year following the determination that the plan does not meet such requirements, unless the Commission elects to make the changes to the plan necessary to receive a determination from the Internal Revenue Service that the requirements of Code section 401(a) are met.

Since 1988, the Plan was modified as follows:

- a. Participation begins on the date of hire for employees hired after April 1, 1988 and includes all full-time employees.
- b. Interest credited on employee contributions changes annually. The rates for 1988 and 1987 were 4.2% and 7.5%, respectively. The rate of return of 4.2% was due to the stock market fall occurring in October 1987. The overall cumulative average annual rate of return for the plan has been 16.5% since October 1, 1984.
- c. Upon being hired employees are required to contribute 4% of their regular time earnings. Prior to April 1, 1988 employees were required to contribute 4% of their regular time earnings after one year of service.
- d. Effective February 1, 1989 the pension plan benefits calculation went from a fixed percentage of 2% times the number of years service to 2.5%. The maximum number of years that would apply to reach the maximum pension benefit of 75% of final average earnings because of the increased benefit went from 37.5 years to 30 years of service. This change is not reflected in the actuarial presentation.
- e. Effective October 1, 1989, the length of service required to become vested went from 10 years to 5 years. This change is not reflected in the actuarial presentation.

The Commission's contribution is determined using the actuarial cost method. The actuarial pension plan obligations were used as a basis for calculating the determined contribution requirements for the fund. Pension expense for the fiscal years 1989 and 1988 was \$2,279,405 and \$2,394,321, respectively, which includes normal costs plus amortization of past service costs. The assumed rate of return used in determining the actuarial present value of accumulated plan benefits was 7.5%. The actuarial methods and assumptions are comparable to those used for the prior year.

The pension benefit obligation presented as the actuarial present value of accumulated plan benefits is a standard measure of the present value of pension benefits, adjusted for the effects of projected salary increases of 6% and any step-rate benefits, estimated to be payable in the future as a result of employee service to date.

The pension plan's assets are administered by the Mutual Life Insurance Company of New York (MONY). The pension plan's funds may be invested in money market accounts, bonds, and stocks and are presented at market value.

**Notes to Financial  
Statements  
September 30, 1989  
Continued**

**NOTE K—PENSION PLAN—Continued**

Plan data as of October 1, 1988 (latest actuarial valuation) as developed by consulting actuaries is as follows.

Actuarial present value of accumulated plan benefits:	
Present value of vested benefits .....	\$42,769,523
Present value of non-vested benefits .....	3,251,551
<b>Total present value of all accumulated benefits .....</b>	<b>\$46,021,074</b>

Projected benefit funded status:

Vested:	
Retirees and beneficiaries currently receiving benefits, terminated and disabled employees not yet receiving benefits .....	\$22,932,868
Current employees:	
Accumulated employee contributions .....	8,631,667
Employer financed .....	28,391,613
Non Vested:	
Employer financed .....	1,989,660
<b>Total pension benefit obligation .....</b>	<b>\$61,945,808</b>
<b>Net assets available for benefits .....</b>	<b>\$74,582,473</b>
<b>Net assets in excess of pension benefit obligation .....</b>	<b>\$12,636,665</b>

The Plan activity for fiscal year 1988 is as follows:

Asset value as of October 1, 1987 .....	\$70,741,724
Contribution: f. a. 1987-88:	
Paid during the year—Employee .....	920,005
Paid during the year—Employer .....	2,337,200
<b>Total contributions .....</b>	<b>3,257,205</b>
Contributions receivable at beginning of year .....	—
Contributions receivable at end of plan year .....	—
<b>Contributions for 1987-88 plan year .....</b>	<b>3,257,205</b>
Disbursements for 1987-88	
Benefit payments .....	2,260,066
Expenses and fees .....	116,892
<b>Total disbursements for 1987-88 .....</b>	<b>2,376,958</b>
Investment Return for 1987-88 .....	2,960,502
<b>Asset value as of October 1, 1988 .....</b>	<b>\$74,582,473</b>
<b>Approximate rate of return .....</b>	<b>4.16%</b>

NOTE K—PENSION PLAN—Continued

Contribution and payroll information for the year ended September 30, 1989 follows:

Notes to Financial  
Statements  
September 30, 1989  
Continued

Contributions:		
Employer .....		\$ 2,181,452
Employee .....		1,056,696
		<hr/>
		\$ 3,238,148
		<hr/>
Total payroll .....		\$33,186,155
		<hr/>
Covered payroll .....		\$28,333,150
		<hr/>
Contributions as a percent of covered payroll .....		11.43%
		<hr/>
Actuary recommended contribution for fiscal year 1989:		
Employer .....		\$ 2,279,405
Employee .....		1,084,326
		<hr/>
		\$ 3,363,731
		<hr/>
Recommended contribution as a percent of covered payroll .....		11.87%

Trend information for the preceding four years follows:

Year Ended September 30	Net Assets Available for Benefits as a Percentage of Pension Benefit Obligation	Unfunded Pension Benefit Obligation	Contributions as a Percentage of Covered Payroll
1988	120.4%	\$ —	11.6%
1987	116.5	—	13.9
1986	170.6	—	14.2
1985	138.7	—	19.4



**Notes to Financial  
Statements  
September 30, 1989  
Continued**

**NOTE L—PENSION PLAN SUPPLEMENTARY INFORMATION (UNAUDITED)**

This schedule presents required supplemental historical pension benefit information for the last seven years currently available. This schedule will expand to ten years as the information becomes available.

Year Ended September 30	(1) Net Assets Available for Benefits (Millions)	(2) Pension Benefit Obligation (Millions)	(3) Percentage Funded (1)/(2)	(4) Unfunded/ (Overfunded) Pension Benefit Obligation (2)-(1) (Millions)	(5) Annual Covered Payroll (Millions)	(6) Unfunded/ (Overfunded) Pension Obligation as a Percentage of Annual Covered Payroll (4)/(5)
1988	\$74.6	\$61.9	120.4%	\$(12.7)	\$28.0	(45.4%)
1987 (A)	70.7	60.7	116.5	(10.0)	27.0	(37.0)
1986	42.5	24.9	170.6	(17.6)	19.7	(89.3)
1985	33.8	24.4	138.7	(9.4)	18.2	(51.6)
1984	28.9	22.1	130.7	(6.8)	17.0	(40.0)
1983	28.1	22.1	127.1	(6.0)	16.2	(37.0)
1982	22.4	19.5	114.8	(2.9)	14.7	(19.7)

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and unfunded pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of pension funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the pension plan. Trends in unfunded pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the Commission's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the pension plan.

(A) The pension benefit obligation was valued by the actuary (Hewitt Associates) as prescribed by the Governmental Accounting Standards Board Statements 5 and 6 in 1987. This method differs from prior years in that projected benefits are allocated on a level basis to employee's years of service. This resulted in a 39.2% increase. Contract amendments increased the pension benefit obligation by 68.8% and net assets available for benefits by 44.3%.

**NOTE M—POST EMPLOYMENT HEALTH CARE BENEFITS**

The Commission provides certain health care benefits and life insurance for retired employees. Substantially all employees may become eligible for those benefits if they reach normal retirement age while working for the Commission. Costs are recognized when incurred and funded with current year's revenues. The cost of retirees health care and life insurance for the years ended September 30, 1989 and 1988 was \$646,121 and \$437,757, respectively.

Notes to Financial  
Statements  
September 30, 1989  
Continued

#### NOTE N—REGULATION

According to existing laws of the State of Florida, the five members of the Orlando Utilities Commission act as the regulatory authority for the establishment of electric and water rates. The Florida Public Service Commission (FPSC) has authority to regulate the electric "rate structures" of municipal utilities in Florida. It is believed that "rate structures" are clearly distinguishable from the total amount of revenues which a particular utility may receive from rates, and that distinction has thus far been carefully made by the FPSC.

Prior to implementation of any rate change, the Commission files the proposed tariff with the Florida Public Service Commission and has established the prerequisite of a Public Notice and the holding of a Public Hearing.

**Florida Public Service Commission:** As noted above, the FPSC has jurisdiction to regulate electric "rate structures" of municipal utilities. In addition, the Florida Electric Power Plant Siting Act has given the FPSC exclusive authority to approve the construction of new power plants. The FPSC also exercises jurisdiction under the National Energy and the Florida Energy Efficiency and Conservation Acts as related to electric use conservation programs and prescribes conformance to the Federal Energy Regulatory Commission's Uniform System of Accounts.

**Environmental and Other Regulations:** Operations of the Commission are subject to environmental regulation by Federal, State and local authorities and to zoning regulations by local authorities. Federal and State standards and procedures that govern control of the environment can change. These changes can arise from continuing legislative, regulatory, and judicial action respecting the standards and procedures. Therefore, there is no assurance that the electric and water plants in operation, under construction, or contemplated will always remain subject to the regulations currently in effect, or will always be in compliance with future regulations.

An inability to comply with environmental standards or deadlines could result in reduced operating levels or complete shutdown of individual electric generating units or water plant facilities not in compliance. Furthermore, compliance with environmental standards or deadlines may substantially increase capital and operating costs.

**Notes to Financial  
Statements  
September 30, 1989**

**Continued**

**NOTE O—BUSINESS SEGMENTS**

The Commission operates in two business segments—the generation, transmission and distribution of electricity and the production, treatment, and distribution of water. A summary of the segment information follows:

	Electric	Water	Total
Year Ended September 30, 1989			
Operating revenues	\$ 272,050,607	\$ 17,724,020	\$ 289,774,627
Depreciation and amortization	25,788,821	2,346,154	28,134,975
Operating income	70,376,696	4,477,225	74,853,921
Income based payments to the City of Orlando General Fund	7,454,760	2,757,240	10,212,000
Net income	14,450,555	1,622,789	16,073,344
Contributed capital	16,351,574	40,988,975	57,340,549
Utility plant additions	66,838,693	23,356,686	90,195,379
Utility plant deletions	16,128,697	5,666,839	21,795,536
Net working capital	67,920,969	1,922,034	69,843,003
Total assets	1,098,884,925	107,998,263	1,206,883,188
Long-term debt	789,428,695	9,001,505	798,430,200
Total equity (accumulated retained earnings and contributed capital)	230,935,651	89,184,339	320,119,990
Year Ended September 30, 1988			
Operating revenues	\$ 228,193,720	\$ 16,323,159	\$ 244,516,879
Depreciation and amortization	24,184,239	2,230,771	26,415,010
Operating income	58,047,611	4,109,773	62,157,384
Income based payments to the City of Orlando General Fund	6,759,070	2,499,930	9,259,000
Net income	4,769,500	1,709,334	6,478,834
Contributed capital	14,574,237	35,580,682	50,154,919
Utility plant additions	74,325,507	11,128,301	85,453,808
Utility plant deletions	15,020,216	2,248,885	17,269,101
Net working capital (deficiency)	(165,218,635)	2,894,526	(162,324,109)
Total assets	1,096,543,047	99,356,003	1,195,899,050
Long-term debt	523,401,366	9,404,485	532,805,851
Total equity (accumulated retained earnings and contributed capital)	212,294,071	83,176,637	295,470,708

There were no sales to any single customer in excess of 10% of operating revenues for the fiscal years 1989 and 1988.

**Notes to Financial  
Statements  
September 30, 1989  
Continued**

**NOTE P—INCOME TAXES**

It is the opinion of the Commission and its counsel, that the Orlando Utilities Commission is exempt from federal and state income taxes.

**NOTE Q—SUBSEQUENT EVENTS**

On December 20, 1989 the Commission authorized the issuance of the Water and Electric Subordinated Revenue Bonds, Series 1989D in the amount of \$253,945,000. The purpose of this series is to refund the Commission's outstanding Water and Electric Subordinated Revenue Bonds, Series 1989B.

On December 28, 1989 the Commission announced plans to issue up to \$32,000,000 in mini-bonds (\$250 denomination). The proceeds of this issue will be used to fund various projects in the 1990 capital plan.

Orlando Utilities Commission  
Orlando, Florida

**Report of Independent  
Certified Public  
Accountants  
Orlando, Florida**

We have audited the accompanying balance sheets of Orlando Utilities Commission as of September 30, 1989 and 1988, and the related statements of income and accumulated retaining earnings, and changes in financial position for the years then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Orlando Utilities Commission at September 30, 1989 and 1988, and the results of its operations and changes in its financial position for the years then ended in conformity with generally accepted accounting principles.

*Ernst & Young*

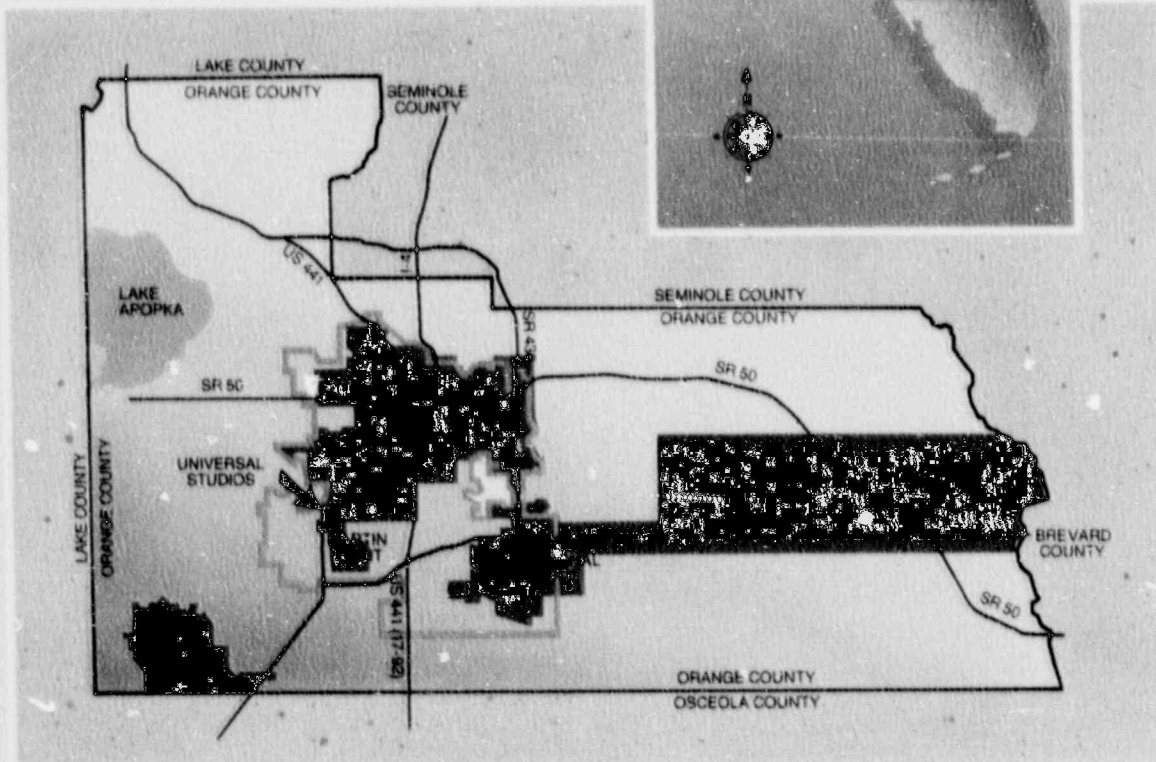
Orlando, Florida  
December 15, 1989

*(except with respect to the matters discussed in Note Q, as to which the date is December 28, 1989)*

OUC's electric system encompasses approximately 224 square miles, including the City of Orlando and portions of Orange County. OUC is the major owner/operator of two power plants and has ownership interest in three others. The transmission system consists of 18 substations, 250 miles of 115 KV and 230 KV lines. Total system net winter capacity is 1,382 MW; capacity available to OUC customers is 1,004 MW.\* It serves an estimated population of 254,000.

The water system encompasses approximately 165 square miles, including the City of Orlando and portions of Orange County. It consists of nine interconnected plants, 30 deep wells and 1,363 miles of distribution and transmission pipes. A tenth plant is under construction. The system has a high service pumping capacity of 215 MGD, well pumping capacity of 142 MGD, and total storage capacity of 24 MGD. It serves an estimated population of 371,000.

\* (Other municipal utilities jointly own 187 MW of OUC capacity and 191 MW is committed to other utilities through electric supply agreements.)



- ORLANDO UTILITIES WATER SERVICE AREA
- ORLANDO UTILITIES ELECTRIC SERVICE AREA

Orange County Commission  
400 South Orange Avenue  
Orange, Florida 32801  
407-224-0100

Orlando Utilities Commission  
500 South Orange Avenue  
Orlando Florida 32801  
407-124-9100

**CITY OF BUSHNELL, FLORIDA**

**GENERAL PURPOSE FINANCIAL STATEMENTS**

**AND**

**MANAGEMENT LETTER**

**FISCAL YEAR ENDING SEPTEMBER 30, 1989**



CITY OF BUSHNELL, FLORIDA  
CITY COUNCIL AND OFFICIALS  
SEPTEMBER 30, 1989

Mayor-Councilman . . . . . Joe P. Strickland, Jr.  
Vice-Mayor . . . . . R. J. Eubanks  
Councilman . . . . . Dale Swain  
Councilman . . . . . Billy K. Williams  
Councilman . . . . . Robin Johnson  
City Manager . . . . . Vicente Ruano  
City Clerk . . . . . Judith C. Muller  
City Attorney . . . . . Daniel Moriarity  
Assistant City Attorney . . . . . Bryan Eubanks

CITY OF BUSHNELL, FLORIDA  
ANNUAL FINANCIAL STATEMENTS  
AND MANAGEMENT LETTER  
SEPTEMBER 30, 1989

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# LOGAN & WEISS

Certified Public Accountants

January 24, 1990

## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members  
of the City Council  
City of Bushnell  
Bushnell, Florida

We have audited the accompanying general purpose financial statements of the City of Bushnell, Florida, as of and for the year ended September 30, 1989, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We were unable to examine sufficient evidential matter to determine if property, plant and equipment and the provisions for depreciation recorded in the Electric Utility Fund and the fixed assets recorded in the general fixed assets group of accounts are fairly presented at cost or estimated historical cost, due to insufficient detail within the City's property records.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to determine the propriety of amounts recorded as property, plant and equipment and the provisions for depreciation in the Electric Utility Fund and the propriety of amounts recorded as fixed assets in the general fixed assets group of accounts, the general purpose financial statements referred to above present fairly in all material

Honorable Mayor and Members  
of the City Council  
Page Two  
January 24, 1990

respects the financial position of the City of Bushnell, Florida, as of September 30, 1989, and the results of its operations and the changes in financial position of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and individual 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 Bushnell, 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.

*Logan & Weiss*  
Logan & Weiss  
Certified Public Accountants

FINANCIAL SECTION

CITY OF BUSHNELL, FLORIDA  
 COMBINED BALANCE SHEET--ALL FUND TYPES AND ACCOUNT GROUPS  
 SEPTEMBER 30, 1989 AND 1988

	GOVERNMENTAL FUND TYPES		PROPRIETARY FUND TYPES	AGENCY	ACCOUNT GROUPS		TOTALS	
	GENERAL	SPECIAL REVENUE	ENTERPRISE	BAIL BOND FUND	GENERAL FIXED ASSETS	GENERAL LONG TERM DEBT	(MEMORANDUM ONLY)	
							1989	1988
<u>ASSETS</u>								
Cash	\$329,168	\$ 1,785	\$ 215,405	\$ 2,814	\$ -	\$ -	\$ 549,172	\$ 577,437
Accounts Receivable (Net)	28,623	436	186,845	-	-	-	215,904	179,385
Due From Other Funds (Note 10)	-	-	153	-	-	-	153	451
Due From Other Governments	17,235	-	-	-	-	-	17,235	23,938
Inventories, at Cost (Note 1)	1,358	-	84,337	-	-	-	85,695	52,516
Restricted Assets (Note 3):								
Cash and Investments	-	216,975	328,201	10,897	-	-	556,073	507,727
Property and Equipment, at Cost (Net of Accumulated Depreciation)								
(Notes 1 and 4)	-	-	2,119,511	-	739,314	-	2,858,825	2,585,134
Other Assets	-	-	8,545	-	-	-	8,545	8,545
Amount to be Provided for Retirement of General Long- Term Debt	-	-	-	-	-	139,824	139,824	43,691
<b>Total Assets</b>	<b>\$376,384</b>	<b>\$219,196</b>	<b>\$2,942,997</b>	<b>\$13,711</b>	<b>\$739,314</b>	<b>\$139,824</b>	<b>\$4,431,426</b>	<b>\$3,978,824</b>

(Continued on Following Page)

CITY OF BUSHNELL, FLORIDA  
 COMBINED BALANCE SHEET--ALL FUND TYPES AND ACCOUNT GROUPS  
 SEPTEMBER 30, 1989 AND 1988

	GOVERNMENTAL FUND TYPES		PROPRIETARY FUND TYPES	AGENCY FUNDS	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
	GENERAL	SPECIAL REVENUE	ENTERPRISE		GENERAL FIXED ASSETS	GENERAL LONG TERM DEBT	1989	1988
<b>LIABILITIES</b>								
Accounts Payable	\$ 43,883	\$ -	\$ 158,296	\$ -	\$ -	\$ -	\$ 202,179	\$ 128,191
Accrued Liabilities	6,674	-	28,372	-	-	-	35,046	33,451
Due to Other funds (Note 10)	-	-	153	-	-	-	153	451
Deposits	600	975	-	2,814	-	-	4,389	3,530
Payable From Restricted Assets:								
Customer Deposits	-	-	49,039	-	-	-	49,039	49,095
Accrued Interest Payable	-	-	12,410	-	-	-	12,410	13,080
Revenue Bonds Payable (Note 5)	-	-	25,000	-	-	-	25,000	20,000
Volunteer Firefighters Beneficiaries	-	-	-	10,897	-	-	10,897	-
Revenue Bond Payable - Series 1986 (Note 5)	-	-	-	-	-	-	-	-
Long Term Revenue Bonds Payable - Series 1976 (Net) (Note 5)	-	-	305,757	-	-	-	305,757	329,731
Notes Payable (Note 5)	-	-	358,937	-	-	139,824	498,761	402,691
<b>Total Liabilities</b>	<b>51,157</b>	<b>975</b>	<b>937,964</b>	<b>13,711</b>	<b>-</b>	<b>139,824</b>	<b>1,143,631</b>	<b>980,220</b>
<b>FUND EQUITY</b>								
Contributed Capital (Note 1)	-	-	1,076,188	-	-	-	1,076,188	1,066,331
Investment in General Fixed Assets	-	-	-	-	739,314	-	739,314	503,759
Retained Earnings:								
Reserved	-	-	241,752	-	-	-	241,752	228,552
Unreserved	-	-	687,093	-	-	-	687,093	657,681
Fund Balances:								
Reserved	102,331	217,411	-	-	-	-	330,639	262,680
Unreserved	222,896	810	-	-	-	-	223,706	279,601
<b>Total Fund Equity</b>	<b>325,227</b>	<b>218,221</b>	<b>2,005,033</b>	<b>-</b>	<b>739,314</b>	<b>-</b>	<b>3,298,692</b>	<b>2,998,604</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$376,384</b>	<b>\$219,196</b>	<b>\$2,942,997</b>	<b>\$13,711</b>	<b>\$739,314</b>	<b>\$139,824</b>	<b>\$4,431,426</b>	<b>\$3,978,824</b>

See Accompanying Notes to Financial Statements



CITY OF BUSHNELL, FLORIDA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND  
 CHANGES IN FUND BALANCES--ALL GOVERNMENTAL FUND TYPES  
 YEARS ENDED SEPTEMBER 30, 1989 AND 1988

	GENERAL	SPECIAL REVENUE	TOTALS (MEMORANDUM ONLY)	
			1989	1988
Revenues:				
Taxes	\$ 248,150	\$ -	\$ 248,150	\$219,850
Licenses & Permits	14,315	-	14,315	15,596
Intergovernmental	233,598	-	233,598	226,742
Charges for Services	2,792	4,800	7,592	9,600
Fines & Forfeits	18,192	-	18,192	22,664
Miscellaneous Revenue	<u>29,971</u>	<u>28,926</u>	<u>58,897</u>	<u>55,331</u>
	<u>547,018</u>	<u>33,726</u>	<u>580,744</u>	<u>549,783</u>
Expenditures:				
General Government	172,483	-	172,483	144,987
Public Safety	277,962	-	277,962	220,954
Physical Environment	5,913	12,851	18,764	11,662
Transportation	106,607	-	106,607	119,515
Economic Environment	8,000	-	8,000	5,000
Culture & Recreation	230,602	-	230,602	45,879
Debt Service	<u>15,569</u>	<u>-</u>	<u>15,569</u>	<u>14,162</u>
	<u>817,136</u>	<u>12,851</u>	<u>829,987</u>	<u>562,159</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(270,118)</u>	<u>20,875</u>	<u>(249,243)</u>	<u>(12,376)</u>
Other Financing Sources:				
Operating Transfers:				
In	138,246	-	138,246	123,247
Loan Proceeds	103,547	-	103,547	-
State Grant	<u>8,220</u>	<u>-</u>	<u>8,220</u>	<u>5,333</u>
	<u>250,013</u>	<u>-</u>	<u>250,013</u>	<u>128,580</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	<u>(20,105)</u>	<u>20,875</u>	<u>770</u>	<u>116,204</u>
Fund Balances, Beginning of Year	344,935	197,346	542,281	426,061
Increase (Decrease) in Inventory Reserves	<u>397</u>	<u>-</u>	<u>397</u>	<u>16</u>
Fund Balances, End of Year	<u>\$ 325,227</u>	<u>\$218,221</u>	<u>\$ 543,448</u>	<u>\$542,281</u>

See Accompanying Notes to Financial Statements

CITY OF BUSHNELL, FLORIDA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCES--BUDGET (GAAP BASIS) AND ACTUAL  
 ALL GOVERNMENTAL FUND TYPES  
 YEARS ENDED SEPTEMBER 30, 1989 AND 1988

	GENERAL FUND		VARIANCE FAVORABLE (UNFAVORABLE)
	BUDGETED	ACTUAL	
Revenues:			
Taxes	\$ 238,691	\$ 248,150	\$ 9,459
Licenses and Permits	13,608	14,315	707
Intergovernmental	225,161	233,598	8,437
Charges for Services	1,000	2,792	1,792
Fines and Forfeits	18,800	18,192	(608)
Miscellaneous Revenue	<u>35,240</u>	<u>29,971</u>	<u>(5,269)</u>
	<u>532,500</u>	<u>547,018</u>	<u>14,518</u>
Expenditures:			
General Government	176,188	172,483	3,705
Public Safety	285,894	277,962	7,932
Physical Environment	5,910	5,913	(3)
Transportation	109,203	106,607	2,596
Economic Environment	8,000	8,000	-
Culture and Recreation	230,466	230,602	(136)
Debt Service	<u>19,000</u>	<u>15,569</u>	<u>3,431</u>
	<u>834,661</u>	<u>817,136</u>	<u>17,525</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(302,161)</u>	<u>(270,118)</u>	<u>32,043</u>
Other Financing Sources:			
Operating Transfers			
In	138,246	138,246	-
Loan Proceeds	100,000	103,547	3,547
State Grant	<u>-</u>	<u>8,220</u>	<u>8,220</u>
	<u>238,246</u>	<u>250,013</u>	<u>11,767</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	<u>(63,915)</u>	<u>(20,105)</u>	<u>43,810</u>
Fund Balances, Beginning of Year	344,935	344,935	-
Increase (Decrease) in Inventory	<u>-</u>	<u>397</u>	<u>397</u>
Fund Balances, End of Year	<u>\$ 281,020</u>	<u>\$ 325,227</u>	<u>\$44,207</u>

See Accompanying Notes to Financial Statements

CITY OF BUSHNELL, FLORIDA  
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
 RETAINED EARNINGS--ALL PROPRIETARY FUND TYPES  
 YEARS ENDED SEPTEMBER 30, 1989 AND 1988

	<u>ENTERPRISE FUND TYPES</u>	
	<u>1989</u>	<u>1988</u>
Operating Revenues:		
Charges for Services (Note 5)	\$ <u>1,400,885</u>	\$ <u>1,328,618</u>
Operating Expenses:		
Purchased Power (Note 7)	746,386	696,347
Salaries	148,559	136,436
Employee Benefits	53,095	42,406
Professional Services	48,404	29,012
Operating Supplies	31,217	27,770
Other Current Charges	48,476	53,394
Depreciation	82,300	81,066
Landfill	28,925	24,833
State Utility Tax	<u>16,189</u>	<u>16,648</u>
	<u>1,203,551</u>	<u>1,107,912</u>
Operating Income	<u>197,334</u>	<u>220,706</u>
Non-Operating Revenue (Expense):		
Interest Earned	36,389	33,740
Interest Expense and Fiscal Charges	<u>(52,865)</u>	<u>(59,891)</u>
	<u>(16,476)</u>	<u>(26,151)</u>
Income Before Transfers	180,858	194,555
Operating Transfers (Out)	<u>(138,246)</u>	<u>(123,247)</u>
Net Income (Loss)	42,612	71,308
Retained Earnings, Beginning of Year	<u>886,233</u>	<u>814,925</u>
Retained Earnings, End of Year	\$ <u>928,845</u>	\$ <u>886,233</u>

See Accompanying Notes to Financial Statements

CITY OF BUSHNELL, FLORIDA  
 COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION  
 ALL PROPRIETARY FUND TYPES  
 YEARS ENDED SEPTEMBER 30, 1989 AND 1988

	<u>ENTERPRISE FUND TYPES</u>	
	<u>1989</u>	<u>1988</u>
Sources of Working Capital:		
Net Income	\$ 42,612	\$ 71,308
Add: Items Not Requiring the Use of Working Capital:		
Depreciation	82,300	81,066
Book Value of Property, Plant & Equipment Disposals	<u>          -</u>	<u>19,625</u>
Working Capital Provided By Operations	<u>124,912</u>	<u>171,999</u>
Contributed Capital	9,857	134,779
Increase in Current Liabilities Payable From Restricted Assets	4,274	-
Decrease in Restricted Assets	-	33,421
Increase in Long-Term Debt	<u>6,306</u>	<u>          -</u>
Total Sources of Working Capital	<u>145,349</u>	<u>340,199</u>
Uses of Working Capital:		
Acquisition of Property and Equipment	120,436	236,161
Decrease in Long Term Debt	32,843	113,604
Increase in Restricted Assets	17,474	51,376
Decrease in Current Liabilities Payable from Restricted Assets	-	4,695
Increase in Other Assets	<u>          -</u>	<u>8,545</u>
Total Uses of Working Capital	<u>170,753</u>	<u>414,381</u>
Net Increase in Working Capital (Schedule Below)	<u>\$(25,404)</u>	<u>\$(74,182)</u>
Elements of Net Increase (Decrease) in Working Capital:		
Cash	\$ (5,422)	\$(110,878)
Customer Accounts Receivable (Net)	16,652	8,949
Due from Other Funds	(121)	121
Inventories	32,780	30,642
Accounts Payable	(65,010)	(6,893)
Accrued Liabilities	(1,783)	(2,079)
Current Portion of Long Term Note Payable	<u>(2,500)</u>	<u>5,956</u>
Net Increase in Working Capital	<u>\$(25,404)</u>	<u>\$(74,182)</u>

See Accompanying Notes to Financial Statements

CITY OF BUSHNELL, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1989

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Bushnell, Florida was incorporated in 1957. The City operates under a council-manager form of government and provides services to its 1,354 residents in many areas, including public safety (police and fire), highways and streets, utilities, sanitation, culture-recreation, public improvements, and general administrative services.

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

A. Reporting Entity

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic--but not the only--criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial independency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the government's reporting entity.

Included within the reporting entity:

Evergreen Cemetery Fund:

A Board of Trustees is appointed by the City Council to administer the affairs of Evergreen Cemetery. The Board is authorized to sell cemetery lots and to invest proceeds which are legally restricted by ordinance. The principal is not subject to expenditure and the interest can be used only for operations, maintenance and improvement of the cemetery.

CITY OF BUSHNELL, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1989

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Bushnell Volunteer Firefighters' Trust Fund:

The City Council of Bushnell created a fund for donations for the beneficiaries of the estates of two volunteer firefighters who were killed in the line of duty in February, 1989. The City Council appointed the City Clerk to maintain the fund, and instructed the City attorney to issue order of disbursement to the estate in equal shares, including all earnings of the fund.

B. Fund Accounting

The City uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

Governmental Funds are used to account for all or most of a government's general activities.

Governmental funds of the City are as follows:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditures for specific purposes.

Proprietary funds are used to account for activities similar to those found in private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

CITY OF BUSHNELL, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1989

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

An account group, unlike a fund, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Account Groups maintained by the City are as follows:

General Fixed Assets - Accounts for property and equipment not used in proprietary fund operations or accounted for in trust funds.

General Long-Term Debt - Accounts for unmatured principal of long-term general obligation indebtedness that is not a specific liability of a Proprietary or Fiduciary Fund.

C. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and expendable trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenses and other financial uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types, expendable trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough

CITY OF BUSHNELL, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1989

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

thereafter to be used to pay liabilities of the current period. Billing cycles of the proprietary funds which overlap September 30 are pro-rated based upon meter reading dates.

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The following revenues are considered to be susceptible to accrual:

- Cigarette Tax
- State Revenue Sharing Proceeds
- Mobile Home License Tax
- Alcoholic Beverage License Tax
- Half Cent Sales Tax

The government reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

D. Budgets and Budgetary Accounting

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

1. Prior to October 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Budget workshops are held and public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of a resolution.
4. Any transfers of budgeted amounts between departments within any fund and any revisions that alter the total expenditures of any fund must be approved by the Council.



CITY OF BUSHNELL, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1989

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, and Enterprise Funds.
6. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. Budgeted amounts presented agree with the original adopted budget as amended during the year by City Council.
8. A formal budget is not adopted for the Evergreen Cemetery Fund and Volunteer Firefighters' Trust Fund.

**E. Cash With Fiscal Agents**

Utilities revenue certificates maturing on October 1 each year together with interest payments then due are paid to the City's paying agent prior to that date. The aforementioned payment is recorded as an asset as of the balance sheet date and subsequently as a reduction of utilities revenue certificates and/or accrued interest payable within the fiscal year of maturity. Such amounts are included in restricted assets-debt service.

**F. Investments**

Investments are comprised of certificates of deposit and savings accounts stated at cost which approximates fair market value.

**G. Inventory**

Inventories held by the Enterprise Funds are stated at cost using the weighted average method.

**H. Property, Plant and Equipment**

Property, plant and equipment used in governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on such property, plant and equipment.

All property, plant and equipment are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated property, plant and equipment are valued at their estimated fair value on the date donated.

The City has adopted the accounting policy of not capitalizing "infrastructure" general fixed assets (road, bridges, curbs and gutter, streets and sidewalks, drainage system, lighting systems and similar assets that are immovable and of value only to the City).

CITY OF BUSHNELL, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 1989

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Depreciation is provided in the enterprise fund in amounts sufficient to relate the cost of the depreciable assets, to operations over their estimated service lives on the straight-line basis. The service lives by type of asset are as follows:

	<u>Useful Life In Years</u>
Electric Utility Fund	
Distribution Plant	25-40 years
Structures and Improvements	32 years
Equipment	6-12 years
Investment in Crystal River #3 Nuclear Plant	28 years
Water Utility Fund	
Distribution Plant	25-101 years
Building	50 years
Equipment	25 years
Sanitation Fund	
Equipment	7 years

**I. Amortization**

Amortization of issue cost and discount related to the revenue bonds is computed by the straight-line method.

**J. Grants - Proprietary Funds**

Unrestricted grants, entitlements or shared revenues received are reported as non-operating revenues. Such resources externally restricted for capital acquisitions or construction are reported as contributed capital. Operating expenses include depreciation on all depreciable fixed assets (including those financed by grants).

**K. Water Line Extension Charges**

Water line extension charges are made to customers to cover the full cost of the addition. Such charges are recorded as an equity contribution. Costs of the extension are reported as property and equipment and depreciated over the estimated useful life of the asset.

CITY OF BUSHNELL, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1989

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded as expenditures in order to reserve that portion of the applicable appropriation is not employed by the City for budgetary purposes.

Encumbrances outstanding at year end do not constitute expenditures or liabilities and are not reported as reserved fund balances. Appropriations lapse at year end. The City is legally subject to budgetary control at the total fund expenditure level.

M. Fund Equity

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds. Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

N. Total Columns on Combined Statements—Overview

Total columns on the combined statements - overview are captioned Memorandum Only to indicate they are presented only to facilitate financial analysis. Data in these columns are not comparable to a consolidation. Interfund transactions are not eliminated. Comparative data have not been presented in all statements because this inclusion would make certain statements unduly complex and difficult to understand.

CITY OF BUSHNELL, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 1989

NOTE 2 INVESTMENTS

Investments consist of the following:

<u>Investment</u>	<u>Maturity</u>	<u>Rate</u>	
<u>Cemetery Fund:</u>			
Certificates of Deposit	8/18/90	8.00%	\$ 10,000
	8/13/90	7.50%	6,000
	4/10/90	9.00%	20,000
	5/04/90	9.10%	50,000
	5/04/90	9.10%	19,000
	2/02/90	7.75%	25,000
	5/02/90	7.50%	48,000
	8/18/90	8.00%	30,000
	2/02/90	7.50%	<u>6,000</u>
			<u>\$214,000</u>
 <u>Electric Fund:</u>			
Certificates of Deposit	8/07/90	8.00%	40,000
	8/09/90	8.20%	<u>140,000</u>
			<u>\$180,000</u>

NOTE 3 BOND SERVICE REQUIREMENTS/RESTRICTED ASSETS

UTILITIES SYSTEM REVENUE BONDS SERIES 1976

As of September 30, 1989, bond service requirements are current. The following is a summary of the restricted assets related to the Utilities System Revenue Bonds Series 1976.

Revenue Bonds Debt Service - The City deposits cash monthly into a separate account to fund upcoming principal and interest payments in accordance with the bond resolution. Such cash and investments are reported as restricted assets.

Renewal and Replacement - The bond resolution requires a monthly deposit for renewal and replacement (extensions, enlargements or additions to, or the replacement of capital assets of the facilities and emergency repairs thereto or unusual costs of operation and maintenance). The required monthly contribution is computed at 1/12 of 9 percent of the prior year's gross revenue, however, no further deposits are required when the balance on hand equals 10 percent of the outstanding principal balance of the revenue bonds.

CUSTOMER DEPOSITS

Customer deposits have been restricted to indicate the amount is not available for the financing of current utility operations.

CITY OF BUSHNELL, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 1989

**NOTE 4 PROPERTY, PLANT AND EQUIPMENT**

A summary of changes in general fixed assets follows:

	BALANCE 10/1/88	ADDITIONS	DISPOSALS	BALANCE 9/30/89
Land	\$123,386	\$160,923		\$284,309
Buildings	138,526	1,345		139,871
Improvements	674	15,028		15,702
Machinery and Equipment	<u>240,993</u>	<u>58,689</u>	\$250	<u>299,432</u>
	<u>\$503,579</u>	<u>\$235,985</u>	<u>\$250</u>	<u>\$739,314</u>

A summary of Proprietary Fund Type property and equipment at September 30, 1989 follows:

	ELECTRIC UTILITY FUND	WATER UTILITY FUND	SANITATION FUND	TOTAL
Land	\$ 2,300	\$ 18,090	\$	\$ 20,390
Distribution Plant	888,581	577,639		1,466,220
Buildings	11,181	133,419		144,600
Equipment	128,968	681,614	102,742	913,324
Crystal River #3 Investment	<u>261,103</u>			<u>261,103</u>
	<u>1,292,133</u>	<u>1,410,762</u>	<u>102,742</u>	<u>2,805,637</u>
Accumulated Depreciation	<u>(401,812)</u>	<u>(205,022)</u>	<u>(79,292)</u>	<u>(686,126)</u>
	<u>\$ 890,321</u>	<u>\$1,205,740</u>	<u>\$ 23,450</u>	<u>\$2,119,511</u>

**NOTE 5 NOTES AND BONDS PAYABLE**

The following is a summary of the bonds payable and general long-term debt:

Utilities System Revenue Bonds Series 1976 - \$500,000

The 1976 bonds are coupon bonds in denominations of \$5,000 each and are collateralized by a pledge of the gross revenues of the utilities system.

CITY OF BUSHNELL, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 1989

NOTE 5 NOTES AND BONDS PAYABLE (continued)

The bond liability is recorded according to use of the original proceeds as follows - Electric Utility Fund 86 percent; Water Utility Fund 14 percent. Combined bond maturities and interest rates are as follows:

	<u>MATURITY</u> <u>APRIL 1</u>	<u>COUPON</u> <u>RATE</u>	<u>TOTAL</u> <u>PRINCIPAL</u> <u>AMOUNT</u>		
Term Bonds	1990	7.3%	\$ 25,000		
	1991	7.3%	25,000		
	1992	7.3%	25,000		
	1993	7.3%	30,000		
	1994	7.3%	30,000		
	1995	7.3%	35,000		
	1996	7.3%	35,000		
	1997	7.3%	40,000		
	1998	7.3%	45,000	WATER	ELECTRIC
	1999	7.3%	50,000	<u>FUND</u>	<u>FUND</u>
Total Principal Balance Outstanding			340,000	47,600	292,400
Less: Unamortized Discount and Issue Costs			<u>9,243</u>	<u>1,291</u>	<u>7,952</u>
			<u>\$330,757</u>	<u>\$46,309</u>	<u>\$284,448</u>
Total Remaining Interest			<u>\$160,890</u>	<u>\$22,525</u>	<u>\$138,365</u>

The term bonds due in 1999 are subject to mandatory redemption by lot beginning April 1, 1990, in the amounts listed above.

CITY OF BUSHNELL, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 1989

NOTE 5 NOTES AND BONDS PAYABLE (continued)

Water Fund - Florida Municipal Power Agency - Initial Pooled Loan Project

The City has entered into a financing agreement with the Florida Municipal Power Agency (FmPA). Interest is payable monthly at a variable rate (currently 6.25% plus a 1.25% administration fee) and principal is due annually on July 1 as follows:

1990		\$ 10,000
1991		10,000
1992		10,000
1993		10,000
1994		10,000
1995		10,000
1996		10,000
1997		10,000
1998		10,000
1999		15,000
2000		15,000
2001		15,000
2002		15,000
2003		15,000
2004		20,000
2005		20,000
2006		20,000
2007		20,000
2008		25,000
2009		25,000
2010		25,000
2011		<u>26,000</u>
		<u>\$346,000</u>

Water Fund Mortgage Note Payable - Bennie Harrison

The following is a schedule of the mortgage note payable to Bennie Harrison:

	<u>Principal</u>		<u>Remaining Interest</u>
1990	\$1,000		\$ 455
1991	1,000		390
1992	1,000		325
1993	1,000		260
1994	1,000		195
1995	1,000		130
1996	<u>1,000</u>		<u>65</u>
	<u>\$7,000</u>		<u>\$1,820</u>

Principal and interest (at 6 1/2%) payments are due annually on January 31. The balance is collateralized by Water Fund land.

CITY OF BUSHNELL, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 1989

NOTE 5 NOTES AND BONDS PAYABLE (continued)

General Long-Term Debt

	PRINCIPAL BALANCE <u>9/30/89</u>
Note Payable, Unsecured, due in monthly payments of \$570, interest at 74.2% of prevailing prime (7.791% at September 30, 1989) Sports complex real estate	\$ 98,290
Note Payable, collateralized by radio equipment, due in monthly payments of \$165, including interest at 10.45%	3,276
Accumulated Unpaid Vacation & Sick Pay Accrual (Note 6)	26,338
Note Payable, collateralized by Fire Truck, due in monthly payments of \$730, including interest at 6.3%	<u>11,920</u>
	<u>\$139,824</u>

The following is a summary of all debt transactions of the City for the year ended September 30, 1989:

	<u>ELECTRIC UTILITY FUND</u>	<u>WATER UTILITY FUND</u>	<u>SANITATION FUND</u>	<u>GENERAL LONG TERM DEBT</u>
Notes and Bonds Payable, beginning of year	\$309,600	\$409,400	\$ -	\$ 43,691
Bond Maturity - Series 1976	(17,200)	(2,800)		
Principal Retirement	(256)	(6,113)		(12,426)
Additional Borrowing	3,350	1,478	1,478	103,547
Net increase in accumulated unpaid vacation & sick pay	_____	_____	_____	<u>5,912</u>
	<u>\$295,494</u>	<u>\$401,965</u>	<u>\$1,478</u>	<u>\$139,824</u>



CITY OF BUSHNELL, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 1989

**NOTE 6 ACCUMULATED UNPAID VACATION AND SICK PAY BENEFITS**

Accumulated unpaid vacation and sick pay benefits are accrued when incurred in proprietary funds (using the accrual basis of accounting). Such amounts are not accrued in governmental funds. At September 30, 1989, governmental fund liabilities included \$26,338 in vacation and sick pay. This amount is included in the General Long Term Debt Group of Accounts.

Accumulated unpaid vacation and sick pay in Enterprise Funds are as follows:

	<u>9/30/89</u>	<u>9/30/88</u>
Electric Utility Fund	\$11,197	\$10,027
Water Utility Fund	7,736	8,009
Sanitation Fund	<u>2,943</u>	<u>1,839</u>
	<u>\$21,876</u>	<u>\$19,875</u>

City policy as of September 30, 1989, is to allow up to a maximum accumulation of 1,040 hours of sick leave. Upon voluntary termination one half (1/2) of the accumulated hours are paid to the employee. The City accrues 100 percent of unpaid vacation pay and 50 percent of accumulated unpaid sick pay at the employee's current pay rate.

**NOTE 7 ELECTRIC POWER AGREEMENTS**

Crystal Power Unit #3 Participation Agreement:

The City is a participant in an agreement with Florida Power Corporation which was entered into on July 31, 1975. Under terms of the agreement, the City acquired a 0.0388% ownership interest and generation entitlement share in the nuclear steam electric generating unit. Participants are entitled to energy output of the unit based upon their respective generation entitlement share.

Florida Municipal Power Agency:

The City is a member of the Florida Municipal Power Agency (FmPA) which is a joint action agency formed by a number of Florida municipalities for the purpose of dispatching electric power.

**NOTE 8 PROPERTY TAXES**

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and the County Tax Collector. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method state wide. State statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The millage rate assessed by the City for the fiscal year ended September 30, 1989, was 3.222.

CITY OF BUSHNELL, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1989

NOTE 8 PROPERTY TAXES (continued)

All property is assessed according to its fair market value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State statutes.

The current year taxes for the fiscal year, beginning October 1, are billed in the month of November and are due no later than March 31. On April 1, all unpaid amounts become delinquent and are subject to interest and penalties. Discounts are allowed for early payment as follows:

November	4%
December	3%
January	2%
February	1%
March	0%

Delinquent taxes on real property bear interest of 18% per year. On or prior to June 1 of the following tax year, certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear interest of 18% per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years.

Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property or by the five year statute of limitations.

The amount of delinquent or uncollected property taxes at year end was immaterial. The City's Tax Calendar is as follows:

Valuation Date:	January 1
Levy Date:	November 1
Due Date:	March 31, Succeeding Year
Lien Date:	April 1, Succeeding Year

NOTE 9 OTHER DISCLOSURES

Excess of expenditures over appropriations in individual governmental funds:

General Fund	<u>\$20,105</u>
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Deficit retained earnings of individual funds:

-None-

CITY OF BUSHNELL, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 1989

NOTE 9 OTHER DISCLOSURES (continued)

<u>FUND</u>	<u>INTERFUND RECEIVABLES</u>	<u>INTERFUND PAYABLES</u>
General Fund	\$ -	\$ -
Electric Utility Fund	153	-
Water Utility Fund	<u>-</u>	<u>153</u>
	<u>\$153</u>	<u>\$153</u>
 Interfund transfers:	<u>IN</u>	<u>OUT</u>
General Fund	\$138,246	\$ -
Electric Fund	-	118,246
Water Utility Fund	-	10,000
Sanitation Fund	<u>-</u>	<u>10,000</u>
	<u>\$138,246</u>	<u>\$138,246</u>
 Allowances for Doubtful Accounts		
Electric Utility Fund	\$2,500	
Water Utility Fund	300	
Sanitation Fund	<u>100</u>	
	<u>\$2,900</u>	

CITY OF BUSHNELL, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 1989

NOTE 9 OTHER DISCLOSURES (continued)

Segment Information for Enterprise Funds:

The City maintains three enterprise funds which provide electric, water and sanitation services. Segment information as of September 30, 1989 is as follows:

	<u>ELECTRIC UTILITY FUND</u>	<u>WATER UTILITY FUND</u>	<u>SANITATION FUND</u>	<u>TOTAL</u>
Operating Revenues	\$1,130,122	\$ 155,736	\$115,027	\$1,400,885
Depreciation & Amortization	41,266	29,763	11,271	82,300
Operating Income (Loss)	158,452	23,908	14,974	197,334
Operating Transfers In (Out)	(118,246)	(10,000)	(10,000)	(138,246)
Net Income (Loss)	49,464	(1,901)	5,049	42,612
Current Year Capital Contributions	4,459	5,398	-	9,857
Property & Equipment Additions	69,969	47,925	2,542	120,436
Total Assets	1,525,878	1,337,080	80,039	2,942,997
Net Working Capital	187,547	61,102	47,770	296,419
Bonds Payable Net Payable from Operating Revenues	264,348	390,309	-	654,657
Total Equity	1,046,890	887,801	70,342	2,005,033

CITY OF BUSHNELL, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 SEPTEMBER 30, 1989

NOTE 10 PENSION FUND

All full-time employees participate in the State of Florida Retirement System, a multiple employer Public Employee Retirement System (PERS).

The payroll for employees covered by the System for the year ended September 30, 1989, was approximately \$357,081; the City's total payroll was approximately \$360,819.

Benefits are determined by category and length of service as follows:

<u>Category</u>	<u>Benefit</u>	<u>Vesting</u>	<u>Employer Contribution Rate</u>	
Regular Members	Normal retirement at age 62 or at least 30 years of service times average compensation (five highest years).	After 10 years of creditable service.	13.38	October 1, 1988 - December 31, 1988
		Early retirement is available if vested.	14.38	January 1, 1989 - September 30, 1989
Special Risk (Police)	Normal retirement with 25 years of service; 2.0% times years of service times average compensation (five highest years).	After 10 years of creditable service.	15.35	October 1, 1988 - December 31, 1988
		Early retirement is available if vested.	17.98	January 1, 1989 - September 30, 1989

Employer contributions include .24% from October 1, 1988 through December 31, 1988 and .48% from January 1, 1989 through September 30, 1989 for a post retirement health insurance subsidy. The System also provides disability and survivors benefits. Benefits are established by State statute.

The contribution requirement for the year ended September 30, 1989, was \$52,664; these contributions represented 14.75% of covered payroll.

The "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial value of credited projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress comparisons among PERS and employers. The System does not make separate measurements of assets and pension benefit obligation for individual employers. The pension benefit obligation at July 1, 1988 (the date of the latest actuarial valuation) for the System as a whole was \$23.5 billion. The System's net assets available for benefits on that date (valued at market) were \$14.0 billion, leaving an unfunded pension benefit obligation of \$9.50 billion. The City's fiscal year 1989 contribution as a percent of total contributions required of all participating entities has not been determined.

CITY OF BUSHNELL, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1989

NOTE 11 NON MONETARY TRANSACTION

On December 9, 1988, the City contracted with Sumter Correctional Institute (S.C.I.) to convey a 1973 Chevrolet dump truck and a 1967 Chevrolet bucket truck in the exchange for inmate labor.

The parties agreed that the value of the vehicles was \$40,000. S.C.I. agree to provide labor at the rate of \$3.77 per man hour for a total of 10,612 man hours.

At September 30, 1989, S.C.I. had provided 1,545 hours labor, for a balance remaining of 9,067 hours.

COMBINING AND INDIVIDUAL  
FUND FINANCIAL STATEMENTS

#### GENERAL FUND

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund. The General Fund receives a greater variety and number of taxes than any other fund. The City of Bushnell, Florida General Fund directly services general long term debt.



CITY OF BUSHNELL, FLORIDA  
GENERAL FUND  
BALANCE SHEET  
SEPTEMBER 30, 1989 AND 1988

<u>ASSETS</u>	<u>1989</u>	<u>1988</u>
Cash	\$329,168	\$352,718
Utility Taxes and Franchise Fees Receivable	28,623	9,192
Due From Other Funds (Note 10)	-	191
Due From Other Governments	17,235	23,938
Inventories, at Cost (Note 1)	<u>1,358</u>	<u>959</u>
Total Assets	<u>\$376,384</u>	<u>\$386,998</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ 43,883	\$ 34,905
Accrued Liabilities	6,674	6,862
Due to Other Funds (Note 10)	-	121
Deposits	<u>600</u>	<u>175</u>
Total Liabilities	<u>51,157</u>	<u>42,063</u>
Fund Balance:		
Reserve for Petty Cash	750	650
Reserve for Inventories	1,358	959
Reserve for Transportation	100,223	64,027
Fund Balance--Unreserved	<u>222,896</u>	<u>279,299</u>
Total Fund Balance	<u>325,227</u>	<u>344,935</u>
Total Liabilities and Fund Balance	<u>\$376,384</u>	<u>\$386,998</u>

See Accompanying Notes to Financial Statements

CITY OF BUSHNELL, FLORIDA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES--BUDGET (GAAP BASIS) AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 1989

	BUDGETED	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	PRIOR YEAR ACTUAL
Revenues:				
Taxes	\$ 238,691	\$ 248,150	\$ 9,459	\$219,850
Licenses and Permits	13,608	14,315	707	15,596
Intergovernmental	225,161	233,598	8,437	226,742
Charges for Services	1,000	2,792	1,792	2,075
Fines and Forfeits	18,800	18,192	(608)	22,664
Miscellaneous Revenue	<u>35,240</u>	<u>29,971</u>	<u>(5,269)</u>	<u>26,728</u>
	<u>532,500</u>	<u>547,018</u>	<u>14,518</u>	<u>513,655</u>
Expenditures:				
General Government	176,188	172,483	3,705	144,987
Public Safety	285,894	277,962	7,932	220,954
Physical Environment	5,910	5,913	(3)	2,417
Transportation	109,203	106,607	2,596	119,515
Economic Environment	8,000	8,000	-	5,000
Culture and Recreation	230,466	230,602	(136)	45,879
Debt Service	<u>19,000</u>	<u>15,569</u>	<u>3,431</u>	<u>14,162</u>
	<u>834,661</u>	<u>817,136</u>	<u>17,525</u>	<u>552,914</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(302,161)</u>	<u>(270,118)</u>	<u>32,043</u>	<u>(39,259)</u>
Other Financing Sources (Uses):				
Operating Transfers In (Out):				
Electric Utility Fund	118,246	118,246	-	113,247
Water Utility Fund	10,000	10,000	-	10,000
Garbage Fund	10,000	10,000	-	-
Loan Proceeds	100,000	103,547	3,547	-
State Grant	<u>-</u>	<u>8,220</u>	<u>8,220</u>	<u>5,333</u>
	<u>238,246</u>	<u>250,013</u>	<u>11,767</u>	<u>128,580</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures	<u>(63,915)</u>	<u>(20,105)</u>	<u>43,810</u>	<u>89,321</u>
Fund Balances, Beginning of Year	344,935	344,935	-	255,598
Increase in Inventory Reserve	<u>-</u>	<u>397</u>	<u>397</u>	<u>16</u>
Fund Balances, End of Year	<u>\$ 281,020</u>	<u>\$ 325,227</u>	<u>\$44,207</u>	<u>\$344,935</u>

See Accompanying Notes to Financial Statements

CITY OF BUSHNELL, FLORIDA  
GENERAL FUND  
STATEMENT OF REVENUE  
BUDGETED AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 1989

<u>REVENUE</u>	<u>BUDGETED</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>PRIOR YEAR ACTUAL</u>
<u>Taxes:</u>				
Ad Valorem	\$ 76,341	\$ 77,990	\$ 1,649	\$ 75,489
Franchise Fees:				
Telephone	1,200	1,047	(153)	1,061
Electric	34,500	37,365	2,865	28,944
Cable TV	2,900	3,367	467	2,850
Utility Service Taxes:				
Telephone	9,900	10,276	376	9,367
Gas	9,600	6,514	(3,086)	7,943
Electric	38,000	43,618	5,618	28,195
Fuel Oil	50	64	14	76
City Utility Tax	61,000	61,536	536	60,830
City Utilities Surcharge	5,200	4,867	(333)	5,095
Bankruptcy	-	1,506	1,506	-
	<u>238,691</u>	<u>248,150</u>	<u>9,459</u>	<u>219,850</u>
<u>Licenses and Permits:</u>				
Occupational Licenses	4,600	4,873	273	5,757
Building Permits	9,000	9,420	420	9,804
Other	8	22	14	35
	<u>13,608</u>	<u>14,315</u>	<u>707</u>	<u>15,596</u>
<u>Intergovernmental Revenue:</u>				
Two Cent Cigarette Tax	13,889	13,014	(875)	13,062
State Revenue Sharing	37,497	38,417	920	39,038
Mobile Home Licenses	5,000	4,589	(411)	5,126
Alcoholic Beverage License	1,700	406	(1,294)	2,177
Five Cent Sales Tax	26,600	30,455	3,855	28,137
County Fire Fee	38,725	38,725	-	41,222
Share of County				
Occupational License	3,000	2,874	(126)	917
Rebate on Municipal Vehicles	750	732	(18)	920
Sumter County Two Cent Gas Tax	98,000	104,386	6,386	96,143
	<u>225,161</u>	<u>233,598</u>	<u>8,437</u>	<u>226,742</u>

(Continued on Next Page)

CITY OF BUSHNELL, FLORIDA  
GENERAL FUND  
STATEMENT OF REVENUE  
BUDGETED AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 1989

REVENUE	BUDGETED	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	PRIOR YEAR ACTUAL
<u>Charges For Services:</u>				
Mowing Fees	\$ 750	\$ 942	\$ 192	\$ 825
Fire Calls	<u>250</u>	<u>1,850</u>	<u>1,600</u>	<u>1,250</u>
	<u>1,000</u>	<u>2,792</u>	<u>1,792</u>	<u>2,075</u>
<u>Fines and Forfeitures:</u>				
Fines and Forfeitures	18,000	17,646	(354)	21,833
Police Education	<u>800</u>	<u>546</u>	<u>(254)</u>	<u>831</u>
	<u>18,800</u>	<u>18,192</u>	<u>(608)</u>	<u>22,664</u>
<u>Miscellaneous Revenues:</u>				
Interest Earned	15,000	13,739	(1,261)	12,391
Rent	3,000	3,100	100	3,000
Miscellaneous	<u>17,240</u>	<u>13,132</u>	<u>(4,108)</u>	<u>11,337</u>
	<u>35,240</u>	<u>29,971</u>	<u>(5,269)</u>	<u>26,728</u>
Total Revenue	<u>\$532,500</u>	<u>\$547,018</u>	<u>\$14,518</u>	<u>\$513,655</u>

See Accompanying Notes to Financial Statements

CITY OF BUSHNELL, FLORIDA  
GENERAL FUND  
STATEMENT OF EXPENDITURES  
BUDGETED AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 1989

FUNCTION/ACTIVITY/ SUBACTIVITY/OBJECT	BUDGETED	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	PRIOR YEAR ACTUAL
<u>General Government Services:</u>				
Legislative:				
Council Fees	\$ 9,000	\$ 8,875	\$ 125	\$ 7,200
Operating Expenses	4,510	4,141	369	1,847
Capital Outlay	<u>2,873</u>	<u>2,873</u>	<u>-</u>	<u>-</u>
	<u>16,383</u>	<u>15,889</u>	<u>494</u>	<u>9,047</u>
Financial and Administrative:				
Executive Salary	61,076	61,176	(100)	57,058
Regular Salary	14,500	14,552	(52)	4,351
FICA Taxes	5,675	5,722	(47)	4,751
Retirement	10,867	10,689	178	8,300
Workmen's Compensation	453	521	(68)	101
Group Insurance	6,066	6,803	(737)	3,220
Professional Services	10,540	8,499	2,041	11,572
Accounting & Auditing	3,500	7,212	(3,712)	4,593
Contractual Services	6,613	5,187	1,426	5,891
Travel & Per Diem	2,200	1,268	932	1,417
Communication Services	1,600	1,754	(154)	1,638
Utilities	2,100	2,050	50	2,134
General Insurance	2,206	2,527	(321)	1,359
Other Current Charges	4,500	4,569	(69)	2,664
Office Supplies	3,050	2,321	729	2,967
Operating Supplies	3,600	2,950	650	3,742
Repair & Maintenance	2,000	754	1,246	1,172
Books, Publications and Memberships	1,200	953	247	1,152
Capital Outlay	<u>6,000</u>	<u>5,775</u>	<u>225</u>	<u>6,508</u>
	<u>147,746</u>	<u>145,282</u>	<u>2,464</u>	<u>124,590</u>
Legal Counsel	<u>12,059</u>	<u>11,312</u>	<u>747</u>	<u>11,350</u>
Total General Government Services	<u>176,188</u>	<u>172,483</u>	<u>3,705</u>	<u>144,987</u>

(Continued on Next Page)

CITY OF BUSHNELL, FLORIDA  
GENERAL FUND  
STATEMENT OF EXPENDITURES  
BUDGETED AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 1989

FUNCTION/ACTIVITY/ SUBACTIVITY/OBJECT	BUDGETED	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	PRIOR YEAR ACTUAL
<u>Public Safety:</u>				
Police Department:				
Executive Salaries	\$ 27,615	\$ 27,665	\$ (50)	\$ 25,118
Regular Salaries	69,411	70,933	(1,522)	68,559
Other Salaries	3,500	3,523	(23)	2,441
Holiday Pay	1,715	-	1,715	-
Incentive Pay	2,500	2,280	220	2,446
FICA Taxes	7,488	7,840	(352)	7,255
Retirement Contributions	18,030	17,644	386	14,735
Group Insurance	10,748	11,552	(804)	7,418
Workmen's Compensation	4,368	4,778	(410)	1,499
Contractual Services	2,500	2,790	(290)	250
Travel & Per Diem	2,700	2,392	308	2,267
Communication and Phone	1,500	1,691	(191)	1,462
Utilities	3,100	3,144	(44)	3,139
Insurance--General	6,650	6,651	(1)	2,711
Repair & Maintenance	7,000	4,619	2,381	6,347
Other Current Charges	1,000	1,009	(9)	565
Office Supplies	800	387	413	665
Operating Supplies	14,500	12,800	1,700	10,458
Police Education	1,300	836	464	1,023
Books and Memberships	225	699	(474)	614
Discretionary Fund	500	-	500	-
Capital Outlay	<u>16,178</u>	<u>16,640</u>	<u>(462)</u>	<u>30,289</u>
	<u>203,328</u>	<u>199,873</u>	<u>3,455</u>	<u>189,261</u>
Fire Department:				
Personal Allowances	8,700	9,186	(486)	8,230
Workmen's Compensation	1,687	1,891	(204)	629
Communication Services	350	676	(326)	279
Insurance	6,229	6,229	-	1,977
Repair & Maintenance	18,000	17,923	77	4,323
Other Current Charges	1,750	2,012	(262)	654
Operating Supplies	22,000	20,935	1,065	5,279
Office Supplies	200	483	(283)	151
Training	460	708	(248)	134
School & Training	1,600	1,024	576	1,236
Capital Outlay	<u>11,000</u>	<u>8,665</u>	<u>2,335</u>	<u>441</u>
	<u>71,976</u>	<u>69,732</u>	<u>2,244</u>	<u>23,333</u>

(Continued on Next Page)

CITY OF BUSHNELL, FLORIDA  
GENERAL FUND  
STATEMENT OF EXPENDITURES  
BUDGETED AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 1989

FUNCTION/ACTIVITY/ SUBACTIVITY/OBJECT	BUDGETED	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	PRIOR YEAR ACTUAL
Building Inspector:				
Regular Salaries	\$ -	\$ 976	\$ (976)	\$ -
FICA Taxes	-	73	(73)	-
Contracted Fee	7,640	4,185	3,455	5,200
Travel & Per Diem	2,550	3,065	(515)	2,550
Dues & Publications	400	58	342	610
	<u>10,590</u>	<u>8,357</u>	<u>2,233</u>	<u>8,360</u>
Total Public Safety	<u>285,894</u>	<u>277,962</u>	<u>7,932</u>	<u>220,954</u>
Physical Environment:				
Cemetery:				
Utility Service	150	108	42	117
Other Current Charges	2,800	2,845	(45)	2,300
Land Acquisition	2,960	2,960	-	-
Total Physical Environment	<u>5,910</u>	<u>5,913</u>	<u>(3)</u>	<u>2,417</u>
Transportation:				
Road & Street Department:				
Executive Salary	12,383	13,025	(642)	12,209
Regular Salary	7,513	7,906	(393)	8,122
Other Salaries	1,200	1,320	(120)	1,263
Utilities	650	-	650	437
FICA Taxes	1,584	1,671	(87)	1,597
Retirement Contributions	3,003	3,165	(162)	2,698
Group Insurance	2,602	2,905	(303)	2,208
Workmen's Compensation	1,703	1,891	(188)	771
General Insurance	1,440	1,579	(139)	704
Contractual Services	16,500	13,100	3,400	18,177
Repair & Maintenance	6,000	5,223	777	3,294
Other Current Charges	1,900	449	1,451	619
Operating Supplies	3,500	4,399	(899)	3,824
Street Lights -				
Electricity	27,225	25,555	1,670	24,913
Capital Outlay	<u>22,000</u>	<u>24,419</u>	<u>(2,419)</u>	<u>38,679</u>
Total Transportation	<u>109,203</u>	<u>106,607</u>	<u>2,596</u>	<u>119,515</u>
Economic Environment:				
Miscellaneous Contribution				
Sumter County				
Industrial Development Authority	<u>8,000</u>	<u>8,000</u>	<u>-</u>	<u>5,000</u>
Total Economic Environment	<u>8,000</u>	<u>8,000</u>	<u>-</u>	<u>5,000</u>

(Continued on Next Page)

CITY OF BUSHNELL, FLORIDA  
GENERAL FUND  
STATEMENT OF EXPENDITURES  
BUDGETED AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 1989

FUNCTION/ACTIVITY/ SUBACTIVITY/OBJECT	BUDGETED	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	PRIOR YEAR ACTUAL
<u>Culture and Recreation:</u>				
Library:				
Aid to Private Organizations	\$ 6,000	\$ 6,000	\$ -	\$ 6,000
Utility Services	<u>350</u>	<u>445</u>	<u>(95)</u>	<u>328</u>
	<u>6,350</u>	<u>6,445</u>	<u>(95)</u>	<u>6,328</u>
Parks & Recreation:				
Executive Salary	4,128	2,373	1,755	3,703
Regular Salaries	1,602	692	910	1,080
FICA Taxes	430	230	200	359
Retirement Contributions	824	447	377	783
Workmen's Compensation	221	303	(82)	64
Contractual Services	9,300	8,656	644	2,355
Group Insurance	680	371	309	437
Utilities	7,200	6,513	687	8,550
Rentals	500	1,822	(1,322)	560
Repair & Maintenance	4,000	1,170	2,830	3,285
Operating Supplies	2,850	4,071	(1,221)	2,207
General Insurance	1,838	1,932	(94)	1,245
Capital Outlay	15,000	24,421	(9,421)	1,059
Land Acquisition	<u>157,018</u>	<u>157,019</u>	<u>(1)</u>	<u>-</u>
	<u>205,591</u>	<u>210,020</u>	<u>(4,429)</u>	<u>25,687</u>
Special Events:				
Operating Expenses	<u>18,525</u>	<u>14,137</u>	<u>4,388</u>	<u>13,864</u>
Total Culture and Recreation	<u>230,466</u>	<u>230,602</u>	<u>(136)</u>	<u>45,879</u>
Debt Service:				
Principal	15,000	12,426	2,574	11,819
Interest	<u>4,000</u>	<u>3,143</u>	<u>857</u>	<u>2,343</u>
Total Debt Service	<u>19,000</u>	<u>15,569</u>	<u>3,431</u>	<u>14,162</u>
Total Expenditures	<u>\$834,661</u>	<u>\$817,136</u>	<u>\$17,525</u>	<u>\$552,914</u>

See Accompanying Notes to Financial Statements



SPECIAL REVENUE FUNDS  
COMBINING FINANCIAL STATEMENTS

Federal Revenue Sharing  
Evergreen Cemetery Fund

CITY OF BUSHNELL, FLORIDA  
 COMBINING BALANCE SHEETS  
 SPECIAL REVENUE FUNDS  
 SEPTEMBER 30, 1989

	EVERGREEN CEMETERY FUND	TOTALS (MEMORANDUM ONLY)	
		1989	1988
<u>ASSETS</u>			
Cash	\$ 1,785	\$ 1,785	\$ 1,246
Interest Receivable	436	436	-
Restricted Assets:			
Cash and Investments	<u>216,975</u>	<u>216,975</u>	<u>197,000</u>
	<u>\$219,196</u>	<u>\$219,196</u>	<u>\$198,246</u>
<u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Deposits	\$ <u>975</u>	\$ <u>975</u>	\$ <u>900</u>
Fund Balance:			
Reserved: Perpetual Care	217,411	217,411	197,044
Unreserved	<u>810</u>	<u>810</u>	<u>302</u>
	<u>218,221</u>	<u>218,221</u>	<u>197,346</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$219,196</u>	<u>\$219,196</u>	<u>\$198,246</u>

See Accompanying Notes to Financial Statements

CITY OF BUSHNELL, FLORIDA  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, OTHER FINANCING  
SOURCES, AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED SEPTEMBER 30, 1989

	EVERGREEN CEMETERY <u>FUND</u>	<u>TOTALS</u> (MEMORANDUM ONLY)	
		<u>1989</u>	<u>1988</u>
Revenues:			
Contributions	\$ 12,514	\$ 12,514	\$ 9,015
Sale of Cemetery Lots	4,800	4,800	7,525
Interest Earned	16,152	16,152	13,533
Memorial Gifts and Trust	<u>260</u>	<u>260</u>	6,055
	<u>33,726</u>	<u>33,726</u>	<u>36,128</u>
Expenditures:			
Operating and Maintenance	12,851	12,851	9,245
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
	<u>12,851</u>	<u>12,851</u>	<u>9,245</u>
Excess of Revenues Over Expenditure	<u>20,875</u>	<u>20,875</u>	<u>26,883</u>
Other Financing Sources:			
Transfer From General Fund	-	-	-
Transfer To Sanitation Fund	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Transfers Over Expenditures	20,875	20,875	26,883
Fund Balance, Beginning	<u>197,346</u>	<u>197,346</u>	<u>170,463</u>
Fund Balance, Ending	<u>\$218,221</u>	<u>\$218,221</u>	<u>\$197,346</u>

See Accompanying Notes to Financial Statements

## ENTERPRISE FUNDS

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises--where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Certain administrative expenses are paid by the General Fund.

CITY OF BUSHNELL, FLORIDA  
ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 1989 AND 1988

	ELECTRIC UTILITY FUND	WATER UTILITY FUND	SANITATION FUND	TOTALS	
				1989	1988
<u>ASSETS</u>					
Current Assets:					
Cash and Cash Equivalents	\$ 88,281	\$ 83,354	\$ 43,770	\$ 215,405	\$ 220,827
Customer Accounts Receivable	161,022	16,029	12,694	189,745	173,093
Allowance for Doubtful Accounts	(2,500)	(300)	(100)	(2,900)	(2,900)
Due From Other Funds	153	-	-	153	260
Inventories, at Cost	<u>73,725</u>	<u>10,387</u>	<u>225</u>	<u>84,337</u>	<u>51,557</u>
	<u>320,681</u>	<u>109,470</u>	<u>56,589</u>	<u>486,740</u>	<u>442,837</u>
37 Restricted Assets, Cash and Investments:					
Nuclear Fuel Decommissioning	30,004	-	-	30,004	10,640
Debt Service	81,856	13,325	-	95,181	93,510
Renewal and Replacement	153,977	-	-	153,977	157,482
Customer Deposits	<u>49,039</u>	<u>-</u>	<u>-</u>	<u>49,039</u>	<u>49,095</u>
	<u>314,876</u>	<u>13,325</u>	<u>-</u>	<u>328,201</u>	<u>310,727</u>
Property and Equipment, at Cost:					
Utility Plant in Service	1,292,133	1,410,762	102,742	2,805,637	2,712,948
Accumulated Depreciation	<u>401,812</u>	<u>205,022</u>	<u>79,292</u>	<u>686,126</u>	<u>631,573</u>
	<u>890,321</u>	<u>1,205,740</u>	<u>23,450</u>	<u>2,119,511</u>	<u>2,081,375</u>
Other Assets:					
Loan Cost (Net)	-	8,545	-	8,545	8,545
	<u>-</u>	<u>8,545</u>	<u>-</u>	<u>8,545</u>	<u>8,545</u>
Total Assets	<u>\$1,525,878</u>	<u>\$1,337,080</u>	<u>\$ 80,039</u>	<u>\$2,942,997</u>	<u>\$2,843,484</u>

(Continued on Following Page)

CITY OF BUSHNELL, FLORIDA  
ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 1989 AND 1988

	ELECTRIC UTILITY FUND	WATER UTILITY FUND	SANITATION FUND	TOTALS SEPTEMBER 30	
				1989	1988
<u>LIABILITIES AND FUND EQUITY</u>					
Current Liabilities:					
Accounts Payable	\$ 116,115	\$ 37,456	\$ 4,725	\$ 158,296	\$ 93,286
Accrued Liabilities	15,619	9,259	3,494	28,372	26,589
Due to Other Funds (Note 9)	-	153	-	153	139
Current Portion of Note Payable	1,400	1,500	600	3,500	1,000
	<u>133,134</u>	<u>48,368</u>	<u>8,819</u>	<u>190,321</u>	<u>121,014</u>
Current Liabilities (Payable From Restricted Assets):					
Customer Deposits	49,039	-	-	49,039	49,095
Accrued Interest Payable	10,673	1,737	-	12,410	13,080
Current Portion of Bonds Payable	21,500	3,500	-	25,000	20,000
	<u>81,212</u>	<u>5,237</u>	<u>-</u>	<u>86,449</u>	<u>82,175</u>
Long Term Liabilities:					
Revenue Bonds Series 1976 (Net of Current Portion and Discount)	262,948	42,809	-	305,757	329,731
Revenue Bond Series 1986 (Note 5)	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Long Term Portion of Note Payable	1,694	6,865	878	9,437	7,000
Note Payable - FmPa	-	346,000	-	346,000	351,000
	<u>264,642</u>	<u>395,674</u>	<u>878</u>	<u>661,194</u>	<u>687,731</u>
Total Liabilities	<u>478,988</u>	<u>449,279</u>	<u>9,697</u>	<u>937,964</u>	<u>890,920</u>
Fund Equity:					
Contributed Capital	176,381	870,358	29,449	1,076,188	1,066,331
Retained Earnings:					
Reserved	233,664	8,088	-	241,752	228,552
Unreserved	636,845	9,355	40,893	687,093	657,681
	<u>870,509</u>	<u>17,443</u>	<u>40,893</u>	<u>928,845</u>	<u>886,233</u>
Total Fund Equity	<u>1,046,890</u>	<u>887,801</u>	<u>70,342</u>	<u>2,005,033</u>	<u>1,952,564</u>
Total Liabilities and Fund Equity	<u>\$1,525,878</u>	<u>\$1,337,080</u>	<u>\$80,039</u>	<u>\$2,942,997</u>	<u>\$2,843,484</u>

See Accompanying Notes to Financial Statements

CITY OF BUSHNELL, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
 RETAINED EARNINGS (DEFICIT) - ENTERPRISE FUNDS  
 YEARS ENDED SEPTEMBER 30, 1989 AND 1988

	ELECTRIC UTILITY FUND	WATER UTILITY FUND	SANITATION FUND	TOTALS SEPTEMBER 30	
				1989	1988
Operating Revenues:					
Charge for Services (Note 5)	<u>\$1,130,122</u>	<u>\$155,736</u>	<u>\$115,027</u>	<u>\$1,400,885</u>	<u>\$1,328,618</u>
Operating Expenses:					
Purchased Power	746,386	-	-	746,386	696,347
Salaries	67,857	50,026	30,676	148,559	136,436
Employee Benefits	22,550	16,676	13,869	53,095	42,406
Professional Services	40,846	7,558	-	48,404	29,012
Operating Supplies	21,261	5,022	4,934	31,217	27,770
Other Current Charges	15,315	22,783	10,378	48,476	53,394
Depreciation	41,266	29,763	11,271	82,300	81,066
Landfill	-	-	28,925	28,925	24,833
State Gross Receipts Tax	<u>16,189</u>	<u>-</u>	<u>-</u>	<u>16,189</u>	<u>16,648</u>
	<u>971,670</u>	<u>131,828</u>	<u>100,053</u>	<u>1,203,551</u>	<u>1,107,912</u>
Operating Income (Loss)	<u>158,452</u>	<u>23,908</u>	<u>14,974</u>	<u>197,334</u>	<u>220,706</u>
Non-Operating Revenue (Expense):					
Interest Earned	30,880	5,297	212	36,389	33,740
Interest Expense	<u>(21,622)</u>	<u>(31,106)</u>	<u>(137)</u>	<u>(52,865)</u>	<u>(59,891)</u>
	<u>9,258</u>	<u>(25,809)</u>	<u>75</u>	<u>(16,476)</u>	<u>(26,151)</u>
Operating Income (Loss) Before Transfers	167,710	(1,901)	15,049	180,858	194,555
Operating Transfers In (Out)	<u>(118,246)</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>(138,246)</u>	<u>(123,247)</u>
Net Income (Loss)	49,464	(11,901)	5,049	42,612	71,308
Retained Earnings, October 1	<u>821,045</u>	<u>29,344</u>	<u>35,844</u>	<u>886,233</u>	<u>814,925</u>
Retained Earnings, (Deficit) September 30	<u>\$ 870,509</u>	<u>\$ 17,443</u>	<u>\$ 40,893</u>	<u>\$ 928,845</u>	<u>\$ 886,233</u>

See Accompanying Notes to Financial Statements

CITY OF BUSHNELL, FLORIDA  
 COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION  
 ENTERPRISE FUNDS  
 YEARS ENDED SEPTEMBER 30, 1989 AND 1988

	ELECTRIC UTILITY FUND	WATER UTILITY FUND	SANITATION FUND	TOTALS SEPTEMBER 30	
				1989	1988
Sources of Working Capital:					
Net Income (Loss)	\$ 49,464	\$(11,901)	\$ 5,049	\$ 42,612	\$ 71,308
Add: Items Not Requiring the Use of Working Capital:					
Depreciation	41,266	29,763	11,271	82,300	81,066
Book Value of Property, Plant & Equipment Disposal	—	—	—	—	19,625
Working Capital Provided By					
Operations	90,730	17,862	16,320	124,912	171,999
Contributed Capital	4,459	5,398	—	9,857	134,779
Increase in Current Liabilities Payable From Restricted Assets	3,668	606	—	4,274	—
Decrease in Restricted Assets	—	—	—	—	33,421
Increase in Long Term Debt	<u>3,350</u>	<u>1,478</u>	<u>1,478</u>	<u>6,306</u>	<u>—</u>
Total Sources of Working Capital	<u>102,207</u>	<u>25,344</u>	<u>17,798</u>	<u>145,349</u>	<u>340,199</u>
Uses of Working Capital:					
Acquisition of Property and Equipment	69,969	47,925	2,542	120,436	236,161
Decrease in Long Term Debt	22,274	9,969	600	32,843	113,604
Increase in Restricted Assets	17,240	234	—	17,474	51,376
Decrease in Current Liabilities Payable From Restricted Assets	—	—	—	—	4,695
Increase in Other Assets	—	—	—	—	<u>8,545</u>
Total Uses of Working Capital	<u>109,483</u>	<u>58,128</u>	<u>3,142</u>	<u>170,753</u>	<u>414,381</u>
Net Increase in Working Capital (Schedule on Following Page)	\$ <u>(7,276)</u>	\$ <u>(32,784)</u>	\$ <u>14,656</u>	\$ <u>(25,404)</u>	\$ <u>(74,182)</u>

(Continued on Following Page)



CITY OF BUSHNELL, FLORIDA  
 COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION  
 ENTERPRISE FUNDS  
 YEARS ENDED SEPTEMBER 30, 1989 AND 1988

	ELECTRIC UTILITY FUND	WATER UTILITY FUND	SANITATION FUND	TOTALS SEPTEMBER 30	
				1989	1988
Elements of Net Increase					
(Decrease) in Working Capital:					
Cash	\$(10,597)	\$ (9,466)	\$14,641	\$ (5,422)	\$(110,878)
Accounts Receivable (Net)	14,199	1,793	660	16,652	8,949
Due From Other Funds	171	(292)	-	(121)	121
Inventory	29,836	2,925	19	32,780	30,642
Accounts Payable	(38,605)	(27,443)	1,038	(65,010)	(6,893)
Accrued Liabilities	(880)	199	1,102	(1,783)	(2,079)
Current Portion of Note Payable	<u>(1,400)</u>	<u>(500)</u>	<u>(600)</u>	<u>(2,500)</u>	<u>5,956</u>
	<u>\$ (7,276)</u>	<u>\$(32,784)</u>	<u>\$14,656</u>	<u>\$(25,404)</u>	<u>\$ (74,182)</u>

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See Accompanying Notes to Financial Statements

AGENCY FUNDS

COMBINING FINANCIAL STATEMENTS

Bail Bond Fund  
Volunteer Firefighter's Trust Fund

CITY OF BUSHNELL, FLORIDA  
 AGENCY FUNDS  
 COMBINING BALANCE SHEET  
 SEPTEMBER 30, 1989 AND 1988

	<u>BAIL BOND FUND</u>	<u>VOLUNTEER FIREFIGHTERS' TRUST FUND</u>	<u>TOTALS SEPTEMBER 30</u>	
			<u>1989</u>	<u>1988</u>
<u>ASSETS</u>				
Cash	\$2,814	\$ -	\$ 2,814	\$2,646
Restricted Assets:				
Cash	<u>      -</u>	<u>10,897</u>	<u>10,897</u>	<u>      -</u>
Total Assets	<u>\$2,814</u>	<u>\$10,897</u>	<u>\$13,711</u>	<u>\$2,646</u>
<u>LIABILITIES</u>				
Deposits	\$2,814	\$ -	\$ 2,814	\$2,646
Payable From Restricted Assets	<u>      -</u>	<u>10,897</u>	<u>10,897</u>	<u>      -</u>
Total Liabilities	<u>\$2,814</u>	<u>\$10,897</u>	<u>\$13,711</u>	<u>\$2,646</u>

See Accompanying Notes to Financial Statements

SUPPLEMENTARY INFORMATION

CITY OF BUSHNELL, FLORIDA  
 SCHEDULE OF INSURANCE COVERAGE  
 YEAR ENDED SEPTEMBER 30, 1989

<u>Policy #</u>	<u>Company</u>	<u>Coverage</u>	<u>Premium</u>	<u>Term</u>
BT(1) 53193R	Travelers	Accidental Death for Police Officers	\$ 700.00	11/08/88-89
RN 4363386	Hartford	Bond for Tax Collector	100.00	11/01/88-89
VP 480462	Hartford	Acc. Death & Disability, Fire Dept.	391.68	12/04/88-89
1922048	Hartford	Public Offic. Bond - Judith Muller	250.00	01/06/89-90
DDDNN6710	Hartford	Forgery & Alteration	100.00	02/10/89-90
PEBBG7140	Hartford	Faithful Performance Bond	253.00	02/08/88-89
FM 364	FML SIF	Workman's Compensation	14,394.00	10/01/88-89
FMP 033	FML SIP	FL Municipal Property Insurance Program	10,068.00	10/01/88-89
FML 289	FML SIF	Comprehensive General Liab BI,PD,PI Errors and Omissions Auto Physical Damage Law Enforcement Liab.	24,161.00	10/01/88-89

**LOGAN & WEISS**  
Certified Public Accountants

January 24, 1990

AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE

Honorable Mayor and Members  
of the City Council  
City of Bushnell  
Bushnell, Florida

We have audited the general purpose financial statements of the City of Bushnell, Florida, for the year ended September 30, 1989, and have issued our report thereon dated January 24, 1990.

We conducted our audit in accordance with generally accepted auditing standards and *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.

In planning and performing our audit of the general purpose financial statements of the City of Bushnell, Florida, for the year ended September 30, 1989, we considered the internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of the City of Bushnell, Florida, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles.

Honorable Mayor and Members  
of the City Council  
Page Two  
January 24, 1990

Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories: cash and cash equivalents; revenue, receivables and receipts of governmental funds; service revenue and receivables of proprietary funds; expenditures for goods and services, and accounts payable; payroll and related liabilities; and property, equipment, and capital expenditures. Our study included all of the control categories listed above.

The purpose of our study and evaluation was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the entity's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole or on any of the categories of controls identified above.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

However we noted certain matters involving the internal control structure and its operation that we have reported to the management of the City of Bushnell in a separate letter dated January 24, 1990.

This report is intended solely for the use of the management of the City of Bushnell, Florida and the State of Florida Auditor General and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by management of the City of Bushnell, Florida and the State of Florida Auditor General is a matter of public record.

*Logan & Weiss*

Logan & Weiss  
Certified Public Accountants

# LOGAN & WEISS

Certified Public Accountants

January 24, 1990

## AUDITORS' REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS

Honorable Mayor and Members  
of the City Council  
City of Bushnell  
Bushnell, Florida

We have audited the general purpose financial statements of the City of Bushnell, Florida, as of and for the year ended September 30, 1989 and have issued our report thereon dated January 24, 1990.

We conducted our audit in accordance with generally accepted auditing standards and *Governmental 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.

Compliance with laws, regulations, contracts, and grants applicable to the City of Bushnell, Florida, is the responsibility of the management of the City of Bushnell. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatements, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective was not to provide an opinion on overall compliance with such provisions.

The results of our tests indicate that, with respect to the items tested, the City of Bushnell, Florida, complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the City had not complied, in all material respects, with those provisions.

This report is intended for the information of the management of the City of Bushnell, Florida and the State of Florida Auditor General. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*Logan & Weiss*

Logan & Weiss  
Certified Public Accountants



# LOGAN & WEISS

Certified Public Accountants

January 24, 1990

## AUDITORS' LETTER TO MANAGEMENT

Honorable Mayor and Members  
of the City Council  
City of Bushnell  
Bushnell, Florida

We have audited the general purpose financial statements of the City of Bushnell, Florida as of and for the year ended September 30, 1989, as listed in the Table of Contents, and have issued our report thereon dated January 24, 1990.

The following comments are pursuant to the Rules of the Auditor General Chapter 10.550:

1. Any or all irregularities reported in the preceding annual financial audit have been corrected.
2. Recommendations made in the preceding years annual financial audit have been followed except for: (See asterisks in 3 below)
3. To improve the city's financial management, accounting procedures, and internal control, we recommend:

\* A. Service revenue and receivables of proprietary funds

1. A routine should be established to reconcile customer accounts receivable detail records with the general ledger control account monthly. The October, 1988 utility billing was not posted to the general ledger until July, 1989.

This lack of existence of control resulted in a material misstatement of the City's financial statements for several months.

B. Expenditures for goods and service and accounts payable

1. There is a lack of documentation regarding the payment of monthly allowances to certain City employees for the use of their privately owned automobiles on official business.

The City should obtain at least the minimum documentation required for reasonable vehicle allowances under Chapter 112 of the Florida Statutes.

2. During our observation of the Electric Fund inventory at September 30, 1989, we determined that on many items the perpetual records did not agree with the physical count.

In addition, inventoried items are not kept in a central area with one person responsible of issuing materials.

C. Payroll and related liabilities

1. Our testing of payroll revealed that several employee time sheets did not match hours used for calculating the employee's gross payroll. Although the differences were individually immaterial, we recommend that department heads check all time sheets for accuracy and initial upon review. In addition, the payroll clerk should check the accuracy of total hours, and if incorrect return to the appropriate department head for correction.

2. Payroll file documentation should be updated frequently. Documentation should include Form I-9, Form W-4, pay rates, etc.

4. We did not discover any violations of laws, rules, or regulations within the scope of the financial audit.
5. There were no illegal or improper expenditures within the scope of the financial audit.
6. Other matters (which haven't been mentioned in the preceding sections of this report or the Auditor's Report on Internal Accounting Controls or the Auditor's Report on Compliance with Law and Regulations):
  - a. Improper or inadequate accounting procedures - none.

Honorable Mayor and Members  
of the City Council  
Page Three  
January 24, 1990

- b. Failures to properly record financial transactions - only routine audit entries.
  - c. Other inaccuracies, irregularities, shortages, and defalcations discovered by the auditor - none.
7. The financial report filed with the Department of Banking and Finance pursuant to Section 218.32, Florida Statutes, is in agreement with the annual financial audit report for the year ended September 30, 1989.
8. The firm hereby certifies that the in-charge auditor of this engagement (David C. Logan, C.P.A.) has met the educational requirements described in section 11.45(3)(a) 4.P Florida Statutes 53 (as amended by Chapter 87-114, Laws of Florida).

*Logan & Weiss*

Logan & Weiss  
Certified Public Accountants



**CITY OF LEESBURG**

# **Comprehensive Annual Financial Report**

**Fiscal Year Ended September 30, 1989**

CITY OF LEESBURG, FLORIDA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
AND  
INDEPENDENT AUDITORS' REPORT  
FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 1989

Prepared by:  
Finance Department

James A. Williams, C.P.A.  
Finance Director

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 AND  
INDEPENDENT AUDITORS' REPORT  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1989

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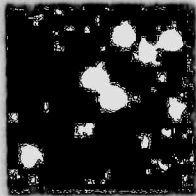
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LETTER OF TRANSMITTAL



CITY  
OF  
LEESBURG

The Complete City



March 8, 1990

Honorable Mayor and Members  
of the City Commission  
City of Leesburg  
Leesburg, Florida 32748

Ladies and Gentlemen:

The accompanying Comprehensive Annual Financial Report of the City of Leesburg, Florida, for the Fiscal Year ended September 30, 1989, is herewith submitted. This report was prepared by the City's Finance Department. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation including all disclosures, rests with the City. We believe the data, as presented is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to gain the maximum understanding of the City's financial affairs have been included.

#### Accounting System and Budgetary Control

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's utilities and other enterprises are maintained on the accrual basis.

All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control is a general management control function and is accommodated through the integration of budgetary and financial accounting. Budgeting is considered to be a system of managerial estimates of projected financial position. Such estimates are compared to actual on a monthly and annual basis. Corrections to estimates are made by general management and the City Commission. The Resolution adopting the annual budget sets forth controlling appropriations on a fund total level and prescribes methods for budget amendment.

#### Notes to the Financial Statement

Notes are prepared to provide for a fair presentation and adequate disclosure in the financial statements. The content of the notes provides

Honorable Mayor, Members  
of the City Commission  
March 8, 1990

narrative descriptions of accounting methods and practices employed by the City and discloses additional financial data that may be more informative to the statement user.

The Reporting Entity and Its Services

The City provides the full range of municipal services contemplated by statute or charter. This includes public safety (police and fire), highways and streets, airport operations, sanitation, recreation and cultural services, public improvements, comprehensive planning and general administrative services. In addition, the City operates and maintains electric, water, gas, and wastewater treatment/sanitary sewer utilities.

General Governmental Functions

Revenues, for general government functions included in the General Fund, Special Revenue Funds, the Debt Service Fund and the Capital Project Fund, totaled \$6,002,740. Other financing sources totaling \$4,673,657 were comprised of operating transfer from utilities of \$3,451,600, transfers to the Debt Service Fund of \$562,074, transfers to the Capital Projects Fund of \$659,983 to pay the City's portion of the airport improvements and City Hall renovation.

The following table presents the various financing sources for general government and the increase (decrease) over the prior year:

All Governmental Funds

	1988 <u>Amount</u>	1989 <u>Amount</u>	Percent <u>of total</u>	Increase (decrease) <u>from 1988</u>
<u>Financing Sources</u>				
Revenues:				
Taxes	\$ 1,937,253	2,131,934	19.97	194,681
Licenses and permits	133,624	180,947	1.69	47,323
Intergovernmental revenues:				
Shared revenue	1,549,790	1,591,329	14.91	41,539
Operating Grants	342,825	493,121	4.62	150,296
Capital Grants	291,116	527,896	4.94	236,780
Charges for services	141,168	157,408	1.47	16,240
Fines and forfeitures	158,356	166,150	1.56	7,794
Other revenues	790,218	753,955	7.06	( 36,263)
Total Revenues	<u>5,344,350</u>	<u>6,002,740</u>	<u>56.22</u>	<u>658,390</u>
Other Financing Sources:				
Operating transfers	<u>3,759,995</u>	<u>4,673,657</u>	<u>43.78</u>	<u>913,662</u>
Total Other Financing Sources	<u>3,759,995</u>	<u>4,673,657</u>	<u>43.78</u>	<u>913,662</u>
Total Revenues and Other Financing Sources	<u>\$ 9,104,345</u>	<u>\$10,676,397</u>	<u>100.00</u>	<u>\$1,572,052</u>

Honorable Mayor, Members  
of the City Commission  
March 8, 1990

Current tax collections were 96.6% of the tax levy, up .1% from last year. This is the sixteenth consecutive year in which current property tax collections have exceeded 96%. Delinquent tax collections were .2% of the total tax levy. The ratio of total collections (current and delinquent) to the current tax levy was 96.7%, the same as last year. Allocations of property tax rate (per \$1,000 of taxable value) by purpose for 1989 and the preceding two fiscal years are:

<u>Purpose</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
General Fund	\$ 3.967	\$ 3.967	\$ 3.967
General Obligation Debt	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total tax rate	\$ <u>3.967</u>	\$ <u>3.967</u>	\$ <u>3.967</u>

The Municipal Airport continued to make significant strides to keep pace with the growth and development of the community. The most substantial improvement consisted of the construction of an additional taxiway. This project, utilizing Federal, State, and local funds, provided safe access to a secondary runway and eliminated potentially dangerous situations. Additionally, preliminary action was taken during this period to construct a security fence around the northern border of the airport and acquire land for the expansion of a runway approach zone.

Expenditures for general government functions totaled \$9,398,650, which excludes operating transfers of \$1,222,057. Total expenditures increased by \$13,444 from \$9,385,206 to \$9,398,650. Changes in expenditures by function and other financing uses over the preceding year are presented as follows:

	<u>1988</u>	<u>1989</u>	<u>Percent</u>	<u>Increase</u>
	<u>Amount</u>	<u>Amount</u>	<u>of total</u>	<u>(decrease)</u>
				<u>from 1988</u>
<u>Expenditures and</u>				
<u>Other Financing Uses</u>				
<u>Expenditures by Function:</u>				
General Government	\$ 923,257	\$ 805,671	7.59	\$ ( 117,386)
Public Safety	2,793,549	2,932,098	27.61	138,549
Physical Environment	321,833	303,352	2.85	( 18,481)
Transportation	731,121	917,851	8.64	186,730
Economic Environment	27,679	84,817	0.80	57,138
Human Services	332,269	427,516	4.02	95,247
Culture and Recreation	1,383,337	1,537,640	14.48	154,303
Capital Projects Fund	2,394,738	1,832,131	17.25	( 562,607)
Debt Service Fund	477,423	557,374	5.25	79,951
Total Expenditures				
By Function	<u>9,385,206</u>	<u>9,398,650</u>	<u>88.49</u>	<u>13,444</u>
Other Financing Uses:				
Operating Transfers	<u>924,108</u>	<u>1,222,057</u>	<u>11.51</u>	<u>297,949</u>
Total Other Financing Uses	<u>924,108</u>	<u>1,222,057</u>	<u>11.51</u>	<u>297,949</u>
Total Expenditures and				
Other Financing Uses	<u>\$10,309,314</u>	<u>\$10,620,707</u>	<u>100.00</u>	<u>\$ 311,393</u>

Honorable Mayor, Members  
of the City Commission  
March 8, 1990

#### Long-Term Debt Issues

In 1987, the City issued \$6,145,000 in refunding and capital improvement bonds to refund the 1984 bond issue and to provide financing for the renovation and expansion of City Hall, development of the Industrial Park, landfill closure, parking facilities, airport land and facilities, Public Safety Complex, recreation facilities and drainage improvements.

In 1989, the City refunded \$18,140,000 of the \$19,999,999 Refunding Utilities Revenue Bonds, Series 1984 by the issuance of the \$21,810,000 Refunding Utilities Revenue Bonds, Series 1989. Footnote 4 on page 19 provides additional discussion of the transaction.

For 1989, the utilities ratio of net revenues available to debt service requirements was 4.16 which is a .67 decrease from 1988.

#### Cash Management

Cash temporarily idle during the year was invested in U.S. Treasury obligations and with the State Board of Administration Local Government Investment Pool. Cash held in checking accounts was invested in overnight repurchase agreements which pay interest daily of 0.5% below the federal funds rate charged to banks. Interest earned by the City this year was \$2,041,380 an increase of \$348,803 from interest earned on temporary investments in Fiscal Year 1988.

#### Capital Projects Funds

The City continued its improvements to the airport through Federal, State and Local grants totaling \$527,896 which are being used to build an apron and parking lot for transient aircraft. The City became the fixed based operator and began selling fuel on an interim basis. City Hall renovations were completed. Other projects include the continued development on the Susan Street Recreational Complex, development of the City Industrial Park and completion of the conceptual design for the downtown parking lot.

#### City Utilities

Over the whole the City's electric, water, natural gas, and wastewater utilities changes in financial position were as expected. The combined utilities current asset to current liability ratio was 7.07 for 1989 which compares favorably with the ratio of 6.73 for 1988. Net income before operating transfer in 1989 was \$7,228,451 compared to \$6,837,940 for 1988, an increase of \$390,511 or 5.7%. This performance is primarily due to the stabilization of purchased power costs. Retained earnings increased from \$28,023,900 to \$29,061,067. The net income for the individual utilities for the periods ending September 30, 1987, 1988 and 1989 was as follows:

Honorable Mayor, Members  
of the City Commission  
March 8, 1990

	<u>1987</u>	<u>1988</u>	<u>1989</u>
Electric	\$ 372,546	\$ 2,404,990	\$ 2,368,000
Gas	275,257	966,445	538,637
Water	197,997	294,869	427,535
Wastewater Treatment and Sanitary Sewer	<u>73,567</u>	<u>335,749</u>	<u>442,679</u>
	\$ <u>919,367</u>	\$ <u>4,002,053</u>	\$ <u>3,776,851</u>

The Electric utility has experienced substantial cost savings since joining FMPA and as a result the net income has grown and stabilized.

The Gas, Water and Wastewater Utilities have generally improved their financial position.

#### Independent Audit

The City Charter requires an annual audit of the books of account, financial records, and transactions of all departments of the City by independent certified public accountants selected by the City Commission. This requirement has been satisfied and the auditor's opinion has been included in this report.

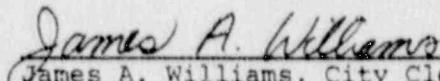
#### Auditors' Report

The Auditors' Report sets forth an unqualified opinion in the belief that sufficient evidential matter has been presented to provide reasonable assurance that the general purpose financial statements are free of material misstatement.

#### Acknowledgements

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the Department who assisted and contributed to its preparation. We would also like to thank the members of the City Commission for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

  
\_\_\_\_\_  
Rex Taylor, City Manager

  
\_\_\_\_\_  
James A. Williams, City Clerk/Finance Director



PRINCIPAL CITY OFFICIALS

CITY OF LEESBURG, FLORIDA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1989

MAYOR

David L. Connelly

MAYOR PRO-TEM

Charles C. Strickland

CITY COMMISSION

C.J. Knowles  
Sanna Henderson  
C. Robert Lovell

CITY MANAGER  
Rex Taylor

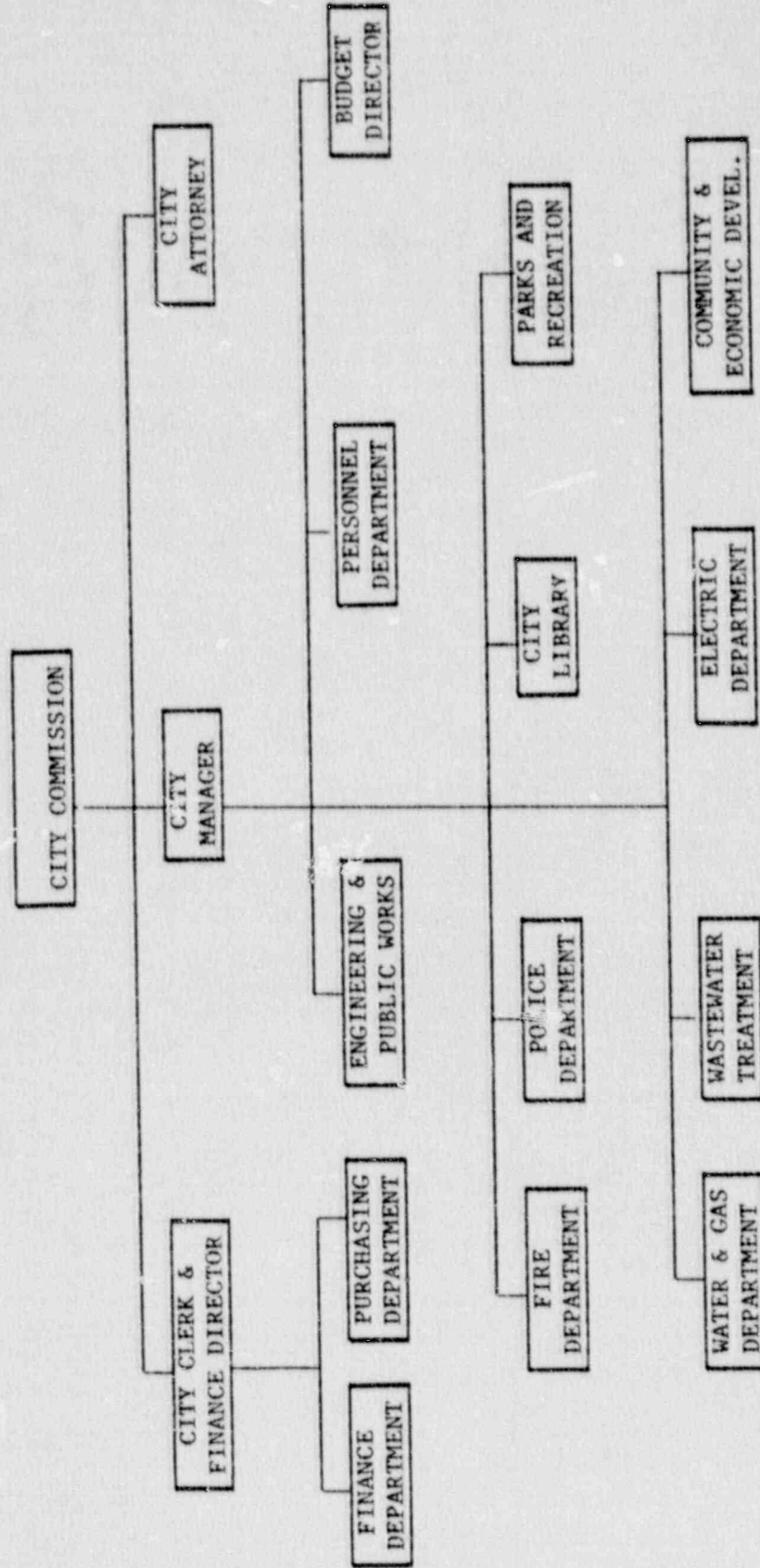
CITY ATTORNEY  
R. Dewey Burnsed

FINANCE DIRECTOR  
James A. Williams, C.P.A.

CITY AUDITORS  
Purvis, Gray and Company

ORGANIZATION CHART

ORGANIZATION CHART  
SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA



FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITORS' REPORT

CITY OF LEESBURG, FLORIDA

SEPTEMBER 30, 1989

INDEPENDENT AUDITORS' REPORT

Honorable City Commissioners  
City of Leesburg  
Leesburg, Florida

We have audited the accompanying general purpose financial statements of the City of Leesburg, Florida, as of and for the year ended September 30, 1989, as listed in the table of contents. These general purpose financial statements are the responsibility of the City'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 generally accepted auditing standards and 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 the financial position of the City of Leesburg, Florida, at September 30, 1989, and the results of its operations and the changes in financial position of its proprietary fund types and similar trust funds for the year then ended, in conformity with generally accepted accounting principles.

Certified Public Accountants

P.O. Box 23999 • 222 N.E. 1st Street • Gainesville, Florida 32602 • (904) 378-2461  
Laurel Ridge Professional Center • 2347 S.E. 17th Street • Ocala, Florida 32671 • (904) 732-3872  
1704 Metropolitan Blvd., Suite 3 • Tallahassee, Florida 32308 • (904) 385-0554

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

Honorable City Commissioners  
City of Leesburg  
Leesburg, Florida

INDEPENDENT AUDITORS' REPORT  
(Concluded)

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund and account group statements, schedules and statistical data 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 Leesburg, Florida. Such information, except for that portion marked "Unaudited," on which we express no opinion, 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.

January 5, 1990  
Ocala, Florida

*Burnis, Gray and Company*

COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA

	<u>GOVERNMENTAL FUND TYPES</u>			
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>
<u>ASSETS</u>				
Equity in Pooled Cash and Investments	\$3,815,096	\$ 55,885	\$865,114	\$ 480,211
Cash and Investments at Market Value				
Receivables:				
Customer Accounts				
Allowance For Doubtful Accounts				
Accrued Interest				
Other Receivables	92,319	62,002		10,702
Due From Other Funds				
Due From Other Governments	198,360			165,338
Inventory, At Cost	9,742			
Prepaid Expenditures				
Restricted Assets:				
Equity in Pooled Cash and Investments				
Property, Plant and Equipment,				
At Cost				
General Fixed Assets				
Accumulated Depreciation				
Construction in Progress				
Estimated Landfill Closure				
Cost, Net				
Deferred Issue Cost, Net				
Amount Available in Debt Service				
Funds				
Amount To Be Provided For Retirement				
of General Long-Term Debt				
TOTAL ASSETS	<u>\$4,115,517</u>	<u>\$117,887</u>	<u>\$865,114</u>	<u>\$ 656,251</u>

See accompanying notes.



PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	1989	1988
\$ 12,223,104	\$ 19,456	\$ 1,031,460			\$ 18,490,326	\$ 14,371,969
		13,444,185			13,444,185	11,374,873
5,280,989					5,280,989	5,072,908
( 872,412)					( 872,412)	( 764,494)
132,088		157,625			289,713	347,607
		8,373			173,396	120,914
					0	46,174
932,235	11,285				363,698	265,139
					953,262	1,097,039
					0	12,710
7,107,586					7,107,586	7,442,395
67,317,250	114,877				67,432,127	56,030,216
			\$18,028,498		18,028,498	15,904,762
(22,036,680)	( 65,645)				(22,102,325)	(18,873,944)
					0	303,072
498,950					498,950	748,425
353,624					353,624	143,062
				\$ 670,580	670,580	665,880
				5,807,613	5,807,613	5,937,091
<u>\$ 70,936,734</u>	<u>\$ 79,973</u>	<u>\$14,641,643</u>	<u>\$18,028,498</u>	<u>\$6,478,193</u>	<u>\$115,919,810</u>	<u>\$100,245,798</u>

See accompanying notes.

COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
SEPTEMBER 30, 1989  
CITY OF LEESBORO, FLORIDA

	<u>GOVERNMENTAL FUND TYPES</u>			
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 310,210			\$ 13,400
Accrued Expenses	190,995			
Customer Advances For Construction				
Due to Other Governments		\$ 91,953		
Due to Participants				
Due to Other Funds				
Current Portion - Long-Term Liabilities				
Payable From Restricted Assets:				
Customer Deposits				
Accrued Interest on Revenue Bonds				
Current Portion - Revenue Bonds				
Revenue Bonds Payable				
Other Notes Payable				
Matured Interest Payable			\$194,534	
Estimated Landfill Closure Costs Payable				
Refunding Revenue Bonds Payable, Series 1984 and 1989				
Accrued Interest on Capital Appreciation Revenue Bonds				
Unamortized Discount				
Unearned Revenues	90,514			
<b>TOTAL LIABILITIES</b>	<u>591,719</u>	<u>91,953</u>	<u>194,534</u>	<u>13,400</u>
<u>FUND EQUITY</u>				
Contributed Capital				
Investment in General Fixed Assets				
Retained Earnings:				
Reserved				
Unreserved				
Fund Balances:				
Reserved	13,802	2,184	670,580	642,851
Unreserved	3,509,996	23,750		
<b>TOTAL FUND EQUITY</b>	<u>3,523,798</u>	<u>25,934</u>	<u>670,580</u>	<u>642,851</u>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<u>\$4,115,517</u>	<u>\$117,887</u>	<u>\$865,114</u>	<u>\$ 656,251</u>

See accompanying notes.

EXHIBIT 1  
(Concluded)

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPE	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	1989	1988
\$ 1,464,401		\$ 1,382			\$ 1,789,393	\$ 1,624,620
836,101	\$ 9,859			\$ 466,837	1,503,792	1,245,535
78,665					78,665	105,639
		668,381			91,953	79,293
					668,381	527,753
400,000					0	46,174
					400,000	430,000
1,198,006					1,198,006	1,127,638
844,288					844,288	976,392
420,000					420,000	0
				5,960,000	5,960,000	6,095,000
				51,356	51,356	75,815
700,417					194,534	197,400
					700,417	860,000
23,249,999					23,249,999	19,999,999
427,122					427,122	322,894
( 292,803)					( 292,803)	( 106,272)
					90,514	92,050
<u>29,326,196</u>	<u>9,859</u>	<u>669,763</u>	<u>\$ 0</u>	<u>6,478,193</u>	<u>37,375,617</u>	<u>33,699,930</u>
12,177,885	15,979				12,193,864	11,662,037
			18,028,498		18,028,498	15,904,762
4,270,816					4,270,816	5,338,365
25,161,837	54,135				25,215,972	17,060,817
		13,971,880			15,301,297	13,760,073
					3,533,746	2,819,814
<u>41,610,538</u>	<u>70,114</u>	<u>13,971,880</u>	<u>18,028,498</u>	<u>0</u>	<u>78,544,193</u>	<u>66,545,868</u>
<u>\$ 70,936,734</u>	<u>\$ 79,973</u>	<u>\$14,641,643</u>	<u>\$18,028,498</u>	<u>\$6,478,193</u>	<u>\$115,919,810</u>	<u>\$100,245,798</u>

See accompanying notes.

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA

REVENUES

Taxes  
Licenses and Permits  
Intergovernmental Revenue  
Shared Revenues  
Charges For Services  
Fines and Forfeitures  
Miscellaneous  
TOTAL REVENUES

EXPENDITURES

Current:  
General Government  
Public Safety  
Physical Environment  
Transportation  
Economic Environment  
Human Services  
Culture/Recreation  
Capital Projects  
Debt Service  
(TOTAL EXPENDITURES)

EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES

OTHER FINANCING SOURCES (USES)

Operating Transfers In  
(Operating Transfers Out)  
TOTAL OTHER FINANCING SOURCES (USES)

EXCESS (DEFICIENCY) OF REVENUES AND OTHER  
SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES

FUND BALANCES, BEGINNING OF YEAR:

As Previously Reported  
Prior Period Adjustment  
As Restated  
FUND BALANCES, END OF YEAR

See accompanying notes.

GOVERNMENTAL FUND TYPES				TOTALS (MEMORANDUM ONLY)	
GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	1989	1988
\$ 2,131,934				\$ 2,131,934	\$ 1,937,253
180,947				180,947	133,624
0	\$ 493,121		\$ 527,896	1,021,017	633,941
1,591,329	0		0	1,591,329	1,549,790
157,408	0		0	157,408	141,168
166,150	0		0	166,150	158,356
668,054	0		85,901	753,955	790,218
<u>4,895,822</u>	<u>493,121</u>	<u>\$ 0</u>	<u>613,797</u>	<u>6,002,740</u>	<u>5,344,350</u>
805,871	0	0	0	805,871	923,257
2,932,098	0	0	0	2,932,098	2,793,549
303,352	0	0	0	303,352	321,833
917,851	0	0	0	917,851	731,121
0	84,817	0	0	84,817	27,679
24,896	402,620	0	0	427,516	332,269
1,537,640	0	0	0	1,537,640	1,383,337
0	0	0	1,832,131	1,832,131	2,394,738
0	0	557,374	0	557,374	477,423
<u>(6,521,708)</u>	<u>(487,437)</u>	<u>( 557,374)</u>	<u>(1,832,131)</u>	<u>(9,398,650)</u>	<u>(9,385,206)</u>
<u>(1,625,886)</u>	<u>5,684</u>	<u>( 557,374)</u>	<u>(1,218,334)</u>	<u>(3,395,910)</u>	<u>(4,040,856)</u>
3,451,600	0	562,074	659,983	4,673,657	3,759,995
(1,222,057)	0	0	0	(1,222,057)	( 924,108)
<u>2,229,543</u>	<u>0</u>	<u>562,074</u>	<u>659,983</u>	<u>3,451,600</u>	<u>2,835,887</u>
<u>603,657</u>	<u>5,684</u>	<u>4,700</u>	<u>( 558,351)</u>	<u>55,690</u>	<u>(1,204,969)</u>
2,879,964	20,250	665,880	1,201,202	4,767,296	5,972,265
40,177	0	0	0	40,177	0
<u>2,920,141</u>	<u>20,250</u>	<u>665,880</u>	<u>1,201,202</u>	<u>4,807,473</u>	<u>5,972,265</u>
<u>\$ 3,523,798</u>	<u>\$ 25,934</u>	<u>\$ 670,580</u>	<u>\$ 642,851</u>	<u>\$ 4,863,163</u>	<u>\$ 4,767,296</u>

See accompanying notes.

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
GENERAL, SPECIAL REVENUE AND CAPITAL PROJECTS FUND TYPES  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA

	<u>GENERAL FUND</u>		VARIANCE FAVORABLE (UNFAVORABLE)
	<u>BUDGET</u>	<u>ACTUAL</u>	
<u>REVENUES</u>			
Taxes	\$ 2,131,100	\$ 2,131,934	\$ 834
Licenses and Permits	165,500	180,947	15,447
Intergovernmental Revenue	1,529,000	1,591,329	62,329
Charges For Services	146,000	157,408	11,408
Fines and Forfeitures	160,300	166,150	5,850
Miscellaneous	615,400	668,054	52,654
<b>TOTAL REVENUES</b>	<u>4,747,300</u>	<u>4,895,822</u>	<u>148,522</u>
<u>EXPENDITURES</u>			
General Government	922,800	805,871	116,929
Public Safety	2,989,000	2,932,098	56,902
Physical Environment	336,600	303,352	33,248
Transportation	917,600	917,851	( 251)
Economic Environment	0	0	0
Human Services	26,500	24,896	1,604
Culture/Recreation	1,666,800	1,537,640	129,160
Capital Projects	0	0	0
<b>(TOTAL EXPENDITURES)</b>	<u>( 6,859,300)</u>	<u>( 6,521,708)</u>	<u>337,592</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 2,112,000)</u>	<u>( 1,625,886)</u>	<u>486,114</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Operating Transfers In	3,451,600	3,451,600	0
(Operating Transfers Out)	( 1,339,600)	( 1,222,057)	117,543
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>2,112,000</u>	<u>2,229,543</u>	<u>117,543</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<u>0</u>	<u>603,657</u>	<u>603,657</u>
<u>FUND BALANCES, BEGINNING OF YEAR:</u>			
As Previously Reported	2,879,964	2,879,964	0
Prior Period Adjustment	0	40,177	40,177
As Restated	<u>2,879,964</u>	<u>2,920,141</u>	<u>40,177</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 2,879,964</u>	<u>\$ 3,523,798</u>	<u>\$ 643,834</u>

See accompanying notes.

SPECIAL REVENUE FUND TYPES		
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
\$ 0	\$ 0	\$ 0
0	0	0
515,000	493,121	( 21,879)
0	0	0
0	0	0
0	0	0
<u>515,000</u>	<u>493,121</u>	<u>( 21,879)</u>
0	0	0
0	0	0
0	0	0
0	0	0
84,900	84,817	83
430,100	402,620	27,480
0	0	0
0	0	0
<u>( 515,000)</u>	<u>( 487,437)</u>	<u>27,563</u>
0	5,684	5,684
0	0	0
0	0	0
0	0	0
0	5,684	5,684
0	20,250	15,476
0	0	0
<u>4,774</u>	<u>20,250</u>	<u>15,476</u>
<u>\$ 4,774</u>	<u>\$ 25,934</u>	<u>\$ 21,160</u>

CAPITAL PROJECTS FUND TYPES		
BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
\$ 0	\$ 0	\$ 0
0	0	0
645,000	527,896	( 117,104)
0	0	0
0	0	0
100,000	85,901	( 14,099)
<u>745,000</u>	<u>613,797</u>	<u>( 131,203)</u>
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
2,188,600	1,832,131	356,469
<u>(2,188,600)</u>	<u>(1,832,131)</u>	<u>356,469</u>
(1,443,600)	(1,218,334)	225,266
775,000	659,983	( 115,017)
0	0	0
<u>775,000</u>	<u>659,983</u>	<u>( 115,017)</u>
( 668,600)	( 558,351)	110,249
568,428	1,201,202	632,774
0	0	0
<u>568,428</u>	<u>1,201,202</u>	<u>632,774</u>
<u>\$( 100,172)</u>	<u>\$ 642,851</u>	<u>\$ 743,023</u>

See accompanying notes.

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS  
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA

OPERATING REVENUES

Charges For Services  
Other Operating Revenue  
Investment Income  
Contributions  
TOTAL OPERATING REVENUES

OPERATING EXPENSES

Investment Expense  
Generation and Transmission  
Purchased Energy  
Operating and Maintenance  
Administrative Expenses  
Depreciation and Amortization  
Benefit Payments  
(TOTAL OPERATING EXPENSES)

OPERATING INCOME (LOSS)

NONOPERATING REVENUES (EXPENSES)

Interest Earnings  
Interest Expense  
Other Income and Expenses  
TOTAL NONOPERATING REVENUES (EXPENSES)

INCOME (LOSS) BEFORE OPERATING TRANSFERS

OTHER FINANCING SOURCES (USES)

Nonoperating Financing Sources  
(Operating Transfers Out)  
TOTAL OTHER FINANCING SOURCES (USES)

NET INCOME (LOSS) BEFORE EXTRAORDINARY ITEM

EXTRAORDINARY (LOSS) ON ADVANCE BOND REFUNDING

NET INCOME (LOSS)

RETAINED EARNINGS/FUND BALANCES, BEGINNING OF YEAR:

As Previously Report  
Prior Period Adjustment  
As Restated

RETAINED EARNINGS/FUND BALANCES, END OF YEAR

See accompanying notes.



PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		TOTALS (MEMORANDUM ONLY)	
ENTERPRISE	INTERNAL SERVICE	PENSION TRUST	NONEXPENDABLE TRUST	1989	1988
\$ 32,797,944	\$ 240,305	\$ 0	\$ 0	\$ 33,038,249	\$ 31,654,796
428,170	0	0	0	428,170	344,491
0	0	1,473,366	80,512	1,553,878	913,309
0	0	798,400	933,001	1,731,401	1,674,492
<u>33,226,114</u>	<u>240,305</u>	<u>2,271,766</u>	<u>1,013,513</u>	<u>36,751,698</u>	<u>34,587,088</u>
0	0	1,303	0	1,303	216,827
1,286,617	0	0	0	1,286,617	1,241,819
15,472,304	0	0	0	15,472,304	14,311,007
4,263,866	257,757	0	0	4,521,623	3,966,410
1,773,086	0	117,034	181,676	2,071,796	2,515,853
2,703,768	6,178	0	0	2,709,946	2,153,580
0	0	220,942	564,858	785,800	722,074
<u>(25,499,641)</u>	<u>( 263,935)</u>	<u>( 339,279)</u>	<u>( 746,534)</u>	<u>(26,849,389)</u>	<u>(25,127,570)</u>
<u>7,726,473</u>	<u>( 23,630)</u>	<u>1,932,487</u>	<u>266,979</u>	<u>9,902,309</u>	<u>9,459,518</u>
1,549,099	0	0	0	1,549,099	1,093,309
( 1,895,691)	0	0	0	( 1,895,691)	( 2,060,731)
107,526	0	0	0	107,526	( 2,467)
<u>( 239,066)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>( 239,066)</u>	<u>( 969,889)</u>
<u>7,487,407</u>	<u>( 23,630)</u>	<u>1,932,487</u>	<u>266,979</u>	<u>9,663,243</u>	<u>8,489,629</u>
0	0	0	0	0	14,241
( 3,451,600)	0	0	0	( 3,451,600)	( 2,835,887)
<u>( 3,451,600)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>( 3,451,600)</u>	<u>( 2,821,646)</u>
4,035,807	( 23,630)	1,932,487	266,979	6,211,643	5,667,983
( 2,739,684)	0	0	0	( 2,739,684)	0
<u>1,296,123</u>	<u>( 23,630)</u>	<u>1,932,487</u>	<u>266,979</u>	<u>3,471,959</u>	<u>5,667,983</u>
22,321,417	77,765	11,041,119	771,472	34,211,773	28,543,790
5,815,113	0	( 40,177)	0	5,774,936	0
<u>28,136,530</u>	<u>77,765</u>	<u>11,000,942</u>	<u>771,472</u>	<u>39,986,709</u>	<u>28,543,790</u>
<u>\$ 29,432,653</u>	<u>\$ 54,135</u>	<u>\$ 12,933,429</u>	<u>\$ 1,038,451</u>	<u>\$ 43,458,668</u>	<u>\$ 34,211,773</u>

See accompanying notes.

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION  
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA

SOURCE OF WORKING CAPITAL

Operations:

Net Income Before Extraordinary Item

Items Not Affecting Working Capital:

Depreciation and Amortization

Increase in Capital Appreciation Revenue Bond Accrued Interest

Working Capital Provided By (Used In) Operations

Decrease in Restricted Assets

Net Increase in Current Liabilities Payable From Restricted Assets

Decrease in Other Assets

Contributed Capital

Plant Retirements

Net Long-Term Debt Issued - Advance Refunding

Accrued Interest on Capital Appreciation Revenue Bonds

TOTAL SOURCE OF WORKING CAPITAL

USE OF WORKING CAPITAL

Extraordinary Item - Loss on Refunding

Increase in Restricted Assets

Increase in Other Assets

Additions to Property and Equipment

Additions of Nuclear Fuel

Decrease in Long-Term Liabilities

Advance Refunding of Net Long-Term Debt

Reclassification of Long-Term Debt to Current

(TOTAL USE OF WORKING CAPITAL)

INCREASE (DECREASE) IN WORKING CAPITAL (BELOW)

CHANGES IN WORKING CAPITAL BY COMPONENT

Current Assets - Increase (Decrease):

Cash and Investments

Customer Accounts (Net)

Accrued Interest

Due From Other Funds

Inventory

Current Liabilities - Decrease (Increase):

Accounts Payable

Accrued Expenses

Customer Advances For Construction

Due to Other Funds

Current Portion - Long-Term Liabilities

INCREASE (DECREASE) IN WORKING CAPITAL (ABOVE)

See accompanying notes.

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES		TOTALS (MEMORANDUM ONLY)	
ENTERPRISE	INTERNAL SERVICE	PENSION TRUST	NONEXPENDABLE TRUST	1989	1988
\$ 4,035,807	\$( 23,630)	\$ 1,932,487	\$ 266,979	\$ 6,211,643	\$ 5,667,983
3,056,042	6,178	0	0	3,062,220	2,487,440
104,228	0	0	0	104,228	0
<u>7,196,077</u>	<u>( 17,452)</u>	<u>1,932,487</u>	<u>266,979</u>	<u>9,378,091</u>	<u>8,155,423</u>
646,292	0	0	0	646,292	317,071
358,264	0	0	0	358,264	17,425
0	0	0	0	0	183,798
531,827	0	0	0	531,827	413,253
1,469	0	0	0	1,469	25,728
21,514,690	0	0	0	21,514,690	0
0	0	0	0	0	98,800
<u>30,248,619</u>	<u>( 17,452)</u>	<u>1,932,487</u>	<u>266,979</u>	<u>32,430,633</u>	<u>9,211,498</u>
2,739,684	0	0	0	2,739,684	0
311,483	0	0	0	311,483	716,846
225,557	0	0	0	225,557	0
4,558,103	7,067	0	0	4,565,170	2,459,459
277,004	0	0	0	277,004	95,642
159,583	0	0	0	159,583	356,618
18,043,611	0	0	0	18,043,611	0
420,000	0	0	0	420,000	0
<u>(26,735,025)</u>	<u>( 7,067)</u>	<u>0</u>	<u>0</u>	<u>(26,742,092)</u>	<u>( 3,628,565)</u>
<u>3,513,594</u>	<u>( 24,519)</u>	<u>1,932,487</u>	<u>266,979</u>	<u>5,688,541</u>	<u>5,582,933</u>
3,982,768	( 20,769)	1,928,684	266,800	6,157,483	4,759,060
100,163	0	0	0	100,163	134,704
( 31,225)	0	3,803	0	( 27,422)	12,221
0	0	0	0	0	( 457,015)
( 141,866)	( 1,959)	0	0	( 143,825)	115
( 177,710)	0	0	179	( 177,531)	282,018
( 275,510)	( 1,791)	0	0	( 277,301)	465,279
26,974	0	0	0	26,974	( 13,273)
0	0	0	0	0	483,324
30,000	0	0	0	30,000	( 83,500)
<u>\$ 3,513,594</u>	<u>\$( 24,519)</u>	<u>\$ 1,932,487</u>	<u>\$ 266,979</u>	<u>\$ 5,688,541</u>	<u>\$ 5,582,933</u>

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS  
CITY OF LEESBURG, FLORIDA

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Leesburg is a Florida municipality governed by an elected five-member City Commission. The City provides services to its citizens including fire and police protection, electric, gas, water, wastewater, sanitation, parks and recreation, streets and other general governmental activities. The City Commission is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Commission appointed City Manager.

The accounting policies of the City of Leesburg, Florida, conform to generally accepted accounting principles for governmental entities. The following is a summary of significant accounting policies.

Reporting Entity

The basic criterion for including an agency, institution, authority, or other organization in a governmental unit's reporting entity is the exercise of oversight responsibility over such agencies by the governmental unit's elected officials. Oversight responsibility is defined to include, but is not limited to: financial interdependency; selection of governing authority; designation of management; ability to significantly influence operations; accountability for fiscal matters and other factors including special financing relationships. There are no entities over which the City exerts any type of influence and, accordingly, the accompanying general purpose financial statements include only the fund types and account group of the City itself.

Fund Accounting

The accounting system and financial reporting of the City are organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund and Account Group Categories

The categories of funds and account groups of the City are summarized as follows:

- (1) Governmental Type Funds are those through which most government functions typically are financed. The acquisition, use, and balances of expendable financial resources and the related current liabilities (except those accounted for in proprietary funds) are accounted for through governmental type funds. Governmental funds used by the City are as follows:

General Fund - to account for all financial resources which are not required to be accounted for in another fund.

(Continued)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund and Account Group Categories (Continued)

(1) (Concluded)

Community Development Block Grant, and Housing Assistance Program Fund - these funds are Special Revenue Funds which account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditures for specified purposes.

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

Capital Projects Funds - are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds, Special Assessment Funds and Trust Funds).

(2) Proprietary Funds are used to account for a government's ongoing activities which are similar to those found in the private sector.

The two types of proprietary funds used by the City are:

Enterprise Funds are used to account for activities that are operated in a manner similar to private businesses where the costs of providing goods and services are primarily recovered through user charges. Enterprise funds of the City are as follows:

Electric Utility Fund  
Gas Utility Fund  
Water Utility Fund  
Sanitary Sewer and Wastewater Treatment Fund  
Sanitation Services Fund

Internal Service Funds are used to account for the financing of goods and services provided by one department to other departments of the City on a cost-reimbursement basis. The Motor Pool Service Fund is the Internal Service Fund operated by the City.

(3) Fiduciary funds are used to account for assets held in a trustee capacity for others. The City's fiduciary funds are as follows:

Municipal Police Officers' Retirement Trust Fund  
Municipal Firemen's Retirement Trust Fund  
General Employees' Pension Plan  
General Employees' Health Insurance Fund  
Workmen's Compensation Insurance Fund  
Deferred Compensation Fund

(Continued)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund and Account Group Categories (Concluded)

- (4) Account Groups record and control the government's general fixed assets and general long-term debt. The account groups are not funds and do not reflect available financial resources and related liabilities. The following account groups are maintained by the City.

General Fixed Assets - to account for property and equipment not used in Proprietary Fund operations or accounted for in Trust Funds.

General Long-Term Debt - to account for unmatured principal of long-term general obligation indebtedness that is not a specific liability of a Proprietary or Fiduciary Fund.

Measurement Focus

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. Governmental Fund Types - General, Special Revenue, Debt Service and Capital Projects Funds are accounted for on a "spending" or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental Fund Type operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, such statements are said to present a summary of sources and uses of "available, spendable resources" during a period.

Fixed assets used in Governmental Fund Type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds, and long-term liabilities expected to be financed from Governmental Fund Types are accounted for in the General Long-Term Debt Account Group.

The Proprietary Funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with its activity are included on its balance sheet. The reported fund equity (net total assets) is segregated into contributions and retained earnings components. The Proprietary Fund operating statement presents increases (revenues) and decreases (expenses) in net total assets.

Basis of Accounting

Governmental Funds revenues and expenditures are recognized on the modified accrual basis. This method recognizes revenues in the accounting period in which they become available and measurable. Expenditures are recognized in the period in which the fund liability is incurred (except unmatured interest on general long-term debt which is recognized when due).

Governmental Fund Type revenues that are susceptible to accrual include property taxes, franchise fees, Federal and State revenue sharing revenues, and reimbursements from grants for authorized expenditures through September 30.

(Continued)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Concluded)

Budget data, when presented in the financial statements, is prepared on the same basis of accounting as described for each fund. Encumbrances outstanding at year end are deemed cancelled and amounts sufficient to re-establish the commitment are included in the appropriations for the subsequent year.

Fund balances are reserved within the General Fund for police expenditures (\$6,957) and fire expenditures (6,845); within the Debt Service Fund (\$670,580) for retirement of debt; and within the Capital Projects Fund (\$642,851) for construction; within the Special Revenue Funds for capital improvements (\$2,184).

Proprietary Fund revenues and expenses are recognized on the accrual basis. Revenues of the enterprise funds are recognized on the basis of services rendered. Billing cycles of the Utility Funds and Sanitation Services Fund which overlap September 30 are prorated based upon meter reading dates. Total unbilled revenues for the combined Utility Funds and Sanitation Services Fund amount to \$1,749,642 at September 30, 1989.

Fiduciary Funds of the City consist of nonexpendable Pension Trust and Self-Insurance Funds and are accounted for on the accrual basis and a Deferred Compensation Agency Fund which is accounted for on the modified accrual basis.

Transfers

Transfers are recognized in the accounting period in which the interfund receivable and payable arise. Transfers are made from the utility funds to finance operations of the General Fund, and the General Fund makes transfers to the Special Revenue Fund, Debt Service Fund, and Capital Projects funds.

Grants-Proprietary Funds

Unrestricted grants, entitlements or shared revenues received are reported as nonoperating revenues. Such resources externally restricted for capital acquisitions or construction are reported as contributed capital. Operating expenses include depreciation on all depreciable fixed assets.

Investments

In all funds, except the Pension Trust Funds, investments are stated at amortized cost. In accordance with Statement of Financial Accounting Standards No. 35 - Accounting and Reporting By Defined Benefit Pension Plans, the investments within the Pension Trust Funds are stated at market value.

Inventories

Inventories held by the Utility, Sanitation Services and Motor Pool Funds are priced by the weighted average cost method. Inventory shown in the General Fund consists of expendable supplies and Police Department gasoline held for consumption and gasoline held for resale at the municipal airport. The inventory on hand, not held for resale, has been offset by a fund balance reserve of an equal amount. Inventory is accounted for by use of the consumption method.

(Continued)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable

Customer accounts receivable are presented at estimated net realizable value. The allowance method is used for determining estimated uncollectible accounts.

Amortization

Bond issue costs are amortized over the life of the bonds.

Cost Recovery/Contributions

Certain personal services and operating expenses recorded in various funds and departments are a result of services performed and expenses/expenditures incurred for the benefit of other funds and departments. In order to better reflect the various funds' and departments' actual costs, a cost recovery is recorded as a reduction in expenditures or expenses. The funds and departments which benefit from the services and expenses/expenditures record a cost contribution as an increase in expenditures or expenses.

Fixed Assets (Proprietary Funds)

Fixed assets (Proprietary Funds) are recorded at historical cost. Depreciation is computed by the straight-line method over the estimated useful lives of the assets as follows:

Utility Funds:

Buildings	10 to 50 Years
Improvements Other Than Buildings	20 to 50 Years
Machinery, Equipment and Vehicles	4 to 20 Years
Nuclear Fuel	5 Years

Sanitation Services Fund:

Equipment	5 to 10 Years
Vehicles	5 to 7 Years

Motor Pool Service Fund:

Equipment	3 to 10 Years
Vehicles	6 Years

General Fixed Assets

General fixed assets purchased are recorded as expenditures in the Governmental Fund Types at the time of purchase. Such assets are capitalized at cost in the General Fixed Assets group of accounts. The City's policy is not to report public domain fixed assets such as streets, right-of-ways, sidewalks, drainage systems and similar assets. Donated fixed assets are valued at their estimated fair value at the time of acquisition. General Fixed Assets include the City's cost of assets of Leesburg Regional Medical Center. Depreciation is not provided on General Fixed Assets.

(Continued)



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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

The City accrues accumulated compensated absences for Governmental and Proprietary Funds. Compensated absences are recorded in the Governmental Fund Types as an expenditure for the amount accrued during the year that would normally be liquidated with expendable available financial resources. The remainder of the liability is reported in the General Long-Term Debt Account Group. The Proprietary Fund Type accrues compensated absences in the period they are earned. Personnel policies allow employees to accumulate a maximum of 90 days vacation leave and 90 days sick leave. Upon termination, employees are paid for their accrued vacation leave and 25% of their accrued sick leave balance. Accrued vacation and sick leave benefits for the various funds at September 30, 1989, are as follows:

	<u>VACATION</u>	<u>SICK PAY</u>
Internal Service Fund	\$ 6,624	\$ 3,234
Enterprise Funds:		
Electric Utility Fund	50,678	49,347
Gas Utility Fund	23,419	13,969
Water Utility Fund	20,456	16,262
Wastewater Treatment Fund	48,527	24,776
Sanitation Services Fund	22,884	14,279
Governmental Type Funds	301,480	165,357
TOTAL	<u>\$474,068</u>	<u>\$287,224</u>

Budgeting

The City's procedures in preparing and adopting the annual budget are as follows:

- (1) The City Manager is responsible for preparing a proposed operating budget for the upcoming year prior to September 30, that includes estimated revenues, proposed expenditures, and other financing sources and uses.
- (2) Public hearings are held to obtain taxpayer comments and suggestions. The budget is enacted through passage of a resolution.
- (3) The City Manager is authorized to transfer budgeted amounts within any fund, but may not revise total fund expenditures without the approval of the City Commission. The budgetary data presented is in agreement with the originally adopted budget as amended by the City Commission.
- (4) Formal budgetary integration is employed as a management control device during the year for substantially all funds. Budgets are adopted on a basis consistent with generally accepted accounting principles. Total budgeted fund expenditures within the governmental type funds may not be exceeded legally. Appropriations lapse at the end of the year. Encumbrance accounting is not used by the City.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Total Columns on the Combined Statements - Overview

Total columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data. Minor reclassifications of 1988 amounts have been made to enhance comparison to 1989.

Property Taxes

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the state regulating tax assessment are also designed to assure a consistent property valuation method statewide. Florida Statutes permit municipalities to levy property taxes at a rate of up to 10 mills.

The tax levy of the City is established by the City Commission prior to October 1 of each year and the Lake County Property Appraiser incorporates the City millages into the total tax levy, which includes the County and the County School Board tax requirements.

All property is reassessed according to its fair market value January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of the Florida Statutes.

All taxes are assessed on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the County Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. The taxes paid in March are without discount.

On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear interest of 18% per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by the County.

Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property or by the five-year statute of limitations.

The City does not accrue its portion of the County-held tax sale certificates or personal property tax warrants because such amounts are not measurable and available as of the balance sheet date.

(Continued)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Due From Other Governments

Due from other governments consists primarily of current shared and grant revenues due from the State of Florida and Federal government. All amounts are considered completely collectible.

Deposits and Investments

The City's Charter and bond ordinances require that all City monies be deposited or invested in accordance with the laws of the State of Florida.

The City maintains a cash and investment pool that is available for use by all funds, except the Pension Trust Fund. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in pooled cash and investments." The deposits and investments of the Pension Trust and Agency Funds are held separately from those of other City funds.

Deposits

All of the City's deposits, except the Pension Trust and Agency Funds, are maintained in banks and financial institutions which are covered by the Florida Security for Public Deposits Act; Chapter 280 of the Florida Statutes, which requires that each public depository must maintain eligible collateral having a market value equal to fifty percent of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held by the depository during the twelve months immediately preceding the date of any computation of the balance. As such, the depository is not required to hold collateral in the City's name nor specify which collateral is held for the City's benefit. The Public Deposit Security Trust Fund, as created under the laws of the State of Florida, would be required to pay the City for any deposits not covered by depository insurance or collateral pledged by the depository as previously described.

Investments

A summary of the carrying amount and market value of all City investments follows:

	<u>CARRYING AMOUNT</u>	<u>MARKET VALUE</u>
<u>Pooled Investments</u>		
Sun Bank Repurchase Agreement, Collateralized By Federal Home Loan Bank Securities	\$10,279,000	\$10,644,190
State Board of Administration of Florida, Local Government Pooled Investment Account	10,049,801	10,049,801
U.S. Treasury Bills, Notes and Bonds	4,878,765	4,962,884

(Continued)

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

Investments (Concluded)

	CARRYING AMOUNT	MARKET VALUE
<u>Pension Trust and Agency Fund Investments</u>		
Corporate Stocks	\$ 1,622,700	\$ 1,622,700
Corporate Bonds	4,757,296	4,757,296
U.S. Treasury Notes and Municipal Bonds	2,559,572	2,559,572
Collective Trust Funds	3,745,901	3,745,901
TOTAL INVESTMENTS	\$37,893,035	\$38,342,344
Carrying Amount of Deposits	\$ 1,149,062	
Carrying Amount of Investments (Above)	37,893,035	
TOTAL	\$39,042,097	

Shown in the Accompanying Combined Balance  
Sheets As:

Equity in Pooled Cash and Investments	\$18,490,326
Cash and Investments at Market Value	13,444,185
Restricted Assets:	
Equity in Pooled Cash and Investments	7,107,586
TOTAL	\$39,042,097

All the above investments are uninsured, unregistered, and held by the City's agent in the agent's name. The State Board of Administration deposits in Tallahassee are maintained in an investment pool which invests primarily in commercial paper, repurchase agreements, bankers acceptance notes and U.S. Government obligations. At September 30, 1989, the pool totalled \$4.98 billion.

NOTE 2 - RESTRICTED ASSETS AND RESERVED RETAINED EARNINGS

Utility Funds - Bond Service Requirements As of September 30, 1989, bond funding requirements are current. The Refunding Revenue Bond Resolutions required the establishment of the following accounts:

Refunding Revenue Bond Debt Service In accordance with terms of the bond resolution, the City deposits cash monthly into a separate account to fund upcoming principal and interest payments on the bonds. Such cash and investments are reflected in the financial statements as restricted assets.

(Continued)

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

NOTE 2 - RESTRICTED ASSETS AND RESERVED RETAINED EARNINGS (Concluded)

Refunding Revenue Bond Reserve In lieu of funding an internal debt service reserve to fund principal and interest payments in the event of a sinking fund deficiency, the City has purchased municipal bond insurance. Accordingly, there is no internal debt service reserve.

Renewal and Replacement The City must make monthly deposits to a separate account which is restricted for paying the costs of extensions, enlargements or additions to, or replacement of capital assets and emergency repairs thereto. The deposit requirement is 1/12 of 5% of the year's gross revenues after deducting the cost of purchased energy.

Bond Proceeds - Construction Account The proceeds of the bond issue have been segregated and are restricted to payment of acquisition and construction costs of capital improvement projects.

Designated Retained Earnings  
The depreciation, potable water and wastewater treatment accounts are funds set aside by city management. They should be distinguished from reserves, since managerial plans are subject to change and may never be legally authorized or result in actual expenditures.

NOTE 3 - GENERAL FIXED ASSETS AND PROPERTY, PLANT AND EQUIPMENT

A summary of changes in general fixed assets follows:

	<u>BALANCE</u> <u>10/1/88</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>09/30/89</u>
Land	\$ 2,209,174	\$ 51,445	\$ 0	\$ 2,260,619
Buildings	5,360,185	1,597,436	0	6,957,621
Improvements Other Than Buildings	3,233,231	297,701	0	3,530,932
Equipment and Vehicles	3,219,042	637,186	114,729	3,741,499
Construction in Progress	1,883,130	1,832,131	2,177,434	1,537,827
<b>TOTAL</b>	<b><u>\$15,904,762</u></b>	<b><u>\$4,415,899</u></b>	<b><u>\$2,292,163</u></b>	<b><u>\$18,028,498</u></b>

(Continued)

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

NOTE 3 - GENERAL FIXED ASSETS AND PROPERTY, PLANT AND EQUIPMENT (Concluded)

A summary of proprietary fund type property, plant and equipment at September 30, 1989, follows:

	<u>ENTERPRISE</u>	<u>INTERNAL SERVICE</u>
Intangible Plant	\$ 79,231	\$ 0
Land	1,298,372	0
Buildings	3,326,362	27,755
Improvements Other Than Buildings	54,022,752	0
Equipment	8,037,905	87,122
Construction in Progress	552,628	0
TOTAL	67,317,250	114,877
(Accumulated Depreciation)	(22,036,680)	(65,645)
NET	\$ 45,280,570	\$ 49,232

Capitalized Interest

The City has included net capitalized interest expense (income) in the cost of its utility plant and general fixed assets, financed from the proceeds of certain tax-exempt bond issues. No interest was capitalized for the fiscal year ended September 30, 1989.

NOTE 4 - EXTRAORDINARY ITEM - LOSS ON ADVANCE BOND REFUNDING

On January 11, 1989, the City issued \$21,810,000 in Series 1989 Refunding Utilities Revenue Bonds with an average coupon rate of 7.23 percent to advance refund a portion, or \$18,140,000, of the \$19,999,999 Series 1984 Refunding Utilities Revenue Bonds. The \$18.14 million of refunded bonds had an average coupon rate of 10.15%. The net proceeds of \$21,159,373 (after payment of \$650,627 in underwriting fees, insurance and other issuance costs) plus an additional \$7,861 of Series 1984 sinking accounting group monies were used to purchase U.S. Government securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the \$18,140,000 of the 1984 Series bonds. As a result, the \$18.14 million of 1984 bonds is considered to be defeased and the liability for those bonds has been removed from the liabilities of the affected proprietary funds. 1984 Series bonds payable totalling \$1,859,999, consisting of serial bonds of \$1,250,000, with an average coupon rate of 8.88% and capital appreciation bonds of \$609,999 with a 10.88% yield, were not refunded and remain outstanding.

Although the advance refunding resulted in the recognition of an accounting loss of \$2,739,684 for the year ended September 30, 1989, the City in effect reduced its aggregate debt service payments by \$2,210,461 over the next twenty years and obtained an economic gain (difference between the present values of the old and new debt service payments) of approximately \$1,160,000.

(Continued)

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

NOTE 5 - LONG-TERM LIABILITIES

The following is a summary of all long-term liabilities of the City.

Utility Funds

Refunding Utilities Revenue Bonds, Series 1984, Dated September 1, 1984, Issued September 27, 1984	\$ 1,850,999
Accrued Interest Through September 30, 1989 on Series 1984 Capital Appreciation Bonds	427,122
Refunding Utilities Revenue Bonds, Series 1989, Dated December 1, 1988, Issued January 11, 1989	<u>21,810,000</u>
<b>TOTAL UTILITY FUNDS</b>	<u><u>\$24,097,121</u></u>

The 1984 and 1989 bonds are fully registered bonds in denominations of \$5,000 and are collateralized by a pledge of the net revenues of the utilities system. Bond maturity dates and debt service requirements for the combined 1984 and 1989 issues are as follows:

DUE 10/1	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE BONDS	SINKING FUND SECURITY PURCHASES	(SINKING FUND SECURITY PURCHASES INCOME)	TOTAL BOND MATURITIES AND DEBT SERVICE REQUIREMENTS
1989	\$ 420,000	\$ 1,425,648	\$ 1,845,648	\$ 474,150	\$( 148,294)	\$ 2,171,504
1990	185,000	1,663,797	1,848,797	511,029	( 185,831)	2,173,995
1991	195,000	1,652,512	1,847,512	553,176	( 226,256)	2,174,432
1992	205,000	1,640,422	1,845,422	595,322	( 269,775)	2,170,969
1993	820,000	1,627,507	2,447,507	0	( 313,913)	2,133,594
1994	885,000	1,560,927	2,445,927	0	( 313,913)	2,132,014
1995	955,000	1,487,152	2,442,152	0	( 313,913)	2,128,239
1996	1,020,000	1,424,122	2,444,122	0	( 313,913)	2,130,209
1997	1,090,000	1,355,272	2,445,272	0	( 313,913)	2,131,359
1998	1,160,000	1,280,062	2,440,062	0	( 313,913)	2,126,149
1999	1,245,000	1,198,862	2,443,862	0	( 313,913)	2,129,949
2000	1,330,000	1,110,467	2,440,467	0	( 313,913)	2,126,554
2001	1,425,000	1,014,707	2,439,707	0	( 313,913)	2,125,794
2002	1,535,000	910,682	2,445,682	0	( 313,913)	2,131,769
2003	1,645,000	797,860	2,442,860	0	( 313,913)	2,128,947
2004	1,775,000	676,130	2,446,130	0	( 313,913)	2,132,217
2005	5,720,000	545,150	6,265,150	0	( 4,118,913)	2,146,237
2006	1,590,000	539,600	2,129,600	0	0	2,129,600
2007	1,705,000	418,760	2,123,760	0	0	2,123,760
2008	1,835,000	289,180	2,124,180	0	0	2,124,180
2009	1,970,000	149,720	2,119,720	0	0	2,119,720
<b>TOTAL</b>	<u>\$28,705,000</u>	<u>\$ 22,768,539</u>	<u>\$ 51,473,539</u>	<u>\$2,133,677</u>	<u>\$( 8,716,025)</u>	<u>\$ 44,891,191</u>

(Continued)

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

NOTE 5 - LONG-TERM LIABILITIES (Continued)

Total Principal Above	\$ 28,705,000
Less: Unearned Interest (Discount) on Capital Appreciation Bonds From October 1, 1989 Through October 1, 2005	<u>( 4,607,879)</u>
<b>TOTAL BONDS PAYABLE - SEPTEMBER 30, 1989</b>	<b><u>\$ 24,097,121</u></b>

Capital Appreciation Bonds

The 1984 bond issue contains \$609,999 of capital appreciation bonds which at maturity (October 1, 2005) will be worth a total of \$5,645,000. The total value of the capital appreciation bonds as of September 30, 1989, is \$1,037,121, which is composed of the maturity value of \$5,645,000 less the unearned discount of \$4,607,879. This is carried in the accompanying general purpose financial statements as follows:

Bonds Payable (Part of 1984 Series)	\$ 609,999
Accrued Interest On Capital Appreciation Bonds	<u>427,122</u>
<b>TOTAL</b>	<b><u>\$1,037,121</u></b>

Estimated Landfill Closure Costs

The City will be closing its present landfill site around 1990-1991 at an estimated total cost of \$1,572,334. An asset and related liability have been recorded in the balance sheet of the City's Sanitation Fund to reflect this cost and related liability. The cost of the closure will be financed by user fees. The closure cost is being amortized over the period (six years) that rates are increased to pay off future long-term debt and other associated costs. A summary of the carrying value of the closure cost asset and liability follows:

	<u>CLOSURE COST</u>	
	<u>ASSET</u>	<u>LIABILITY</u>
Original Estimated Cost, September 30, 1985	\$ 1,723,303	\$ 1,723,303
(Adjustment of Original Estimate)	( 150,969)	( 150,969)
(Accumulated Amortization)	(1,073,384)	0
(Costs Paid)	0	( 471,917)
<b>Balance, September 30, 1989</b>	<b><u>\$ 498,950</u></b>	<b><u>\$ 1,100,417</u></b>

A summary of reductions in the estimated liability follows:

1990	\$ 400,000
1991	700,417
<b>TOTAL</b>	<b><u>\$1,100,417</u></b>

(Continued)



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

NOTE 5 - LONG-TERM LIABILITIES (Continued)

General Long-Term Debt

A summary of all general long-term debt of the City as of September 30, 1989, follows:

Note Payable, Uncollateralized, Due in Monthly Installments of \$2,125 Including Interest at 8%	\$ 28,356
Mortgage Notes Payable, Collateralized By Real Estate, Due in Annual Installments of \$1,000 With Interest at 4%	14,000
Mortgage Note Payable, Collateralized By Real Estate, Due in Annual Installments of \$3,000 With Interest At 10%	9,000
Refunding and Capital Improvement Revenue Bonds Payable, Issued in April, 1987, Interest From 4% to 7%	5,960,000
Employee Compensated Absences Payable at September 30, 1989	466,837
TOTAL	<u>\$6,478,193</u>

Maturities of General Long-Term Debt

Maturities of general long-term debt for years ending September 30, are as follows:

1990	\$ 165,000
1991	156,356
1992	154,000
1993	161,000
1994	171,000
Thereafter	5,670,837
TOTAL	<u>\$6,478,193</u>

The following is a summary of changes in general long-term debt for the year ended September 30, 1989:

	<u>BALANCE</u> OCTOBER 1, 1988	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> SEPTEMBER 30, 1989
Refunding and Capital Improvement Bonds	\$6,095,000	\$ 0	\$ 135,000	\$ 5,960,000
Mortgages and Notes Payable	75,815	0	24,459	51,356
Employee Compensated Absences Payable	432,156	34,681	0	466,837
TOTAL	<u>\$6,602,971</u>	<u>\$ 34,681</u>	<u>\$ 159,459</u>	<u>\$ 6,478,193</u>

(Continued)

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

NOTE 5 - LONG-TERM LIABILITIES (Continued)

Refunding and Capital Improvement Bonds

During April 1987, the City issued \$6,145,000 of Refunding and Capital Improvement Revenue Bonds to provide funds for certain Improvement Projects, and the refunding and payment of the City's Refunding and Capital Improvement Revenue Bonds, Series 1984.

The 1987 Bonds are fully registered bonds without coupons in denominations of \$5,000 each and are collateralized by a pledge of Local Government Half-Cent Sales Tax Revenue and income of certain investments.

In a related but separate transaction, the City also defeased the \$85,000 remaining balance of the 1960 Public Revenue Certificates, with an \$88,021 payment from existing City funds to the bond escrow agent.

A summary of the debt service requirements of the 1987 Refunding and Capital Improvement Bonds follows:

<u>PAYABLE</u> <u>OCTOBER 1,</u>	<u>INTEREST</u> <u>RATE</u>	<u>PRINCIPAL</u>	<u>ASSOCIATED</u> <u>INTEREST</u>	<u>TOTAL</u> <u>DEBT SERVICE</u>
1989	4.50%	\$ 140,000	\$ 389,067	\$ 529,067
1990	4.75%	145,000	382,767	527,767
1991	5.00%	150,000	375,880	525,880
1992	5.20%	160,000	368,380	528,380
1993	5.40%	170,000	360,060	530,060
1994	5.60%	180,000	350,880	530,880
1995	5.80%	190,000	340,800	530,800
1996	6.00%	200,000	329,780	529,780
1997	6.20%	210,000	317,780	527,780
1998	6.30%	225,000	304,760	529,760
1999	6.40%	240,000	290,585	530,585
2000	6.50%	255,000	275,225	530,225
2001	7.00%	270,000	258,650	528,650
2002	7.00%	290,000	239,750	529,750
2003	7.00%	310,000	219,450	529,450
2004	7.00%	330,000	197,750	527,750
2005	7.00%	355,000	174,650	529,650
2006	7.00%	380,000	149,800	529,800
2007	7.00%	405,000	123,200	528,200
2008	7.00%	435,000	94,850	529,850
2009	7.00%	465,000	64,400	529,400
2010	7.00%	455,000	31,850	486,850
<u>TOTAL</u>		<u>\$5,960,000</u>	<u>\$ 5,640,314</u>	<u>\$ 11,600,314</u>

(Continued)

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

NOTE 5 - LONG-TERM LIABILITIES (Concluded)

A summary of all long-term debt previously defeased and no longer a liability of the City follows:

	BALANCE SEPTEMBER 30, 1989
<u>PROPRIETARY FUND TYPES - UTILITY FUNDS</u>	
Utilities Revenue Certificates, Series 1959	\$ 100,000
Utilities Revenue Certificates, Series 1962	135,000
Utilities Revenue Certificates, Series 1965	70,000
Utilities Revenue Certificates, Series 1970	150,000
Utilities Revenue Certificates, Series 1975	1,205,000
Utilities Revenue Certificates, Series 1977	12,020,000
Utilities Revenue Certificates, Series 1977A	190,000
Utilities Refunding Revenue Bonds, Series 1984	18,140,000
TOTAL PROPRIETARY FUND TYPES - UTILITY FUNDS	<u>32,010,000</u>
<u>GENERAL LONG-TERM DEBT GROUP OF ACCOUNTS</u>	
1960 Public Revenue Certificates Refunding and Capital Improvement Bonds, Series 1984	
TOTAL GENERAL LONG-TERM DEBT GROUP OF ACCOUNTS	<u>2,075,000</u>
TOTAL DEFEASED DEBT - ALL FUNDS AND ACCOUNT GROUPS	<u>\$ 34,085,000</u>

NOTE 6 - ELECTRIC POWER AGREEMENTS

Crystal River Unit #3 Participation Agreement

The City is a participant in an agreement with Florida Power Corporation which was entered into on July 31, 1975. Under terms of the agreement, the City acquired an 0.8244% ownership interest and generation entitlement share in the nuclear steam electric generating unit. Participants are entitled to energy output of the unit based upon their respective generation entitlement share.

Florida Power Corporation has been appointed by the participants to act as their agent and has sole authority to manage, control, maintain and operate the unit. Operating costs of the unit, in general, are shared in proportion to each generation entitlement share on a monthly basis. Common and external facilities of the generating unit are solely owned by Florida Power Corporation and participants share in the operating and maintenance expenses of such facilities. Nuclear fuel payments are required of participants in advance.

The participation agreement provides for reversion of the ownership interest of the unit to Florida Power Corporation upon retirement from service. The book value of the investment included in Utility Plant in Service amounts to \$2,325,045 as of September 30, 1989.

(Continued)

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

NOTE 6 - ELECTRIC POWER AGREEMENTS (Concluded)

Florida Municipal Power Agency

The City of Leesburg is a member of the Florida Municipal Power Agency (FMPA). FMPA was created pursuant to Chapter 163, Parts I and II ("The Interlocal Act" and "The Joint Power Act") to, among other things, provide a means for the Florida Municipal corporations to cooperate with each other to provide for their present and projected energy needs. The City of Leesburg has limited oversight authority over the operation of FMPA. This oversight is manifested in the appointment of one member to the 28-member Board of Directors of FMPA. Furthermore, the City, by agreement, has no equity interest in any of the assets owned by the agency. Additionally, all bonds issued by FMPA are special obligations of the agency, and neither the State of Florida nor any political subdivision thereof, nor any city or other entity which is a member of FMPA, other than FMPA, is obligated to pay the bonds. Neither the faith and credit nor taxing power of the State of Florida or any political subdivision thereof or of any such city or other entity can be pledged to the payment of the outstanding bonds. The City of Leesburg participates in the following FMPA projects:

St. Lucie No. 2 Power Purchase Agreement

The City, through FMPA, has negotiated an agreement with Florida Power and Light Corporation guaranteeing the City the right to purchase up to 2,326 megawatts of generating capacity from the St. Lucie No. 2 nuclear generating plant. The plant became operational in 1984. The cost of this agreement has been capitalized and will be amortized over the plant's expected useful life.

All-Requirements Power Supply Agreement

On February 13, 1985, the City entered into an agreement with FMPA whereby the City will purchase its electric power from FMPA on an all-requirements basis. The agreement will remain in effect until October 1, 2020, with two optional successive ten year renewal periods. Power rates charged to the City by FMPA are subject to a majority vote of the Board of Directors of FMPA.

NOTE 7 - GRANTS

The City participates in a number of State and Federal grant programs, principle of which are the following:

HUD-DCA Community Development Block Grants  
HUD Section 8 - Housing Assistance Payments Program  
FAA-FDOT Airport Improvements Grants

These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for or including the year ended September 30, 1989, have not yet been accepted/approved by the grantors. Accordingly, the final determination of the City's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined, although the City expects such amounts, if any, to be immaterial.

(Continued)

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

NOTE 8 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The City operates five enterprise funds. Segment information as of September 30, 1989, is as follows:

	ELECTRIC UTILITY FUND	GAS UTILITY FUND	WATER UTILITY FUND	SANITARY SEWER AND WASTEWATER TREATMENT FUND	SANITATION SERVICES FUND
Operating Revenues	\$23,956,688	\$3,873,270	\$1,814,829	\$ 2,181,015	\$1,400,312
Depreciation and Amortization	1,921,237	112,501	310,717	377,369	334,218
Operating Income	5,298,355	1,063,630	655,241	526,474	182,773
Operating Transfers To General Fund	2,625,100	557,000	159,000	110,500	0
Net Income (Loss)	669,467	327,066	( 47,906)	88,540	258,956
Current Year Capital Contributions	282,127	3,250	119,032	127,418	0
Property and Equipment Additions	3,543,358	333,280	241,140	272,014	168,311
Net Working Capital	7,440,921	1,526,928	2,477,441	2,781,085	690,462
Long-Term Liabilities Payable From Operating Revenues (Net)	14,411,555	1,764,123	4,217,146	2,991,494	700,417
Total Fund Equity	22,713,659	2,930,521	4,156,687	10,997,118	812,553
Total Assets	41,058,434	5,000,222	8,697,100	14,230,845	1,950,133

NOTE 9 - OTHER DISCLOSURES

- (1) There are no excess of expenditures over appropriations in individual governmental funds.
- (2) There are no deficit retained earnings/fund balance of individual funds.
- (3) There are no individual fund interfund receivable and payable balances.

NOTE 10- PENSION PLANS

By ordinance, the City has established three single-employer defined benefit pension plans for City employees. The following is a brief description of the plans:

(Continued)

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

NOTE 10- PENSION PLANS (Continued)

Municipal Police Retirement Plan

Total payroll for employees covered by the plan for the year ended September 30, 1989, was \$924,000; the City's total payroll was \$7,276,894. All policemen who have attained eighteen years of age are eligible to participate in the plan. As of October 1, 1987, the date of the most recent actuarial report, the plan had the following number of participants:

Active Vested	14
Active Nonvested	5
Retired, Disabled, Vested Terminations and Beneficiaries	3
TOTAL NUMBER OF PARTICIPANTS	<u>22</u>

Participants who have completed 10 years of credited service are 100% vested in their plan benefits at age 45 or later, reduced 5% per year before normal retirement date. Participants whose service is terminated prior to completing 10 years of credited service are entitled to the return of their employee contributions without interest. Normal retirement benefits are payable to participants who have reached the earlier of age 55 and 25 years of credited service, or age 60 and 10 years of credited service. Such benefits are payable at a rate of 2.75% of average final compensation times the number of years of credited service. The benefits under this plan provide an offset for benefits paid by the general employee retirement plan, under which the police officers are also covered. The plan also provides for early retirement, disability retirement and death benefits at rates defined in the plan document.

Funding of the Police Pension Fund is provided from policemen contributions (5% of their annual compensation) and 1% excise tax. The excise tax is levied on gross premiums collected on casualty insurance policies covering property within the corporate limits of the City. The State collects and contributes the tax to the fund under Florida Statute 185. The City does not contribute to the fund since policemen contributions and excise tax monies are sufficient to fund the plan. Accumulated employee contributions total \$280,715 as of September 30, 1989.

The required City contribution for the year ended September 30, 1989, consisting entirely of normal cost is \$54,456. Actual contributions to the plan for the year ended September 30, 1989, are as follows:

	AMOUNT	PERCENTAGE OF COVERED PAYROLL
Employee	\$ 46,200	5.0%
State of Florida (Insurance Tax)	86,931	9.4%
TOTAL ACTUAL CONTRIBUTIONS	<u>\$ 133,131</u>	<u>14.4%</u>

The significant actuarial assumptions used to compute the actual contribution requirements are essentially the same as those used to compute the pension benefit obligation.

(Continued)

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

NOTE 10- PENSION PLANS (Continued)

Municipal Firemen's Retirement Plan

Total payroll for employees covered by the plan for the year ended September 30, 1989, was \$703,120; the City's total payroll was \$7,276,894. All firemen who have attained age eighteen and completed one year of credited service are eligible to participate in the plan. As of October 1, 1987, the date of the most recent actuarial report, the plan had the following number of participants:

Active	25
Retired	7
Beneficiaries	0
Vested Terminations	2
<b>TOTAL NUMBER OF PARTICIPANTS</b>	<u><u>34</u></u>

Participants who have completed 10 years of credited service are 100% vested in their accrued retirement benefits. Participants whose service is terminated prior to completing 10 years of credited service are entitled to the return of their contributions plus interest at the rate of 5% compounded annually. Normal retirement benefits are payable to participants who have attained age 55 years and completed 10 years of credited service. Such benefits are payable at a rate of 2% of final monthly compensation times the number of years of credited service up to a maximum of 35 years. The plan also provides for early retirement, deferred retirement, disability retirement and death benefits at rates defined in the plan document.

Firemen contribute 5% of their annual compensation to the plan. A 1% excise tax on fire insurance premiums sold within the corporate limits is remitted to the fund by the State of Florida. The City accrues and contributes an additional amount, as determined by an actuary, to fund annual normal cost and prior service cost amortized over forty years through use of the frozen entry age actuarial cost method. Accumulated employee contributions total \$307,036 as of September 30, 1989. The required City contribution for the year ended September 30, 1989, is as follows:

	AMOUNT
Normal Cost	\$ 60,076
Amortization of Prior Service Cost	28,274
Interest - One-Half Year	3,534
<b>TOTAL REQUIRED CONTRIBUTION</b>	<u><u>\$ 91,884</u></u>

Actual contributions to the plan for the year ended September 30, 1989, are as follows:

	AMOUNT	PERCENTAGE OF COVERED PAYROLL
Employer	\$ 53,119	7.5%
Employee	35,156	5.0%
State of Florida (Insurance Tax)	47,891	6.8%
<b>TOTAL ACTUAL CONTRIBUTIONS</b>	<u><u>\$ 136,166</u></u>	<u><u>19.3%</u></u>

The significant actuarial assumptions used to compute the actual contribution requirements are essentially the same as those used to compute the pension benefit obligation.

(Continued)

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

NOTE 10- PENSION PLANS (Continued)

General Employees' Retirement Fund

Total payroll for employees covered by the plan for the year ended September 30, 1989, was \$5,238,644; the City's total payroll was \$7,276,894. All employees of the City, excluding commissioners and firemen covered in another plan, are eligible to participate in the plan after reaching age eighteen and completing one year of credited service. As of October 1, 1987, the date of the most recent actuarial report, the plan had the following number of participants.

Active	226
Terminated - Vested Benefits	18
Retired	51
TOTAL NUMBER OF PARTICIPANTS	<u>295</u>

Participants who have completed 5 years of credited service are 25% vested in their plan benefits, with 5% increases per year until 15 years of service have been reached whereby the participant will be 100% vested. Normal retirement benefits are paid to participants who have reached age 65. Such benefits are payable at a rate of 1.50% of average final compensation times the number of years of credited service. The plan also provides for early retirement, late retirement, disability retirement and death benefits at rates defined in the plan document.

The General Employees' Plan is noncontributory. The City accrues and contributes an amount, as determined by an actuary, to fund annual normal cost and prior service cost amortized over forty years. The required City contribution for the year ended September 30, 1989, is as follows:

	AMOUNT
Normal Cost	\$ 365,777
Amortization of Prior Service Cost	77,756
TOTAL REQUIRED CONTRIBUTION	<u>\$ 443,533</u>

Actual contributions to the plan for the year ended September 30, 1989, consisting exclusively of employer contributions is \$529,103. This represents 10.1% of covered payroll.

The significant actuarial assumptions used to compute the actual contribution requirements are essentially the same as those used to compute the pension benefit obligation.

Pension Benefit Obligation

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the System on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the System.

(Continued)



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

NOTE 10- PENSION PLANS (Continued)

The pension benefit obligation was computed as part of actuarial valuations performed as of October 1, 1987. There is no unfunded pension benefit obligation in any of the City's three plans as illustrated below:

	<u>MUNICIPAL POLICE RETIREMENT TRUST FUND</u>	<u>MUNICIPAL FIREMEN'S TRUST FUND</u>	<u>GENERAL EMPLOYEES' RETIREMENT PLAN</u>
Pension Benefit Obligation:			
Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Not Yet Receiving Benefits	\$ 68,749	\$ 497,747	\$ 1,102,061
Current Employees:			
Accumulated Employee Contributions Including Allocated Investment Earnings	215,534	297,049	0
Employer-Financed Vested	634,597	1,272,028	0
Employer-Financed Nonvested	93,735	71,234	0
Employer-Financed - Vesting Not Distinguished	0	0	3,376,341
Total Pension Benefit Obligation	<u>\$ 1,012,615</u>	<u>\$ 2,138,058</u>	<u>\$ 4,478,402</u>
Net Assets Available For Benefits, At Market	<u>\$ 1,585,113</u>	<u>\$ 2,369,136</u>	<u>\$ 5,804,756</u>
UNFUNDED PENSION BENEFIT OBLIGATIONS	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

SIGNIFICANT ACTUARIAL ASSUMPTIONS USED:

Rate of Return on Investment of Present and Future Assets	7.0%	8.0%	6.0%
Projected Salary Increases	5.5%	7.0%	4.0%

Three-Year Trend Information

Trend information for actuarial valuations made with the past three years:

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

NOTE 10- PENSION PLANS (Concluded)

Three-Year Trend Information (Concluded)

	MUNICIPAL POLICE RETIREMENT TRUST FUND			MUNICIPAL FIREMEN'S RETIREMENT TRUST FUND			GENERAL EMPLOYEES' RETIREMENT PLAN		
	1989	1988	1987	1989	1988	1987	1989	1988	1987
Net Assets Available For Benefits, As a Percentage of The Pension Benefit Obligation	156%	156%	N/A	110%	110%	N/A	129%	129%	N/A
Assets in Excess of Pension Benefit Obligation, As a Percentage of Annual Covered Payroll	72%	72%	N/A	36%	36%	N/A	28%	28%	N/A
Employer Contributions As a Percentage of Annual Covered Payroll	0%	0%	0%	7.5%	7.5%	7.5%	10.1%	12.3%	12.3%

All contributions made to the above plans for the past three years have either met or exceeded contributions called for by the actuarial valuations.

Ten-year trend information required by GASB Statement No. 5, is not available (N/A) for actuarial valuations prior to October 1, 1987.

NOTE 11- SELF-INSURANCE FUNDS

Employee Health Insurance Fund

Effective October 1, 1984, the City established a self-insurance program for the payment of employee health and medical claims. The program provides for the payment of City and employee contributions into a self-insurance fund, which is managed by the City and its administrative agent. Employee claims up to \$40,000 per person are paid from the assets of the self-insurance fund, with amounts in excess of \$40,000 up to a maximum of \$960,000 per year being paid from a reinsurance policy purchased by the City.

Workmen's Compensation Insurance Fund

Effective January 1, 1986, the City established a self-insurance program for the payment of employee Workmen's Compensation claims. The program provides for City contributions into a self-insurance fund which is managed by the City and its administrative agent.

(Continued)

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

NOTE 11- SELF-INSURANCE FUNDS (Concluded)

Workmen's Compensation Insurance Fund (Concluded)

Employee claims up to \$150,000 per occurrence are paid from the assets of the self-insurance fund with amounts in excess of \$150,000 per occurrence being paid from a reinsurance policy purchased by the City.

The financial position and results of operations of the self-insurance funds are presented in the Fiduciary Fund Section of the Combining Financial Statements.

NOTE 12- DEFERRED COMPENSATION FUND

Certain City employees have the opportunity to participate in a deferred compensation plan under Section 457 of the Internal Revenue Code. Currently, there are twelve (12) participants.

Since deferred compensation funds remain an asset of the City until participants are eligible to receive benefits, such amounts are legally subject to claims of the City's general creditors. The financial activity of the plan is presented in the Fiduciary Fund section of the combining financial statements.

NOTE 13- CONTINGENT LIABILITY

The City of Leesburg has been identified by the Environmental Protection Agency as a potentially responsible party at two hazardous waste sites. While it appears that the City will have some responsibility to the EPA for clean-up efforts at the sites, the amount of the City's liability cannot be determined at this time.

NOTE 14- PRIOR PERIOD ADJUSTMENT

The City restated the October 1, 1988 balance of the electric utility retained earnings for a \$5,815,113 increase in utility property, plant and equipment. The increase resulted from an inventory and appraisal of the electric distribution system by the City's independent consulting engineers.

The City also restated the October 1, 1988 fund balances of the General Fund and the General Employees' Pension Fund for \$40,177 of pension contributions that were recognized erroneously in prior years operating statements, instead of as a liquidation of interfund receivable/payable.

GENERAL FUND

The General Fund accounts for all revenues and expenditures of the City which are not required to be accounted for in other funds. It receives a greater variety and number of taxes and other general revenues than any other fund.

GENERAL FUND  
BALANCE SHEET  
SEPTEMBER 30, 1989  
WITH COMPARATIVE AMOUNTS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

	<u>ASSETS</u>	<u>1989</u>	<u>1988</u>
<u>ASSETS</u>			
Equity in Pooled Cash Investments		\$ 3,815,096	\$ 3,205,446
Due From Other Governments		198,360	163,194
Assessments Receivable		2,906	2,931
Other Accounts Receivable (Net of Allowance For Doubtful Accounts of \$3,924 for 1989 and 1988)		89,413	35,421
Interest Receivable		0	30,469
Due From Other Funds		0	6,000
Supplies Inventory at Cost		0	2,268
Inventory For Resale - Airport Fuel		6,636	7,426
Inventory For Resale - Marina Fuel		3,106	0
		<u>4,115,517</u>	<u>3,453,155</u>
TOTAL ASSETS			
<u>LIABILITIES AND FUND BALANCE</u>			
<u>LIABILITIES</u>			
Accounts Payable		310,210	270,458
Accrued Wages and Payroll Tax		190,995	169,609
Due to Other Funds		0	40,174
Deposits		0	900
Unearned License Revenue		90,514	92,050
		<u>591,719</u>	<u>573,191</u>
TOTAL LIABILITIES			
<u>FUND BALANCE</u>			
Reserved:			
For Inventory and Prepaid Expenditures		0	2,268
For Police Education		4,566	4,146
For Police Expenditure		2,391	1,950
For Roads and Streets		0	1,737
For Fire Expenditures		6,845	5,000
For Infrastructure		0	60,525
Unreserved		3,509,996	2,804,338
		<u>3,523,798</u>	<u>2,879,964</u>
TOTAL FUND BALANCE			
TOTAL LIABILITIES AND FUND BALANCE		<u>\$ 4,115,517</u>	<u>\$ 3,453,155</u>

GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>1988 ACTUAL</u>
<u>REVENUES</u>				
Taxes	\$ 2,131,100	\$ 2,131,934	\$ 834	\$ 1,937,253
Licenses and Permits	165,500	180,947	15,447	133,624
Shared Revenues	1,529,000	1,591,329	62,329	1,549,790
Charges For Services	146,000	157,408	11,408	141,168
Fines and Forfeitures	160,300	166,150	5,850	158,356
Miscellaneous	615,400	668,054	52,654	603,848
<b>TOTAL REVENUES</b>	<u>4,747,300</u>	<u>4,895,822</u>	<u>148,522</u>	<u>4,524,039</u>
<u>EXPENDITURES</u>				
General Government	922,800	805,871	116,929	923,107
Public Safety	2,989,000	2,912,098	56,902	2,793,549
Physical Environment	336,600	303,352	33,248	321,833
Transportation	917,600	917,851	( 251)	731,121
Human Services	26,500	24,896	1,604	22,934
Culture/Recreation	1,666,800	1,537,640	129,160	1,383,337
<b>(TOTAL EXPENDITURES)</b>	<u>( 6,859,300)</u>	<u>( 6,521,708)</u>	<u>337,592</u>	<u>( 6,175,881)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>( 2,112,000)</u>	<u>( 1,625,886)</u>	<u>486,114</u>	<u>( 1,651,842)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In	3,451,600	3,451,600	0	2,835,887
(Operating Transfers Out)	( 1,339,600)	( 1,222,057)	117,543	( 924,108)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>2,112,000</u>	<u>2,229,543</u>	<u>117,543</u>	<u>1,911,779</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<u>0</u>	<u>603,657</u>	<u>603,657</u>	<u>259,937</u>
<u>FUND BALANCE, BEGINNING OF YEAR:</u>				
As Previously Reported	2,879,964	2,879,964	0	2,620,027
Prior Period Adjustment	0	40,177	40,177	0
As Restated	<u>2,879,964</u>	<u>2,920,141</u>	<u>40,177</u>	<u>2,620,027</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 2,879,964</u>	<u>\$ 3,523,798</u>	<u>\$ 643,834</u>	<u>\$ 2,879,964</u>

GENERAL FUND  
 STATEMENT OF REVENUES - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED SEPTEMBER 30, 1989  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1988  
 CITY OF LEESBURG, FLORIDA

REVENUES	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	1988 ACTUAL
<u>Taxes</u>				
Ad Valorem	\$ 1,465,900	\$ 1,464,161	\$( 1,739)	\$ 1,405,625
Local Option Sales	620,000	618,192	( 1,808)	489,950
Franchise Fees	45,200	49,581	4,381	41,678
Total Taxes	<u>2,131,100</u>	<u>2,131,934</u>	<u>834</u>	<u>1,937,253</u>
<u>Licenses and Permits</u>				
Professional and Occupational	91,700	93,595	1,895	61,618
Building Permits	56,500	57,925	1,425	46,367
Other Permits	17,300	29,427	12,127	25,639
Total Licenses and Permits	<u>165,500</u>	<u>180,947</u>	<u>15,447</u>	<u>133,624</u>
<u>Shared Revenues</u>				
Insured Agents - County Licenses	1,500	925	( 575)	1,450
Comprehensive Plan DCA	20,000	20,103	103	20,018
Two-Cent Cigarette Tax	74,700	74,957	257	77,069
State Revenue Sharing	386,500	397,373	10,873	407,877
Mobile Home Licenses	19,000	19,678	678	20,026
Alcoholic Beverage License	15,800	14,969	( 831)	15,730
Municipality Share of County Impact Collection Fees	5,000	5,228	228	3,594
Rebate on Municipal Vehicles	10,000	7,109	( 2,891)	11,451
Local Option Gas Tax	380,000	417,093	37,093	380,603
Municipality Share of County Occupational Licenses	33,500	33,907	407	33,055
Half-Cent Sales Tax	478,000	483,825	5,825	478,852
One Percent Fuel Tax	105,000	116,162	11,162	100,065
Total Shared Revenues	<u>1,529,000</u>	<u>1,591,329</u>	<u>62,329</u>	<u>1,549,790</u>
<u>Charges For Services</u>				
General Government Charges	10,900	11,822	922	10,322
Other Public Safety Charges	7,500	22,826	15,326	7,732
Police Dispatch Fees	0	0	0	1,690
Other Physical Environment Charges	100	4,343	4,243	7,074
Libraries	12,000	11,255	( 745)	10,792
Program Activities Fees	72,000	62,836	( 9,164)	60,831
Swimming Pools	18,000	19,356	1,356	18,471
Other Recreation Fees	2,000	2,167	167	2,302
Marina Charges	1,500	2,275	775	1,562
Community Building	22,000	20,528	( 1,472)	20,392
Total Charges For Services	<u>146,000</u>	<u>157,408</u>	<u>11,408</u>	<u>141,168</u>

(Continued)

GENERAL FUND  
STATEMENT OF REVENUES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

REVENUES (Concluded)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	1988 ACTUAL
<u>Fines and Forfeitures</u>				
Court Fines	\$ 116,600	\$ 126,035	\$ 9,435	\$ 119,063
Library Fines	7,500	7,334	( 166)	6,353
Other Fines and Forfeitures	36,200	32,781	( 3,419)	32,940
Total Fines and Forfeitures	<u>160,300</u>	<u>166,150</u>	<u>5,850</u>	<u>158,356</u>
<u>Miscellaneous Revenues</u>				
Sales - Forfeited Property	0	14,186	14,186	0
Interest, Including Profit on Investments	344,600	406,380	61,780	365,897
Rents and Percentages	27,500	27,585	85	27,660
Airport Rental	48,000	70,217	22,217	47,120
Airport Operations	139,300	113,788	( 25,512)	53,239
Sale of Furniture and Equipment	12,000	18,514	6,514	10,519
Sale of City Property	0	0	0	88,605
Other Income	26,600	9,173	( 17,427)	4,036
Insurance Compensation	1,500	2,361	861	272
Trust Fund Contributions	15,900	5,850	( 10,050)	6,500
Total Miscellaneous Revenues	<u>615,400</u>	<u>668,054</u>	<u>52,654</u>	<u>603,848</u>
TOTAL REVENUES	<u>\$ 4,747,300</u>	<u>\$ 4,895,822</u>	<u>\$ 148,522</u>	<u>\$ 4,524,039</u>



GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

<u>FUNCTION/ACTIVITY/SUBACTIVITY/OBJECT</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>1988 ACTUAL</u>
<u>EXPENDITURES</u>				
<u>General Government Services</u>				
<u>Legislative:</u>				
City Commission:				
Personal Services	\$ 34,800	\$ 34,259	\$ 541	\$ 28,726
Operating Expenses	34,800	33,351	1,449	24,470
Cost Recovered	( 34,800)	( 34,800)	0	( 25,900)
Total City Commission	<u>34,800</u>	<u>32,810</u>	<u>1,990</u>	<u>27,296</u>
Boards and Commissions:				
Personal Services	20,000	18,788	1,212	14,667
Operating Expenses	12,500	8,672	3,828	9,117
Capital Outlay	0	0	0	1,000
Total Boards and Commissions	<u>32,500</u>	<u>27,460</u>	<u>5,040</u>	<u>24,784</u>
Total Legislative	<u>67,300</u>	<u>60,270</u>	<u>7,030</u>	<u>52,080</u>
<u>Executive:</u>				
City Manager's Office:				
Personal Services	191,800	188,764	3,036	165,379
Operating Expenses	30,800	37,889	( 7,089)	37,037
Capital Outlay	800	0	800	0
Cost Recovered	( 134,000)	( 134,000)	0	( 122,200)
Total City Manager's Office	<u>89,400</u>	<u>92,653</u>	<u>( 3,253)</u>	<u>80,216</u>
City Clerk/Finance Director:				
Personal Services	138,400	123,433	14,967	130,972
Operating Expenses	38,900	23,640	15,260	21,722
Capital Outlay	500	252	248	10,005
Cost Recovered	( 133,400)	( 133,400)	0	( 123,000)
Total City Clerk/Finance Director	<u>44,400</u>	<u>13,925</u>	<u>30,475</u>	<u>39,699</u>
Total Executive	<u>133,800</u>	<u>106,578</u>	<u>27,222</u>	<u>119,915</u>
<u>Finance and Administrative:</u>				
Accounting Office:				
Personal Services	155,000	156,709	( 1,709)	172,258
Operating Expenses	31,300	27,491	3,809	31,867
Capital Outlay	6,500	6,410	90	3,005
Cost Recovered	( 115,700)	( 115,700)	0	( 125,300)
Total Accounting Office	<u>77,100</u>	<u>74,910</u>	<u>2,190</u>	<u>81,830</u>
Collections Office:				
Personal Services	113,600	112,875	725	95,982
Operating Expenses	48,600	47,536	1,064	24,597
Capital Outlay	6,200	6,172	28	0
Cost Recovered	( 116,200)	( 116,200)	0	( 90,700)
Total Collections Office	<u>52,200</u>	<u>50,383</u>	<u>1,817</u>	<u>29,879</u>

(Continued)

GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

FUNCTION/ACTIVITY/SUBACTIVITY/OBJECT	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	1988 ACTUAL
<u>EXPENDITURES (Continued)</u>				
<u>General Government Services</u>				
<u>(Continued)</u>				
<u>Finance and Administrative:</u>				
<u>(Concluded)</u>				
Data Processing:				
Personal Services	\$ 91,500	\$ 92,229	\$( 729)	\$ 91,180
Operating Expenses	87,100	51,003	36,097	44,253
Capital Outlay	17,600	17,237	363	25,281
Cost Recovered	( 157,000)	( 157,000)	0	( 137,000)
Total Data Processing	<u>39,200</u>	<u>3,469</u>	<u>35,731</u>	<u>23,714</u>
Customer Service:				
Personal Services	198,600	191,684	6,916	158,223
Operating Expenses	51,700	49,257	2,443	45,011
Capital Outlay	29,500	25,361	4,139	1,192
Cost Recovered	( 279,800)	( 279,800)	0	( 204,426)
Total Customer Service	<u>0</u>	<u>( 13,498)</u>	<u>13,498</u>	<u>0</u>
Meter Reading:				
Personal Services	119,800	118,542	1,258	105,236
Operating Expenses	20,800	19,746	1,054	16,997
Capital Outlay	11,200	11,190	10	0
Cost Recovered	( 151,800)	( 151,800)	0	( 122,233)
Total Meter Reading	<u>0</u>	<u>( 2,322)</u>	<u>2,322</u>	<u>0</u>
Purchasing Office:				
Personal Services	64,900	65,717	( 817)	63,388
Operating Expenses	15,500	14,851	649	15,134
Capital Outlay	300	562	( 262)	1,367
Cost Recovered	( 71,000)	( 71,000)	0	( 69,900)
Total Purchasing Office	<u>9,700</u>	<u>10,130</u>	<u>( 430)</u>	<u>9,989</u>
Personnel Office:				
Personal Services	110,700	108,225	2,475	91,306
Operating Expenses	14,700	11,245	3,455	10,149
Capital Outlay	800	600	200	0
Cost Recovered	( 56,800)	( 56,800)	0	( 47,400)
Total Personnel Office	<u>69,400</u>	<u>63,270</u>	<u>6,130</u>	<u>54,055</u>
Total Finance and Administrative	<u>247,600</u>	<u>186,342</u>	<u>61,258</u>	<u>199,467</u>
<u>Legal Services:</u>				
City Attorney's Office:				
Operating Expenses	56,300	47,736	8,564	52,854
Cost Recovered	( 28,200)	( 28,200)	0	( 31,100)
Total Legal Services	<u>28,100</u>	<u>19,536</u>	<u>8,564</u>	<u>21,754</u>

(Continued)

GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

<u>FUNCTION/ACTIVITY/SUBACTIVITY/OBJECT</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>1988 ACTUAL</u>
<u>EXPENDITURES (Continued)</u>				
<u>General Government Services</u>				
<u>(Continued)</u>				
<u>Community and Economic</u>				
<u>Development:</u>				
Personal Services	\$ 78,700	\$ 80,769	\$( 2,069)	\$ 71,491
Operating Expenses	16,100	10,204	5,896	20,779
Capital Outlay	1,800	910	890	3,174
Cost Recovered	( 24,200)	( 24,200)	0	( 25,500)
Total Community and Economic Development	<u>72,400</u>	<u>67,683</u>	<u>4,717</u>	<u>69,944</u>
<u>Warehouse Services:</u>				
Personal Services	84,100	83,118	982	77,545
Operating Expenses	13,000	14,141	( 1,141)	7,568
Capital Outlay	3,100	3,271	( 171)	7,468
Cost Recovered	( 88,200)	( 88,200)	0	( 80,900)
Total Warehouse Services	<u>12,000</u>	<u>12,330</u>	<u>( 330)</u>	<u>11,681</u>
<u>Printing and Reproduction:</u>				
Personal Services	24,100	24,663	( 563)	23,258
Operating Expenses	1,600	707	893	270
Capital Outlay	0	0	0	0
Cost Recovered	( 9,000)	( 9,000)	0	( 8,700)
Total Printing and Reproduction	<u>16,700</u>	<u>16,370</u>	<u>330</u>	<u>14,828</u>
<u>Public Information Office:</u>				
Personal Services	20,800	21,948	( 1,148)	19,970
Operating Expenses	19,000	16,693	2,307	17,810
Capital Outlay	0	0	0	0
Cost Recovered	( 19,900)	( 19,900)	0	( 20,700)
Total Public Information Office	<u>19,900</u>	<u>18,741</u>	<u>1,159</u>	<u>17,080</u>
<u>Civic Functions Support:</u>				
Grants and Aids	<u>74,000</u>	<u>73,686</u>	<u>314</u>	<u>76,333</u>
<u>Public Buildings:</u>				
Personal Services	136,200	131,851	4,349	117,724
Operating Expenses	76,900	74,132	2,768	56,406
Capital Outlay	4,600	4,433	167	2,875
Cost Recovered	( 32,700)	( 32,700)	0	( 28,000)
Total Public Buildings	<u>185,000</u>	<u>177,716</u>	<u>7,284</u>	<u>149,005</u>

(Continued)

GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

FUNCTION/ACTIVITY/SUBACTIVITY/OBJECT	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	1988 ACTUAL
<u>EXPENDITURES (Continued)</u>				
<u>General Government Services</u>				
<u>(Concluded)</u>				
<u>Switchboard:</u>				
Personal Services	\$ 1,000	\$ 633	\$ 367	\$ 11,370
Operating Expenses	2,000	1,983	17	22,860
Cost Recovered	( 1,500)	0	( 1,500)	( 18,700)
Total Switchboard	<u>1,500</u>	<u>2,616</u>	<u>( 1,116)</u>	<u>15,530</u>
<u>Elections:</u>				
Operating Expenses	<u>200</u>	<u>189</u>	<u>11</u>	<u>191</u>
<u>Miscellaneous and Contingencies:</u>				
Operating Expenses	<u>64,300</u>	<u>63,814</u>	<u>486</u>	<u>175,299</u>
Total General Government Services	<u>922,800</u>	<u>805,871</u>	<u>116,929</u>	<u>923,107</u>
<u>Public Safety</u>				
<u>Law Enforcement:</u>				
<u>Police Department:</u>				
Personal Services	1,476,600	1,416,601	59,999	1,330,433
Operating Expenses	243,000	258,799	( 15,799)	248,295
Capital Outlay	66,400	70,476	( 4,076)	82,012
Total Law Enforcement	<u>1,786,000</u>	<u>1,745,876</u>	<u>40,124</u>	<u>1,660,740</u>
<u>Fire Control:</u>				
<u>Fire Department:</u>				
Personal Services	989,800	993,969	( 4,169)	955,118
Operating Expenses	106,000	97,533	8,467	85,161
Capital Outlay	41,900	33,046	8,854	32,975
Total Fire Control	<u>1,137,700</u>	<u>1,124,548</u>	<u>13,152</u>	<u>1,073,254</u>
<u>Protective Inspections:</u>				
<u>Building and Inspections:</u>				
Personal Services	90,700	91,061	( 361)	87,881
Operating Expenses	16,700	14,205	2,495	12,977
Capital Outlay	1,500	8	1,492	65
Cost Recovered	( 43,600)	( 43,600)	0	( 41,900)
Total Protective Inspections	<u>65,300</u>	<u>61,674</u>	<u>3,626</u>	<u>59,555</u>
Total Public Safety	<u>2,989,000</u>	<u>2,932,098</u>	<u>56,902</u>	<u>2,793,549</u>

(Continued)

GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

FUNCTION/ACTIVITY/SUBACTIVITY/OBJECT	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	1988 ACTUAL
<u>EXPENDITURES (Continued)</u>				
<u>Physical Environment</u>				
<u>Other Physical Environment:</u>				
<u>Engineering:</u>				
Personal Services	\$ 208,400	\$ 207,637	\$ 763	\$ 195,131
Operating Expenses	39,800	29,461	10,339	18,060
Capital Outlay	15,400	14,296	1,104	20,481
Cost Recovered	( 197,700)	( 197,700)	0	( 167,000)
Total Engineering	<u>65,900</u>	<u>53,694</u>	<u>12,206</u>	<u>66,672</u>
<u>Public Works Office:</u>				
Personal Services	86,500	79,668	6,832	89,775
Operating Expenses	22,700	22,633	67	21,830
Capital Outlay	500	800	( 300)	1,538
Cost Recovered	( 27,400)	( 27,400)	0	( 28,700)
Total Public Works Office	<u>82,300</u>	<u>75,701</u>	<u>6,599</u>	<u>84,443</u>
<u>Grounds and Beautification:</u>				
Personal Services	120,400	113,521	6,879	107,014
Operating Expenses	63,900	56,356	7,544	55,403
Capital Outlay	4,100	4,080	20	8,301
Total Grounds and Beautification	<u>188,400</u>	<u>173,957</u>	<u>14,443</u>	<u>170,718</u>
Total Physical Environment	<u>336,600</u>	<u>303,352</u>	<u>33,248</u>	<u>321,833</u>
<u>Transportation</u>				
<u>Roads and Streets:</u>				
<u>Street Maintenance:</u>				
Personal Services	141,700	135,538	6,162	137,006
Operating Expenses	224,800	233,123	( 8,323)	224,591
Capital Outlay	51,400	52,428	( 1,028)	14,318
Total Street Maintenance	<u>417,900</u>	<u>421,089</u>	<u>( 3,189)</u>	<u>375,915</u>
<u>Street Lighting:</u>				
Personal Services	39,200	36,557	2,643	33,783
Operating Expenses	171,600	175,629	( 4,029)	141,616
Capital Outlay	0	0	0	2,109
Total Street Lighting	<u>210,800</u>	<u>212,186</u>	<u>( 1,386)</u>	<u>177,508</u>
<u>Traffic Control:</u>				
Personal Services	38,100	36,906	1,194	35,394
Operating Expenses	25,900	22,078	3,822	25,442
Capital Outlay	0	0	0	539
Total Traffic Control	<u>64,000</u>	<u>58,984</u>	<u>5,016</u>	<u>61,375</u>
Total Roads and Streets	<u>692,700</u>	<u>692,259</u>	<u>441</u>	<u>614,798</u>

(Continued)

GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

FUNCTION/ACTIVITY/SUBACTIVITY/OBJECT	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	1988 ACTUAL
<u>EXPENDITURES (Continued)</u>				
<u>Transportation (Concluded)</u>				
<u>Airport Maintenance:</u>				
Personal Services	\$ 24,600	\$ 23,698	\$ 902	\$ 22,970
Operating Expenses	59,000	60,490	( 1,490)	41,172
Capital Outlay	2,000	0	2,000	3,159
Total Airport Maintenance	<u>85,600</u>	<u>84,188</u>	<u>1,412</u>	<u>67,301</u>
<u>Airport Operations:</u>				
Personal Services	35,400	32,955	2,445	12,922
Operating Expenses	103,400	108,000	( 4,600)	36,100
Capital Outlay	500	449	51	0
Total Airport Operations	<u>139,300</u>	<u>141,404</u>	<u>( 2,104)</u>	<u>49,022</u>
Total Transportation	<u>917,600</u>	<u>917,851</u>	<u>( 251)</u>	<u>731,121</u>
<u>Human Services</u>				
<u>Animal Control:</u>				
Personal Services	25,000	23,356	1,644	22,859
Operating Expenses	1,500	1,540	( 40)	75
Total Human Services	<u>26,500</u>	<u>24,896</u>	<u>1,604</u>	<u>22,934</u>
<u>Culture and Recreation</u>				
<u>Library:</u>				
Personal Services	259,400	253,964	5,436	209,834
Operating Expenses	80,300	72,004	8,296	74,360
Capital Outlay	52,700	51,163	1,537	53,649
Total Library	<u>392,400</u>	<u>377,131</u>	<u>15,269</u>	<u>337,843</u>
<u>Parks and Recreation:</u>				
<u>Recreation Office:</u>				
Personal Services	265,800	262,395	3,405	238,491
Operating Expenses	137,800	118,166	19,634	101,123
Capital Outlay	4,900	4,935	( 35)	13,603
Total Recreation Office	<u>408,500</u>	<u>385,496</u>	<u>23,004</u>	<u>353,217</u>
<u>Swimming Pools:</u>				
Personal Services	42,200	45,587	( 3,387)	45,739
Operating Expenses	86,400	51,759	34,641	50,489
Capital Outlay	0	0	0	0
Total Swimming Pools	<u>128,600</u>	<u>97,346</u>	<u>31,254</u>	<u>96,228</u>
<u>Parks and Canals:</u>				
Personal Services	340,800	328,760	12,040	299,679
Operating Expenses	77,800	69,752	8,048	59,250
Capital Outlay	55,600	16,496	39,104	14,029
Total Parks and Canals	<u>474,200</u>	<u>415,008</u>	<u>59,192</u>	<u>372,958</u>

(Continued)

GENERAL FUND  
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

<u>FUNCTION/ACTIVITY/SUBACTIVITY/OBJECT</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>1988 ACTUAL</u>
<u>EXPENDITURES (Concluded)</u>				
<u>Culture and Recreation (Concluded)</u>				
<u>Parks and Recreation: (Concluded)</u>				
<u>Athletic Fields:</u>				
Personal Services	\$ 82,500	\$ 84,794	\$( 2,294)	\$ 69,516
Operating Expenses	68,000	74,783	( 6,783)	56,051
Capital Outlay	19,700	14,393	5,307	9,463
Total Athletic Fields	<u>170,200</u>	<u>173,970</u>	<u>( 3,770)</u>	<u>135,030</u>
Total Parks and Recreation	<u>1,181,500</u>	<u>1,071,820</u>	<u>109,680</u>	<u>957,433</u>
<u>Cultural Services:</u>				
<u>Cultural Arts Building:</u>				
Operating Expenses	2,700	2,876	( 176)	2,909
<u>Special Recreational Facilities:</u>				
<u>Community Building:</u>				
Personal Services	55,600	53,927	1,673	61,259
Operating Expenses	27,500	26,055	1,445	23,502
Capital Outlay	7,100	5,831	1,269	391
Total Special Recreational Facilities	<u>90,200</u>	<u>85,813</u>	<u>4,387</u>	<u>85,152</u>
Total Culture and Recreation	<u>1,666,800</u>	<u>1,537,640</u>	<u>129,160</u>	<u>1,383,337</u>
TOTAL EXPENDITURES	<u>\$ 6,859,300</u>	<u>\$ 6,521,708</u>	<u>\$ 337,592</u>	<u>\$ 6,175,881</u>

GENERAL FUND  
STATEMENT OF OTHER FINANCING SOURCES AND USES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

<u>FUNCTION/ACTIVITY/SUBACTIVITY/OBJECT</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>1988 ACTUAL</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers In:				
Electric Utility Fund	\$ 2,625,100	\$ 2,625,100	\$ 0	\$ 2,303,385
Gas Utility Fund	557,000	557,000	0	292,001
Water Utility Fund	159,000	159,000	0	130,001
Sanitary Sewer and Wastewater Treatment Fund	110,500	110,500	0	110,500
(Operating Transfers Out):				
Debt Service Fund	( 564,600)	( 562,074)	2,526	( 491,603)
Capital Projects Fund	( 775,000)	( 659,983)	115,017	( 432,505)
 TOTAL OTHER FINANCING SOURCES (USES)	 <u>\$ 2,112,000</u>	 <u>\$ 2,229,543</u>	 <u>\$ 117,543</u>	 <u>\$ 1,911,779</u>



SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes. Certain administrative expenses are paid by the General Fund.

SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

ASSETS

<u>ASSETS</u>	<u>COMMUNITY</u>	<u>HOUSING</u>	<u>TOTALS</u>	
	<u>DEVELOPMENT</u>	<u>ASSISTANCE</u>	<u>1989</u>	<u>1988</u>
	<u>FUND</u>	<u>FUND</u>		
Equity in Pooled Cash and Investments	\$ 2,184	\$ 53,701	\$ 55,885	\$ 30,932
Due From Other Governments	0	0	0	18,514
Housing Assistance Loans	62,002	0	62,002	64,287
<b>TOTAL ASSETS</b>	<u>64,186</u>	<u>53,701</u>	<u>117,887</u>	<u>113,733</u>

LIABILITIES AND FUND BALANCES

<u>LIABILITIES</u>				
Accounts Payable	0	0	0	8,190
Due to Other Funds	0	0	0	6,000
Due to Other Governments	62,002	29,951	91,953	79,293
<b>TOTAL LIABILITIES</b>	<u>62,002</u>	<u>29,951</u>	<u>91,953</u>	<u>93,483</u>
<u>FUND BALANCES</u>				
Reserved:				
For Capital Improvements	2,184	0	2,184	4,774
Unreserved:				
Existing Housing	0	15,630	15,630	14,023
Voucher Program	0	8,120	8,120	1,453
<b>TOTAL FUND BALANCES</b>	<u>2,184</u>	<u>23,750</u>	<u>25,934</u>	<u>20,250</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 64,186</u>	<u>\$ 53,701</u>	<u>\$117,887</u>	<u>\$113,733</u>

SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

	COMMUNITY DEVELOPMENT FUND	HOUSING ASSISTANCE FUND	TOTALS	
			1989	1988
<u>REVENUES</u>				
Intergovernmental Revenue	\$ 82,227	\$ 410,894	\$ 493,121	\$ 342,825
<u>EXPENDITURES</u>				
General Government Services	0	0	0	150
Economic Environment	84,817	0	84,817	27,679
Human Services	0	402,620	402,620	309,335
(TOTAL EXPENDITURES)	( 84,817)	( 402,620)	(487,437)	(337,164)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	( 2,590)	8,274	5,684	5,661
FUND BALANCES, BEGINNING OF YEAR	4,774	15,476	20,250	14,589
FUND BALANCES, END OF YEAR	\$ 2,184	\$ 23,750	\$ 25,934	\$ 20,250

COMMUNITY DEVELOPMENT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>1988 ACTUAL</u>
<u>REVENUES</u>				
Intergovernmental Revenue:				
HUD Revenues	\$ 80,900	\$ 78,407	\$( 2,493)	\$ 3,821
Community Development Block Grant Revenue	<u>4,000</u>	<u>3,820</u>	<u>( 180)</u>	<u>27,679</u>
TOTAL REVENUES	<u>84,900</u>	<u>82,227</u>	<u>( 2,673)</u>	<u>31,500</u>
<u>EXPENDITURES</u>				
Economic Environment:				
Housing and Urban Development:				
Personal Services	0	0	0	7,877
Operating Expenditures	2,000	1,977	23	18,833
Capital Outlay	<u>82,900</u>	<u>82,840</u>	<u>60</u>	<u>969</u>
(TOTAL EXPENDITURES)	<u>84,900</u>	<u>( 84,817)</u>	<u>83</u>	<u>( 27,679)</u>
EXCESS OF REVENUES OVER EXPENDITURES	0	( 2,590)	( 2,590)	3,821
FUND BALANCE, BEGINNING OF YEAR	<u>4,774</u>	<u>4,774</u>	<u>0</u>	<u>953</u>
FUND BALANCE, END OF YEAR	<u>\$ 4,774</u>	<u>\$ 2,184</u>	<u>\$( 2,590)</u>	<u>\$ 4,774</u>

HOUSING ASSISTANCE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>	<u>1988 ACTUAL</u>
<u>REVENUES</u>				
Intergovernmental Revenue:				
HUD Contributions	\$ 430,100	\$ 410,894	\$( 19,206)	\$ 311,325
<u>EXPENDITURES</u>				
Human Services:				
Welfare:				
Personal Services	27,000	25,783	1,217	25,345
Operating Expenses	390,600	372,042	18,558	283,990
Capital Outlay	12,500	4,795	7,705	0
(TOTAL EXPENDITURES)	<u>(430,100)</u>	<u>(402,620)</u>	<u>27,480</u>	<u>(309,335)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	0	8,274	8,274	1,990
FUND BALANCE, BEGINNING OF YEAR	<u>0</u>	<u>15,476</u>	<u>15,476</u>	<u>13,486</u>
FUND BALANCE, END OF YEAR	<u>\$ 0</u>	<u>\$ 23,750</u>	<u>\$ 23,750</u>	<u>\$ 15,476</u>

DEBT SERVICE FUNDS

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

DEBT SERVICE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

	1987 REFUNDING REVENUE BONDS	NOTES AND MORTGAGES PAYABLE	<u>TOTALS</u>	
			<u>1989</u>	<u>1988</u>
<u>ASSETS</u>				
Equity in Pooled Cash and Investments	\$ 865,114	\$ 0	\$ 865,114	\$ 863,280
TOTAL ASSETS	<u>865,114</u>	<u>0</u>	<u>865,114</u>	<u>863,280</u>
 <u>LIABILITIES AND FUND BALANCES</u>				
<u>Liabilities</u>				
Accrued Interest Payable	194,534	0	194,534	197,400
<u>Fund Balances - Reserved For</u>				
Debt Service	<u>670,580</u>	<u>0</u>	<u>670,580</u>	<u>665,880</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 865,114</u>	<u>\$ 0</u>	<u>\$ 865,114</u>	<u>\$ 863,280</u>

DEBT SERVICE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE YEAR ENDED SEPTEMBER 30, 1989  
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1988  
 CITY OF LEEBURG, FLORIDA

	1987 REFUNDING REVENUE BONDS	NOTES AND MORTGAGES PAYABLE	TOTALS	
			1989	1988
REVENUES	\$ 0	\$ 0	\$ 0	\$ 0
EXPENDITURES				
Retirement of Principal	135,000	24,459	159,459	74,670
Interest and Issue Costs	389,068	8,847	397,915	402,753
(TOTAL EXPENDITURES)	<u>(524,068)</u>	<u>( 33,306)</u>	<u>(557,374)</u>	<u>(477,423)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(524,068)</u>	<u>( 33,306)</u>	<u>(557,374)</u>	<u>(477,423)</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers In	528,768	33,306	562,074	529,805
(Operating Transfers Out)	0	0	0	( 38,202)
TOTAL OTHER FINANCING SOURCES (USES)	<u>528,768</u>	<u>33,306</u>	<u>562,074</u>	<u>491,603</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	4,700	0	4,700	14,180
FUND BALANCE, BEGINNING OF YEAR	<u>665,880</u>	<u>0</u>	<u>665,880</u>	<u>651,700</u>
FUND BALANCE, END OF YEAR	<u>\$ 670,580</u>	<u>\$ 0</u>	<u>\$ 670,580</u>	<u>\$ 665,880</u>



### CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds, Special Assessment Funds and Trust Funds).

Airport Improvement Project - to account for the costs of resurfacing and lighting runways and taxiways, and the construction and purchase of various navigational aids. The majority of the construction cost is being financed through Federal, State and County Grants, and the balance by General Fund revenues.

City Hall Renovation - to account for the costs to renovate the City Hall and Annex Building. Financing is provided by bond proceeds.

CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

AIRPORT  
IMPROVEMENT  
PROJECT

ASSETS

Equity in Pooled Cash and Investments  
 Due From Other Governments  
 Contributions Receivable  
 Other Receivables  
 Deposits

\$( 69,359)  
 165,338  
 9,902  
 800  
 0  


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 106,681

TOTAL ASSETS

LIABILITIES AND FUND BALANCES

LIABILITIES

Accounts Payable  
 Contractors' Deposits

0  
 0  


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 0

TOTAL LIABILITIES

FUND BALANCES

Reserved For Construction

106,681  


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TOTAL LIABILITIES AND FUND BALANCES

\$ 106,681  


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CITY HALL RENOVATION	OTHER PROJECTS	TOTALS	
		1989	1988
\$ 0	\$549,570	\$ 480,211	\$1,227,090
0	0	165,338	83,431
0	0	9,902	9,902
0	0	800	0
0	0	0	12,710
<u>0</u>	<u>549,570</u>	<u>656,251</u>	<u>1,333,133</u>
0	13,400	13,400	57,720
<u>0</u>	<u>0</u>	<u>0</u>	<u>74,211</u>
<u>0</u>	<u>13,400</u>	<u>13,400</u>	<u>131,931</u>
<u>0</u>	<u>536,170</u>	<u>642,851</u>	<u>1,201,202</u>
<u>\$ 0</u>	<u>\$549,570</u>	<u>\$ 656,251</u>	<u>\$1,333,133</u>

CAPITAL PROJECTS FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

	<u>AIRPORT IMPROVEMENT PROJECT</u>
<u>REVENUES</u>	
Federal Aviation Administration Grant Reimbursement	\$ 482,231
Florida Department of Transportation Grant Reimbursement	31,445
Lake County Grant Reimbursement	14,220
Interest Income	9,971
TOTAL REVENUES	<u>537,867</u>
<u>EXPENDITURES</u>	
Construction Costs	513,138
Engineering and Other	26,969
Equipment Purchase	0
Land Purchase	0
(TOTAL EXPENDITURES)	<u>( 540,107)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	( 2,240)
<u>OTHER FINANCING SOURCES</u>	
Operating Transfers From General Fund	<u>14,220</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	11,980
FUND BALANCES, BEGINNING OF YEAR	<u>94,701</u>
FUND BALANCES, END OF YEAR	<u>\$ 106,681</u>

CITY HALL RENOVATION	OTHER PROJECTS	TOTALS	
		1989	1988
\$ 0	\$ 0	\$ 482,231	\$ 64,501
0	0	31,445	224,212
0	0	14,220	2,403
4,614	71,316	85,901	186,370
<u>4,614</u>	<u>71,316</u>	<u>613,797</u>	<u>477,486</u>
250,268	663,825	1,427,231	1,842,012
0	25,707	52,676	174,668
0	142,566	142,566	0
209,658	0	209,658	378,058
<u>( 459,926)</u>	<u>( 832,098)</u>	<u>(1,832,131)</u>	<u>(2,394,738)</u>
( 455,312)	( 760,782)	(1,218,334)	(1,917,252)
0	645,763	659,983	432,505
( 455,312)	( 115,019)	( 558,351)	(1,484,747)
<u>455,312</u>	<u>651,189</u>	<u>1,201,202</u>	<u>2,685,949</u>
<u>\$ 0</u>	<u>\$ 536,170</u>	<u>\$ 642,851</u>	<u>\$ 1,201,202</u>

CAPITAL PROJECTS FUNDS  
AIRPORT IMPROVEMENT PROJECT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>REVENUES</u>			
Federal Aviation Administration Grant Reimbursements	\$ 533,400	\$ 482,231	\$( 51,169)
Florida Department of Transportation Grant Reimbursements	71,600	31,445	( 40,155)
Lake County Grant Reimbursements	40,000	14,220	( 25,780)
Interest Income	10,000	9,971	( 29)
TOTAL REVENUES	<u>655,000</u>	<u>537,867</u>	<u>( 117,133)</u>
<u>EXPENDITURES</u>			
Construction Costs	639,000	513,138	125,862
Engineering and Other	47,000	26,969	20,031
(TOTAL EXPENDITURES)	<u>( 686,000)</u>	<u>(540,107)</u>	<u>145,893</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	( 31,000)	( 2,240)	28,760
<u>OTHER FINANCING SOURCES</u>			
Operating Transfers From General Fund	<u>40,000</u>	<u>14,220</u>	<u>( 25,780)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	9,000	11,980	2,980
FUND BALANCE, BEGINNING OF YEAR	<u>( 15,198)</u>	<u>94,701</u>	<u>109,899</u>
FUND BALANCE, END OF YEAR	<u>\$( 6,198)</u>	<u>\$ 106,681</u>	<u>\$ 112,879</u>

CAPITAL PROJECTS FUNDS  
CITY HALL RENOVATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Interest Income	\$ 5,000	\$ 4,614	\$( 386)
<u>EXPENDITURES</u>			
Construction Costs	310,600	250,268	60,332
Land Purchase	267,200	209,658	50,542
(TOTAL EXPENDITURES)	<u>( 570,800)</u>	<u>( 459,926)</u>	<u>110,874</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	( 565,800)	( 455,312)	110,488
FUND BALANCE, BEGINNING OF YEAR	<u>( 202,823)</u>	<u>455,312</u>	<u>658,135</u>
FUND BALANCE, END OF YEAR	<u>\$( 768,623)</u>	<u>\$ 0</u>	<u>\$ 768,623</u>

CAPITAL PROJECTS FUNDS  
OTHER PROJECTS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>REVENUES</u>			
Interest Income	\$ 85,000	\$ 71,316	\$( 13,684)
<u>EXPENDITURES</u>			
Construction Costs	760,200	663,825	96,375
Engineering and Other	29,000	25,707	3,293
Equipment Purchase	142,600	142,566	34
(TOTAL EXPENDITURES)	<u>( 931,800)</u>	<u>( 832,098)</u>	<u>99,702</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	( 846,800)	( 760,782)	86,018
<u>OTHER FINANCING SOURCES</u>			
Transfer From General Fund	<u>735,000</u>	<u>645,763</u>	<u>( 89,237)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	( 111,800)	( 115,019)	( 3,219)
FUND BALANCE, BEGINNING OF YEAR	<u>786,449</u>	<u>651,189</u>	<u>( 135,260)</u>
FUND BALANCE, END OF YEAR	<u>\$ 674,649</u>	<u>\$ 536,170</u>	<u>\$( 138,479)</u>



CAPITAL PROJECTS FUNDS  
PROJECT - LENGTH SCHEDULE OF CONSTRUCTION PROJECTS  
BEGINNING OF PROJECTS TO SEPTEMBER 30, 1989  
CITY OF LEEBSBURG, FLORIDA

	<u>AIRPORT IMPROVEMENT PROJECT</u>	<u>CITY HALL RENOVATION</u>	<u>OTHER PROJECTS</u>
INITIAL PROJECT AUTHORIZATION	<u>\$ 1,043,200</u>	<u>\$ 1,737,500</u>	<u>\$ 1,720,000</u>
 <u>REVENUES AND OTHER FINANCING SOURCES</u>			
Intergovernmental	\$ 613,718	\$ 0	\$ 0
Operating Transfers In	17,539	51,423	1,075,189
Bond and Note Proceeds	0	1,816,723	1,158,025
Interest Income	0	209,540	165,284
	<hr/>	<hr/>	<hr/>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 631,257</u>	<u>\$ 2,077,686</u>	<u>\$ 2,398,498</u>
 <u>EXPENDITURES</u>			
Equipment Purchase	\$ 0	\$ 0	\$ 142,566
Land Purchase	0	246,862	566,045
Construction Costs	420,925	1,891,976	663,825
Engineering and Other	210,332	227,044	214,158
	<hr/>	<hr/>	<hr/>
(TOTAL EXPENDITURES)	<u>\$( 631,257)</u>	<u>\$(2,365,882)</u>	<u>\$(1,586,594)</u>

### ENTERPRISE FUNDS

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

ASSETS

	ELECTRIC UTILITY FUND	GAS UTILITY FUND	WATER UTILITY FUND
<u>CURRENT ASSETS</u>			
Equity in Pooled Cash and Investments:			
Operating Account	\$ 2,367,635	\$ 904,309	\$ 677,955
Depreciation Account	1,533,011	397,360	1,363,568
Potable Water Account	0	0	137,847
Crystal River Decommission Account	1,311,000	0	0
Future Wastewater Treatment and Disposal Plant Account	0	0	0
Receivables:			
Customer Accounts	4,257,533	335,844	221,642
(Allowance For Doubtful Accounts)	( 754,289)	( 46,041)	( 54,851)
Accrued Interest	85,134	4,239	35,534
Inventory, At Cost	716,436	80,461	132,464
<b>TOTAL CURRENT ASSETS</b>	<b>9,516,460</b>	<b>1,676,172</b>	<b>2,514,159</b>
<u>RESTRICTED ASSETS</u>			
Equity in Pooled Cash and Investments:			
Current Bond Interest and Principal	779,192	95,393	227,962
Debt Service Securities Purchased	1,442,301	176,598	421,912
Revenue Bond Reserve	0	0	0
Renewal and Replacement	988,641	195,722	359,818
Impact Fees	0	0	12,223
Construction Account - Bond Proceeds	0	374,473	0
Customer Deposits	1,078,493	60,922	58,591
<b>TOTAL RESTRICTED ASSETS</b>	<b>4,288,627</b>	<b>903,108</b>	<b>1,080,506</b>
<u>PROPERTY, PLANT AND EQUIPMENT</u>			
Rights to Purchase Power	79,231	0	0
Property and Equipment	38,886,439	3,807,716	7,856,530
Nuclear Fuel	1,177,064	0	0
(Accumulated Depreciation and Amortization)	(13,303,120)	( 1,458,212)	( 2,854,601)
Construction in Progress	195,235	44,488	37,772
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT - Cost Less   Depreciation</b>	<b>27,034,849</b>	<b>2,393,992</b>	<b>5,039,701</b>
<u>OTHER ASSETS</u>			
Estimated Landfill Closure Costs (Net)	0	0	0
Deferred Bond Issue Costs (Net)	218,498	26,950	62,734
<b>TOTAL OTHER ASSETS</b>	<b>218,498</b>	<b>26,950</b>	<b>62,734</b>
<b>TOTAL ASSETS</b>	<b>\$ 41,058,434</b>	<b>\$ 5,000,222</b>	<b>\$ 8,697,100</b>

SANITARY SEWER AND WASTEWATER TREATMENT FUND	TOTAL COMBINED UTILITY FUNDS	OTHER ENTERPRISE FUND SANITATION SERVICES FUND	TOTALS	
			1989	1988
\$ 213,099	\$ 4,162,998	\$1,006,739	\$ 5,169,737	\$ 2,006,983
1,686,169	4,980,108	0	4,980,108	4,676,589
0	137,847	0	137,847	125,847
0	1,311,000	0	1,311,000	987,000
614,412	624,412	0	624,412	443,917
345,084	5,160,103	120,860	5,280,989	5,072,908
( 17,231)	( 872,412)	0	( 872,412)	( 764,494)
7,181	132,088	0	132,088	163,313
2,874	932,235	0	932,235	1,074,101
<u>2,811,588</u>	<u>16,568,379</u>	<u>1,127,625</u>	<u>17,696,004</u>	<u>13,786,164</u>
161,744	1,264,291	0	1,264,291	976,392
299,472	2,340,283	0	2,340,283	1,866,083
0	0	0	0	2,279,783
336,266	1,880,447	0	1,880,447	1,192,499
37,863	50,086	0	50,086	0
0	374,473	0	374,473	0
0	1,198,006	0	1,198,006	1,127,638
<u>835,345</u>	<u>7,107,586</u>	<u>0</u>	<u>7,107,586</u>	<u>7,442,395</u>
0	79,231	0	79,231	79,231
14,007,073	64,557,758	950,569	65,508,327	54,973,339
0	1,177,064	0	1,177,064	900,058
( 3,793,736)	(21,409,669)	( 627,011)	(22,036,680)	(18,844,699)
<u>275,133</u>	<u>552,628</u>	<u>0</u>	<u>552,628</u>	<u>303,072</u>
<u>10,488,470</u>	<u>44,957,012</u>	<u>323,558</u>	<u>45,280,570</u>	<u>37,411,001</u>
0	0	498,950	498,950	748,425
45,442	353,624	0	353,624	143,062
<u>45,442</u>	<u>353,624</u>	<u>498,950</u>	<u>852,574</u>	<u>891,487</u>
<u>\$ 14,230,845</u>	<u>\$ 68,986,601</u>	<u>\$1,950,133</u>	<u>\$ 70,936,734</u>	<u>\$ 59,531,047</u>

(Continued)

ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

LIABILITIES AND FUND EQUITY

	ELECTRIC UTILITY FUND	GAS UTILITY FUND	WATER UTILITY FUND
<u>CURRENT LIABILITIES</u>			
Accounts Payable - Purchased Energy	\$ 1,362,564	\$ 101,837	\$ 0
Accrued Expenses	641,510	47,407	36,718
Customer Advances For Construction	71,465	0	0
Current Portion - Long-Term Liabilities	0	0	0
<u>TOTAL CURRENT LIABILITIES</u>	<u>2,075,539</u>	<u>149,244</u>	<u>36,718</u>
<u>CURRENT LIABILITIES (Payable From Restricted Assets)</u>			
Customer Deposits	1,078,493	60,922	58,591
Accrued Interest on Revenue Bonds	520,342	63,702	152,232
Current Portion, Bonds Payable	258,846	31,710	75,726
<u>TOTAL CURRENT LIABILITIES (Payable From Restricted Assets)</u>	<u>1,857,681</u>	<u>156,334</u>	<u>286,549</u>
<u>LONG-TERM LIABILITIES</u>			
Estimated Landfill Closure Costs Payable	0	0	0
Refunding Revenue Bonds Payable	14,329,161	1,754,215	4,192,168
Accrued Interest on Capital Appreciation Revenue Bonds	263,263	32,200	77,009
Unamortized Discount	( 180,869)	( 22,292)	( 52,031)
<u>TOTAL LONG-TERM LIABILITIES</u>	<u>14,411,555</u>	<u>1,764,123</u>	<u>4,217,146</u>
<u>TOTAL LIABILITIES</u>	<u>18,344,775</u>	<u>2,069,701</u>	<u>4,540,413</u>
<u>FUND EQUITY</u>			
Contributed Capital:			
Federal Government	17,986	6,512	77,284
Customers and Developers	1,514,527	19,585	883,279
Other Funds	0	0	0
Total Contributed Capital	<u>1,532,513</u>	<u>26,097</u>	<u>960,563</u>
Retained Earnings:			
Reserved:			
Debt Service Securities Purchased	1,442,301	176,598	421,912
Revenue Bond Reserve	0	0	0
Renewal and Replacement	988,641	195,722	359,818
Unreserved:			
Designations:			
Depreciation	1,533,011	397,360	1,363,568
Potable Water Account	0	0	137,847
Wastewater Treatment and Disposal Plant	0	0	0
Impact Fees	0	0	12,223
Undesignated (Deficit)	17,217,193	2,134,744	900,756
Total Retained Earnings	<u>21,181,146</u>	<u>2,904,424</u>	<u>3,196,124</u>
<u>TOTAL FUND EQUITY</u>	<u>22,713,659</u>	<u>2,930,521</u>	<u>4,156,687</u>
<u>TOTAL LIABILITIES AND FUND EQUITY</u>	<u>\$41,058,434</u>	<u>\$ 5,000,222</u>	<u>\$ 8,697,100</u>

SANITARY SEWER AND WASTEWATER TREATMENT FUND	TOTAL COMBINED UTILITY FUNDS	OTHER ENTERPRISE FUND SANITATION SERVICES FUND	TOTALS	
			1989	1988
\$ 0	\$ 1,464,401	\$ 0	\$ 1,464,401	\$ 1,286,691
73,303	798,938	37,163	836,101	560,591
7,200	78,665	0	78,665	105,639
0	0	400,000	400,000	430,000
<u>80,503</u>	<u>2,342,004</u>	<u>437,163</u>	<u>2,779,167</u>	<u>2,382,921</u>
0	1,198,006	0	1,198,006	1,127,638
108,012	844,288	0	844,288	976,392
<u>53,718</u>	<u>420,000</u>	<u>0</u>	<u>420,000</u>	<u>0</u>
161,730	2,462,294	0	2,462,294	2,104,030
0	0	700,417	700,417	860,000
2,974,455	23,249,999	0	23,249,999	19,999,999
54,650	427,122	0	427,122	322,894
( 37,611)	( 292,803)	0	( 292,803)	( 106,272)
<u>2,991,494</u>	<u>23,384,318</u>	<u>700,417</u>	<u>24,084,735</u>	<u>21,076,621</u>
<u>3,233,727</u>	<u>28,188,616</u>	<u>1,137,580</u>	<u>29,326,196</u>	<u>25,563,572</u>
8,011,471	8,113,253	0	8,113,253	8,113,253
1,191,824	3,609,215	0	3,609,215	3,077,388
14,450	14,450	440,967	455,417	455,417
<u>9,217,745</u>	<u>11,736,918</u>	<u>440,967</u>	<u>12,177,885</u>	<u>11,646,058</u>
299,472	2,340,283	0	2,340,283	1,866,083
0	0	0	0	2,279,783
336,266	1,880,447	0	1,880,447	1,192,499
1,686,169	4,980,108	0	4,980,108	4,676,589
0	137,847	0	137,847	125,847
624,412	624,412	0	624,412	443,917
37,863	50,086	0	50,086	0
( 1,204,809)	19,047,884	371,586	19,419,470	11,736,699
<u>1,779,373</u>	<u>29,061,067</u>	<u>371,586</u>	<u>29,432,653</u>	<u>22,321,417</u>
<u>10,997,118</u>	<u>40,797,985</u>	<u>812,553</u>	<u>41,610,538</u>	<u>33,967,475</u>
<u>\$ 14,230,845</u>	<u>\$68,986,601</u>	<u>\$1,950,133</u>	<u>\$ 70,936,734</u>	<u>\$ 59,531,047</u>

ENTERPRISE FUNDS  
COMBINING STATEMENT OF OPERATIONS AND CHANGES IN RETAINED EARNINGS (DEFICIT)  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

	<u>ELECTRIC UTILITY FUND</u>	<u>GAS UTILITY FUND</u>	<u>WATER UTILITY FUND</u>
<u>OPERATING REVENUE</u>			
User Charges	\$ 23,707,935	\$ 3,845,171	\$ 1,784,793
Other Operating Revenue	248,753	28,099	30,036
<u>TOTAL OPERATING REVENUE</u>	<u>23,956,688</u>	<u>3,873,270</u>	<u>1,814,829</u>
<u>OPERATING EXPENSES</u>			
Power Generation and Transmission	1,286,617	0	0
Purchased Energy	13,338,498	2,133,806	0
Supply and Pumping	0	0	103,791
Treatment	0	0	229,330
Distribution and Collection	1,061,621	119,466	114,222
Customer Accounts	531,643	185,367	158,206
Administration and General	860,545	260,594	248,149
Operating Expenses	0	0	0
Depreciation and Amortization	1,579,409	110,407	305,890
<u>(TOTAL OPERATING EXPENSES)</u>	<u>(18,658,333)</u>	<u>(2,809,640)</u>	<u>(1,159,588)</u>
<u>OPERATING INCOME</u>	<u>5,298,355</u>	<u>1,063,630</u>	<u>655,241</u>
<u>NONOPERATING REVENUE (EXPENSE)</u>			
Interest Income	766,932	173,236	259,966
Other Nonoperating Income	138,255	2,322	14,194
Interest Expense	( 1,168,391)	( 143,061)	( 341,696)
Other Nonoperating Expense	( 42,051)	( 490)	( 1,170)
<u>TOTAL NONOPERATING REVENUE (EXPENSE)</u>	<u>( 305,255)</u>	<u>32,007</u>	<u>( 68,706)</u>
<u>INCOME BEFORE OPERATING TRANSFER</u>	<u>4,993,100</u>	<u>1,095,637</u>	<u>586,535</u>
<u>OPERATING TRANSFER</u> (Transfers Out)	<u>( 2,625,100)</u>	<u>( 557,000)</u>	<u>( 159,000)</u>
<u>NET INCOME BEFORE EXTRAORDINARY ITEM</u>	<u>2,368,000</u>	<u>538,637</u>	<u>427,535</u>
<u>EXTRAORDINARY (LOSS) ON ADVANCE BOND REFUNDING</u>	<u>( 1,698,533)</u>	<u>( 211,571)</u>	<u>( 475,441)</u>
<u>NET INCOME</u>	<u>669,467</u>	<u>327,066</u>	<u>( 47,906)</u>
<u>RETAINED EARNINGS (DEFICIT), BEGINNING OF YEAR:</u>			
As Previously Reported	14,696,566	2,577,358	3,244,030
Prior Period Adjustment	5,815,113	0	0
As Restated	20,511,679	2,577,358	3,244,030
<u>RETAINED EARNINGS, END OF YEAR</u>	<u>\$ 21,181,146</u>	<u>\$ 2,904,424</u>	<u>\$ 3,196,124</u>

SANITARY SEWER AND WASTEWATER TREATMENT FUND	TOTAL COMBINED UTILITY FUNDS	OTHER ENTERPRISE FUND SANITATION SERVICES FUND	TOTALS	
			1989	1988
\$ 2,059,733	\$ 31,397,632	\$ 1,400,312	\$ 32,797,944	\$ 31,418,704
121,282	428,170	0	428,170	336,011
<u>2,181,015</u>	<u>31,825,802</u>	<u>1,400,312</u>	<u>33,226,114</u>	<u>31,754,715</u>
0	1,286,617	0	1,286,617	1,241,819
0	15,472,304	0	15,472,304	14,311,007
128,795	232,586	0	232,586	236,347
491,446	720,776	0	720,776	675,448
93,135	1,388,444	0	1,388,444	1,304,216
163,523	1,038,739	0	1,038,739	913,149
403,798	1,773,086	0	1,773,086	2,029,837
0	0	883,321	883,321	837,250
373,844	2,369,550	334,218	2,703,768	2,149,206
<u>( 1,654,541)</u>	<u>(24,282,102)</u>	<u>(1,217,539)</u>	<u>(25,499,641)</u>	<u>(23,698,279)</u>
<u>526,474</u>	<u>7,543,700</u>	<u>182,773</u>	<u>7,726,473</u>	<u>8,056,436</u>
272,782	1,472,916	76,183	1,549,099	1,093,309
69,867	224,638	0	224,638	239,408
( 242,543)	( 1,895,691)	0	( 1,895,691)	( 2,060,731)
( 73,401)	( 117,112)	0	( 117,112)	( 241,875)
<u>26,705</u>	<u>( 315,249)</u>	<u>76,183</u>	<u>( 239,066)</u>	<u>( 969,889)</u>
553,179	7,228,451	258,956	7,487,407	7,086,547
<u>( 110,500)</u>	<u>( 3,451,600)</u>	<u>0</u>	<u>( 3,451,600)</u>	<u>( 2,835,887)</u>
442,679	3,776,851	258,956	4,035,807	4,250,660
<u>( 354,139)</u>	<u>( 2,739,684)</u>	<u>0</u>	<u>( 2,739,684)</u>	<u>0</u>
<u>88,540</u>	<u>1,037,167</u>	<u>258,956</u>	<u>1,296,123</u>	<u>4,250,660</u>
1,690,833	22,208,787	112,630	22,321,417	18,070,757
0	5,815,113	0	5,815,113	0
<u>1,690,833</u>	<u>28,023,900</u>	<u>112,630</u>	<u>28,136,530</u>	<u>18,070,757</u>
<u>\$ 1,779,373</u>	<u>\$ 29,061,067</u>	<u>\$ 371,586</u>	<u>\$ 29,432,653</u>	<u>\$ 22,321,417</u>



ENTERPRISE FUNDS  
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

	<u>ELECTRIC UTILITY FUND</u>	<u>GAS UTILITY FUND</u>	<u>WATER UTILITY FUND</u>
<u>SOURCE OF WORKING CAPITAL</u>			
Operations:			
Net Income Before Extraordinary Item	\$ 2,368,000	\$ 538,637	\$ 427,535
Items Not Affecting Working Capital:			
Depreciation and Amortization	1,921,237	112,501	310,717
Increase in Capital Appreciation Revenue			
Bond Accrued Interest	64,237	7,864	18,793
Working Capital Provided From Operations	<u>4,353,474</u>	<u>659,002</u>	<u>757,045</u>
Decrease in Restricted Assets	524,526	121,766	0
Decrease in Other Assets	0	0	0
Net Increase in Current Liabilities Payable			
From Restricted Assets	243,168	23,341	54,969
Increase in Contributed Capital	282,127	3,250	119,032
Plant Retirements	0	0	0
Net Long-Term Debt Issued - Advance Refunding	<u>13,259,675</u>	<u>1,623,305</u>	<u>3,879,271</u>
TOTAL SOURCE OF WORKING CAPITAL	<u>18,662,970</u>	<u>2,430,664</u>	<u>4,810,317</u>
<u>USE OF WORKING CAPITAL</u>			
Extraordinary Item - Loss on Refunding	1,698,533	211,571	475,441
Increase in Restricted Assets	0	0	104,949
Increase in Other Assets	133,251	14,230	51,311
Additions to Property and Equipment	3,543,358	333,280	241,140
Additions in Nuclear Fuel	277,004	0	0
Decrease in Long-Term Liabilities	0	0	0
Advance Refunding of Net Long-Term Debt	11,116,140	1,359,337	3,261,312
Reclassification of Long-Term Debt to Current	258,846	31,710	75,726
(TOTAL USE OF WORKING CAPITAL)	<u>(17,027,132)</u>	<u>(1,950,128)</u>	<u>4,209,879)</u>
INCREASE IN WORKING CAPITAL (BELOW)	<u>1,635,838</u>	<u>480,536</u>	<u>600,438</u>
<u>CHANGES IN WORKING CAPITAL BY COMPONENT</u>			
Current Assets - Increase (Decrease):			
Cash and Investments	2,061,807	593,178	558,035
Customer Accounts (Net)	139,966	( 83,611)	14,892
Accrued Interest	( 16,322)	( 20,052)	23,336
Due From Other Funds	0	0	0
Inventory	( 133,785)	( 9,336)	5,966
Current Liabilities - Decrease (Increase):			
Accounts Payable	( 179,764)	2,054	0
Accrued Expenses	( 263,038)	( 1,697)	( 1,791)
Customer Advances For Construction	26,974	0	0
Due to Other Funds	0	0	0
Current Portion - Long-Term Liabilities	0	0	0
INCREASE IN WORKING CAPITAL (ABOVE)	<u>\$ 1,635,838</u>	<u>\$ 480,536</u>	<u>\$ 600,438</u>

SANITARY SEWER AND WASTEWATER TREATMENT FUND	TOTAL COMBINED UTILITY FUNDS	OTHER ENTERPRISE FUND SANITATION SERVICES FUND	TOTALS	
			1989	1988
\$ 442,679	\$ 3,776,851	\$ 258,956	\$ 4,035,807	\$ 4,250,660
377,369	2,721,824	334,218	3,056,042	2,483,066
13,334	104,228	0	104,228	98,800
<u>833,382</u>	<u>6,602,903</u>	<u>593,174</u>	<u>7,196,077</u>	<u>6,832,526</u>
0	646,292	0	646,292	317,071
0	0	0	0	183,798
36,786	358,264	0	358,264	17,425
127,418	531,827	0	531,827	413,253
1,469	1,469	0	1,469	25,728
2,752,439	21,514,690	0	21,514,690	0
<u>3,751,494</u>	<u>29,655,445</u>	<u>593,174</u>	<u>30,248,619</u>	<u>7,789,801</u>
354,139	2,739,684	0	2,739,684	0
206,534	311,483	0	311,483	716,846
26,765	225,557	0	225,557	0
272,014	4,389,792	168,311	4,558,103	2,412,637
0	277,004	0	277,004	95,642
0	0	159,583	159,583	356,618
2,306,822	18,043,611	0	18,043,611	0
53,718	420,000	0	420,000	0
<u>( 3,219,992)</u>	<u>(26,407,131)</u>	<u>( 327,894)</u>	<u>(26,735,025)</u>	<u>( 3,581,743)</u>
<u>531,502</u>	<u>3,248,314</u>	<u>265,280</u>	<u>3,513,594</u>	<u>4,208,058</u>
535,931	3,748,951	233,817	3,982,768	3,257,476
26,148	97,395	2,768	100,163	280,108
( 18,187)	( 31,225)	0	( 31,225)	12,221
0	0	0	0	( 457,015)
( 4,711)	( 141,866)	0	( 141,866)	390
0	( 177,710)	0	( 177,710)	271,675
( 7,679)	( 274,005)	( 1,305)	( 275,510)	465,520
0	26,974	0	26,974	( 13,273)
0	0	0	0	474,456
0	0	30,000	30,000	( 83,500)
<u>\$ 531,502</u>	<u>\$ 3,248,314</u>	<u>\$ 265,280</u>	<u>\$ 3,513,594</u>	<u>\$ 4,208,058</u>

INTERNAL SERVICE FUND

The Motor Pool Service Fund has been established to account for the cost of maintaining automotive vehicles for the various departments of the City. Costs are billed at estimated actual cost, which includes depreciation on maintenance equipment. Such billings are recognized as operating revenue in the Motor Pool Service Fund and as expenses or expenditures of the various departments and other funds. The Motor Pool Service Fund is a proprietary fund and is maintained on the accrual basis.

MOTOR POOL SERVICE FUND  
BALANCE SHEET  
SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

ASSETS

	<u>1989</u>	<u>1988</u>
<u>CURRENT ASSETS</u>		
Equity in Pooled Cash and Investments	\$ 19,456	\$ 40,225
Inventory, At Cost	11,285	13,244
TOTAL CURRENT ASSETS	<u>30,741</u>	<u>53,469</u>
 <u>PROPERTY, PLANT AND EQUIPMENT</u>		
Machinery and Equipment	114,877	77,588
(Accumulated Depreciation)	<u>(65,645)</u>	<u>(29,245)</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT - Cost Less Depreciation	<u>49,232</u>	<u>48,343</u>
 TOTAL ASSETS	 <u>79,973</u>	 <u>101,812</u>

LIABILITIES AND FUND EQUITY

<u>LIABILITIES</u>		
Accrued Expenses	<u>9,859</u>	<u>8,068</u>
 <u>FUND EQUITY</u>		
Contributed Capital -- General Fund	15,979	15,979
Retained Earnings	54,135	77,765
TOTAL FUND EQUITY	<u>70,114</u>	<u>93,744</u>
 TOTAL LIABILITIES AND FUND EQUITY	 <u>\$ 79,973</u>	 <u>\$101,812</u>

MOTOR POOL SERVICE FUND  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

	<u>1989</u>	<u>1988</u>
<u>OPERATING REVENUES</u>		
Charges For Services	\$ 240,305	\$ 236,092
 <u>OPERATING EXPENSES</u>		
Personal Services	107,909	103,870
Insurance and Professional	4,957	5,089
Repairs and Maintenance	18,701	18,767
Operating Supplies	7,258	9,746
Lubricants and Oil	7,428	6,644
Gasoline and Diesel	1,313	531
Major Vehicle Parts	75,581	63,850
Tires and Batteries	34,610	33,267
Depreciation	6,178	4,374
(TOTAL OPERATING EXPENSES)	<u>(263,935)</u>	<u>(246,138)</u>
 INCOME (LOSS) BEFORE TRANSFERS	( 23,630)	(10,046)
 NONOPERATING FINANCING SOURCES	<u>0</u>	<u>14,241</u>
 NET (LOSS) INCOME	( 23,630)	4,195
 RETAINED EARNINGS, BEGINNING OF YEAR	<u>77,765</u>	<u>73,570</u>
 RETAINED EARNINGS, END OF YEAR	<u>\$ 54,135</u>	<u>\$ 77,765</u>

MOTOR POOL SERVICE FUND  
STATEMENT OF CHANGES IN FINANCIAL POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

	<u>1989</u>	<u>1988</u>
<u>SOURCE OF WORKING CAPITAL</u>		
Operations:		
Net (Loss) Income	\$( 23,630)	\$ 4,195
Item Not Requiring Outlay of Working Capital:		
Depreciation	6,178	4,374
Working Capital (Used In) Provided By Operations	<u>( 17,452)</u>	<u>8,569</u>
TOTAL SOURCE OF WORKING CAPITAL	<u>( 17,452)</u>	<u>8,569</u>
 <u>USE OF WORKING CAPITAL</u>		
Purchase of Property and Equipment	<u>( 7,067)</u>	<u>( 46,822)</u>
(DECREASE) IN WORKING CAPITAL (BELOW)	<u>( 24,519)</u>	<u>( 38,253)</u>
 <u>CHANGES IN WORKING CAPITAL BY COMPONENT</u>		
Current Assets - Increase (Decrease):		
Cash	( 20,769)	( 46,854)
Inventory	( 1,959)	( 275)
Current Liabilities - Decrease (Increase):		
Accounts Payable	0	8,729
Due to Other Funds	0	388
Accrued Expenses	( 1,791)	( 241)
(DECREASE) IN WORKING CAPITAL (ABOVE)	<u>\$( 24,519)</u>	<u>\$( 38,253)</u>

#### FIDUCIARY FUND TYPES

Fiduciary type funds are used to account for the assets of the City's employee pension funds, self-insurance funds and deferred compensation fund. Certain administrative expenses are paid by the General Fund. The primary objective of the following section is to provide financial information that is useful in assessing each plan's present and future ability to pay benefits when due.

FIDUCIARY FUND TYPES  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

ASSETS

	<u>PENSION TRUST FUNDS</u>		
	<u>MUNICIPAL POLICE RETIREMENT TRUST FUND</u>	<u>MUNICIPAL FIREMEN'S RETIREMENT TRUST FUND</u>	<u>GENERAL EMPLOYEES' PENSION FUND</u>
<u>CASH AND INVESTMENTS - AT COST</u>			
Equity in Pooled Cash and Investments	\$ 0	\$ 0	\$ 0
Cash and Investments	68	97	379,665
<u>TOTAL CASH AND INVESTMENTS - AT COST</u>	<u>68</u>	<u>97</u>	<u>379,665</u>
<u>INVESTMENTS AT FAIR VALUE</u>			
Municipal Bonds	0	0	15,150
U.S. Government Bonds	464,923	884,251	1,195,248
Collective Trust Funds	1,707,276	2,038,625	0
Corporate Bonds	48,180	96,360	4,549,545
Common Stock	0	0	1,396,416
<u>TOTAL INVESTMENTS AT FAIR VALUE</u>	<u>2,220,379</u>	<u>3,019,236</u>	<u>7,156,359</u>
<u>RECEIVABLES</u>			
Insurance Claim	0	0	0
Accrued Interest	9,439	20,034	128,152
Due From Other Funds	0	0	0
<u>TOTAL RECEIVABLES</u>	<u>9,439</u>	<u>20,034</u>	<u>128,152</u>
<u>TOTAL ASSETS</u>	<u>2,229,886</u>	<u>3,039,367</u>	<u>7,664,176</u>

LIABILITIES AND FUND EQUITY

<u>LIABILITIES</u>			
Accounts Payable	0	0	0
Due to Participants	0	0	0
<u>TOTAL LIABILITIES</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>FUND EQUITY</u>			
Fund Balances Reserved For Employee Benefits	2,229,886	3,039,367	7,664,176
<u>TOTAL LIABILITIES AND FUND EQUITY</u>	<u>\$2,229,886</u>	<u>\$3,039,367</u>	<u>\$7,664,176</u>



NONEXPENDABLE TRUST FUNDS				
GENERAL EMPLOYEES' HEALTH INSURANCE FUND	WORKMEN'S COMPENSATION INSURANCE FUND	AGENCY FUND DEFERRED COMPENSATION	TOTALS	
			1989	1988
\$ 287,197	\$ 744,263	\$ 0	\$ 1,031,460	\$ 764,660
0	0	378,886	758,716	1,416,230
<u>287,197</u>	<u>744,263</u>	<u>378,886</u>	<u>1,790,176</u>	<u>2,180,890</u>
0	0	0	15,150	59,346
0	0	0	2,544,422	2,570,154
0	0	0	3,745,901	2,422,558
0	0	63,211	4,757,296	3,863,165
0	0	226,284	1,622,700	1,043,420
<u>0</u>	<u>0</u>	<u>289,495</u>	<u>12,685,469</u>	<u>9,958,643</u>
8,373	0	0	8,373	8,373
0	0	0	157,625	153,825
0	0	0	0	40,174
<u>8,373</u>	<u>0</u>	<u>0</u>	<u>165,998</u>	<u>202,372</u>
<u>295,570</u>	<u>744,263</u>	<u>668,381</u>	<u>14,641,643</u>	<u>12,341,905</u>
0	1,382	0	1,382	1,561
0	0	668,381	668,381	527,753
<u>0</u>	<u>1,382</u>	<u>668,381</u>	<u>669,763</u>	<u>529,314</u>
<u>295,570</u>	<u>742,881</u>	<u>0</u>	<u>13,971,880</u>	<u>11,812,591</u>
<u>\$ 295,570</u>	<u>\$ 744,263</u>	<u>\$ 668,381</u>	<u>\$14,641,643</u>	<u>\$12,341,905</u>

FIDUCIARY FUND TYPES  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

OPERATING REVENUES

Investment Income:  
Unrealized Increase in Fair Value of Investments  
Interest and Dividend Income  
Gain on Sale of Investments  
Total Investment Income  
Contributions:  
Employer  
Employee  
State of Florida  
Total Contributions  
Other Operating Revenue  
TOTAL OPERATING REVENUES

OPERATING EXPENSES

Investment Expense:  
Unrealized Decrease in Fair Value of Investments  
Loss on Sale of Investments  
Benefit Payments  
Administrative Expenses  
(TOTAL OPERATING EXPENSES)

NET INCOME

FUND BALANCES, BEGINNING OF YEAR:

As Previously Reported  
Prior Period Adjustment  
As Restated  
FUND BALANCES, END OF YEAR

PENSION TRUST FUNDS			NONEXPENDABLE TRUST FUNDS			TOTALS	
MUNICIPAL POLICE RETIREMENT TRUST FUND	MUNICIPAL FIREMEN'S RETIREMENT TRUST FUND	GENERAL EMPLOYEES' PENS FUND	GENERAL EMPLOYEES' HEALTH INSURANCE FUND	WORKMEN'S COMPENSATION INSURANCE FUND	1989	1988	
\$ 228,055	\$ 211,869	\$ 226,348	\$ 0	\$ 0	\$ 666,272	\$ 83,521	
68,325	123,827	583,632	26,576	53,936	856,296	823,361	
0	5,658	25,652	0	0	31,310	6,427	
<u>296,380</u>	<u>341,354</u>	<u>835,632</u>	<u>26,576</u>	<u>53,936</u>	<u>1,553,878</u>	<u>913,309</u>	
0	53,119	529,103	434,532	326,889	1,343,643	1,320,631	
46,200	35,156	0	171,580	0	252,936	232,130	
86,931	47,891	0	0	0	134,822	121,731	
<u>133,131</u>	<u>136,166</u>	<u>529,103</u>	<u>606,112</u>	<u>326,889</u>	<u>1,731,401</u>	<u>1,674,492</u>	
0	0	0	0	0	0	8,480	
<u>429,511</u>	<u>477,520</u>	<u>1,364,735</u>	<u>632,688</u>	<u>380,825</u>	<u>3,285,279</u>	<u>2,596,281</u>	
0	0	0	0	0	0	53,081	
1,303	0	0	0	0	1,303	163,746	
16,029	74,509	130,404	512,007	52,851	785,800	722,074	
25,067	20,183	71,784	115,184	66,492	298,710	244,252	
<u>( 42,399)</u>	<u>( 94,692)</u>	<u>( 202,188)</u>	<u>( 627,191)</u>	<u>( 119,343)</u>	<u>(1,085,813)</u>	<u>(1,183,153)</u>	
<u>387,112</u>	<u>382,828</u>	<u>1,162,547</u>	<u>5,497</u>	<u>261,482</u>	<u>2,199,466</u>	<u>1,413,128</u>	
1,842,774	2,656,539	6,541,806	290,073	481,399	11,812,591	10,399,463	
0	0	( 40,177)	0	0	( 40,177)	0	
<u>1,842,774</u>	<u>2,656,539</u>	<u>6,501,629</u>	<u>290,073</u>	<u>481,399</u>	<u>11,772,414</u>	<u>10,399,463</u>	
<u>\$2,229,886</u>	<u>\$3,039,367</u>	<u>\$7,664,176</u>	<u>\$ 295,570</u>	<u>\$ 742,881</u>	<u>\$13,971,880</u>	<u>\$11,812,591</u>	

FIDUCIARY FUND TYPES  
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

SOURCE OF WORKING CAPITAL

Working Capital Provided From Operations - Net Income

USE OF WORKING CAPITAL

INCREASE IN WORKING CAPITAL (BELOW)

CHANGES IN WORKING CAPITAL BY COMPONENT

Current Assets - Increase (Decrease):  
  Equity in Pooled Cash and Investments  
  Cash and Cash Investments  
  Investments  
  Receivables  
Current Liabilities - Decrease (Increase)  
  Accounts Payable  
  Due to Other Funds

INCREASE IN WORKING CAPITAL (ABOVE)

PENSION TRUST FUNDS			NONEXPENDABLE TRUST FUNDS		TOTALS	
MUNICIPAL POLICE RETIREMENT TRUST FUND	MUNICIPAL FIREMEN'S RETIREMENT TRUST FUND	GENERAL EMPLOYEES' PENSION FUND	GENERAL EMPLOYEES' HEALTH INSURANCE FUND	WORKMEN'S COMPENSATION INSURANCE FUND	1989	1988
\$ 387,112	\$ 382,828	\$1,162,547	\$ 5,497	\$ 261,482	\$ 2,199,466	\$ 1,413,128
0	0	0	0	0	0	0
<u>387,112</u>	<u>382,828</u>	<u>1,162,547</u>	<u>5,497</u>	<u>261,482</u>	<u>2,199,466</u>	<u>1,413,128</u>
0	0	0	5,497	261,303	266,800	301,998
( 3,372)	( 10,585)	( 724,531)	0	0	( 738,488)	( 42,857)
392,753	397,871	1,876,548	0	0	2,667,172	1,289,297
( 2,269)	( 4,458)	10,530	0	0	3,803	( 145,404)
0	0	0	0	179	179	1,614
0	0	0	0	0	0	8,480
<u>\$ 387,112</u>	<u>\$ 382,828</u>	<u>\$1,162,547</u>	<u>\$ 5,497</u>	<u>\$ 261,482</u>	<u>\$ 2,199,466</u>	<u>\$ 1,413,128</u>

FIDUCIARY FUND TYPES  
AGENCY FUND  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA

	<u>BALANCE</u> <u>OCTOBER 1, 1988</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>SEPTEMBER 30, 1989</u>
<u>ASSETS</u>				
Cash and Investments	\$297,912	\$ 81,718	\$ 744	\$378,886
Investments at Fair Value	<u>229,841</u>	<u>60,213</u>	<u>559</u>	<u>289,495</u>
TOTAL ASSETS	<u>527,753</u>	<u>141,931</u>	<u>1,303</u>	<u>668,381</u>
<u>LIABILITIES</u>				
Due to Participants	<u>527,753</u>	<u>141,931</u>	<u>1,303</u>	<u>668,381</u>
TOTAL LIABILITIES	<u>\$527,753</u>	<u>\$ 141,931</u>	<u>\$ 1,303</u>	<u>\$668,381</u>

#### ACCOUNT GROUPS

Account Groups are used to establish accounting control and accountability for the City's general fixed assets and the unmatured principal of its general long-term debt. These account groups are not funds; they do not reflect available financial resources and related liabilities.

STATEMENT OF GENERAL FIXED ASSETS BY SOURCES  
SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

	<u>1989</u>	<u>1988</u>
<u>GENERAL FIXED ASSETS</u>		
Land	\$ 2,260,619	\$ 2,209,174
Building	6,957,621	5,360,185
Improvements Other Than Buildings	3,530,932	3,233,231
Equipment and Vehicles	3,741,499	3,219,042
Construction Work in Progress	1,537,827	1,883,130
TOTAL GENERAL FIXED ASSETS	<u>18,028,498</u>	<u>15,904,762</u>
 <u>INVESTMENTS IN GENERAL FIXED ASSETS</u>		
General Obligation Bonds and Revenue Certificates	6,336,945	5,669,692
Capitalized Bond Interest	29,331	29,331
Capital Projects Funds:		
Economic Development Administration Grants	430,079	430,079
Special Improvement Fund	62,657	62,657
Hospital Construction Fund	2,174,204	2,174,204
Federal, State and Local Grants	2,934,989	2,409,600
General Fund Revenues	5,318,119	4,387,025
Special Revenue Fund Revenues	422,986	422,986
Utility Revenue Fund Revenues	69,607	69,607
Gifts and Other	249,581	249,581
TOTAL INVESTMENT IN GENERAL FIXED ASSETS	<u>\$18,028,498</u>	<u>\$15,904,762</u>



STATEMENT OF GENERAL FIXED ASSETS - BY FUNCTIONS AND ACTIVITIES  
SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA

<u>FUNCTION AND ACTIVITY</u>	<u>TOTAL</u>	<u>LAND</u>	<u>BUILDING</u>	<u>IMPROVEMENTS OTHER THAN BUILDINGS</u>	<u>EQUIPMENT AND VEHICLES</u>
<u>GENERAL GOVERNMENT</u>					
Legislative	\$ 788,524	\$ 665,331	\$ 120,318	\$ 0	\$ 2,875
Executive	178,979	0	0	0	178,979
Financial and Administrative	343,994	0	112,932	6,389	224,673
Other General Government	1,997,935	65,709	1,636,133	145,367	150,726
<b>TOTAL GENERAL GOVERNMENT</b>	<u>3,309,432</u>	<u>731,040</u>	<u>1,869,383</u>	<u>151,756</u>	<u>557,253</u>
<u>PUBLIC SAFETY</u>					
Law Enforcement	942,678	42,803	188,163	51,766	659,946
Fire Control	962,812	5,452	292,768	15,019	649,573
Detention and Correction	5,002	0	0	0	5,002
Protective Inspection	28,822	0	0	0	28,822
<b>TOTAL PUBLIC SAFETY</b>	<u>1,939,314</u>	<u>48,255</u>	<u>480,931</u>	<u>66,785</u>	<u>1,343,343</u>
<u>PHYSICAL ENVIRONMENT</u>					
	437,917	0	66,908	14,462	356,547
<u>TRANSPORTATION</u>					
Roads and Streets	864,080	103,713	47,918	467,162	245,287
Airport	2,390,703	385,084	49,467	1,945,558	10,594
Parking Facilities	36,504	36,504	0	0	0
<b>TOTAL TRANSPORTATION</b>	<u>3,291,287</u>	<u>525,301</u>	<u>97,385</u>	<u>2,412,720</u>	<u>255,881</u>
<u>ECONOMIC ENVIRONMENT</u>					
	353,407	217,005	0	114,383	22,019
<u>HOSPITALS AND HUMAN SERVICES</u>					
	2,179,114	31,430	2,147,684	0	0
<u>CULTURE AND RECREATION</u>					
Community Building	425,158	0	418,162	0	6,996
Libraries	1,550,785	51,000	964,852	0	534,933
Parks and Recreation	2,084,142	579,346	453,493	481,151	570,152
Cultural Services	238,672	0	232,551	3,048	3,073
Special Recreational Facilities	652,262	77,242	226,272	284,115	64,635
Other Culture and Recreation	29,181	0	0	2,512	26,669
<b>TOTAL CULTURE AND RECREATION</b>	<u>4,980,200</u>	<u>707,588</u>	<u>2,295,330</u>	<u>770,826</u>	<u>1,206,456</u>
<b>TOTAL BY FUNCTION AND ACTIVITY</b>	16,490,671	<u>\$2,260,619</u>	<u>\$6,957,621</u>	<u>\$ 3,530,932</u>	<u>\$3,741,499</u>
CONSTRUCTION WORK IN PROGRESS	<u>1,537,827</u>				
<b>TOTAL GENERAL FIXED ASSETS</b>	<u>\$18,028,498</u>				

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS - BY FUNCTIONS AND ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA

<u>FUNCTION AND ACTIVITY</u>	<u>GENERAL FIXED ASSETS 10/1/88</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>GENERAL FIXED ASSETS 9/30/89</u>
<u>GENERAL GOVERNMENT</u>				
Legislative	\$ 788,524	\$ 0	\$ 0	\$ 788,524
Executive	176,934	2,045	0	178,979
Financial and Administrative	284,170	63,891	4,067	343,994
Other General Government	195,620	1,802,315	0	1,997,935
<u>TOTAL GENERAL GOVERNMENT</u>	<u>1,445,248</u>	<u>1,868,251</u>	<u>4,067</u>	<u>3,309,432</u>
<u>PUBLIC SAFETY</u>				
Law Enforcement	870,883	109,056	37,261	942,678
Fire Control	829,519	164,610	31,317	962,812
Detention and Correction	5,002	0	0	5,002
Protective Inspection	27,912	910	0	28,822
<u>TOTAL PUBLIC SAFETY</u>	<u>1,733,316</u>	<u>274,576</u>	<u>68,578</u>	<u>1,939,314</u>
<u>PHYSICAL ENVIRONMENT</u>	<u>437,917</u>	<u>0</u>	<u>0</u>	<u>437,917</u>
<u>TRANSPORTATION</u>				
Roads and Streets	771,894	128,537	36,351	864,080
Airport	2,390,254	449	0	2,390,703
Parking Facilities	36,504	0	0	36,504
<u>TOTAL TRANSPORTATION</u>	<u>3,198,652</u>	<u>128,986</u>	<u>36,351</u>	<u>3,291,287</u>
<u>ECONOMIC ENVIRONMENT</u>	<u>349,112</u>	<u>4,795</u>	<u>500</u>	<u>353,407</u>
<u>HOSPITALS AND HUMAN SERVICES</u>	<u>2,179,114</u>	<u>0</u>	<u>0</u>	<u>2,179,114</u>
<u>CULTURE AND RECREATION</u>				
Community Building	425,158	0	0	425,158
Libraries	1,458,434	92,351	0	1,550,785
Parks and Recreation	1,876,859	212,516	5,233	2,084,142
Cultural Services	237,094	1,578	0	238,672
Special Recreational Facilities	651,547	715	0	652,262
Other Culture and Recreation	29,181	0	0	29,181
<u>TOTAL CULTURE AND RECREATION</u>	<u>4,678,273</u>	<u>307,160</u>	<u>5,233</u>	<u>4,980,200</u>
<u>CONSTRUCTION WORK IN PROGRESS</u>	<u>1,883,130</u>	<u>1,832,131</u>	<u>2,177,434</u>	<u>1,537,827</u>
<u>TOTAL GENERAL FIXED ASSETS</u>	<u>\$ 15,904,762</u>	<u>\$4,415,899</u>	<u>\$2,292,163</u>	<u>\$ 18,028,498</u>

STATEMENT OF GENERAL LONG-TERM DEBT  
SEPTEMBER 30, 1989  
WITH COMPARATIVE TOTALS FOR SEPTEMBER 30, 1988  
CITY OF LEESBURG, FLORIDA

	<u>1989</u>	<u>1988</u>
<u>AMOUNT AVAILABLE AND TO BE PROVIDED FOR</u> <u>THE PAYMENT OF GENERAL LONG-TERM DEBT</u>		
<u>SERIAL AND TERM BONDS - Public Improvement Revenue</u> Bonds and Certificates		
Amount Available in Debt Service Fund	\$ 670,580	\$ 665,880
Amount To be Provided	5,289,420	5,429,120
TOTAL SERIAL AND TERM BONDS	<u>5,960,000</u>	<u>6,095,000</u>
<u>OTHER LONG-TERM LIABILITIES</u> Amount To Be Provided	<u>518,193</u>	<u>507,971</u>
TOTAL AVAILABLE AND TO BE PROVIDED	<u>6,478,193</u>	<u>6,602,971</u>
<u>GENERAL LONG-TERM DEBT PAYABLE</u>		
Refunding and Capital Improvement Revenue Bonds, Series 1987	5,960,000	6,095,000
Employee Compensation Absences Payable	466,837	432,156
Real Estate Notes Payable	<u>51,356</u>	<u>75,815</u>
TOTAL GENERAL LONG-TERM DEBT PAYABLE	<u>\$6,478,193</u>	<u>\$6,602,971</u>

STATISTICAL DATA (UNAUDITED)

Statistical data (unaudited) are presented to provide greater detailed information than reported in the preceding financial statements. This information in many cases has been spread throughout the report and is brought together here for greater clarity. Statistical data are not necessary for fair presentation in conformity with generally accepted accounting principles.

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION<sup>1</sup>  
(UNAUDITED)  
LAST TEN FISCAL YEARS  
CITY OF LEESBURG, FLORIDA

<u>FISCAL YEAR</u>	<u>GENERAL GOVERNMENT</u>	<u>PUBLIC SAFETY</u>	<u>PHYSICAL ENVIRONMENT<sup>2</sup></u>	<u>TRANSPORTATION<sup>2</sup></u>	<u>ECONOMIC ENVIRONMENT</u>
1980	\$1,030,852	\$1,611,337	\$ 234,792	\$ 293,335	\$ 607,894
1981	1,146,425	1,708,637	245,367	326,815	281,282
1982	1,262,196	1,967,448	254,125	474,211	47,620
1983	465,806	2,215,564	226,112	613,419	68,397
1984	517,567	2,190,947	250,424	584,567	112,726
1985	592,568	2,257,055	250,850	795,043	20,727
1986	640,588	2,491,471	336,076	709,576	55,379
1987	680,647	2,616,413	279,504	660,875	322,708
1988	923,257	2,793,549	321,833	731,121	27,679
1989	805,871	2,932,098	303,352	917,851	84,817

(1) Includes General, Special Revenue and Debt Service Funds.

(2) In 1979 through 1982, Ambulance Services and Refuse and Garbage are shown in Enterprise Funds.

(3) In 1978 through 1983, Insurance, Retirement Benefits, Taxes and Other Miscellaneous expenditures were distributed to the various functions.

TABLE 1

<u>HUMAN SERVICES</u>	<u>CULTURE AND RECREATION</u>	<u>DEBT SERVICE</u>	<u>MISCELLANEOUS AND OTHER</u>	<u>TOTAL</u>
\$ 175,347	\$ 928,781	\$ 45,254	\$ 61,495	\$ 4,989,087
161,159	1,017,084	43,621	105,264	5,035,654
149,392	1,056,506	53,020	119,899	5,384,417
152,282	1,021,193	794,308	699,926	6,257,007
135,498	1,109,239	154,719	954,773	6,010,460
166,630	1,356,032	1,915,896	305,026	7,659,823
222,629	1,299,759	315,702	346,090	6,418,270
258,447	1,389,890	776,137	385,334	7,369,955
332,269	1,383,337	477,423	924,108	7,914,576
427,516	1,537,640	557,374	1,222,057	8,788,576

GENERAL REVENUES BY SOURCE<sup>1</sup>  
(UNAUDITED)  
LAST TEN FISCAL YEARS  
CITY OF LEESBURG, FLORIDA

<u>FISCAL YEARS</u>	<u>TAXES</u>	<u>LICENSES AND PERMITS</u>	<u>INTERGOVERNMENTAL AND SHARED REVENUE</u>	<u>CHARGES FOR SERVICES</u> <sup>2</sup>
1980	\$ 545,845	\$ 76,647	\$1,431,881	\$ 122,714
1981	655,651	80,496	1,056,259	137,949
1982	986,279	66,228	815,269	191,688
1983	950,283	76,565	1,115,229	191,522
1984	965,947	113,216	1,239,299	119,118
1985	1,052,868	127,475	1,369,018	158,588
1986	1,176,222	126,752	1,572,122	141,830
1987	1,309,008	127,984	1,972,808	157,710
1988	1,937,253	133,624	1,892,615	141,168
1989	2,131,934	180,947	2,084,450	157,408

(1) Includes General, Special Revenue and Debt Service Funds.

(2) In 1979 through 1985, the Ambulance Services revenues are shown in Enterprise Fund. From 1979 through 1985, the Refuse and Garbage revenues are shown in Enterprise Fund.

(3) Effective in Fiscal 1983 accounting, billing, meter reading and data processing, formerly shown as General Fund expenditures with offsetting reimbursement revenue from the Utilities Fund are charged directly to the Utility Fund.

(4) Includes transfers from Special Revenue and Enterprise Funds.

TABLE 2

<u>FINES AND FORFEITURES</u>	<u>MISCELLANEOUS<sup>3</sup> AND OTHER</u>	<u>TRANSFERS<sup>4</sup></u>	<u>TOTAL</u>
\$102,552	\$ 848,678	\$1,951,975	\$ 5,080,292
104,341	923,902	2,528,621	5,487,219
114,252	1,196,195	2,194,639	5,564,550
105,473	841,256	3,269,444	6,549,772
117,993	1,102,971	3,201,008	6,859,552
143,904	2,318,230	2,653,755	7,823,838
156,810	378,725	3,163,990	6,716,451
159,672	408,305	2,917,288	7,052,775
158,356	603,848	3,365,692	8,232,556
166,150	668,054	4,013,674	9,402,617



PROPERTY TAX LEVIES AND COLLECTIONS  
(UNAUDITED)  
LAST TEN FISCAL YEARS  
CITY OF LEESBURG, FLORIDA

<u>FISCAL YEAR</u>	<u>TOTAL TAX LEVY</u>	<u>CURRENT TAX COLLECTIONS</u>	<u>PERCENT OF LEVY COLLECTED</u> <sup>2</sup>	<u>DELINQUENT TAX COLLECTIONS</u>
1980	\$ 518,141	\$ 513,210	99.0%	\$ 1,371
1981	639,396	622,864	97.4%	2,043
1982	984,022	957,309	97.3%	926
1983	950,141	915,181	96.3%	523
1984	970,938	935,650	96.4%	2,244
1985	1,049,791	1,016,944	99.8%	5,521
1986	1,183,069	1,141,626	96.5%	2,104
1987	1,318,426	1,268,239	96.2%	4,310
1988	1,453,242	1,402,361	96.5%	3,264
1989	1,513,513	1,461,306	96.6%	2,855

- (1) Property tax assessments and collections are performed for the City by Lake County. This information was not available from Lake County.
- (2) Section 197.012, Florida Statutes, allows a discount for early payment of 4% in November, 3% in December, 2% in January and 1% in February.

TABLE 3

<u>TOTAL TAX COLLECTIONS</u>	<u>PERCENT OF<sup>2</sup> TOTAL TAX COLLECTIONS TO TAX LEVY</u>	<u>OUTSTANDING<sup>1</sup> DELINQUENT TAXES</u>	<u>PERCENT OF<sup>1</sup> DELINQUENT TAXES TO TAX LEVY</u>
\$ 514,581	99.3%	\$ 0	\$ 0
624,907	97.7%	0	0
958,235	97.4%	0	0
915,704	96.4%	0	0
937,894	96.6%	0	0
1,022,465	100.3%	0	0
1,143,730	96.7%	0	0
1,272,549	96.5%	0	0
1,405,625	96.7%	0	0
1,464,161	96.7%	0	0

TABLE 4

ASSESSED VALUE OF EXEMPT AND TAXABLE PROPERTY  
(UNAUDITED)  
LAST TEN FISCAL YEARS  
CITY OF LEESBURG, FLORIDA

FISCAL YEAR	EXEMPT ASSESSED VALUATION	TAXABLE ASSESSED VALUATION			ASSESSED VALUATION	
		REAL	PERSONAL	CENTRALLY ASSESSED		
1980	\$ 67,618,300	\$114,584,750	\$46,831,900	\$ 672,627	\$162,089,277	\$229,707,577
1981	99,776,130	146,367,850	53,282,610	664,594	200,315,084	300,091,214
1982	81,909,004	164,697,026	59,735,848	696,273	225,125,147	307,034,151
1983	96,371,174	179,778,838	62,670,290	553,754	243,002,882	339,374,056
1984	107,899,539	190,860,863	69,075,019	578,684	260,514,566	368,414,105
1985	114,585,702	195,710,612	68,170,948	749,518	264,631,078	379,216,780
1986	118,760,818	224,234,145	73,561,036	432,492	298,227,673	416,988,491
1987	118,420,557	247,100,719	84,595,132	652,534	332,348,385	450,768,942
1988	121,597,952	271,482,185	94,174,313	715,486	366,332,684	487,969,936
1989	124,249,427	282,164,197	98,959,095	408,146	381,531,438	505,780,865

NOTES

- (1) Chapter 193, Florida Statutes, requires that all property shall be assessed at just or fair market value as of January 1 of each year. All taxes are due and payable on November 1 and become delinquent on April 1 of the subsequent year. Discounts are allowed at the rate of 4% in the month of November, 3% in December, 2% in January and 1% in February.

Chapter 193, Florida Statutes, provides that all items of inventory (in personal property) shall be assessed at 10% of just valuation, except goods-in-process and raw materials, which shall be assessed at 1%. Furthermore, agricultural properties are assessed at agricultural value as opposed to fair market value for non-agricultural property.

- (2) Estimated actual value is not available. According to a report by the State of Florida Department of Revenue, the assessed value of property in Lake County is approximately 95% of fair market value as of Fiscal Year 1982, (tax year 1981).

TABLE 5

PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS  
(PER \$1,000 OF ASSESSED VALUE)  
 (UNAUDITED)  
LAST TEN FISCAL YEARS  
CITY OF LEESBURG, FLORIDA

<u>TAX</u> <u>YEAR</u>	<u>CITY</u>	<u>SCHOOL</u> <u>DISTRICT</u>	<u>COUNTY</u>	<u>AMBULANCE</u> <u>DISTRICT</u>	<u>NORTHWEST</u> <u>HOSPITAL</u> <u>DISTRICT</u>	<u>WATER</u> <u>CONSERVATION</u> <u>AUTHORITY</u>	<u>WATER</u> <u>MANAGEMENT</u> <u>DISTRICT</u>	<u>TOTAL</u>
1978	3.19	7.916	3.400	0.490	-	0.080	0.231	15.307
1979	3.26	6.750	3.400	0.502	-	0.080	0.251	14.243
1980	3.192	6.005	3.580	0.537	-	0.398	0.234	13.946
1981	4.371	6.060	3.318	0.439	1.000	0.090	0.316	15.594
1982	3.91	5.478	2.732	0.421	0.960	0.046	0.224	13.771
1983	3.727	7.073	3.273	0.422	0.934	0.049	0.281	15.759
1984	3.967	5.606	3.272	0.412	0.966	0.047	0.281	14.551
1985	3.967	6.415	3.492	0.226	0.706	0.040	0.318	15.164
1986	3.967	6.608	3.400	0.190	1.000	0.300	0.319	15.784
1987	3.967	7.477	3.400	0.188	1.000	0.350	0.517	16.899
1988	3.967	7.742	3.800	0.223	0.964	0.838	0.281	17.815

(1) Tax year is equivalent to subsequent Fiscal Year, i.e., tax year 1981 corresponds to fiscal year 1982.

TABLE 6

RATIO OF NET GENERAL BONDED DEBT TO  
ASSESSED VALUE AND NET BONDED DEBT PER CAPITA  
 (UNAUDITED)  
LAST TEN FISCAL YEARS  
CITY OF LEESBURG, FLORIDA

<u>FISCAL YEAR</u>	<u>POPULATION</u> <sup>1</sup>	<u>ASSESSED TAXABLE VALUE</u>	<u>GROSS BONDED DEBT</u>	<u>RATIO OF BONDED DEBT TO ASSESSED VALUE</u>	<u>NET BONDED DEBT PER CAPITA</u>
1980	13,191	\$162,089,277	\$ 0	\$ 0	\$ 0
1981	13,260	200,312,084	0	0	0
1982	13,476	225,125,147	0	0	0
1983	13,538	243,002,882	0	0	0
1984	13,646	260,514,566	0	0	0
1985	14,063	264,631,078	0	0	0
1986	14,457	298,227,673	0	0	0
1987	14,659	332,348,385	0	0	0
1988	14,743	366,332,684	0	0	0
1989	14,939	381,531,438	0	0	0

DATA SOURCES

(1) Estimates from 1970 Census, 1980 Preliminary Census and City Planning Department.

COMPUTATION OF LEGAL BONDED DEBT MARGIN<sup>1</sup>  
(UNAUDITED)  
SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA

The City has no Ordinance which limits General Obligation Debt to a percentage of Assessed Property Values.

COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION DEBT<sup>1</sup>  
 (UNAUDITED)  
 SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA

<u>GOVERNMENT UNIT</u>	<u>BONDS OUTSTANDING</u>	<u>APPLICABLE TO THE CITY OF LEESBURG</u>	
		<u>PERCENT</u> <sup>2</sup>	<u>AMOUNT</u>
NONE	\$ 0	12.97%	\$ 0

(1) The City of Leesburg did not have any general obligation debt outstanding during the fiscal year ended September 30, 1989.

(2) Represents the fraction of assessed valuation of taxable property in the City of Leesburg over the assessed valuation of taxable property in Lake County.

TABLE 9

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES  
FOR GENERAL AND SPECIAL REVENUE BONDED DEBT TO  
TOTAL GENERAL EXPENDITURES  
 (UNAUDITED)  
 LAST TEN FISCAL YEARS  
CITY OF LEESBURG, FLORIDA

FISCAL YEAR	PRINCIPAL <sup>1</sup>	INTEREST <sup>1</sup>	TOTAL DEBT SERVICE <sup>1</sup>	TOTAL GENERAL EXPENDITURES <sup>2</sup>	RATIO OF DEBT SERVICE TO TOTAL GENERAL EXPENDITURES
1980	\$ 30,000	\$ 15,254	\$ 45,254	\$ 4,927,592	0.92
1981	30,000	13,621	43,621	4,930,390	0.88
1982	35,000	18,020	53,020	5,264,518	1.01
1983	35,000	10,739	45,739	5,557,081	0.82
1984	35,000	9,304	44,304	5,055,687	0.88
1985	40,000	268,737	308,737	5,130,164	6.02
1986	86,622	229,080	315,702	5,756,478	4.92
1987	476,411	299,725	776,136	6,208,484	12.50
1988	74,670	402,753	477,423	6,513,045	7.33
1989	159,459	397,915	557,374	7,009,145	7.95

(1) Includes Refunding and Capital Improvement Revenue Bonds, Series 1987, which are not General Obligation Bonds.

(2) Excludes Operating Transfers Out.



COMBINED UTILITY FUNDS  
SCHEDULE OF REVENUE BOND COVERAGE  
 (UNAUDITED)  
LAST TEN FISCAL YEARS  
CITY OF LEESBURG, FLORIDA

<u>FISCAL YEAR</u>	<u>GROSS REVENUES</u>	<u>OPERATION AND MAINTENANCE COSTS<sup>1</sup></u>	<u>NET REVENUE</u>
1980	\$ 18,056,392	\$ 15,516,277	\$ 2,540,115
1981	22,696,527	17,662,529	5,033,998
1982	22,770,000	18,820,674	3,949,326
1983	25,321,236	21,071,010	4,250,226
1984	25,072,853	19,833,257	5,239,596
1985	28,403,187	22,111,542	6,291,645
1986	28,959,677	21,104,997	7,854,680
1987	28,429,160	21,218,634	7,210,526
1988	31,676,515	20,711,823	10,964,692
1989	33,523,356	21,912,552	11,610,804

(1) Excludes interest expense and depreciation.

TABLE 10

DEBT SERVICE REQUIREMENTS				
<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>SINKING FUND</u>	<u>TOTAL</u>	<u>COVERAGE</u>
\$ 0	\$ 740,573	\$231,806	\$ 972,379	2.61
0	770,023	247,611	1,017,634	4.95
0	1,455,240	273,952	1,729,192	2.28
0	1,386,473	295,025	1,681,498	2.52
0	1,392,457	316,099	1,708,556	3.07
0	2,115,601	317,484	2,433,085	2.59
0	1,952,863	327,138	2,280,001	3.45
0	1,952,863	323,573	2,276,436	3.17
0	1,952,863	317,740	2,270,603	4.83
420,000	1,895,691	474,150	2,789,841	4.16

TABLE 11

DEMOGRAPHIC STATISTICS  
(UNAUDITED)  
LAST TEN FISCAL YEARS  
CITY OF LEESBURG, FLORIDA

<u>FISCAL YEAR</u>	<u>POPULATION</u> <sup>1</sup>	<u>PER CAPITA</u> <sub>2</sub> <u>INCOME</u>	<u>MEDIAN AGE</u>	<u>EDUCATION LEVEL IN YEARS OF FORMAL SCHOOLING</u>	<u>SCHOOL ENROLLMENT</u> <sup>3</sup>	<u>UNEMPLOYMENT RATE</u> <sup>4</sup>
1980	13,191	8,945	N/A	N/A	5,198	9.5
1981	13,260	9,816	N/A	N/A	5,192	15.1
1982	13,476	10,184	N/A	N/A	5,237	13.1
1983	13,538	18,894	N/A	N/A	5,177	12.3
1984	13,646	11,820	N/A	N/A	5,260	11.7
1985	14,063	N/A	N/A	N/A	4,896	10.8
1986	14,457	N/A	N/A	N/A	N/A	7.7
1987	14,659	N/A	N/A	N/A	N/A	6.4
1988	14,743	N/A	N/A	N/A	N/A	5.6
1989	14,939	N/A	N/A	N/A	N/A	6.2

N/A - Not Available.

DATA SOURCES

- (1) U.S. Census Bureau, Bureau of Business and Economic Research, and City Planning Office based on active residential electric meter count (1978-79).
- (2) Data for Lake County was obtained from the U.S. Department of Commerce, Economic Analysis as published in the Florida Statistical Abstract.
- (3) Annual school census by Board of Education. Figures represent elementary and secondary, public and private schools. Students in community colleges are not included.
- (4) U.S. Department of Labor - These estimated figures are based on the County as a whole. No individual figures are available for the City of Leesburg.

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS  
(UNAUDITED)  
LAST TEN FISCAL YEARS  
CITY OF LEESBURG, FLORIDA

<u>FISCAL YEAR</u>	<u>COMMERCIAL CONSTRUCTION<sup>1</sup></u>		<u>RESIDENTIAL CONSTRUCTION<sup>1</sup></u>	
	<u>NUMBER OF PERMITS</u>	<u>VALUE</u>	<u>NUMBER OF UNITS</u>	<u>VALUE</u>
1980	22	\$ 4,250,624	204	\$ 4,921,800
1981	17	1,898,000	225	5,140,488
1982	12	1,623,000	74	1,836,600
1983	17	1,482,798	220	3,554,180
1984	24	5,474,755	276	8,050,314
1985	25	7,187,690	230	6,145,655
1986	25	4,376,439	135	4,357,381
1987	34	11,742,049	119	4,830,948
1988	20	6,874,563	144	5,166,423
1989	22	13,566,396	420	15,751,307

(1) Based on building permits issued by City Department of Building and Zoning Codes. Property values are estimated construction costs. Commercial construction includes all non-residential construction.

(2) Data provided by Florida Bankers Association. Balances for 1982 provided by individual banks. Balances for 1983 not available.

(3) Lake County Assessor's Office.

TABLE 12

<u>BANK<sup>2</sup> DEPOSITS</u>	<u>ASSESSED TAXABLE PROPERTY VALUE<sup>3</sup></u>	
	<u>TAXABLE</u>	<u>NON-TAXABLE</u>
\$410,990,000	\$162,089,277	\$ 67,618,300
409,163,000	200,312,084	99,776,130
460,518,000	225,125,147	81,909,004
N/A	243,002,882	96,371,174
N/A	260,514,566	107,899,539
N/A	264,631,078	114,585,702
N/A	298,227,673	118,760,818
N/A	332,348,385	118,420,557
N/A	366,332,684	121,597,952
N/A	381,531,438	124,249,427

TABLE 13

PRINCIPAL TAXPAYERS  
(UNAUDITED)  
SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA

<u>TAXPAYERS</u>	<u>TYPE OF BUSINESS</u>	<u>ASSESSED VALUATION</u>	<u>PERCENTAGE OF TOTAL ASSESSED VALUATION</u>
United Telephone of Florida	Telephone	\$44,158,731	11.574%
Coca-Cola - Foods Division	Citrus Processing	24,003,648	6.291%
Sun Bank, N.A.	Banking	5,118,421	1.342%
Citizens National Bank	Banking	4,285,140	1.123%
Horne Properties, Inc.	Shopping Center	3,870,948	1.015%
Huber Investment Company	Shopping Center	3,499,892	0.917%
Walling Enterprises	Shopping Center	3,182,578	0.834%
Leesburg Associates	Shopping Center	2,718,769	0.713%
Mid-Florida Freezer, Inc.	Warehouse	2,581,756	0.677%
Wal-Mart Stores	Shopping Center	2,304,627	0.604%
Leesburg/Cula Associates	Shopping Center	2,195,223	0.575%
Southside Associates	Shopping Center	2,151,886	0.564%
Floriwan, Inc.	Hotel	2,139,118	0.561%
Public Housing Assistance Association	Housing Complex	2,049,606	0.537%

TABLE 14

MISCELLANEOUS STATISTICS  
(UNAUDITED)  
SEPTEMBER 30, 1989  
CITY OF LEESBURG, FLORIDA

Miles of Paved Streets	77.8
Number of Street Lights	1,632
Fire Protection:	
Number of Stations	2
Number of Firemen and Officers	30
Police Protection:	
Number of Stations	1
Number of Policemen and Officers	38
Education (Elementary Only):	
Attendance Centers (Public Schools Only) <sup>1</sup>	4
Number of Classrooms	97
Number of Teachers	107
Number of Students	1,997
Municipal Water Department:	
Number of Consumers - Residential	5,524
Average Daily Consumption	337 Gallons
Miles of Water Mains	307
Municipal Gas Department:	
Number of Consumers - Residential	6,322
Average Daily Consumption	.782 Therms
Miles of Gas Mains	190
Municipal Electric Department:	
Number of Consumers - Residential	13,128
Average Monthly Consumption	900 kwh
Miles of Primary Electric Lines Within the City	190
Wastewater and Sanitary Sewers:	
Sanitary Sewers	120 Miles
Storm Sewer	17.5 Miles
Building Permits Issued	733
Recreation and Culture:	
Number of Parks	9 with 225 Acres
Number of Libraries	1
Number of Volumes	131,977
Total Employees for the City Overall:	
Full-time Employees	326
Part-time Employees	18

<sup>1</sup> Elementary includes grades 1 through 4.

CORPORATE LIMITS AND ANNEXATIONS  
(UNAUDITED)  
LAST TEN FISCAL YEARS  
CITY OF LEESBURG, FLORIDA

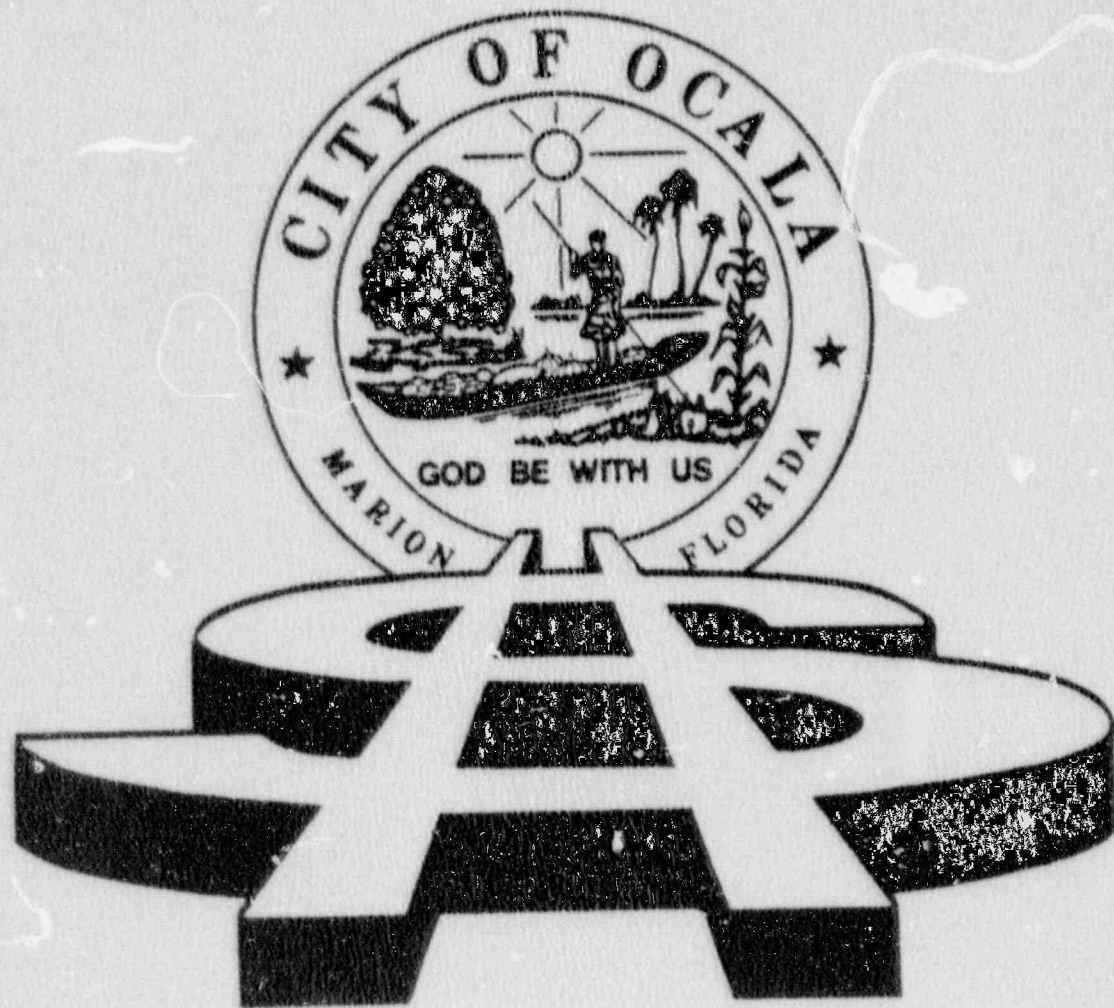
<u>YEAR</u>	<u>ANNEXATION ACRES</u>	<u>CORPORATE LIMITS</u>	
		<u>ACRES</u>	<u>SQUARE MILES</u>
1980	58.70	6,294.47	9.84
1981	124.83	6,353.17	9.93
1982	6.35	6,478.00	10.12
1983	32.70	6,510.70	10.17
1984	109.98	6,620.68	10.35
1985	93.02	6,713.70	10.49
1986	288.43	7,002.13	10.94
1987	230.25	7,232.38	11.30
1988	62.00	7,294.38	11.32
1989	4.70	7,299.08	11.41

SOURCE

City of Leesburg; Department of Planning and Community Development



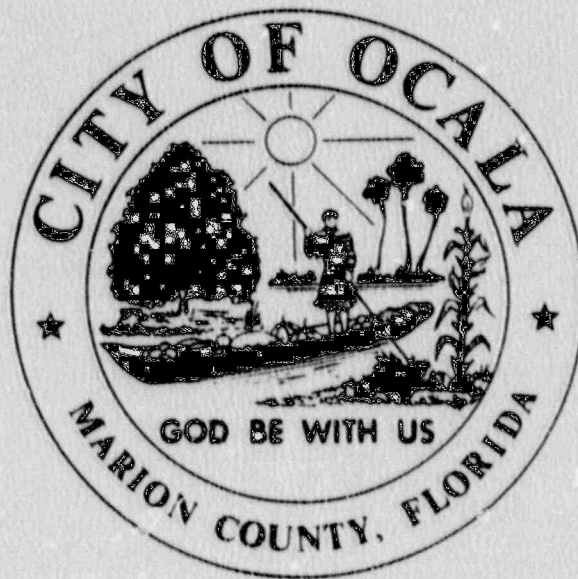
# COMPREHENSIVE ANNUAL FINANCIAL REPORT



For the Year Ended  
September 30, 1989

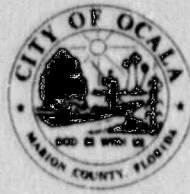
# CITY OF OCALA

## Comprehensive Annual Financial Report



For the Fiscal Year Ended  
September 30, 1989

Prepared by: Finance Department



## City of Ocala

151 S.E. Osceola Avenue  
Ocala, Florida

### Comprehensive Annual Financial Report Of the City of Ocala, Florida For the Year Ended September 30, 1989

#### City Council - 1988 - 1989

Craig Curry, Mayor  
Lorenzo S. Edwards, President  
Gerald K. Egle  
Michael A. Finn  
Thomas L. Fisher  
Richard A. Kesselring, Jr.

#### City Officials

City Manager	Scotty J. Andrews
Assistant City Manager	Richard K. Lewis
Assistant City Manager	Charles H. Lynn, Jr.
Building Official	Donald C. Noxon
City Attorney	William H. Phelan, Jr.
City Clerk	M. Jane Milam
City Engineer	B. William Ten Broeck
Downtown Development Manager	Teresa L. Thompson
Electric Utility Director	Dean G. Shaw
Finance Director	Robert F. Sprinkle
Fire Chief	William E. Woods
Fleet Management Director	Vernon A. Tucker
Golf Director	Joseph Moses, Jr.
Human Resources Director	Carolyn V. Ingham
Internal Auditor	Eric J. Lewerenz
Library Director	Robert M. Lipscomb
M.I.S. Director	Chester K. Holloway
Planning Director	Paul K. Nugent
Police Chief	A. Lee McGehee
Public Works Director	Charles H. Amerman
Purchasing Director	James B. Crosby
Recreation and Parks Director	David J. Pritchard
Risk Manager	Leonard A. Baker, Jr.
Water and Sewer Director	Richard A. Davis

## INTRODUCTORY SECTION

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Certificate of Achievement  
for Excellence in Financial Reporting

City of Ocala Organization Charts

CITY OF OCALA, FLORIDA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED SEPTEMBER 30, 1989

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*City of Ocala*  
January 10, 1990

FINANCE DEPARTMENT  
P. O. BOX 1270, OCALA, FLORIDA 32678-1270

City Manager and Council  
City Hall  
Ocala, Florida 32678

The Comprehensive Annual Financial Report (CAFR) of the City of Ocala, Florida for the year ended September 30, 1989 is submitted herewith.

The presentation of the Comprehensive Annual Financial Report is controlled by and is the responsibility of the City. We believe that it fairly presents the financial position and results of the operations of the City. Further, the City's chart of accounts substantially complies with the State Chart of Accounts, as prescribed by the Department of Banking and Finance of the State of Florida.

### The City Report

The City's Comprehensive Annual Financial Report (CAFR) is arranged in sections as follows:

- Section I      Introductory Section
- Section II     Financial Section
  - Part 1 - General Purpose Financial Statements
  - Part 2 - Individual Fund and Combining  
         Financial Statements by Fund Type
  - Part 3 - Single Audit Report
- Section III    Statistical Section

The Introductory Section contains a table of contents, letter of transmittal, certificate of achievement for excellence in financial reporting and the city organization chart.

The Financial Section contains the report of our Certified Public Accountants, combined financial statements for all fund types and account groups and individual and combining financial statements, which present the financial position and results of operations of the City at September 30, 1989 and for the fiscal year then ended. The Financial Section is divided into three parts:

1. General Purpose Financial Statements which present the combined financial statements for the City by fund type and account group.
2. Individual Fund and Combining Financial Statements by Fund Type which present financial data by homogeneous funds.
3. Single Audit Report which presents a schedule of federal financial assistance and reports of our Certified Public Accountants on the schedule of federal financial assistance, internal accounting and administrative controls and compliance with applicable laws and regulations.

The Statistical Section presents historical information which is designed to enhance the reader's understanding of the City's past and of its future potential.

The entire report is structured to be of interest to the public, local government officials, state agencies and the banking and the financial community in general.

The City provides the public with general services including police and fire protection, general government, culture and recreation, highway and drainage maintenance and library services. The Library serves a two county consortium with the Ocala Administrative Services Division functioning as headquarters. Citrus County now contracts for specific services only. 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, seven enterprise funds as follows: two golf courses totalling 45 holes with clubhouse facilities, a garbage and trash pick up service (both back door and curbside), water and sanitary sewer services, a membership tennis facility, electric service, a commuter air service airport (Ocala Municipal Airport/Jim Taylor Field), and a municipal trailer park.

All funds and account groups of the City of Ocala are included in this report. The financial activities of all municipal boards and commissions to the citizens of Ocala, except for the Ocala Housing Authority, are included in the City's financial statements. The Ocala Housing Authority is not included since the City does not influence its operation, nor is the City accountable for its fiscal matters. Further details of the City's fund structure are included in the note (1) to the financial statements.

#### ECONOMIC CONDITION AND OUTLOOK

Ocala is centrally located in Marion County, Florida and is the county seat. Thoroughbred and Arabian horsebreeding is a major business industry in the Ocala area. Disney World has constructed its first satellite information center in Ocala so that visitors can take care of all their needs before reaching Disney World. Hotels, restaurants and shopping areas have sprung up in the area of the information center.

The City continues to grow in population at a fast pace, especially in the surrounding areas, thus impacting utilities services. Available land, independent water supply, relatively low taxes, moderate climate with some seasonal changes, and the proximity to Daytona Beach, Tampa, and Disney World continue to be the underlying causes. In addition to an influx of people from up north, there is a steady flow of residents from South Florida. A continually growing number of people take advantage of the natural beauty of the area and visit the world famous Silver Springs Natural Attraction. The fishing and hunting provided in the Ocala National Forest bring new enthusiasts each year.

In the past few years, various reports/studies have chosen Ocala to be one of the fastest growing areas in the nation. Explosive commercial growth in the southwest portion of the City has necessitated expending one state road from a four-lane to a six-lane highway and created the need for the construction of a fully manned fire station in the congested area. Two years ago, the City Council increased taxes by one mill of which three-quarters of the increased revenues would be used for street maintenance/construction projects and the remaining one quarter to purchase land and building for the new fire station. The decision was made to continue this policy until these directives were completed.

#### MAJOR INITIATIVES

The City's budget for fiscal 1989 included significant steps to maintain the level of service for the citizens of Ocala as has been the primary directive of City Council. However, the budget plan took some very large steps toward preparing for the impact Ocala's impending growth will create. Council's direction to staff to look toward the future can be seen throughout the departmental budgets: Implementation of a Stormwater Utility, implementation of the Pay and Classification Study, Police Department, establishment of a Long Range Planning Division, establishment of an internal Engineering Consulting Group, continued ambitious infrastructure maintenance and improvement, Capital Improvement Program for the Municipal Golf Course and the Economic Development thrust for the Downtown area.

The growth potential of the City continues to be virtually limitless. While this is a boon, it continues to be a bane to the general government operations of the City. Growth demands additional services which require increases in expenditures. Additional services include the obvious ones like electric, water, sewer and sanitation but also engineering services for new roads and traffic signals for the increased traffic along with additional police and fire services. The dollars required to maintain the functions of Police, Fire, Engineering, Recreation, and Public Works have grown rapidly in connection with this growth. This dollar requirement growth has been very pronounced in the Police and Fire functions. Due to heavy land cost, the site for a new fire station was moved to a location on the Central Florida Community College Campus. The land was leased to the City for this facility. The Council adopted a modest one fourth of a mill increase in ad valorem taxes for this project in fiscal 1987, 1988 and 1989. The revenues resulting from growth are not increasing as rapidly as the

expenditures. This narrowing of the gap between general revenues and outlay of dollars has created such an acute situation in the general government of the City in 1986 that the City was forced to sell five year certificates to fund normal replacement and new capital outlay needs for a comparable, or less, period of time. The City issued five year fixed rate certificates in the amount of \$5,055,000. They are supported by a pledge of non-ad valorem revenues. The proceeds from this sale ran out as of September 30, 1988. During 1988, in anticipation of this, the City issued \$7,505,000 of Capital Improvement Revenue Refunding Certificates, Series 1988. This issue refunded \$3,205,000 of the older certificates and provided \$4,332,500 in new money for this purpose. In addition, the City contemplates a further non-ad valorem bond issue to be expended on the following projects:

Knights of Columbus property	\$ 350,000
Renovate Golf Course Clubhouse	650,000
Downtown Parking Garage	904,000
Police Department Building Addition	1,500,000
Renovate Old Community Theatre	300,000
Airport T Hangars	200,000
Refinance Airport Terminal Building	300,000
Parks and other	796,000
	-----
Total	\$5,000,000

This borrowing will probably represent the extent of the City's ability to use non advalorem revenue as a revenue pledge.

Growth has also put a strain on local road construction and improvements and on water and sewer expansion. While most transportation improvements are funded through the Local Gasoline Tax Special Revenue Fund, the City has issued bonds for roadway construction and improvements. The Capital Project Funds are used for reporting these improvements. Since fiscal 1987, the City has included three fourths of a mill of ad valorem taxes for infrastructure improvements and maintenance. The related expenditures for the additional levy are included in the General Fund. Some roadway projects are joint projects with the Marion County government.

Future: By far, the most significant and demanding job for the future will be the formulation and implementation of the City's "Five Year Capital Improvement Plan". This touches every City department, including Finance, extremely heavily. New provisions of Statute 163 impose a penalty of loss of state revenue sharing for failure to implement and follow a plan which we will have to submit to the State Department of Community Affairs for approval. We have until May, 1991 to get our plan approved for the five years ended September 30, 1997. The date of implementation is October 1, 1992, with the ever present specter of a penalty provision during the ensuing five year period. Periodic compliance reports will be required. Every City department is galvanized into a readiness posture.

To assist the City in this large effort, the firms of William R. Hough and Company and Henderson, Young and Company have been engaged and will be on board all throughout the implementation period. The scope of services include definitions and implementation of the following:

1. Facilities Descriptions.
2. Population and Demand Factors.
3. Inventory of Existing Facilities.
4. Standards for Levels of Service.
5. Average Costs of New Facilities.
6. Financial Capacity Analysis.
7. Revenue Sources.
8. Preliminary Financial Feasibility Assessment.
9. Capital Improvement Projects.
10. Final Financial Feasibility Assessments.
11. Goals, Objectives, Policies and Implementation Programs.
12. Status.

The prospects of this massive project have the negative aspects of providing a misdirection of attention from previously stated goals. On the other hand, working at it will provide a common cause of objectives under threat of financial penalty. The latter benefit probably overrides the negative aspects of it.

#### FINANCIAL INFORMATION

The City's accounting system is developed to ensure that the dual objectives of (1) providing reasonable assurance that assets are safeguarded and (2) that transactions are executed and recorded properly to permit the preparation of reliable records are met. The financial reports presented herewith are the work of the financial staff of the City and full responsibility for diligent application of these two concepts is assured and is an integral part of these reports.

Budgetary control is maintained on an annual allotment basis, based on prior year working capital and 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 full budget revision is prepared and submitted to the legislative body for ratification. The entire budget process is coordinated by a full time budget manager. In addition, two separate reviews are made by Finance for final annual appropriations approval. 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 the legislative body. This resolution also includes a carryforward for 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. Department heads now have the data processing capability of screening expenditures by line item. This has proved to be both a time and

money saver. Department Directors are provided monthly budget progress reports for the divisions of the City that they are responsible for managing.

The single audit concept continues to be in effect for financial audit and compliance for federal grants. The auditor's reports and findings are presented at the end of the second section of the Comprehensive Annual Financial Report.

### General Government

The amount of General Fund revenues and other financing sources for the fiscal year ended September 30, 1989 are as follows:

	<u>Amount</u>	<u>Percent</u>	<u>Increase (Decrease) Over 1987-88</u>
<b>Revenues:</b>			
Property Taxes	\$ 6,114,815	27.00%	\$ 1,087,444
Franchise and Other Taxes	786,021	3.47	22,198
State Revenue Sharing	1,272,027	5.62	(58,237)
Other Intergovernmental Revenue	3,028,424	13.37	87,697
Licenses and Permits	313,866	1.38	(10,067)
Fines and Forfeitures	696,820	3.08	26,711
Charges for Services	247,291	1.09	124,396
Interest Income	717,217	3.17	336,689
Other Income	<u>96,017</u>	<u>.42</u>	<u>(952,121)</u>
Subtotal	\$ 13,272,498	58.60%	\$ 664,710
	<u>Amount</u>	<u>Percent</u>	<u>Increase (Decrease) Over 1987-88</u>
<b>Other Financing Sources:</b>			
Debt Proceeds	\$ 0	-- %	\$ (4,802,091)
Transfers From Other Funds:			
Electric Fund	8,800,000	38.85	800,000
Water and Sewer Fund	250,000	1.10	250,000
Other Funds	<u>327,878</u>	<u>1.45</u>	<u>236,131</u>
Total	\$ 22,650,376	100.00%	\$ (2,851,250)

The City's assessed valuation for 1989 increased by 13% as compared to 1988. The City maintains a very low millage property tax rate and depends heavily on its utilities for general government support. The 1988 millage rate, which was in effect for fiscal year 1989, was 5.08, a .427 mill increase over the 1987 millage rate. The 1989 millage rate is 5.08, the same rate as last year.

Property Taxes income increased by \$1,087,444 over last year. This is due primarily to the 13% increase in assessed property valuation and the .427 mill property tax increase, which was to allow for more police personnel.



Franchise and Other Taxes increased by \$22,198. This is a 3.47% increase and is primarily due to growth in our natural gas and TV cable franchised area.

State Revenue Sharing decreased by \$58,237. This is significant. The actual cause for this is very speculative, but the best bets are Florida's hostile anti-smoking laws and repressive taxes that encourage smokers to purchase out of state on a compensating basis. This is unfortunate in that this revenue source is the main support for police and fire salaries. Cigarette taxes average 77.7% of the total annual income from this source.

Other Intergovernmental Revenue increased by \$87,697. This is primarily due to an increase in Federal, state and local grant activity.

Fines and Forfeitures income increased by \$26,911 over last year. The city/county task force for drug enforcement produced this for the most part.

Charges for Services increased by \$124,396. The greatest part of this increase is due to additional public safety charges.

Interest Income increased by \$336,689. Interest rates with the State Board of Administration have considerably improved over last year, and the City's invested balance was higher in 1989 than in 1988.

Other Income decreased by \$952,121. This decrease is caused by the creation of the Self-insurance Internal Service Fund. In fiscal 1988, \$956,541 of the General Fund's other income was the result of self-insurance activities. If this is excluded in comparison, there is a small increase in other income in fiscal 1989.

Debt Proceeds decreased by \$4,802,091. In 1988, the City issued the Capital Improvement Revenue Refunding Certificates, Series 1988. There was no General Fund debt issued during 1989.

Transfers from Electric Fund This amount was increased by \$800,000 to meet the city's growth needs primarily in the area of public safety.

Transfers from Water and Sewer Fund This is a first and one time transfer of expected surplus.

Transfers from Other Funds These transfers increased by \$236,131, when compared with 1988. These transfers are primarily the excess interest earnings of revenue debt sinking and reserve funds. The increase in transfers is primarily due to a one time transfer from the Capital Improvement Construction Capital Project Fund.

The amount of General Fund expenditures and other financing uses and the increase or decrease in the levels of expenditures by major category are as follows:

	<u>Amount</u>	<u>Percent</u>	<u>Increase (Decrease) Over 1987-88</u>
<b>Expenditures:</b>			
General Government and Administration	\$ 2,812,451	12.91%	\$ 447,356
Public Safety	9,519,499	43.71	1,488,794
Public Works	2,529,294	11.61	77,326
Culture and Recreation	1,808,834	8.31	210,129
Non-Departmental	330,614	1.52	(1,643,246)
Capital Outlay	1,630,618	7.49	(362,786)
Housing Rehabilitation	335,030	1.54	89,962
Principal and Interest Payments	58,670	.27	30,406
Other	-----249,953	-----1.14	----- (41,563)
Subtotal	\$ 19,274,963	88.50%	\$ 296,378
<b>Other Financing Uses:</b>			
Transfers to Other Funds:			
Library Fund	\$ 280,000	1.29%	\$ 20,000
Revenue Debt Funds	1,200,758	5.51	(227,933)
Other Funds	-----1,023,137	-----4.70	----- (1,070,496)
Total	\$ 21,778,858	100.00%	\$ (982,051)

Below are listed commentaries on unusual and significant expenditure changes from last year.

General Government And Administration expenditures increased by \$447,356 over last year. This is an increase of 18.9%. Several factors are involved as follows: introduction of executive benefit plan, increased user charges for data processing and fleet replacement reserves, youth employment services, and salary increases in planning and inspection. They are in place now and should not be a factor for the future.

Public Safety expenditures increased by \$1,488,794 over last year. This is all attributable to a full year expense of 10 new police officers and one secretary with attendant extra costs related to new employees. In addition, staffing was hired at the new fire station on the west side.

Public Works expenditures experienced an increase of \$77,326 over last year. This is a normal increase.

Non-Departmental expenditures decreased by \$1,634,246 as compared with last year. This is a significant decrease and is attributable to reporting self-insurance activities in an internal service fund.

Capital Outlay expenditures decreased by \$362,786. This is due primarily to a decrease in equipment purchases and roadway projects in the General Fund.

Transfers to Library Fund increased by \$20,000, which is a normal increase.

Transfers to Other Funds decreased by \$1,070,496. This is attributable to a decrease in the funds transferred from the proceeds of the 1988 Capital Improvement Certificates to proprietary funds. These are operating transfers, since the debt service requirements are met by the funds acquiring capital items.

### Proprietary Funds

The enterprise funds of the City are well run and continue to be the backbone of financial support of general government operations. Individual commentaries follow. Enterprise Funds are grouped by those with outstanding bonded debt and those without.

Enterprise Funds with Bonded Debt:

Consolidated Electric  
and Bulk Power Supply  
Revenue Fund

Gross Operating Revenues		\$ 58,766,190
Less: Gross Operating Expenses, Excluding Depreciation and Amortization		---41,829,646
Income Available for Debt Service (a)		\$ 16,936,544
Annual Debt Service (b)		\$ 2,659,607
Debt Service Coverage (Ratio of (a) to (b) )		6.37

Water and Sewer Fund

Gross Revenues:		
Operations Income		\$ 8,972,118
Interest Income		1,296,741
Transfers From Other Funds		---22,663
Sub Total		10,291,522
Less:		
Water System Development Charges	\$ 131,135	
Interest Income Water System Dev.	93,717	
Sewer System Development Charges	438,629	
Interest Income Sewer System Dev.	---254,907	
Sub Total		---(918,388)
Gross Revenues as Defined in Official Statement		
		\$ 9,373,134
Less: Cost of Operations and Maintenance as Defined in Official Statement		
Operations and Maintenance	\$ 5,085,374	
Transfers to Other Funds	710,052	
Depreciation and Amortization	---(1,255,215)	
Total Operation and Maintenance		(4,540,211)
Add: Interest Income Capitalized		---1,987,458
Net Revenues as Defined in Official Statement		\$ 6,820,381

Add: Revenues Available for Debt Service:  
Water and Sewer System Development Charges  
Including Interest

-----918,388

Net Revenue Available for Debt Service (a)	\$	7,738,769
Annual Debt Service (b)	\$	4,105,133
Debt Coverage Ratio (a) to (b)		1.89

The Consolidated Electric and Bulk Power Supply Revenue Fund ratio of income to debt service (parity) indicates a favorable 6.37. This is down from last year's 6.57. This is a very important measure of performance and this system continues to perform well. In addition, earnings are over rate covenant requirements. The system continues to be well run and managed, operationally. It is felt, however, that it is not taking full financial advantage of its growth potential.

The Electric Fund is the financial backbone of the City as evidenced by the authorized transfer of \$8,800,000 to the General Fund in 1989. This nearly paid for a ever increasing public safety function in the General Fund. This is equivalent to about 9.3 real estate mills of income to the General Fund. This system is a very valuable asset to the City.

During late fiscal 1989 the firm of Smith and Gillespie, Inc. of Jacksonville, Florida engineered the planning of the acquisition of land and construction of a power loop surrounding the City. This is vital to expansion of the City System. In the southwest area there is an explosive demand for commercial expansion that is immediate. For example, the K-Mart Company has selected Ocala as its southeastern distribution center. Construction will begin very shortly. In addition, the Phar-Mor Company has also recently selected Ocala as its regional center. To accommodate the large increase of heavy trucks and other traffic, the Florida State Road Department has agreed to bear the cost of four laning State Road 40 from the airport site to Interstate 75. This situation has created a heavy demand for utility services.

In late November, 1989, the City issued and sold \$28,425,000 Series 1989A Electric System Revenue Bonds. The City also sold \$13,000,000 Electric System Revenue Refunding Bonds, Series 1989B, that consolidated all previous revenue debt.

The franchised area for electric service includes considerably more than the corporate limits of the City. The new power loop and sub-station construction is scheduled to be completed in three years at a cost of \$28,857,875. The cost of this construction is already funded from the sale of the 1989A Electric Revenue Bonds.

Working capital at September 30, 1989 amounts to \$12,720,656 as compared with \$11,014,029 last year. This is an increase of \$1,706,627. This system is looking very good.

Water and Sewer Fund:

Working capital at September 30, 1989 amounts to \$585,552 as compared with \$1,003,443 last year. This is a decrease of \$417,891.

The bond indentures for the Water and Sewer Fund (Series 1985 A, Series 1986, and Series 1988) impose a drain on working capital in this fund. When impact fees were adopted for water and sewer in 1983 it was anticipated that revenues would be sufficient to fund two extra protective reserves without undue strain on the system.

Experience has shown this not to be the case. From these two revenue streams one half of the prior years income is required to be set aside into a debt stabilization account. The balance becomes available for new lines construction. Both the water and sewer stabilization accounts have a maximum requirement to peak out at September 30, 1990. The projected status to September 30, 1990 is as follows:

	<u>9-30-89</u> <u>Balance</u>	<u>9-30-90</u> <u>Required</u> <u>Balance</u>	<u>9-30-90</u> <u>Expected</u> <u>Balance</u>	<u>9-30-90</u> <u>Expected</u> <u>Over/Under</u>
Water Stabilization Account	414,945	414,945	414,945	--
Sewer Stabilization Account	2,006,939	3,235,815	2,226,254	(1,009,561)

The impact fee revenues were not as high as anticipated from new sewer construction. This is primarily due to holding back somewhat because of limited treatment capacity. Sewer treatment plant number two will be completed soon and this will cause greater revenues from the sewer impact fee source. Construction of treatment plant two was delayed in the mid and late 1980's because of conceptual and performance problems with the consulting engineers. The City has changed engineers now and construction should proceed. The City has hired new consultants and they are preparing two new master plans and a rate review for both water and sewer. The last of a programmed rate increase went into effect October 1, 1988. In the meantime, an effort is being made with bond counsel and our financial advisor to eliminate these two extra reserves as being too prohibitive to earnings.

In addition, during construction of sewer treatment plant number one, the City accepted a grant of \$1,509,748 from the State Department of Environmental Regulation. One of the requirements of this grant was a transfer of \$301,023 annually to an asset replacement fund to be taken from sewer impact fee revenues. While there is no relief available from this requirement, it does help explain the steady reduction to working capital.

The City also has a fully funded sinking and sinking reserve fund in the amount of \$5,291,347. Efforts are underway to purchase insurance which would free up this money for capital expansion that is surely needed in the southwest area in much the same manner as the Electric Fund.

Enterprise Funds Without Bonded Debt:

	Sanitation Fund	Municipal Golf Course	Fort King Tennis Court	Municipal Trailer Park	Ocala Municipal Airport
Gross Operating Revenues	\$ 3,972,959	\$1,550,819	\$ 53,628	\$ 92,632	\$ 104,544
Operating Expenses, Excluding Depreciation/Amortization	3,728,496	1,594,422	45,240	87,176	191,516
Income Available for Debt Service (a)	244,463	(43,603)	8,388	5,456	(86,972)
Debt Service (b)	N/A	N/A	N/A	N/A	N/A
Debt Service Coverages (Ratio of (a) to (b) )	N/A	N/A	N/A	N/A	N/A

The Sanitation Fund serves the City with trash and garbage pick-up service. The management philosophy of this unit continues to be very service oriented and public relations continues to be good. The financial results for the year improved considerably over last year. Operating income before depreciation increased from \$51,212 to \$244,463. This is a real turnaround and is due to a modest overall rate increase of 5.6% and better follow-up on billing of commercial accounts. While there was a decrease in working capital from last year in the amount of \$35,775, this is much better than last year when working capital dropped by \$251,996 as compared with the previous year. There is still much concern over future tipping fee increases by the county but thus far this has not happened. There is now good reason for financial optimism.

Municipal Golf Course Fund. Each year the golf fund seems to start out on a financial optimistic note and something happens to delay its financial improvement. The loss for 1989, excluding depreciation, amounted to \$43,603 from operations. Last year the loss was \$88,394. The loss is largely attributable to municipal course number one being down for greens replanting from May, 1989 through September, 1989. While the loss was minimized by dual membership play, the lack of availability of 18 holes for five months was bound to take its financial toll. Working capital at 9/30/89 is a negative \$55,905 as compared with a positive \$48,881 last year.

During 1990, the clubhouse at Municipal Golf Course is scheduled for renovation at an estimated cost of \$650,000. While this will be a financial negative, it is not anticipated to have the revenue impact as did the greens refurbishing. The outlook is guardedly optimistic for 1990.

The Fort King Tennis Court continues to provide a slightly facility for area tennis players. For the second year in a row, the fund enjoyed an operating income, this year at \$6,191. The tennis pro continues to be an effective manager. Working capital increased by \$13,719 over last year. Plans have been approved to renovate the clubhouse in 1990.

The Municipal Trailer Park Fund enjoyed an operating gain for 1989, excluding depreciation, in the amount of \$5,456. This is a real turnaround from last years loss of \$9,920. Working capital improved from a negative \$21,247 to a negative \$21,069. The City adopted a modest rate increase in 1989 and required its tenants to pay their own utility bills. While income potential is limited, the showing of an operations gain removes it from the negative outlook list.

The Ocala Municipal Airport Fund suffered an operating loss in 1989 of \$86,972 exclusive of depreciation. The size of the loss is down from last year's loss of \$108,519. Working capital at 9/30/89 amounts to a negative \$1,793 as compared with a negative working capital last year of \$14,161. Financially, the fund is doing a slow turnaround. For next year things should even be better in that a tenant will come into the complex which will probably increase rental income by \$30,000. A faster financial turnaround is predicted for the future.

#### Fiduciary Operations

Pension Trust Fund: The City maintains a defined benefit retirement plan for all of its employees. This plan is non-contributory to the employee. For 1989 the contributions were set at 7.2% of salary. This is the basic city plan. In addition, as a supplement, the city maintains a police supplemental plan and a fire supplemental plan. The police plan is funded by a one percent of salary mandatory contribution from the employee and a percentage of state collections of auto insurance premiums from the State Department of Insurance. For 1989 this contribution was \$258,380. The fire plan is funded by a mandatory employee contribution of 8.42% plus a percentage of state collections of property insurance premiums from the State Department of Insurance. For 1989 this contribution amounted to \$119,949.

The City Council presides as the board of directors over the general plan and appointed members from various segments of the public and city staff sit as boards of directors for the fire and police plans respectively. The membership is prescribed by ordinance. The City also maintains a pension advisory committee made up of various city staffers who function as advisors to pending retirees. To administer the financial matters of the fund the city utilizes three outside firms as follows: as investment manager, Manning and Napier of Rochester, N.Y. (a chart of their investment record follows this letter); as actuary, Hazlehurst and Associates of Atlanta, Georgia;

and as custodian of funds, Florida National Bank of Jacksonville, Florida. In addition, the Department of Retirement of the State of Florida acts as final actuarial review manager of all city retirement plans. Also the City utilizes the firm of Merrill Lynch

to review the performance of the investment manager periodically. This is required by state statute. The plan is well audited and reviewed. Further, the assistant to the City Manager functions as benefits overseer to the plan.

The employee becomes vested after ten years of service. Normal retirement occurs at age 65 but the employee may retire at age 55, if vested, with a benefit reduction of 30% (3% per year). The benefits for policemen and firemen are somewhat larger. The normal retirement age for police is 60 and the normal retirement age is 55 for fire, with no benefit penalty for either class of employee. For the general employee the multiplier factor is 1.6% of the average monthly earnings of his last three years of service multiplied by the number of service years through twenty years plus 1.8% for service years over twenty years through thirty years plus 2.0% for service years over thirty years. The minimum monthly benefit for a general employee with ten years of service is \$100. For the police and fire, the multiplier is greater primarily due to their supplemental benefits.

When the employee is retired, he is allowed to carry one half of his term life insurance and all of his health insurance benefits at his own expense. We now have 170 retirees with an annual payroll of approximately \$900,000.

During September, 1989 the City voted to set aside 2% of its general plan contribution of 7.2% of salary into a pilot health insurance cost for its retirees, starting in October, 1989. It is estimated that the reserve will be adequate in about three years. It is currently invested with State Board of Administration.

The City has the best interest of its employees at heart and the retirement fund is in very good shape.

Community Redevelopment Trust Fund: During 1989, the City received its first collections under the tax increment financing (TIF) program. This program allows for a tax increment to be set aside in a trust fund to be utilized for community redevelopment purposes. The increment, to be taken for 30 years, is the City and County property tax on the difference between a base year and the budget year's property values within a designated area. The City's designated area includes downtown Ocala. The revenues in this fund are to be used first to repay the General Fund for professional services required in creating and implementing the TIF program and later for community redevelopment purposes.

#### Debt Administration

As of and during the year ended September 30, 1989, the City had no general obligation bonded debt. There remains, as during last year, no ratio of bonded debt to assessed valuation to declare. Under Section 9.02 of the City Charter, the City may issue a general



obligation bond up to 20% of the most recent real property valuation, subject to approval by referendum. The likelihood of this happening is very remote.

At September 30, 1989, the City had \$113,905,000 in outstanding serial and term bonds. Of this amount, \$78,315,000 are associated with enterprise funds and \$35,590,000 are associated with governmental funds. All of the City's issues are insured.

During the year, the City issued \$14,085,000 of Optional Gas Tax Revenue Bonds, Series 1989. These serial bonds were issued for the purpose of financing the cost of the acquisition and construction of certain transportation improvements within the City.

#### Cash Management

Cash temporarily idle during the year was invested in U. S. Treasury obligations and in the State Board of Administration Fund, which is an investment pool administered by the State of Florida. Although 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, we have found that the State Board of Administration has historically had higher interest rates and we can withdraw funds on demand. At September 30, 1989, our investments with the State Board of Administration were earning 8.78%, with a year to date return of 9.10%.

The City's pension fund investments are administered by the firm of Manning and Napier of Rochester, New York. The pension fund investments consist of bonds, common stocks, U. S. Treasury obligations and short-term investments.

#### Risk Management

This department was established by interlocal agreement on July 1, 1987. The three parties to the agreement were the City of Ocala, Marion County, and the Marion County School Board. The financial arrangement includes the provision that each party will bear the cost pro-rata to the risk manager's efforts to each group. About two months prior to the end of fiscal 1989 the school board opted out of the agreement leaving an unpaid share balance of \$11,147. It is doubtful that this will ever be collected. The costs for 1990 are budgeted about equally with the city carrying \$178,653 and the county \$177,986. This is a reduction to the city of \$29,496 as compared with 1989. The Risk Management department is responsible for the procurement of insurance, either through an outside carrier or through self-insurance. The department is doing very well for the city especially in the area of the 125 plan.

#### OTHER INFORMATION

Independent Audit: The City Charter and state statutes require an independent audit of the books, financial records and transactions of all administrative departments of the City by a Certified Public Accounting Firm selected by the City Council. In addition to meeting the requirements set forth in state statutes, the audit also

was designed to meet the requirements of the federal Single Audit Act of 1984 and related OMB Circular A-128. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit Section.

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, 1988. This was the seventh consecutive year that the City has received this prestigious award.

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

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

The Distinguished Budget Presentation Award was awarded to the City for its budget for year beginning October 1, 1988 by the Government Finance Officers Association of the United States and Canada (GFOA). In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization. The City is very proud of this award.

Acknowledgements: The preparation of this report could not have been accomplished without the assistance of Diane Cangelosi, Assistant Finance Director, Barbara Edwards, Budget Analyst, Prudy Waite, Accountant, and Jerry Patton, Financial Analyst. Our grateful appreciation is also extended to our external auditors and to Eric Lewerenz, Internal Auditor, who were very helpful. In addition, our appreciation is extended to the City Manager, Assistant City Managers, and the City Council whose continued interest in good fiscal city government continues to be an invaluable asset to the community.

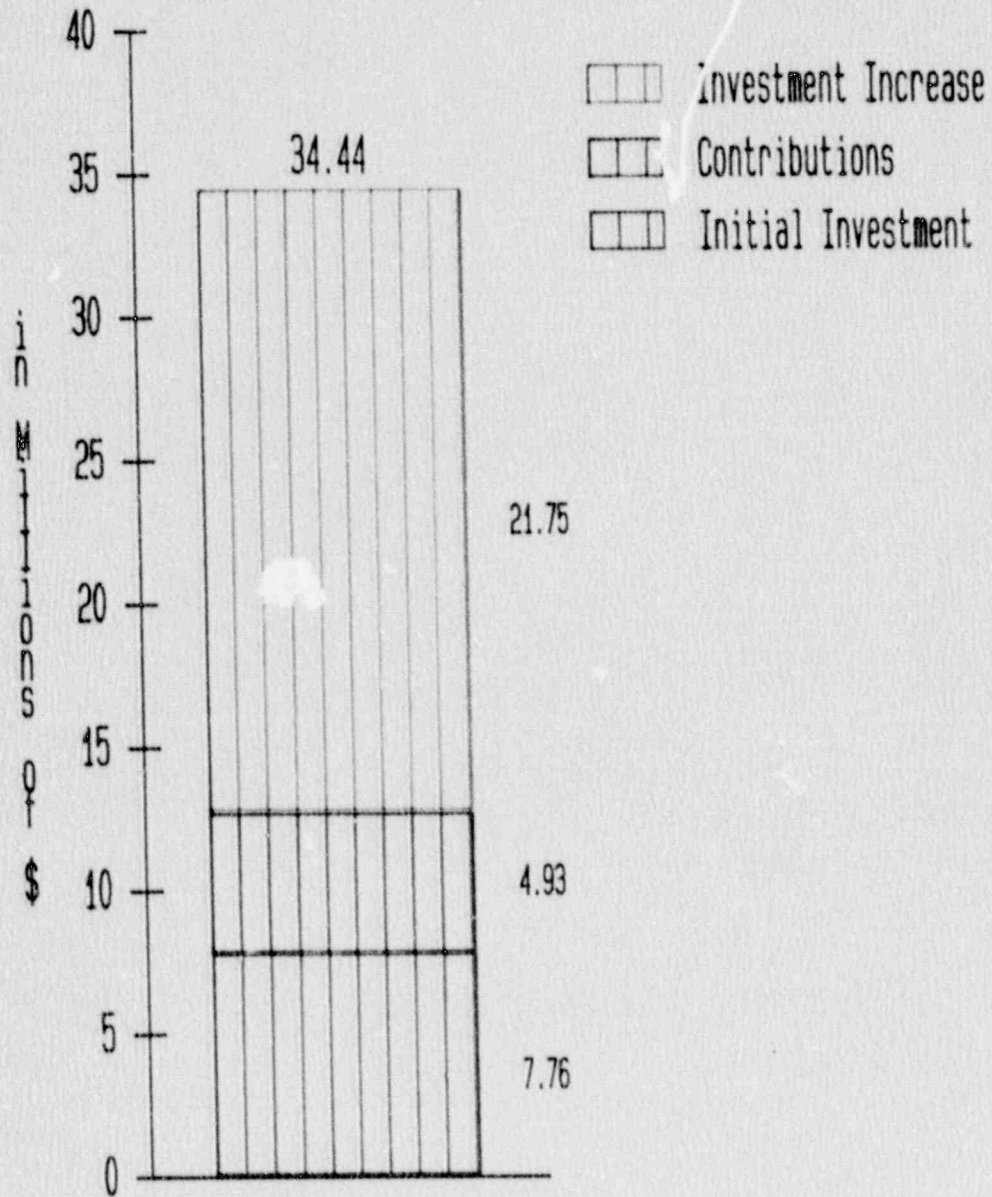
Respectfully submitted,

  
Robert F. Sprinkle  
Finance Director

mb

# City of Ocala Employee Retirement Fund

7/28/82 to 12/31/89



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, 1988

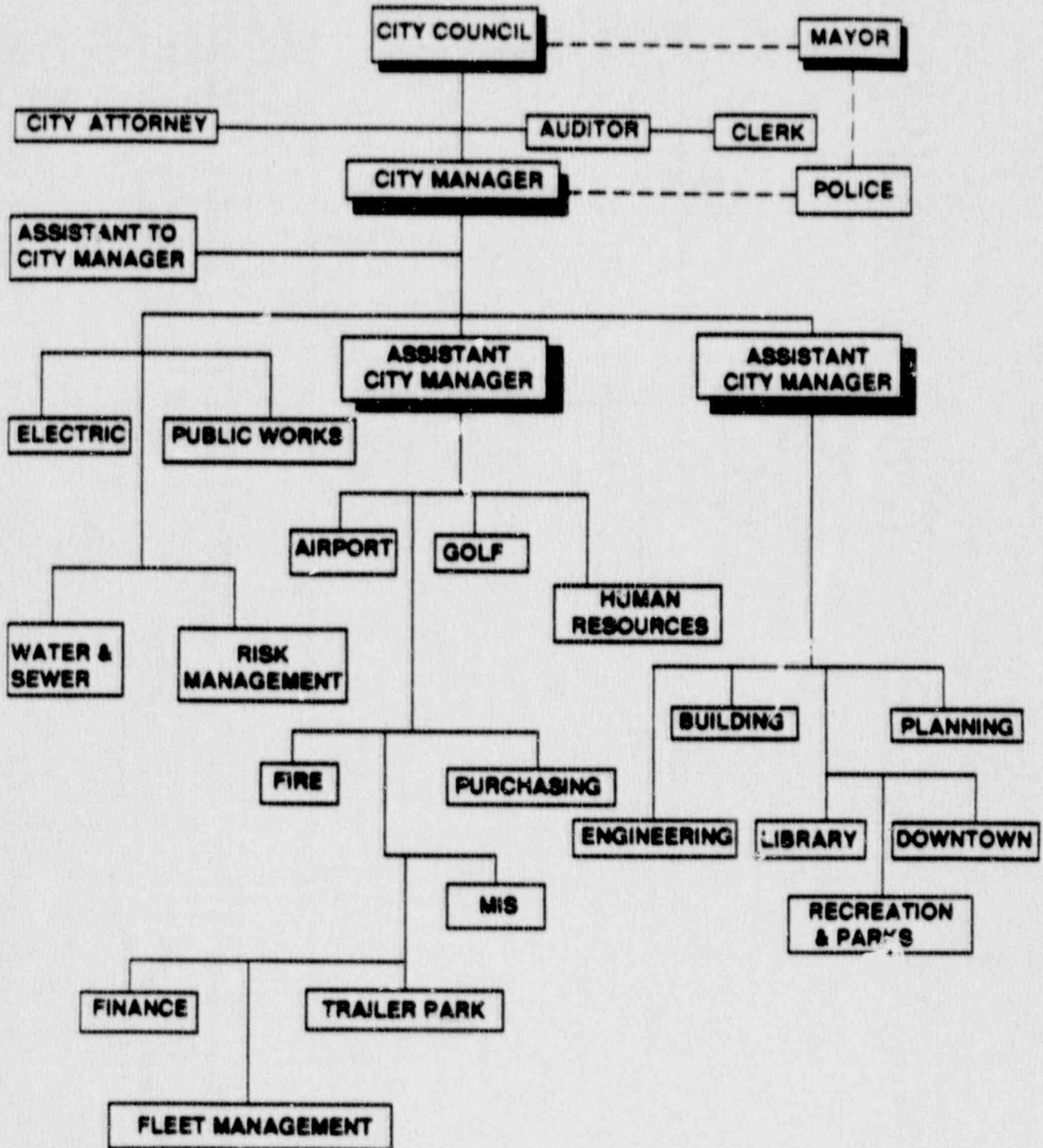
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFR's) achieve the highest standards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



President

Executive Director

# CITY OF OCALA ORGANIZATIONAL CHART



CITY OF OCALA

# OCALA BOARDS AND COMMISSIONS

CITIZENS OF  
OCALA

CITY COUNCIL

MAYOR

PUBLIC  
UTIL. BOARD

AIRPORT

MUN. UTIL. COUNCIL

CIVIL SERV. BOARD

BOARD OF ADJ.

CONTRACT BOARD

MUN. TRAFFIC ADV. BOARD

EDUCATION ADV. COMMISSION

MUNICIPAL GOLF COURSE

PINE GROVE MUN. GOLF COURSE

LIBRARY

MUNICIPAL ARCH.

PLANNING & ZONING

PUBLIC SAFETY

RECREATION

## 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

Single Audit Report

**KPMG Peat Marwick**

Certified Public Accountants

111 North Orange Avenue, Suite 1600  
P.O. Box 3031  
Orlando, FL 32802

Independent Auditors' Report

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

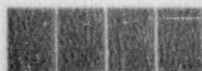
We have audited the general purpose financial statements of the City of Ocala, Florida, as of and for the year ended September 30, 1989, as listed in the accompanying table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. 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 general purpose 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, 1989, and the results of its operations and the cash flows of its proprietary and similar trust fund types for the year then ended in conformity with generally accepted accounting principles.

As discussed in note 3 to the general purpose financial statements, the City changed its method of accounting for self-insurance activities.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and individual account group financial statements and schedules listed in the accompanying 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, except for the historical pension information included on pages 50 through 52, has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.





The schedule of historical pension information on pages 50 through 52 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquires 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.

*KPMG Peat Marwick*

January 10, 1990

## 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.

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CITY OF OCALA, FLORIDA

COMBINED BALANCE SHEET

ALL FUND TYPES AND ACCOUNT GROUPS

SEPTEMBER 30, 1989

	<u>Governmental Fund Types</u>			
<u>Assets</u>	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Project</u>
Current assets:				
Cash and investments	\$ 3,550	\$ 229,956	\$ -	\$ -
Equity in pooled cash and investment fund	4,920,581	6,648,808	-	12,443,687
Accounts and notes receivable, net of allowance for doubtful accounts of \$600,227	407,894	55,845	-	1,135,221
Accrued unbilled revenues	-	-	-	-
Due from other funds	287,277	57,624	-	-
Interfund loans receivable	2,680	-	-	-
Inventories	-	-	-	-
Other current assets	255,131	-	-	-
Due from other governments	-	302,885	-	587,942
Total current assets	<u>5,877,113</u>	<u>7,295,118</u>	<u>-</u>	<u>14,166,850</u>
Restricted assets:				
Cash and investments	51,475	41,547	507,026	-
Equity in pooled cash and investment fund	2,993,289	-	5,251,681	-
Accrued interest and dividends receivable	-	-	-	-
Other	2,029	-	1,923	-
Due from other governments	248,245	-	-	-
Total restricted assets	<u>3,295,038</u>	<u>41,547</u>	<u>5,760,630</u>	<u>-</u>
Interfund loans receivable after one year	-	-	-	-
Property, plant and equipment, net	-	-	-	-
Issuance costs on long-term debt	-	-	-	-
Amount available in debt service funds	-	-	-	-
Amount to be provided for retirement of general long-term debt	-	-	-	-
Total assets	\$ <u>9,172,151</u>	\$ <u>7,336,665</u>	\$ <u>5,760,630</u>	\$ <u>14,166,850</u>

<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Type</u>	<u>Account Groups</u>		<u>Totals (Memorandum Only)</u>
<u>Enterprise</u>	<u>Internal Service</u>	<u>Trust and Agency</u>	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	
\$ 3,965	\$ 500	\$ -	\$ -	\$ -	\$ 237,971
8,970,820	3,068,130	-	-	-	36,052,026
5,642,496	2,224	-	-	-	7,243,680
3,645,360	-	-	-	-	3,645,360
733,277	22,516	-	-	-	1,100,694
130,500	-	-	-	-	133,180
2,316,182	138,239	-	-	-	2,454,421
53,059	44,242	-	-	-	352,432
-	29,527	-	-	-	920,354
<u>21,495,659</u>	<u>3,305,378</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,140,118</u>
6,440,956	-	34,603,175	-	-	41,644,179
51,368,791	-	-	-	-	59,613,761
33,676	-	437,125	-	-	470,801
46,640	-	-	-	-	50,592
204,437	-	-	-	-	452,682
<u>58,094,500</u>	<u>-</u>	<u>35,040,300</u>	<u>-</u>	<u>-</u>	<u>102,232,015</u>
877,525	-	-	-	-	877,525
99,404,969	6,597,794	-	13,940,970	-	119,943,733
1,277,085	-	-	-	-	1,277,085
-	-	-	-	5,760,630	5,760,630
-	-	-	-	<u>29,960,945</u>	<u>29,960,945</u>
\$ <u>181,149,738</u>	\$ <u>9,903,172</u>	\$ <u>35,040,300</u>	\$ <u>13,940,970</u>	\$ <u>35,721,575</u>	\$ <u>312,192,051</u>

(Continued)

CITY OF OCALA, FLORIDA

COMBINED BALANCE SHEET

ALL FUND TYPES AND ACCOUNT GROUPS

SEPTEMBER 30, 1989

(Continued)

<u>Liabilities and Equity</u>	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Project</u>
<b>Current liabilities:</b>				
Accounts payable	\$ 605,662	\$ 249,055	\$ -	\$ 524,814
Compensated absences payable	355,058	16,078	-	-
Bonds and notes payable within one year	-	-	-	-
Accrued interest payable	-	-	-	-
Due to other funds	-	-	-	-
Customer deposits	-	-	-	-
Deferred revenue	98,145	274,011	-	-
Interfund loans payable	-	2,680	-	-
<b>Total current liabilities</b>	<u>1,058,865</u>	<u>541,824</u>	<u>-</u>	<u>524,814</u>
<b>Liabilities payable from restricted assets:</b>				
Accounts payable	145,312	-	-	-
Accrued interest payable	-	-	-	-
Deferred revenue	54,228	-	-	-
Bonds and notes payable within one year	-	-	-	-
<b>Total liabilities payable from restricted assets</b>	<u>199,540</u>	<u>-</u>	<u>-</u>	<u>-</u>
Interfund loans payable after one year	-	-	-	-
Bonds and notes payable after one year	-	-	-	-
<b>Total liabilities</b>	<u>1,258,405</u>	<u>541,824</u>	<u>-</u>	<u>524,814</u>
<b>Equity:</b>				
Investment in general fixed assets	-	-	-	-
Contributed equity	-	-	-	-
<b>Retained earnings:</b>				
Reserved for debt service	-	-	-	-
Reserved for renewal and replacement	-	-	-	-
<b>Total reserved retained earnings</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unreserved	-	-	-	-
<b>Total retained earnings</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>				
Reserved for debt service	-	-	5,760,630	-
Reserved for retirement benefits	-	-	-	-
Reserved for encumbrances	579,736	317,855	-	487,125
Reserved for restricted assets	2,874,240	41,547	-	-
<b>Total reserved fund balances</b>	<u>3,453,976</u>	<u>359,402</u>	<u>5,760,630</u>	<u>487,125</u>
Unreserved and undesignated fund balances	4,459,770	6,435,439	-	13,154,911
<b>Total fund balances</b>	<u>7,913,746</u>	<u>6,794,841</u>	<u>5,760,630</u>	<u>13,642,036</u>
<b>Total equity</b>	<u>7,913,746</u>	<u>6,794,841</u>	<u>5,760,630</u>	<u>13,642,036</u>
<b>Total liabilities and equity</b>	<u>\$ 9,172,151</u>	<u>\$ 7,336,665</u>	<u>\$ 5,760,630</u>	<u>\$ 14,166,850</u>

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	
\$ 4,782,994	\$ 921,090	\$ -	\$ -	\$ -	\$ 7,083,615
255,657	47,150	-	-	-	673,943
33,303	117,198	-	-	1,167,389	1,317,890
2,730	10,898	-	-	-	13,628
618,643	482,051	-	-	-	1,100,694
1,999,078	-	-	-	-	1,999,078
259,843	-	-	-	-	631,999
130,500	-	-	-	-	133,180
<u>8,082,748</u>	<u>1,578,387</u>	<u>-</u>	<u>-</u>	<u>1,167,389</u>	<u>12,954,027</u>
1,414,582	-	31,620	-	-	1,591,514
2,694,618	-	-	-	-	2,694,618
403,596	-	-	-	-	457,824
<u>1,860,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,860,000</u>
<u>6,372,796</u>	<u>-</u>	<u>31,620</u>	<u>-</u>	<u>-</u>	<u>6,603,956</u>
877,525	-	-	-	-	877,525
75,364,282	106,111	-	-	34,554,186	110,024,579
<u>90,697,351</u>	<u>1,684,498</u>	<u>31,620</u>	<u>-</u>	<u>35,721,575</u>	<u>130,460,087</u>
-	-	-	13,940,970	-	13,940,970
<u>21,265,041</u>	<u>1,288,775</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,553,816</u>
10,797,956	-	-	-	-	10,797,956
<u>6,610,966</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,610,966</u>
17,408,922	-	-	-	-	17,408,922
51,778,424	6,929,899	-	-	-	58,708,323
<u>69,187,346</u>	<u>6,929,899</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,117,245</u>
-	-	-	-	-	5,760,630
-	-	35,008,680	-	-	35,008,680
-	-	-	-	-	1,384,716
-	-	-	-	-	2,915,787
-	-	35,008,680	-	-	45,069,813
-	-	-	-	-	24,050,120
-	-	35,008,680	-	-	69,119,933
<u>90,452,387</u>	<u>8,218,674</u>	<u>35,008,680</u>	<u>13,940,970</u>	<u>-</u>	<u>181,731,964</u>
\$ <u>181,149,738</u>	\$ <u>9,903,172</u>	\$ <u>35,040,300</u>	\$ <u>13,940,970</u>	\$ <u>35,721,575</u>	\$ <u>312,192,051</u>

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CITY OF OCALA, FLORIDA  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL AND EXPENDABLE TRUST FUND TYPES  
FOR THE YEAR ENDED SEPTEMBER 30, 1989

	<u>Governmental Fund Types</u>				<u>Fiduciary</u> <u>Fund Type</u>	<u>Totals</u> <u>(Memorandum</u> <u>Only)</u>
	<u>General</u>	<u>Special</u> <u>Revenue</u>	<u>Debt</u> <u>Service</u>	<u>Capital</u> <u>Project</u>	<u>Expensible</u> <u>Trust</u>	
<b>Revenues:</b>						
Property taxes	\$ 6,114,815	\$ 46,427	\$ -	\$ -	\$ 9,855	\$ 6,171,097
Other taxes	786,021	-	-	-	-	786,021
State revenue sharing	1,272,027	-	-	-	-	1,272,027
Other intergovernmental revenues	3,028,424	2,740,709	-	470,582	-	6,239,715
Parking meters and facilities	-	93,174	-	-	-	93,174
Licenses and permits	313,866	376,590	-	-	-	690,456
Fines and forfeitures	696,820	43,783	-	-	-	740,603
Charges for services	247,291	1,007,703	-	-	-	1,254,994
Interest	717,217	488,795	361,569	827,582	1,137	2,396,300
Gifts	7,615	1,416	-	-	-	9,031
Other	88,402	15,475	-	81,898	701	186,476
Total revenues	<u>13,272,498</u>	<u>4,814,072</u>	<u>361,569</u>	<u>1,380,062</u>	<u>11,693</u>	<u>19,839,894</u>
<b>Expenditures:</b>						
<b>Current:</b>						
General government and admini- stration	2,812,451	60,446	-	-	-	2,872,897
Public safety	9,519,499	-	-	-	-	9,519,499
Public works	2,529,294	905,797	-	838,958	-	4,274,049
Culture and recreation	1,808,834	1,189,611	-	-	-	2,998,445
Housing rehabilitation	335,030	-	-	-	-	335,030
Nondepartmental appropriations	330,614	-	-	234,044	-	564,658
Other	181,889	79,016	-	-	-	260,905
Capital outlay	1,630,618	348,903	-	2,005,714	-	3,985,235
<b>Debt service:</b>						
Principal payments	40,892	-	875,000	-	-	915,892
Interest and paying agents' fees	17,778	1,508	1,550,009	-	1,702	1,570,997
Intergovernmental	68,064	1,632	-	-	-	69,696
Total expenditures	<u>19,274,963</u>	<u>2,586,913</u>	<u>2,425,009</u>	<u>3,078,716</u>	<u>1,702</u>	<u>27,367,303</u>
Excess (deficiency) of revenues over expenditures	<u>(6,002,465)</u>	<u>2,227,159</u>	<u>(2,063,440)</u>	<u>(1,698,654)</u>	<u>3,991</u>	<u>(7,527,409)</u>
<b>Other financing sources (uses):</b>						
Debt proceeds	-	-	-	13,848,614	-	13,848,614
Transfers from other funds	9,377,878	328,625	4,570,520	-	12,329	14,289,352
Transfers (to) other funds	(2,503,895)	(882,018)	(92,000)	(1,522,707)	(22,320)	(5,022,940)
Total other sources (uses)	<u>6,873,983</u>	<u>(553,393)</u>	<u>4,478,520</u>	<u>12,325,907</u>	<u>(9,991)</u>	<u>23,115,026</u>
Excess of revenues and other sources over expenditures and other uses	<u>871,518</u>	<u>1,673,766</u>	<u>2,415,080</u>	<u>10,627,253</u>	<u>-</u>	<u>15,587,617</u>
Fund balances at beginning of year	7,099,590	5,121,075	3,343,550	3,953,710	-	19,519,925
Equity transfers (to) other funds	<u>(57,362)</u>	<u>-</u>	<u>-</u>	<u>(938,927)</u>	<u>-</u>	<u>(996,289)</u>
Fund balances at end of year	<u>\$ 7,913,746</u>	<u>\$ 6,794,841</u>	<u>\$ 5,760,630</u>	<u>\$ 13,642,036</u>	<u>\$ -</u>	<u>\$ 34,111,253</u>

See accompanying notes to financial statements.

CITY OF OCALA, FLORIDA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCES - ACTUAL AND BUDGET

GENERAL, SPECIAL REVENUE, CAPITAL PROJECT AND

EXPENDABLE TRUST FUND TYPES

FOR THE YEAR ENDED SEPTEMBER 30, 1989

	General				
	Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	Revised Budget	Favorable (Unfa- vorable) Variance
<b>Revenues:</b>					
Property taxes	\$ 6,114,815	\$ -	\$ 6,114,815	\$ 6,031,820	\$ 82,995
Other taxes	786,021	-	786,021	787,000	(979)
State revenue sharing	1,272,027	-	1,272,027	1,300,000	(27,973)
Other intergovernmental revenues	3,028,424	(861,177)	2,167,247	2,283,571	(116,274)
Parking meters and facilities	-	-	-	-	-
Licenses and permits	313,866	-	313,866	358,000	(44,134)
Fines and forfeitures	696,820	-	696,820	718,377	(21,557)
Charges for services	247,291	-	247,291	342,549	(95,258)
Interest	717,217	(5,993)	711,224	643,070	68,154
Gifts	7,615	-	7,615	5,385	2,230
Other	88,402	(30,325)	58,077	79,373	(21,296)
<b>Total revenues</b>	<u>13,272,498</u>	<u>(897,495)</u>	<u>12,375,003</u>	<u>12,549,095</u>	<u>(174,092)</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General government and administration	2,812,451	(130,495)	2,681,956	2,755,668	73,712
Public safety	9,519,499	15,248	9,534,747	9,893,577	358,830
Public works	2,529,294	8,331	2,537,625	2,579,704	42,079
Culture and recreation	1,808,834	14,298	1,823,132	2,013,164	190,032
Housing rehabilitation	335,030	(335,030)	-	-	-
Nondepartmental appropriations	330,614	(120)	330,494	1,142,189	811,695
Other	181,889	(181,808)	81	86	5
Capital outlay	1,630,618	311,115	1,941,733	2,339,646	397,913
<b>Debt service:</b>					
Principal payments	40,892	-	40,892	40,892	-
Interest and paying agents' fees	17,778	(3,600)	14,178	14,180	2
Intergovernmental	68,064	(9,516)	58,548	61,885	3,337
<b>Total expenditures</b>	<u>19,274,963</u>	<u>(311,577)</u>	<u>18,963,386</u>	<u>20,840,991</u>	<u>1,877,605</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(6,002,465)</u>	<u>(585,918)</u>	<u>(6,588,383)</u>	<u>(8,291,896)</u>	<u>1,703,513</u>
<b>Other financing sources (uses):</b>					
Operating transfers from other funds	9,377,878	-	9,377,878	9,222,000	155,878
Operating transfers (to) other funds	(2,503,895)	(18,655)	(2,522,550)	(2,505,143)	(17,407)
<b>Total other sources (uses)</b>	<u>6,873,983</u>	<u>(18,655)</u>	<u>6,855,328</u>	<u>6,716,857</u>	<u>138,471</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses before fund balance allocation</b>	871,518	(604,573)	266,945	(1,575,039)	1,841,984
<b>Fund balance allocation</b>	-	-	-	1,575,039	(1,575,039)
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	871,518	(604,573)	266,945	-	266,945
<b>Fund balances at beginning of year</b>	<u>7,099,590</u>	<u>(92,065)</u>	<u>7,007,525</u>	<u>7,007,525</u>	<u>-</u>
<b>Equity transfer (to) other funds</b>	<u>(57,362)</u>	<u>57,362</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances at end of year</b>	<u>\$ 7,913,746</u>	<u>\$(639,276)</u>	<u>\$ 7,274,470</u>	<u>\$ 7,007,525</u>	<u>\$ 266,945</u>

See accompanying notes to financial statements.

Special Revenue

Actual	Adjust- ments to Budgetary Basis	Actual on a Budgetary Basis	Revised Budget	Favorable (Unfa- vorable) Variance
\$ 46,427	\$ -	\$ 46,427	\$ 47,260	\$ (833)
-	-	-	-	-
2,740,709	-	2,740,709	2,756,148	(15,439)
93,174	-	93,174	54,500	(38,674)
376,590	-	376,590	376,500	90
43,783	-	43,783	45,900	(2,117)
1,007,703	-	1,007,703	948,000	59,703
488,795	(49)	488,746	443,985	44,761
1,416	-	1,416	1,400	16
15,475	-	15,475	14,021	1,454
<u>4,814,072</u>	<u>(49)</u>	<u>4,814,023</u>	<u>4,727,714</u>	<u>86,309</u>
60,446	1,205	61,651	77,781	16,130
-	-	-	-	-
905,797	234,047	1,139,844	1,727,261	587,417
1,189,611	51,548	1,241,159	1,286,194	45,035
-	-	-	-	-
-	-	-	-	-
79,016	-	79,016	81,603	2,587
348,903	31,055	379,958	6,551,274	6,171,316
-	-	-	25,000	25,000
1,508	-	1,508	1,508	-
1,632	-	1,632	2,200	568
<u>2,586,913</u>	<u>317,855</u>	<u>2,904,768</u>	<u>9,752,821</u>	<u>6,848,053</u>
<u>2,227,159</u>	<u>(317,904)</u>	<u>1,909,255</u>	<u>(5,025,107)</u>	<u>6,934,362</u>
328,625	-	328,625	306,305	22,320
(882,018)	-	(882,018)	(880,018)	(2,000)
<u>(553,393)</u>	<u>-</u>	<u>(553,393)</u>	<u>(573,713)</u>	<u>20,320</u>
1,673,766	(317,904)	1,355,862	(5,598,820)	6,954,682
-	-	-	5,598,820	(5,598,820)
1,673,766	(317,904)	1,355,862	-	1,355,862
5,121,075	(543)	5,120,532	5,120,532	-
-	-	-	-	-
<u>\$ 6,794,841</u>	<u>\$(318,447)</u>	<u>\$ 6,476,394</u>	<u>\$ 5,120,532</u>	<u>\$ 1,355,862</u>

(Continued)

CITY OF OCALA, FLORIDA  
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - ACTUAL AND BUDGET  
GENERAL, SPECIAL REVENUE, CAPITAL PROJECT AND  
EXPENDABLE TRUST FUND TYPES, (CONTINUED)  
FOR THE YEAR ENDED SEPTEMBER 30, 1989

	<u>Capital Project</u>				
	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>	<u>Revised Budget</u>	<u>Favorable (Unfa- vorable) Variance</u>
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other intergovernmental revenues	470,582	(470,582)	-	-	-
Interest	827,582	(206,962)	620,620	631,000	(10,380)
Other	81,898	(81,898)	-	-	-
Total revenues	<u>1,380,062</u>	<u>(759,442)</u>	<u>620,620</u>	<u>631,000</u>	<u>(10,380)</u>
Expenditures:					
Current:					
Public works	838,958	248,258	1,087,216	1,123,438	36,222
Nondepartmental appropriations	234,044	-	234,044	253,204	19,160
Capital outlay	2,005,714	(1,513,131)	492,583	1,806,562	1,313,979
Debt service:					
Principal payments	-	-	-	-	-
Interest and paying agents' fees	-	-	-	-	-
Total expenditures	<u>3,078,716</u>	<u>(1,264,873)</u>	<u>1,813,843</u>	<u>3,183,204</u>	<u>1,369,361</u>
Excess (deficiency) of revenues over expenditures	<u>(1,698,654)</u>	<u>505,431</u>	<u>(1,193,223)</u>	<u>(2,552,204)</u>	<u>1,358,981</u>
Other financing sources (uses):					
Debt proceeds	13,848,614	-	13,848,614	13,848,614	-
Operating transfers from other funds	-	-	-	-	-
Operating transfers (to) other funds	(1,522,707)	163,797	(1,358,910)	(1,358,910)	-
Total other sources (uses)	<u>12,325,907</u>	<u>163,797</u>	<u>12,489,704</u>	<u>12,489,704</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses before fund balance allocation	<u>10,627,253</u>	<u>669,228</u>	<u>11,296,481</u>	<u>9,937,500</u>	<u>1,358,981</u>
Fund balance allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,937,500)</u>	<u>9,937,500</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>10,627,253</u>	<u>669,228</u>	<u>11,296,481</u>	<u>-</u>	<u>11,296,481</u>
Fund balances at beginning of year	3,953,710	(3,953,710)	-	-	-
Equity transfers (to) other funds	(938,927)	938,927	-	-	-
Fund balances at end of year	<u>\$ 13,642,036</u>	<u>\$ (2,345,555)</u>	<u>\$ 11,296,481</u>	<u>\$ -</u>	<u>\$ 11,296,481</u>

See accompanying notes to financial statements.

<u>Expendable Trust</u>		
<u>Actual and Actual on a Budgetary Basis</u>	<u>Revised Budget</u>	<u>Favorable (Unfavorable) Variance</u>
\$ 9,855	\$ 9,855	\$ -
-	-	-
1,137	1,020	117
<u>701</u>	<u>701</u>	<u>-</u>
<u>11,693</u>	<u>11,576</u>	<u>117</u>
-	-	-
-	-	-
-	21,600	21,600
<u>1,702</u>	<u>1,702</u>	<u>-</u>
<u>1,702</u>	<u>23,302</u>	<u>21,600</u>
<u>9,991</u>	<u>(11,726)</u>	<u>21,717</u>
-	-	-
12,329	12,329	-
(22,320)	-	(22,320)
<u>(9,991)</u>	<u>12,329</u>	<u>(22,320)</u>
-	603	(603)
<u>-</u>	<u>(603)</u>	<u>603</u>
-	-	-
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

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CITY OF OCALA, FLORIDA

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY

ALL PROPRIETARY FUND TYPES AND PENSION TRUST FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 1989

	<u>Proprietary Fund Types</u>		<u>Fiduciary</u>	<u>Totals</u> <u>(Memorandum</u> <u>Only)</u>
	<u>Enterprise</u>	<u>Internal</u>	<u>Pension</u>	
		<u>Service</u>	<u>Trust</u>	
Operating revenues:				
Sale of electricity	\$ 57,676,377	\$ -	\$ -	\$ 57,676,377
Sale of water	3,345,500	-	-	3,345,500
Sewer and sanitation service charges	8,659,143	-	-	8,659,143
Fees and rentals	1,525,285	5,611,717	-	7,137,002
Commissions	56,377	-	-	56,377
City and state contributions	-	1,669,153	1,709,524	3,378,677
Employee contributions	-	535,368	204,923	740,291
Income on investments	-	-	1,609,842	1,609,842
Gain on sale of investments	-	-	853,361	853,361
Net appreciation in fair value of investments	-	-	3,768,576	3,768,576
Other	2,249,844	122,910	-	2,372,754
Total operating revenues	<u>73,512,526</u>	<u>7,939,148</u>	<u>8,146,226</u>	<u>89,597,900</u>
Operating expenses:				
Purchase of electricity	31,917,495	-	-	31,917,495
Distribution	4,143,943	-	-	4,143,943
Back-up	1,665,240	-	-	1,665,240
Transmission	321,811	-	-	321,811
Operation and maintenance	6,875,105	-	-	6,875,105
Water and sewer treatment	1,527,456	-	-	1,527,456
Sewer collection	731,653	-	-	731,653
Fleet management	-	2,138,302	-	2,138,302
Purchasing and warehousing	-	528,546	-	528,546
Management information system, central reproduction and records management	-	594,317	-	594,317
Building maintenance	-	572,531	-	572,531
Pension payments	-	-	793,664	793,664
Administration	2,623,598	2,855,167	326,032	5,804,797
Depreciation and amortization	4,135,589	422,410	-	4,557,999
Other	1,500,354	-	-	1,500,354
Total operating expenses	<u>55,442,744</u>	<u>7,111,273</u>	<u>1,119,696</u>	<u>63,673,713</u>
Operating income	<u>18,070,282</u>	<u>827,875</u>	<u>7,026,530</u>	<u>25,924,687</u>
Nonoperating revenues (expenses):				
Interest income	3,394,106	196,109	-	3,590,215
Interest expense	(1,948,953)	(20,563)	-	(1,969,516)
Operating grants	30,700	-	-	30,700
Total nonoperating revenues (expenses)	<u>1,475,853</u>	<u>175,546</u>	<u>-</u>	<u>1,651,399</u>
Income before operating transfers	<u>19,546,135</u>	<u>1,003,421</u>	<u>7,026,530</u>	<u>27,576,086</u>
Operating transfers:				
From other funds	1,300,447	2,500	-	1,302,947
(To) other funds	(10,415,711)	(153,648)	-	(10,569,359)
Total operating transfers	<u>(9,115,264)</u>	<u>(151,148)</u>	<u>-</u>	<u>(9,266,412)</u>
Net income	10,430,871	852,273	7,026,530	18,309,674
Fund equity at beginning of year	76,882,368	7,309,039	27,982,150	112,173,557
Equity transfers from other funds	938,927	57,362	-	996,289
Capital contributions from other sources	2,200,221	-	-	2,200,221
Fund equity at end of year	<u>\$ 90,452,387</u>	<u>\$ 8,218,674</u>	<u>\$ 35,008,680</u>	<u>\$ 133,679,741</u>

See accompanying notes to financial statements.

CITY OF OCALA, FLORIDA

COMBINED STATEMENT OF CASH FLOWS

ALL PROPRIETARY FUND TYPES

FOR THE YEAR ENDED SEPTEMBER 30, 1989

	<u>Proprietary Fund Types</u>	
	<u>Enterprise Funds</u>	<u>Internal Service</u>
Cash flows from operations:		
Operating income	\$ 18,070,282	\$ 827,875
Adjustments to reconcile net income to cash provided from operations:		
Depreciation and amortization	4,135,589	422,410
Loss on disposal of property and equipment	197,210	62,120
Cash provided by (used for) changes in:		
Accounts and notes receivable	(208,607)	41,173
Accrued unbilled revenue	(538,494)	-
Due (to) from other funds	188,101	(209,527)
Inventories	(466,290)	14,192
Other current assets	104,986	(13,277)
Other restricted assets	500,763	-
Accounts payable	600,576	520,402
Compensated absences payable	2,835	6,404
Customer deposits	130,246	-
Deferred revenue	(61,580)	-
Other restricted liabilities	126,005	-
Net cash provided from operations	<u>22,781,622</u>	<u>1,671,777</u>
Cash flows from (used in) investing activities:		
Purchases of property and equipment	(17,097,607)	(586,367)
Collection of special assessments	70,642	-
Interest received	3,394,106	196,109
Net cash (used in) investing activities	<u>(13,632,859)</u>	<u>(390,258)</u>
Cash flows from noncapital financing activities:		
Operating grants	30,700	-
Operating transfers to other funds	(10,707,711)	(153,648)
Operating transfers from other funds	<u>1,592,447</u>	<u>2,500</u>
Net cash (used in) noncapital financing activities	<u>(9,084,564)</u>	<u>(151,148)</u>
Cash flows from capital and related financing activities:		
Payment of principal on debt	(1,538,303)	(115,778)
Equity contributions	2,200,221	-
Transfers to other funds	938,927	-
Interest paid	<u>(1,820,812)</u>	<u>(23,077)</u>
Net cash used in capital and related financing activities	<u>(219,967)</u>	<u>(138,855)</u>
Net increase (decrease) in cash	<u>(155,768)</u>	<u>991,516</u>
Cash and cash equivalents at beginning of year	66,940,300	2,077,114
Cash and cash equivalents at end of year	<u>\$ 66,784,532</u>	<u>\$ 3,068,630</u>

See accompanying notes to financial statements.



Totals  
(Memorandum  
Only)

\$ 18,898,157

4,557,999  
259,330

(167,434)

(538,494)

(21,421)

(452,098)

91,709

500,763

1,120,978

9,239

130,246

(61,580)

126,005

24,453,399

(17,683,974)

70,642

3,590,215

(14,023,117)

30,700

(10,861,359)

1,594,947

(9,235,712)

(1,654,081)

2,200,221

938,927

(1,843,889)

(358,822)

835,748

69,017,414

\$ 69,853,162

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CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 1989

(1) Description of Funds and Reporting Entity

The City of Ocala, Florida (the "City") operates under a council-manager form of government and provides the following services as authorized by its charter: public safety, public works, public utilities, culture, recreation and community development. The financial activities of all municipal boards and commissions that provide services to the citizens of the City, except for the Ocala Housing Authority, are included in the City's financial statements.

The City includes municipal 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 municipal boards and commissions. The Ocala Housing Authority (the "Authority"), which provides public housing services in the City, is not included in the reporting entity of the City since the City, although appointing the governing authority, does not influence the Authority's operations and is not accountable for the Authority's fiscal matters.

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 purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the accompanying financial statements into seven generic fund types and three broad fund categories: governmental funds, proprietary funds and fiduciary fund.

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, Capital Project and Expendable Trust 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

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

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. Special revenue funds used by the City are:

Occupational License

Business license and permit revenues, which are pledged as security for the Refunding and Improvement Excise Tax Bonds dated January 1, 1972, are recorded in this fund. Revenues collected are transferred to the appropriate debt service fund as required.

Central Florida Regional Library

This fund is used to account for Federal, state and county contributions, and General Fund subsidies which are restricted for the operation of the regional library.

Off-Street Parking

This fund accounts for the proceeds from the City's parking system.

Downtown Development

This fund accounts for property taxes levied against downtown property owners.

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

Local Gasoline Tax

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

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

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:

Excise Tax Bonds

This fund is used for the payment of principal, interest and related costs of the 1972 Refunding and Improvement Excise Tax Bonds.

Improvement Bonds

This fund is used for the payment of principal, interest and related costs of the Capital Improvement Refunding Revenue Bonds, Series 1986.

Improvement Certificates

This fund is used for the payment of principal, interest and related costs of the Capital Improvement Revenue Refunding Certificates, Series 1988.

Optional Gas Tax Bonds

This fund is used for the payment of principal, interest and related costs of the Optional Gas Tax Revenue Bonds, Series 1989.

Capital Project Funds

The capital project 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:

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

Capital Improvement Construction Fund

The Capital Improvement Construction Capital Project Fund is used to account for the resources earmarked for the acquisition of right-of-way and the construction of and improvements to N.E. 14th Street, which is a major arterial street project.

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 NE 14th Street project.

Proprietary Funds

Proprietary funds include enterprise and internal service funds. The measurement focus of proprietary funds is determination of net income, financial position and cash flows. The generally accepted accounting principles for proprietary funds are 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.

Enterprise funds used by the City are as follows:

Bulk Power Supply Revenue  
and Electric Revenue Funds

For legal purposes, transactions pertaining to the City-owned portion of Crystal River Nuclear Plant No. 3 (CR-3) are accounted for in a fund (Bulk Power Supply Revenue Fund) separate from the fund which accounts for the transactions of the City's electric system (Electric Revenue Fund). However, for financial accounting and reporting purposes, these funds are consolidated and all interfund transactions, consisting primarily of sales and related purchases of

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

electricity, are eliminated in consolidation. On a consolidated basis, the Electric and Bulk Power Supply Revenue Fund is used to account for the construction, operation, and maintenance of the City-owned portion of CR-3 and the City-owned electric system as well as sales of electricity and other services to the general public. Electricity rates charged to customers are set by City Council within the rate structure established by the Florida Public Service Commission.

Water and Sewer Fund

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

Sanitation Fund

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

Municipal Golf Course Fund

This fund accounts for the construction, operation and maintenance of the City's golf courses.

Fort King Tennis Court Fund

This fund accounts for the operation and maintenance of the Fort King tennis courts.

Municipal Trailer Park Fund

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

Ocala Municipal Airport (Jim Taylor Field) Fund

This fund accounts for the construction, operation and maintenance of the City's airport.

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 charged to other City funds. The internal service funds used by the City are:

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

Internal Service Fund

This fund accounts for the operation of management information system, central reproduction, building maintenance, records management and purchasing and warehousing departments.

Fleet Management Fund

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

Self-Insurance Fund

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

Trust and Agency Funds

The trust and agency funds of the City are pension trust funds and an 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 they are therefore maintained on the accrual basis of accounting. The pension trust funds are utilized to account for the financial transactions of the City-administered pension plans. The measurement focus and basis of accounting of the expendable trust fund are similar to governmental funds and it is therefore maintained on the modified accrual basis of accounting.

Pension Trust Funds

The Ocala Employees' Retirement Fund

This fund provides regular benefits to all active and inactive participants of the former system.

The Ocala Police Officers' Supplemental Pension Fund

This fund provides supplemental benefits to qualifying police officers.

The Ocala Firefighters' Supplemental Pension Fund

This fund provides supplemental benefits to qualifying firefighters.

(Continued)



CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

Community Redevelopment Trust Fund

The Community Redevelopment Trust Fund is used to hold funds collected for improving and redeveloping the downtown area.

Account Groups

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

General Fixed Asset Account Group

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

General Long-Term Debt Account Group

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

(2) Summary of Significant Accounting Policies

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

(a) Basis of Accounting

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

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

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

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

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

(b) Annual Budgets

An annual budget is prepared for all governmental and proprietary funds except for one capital project and all debt service funds. 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, 1989.

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 1989, 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

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

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.

Since the accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, entity and timing differences in the excess of revenues and other sources of financial resources over expenditures and other uses of financial resources for the year ended September 30, 1989 is presented below:

	<u>Governmental Fund Types</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Project</u>
Excess of revenues and other sources of financial resources over expenditures and other uses of financial resources (budgetary basis)	\$ 266,945	\$ 1,355,862	\$ 11,296,481
Adjustments:			
Encumbrances	579,736	317,855	487,125
Non-formally budgeted activities	<u>24,837</u>	<u>49</u>	<u>(1,156,353)</u>
Excess of revenues and other sources of financial resources over expenditures and other uses of financial resources (GAAP basis)	\$ <u>871,518</u>	\$ <u>1,673,766</u>	\$ <u>10,627,253</u>

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

(c) Equity in Pooled Cash and Investments

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

(d) Cash Flows

For purposes of cash flows, cash and cash equivalents include cash on hand, amounts due from banks and pooled cash.

(e) Investments

Investments, except those of the Pension Trust Fund, are stated at cost, which together with the accrued interest receivable approximates market. Investments of the Pension Trust Fund consisting of bonds, common stocks and short-term investments are stated at fair market value based on quoted market prices at the end of the fiscal year.

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

(f) Inventories

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

(g) Property, Plant and Equipment

Proprietary Funds

Property, plant and equipment of the proprietary funds are carried at historical cost, if known, or estimated historical cost. The City used appraisals and other estimation techniques (indices) to estimate, when necessary, the original historical cost of the units of property, plant and equipment. Since the development of detail property records, all additions to property, plant and equipment of proprietary funds have been recorded at cost with retirements recorded using the established actual or estimated historical cost (net of accumulated depreciation).

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CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

Depreciation is provided on all exhaustible assets of proprietary funds on the straight-line method over the following estimated useful lives:

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

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

Additions, improvements and expenditures that significantly extend the useful life of assets held by proprietary funds are capitalized. Other expenditures for repairs and maintenance are charged to operations as incurred.

Interest costs, net of interest income, on assets constructed or otherwise produced for use by proprietary funds is capitalized, as appropriate. For the year ended September 30, 1989, \$1,228,158 in net interest cost incurred by the proprietary funds was capitalized.

Governmental Funds

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

Capital Leases and Installment Purchase Contracts

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

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

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 on lease payments or installment purchase contract are recognized when due.

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

(h) Accrued Revenue

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

(i) Property Taxes

Property taxes levied by the City are billed and collected by the 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. Property taxes receivable at September 30, 1989 are immaterial.

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, 1989 was \$5.080 per \$1,000 of assessed property value.

(j) Interfund Payables and Receivables

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

(k) Compensated Absences

In governmental funds the amount of compensated absences associated with employee vacations that are recorded as expenditures represent the amounts accrued during the year that would normally be liquidated with available spendable resources. Accordingly, the amount of the compensated absence liability that would normally be

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

liquidated with expendable available resources in the next fiscal year is reflected in the financial statements of governmental funds. The remainder of the compensated absence liability of governmental funds, if any, is reported in the General Long-Term Debt Account Group.

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 liability for compensated absences of these funds is reflected in the respective financial statements.

(l) 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.

(m) Reserves of Retained Earnings and Fund Balance

Reserves of retained earnings on the proprietary funds are created by increases in net assets restricted for debt service and renewal and replacement. There is no reservation of retained earnings for assets set aside for construction under bond indentures. Increases in net assets restricted for debt service and renewal and replacement result from earnings on restricted assets included in consolidated net income of the proprietary funds and transfers to the restricted accounts. Increases in restricted assets decrease unreserved retained earnings and increase reserved retained earnings. The use of the restricted assets generates a restoration of unreserved retained earnings as debt payments are made and as renewal and replacement expenditure requirements are met.

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. Increases to these reserves are created by transfers to restricted accounts, earnings on restricted assets and gifts designated by the donor for a specific use. In addition, 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.

(n) Capital 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

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

meeting all major grant restrictions are deferred. Capital grants for general fixed asset additions prior to October 1, 1977 are recorded in the general fixed asset account group as investments by the governmental fund which expended the grant monies. Capital grants for general fixed asset additions subsequent to September 30, 1977 are recorded in the general fixed asset account group as contributions from Federal or state grants.

Capital grants received by proprietary funds are also recorded as receivables when reimbursable project costs are incurred or as deferred credits if the grant money is received in advance of project expenditures. Capital grants and other contributions for fixed asset additions to the proprietary funds prior to October 1, 1977 are recorded as additions to retained earnings. Capital grants and other contributions for fixed asset additions to the proprietary funds subsequent to September 30, 1977 are recorded as additions to contributed equity. Depreciation on proprietary fund assets purchased with capital grants or other capital contributions is not closed to contributed capital.

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

(o) Bond Discounts and Issuance Costs

Bond discounts and issuance costs are deferred and amortized over the term of the bonds using the bonds outstanding or straight-line methods (which approximate the interest method).

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

(p) Administrative Fees

Certain administrative expenses are incurred by the City's Electric Revenue Fund on behalf of the Water and Sewer and Sanitation funds. The Electric 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 a reduction of administrative expense 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 a reduction of expenditures 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.

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CITY OF OCALA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

(q) 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.

(r) Total Columns on Combined Statements - Overview

The columns entitled "Total(s) (Memorandum Only)" included in the General Purpose Financial Statements (Combined Financial 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 type which utilize differing bases of accounting. In addition, interfund eliminations have not been made in the aggregation of this data.

(3) Reporting Change

Effective October 1, 1988, the City adopted the Governmental Accounting Standards Board Statement No. 10 "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues" (Statement 10). Prior to 1989, the City had reported the self-insurance and related activities as a part of the general fund. Statement 10 permits the City to account for the self-insurance activities as an internal service fund. Accordingly, the City has accounted for the transfer of the risk management assets from the General Fund to an Internal Service Fund as a residual equity transfer.

(4) Equity in Pooled Cash and Investments, 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 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 investments". 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.

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CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

(a) Deposits

Florida Statutes require that all depositories holding public funds collateralize deposits in excess of FDIC insurance with the State Treasurer. Required collateral must be at least equal to the greater of 50 percent of the average daily balance, for each month, of all public deposits in excess of any applicable deposit insurance held by the depository during the 12 calendar months immediately preceding the date of any computation, or 50 percent of the public deposits in excess of any applicable deposit insurance held by the depository as of the date of any computation. The Treasurer may assess other qualified public depositories for a pro rata share of any loss suffered by a public depositor in excess of its depository's collateral.

At year-end, the carrying amount of the City's deposits was \$1,458,870 and the bank balance was \$2,130,441. Of the bank balance, \$243,572 was covered by federal depository insurance, and the remaining \$1,886,869 was covered by collateral held by the Treasurer of the State of Florida or his designated custodian.

Funds not prohibited by bond covenants have pooled their cash balances in order to maximize investment earnings. The City's banking arrangement requires the City to maintain a compensating average bank balance of \$650,000. This compensating balance is in lieu of direct service charges and earns interest at the money market rate.

(b) Investments

Florida Statutes authorize the City to invest in the State Board of Administration Fund, obligations of the U.S. Treasury and U.S. agencies, and interest-bearing time deposits and savings accounts in banks and savings and loans provided such deposits are collateralized as described above. Assets of the Ocala Firefighters' Supplemental Plan and the Ocala Police Officers' Supplemental Plan may also be invested, under state statute, in corporate bonds, corporate stocks, commercial paper and life insurance contracts.

The State Board of Administration Fund is an investment pool administered by the State of Florida. Investments held in the State Board of Administration Fund consist of short-term Federal agency obligations, treasury bills, repurchase agreements, and commercial paper. These short-term investments are stated at cost, which approximates market. Investment income is recognized as earned and is allocated to participants of the fund based on their equity participation.

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

The City's cash and 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 for which the securities are held by the City's custodian in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the City's custodian but not in the City's name.

	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Carrying Value</u>	<u>Market Value</u>
U.S. Government securities	\$ -	\$ -	\$ 14,379,897	\$ 14,379,897	\$ 14,379,897
Common Stocks	-	-	<u>21,957,950</u>	<u>21,957,950</u>	<u>21,957,950</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,337,847</u>	36,337,847	36,337,847
Investment in state treasurer's investment pool				99,751,220	99,751,220
Bank deposits				<u>1,458,870</u>	<u>1,458,870</u>
Total cash and investments and equity in pooled cash				\$ <u>137,547,937</u>	\$ <u>137,547,937</u>

The pension trust funds own approximately 90% of the investments in Category 3.

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

(5) Interfund Receivables/Payables

The following summarizes the interfund receivables and payables of the various funds of the City at September 30, 1989:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Interfund Receivable/Payable:		
General Fund	\$ <u>287,277</u>	\$ <u>-</u>
Special Revenue Funds:		
Central Florida Regional Library	10,221	-
Off-Street Parking	523	-
Downtown Development	533	-
Local Gasoline Tax	800	-
Stormwater Utility	<u>45,537</u>	<u>-</u>
	<u>57,624</u>	<u>-</u>
Enterprise Funds:		
Electric and Bulk Power Supply Revenue	82,201	618,643
Water and Sewer	399,015	-
Sanitation	233,420	-
Municipal Golf Course	12,940	-
Fort King Tennis Court	267	-
Municipal Trailer Park	893	-
Ocala Municipal Airport	<u>4,541</u>	<u>-</u>
	<u>733,277</u>	<u>618,643</u>
Internal Service Funds:		
Internal Service	13,377	-
Fleet Management	9,139	-
Self-insurance	-	482,051
	<u>22,516</u>	<u>482,051</u>
Total	\$ <u>1,100,694</u>	\$ <u>1,100,694</u>

(6) Interfund Transactions

On April 14, 1987 the City Council authorized a loan of \$216,525 from the Water and Sewer Fund to the Municipal Golf Course Fund. This interfund loan bears interest at 6.5% and is to be repaid over a five year span. At September 30, 1989, \$141,525 of this loan is long-term. Interfund interest recognized on the loan in fiscal year 1989 is \$14,074.

(Continued)

CITY OF OCALA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

During the 1988 budget process, City Council approved a loan of \$25,000 from the General Fund to the Off-Street Parking Fund. This interfund loan bears interest at 6% and is to be repaid in four years starting in 1989. Since the intended use for the fund did not materialize, this loan was entirely repaid during fiscal 1989. Interfund interest recognized on this loan in fiscal year 1989 was \$1,508.

On November 10, 1987, the City Council approved a loan from the Electric Revenue Fund to the Municipal Golf Course Fund for the cost of the Pine Oaks Clubhouse in excess of \$800,000. In September 1988, the actual interfund loan was made for \$555,000. This interfund loan bears interest at a fluctuating rate using the same rate the City receives on its investments with the State Board of Administration of Florida. The loan is to be repaid over a ten-year period. At September 30, 1989, \$444,000 of this loan is long-term. Interfund interest recognized on this loan in fiscal year 1989 is \$49,326.

On March 1, 1988, the City Council authorized a loan of \$25,000 from the General Fund to the Downtown Development Fund. This interfund loan bears interest at 6.5% and is to be repaid by revenue generated by tax increment financing as it begins to accrue. At September 30, 1989, none of this loan is long-term. Interfund interest recognized on this loan in fiscal year 1989 is \$1,702.

On February 14, 1989, the City Council authorized a loan from the Electric Fund to the Airport Fund of \$345,000 for the City's portion of the costs of the airport operations center. On March 14, 1989, the amount of this loan, which bears interest at a fluctuating rate based on the State Board of Administration interest, was reduced to \$292,000. The loan, which was made in September 1989, is to be repaid over a fifteen year period. At September 30, 1989, all of this loan is long-term. There was no interfund interest recognized on this loan in fiscal year 1989.

During the year, the City constructed certain water and sewer improvements which were financed by the Bonds Proceeds recorded in the Capital Projects Fund. These improvements totaling \$938,927 were contributed to the Water and Sewer Enterprise Fund and the transaction was accounted for as a residual equity transfer.

(Continued)

CITY OF OCALA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

(7) Property and Equipment

Property and equipment of the proprietary fund types at September 30, 1989 is summarized as follows:

	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>
Buildings	\$ 3,633,210	\$ 5,205,493
Extensions and improvements other than buildings	91,814,515	796,992
Crystal River Unit No. 3	11,752,201	-
Fixtures, vehicles and equipment	6,029,192	2,014,016
	<u>113,229,118</u>	<u>8,016,501</u>
Less accumulated depreciation	37,681,905	1,755,915
	<u>75,547,213</u>	<u>6,260,586</u>
Land	6,387,531	312,446
Construction in progress	17,470,225	24,762
	<u>\$ 99,404,969</u>	<u>\$ 6,597,794</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 costs of the plant as well as capital improvements, nuclear fuel procurements and plant decommissioning costs. For its investment, the City receives the ratio of its percentage ownership in the net energy output of the CR-3 plant.

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

The following is a summary of the changes in the City's general fixed assets for the year ended September 30, 1989:

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

	Balance at October 1, 1988	Additions	Retirements	Balance at September 30, 1989
Property, plant and equipment:				
Land	\$ 3,392,830	\$ -	\$ -	\$ 3,392,830
Buildings	3,716,238	29,491	-	3,745,729
Equipment, furniture and fixtures	6,045,330	1,219,157	851,668	6,412,819
Construction in progress	16,000	373,592	-	389,592
	<u>\$ 13,170,398</u>	<u>\$ 1,622,240</u>	<u>\$ 851,668</u>	<u>\$ 13,940,970</u>
Net investment in general fixed assets:				
Investment in property acquired prior to September 30, 1975	\$ 5,599,936	\$ -	\$ -	\$ 5,599,936
Investment in property acquired after September 30, 1975:				
Capital project funds	502,653	-	-	502,653
General fund	2,832,612	991,949	530,640	3,293,921
Special revenue funds	1,709,557	333,844	44,949	1,998,452
Federal and state grants	859,305	10,357	167,957	701,705
Capital equipment fund	1,666,335	286,090	108,122	1,844,303
	<u>\$ 13,170,398</u>	<u>\$ 1,622,240</u>	<u>\$ 851,668</u>	<u>\$ 13,940,970</u>

(8) Pension Plans

The City maintains a single-employer, defined benefit pension plan which covers substantially all of the City's employees (General Plan), a single-employer defined benefit pension plan which covers all of its full-time certified law enforcement officers (Supplemental Police Officers' Plan) and a single-employer defined benefit pension plan which covers all of its full-time certified firefighters (Supplemental Firefighters' Plan).

(a) Plan Descriptions and Provisions

General Plan

The General Plan is a noncontributory defined benefit pension plan covering substantially all employees of the City. The amount of the covered payroll for the year ended September 30, 1989 was \$17,238,569.

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

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

Supplemental Police Officers' Plan

The Supplemental Police Officers' Plan is a contributory defined benefit pension plan covering any person employed full-time in the Ocala Police Department who is certified as a law enforcement officer in compliance with the provisions of Chapter 943.14 of the Florida Statutes. The Plan supplements the General Plan which covers all qualified employees of the City. Florida Statutes Chapter 185 allows contributions to the Plan by the State of Florida. The amount of the covered payroll for the year ended September 30, 1989 was \$2,961,054.

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

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

Supplemental Firefighters' Plan

The Supplemental Firefighters' Plan is a contributory defined benefit pension plan covering any person employed full-time in the Ocala Fire Department who is certified as a firefighter as a condition of employment in accordance with the provisions of Section 633.35 of the Florida Statutes. The Plan supplements the General Plan which covers all qualified employees of the City. Florida Statutes Chapter 175 allows contributions to the Plan by the State of Florida. The amount of the covered payroll for the year ended September 30, 1989 was \$2,014,904.

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

(Continued)



CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

Pursuant to Florida Statutes Section 175.101 an excise tax amounting to two percent of the gross amount of receipts of premiums from policyholders on all premiums collected on property 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 firefighters contribute 8.42% of their weekly earnings to the Supplemental Firefighters' Plan.

(b) Investments

The three aforementioned plans pool their investments. Interest and dividend income, gains on sale of investments and appreciation in fair market value of investments are allocated among the three plans monthly based upon the fund balances of the respective funds at the beginning of each month.

Investments of the three plans, consisting of bonds, common stocks and short-term investments are stated at fair market value based on quoted market prices at the end of the fiscal year.

(c) Funding Status and Progress

The amounts shown below as "pension benefit obligation" are a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits and is intended to help users assess the Plans' funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among defined benefit pension plans. The measure is independent of the actuarial funding method used to determine contributions to the Plan.

The pension benefit obligation was determined as part of an actuarial valuation at October 1, 1987 for the Police Officers' and Firefighters' Plans and October 1, 1988 for the General Plan. Significant actuarial assumptions used include (a) a rate of return on the investment of present and future assets of 8% per year compounded annually and (b) projected salary increases of 6% per year compounded annually, attributable to seniority increases and inflation.

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

Total assets in excess of pension benefit obligation of each of the three Plans at October 1, 1988 and October 1, 1987 are summarized as follows:

	<u>October 1, 1988</u>	<u>October 1, 1987</u>	
	<u>General Plan</u>	<u>Police Officers' Plan</u>	<u>Firefighters' Plan</u>
Pension benefit obligation:			
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$ 5,172,000	\$ 283,200	\$ 42,800
Current employees:			
Accumulated employee contributions including allocated investment earnings and state financed - vested	804,000	1,828,300	1,658,900
Employer financed vested	7,993,000	-	-
Employer financed nonvested	<u>2,044,000</u>	<u>212,200</u>	<u>167,100</u>
Total pension benefit obligation	16,013,000	2,323,700	1,868,800
Net assets available for benefits, at market, at October 1, 1988 or October 1, 1987	<u>21,889,000</u>	<u>3,204,590</u>	<u>2,030,636</u>
Assets in excess of pension benefit obligation at October 1, 1988 or October 1, 1987	\$ <u>5,876,000</u>	\$ <u>880,890</u>	\$ <u>161,836</u>

(d) Contributions Required and Contribution Made

The Plan's funding policy provides that annual contributions at actuarially determined rates, expressed as percentages of annual covered payroll, be sufficient to accumulate sufficient assets to pay benefits when due. The contribution rate for normal cost is determined using the aggregate actuarial funding method.

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

The significant actuarial assumptions used to compute the actuarially determined contribution requirement are the same as those used to compute pension benefit obligation as described above.

The contribution requirement for the General Plan for 1989 determined through an actuarial valuation performed as of October 1, 1988 was \$598,919 (3.47% of current covered payroll). Actual employer contributions amounted to \$1,331,195 (7.2% of current covered payroll).

The contribution requirement for the Supplemental Police Officers' Plan for 1989 determined through an actuarial valuation performed as of October 1, 1987 was \$190,819 (7.6% of current covered payroll). Actual employee contributions totaled \$30,145 (1.0% of current covered payroll) and actual state contributions amounted to \$258,380 (8.7% of current covered payroll).

The contribution requirement for the Supplemental Firefighters' Plan for 1989 year determined through an actuarial valuation performed as of October 1, 1987 was \$190,819 (7.6% of current covered payroll). Actual employee contributions totaled \$174,778 (8.7% of current covered payroll) and actual state contributions amounted to \$119,949 (6.0% of current covered payroll).

(e) Trend Information

Three year historical trend information for the these pension plans is not available. However, the required disclosure for the year ended September 30, 1989 and 1988 is as follows:

	<u>1989</u>	<u>1988</u>
Net assets available for benefits as a percentage of the pension benefit obligation:		
General Plan	136.7%	140.2%
Supplemental Police Officers' Plan	137.9%	137.9%
Supplemental Firefighters' Plan	108.7%	108.7%
Contributions as a percentage of annual covered payroll, all made in accordance with actuarially determined requirements:		
General Plan	3.47%	5.1%
Supplemental Police Officers' Plan	8.7%	9.7%
Supplemental Firefighters' Plan	6.0%	9.1%

(Continued)

CITY OF OCALA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

(9) Proprietary Funds - Long-term Debt

Enterprise Funds

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

Fiscal Year Ended September 30,	Series 1977	Series 1985A	Series 1986	Series 1988		Installment Note Payable	Total Principal Due
	Bulk Power Supply Revenue Bonds	Water and Sewer Revenue Bonds	Water and Sewer Refunding Revenue Bonds	Bulk Power Supply Revenue Refunding	Water and Sewer Refunding Revenue Bonds		
1990	\$ 380,000	\$ 240,000	\$ 185,000	\$ 1,055,000	\$ -	\$ 33,303	\$ 1,893,303
1991	395,000	360,000	195,000	1,105,000	-	33,303	2,088,303
1992	415,000	435,000	205,000	1,170,000	-	-	2,225,000
1993	435,000	465,000	220,000	1,230,000	-	-	2,350,000
1994	460,000	505,000	230,000	1,305,000	45,000	-	2,545,000
1995-2016	8,020,000	-	39,200,000	7,655,000	12,405,000	-	67,280,000
Total long-term debt	10,105,000	2,005,000	40,235,000	13,520,000	12,450,000	66,606	78,381,606
Less:							
Current portion	380,000	240,000	185,000	1,055,000	-	33,303	1,893,303
Unamortized discount	76,647	27,468	642,188	173,163	704,555	-	1,124,021
Total long-term portion	\$ 9,648,353	\$ 1,737,532	\$ 39,407,812	\$ 12,291,837	\$ 12,245,445	\$ 33,303	\$ 75,364,282
Interest rate	4.9 - 5.75%	7.0 - 8.0%	5.6 - 7.4%	5.0 - 6.75%	6.15 - 7.875%	8.00%	

The bulk power supply revenue and revenue refunding, and water and sewer revenue and refunding revenue bonds are each secured by the net operating revenues of the respective fund. The City is in compliance with all significant limitations and restrictions contained in the various bond indentures.

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, 1989:

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

Fiscal Year Ended September 30	Series 1977	Series 1985A	Series 1986	Series 1988		Total Principal and Interest Due
	Bulk Power Supply Revenue Bonds	Water and Sewer Revenue Bonds	Water and Sewer Refunding Revenue Bonds	Bulk Power Supply Revenue Refunding Bonds	Water and Sewer Refunding Revenue Bonds	
1990	\$ 929,688	\$ 383,562	\$ 3,097,307	\$ 1,841,100	\$ 948,311	\$ 7,199,968
1991	925,503	482,112	3,096,472	1,835,718	948,311	7,288,116
1992	925,044	527,750	3,094,774	1,839,537	948,311	7,335,416
1993	923,154	523,419	3,097,016	1,832,307	948,311	7,324,207
1994	924,652	525,200	3,093,057	1,833,755	991,927	7,368,591
1995	924,368	-	3,615,496	1,833,708	1,182,825	7,556,397
1996	927,239	-	3,622,295	1,831,568	1,181,658	7,562,780
1997	923,354	-	3,614,204	1,830,938	1,183,828	7,552,324
1998	922,688	-	3,615,877	1,830,748	1,179,418	7,548,731
1999	924,930	-	3,607,057	1,617,819	1,183,348	7,333,154
2000	924,910	-	3,607,211	-	1,175,583	5,707,704
2001	922,761	-	3,605,764	-	1,180,901	5,709,426
2002	923,315	-	3,602,474	-	1,173,265	5,699,054
2003	816,563	-	3,597,209	-	1,177,574	5,691,346
2004	917,332	-	3,590,192	-	1,174,406	5,681,930
2005	915,324	-	3,590,692	-	1,173,759	5,679,775
2006	915,588	-	583,162	-	1,175,253	5,674,003
2007	-	-	3,182,055	-	1,168,887	4,750,942
2008	-	-	3,176,640	-	1,169,471	4,746,111
2009	-	-	3,511,340	-	1,165,812	4,736,152
2010	-	-	3,567,165	-	1,162,656	4,729,821
2011	-	-	3,557,335	-	1,160,365	4,717,700
2012	-	-	3,550,110	-	1,158,546	4,708,656
2013	-	-	3,549,195	-	1,156,806	4,706,001
2014	-	-	3,533,850	-	1,154,750	4,688,600
2015	-	-	3,528,150	-	1,147,180	4,675,330
2016	-	-	3,520,615	-	1,148,509	4,669,124
<b>Total</b>	<b>\$ 15,686,413</b>	<b>\$ 2,442,043</b>	<b>\$ 94,265,714</b>	<b>\$ 18,127,218</b>	<b>\$ 30,519,971</b>	<b>\$ 161,041,359</b>

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

Internal Service Fund

Bonds and notes payable at September 30, 1989 in the Internal Service Fund include an installment purchase contract payable bearing interest at 10%, and a 1985 note payable to a bank payable through 1991 at a variable rate of interest of 70% of the bank's prime rate. These notes are secured by certain equipment.

Following is a schedule of outstanding debt of the Internal Service Fund:

Fiscal Year Ended <u>September 30,</u>	Note <u>Payable</u>	Installment Purchase <u>Contract</u>	Total Principal <u>Due</u>
1990	\$ 102,096	\$ 15,102	\$ 117,198
1991	<u>102,096</u>	<u>4,015</u>	<u>106,111</u>
Total	<u>204,192</u>	<u>19,117</u>	<u>223,309</u>
Less:			
Current portion	<u>102,096</u>	<u>15,102</u>	<u>117,198</u>
Total long-term portion	<u>\$ 102,096</u>	<u>\$ 4,015</u>	<u>\$ 106,111</u>

Following is a schedule of debt service requirements to maturity for the outstanding debt of the City's Internal Service Fund as of September 30, 1989:

Fiscal Year Ended <u>September 30,</u>	Note <u>Payable</u>	Installment Purchase <u>Contract</u>	Total Principal and Interest <u>Due</u>
1990	\$ 114,960	\$ 16,459	\$ 131,419
1991	<u>108,528</u>	<u>4,115</u>	<u>112,643</u>
	<u>\$ 223,488</u>	<u>\$ 20,574</u>	<u>\$ 244,062</u>

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

(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, 1989:

	Balance at October 1, 1988	General Long-Term Debt Additions	General Long-Term Debt Retired	Debt Service Funds Operations	Balance at September 30, 1989
Amounts available in debt service funds	\$ 3,345,550	\$ -	\$ -	\$ 2,415,080	\$ 5,760,630
Amount to be provided:					
Term bonds	7,035,000	7,980,000	-	-	15,015,000
Serial bonds	5,156,184	6,105,000	(675,000)	(1,890,872)	8,695,312
Revenue certificates	6,843,266	-	(200,000)	(524,208)	6,119,058
Notes payable	131,438	-	(26,288)	-	105,150
Installment purchase and capital lease obligations	41,029	-	(14,604)	-	26,425
	<u>19,206,917</u>	<u>14,085,000</u>	<u>(915,892)</u>	<u>(2,415,080)</u>	<u>29,960,945</u>
Total amount available and to be provided	\$ <u>22,552,467</u>	\$ <u>14,085,000</u>	\$ <u>(915,892)</u>	\$ <u>-</u>	\$ <u>35,721,575</u>
General long-term debt payable:					
Term bonds	\$ 7,035,000	\$ 7,980,000	\$ -	\$ -	\$ 15,015,000
Serial bonds	7,840,000	6,105,000	(675,000)	-	13,270,000
Revenue certificates	7,505,000	-	(200,000)	-	7,305,000
Notes payable	131,438	-	(26,288)	-	105,150
Installment purchase and capital lease obligations	41,029	-	(14,604)	-	26,425
Total general long-term debt payable	\$ <u>22,552,467</u>	\$ <u>14,085,000</u>	\$ <u>(915,892)</u>	\$ <u>-</u>	\$ <u>35,721,575</u>

General long-term debt matures as follows:

Fiscal Year Ended September 30,	Refunding and Improvement Excise Tax Bonds Dated January 1, 1972	Capital Improvement Refunding Revenue Bonds Series 1986	Capital Improvement Refunding Revenue Certificates Series 1988	Optional Gas Tax Revenue Bonds Series 1989	Note Payable	Installment Purchase Contract Obligations	Total Principal Due
1990	\$ 315,000	\$ 395,000	\$ 415,000	\$ -	\$ 26,287	\$ 16,102	\$ 1,167,389
1991	325,000	415,000	450,000	350,000	26,288	10,323	1,576,611
1992	330,000	440,000	490,000	370,000	26,287	-	1,656,287
1993	190,000	465,000	680,000	395,000	26,288	-	1,756,288
1994	-	490,000	920,000	420,000	-	-	1,830,000
1995 - 2010	-	10,835,000	4,350,000	12,550,000	-	-	27,735,000
	\$ <u>1,160,000</u>	\$ <u>11,040,000</u>	\$ <u>7,305,000</u>	\$ <u>14,085,000</u>	\$ <u>105,150</u>	\$ <u>26,425</u>	\$ <u>35,721,575</u>
Interest rate	<u>4.0 - 5.4%</u>	<u>5.0 - 7.75%</u>	<u>6.0 - 7.15%</u>	<u>6.2 - 7.4%</u>	<u>8.00%</u>	<u>9.5 - 10.0%</u>	

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

Refunding and Improvement  
Excise Tax Bonds

The refunding and improvement excise tax bonds were issued to finance various municipal improvements including a public works complex, arterial street improvements and city building renovations. Occupational license taxes and cigarette taxes are pledged to secure this issue. In accordance with bond indentures, the City has established debt service and reserve funds which are consolidated in the accompanying financial statements.

Capital Improvement  
Refunding Revenue Bonds

The Capital Improvement Refunding Revenue Bonds, Series 1986, were issued in connection with the advance refunding of the Capital Improvements Revenue Bonds, Series 1982, and to partially finance certain infrastructure projects. The Bonds bear interest ranging from 4.50% to 7.75% and mature annually commencing in fiscal year 1988 in amounts ranging from \$245,000 to \$1,200,000. Interest is payable semi-annually beginning April 1, 1989. The bonds are secured by a senior lien upon and pledge of certain non-ad valorem revenues of the City.

Capital Improvement  
Revenue Refunding Certificates

In August 1988, the City Council authorized the issuance of \$7,505,000 Capital Improvement Revenue Refunding Certificates, Series 1988. The Certificates were issued in the authorized amount during August 1988 and bear interest ranging from 5.75% to 7.15% and mature annually commencing in fiscal 1989 in amounts ranging from \$200,000 to \$1,200,000. The proceeds of this issue are being used to advance refund the Capital Improvement Revenue Certificates, Series 1986, and to finance certain capital projects of the City. The bonds are secured by a lien upon and pledge of certain non-ad valorem revenues of the City which is junior and subordinate to the Capital Improvement Refunding Revenue Bonds, Series 1986 noted above.

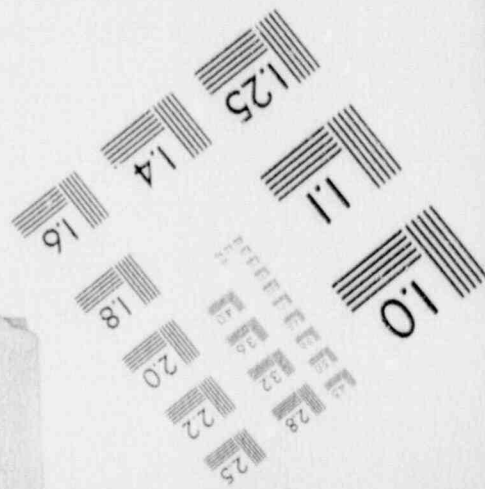
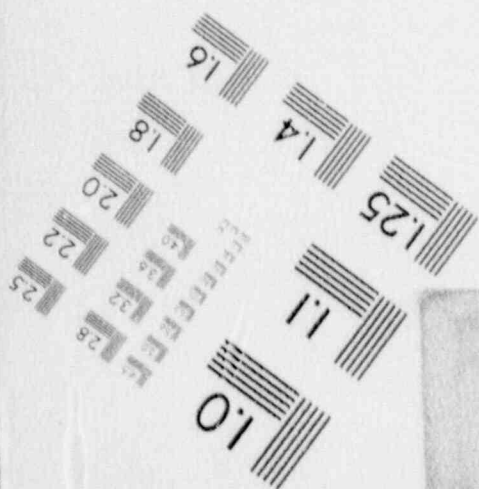
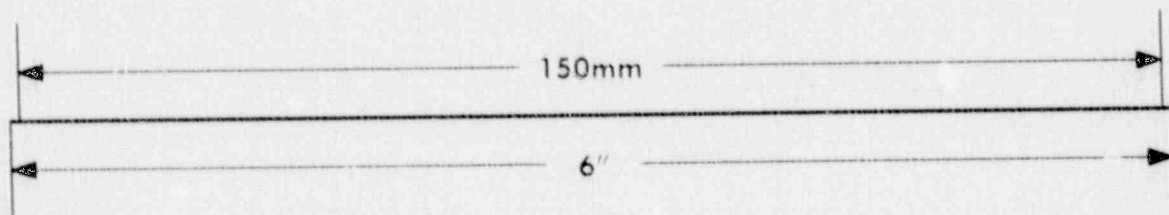
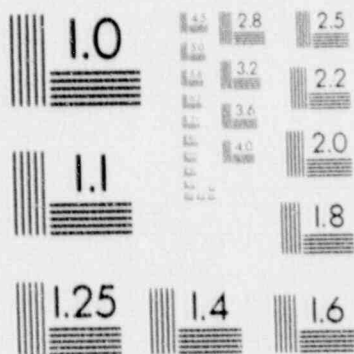
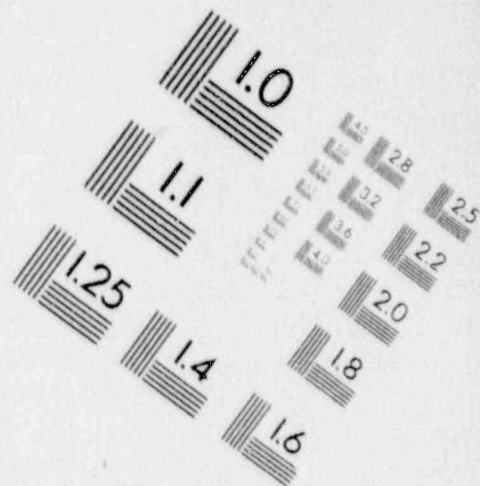
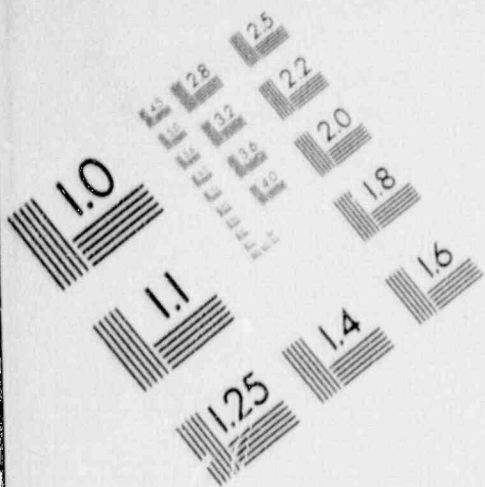
The refunding portion of the proceeds from the sale of the Series 1988 Certificates were used to purchase U.S. government securities, which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Capital Improvement Revenue Certificates, 1986 Series. As a result, the Series 1986 Certificates are considered to be defeased and the liability for those bonds has been removed from the General Long-term Debt Account Group.

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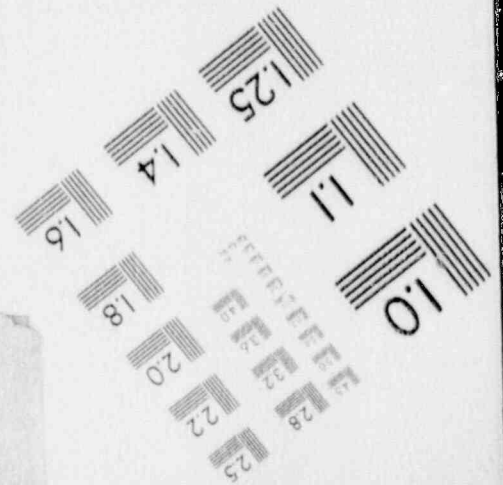
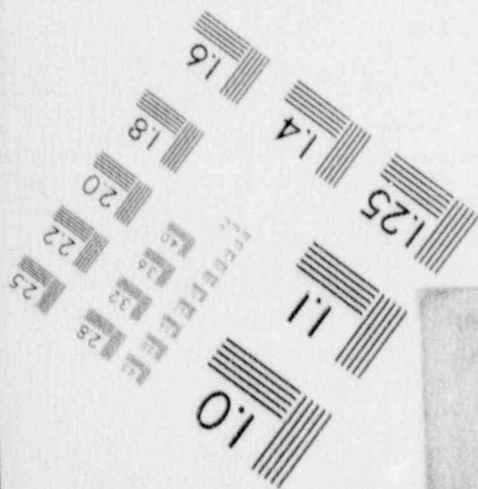
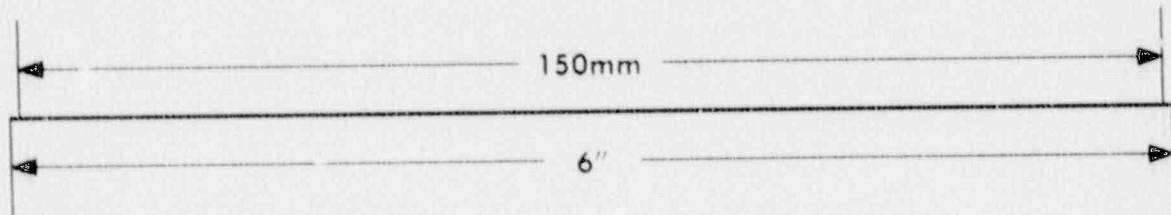
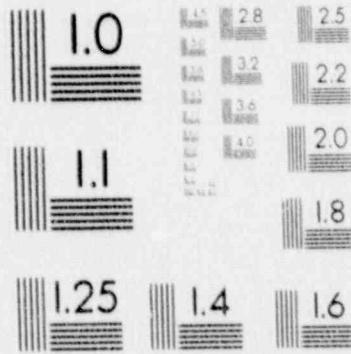
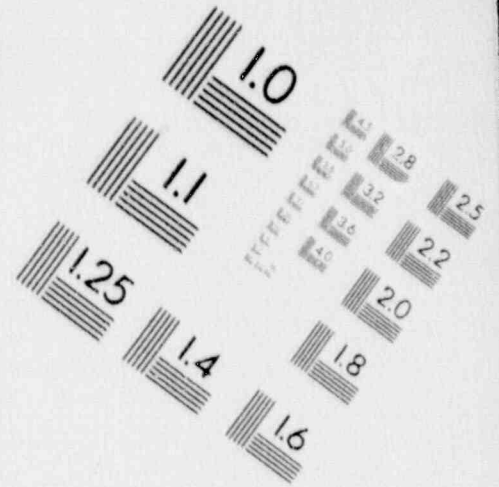
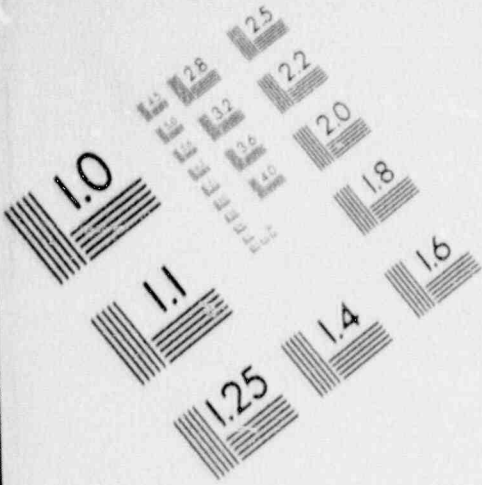
# 1

## IMAGE EVALUATION TEST TARGET (MT-3)



# 1

## IMAGE EVALUATION TEST TARGET (MT-3)



CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

The City advance refunded the 1986 Series Certificates. The pro rata portion of the debt service payments used to service the debt proceeds for advance refunding were extended over the next ten years. This caused the City to increase its debt service payments over the next ten years by approximately \$3,100,000. However, the City realized an economic gain (difference between the present values of the old and new debt service payments) of approximately \$110,000.

Optional Gas Tax Revenue Bonds

In February 1989, the City Council authorized the issuance of \$14,085,000 Optional Gas Tax Revenue Bonds, Series 1989. The bonds were issued in the authorized amount during February 1989 and bear interest ranging from 6.20% to 7.40% and mature annually commencing in fiscal 1990 in amounts ranging from \$350,000 to \$1,265,000. The proceeds of this issue are being used for financing the cost of acquisition and construction of certain transportation improvements. These bonds are secured by a lien upon and pledge of the proceeds of the six cent optional gas tax.

Installment Purchase  
Contracts

During the year ended September 30, 1986, the City entered into installment purchase agreements for the acquisition of equipment for the police department. The obligations are secured by the equipment acquired under the agreements.

Note Payable

During the year ended September 30, 1988, the City signed a note payable to a bank for the acquisition of a fire pumper. The note bears interest at 8% and is payable in equal annual payments through October 1992. It is secured by the fire pumper acquired.

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

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

<u>Fiscal Year Ended September 30,</u>	<u>Refunding and Improvement Excise Tax Bonds Dated January 1, 1972</u>	<u>Capital Improvement Refunding Revenue Bonds Series 1986</u>	<u>Capital Improvement Revenue Refunding Certificates Series 1988</u>	<u>Optional Gas Tax Revenue Bonds Series 1989</u>	<u>Note Payable</u>	<u>Installment Purchase Contract Obligations</u>	<u>Total Principal and Interest Due</u>
1990	\$ 373,990	\$ 1,275,109	\$ 907,585	\$ 1,005,255	\$ 34,816	\$ 18,083	\$ 3,614,838
1991	366,980	1,272,212	917,685	1,344,405	32,685	10,738	3,944,705
1992	354,430	1,271,758	929,785	1,341,900	30,552	-	3,928,425
1993	197,600	1,268,574	1,088,670	1,342,605	28,420	-	3,925,869
1994	-	1,262,640	1,284,470	1,341,315	-	-	3,888,425
1995	-	1,268,185	1,283,290	1,342,815	-	-	3,894,290
1996	-	1,264,843	1,286,650	1,341,885	-	-	3,893,378
1997	-	1,263,005	1,284,200	1,338,465	-	-	3,885,670
1998	-	1,262,500	1,282,800	1,337,322	-	-	3,885,622
1999	-	1,262,875	-	1,333,220	-	-	2,596,095
2000	-	1,258,850	-	1,335,889	-	-	2,594,739
2001	-	1,254,531	-	1,330,251	-	-	2,584,782
2002	-	1,249,819	-	1,331,081	-	-	2,580,900
2003	-	1,250,069	-	1,327,215	-	-	2,577,284
2004	-	1,244,894	-	1,328,385	-	-	2,573,279
2005	-	1,239,100	-	1,325,115	-	-	2,564,215
2006	-	1,233,625	-	1,322,220	-	-	2,555,845
2007	-	1,230,000	-	1,319,330	-	-	2,549,330
2008	-	-	-	1,316,075	-	-	1,316,075
2009	-	-	-	1,312,085	-	-	1,312,085
2010	-	-	-	1,311,805	-	-	1,311,805
	<u>\$ 1,293,000</u>	<u>\$ 22,632,589</u>	<u>\$ 10,268,135</u>	<u>\$ 27,628,638</u>	<u>\$ 126,473</u>	<u>\$ 28,821</u>	<u>\$ 61,977,656</u>

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

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

(11) Prior-Year Defeasance of Debt

In prior years, the City 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, 1989, \$79,735,000 of bonds outstanding are considered defeased, as follows:

General Long-Term Debt:

Capital Improvement Revenue Certificates, Series 1986	\$ 2,200,000
--	--------------

Enterprise Funds:

Electric and Bulk Power Supply Revenue:

Electric Revenue Certificate, Series 1972	900,000
Power Supply Revenue Bonds, Series 1975-A	8,500,000
Special Obligation Bonds, Series 1977-A	410,000
Power Supply Revenue Bonds, Series 1983	12,420,000

Water and Sewer:

Water and Sewer Refunding Revenue Bonds, Series 1983	9,595,000
Water and Sewer Refunding Revenue Bonds, Series 1985A	34,935,000
Water and Sewer Refunding Revenue Bonds, Series 1985B	<u>10,775,000</u>

\$ 79,735,000

(12) Financial Segment Information  
of Enterprise Funds

Each of the City's enterprise operations is accounted for within a separate fund. Over 93% 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 and airport facilities provided for the benefit of the general public. Following is a summary of significant financial information of the enterprise funds:

(Continued)

CITY OF OCALA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

	<u>Electric and Bulk Power Supply Revenue</u>	<u>Water and Sewer</u>	<u>Sanitation</u>	<u>Other</u>	<u>Total</u>
Current assets	\$ 19,715,680	\$ 1,171,775	\$ 300,377	\$ 307,827	\$ 21,495,659
Current liabilities	<u>6,995,024</u>	<u>586,223</u>	<u>172,148</u>	<u>329,353</u>	<u>8,082,748</u>
Working capital	<u>\$ 12,720,656</u>	<u>\$ 585,552</u>	<u>\$ 128,229</u>	<u>\$ (21,526)</u>	<u>\$ 13,412,911</u>
Property, plant and equipment:					
Additions	<u>\$ 4,848,534</u>	<u>\$ 9,352,347</u>	<u>\$ 59,631</u>	<u>\$ 2,837,095</u>	<u>\$ 17,097,607</u>
Deletions	<u>\$ 516,538</u>	<u>\$ 60,130</u>	<u>\$ 275,365</u>	<u>\$ 30,820</u>	<u>\$ 882,833</u>
Total property, plant and equipment	<u>\$ 39,569,443</u>	<u>\$ 47,589,653</u>	<u>\$ 781,669</u>	<u>\$ 11,464,204</u>	<u>\$ 99,404,969</u>
Restricted assets	<u>\$ 18,605,712</u>	<u>\$ 39,020,287</u>	<u>\$ -</u>	<u>\$ 468,501</u>	<u>\$ 58,094,500</u>
Total assets	<u>\$ 78,841,806</u>	<u>\$ 88,985,354</u>	<u>\$ 1,082,046</u>	<u>\$ 12,240,532</u>	<u>\$ 181,149,738</u>
Liabilities payable from restricted assets	<u>\$ 2,634,670</u>	<u>\$ 3,424,663</u>	<u>\$ -</u>	<u>\$ 313,463</u>	<u>\$ 6,372,796</u>
Bonds and other long-term liabilities	<u>\$ 21,940,190</u>	<u>\$ 53,390,789</u>	<u>\$ -</u>	<u>\$ 910,828</u>	<u>\$ 76,241,807</u>
Total fund equity	<u>\$ 47,271,922</u>	<u>\$ 31,583,679</u>	<u>\$ 909,898</u>	<u>\$ 10,686,888</u>	<u>\$ 90,452,387</u>
Total operating revenues	\$ 58,766,190	\$ 8,972,118	\$ 3,972,595	\$ 1,801,623	\$ 73,512,526
Operating expenses (less depreciation and amortization)	41,829,646	3,830,159	3,728,496	1,918,354	51,306,655
Depreciation and amortization	<u>2,301,128</u>	<u>1,255,215</u>	<u>185,471</u>	<u>393,775</u>	<u>4,135,589</u>
Operating income (loss)	14,635,416	3,886,744	58,628	(510,506)	18,070,282
Operating transfers from other funds	94,609	22,663	-	1,183,175	1,300,447
Operating transfers (to) other funds	(9,246,318)	(710,052)	(232,013)	(227,328)	(10,415,711)
Interest income	2,012,444	1,296,741	9,725	75,196	3,394,106
Interest expense	(930,620)	(948,311)	-	(70,022)	(1,948,953)
Operating grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,700</u>	<u>30,700</u>
Net income (loss)	<u>\$ 6,565,531</u>	<u>\$ 3,547,785</u>	<u>\$ (163,660)</u>	<u>\$ 481,215</u>	<u>\$ 10,430,871</u>
Equity transfers from other funds	<u>\$ -</u>	<u>\$ 938,927</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 938,927</u>
Capital contributions from other sources	<u>\$ 474,091</u>	<u>\$ 248,199</u>	<u>\$ -</u>	<u>\$ 1,477,931</u>	<u>\$ 2,200,221</u>

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

(Continued)

CITY OF OCALA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

(13) Reserved Retained Earnings

The following is a reconciliation of the reserved retained earnings to the net restricted assets of enterprise funds:

Total restricted assets	\$ 58,094,500
Less:	
Restricted assets set aside for construction under bond indentures	(35,425,582)
Liabilities payable from restricted assets	(6,372,796)
Add:	
Liabilities payable from restricted assets set aside for construction under bond indentures	1,112,800
Total reserved retained earnings	\$ 17,408,922

(14) Fund Balance Reserved for Restricted Assets

The fund balance reserved for restricted assets in the governmental fund types is a reservation of fund balance relating to assets restricted by law or by nature for certain purposes. Fund balance reserved for restricted assets is comprised of the following:

General Fund

Reserved for capital equipment purchases	\$ 2,724,835
Special police reserves:	
Law enforcement - confiscations	97,948
Police education and training	10,469
Law enforcement - recovered property	14,394
Special investigations	23,468
School education program	3,126
Total	\$ 2,874,240

Special Revenue Funds:

Central Florida Regional Library:	
Reserved for book endowment fund	\$ 39,760
Reserved for Hocker and Bitzer contribution	1,787
Total	\$ 41,547

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

(15) Operating Deficits and Fund Deficits

Following is a summary of net losses of individual proprietary funds and deficiencies of revenues and other sources over expenditures and other uses of individual governmental funds for the year ended September 30, 1989 which are included in the accompanying combined financial statements:

<u>Proprietary Funds</u>	<u>Net Loss</u>
<u>Enterprise Funds:</u>	
Sanitation	\$ 163,660
Municipal Trailer Park	1,338
Ocala Municipal Airport (Jim Taylor Field)	183,683
<u>Internal Service Funds:</u>	
Internal Service	15,244
Self-insurance	369,353
<u>Governmental Funds</u>	<u>Deficiency</u>
<u>Capital Project Funds -</u>	
Capital Improvement Construction	948,974

Deficit Retained Earnings of Individual Funds

The Self-insurance Internal Service Fund has a deficit retained earnings at September 30, 1989 of \$311,991. This deficit was caused by the recording of estimated payables for "IBNR" insurance claims. Contributions from other funds should eliminate this deficit in the future.

(16) Contributed Capital

During the year, contributed equity increased as follows:

	Contributed Capital October 1, <u>1988</u>	<u>Contributions from</u>				Contributed Capital September 30, <u>1989</u>
		<u>Other Governments</u>	<u>Developers</u>	<u>Customers</u>	<u>Govern- mental Funds</u>	
Enterprise funds:						
Airport	\$ 3,350,587	\$ 1,477,531	\$ -	\$ -	\$ -	\$ 4,828,118
Golf	3,853,039	-	-	400	-	3,853,439
Sanitation	8,515	-	-	-	-	8,515
Water and sewer	8,066,178	76,600	171,599	-	938,927	9,253,304
Electric	2,847,574	-	-	474,091	-	3,321,665
Total enterprise funds	\$ <u>18,125,893</u>	\$ <u>1,554,131</u>	\$ <u>171,599</u>	\$ <u>474,491</u>	\$ <u>938,927</u>	\$ <u>21,265,041</u>
Internal service fund	\$ <u>1,288,775</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,288,775</u>

(Continued)



CITY OF OCALA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS

(17) Commitments and Contingent Liabilities

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.

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 for goods or services not received as of September 30, 1989 were \$58,798 and \$10,487,510, respectively. These commitments are evidenced by signed purchase orders and contracts which were entered into prior to September 30, 1989.

Employee Benefits

City employees are entitled to accrue a maximum of 90 days sick leave. If the individual leaves the employ of the City, he or she is not entitled to be paid for the entire accumulated sick leave. Expenditures or expenses for sick leave are recorded at the time benefits are paid. At September 30, 1989, accumulated sick leave for each applicable fund type is as follows:

General	\$ 1,728,163
Special Revenue	73,384
Enterprise	1,213,437
Internal Service	<u>248,051</u>
	\$ <u>3,263,035</u>

CITY OF OCALA, FLORIDA

Supplemental Pension Disclosure

Comparative Summary of Revenues by Source and Expenses by Type

Revenues by Source  
(in thousands)

<u>Fiscal Year Ended September 30,</u>	<u>Employee Contributions</u>	<u>City Contributions</u>	<u>State Contributions</u>	<u>Investment Income</u>	<u>Total</u>
General Plan:					
1989	\$ -	\$ 1,331	\$ -	\$ 4,865	\$ 6,196
1988	-	1,191	-	2,124	3,315
1987	-	1,277	-	2,583	3,860
1986	-	1,101	-	3,071	4,172
1985	1	1,004	-	2,126	3,131
1984	7	850	-	330	1,187
1983	-	603	189	2,059	2,851
1982	-	549	162	1,419	2,130

Supplemental Police Officers' Plan:

1989	\$ 30	\$ -	\$ 258	\$ 825	\$ 1,113
1988	27	-	243	345	615
1987	18	-	222	408	648
1986	-	-	192	505	697
1985	-	-	151	355	506
1984	-	-	133	51	184

Supplemental Firefighters' Plan:

1989	\$ 175	\$ -	\$ 120	\$ 542	\$ 837
1988	154	5	113	224	496
1987	108	-	106	256	470
1986	-	-	100	306	406
1985	-	-	92	213	305
1984	-	-	83	32	115

Contributions were made in accordance with actuarially determined contribution requirements.

Expenses by Type  
(in thousands)

<u>Fiscal Year Ended September 30,</u>	<u>Benefits</u>	<u>Refunds</u>	<u>Other Expenses</u>	<u>Total</u>
1989	\$ 584	\$ 6	\$ 231	\$ 821
1988	480	11	203	694
1987	397	8	190	595
1986	364	15	146	525
1985	310	16	103	429
1984	252	22	79	353
1983	259	38	78	375
1982	205	52	38	295
1989	\$ 95	\$ 1	\$ 40	\$ 136
1988	78	-	50	128
1987	70	-	30	100
1986	86	-	39	125
1985	41	-	20	61
1984	13	-	15	28
1989	\$ 114	\$ 18	\$ 30	\$ 162
1988	83	2	39	124
1987	29	-	19	48
1986	29	-	21	50
1985	27	-	20	47
1984	26	-	10	36

## CITY OF OCALA, FLORIDA

Supplemental Pension DisclosureAnalysis of Funding Progress

(in thousands of dollars)

Fiscal Year	(1) Net Assets Available for Benefits	(2) Pension Benefit Obligation	(3) Percentage Funded (1) ÷ (2)	(4) Unfunded Pension Benefit Obligation (Assets in Excess of Pension Benefit Obligation) (1) - (2)	(5) Annual Covered Payroll	(6) Unfunded Pension Benefit Obligation (Assets in Excess of Pension Benefit Obligation) as a Percentage of Covered Payroll (4) ÷ (5)
	General Plan:					
1988	\$ 21,889	\$ 16,013	136.7%	\$ 5,876	\$ 17,239	34.1%
1987	19,268	13,740	140.2%	5,528	15,636	35.4%
1986	16,002	10,658	150.1%	5,344	13,856	38.6%
1985	12,355	10,905	113.3%	1,450	12,543	11.6%
1984	9,653	10,294	93.8%	(641)	11,306	(5.7)%
1983	8,831	10,506	84.1%	(1,675)	10,178	(16.5)%
1982	8,750	9,376	93.3%	(626)	9,730	(6.4)%
1981	6,915	7,824	88.4%	(909)	8,573	(10.6)%
Supplemental Police Officers' Plan:						
1987	\$ 3,205	\$ 2,324	137.9%	\$ 881	\$ 2,501	35.2%
Supplemental Firefighters' Plan:						
1987	\$ 2,031	\$ 1,869	108.7%	\$ (162)	\$ 1,756	(9.2)%

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation and unfunded pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of Plan's funding status on a going-concern basis. Analysis of this percentage over time indicates whether Plan is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the system. Trends in unfunded pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the assets in excess of the pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the System's progress in accumulating sufficient assets to pay benefits when due. Generally, the larger this percentage, the stronger the system.

## **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.

SPECIAL REVENUE FUNDS

CITY OF OCALA, FLORIDA

SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

SEPTEMBER 30, 1989

<u>Assets</u>	<u>Occupational License</u>	<u>Central Florida Regional Library</u>
Current assets:		
Cash and investments	\$ 229,191	\$ 715
Equity in pooled cash and investment fund	-	22,010
Accounts and notes receivable	55	-
Due from other funds	-	10,221
Due from other governments	-	151,720
Total current assets	<u>229,246</u>	<u>184,666</u>
Restricted assets - cash and investments	<u>-</u>	<u>41,547</u>
Total assets	<u>\$ 229,246</u>	<u>\$ 226,213</u>
 <u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payable	\$ -	\$ 27,247
Compensated absences payable	-	10,643
Deferred revenue	101,256	-
Interfund loans payable	-	-
Total liabilities	<u>101,256</u>	<u>37,890</u>
Fund balances:		
Reserved for encumbrances	-	51,548
Reserved for restricted assets	-	41,547
Total reserved fund balances	<u>-</u>	<u>93,095</u>
Unreserved and undesignated	127,990	95,228
Total fund balances	<u>127,990</u>	<u>188,323</u>
Total liabilities and fund balances	<u>\$ 229,246</u>	<u>\$ 226,213</u>

<u>Off-Street Parking</u>	<u>Downtown Development</u>	<u>Local Gasoline Tax</u>	<u>Stormwater Utility</u>	<u>Total</u>
\$ -	\$ 50	\$ -	\$ -	\$ 229,956
26,004	34,229	5,954,008	612,557	6,648,808
20	-	55,770	-	55,845
533	533	800	45,537	57,624
-	-	151,165	-	302,885
<u>26,557</u>	<u>34,812</u>	<u>6,161,743</u>	<u>658,094</u>	<u>7,295,118</u>
-	-	-	-	41,547
<u>\$ 26,557</u>	<u>\$ 34,812</u>	<u>\$ 6,161,743</u>	<u>\$ 658,094</u>	<u>\$ 7,336,665</u>
\$ 1,232	\$ 3,144	\$ 183,220	\$ 34,212	\$ 249,055
709	1,253	-	3,473	16,078
4,735	-	168,020	-	274,011
-	2,680	-	-	2,680
<u>6,676</u>	<u>7,077</u>	<u>351,240</u>	<u>37,685</u>	<u>541,824</u>
-	1,205	221,632	43,470	317,855
-	-	-	-	41,547
-	1,205	221,632	43,470	359,402
<u>19,881</u>	<u>26,530</u>	<u>5,588,871</u>	<u>576,939</u>	<u>6,435,439</u>
<u>19,881</u>	<u>27,735</u>	<u>5,810,503</u>	<u>620,409</u>	<u>6,794,841</u>
<u>\$ 26,557</u>	<u>\$ 34,812</u>	<u>\$ 6,161,743</u>	<u>\$ 658,094</u>	<u>\$ 7,336,665</u>



CITY OF OCALA, FLORIDA

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCES - ACTUAL AND BUDGET

FOR THE YEAR ENDED SEPTEMBER 30, 1989

	Actual						Total
	Occupational License	Central Florida Regional Library	Off-Street Parking	Downtown Development	Local Gasoline Tax	Stormwater Utility	
<b>Revenues:</b>							
Property taxes	\$ -	\$ -	\$ -	\$ 46,427	\$ -	\$ -	\$ 46,427
Other intergovernmental revenues	-	950,701	-	-	1,790,008	-	2,740,709
Parking meters and facilities	-	-	93,174	-	-	-	93,174
Licenses and permits	376,590	-	-	-	-	-	376,590
Fines and forfeitures	-	20,837	22,946	-	-	-	43,783
Charges for services	-	-	-	-	-	1,007,703	1,007,703
Interest	-	7,170	3,491	2,854	444,466	30,814	488,795
Gifts	-	1,416	-	-	-	-	1,416
Other	777	13,141	92	-	1,465	-	15,475
<b>Total revenues</b>	<u>377,367</u>	<u>993,265</u>	<u>119,703</u>	<u>49,281</u>	<u>2,235,939</u>	<u>1,038,517</u>	<u>4,814,072</u>
<b>Expenditures:</b>							
<b>Current:</b>							
General government and administration	-	-	-	60,446	-	-	60,446
Public works	-	-	-	-	509,000	396,797	905,797
Culture and recreation	-	1,189,611	-	-	-	-	1,189,611
Other	-	-	79,016	-	-	-	79,016
Capital outlay	-	21,941	-	4,084	303,199	19,679	348,903
<b>Debt service:</b>							
Principal payments	-	-	-	-	-	-	-
Interest and paying agent's fees	-	-	1,508	-	-	-	1,508
Intergovernmental	-	-	-	-	-	1,632	1,632
<b>Total expenditures</b>	<u>-</u>	<u>1,211,552</u>	<u>80,524</u>	<u>64,530</u>	<u>812,199</u>	<u>418,108</u>	<u>2,586,913</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>377,367</u>	<u>(218,287)</u>	<u>39,179</u>	<u>(15,249)</u>	<u>1,423,740</u>	<u>620,409</u>	<u>2,227,159</u>
<b>Other financing sources (uses):</b>							
Transfers from other funds	-	280,000	-	48,625	-	-	328,625
Transfers (to) other funds	(285,249)	-	(26,305)	(819)	(569,645)	-	(882,018)
<b>Total other sources (uses)</b>	<u>(285,249)</u>	<u>280,000</u>	<u>(26,305)</u>	<u>47,806</u>	<u>(569,645)</u>	<u>-</u>	<u>(553,393)</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses before fund balance allocation</b>	<u>92,118</u>	<u>61,713</u>	<u>12,874</u>	<u>32,557</u>	<u>854,095</u>	<u>620,409</u>	<u>1,673,766</u>
<b>Fund balance allocation</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>92,118</u>	<u>61,713</u>	<u>12,874</u>	<u>32,557</u>	<u>854,095</u>	<u>620,409</u>	<u>1,673,766</u>
<b>Fund balances (deficit):</b>							
Beginning of year	<u>35,872</u>	<u>126,610</u>	<u>7,007</u>	<u>(4,822)</u>	<u>4,956,408</u>	<u>-</u>	<u>5,121,075</u>
End of year	<u>\$ 127,990</u>	<u>\$ 188,323</u>	<u>\$ 19,881</u>	<u>\$ 27,735</u>	<u>\$ 5,810,503</u>	<u>\$ 620,409</u>	<u>\$ 6,794,841</u>

Revised Budget

Adjustments to Budgetary Basis	Total Actual on a Budgetary Basis	Occupational License	Central Florida Regional Library	Off-Street Parking	Downtown Development	Local Gasoline Tax	Stormwater Utility	Total	Fiscal 2019 (Unfavorable) Variance
\$ -	\$ 46,427	\$ -	\$ -	\$ -	\$ 47,260	\$ -	\$ -	\$ 47,260	\$ (833)
-	2,740,709	-	931,148	-	-	1,825,000	-	2,756,148	(15,439)
-	93,174	-	-	94,500	-	-	-	94,500	(1,326)
-	376,590	376,500	-	-	-	-	-	376,500	90
-	43,783	-	22,400	23,500	-	-	-	45,900	(2,117)
-	1,007,703	-	-	-	-	-	948,000	948,000	59,703
(49)	488,746	-	925	3,550	2,560	418,000	18,950	443,985	44,761
-	1,416	-	1,400	-	-	-	-	1,400	16
-	15,475	800	13,150	71	-	-	-	14,021	1,454
(49)	8,814,023	377,300	969,023	121,621	49,820	2,243,000	966,950	4,727,714	86,309
1,205	61,651	-	-	-	77,781	-	-	77,781	16,130
234,047	1,139,844	-	-	-	-	1,279,992	447,269	1,727,261	587,417
51,548	1,241,159	-	1,286,194	-	-	-	-	1,286,194	45,035
-	79,016	-	-	80,500	-	1,103	-	81,603	2,587
31,055	379,958	-	21,946	-	8,556	6,053,768	467,004	6,551,274	6,171,316
-	-	-	-	25,000	-	-	-	25,000	25,000
-	1,508	-	-	1,508	-	-	-	1,508	-
-	1,632	-	-	-	-	-	2,200	2,200	568
317,855	2,904,768	-	1,308,140	107,008	86,337	7,334,863	916,473	9,752,821	6,848,053
(317,904)	1,909,255	377,300	(339,117)	14,613	(36,517)	(5,091,863)	50,477	(5,025,107)	6,934,362
-	328,625	-	280,000	-	26,305	-	-	306,305	22,320
-	(882,018)	(285,249)	-	(26,305)	(819)	(567,645)	-	(880,018)	(2,000)
-	(553,393)	(285,249)	280,000	(26,305)	25,486	(567,645)	-	(573,713)	20,320
(317,904)	1,355,862	92,051	(59,117)	(11,692)	(11,031)	(5,659,508)	50,477	(5,598,820)	6,954,682
-	-	(92,051)	59,117	11,692	11,031	5,659,508	(50,477)	5,598,820	(5,598,820)
(317,904)	1,355,862	-	-	-	-	-	-	-	1,355,862
(543)	5,120,532	35,872	126,067	7,007	(4,822)	4,956,408	-	5,120,532	-
\$(318,447)	\$ 6,476,394	\$ 35,872	\$ 126,067	\$ 7,007	\$ (4,822)	\$ 4,956,408	\$ -	\$ 5,120,532	\$ 1,355,862

CITY OF OCALA, FLORIDA

OCCUPATIONAL LICENSE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

FUND BALANCE - ACTUAL AND BUDGET

FOR THE YEAR ENDED SEPTEMBER 30, 1989

	Actual and Actual on a Budgetary Basis	Revised Budget	Favorable (Unfavorable) Variance
Revenues:			
Licenses and permits	\$ 376,590	\$ 376,500	\$ 90
Other	<u>777</u>	<u>800</u>	<u>(23)</u>
Total revenues	377,367	377,300	67
Other financing (uses) - transfers (to) other funds	<u>(285,249)</u>	<u>(285,249)</u>	<u>-</u>
Excess of revenues over expenditures and other uses before fund balance allocation	92,118	92,051	67
Fund balance allocation	<u>-</u>	<u>(92,051)</u>	<u>92,051</u>
Excess of revenues over expenditures and other uses	92,118	-	92,118
Fund balance:			
Beginning of year	<u>35,872</u>	<u>35,872</u>	<u>-</u>
End of year	\$ <u>127,990</u>	\$ <u>35,872</u>	\$ <u>92,118</u>

CITY OF OCALA, FLORIDA

CENTRAL FLORIDA REGIONAL LIBRARY FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

FUND BALANCE - ACTUAL AND BUDGET

FOR THE YEAR ENDED SEPTEMBER 30, 1989

	<u>Actual</u>	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	<u>Revised Budget</u>	Favorable (Unfavorable) <u>Variance</u>
Revenues:					
Intergovernmental revenues	\$ 950,701	\$ -	\$ 950,701	\$ 931,148	\$ 19,553
Fines and forfeitures	20,837	-	20,837	22,400	(1,563)
Interest	7,170	(49)	7,121	925	6,196
Gifts	1,416	-	1,416	1,400	16
Other	<u>13,141</u>	-	<u>13,141</u>	<u>13,150</u>	<u>(9)</u>
Total revenues	<u>993,265</u>	<u>(49)</u>	<u>993,216</u>	<u>969,023</u>	<u>24,193</u>
Expenditures:					
Current - culture and recreation	1,189,611	51,548	1,241,159	1,286,194	45,035
Capital outlay	<u>21,941</u>	-	<u>21,941</u>	<u>21,946</u>	<u>5</u>
Total expenditures	<u>1,211,552</u>	<u>51,548</u>	<u>1,263,100</u>	<u>1,308,140</u>	<u>45,040</u>
(Deficiency) of revenues over expenditures	(218,287)	(51,597)	(269,884)	(339,117)	69,233
Other financing sources - transfers from other funds	<u>280,000</u>	-	<u>280,000</u>	<u>280,000</u>	-
Excess (deficiency) of revenues over expenditures and other sources before fund balance allocation	61,713	(51,597)	10,116	(59,117)	69,233
Fund balance allocation	-	-	-	<u>59,117</u>	<u>(59,117)</u>
Excess (deficiency) of revenues over expenditures and other sources	61,713	(51,597)	10,116	-	10,116
Fund balance:					
Beginning of year	<u>126,610</u>	<u>(543)</u>	<u>126,067</u>	<u>126,067</u>	-
End of year	\$ <u>188,323</u>	\$ <u>(52,140)</u>	\$ <u>136,183</u>	\$ <u>126,067</u>	\$ <u>10,116</u>

CITY OF OCALA, FLORIDA

OFF-STREET PARKING FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

FUND BALANCE - ACTUAL AND BUDGET

FOR THE YEAR ENDED SEPTEMBER 30, 1989

	Actual and Actual on a Budgetary Basis	Revised Budget	Favorable (Unfavorable) Variance
Revenues:			
Parking meters and facilities	\$ 93,174	\$ 94,500	\$ (1,326)
Fines and forfeitures	22,946	23,500	(554)
Interest	3,491	3,550	(59)
Other	92	71	21
Total revenues	<u>119,703</u>	<u>121,621</u>	<u>(1,918)</u>
Expenditures:			
Current - other	79,016	80,500	1,484
Debt service:			
Principal	-	25,000	25,000
Interest and agents fees	<u>1,508</u>	<u>1,508</u>	<u>-</u>
Total expenditures	<u>80,524</u>	<u>107,008</u>	<u>26,484</u>
Excess of revenues over expenditures	39,179	14,613	24,566
Other financing (uses) - transfers (to) other funds	<u>(26,305)</u>	<u>(26,305)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other uses before fund balance allocation	12,874	(11,692)	24,566
Fund balance allocation	<u>-</u>	<u>11,692</u>	<u>(11,692)</u>
Excess of revenues over expenditures and other uses	12,874	-	12,874
Fund balance:			
Beginning of year	<u>7,007</u>	<u>7,007</u>	<u>-</u>
End of year	\$ <u>19,881</u>	\$ <u>7,007</u>	\$ <u>12,874</u>

CITY OF OCALA, FLORIDA

DOWNTOWN DEVELOPMENT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

FUND BALANCE (DEFICIT) - ACTUAL AND BUDGET

FOR THE YEAR ENDED SEPTEMBER 30, 1989

	<u>Actual</u>	Adjustments to <u>Budgetary Basis</u>	Actual on a <u>Budgetary Basis</u>	<u>Revised Budget</u>	Favorable (Unfavorable) <u>Variance</u>
Revenues:					
Property taxes	\$ 46,427	\$ -	\$ 46,427	\$ 47,260	\$ (833)
Interest	2,854	-	2,854	2,560	294
Total revenues	<u>49,281</u>	<u>-</u>	<u>49,281</u>	<u>49,820</u>	<u>(539)</u>
Expenditures:					
Current - general government and administration	60,446	1,205	61,651	77,781	16,130
Capital outlay	4,084	-	4,084	8,556	4,472
Total expenditures	<u>64,530</u>	<u>1,205</u>	<u>65,735</u>	<u>86,337</u>	<u>20,602</u>
Excess (deficiency) of revenues over expenditures	<u>(15,249)</u>	<u>(1,205)</u>	<u>(16,454)</u>	<u>(36,517)</u>	<u>20,063</u>
Other financing sources (uses):					
Transfers from other funds	48,625	-	48,625	26,305	22,320
Transfers (to) other funds	<u>(819)</u>	<u>-</u>	<u>(819)</u>	<u>(819)</u>	<u>-</u>
Total other sources (uses)	<u>47,806</u>	<u>-</u>	<u>47,806</u>	<u>25,486</u>	<u>22,320</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses before fund balance allocation	32,557	(1,205)	31,352	(11,031)	42,383
Fund balance allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,031</u>	<u>(11,031)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	32,557	(1,205)	31,352	-	31,352
Fund balance (deficit):					
Beginning of year	<u>(4,822)</u>	<u>-</u>	<u>(4,822)</u>	<u>(4,822)</u>	<u>-</u>
End of year	\$ <u>27,735</u>	\$ <u>(1,205)</u>	\$ <u>26,530</u>	\$ <u>(4,822)</u>	\$ <u>31,352</u>

CITY OF OCALA, FLORIDA

LOCAL GASOLINE TAX FUND

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - ACTUAL AND BUDGET  
FOR THE YEAR ENDED SEPTEMBER 30, 1989

	<u>Actual</u>	Adjustments to <u>Budgetary Basis</u>	Actual on a <u>Budgetary Basis</u>	<u>Revised Budget</u>	Favorable (Unfavorable) <u>Variance</u>
<b>Revenues:</b>					
Intergovernmental revenues	\$ 1,790,008	\$ -	\$ 1,790,008	\$ 1,825,000	\$ (34,992)
Interest	444,466	-	444,466	418,000	26,466
Other	1,465	-	1,465	-	1,465
Total revenues	<u>2,235,939</u>	<u>-</u>	<u>2,235,939</u>	<u>2,243,000</u>	<u>(7,061)</u>
<b>Expenditures:</b>					
Current - public works	509,000	190,577	699,577	1,279,992	580,415
Other	-	-	-	1,103	1,103
Capital outlay	<u>303,199</u>	<u>31,055</u>	<u>334,254</u>	<u>6,053,768</u>	<u>5,719,514</u>
Total expenditures	<u>812,199</u>	<u>221,632</u>	<u>1,033,831</u>	<u>7,334,863</u>	<u>6,301,032</u>
Excess (deficiency) of revenues over expenditures	1,423,740	(221,632)	1,202,108	(5,091,863)	6,293,971
Other financing (uses) - transfer (to) other funds	<u>(569,645)</u>	<u>-</u>	<u>(569,645)</u>	<u>(567,645)</u>	<u>(2,000)</u>
Excess (deficiency) of revenues over expenditures and other uses before fund balance allocation	854,095	(221,632)	632,463	(5,659,508)	6,291,971
Fund balance allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,659,508</u>	<u>(5,659,508)</u>
Excess (deficiency) of revenues over expenditures and other uses	854,095	(221,632)	632,463	-	632,463
<b>Fund balance:</b>					
Beginning of year	<u>4,956,408</u>	<u>-</u>	<u>4,956,408</u>	<u>4,956,408</u>	<u>-</u>
End of year	\$ <u>5,810,503</u>	\$ <u>(221,632)</u>	\$ <u>5,588,871</u>	\$ <u>4,956,408</u>	\$ <u>632,463</u>

CITY OF OCALA, FLORIDA

STORMWATER UTILITY FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

FUND BALANCE - ACTUAL AND BUDGET

FOR THE YEAR ENDED SEPTEMBER 30, 1989

	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>	<u>Revised Budget</u>	<u>Favorable (Unfavorable) Variance</u>
Revenues:					
Charges for services	\$ 1,007,703	\$ -	\$ 1,007,703	\$ 948,000	\$ 59,703
Interest	<u>30,814</u>	<u>-</u>	<u>30,814</u>	<u>18,950</u>	<u>11,864</u>
Total revenues	<u>1,038,517</u>	<u>-</u>	<u>1,038,517</u>	<u>966,950</u>	<u>71,567</u>
Expenditures:					
Current - public works	396,797	43,470	440,267	447,269	7,002
Capital outlay	19,679	-	19,679	467,004	447,325
Intergovernmental	<u>1,632</u>	<u>-</u>	<u>1,632</u>	<u>2,200</u>	<u>568</u>
Total expenditures	<u>418,108</u>	<u>43,470</u>	<u>461,578</u>	<u>916,473</u>	<u>454,895</u>
Excess of revenues over expenditures and other uses before fund balance allocation	620,409	(43,470)	576,939	50,477	526,462
Fund balance allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,477)</u>	<u>50,477</u>
Excess of revenues over expenditures and other uses	620,409	(43,470)	576,939	-	576,939
Fund balance:					
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	\$ <u><u>620,409</u></u>	\$ <u><u>(43,470)</u></u>	\$ <u><u>576,939</u></u>	\$ <u><u>-</u></u>	\$ <u><u>576,939</u></u>



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DEBT SERVICE FUNDS

CITY OF OCALA, FLORIDA

DEBT SERVICE FUNDS

COMBINING BALANCE SHEET

SEPTEMBER 30, 1989

<u>Assets</u>	<u>Excise Tax Bonds</u>	<u>Improve- ment Bonds</u>	<u>Improvement Certificates</u>	<u>Optional Gas Tax Bonds</u>	<u>Total</u>
Cash and investments	\$ 507,026	\$ -	\$ -	\$ -	\$ 507,026
Equity in pooled cash and investment fund	-	2,292,327	1,185,942	1,773,412	5,251,681
Other assets	<u>1,923</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,923</u>
Total assets	\$ <u>508,949</u>	\$ <u>2,292,327</u>	\$ <u>1,185,942</u>	\$ <u>1,773,412</u>	\$ <u>5,760,630</u>

Fund Balances

Fund balances - reserved for debt service	\$ <u>508,949</u>	\$ <u>2,292,327</u>	\$ <u>1,185,942</u>	\$ <u>1,773,412</u>	\$ <u>5,760,630</u>
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CITY OF OCALA, FLORIDA

DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED SEPTEMBER 30, 1989

	<u>Excise Tax Bonds</u>	<u>Improve- ment Bonds</u>	<u>Improvement Certificates</u>	<u>Optional Gas Tax Bonds</u>	<u>Total</u>
Revenues - interest	\$ <u>43,660</u>	\$ <u>158,268</u>	\$ <u>80,225</u>	\$ <u>79,416</u>	\$ <u>361,569</u>
Expenditures - debt service:					
Bond principal payments	300,000	375,000	200,000	-	875,000
Bond interest and paying agents' fees	<u>76,174</u>	<u>901,708</u>	<u>337,568</u>	<u>234,559</u>	<u>1,550,009</u>
Total expenditures	<u>376,174</u>	<u>1,276,708</u>	<u>537,568</u>	<u>234,559</u>	<u>2,425,009</u>
(Excess) of expenditures over revenues	<u>(332,514)</u>	<u>(1,118,440)</u>	<u>(457,343)</u>	<u>(155,143)</u>	<u>(2,063,440)</u>
Other financing sources (uses):					
Transfers from other funds	374,441	1,285,973	981,551	1,928,555	4,570,520
Transfers (to) other funds	<u>(26,000)</u>	<u>(66,000)</u>	<u>-</u>	<u>-</u>	<u>(92,000)</u>
Total other financing sources (uses)	<u>348,441</u>	<u>1,219,973</u>	<u>981,551</u>	<u>1,928,555</u>	<u>4,478,520</u>
Excess of revenues and other sources over expenditures and other uses	15,927	101,533	524,208	1,773,412	2,415,080
Fund balances:					
Beginning of year	<u>493,022</u>	<u>2,190,794</u>	<u>661,734</u>	<u>-</u>	<u>3,345,550</u>
End of year	\$ <u>508,949</u>	\$ <u>2,292,327</u>	\$ <u>1,185,942</u>	\$ <u>1,773,412</u>	\$ <u>5,760,630</u>

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CAPITAL PROJECT FUNDS

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CITY OF OCALA, FLORIDA

CAPITAL PROJECT FUNDS

COMBINING BALANCE SHEET

SEPTEMBER 30, 1989

<u>Assets</u>	<u>Capital Improvement Construction</u>	<u>Optional Gas Tax Construction</u>	<u>Total</u>
Equity in pooled cash and investment fund	\$ 1,343,732	\$ 11,099,955	\$ 12,443,687
Accounts and notes receivable	502,489	632,732	1,135,221
Due from other governments	<u>526,254</u>	<u>61,688</u>	<u>587,942</u>
Total assets	\$ <u>2,372,475</u>	\$ <u>11,794,375</u>	\$ <u>14,166,850</u>
 <u>Liabilities and Fund Balances</u>			
Current liabilities - accounts payable	\$ <u>306,666</u>	\$ <u>218,148</u>	\$ <u>524,814</u>
Fund balances:			
Reserved for encumbrances	207,380	279,745	487,125
Unreserved and undesignated	<u>1,858,429</u>	<u>11,296,482</u>	<u>13,154,911</u>
Total fund balances	<u>2,065,809</u>	<u>11,766,227</u>	<u>13,642,036</u>
Total liabilities and fund balances	\$ <u>2,372,475</u>	\$ <u>11,794,375</u>	\$ <u>14,166,850</u>



CITY OF OCALA, FLORIDA

CAPITAL PROJECT FUNDS

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

SEPTEMBER 30, 1989

	<u>Capital Improvement Construction</u>	<u>Optional Gas Tax Construction</u>	<u>Total</u>
Revenues:			
Other intergovernmental revenues	\$ 470,582	\$ -	\$ 470,582
Interest	206,962	620,620	827,582
Other	<u>81,898</u>	<u>-</u>	<u>81,898</u>
Total revenues	<u>759,442</u>	<u>620,620</u>	<u>1,380,062</u>
Expenditures:			
Current:			
Public works	31,488	807,470	838,958
Nondepartmental appropriations	-	234,044	234,044
Capital outlay	<u>1,513,131</u>	<u>492,583</u>	<u>2,005,714</u>
Total expenditures	<u>1,544,619</u>	<u>1,534,097</u>	<u>3,078,716</u>
(Deficiency) of revenues over expenditures	<u>(785,177)</u>	<u>(913,477)</u>	<u>(1,698,654)</u>
Other financing sources (uses):			
Debt proceeds	-	13,848,614	13,848,614
Transfers (to) other funds	<u>(163,797)</u>	<u>(1,358,910)</u>	<u>(1,522,707)</u>
Total other financing sources (uses)	<u>(163,797)</u>	<u>12,489,704</u>	<u>12,325,907</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses before fund balance allocation	<u>(948,974)</u>	11,576,227	10,627,253
Fund balance allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(948,974)</u>	11,576,227	10,627,253
Fund balances at beginning of year	3,953,710	-	3,953,710
Equity transfers (to) other funds	<u>(938,927)</u>	<u>-</u>	<u>(938,927)</u>
Fund balances at end of year	\$ <u>2,065,809</u>	\$ <u>11,576,227</u>	\$ <u>13,642,036</u>

Adjustments to a Budgetary Basis	Actual on a Budgetary Basis	Revised Budget	Favorable (Unfavorable) Variance
\$ (470,582)	\$ -	\$ -	\$ -
(206,962)	620,620	631,000	(10,380)
(81,898)	-	-	-
<u>(759,442)</u>	<u>620,620</u>	<u>631,000</u>	<u>(10,380)</u>
248,258	1,087,216	1,123,438	36,222
-	234,044	253,204	19,160
<u>(1,513,131)</u>	<u>492,583</u>	<u>1,806,562</u>	<u>1,313,979</u>
<u>(1,264,873)</u>	<u>1,813,843</u>	<u>3,183,204</u>	<u>1,369,361</u>
<u>505,431</u>	<u>(1,193,223)</u>	<u>(2,552,204)</u>	<u>1,358,981</u>
-	13,848,614	13,848,614	-
<u>163,797</u>	<u>(1,358,910)</u>	<u>(1,358,910)</u>	<u>-</u>
<u>163,797</u>	<u>12,489,704</u>	<u>12,489,704</u>	<u>-</u>
669,228	11,296,481	9,937,500	1,358,981
<u>-</u>	<u>-</u>	<u>(9,937,500)</u>	<u>9,937,500</u>
669,228	11,296,481	-	11,296,481
(3,953,710)	-	-	-
<u>938,927</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (2,345,555)</u>	<u>\$ 11,296,481</u>	<u>\$ -</u>	<u>\$ 11,296,481</u>

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ENTERPRISE FUNDS

CITY OF OCALA, FLORIDA

ENTERPRISE FUNDS

COMBINING BALANCE SHEET

SEPTEMBER 30, 1989

<u>Assets</u>	<u>Electric and Bulk Power Supply Revenue</u>	<u>Water and Sewer</u>	<u>Sanitation</u>
Current assets:			
Cash and investments	\$ 1,325	\$ 450	\$ -
Equity in pooled cash and investment fund	8,425,096	269,759	66,957
Accounts and notes receivable	5,323,192	296,467	-
Accrued unbilled revenues	3,645,360	-	-
Due from other funds	82,201	399,015	233,420
Interfund loans receivable	55,500	75,000	-
Inventories	2,135,829	131,084	-
Other current assets	47,177	-	-
Total current assets	<u>19,715,680</u>	<u>1,171,775</u>	<u>300,377</u>
Restricted assets:			
Cash and investments	2,262,741	4,178,215	-
Equity in pooled cash and investment fund	16,302,759	34,802,416	-
Accrued interest receivable	33,676	-	-
Other	6,536	39,656	-
Due from other governments	-	-	-
Total restricted assets	<u>18,605,712</u>	<u>39,020,287</u>	<u>-</u>
Interfund loan receivable after one year	736,000	141,525	-
Property, plant and equipment, net	39,569,443	47,589,653	781,669
Issuance costs on long-term debt	<u>214,971</u>	<u>1,012,114</u>	<u>-</u>
Total assets	\$ <u>78,841,806</u>	\$ <u>88,985,354</u>	\$ <u>1,082,046</u>

<u>Municipal Golf Course</u>	<u>Fort King Tennis Court</u>	<u>Municipal Trailer Park</u>	<u>Ocala Municipal Airport</u>	<u>Total</u>
\$ 2,040	\$ 50	\$ 100	\$ -	\$ 3,965
149,252	59,756	-	-	8,970,820
1,581	-	-	21,256	5,642,496
-	-	-	-	3,645,360
12,940	267	893	4,541	733,277
-	-	-	-	130,500
49,269	-	-	-	2,316,182
5,882	-	-	-	53,059
<u>220,964</u>	<u>60,073</u>	<u>993</u>	<u>25,797</u>	<u>21,495,659</u>
-	-	-	-	6,440,956
-	-	-	263,616	51,368,791
-	-	-	-	33,676
-	-	-	448	46,640
-	-	-	204,437	204,437
<u>-</u>	<u>-</u>	<u>-</u>	<u>468,501</u>	<u>58,094,500</u>
-	-	-	-	877,525
6,222,077	20,474	42,954	5,178,699	99,404,969
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,277,085</u>
\$ <u>6,443,041</u>	\$ <u>80,547</u>	\$ <u>43,947</u>	\$ <u>5,672,997</u>	\$ <u>181,149,738</u>

(Continued)

CITY OF OCALA, FLORIDA

ENTERPRISE FUNDS

COMBINING BALANCE SHEET

SEPTEMBER 30, 1989

(Continued)

<u>Liabilities and Fund Equity</u>	<u>Electric and Bulk Power Supply Revenue</u>	<u>Water and Sewer</u>	<u>Sanitation</u>
Current liabilities:			
Accounts payable	\$ 4,270,433	\$ 311,815	\$ 127,327
Compensated absences payable	143,457	47,535	44,821
Bonds and notes payable within one year	-	-	-
Accrued interest payable	-	-	-
Due to other funds	582,056	-	-
Customer deposits	1,999,078	-	-
Deferred revenue	-	226,873	-
Interfund loans payable	-	-	-
Total current liabilities	<u>6,995,024</u>	<u>586,223</u>	<u>172,148</u>
Liabilities payable from restricted assets:			
Accounts payable	513,933	850,802	-
Accrued interest payable	685,737	2,008,881	-
Deferred revenue	-	139,980	-
Revenue bonds payable within one year	<u>1,435,000</u>	<u>425,000</u>	<u>-</u>
Total liabilities payable from restricted assets	2,634,670	3,424,663	-
Interfund loans payable after one year	-	-	-
Revenue bonds and notes payable after one year	<u>21,940,190</u>	<u>53,390,789</u>	<u>-</u>
Total liabilities	<u>31,569,884</u>	<u>57,401,675</u>	<u>172,148</u>
Contributed equity	<u>3,321,665</u>	<u>9,253,304</u>	<u>8,515</u>
Retained earnings:			
Reserved for debt service	2,829,549	7,968,407	-
Reserved for renewal and replacement	<u>4,973,387</u>	<u>1,637,579</u>	<u>-</u>
Total reserved retained earnings	7,802,936	9,605,986	-
Unreserved	<u>36,147,321</u>	<u>12,724,389</u>	<u>901,383</u>
Total retained earnings	<u>43,950,257</u>	<u>22,330,375</u>	<u>901,383</u>
Total fund equity	<u>47,271,922</u>	<u>31,583,679</u>	<u>909,898</u>
Total liabilities and fund equity	<u>\$ 78,841,806</u>	<u>\$ 88,985,354</u>	<u>\$ 1,082,046</u>

<u>Municipal Golf Course</u>	<u>Fort King Tennis Court</u>	<u>Municipal Trailer Park</u>	<u>Ocala Municipal Airport</u>	<u>Total</u>
\$ 61,435	\$ 2,459	\$ 2,323	\$ 7,202	\$ 4,782,994
18,136	373	583	752	255,657
33,303	-	-	-	33,303
2,730	-	-	-	2,730
-	-	19,156	17,431	618,643
-	-	-	-	1,999,078
30,765	-	-	2,205	259,843
130,500	-	-	-	130,500
<u>276,869</u>	<u>2,832</u>	<u>22,062</u>	<u>27,590</u>	<u>8,082,748</u>
-	-	-	49,847	1,414,582
-	-	-	-	2,694,618
-	-	-	263,616	403,596
-	-	-	-	1,860,000
-	-	-	313,463	6,372,796
585,525	-	-	292,000	877,525
33,303	-	-	-	75,364,282
<u>895,697</u>	<u>2,832</u>	<u>22,062</u>	<u>633,053</u>	<u>90,697,351</u>
<u>3,853,439</u>	-	-	<u>4,828,118</u>	<u>21,265,041</u>
-	-	-	-	10,797,956
-	-	-	-	6,610,966
-	-	-	-	17,408,922
1,693,905	77,715	21,885	211,826	51,778,424
1,693,905	77,715	21,885	211,826	69,187,346
<u>5,547,344</u>	<u>77,715</u>	<u>21,885</u>	<u>5,039,944</u>	<u>90,452,387</u>
\$ <u>6,443,041</u>	\$ <u>80,547</u>	\$ <u>43,947</u>	\$ <u>5,672,997</u>	\$ <u>181,149,738</u>



CITY OF OCALA, FLORIDA

ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY

FOR THE YEAR ENDED SEPTEMBER 30, 1989

	<u>Electric and Bulk Power Supply Revenue</u>	<u>Water and Sewer</u>	<u>Sanitation</u>
Operating revenues:			
Sale of electricity	\$ 57,676,377	\$ -	\$ -
Sale of water	-	3,345,500	-
Sewer and sanitation service charges	-	4,688,145	3,970,998
Fees and rentals	-	-	-
Commissions	-	-	-
Other	1,089,813	938,473	1,597
Total operating revenues	<u>58,766,190</u>	<u>8,972,118</u>	<u>3,972,595</u>
Operating expenses:			
Purchase of electricity	31,917,495	-	-
Distribution	3,767,523	376,420	-
Back-up	1,665,240	-	-
Transmission	321,811	-	-
Operation and maintenance	1,675,082	-	3,519,581
Water and sewer treatment	-	1,527,456	-
Sewer collection	-	731,653	-
Administration	1,386,676	1,028,007	208,915
Depreciation and amortization	2,301,128	1,255,215	185,471
Other	1,095,819	166,623	-
Total operating expenses	<u>44,130,774</u>	<u>5,085,374</u>	<u>3,913,967</u>
Operating income (loss)	<u>14,635,416</u>	<u>3,886,744</u>	<u>58,628</u>
Nonoperating revenues (expenses):			
Interest income	2,012,444	1,296,741	9,725
Interest expense	(930,620)	(948,311)	-
Operating grants	-	-	-
Total nonoperating revenues (expenses)	<u>1,081,824</u>	<u>348,430</u>	<u>9,725</u>
Income (loss) before operating transfers	<u>15,717,240</u>	<u>4,235,174</u>	<u>68,353</u>
Operating transfers:			
From other funds	94,609	22,663	-
(To) other funds	(9,246,318)	(710,052)	(232,013)
Total operating transfers	<u>(9,151,709)</u>	<u>(687,389)</u>	<u>(232,013)</u>
Net income (loss)	6,565,531	3,547,785	(163,660)
Fund equity at beginning of year	40,232,300	26,848,768	1,073,558
Equity transfers from other funds	-	938,927	-
Capital contributions from other sources	474,091	248,199	-
Fund equity at end of year	\$ <u>47,271,922</u>	\$ <u>31,583,679</u>	\$ <u>909,898</u>

<u>Municipal Golf Course</u>	<u>Fort King Tennis Court</u>	<u>Municipal Trailer Park</u>	<u>Ocala Municipal Airport</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ 57,676,377
-	-	-	-	3,345,500
-	-	-	-	8,659,143
1,327,425	53,515	92,632	51,713	1,525,285
5,602	-	-	50,775	56,377
217,792	113	-	2,056	2,249,844
<u>1,550,819</u>	<u>53,628</u>	<u>92,632</u>	<u>104,544</u>	<u>73,512,526</u>
-	-	-	-	31,917,495
-	-	-	-	4,143,943
-	-	-	-	1,665,240
-	-	-	-	321,811
1,429,766	45,240	87,176	118,260	6,875,105
-	-	-	-	1,527,456
-	-	-	-	73,653
-	-	-	-	2,623,598
283,336	2,197	1,494	106,748	4,135,589
164,656	-	-	73,256	1,500,354
<u>1,877,758</u>	<u>47,437</u>	<u>88,670</u>	<u>298,264</u>	<u>55,442,244</u>
<u>(326,939)</u>	<u>6,191</u>	<u>3,962</u>	<u>(193,720)</u>	<u>18,070,282</u>
22,796	5,443	-	46,957	3,394,106
(70,022)	-	-	-	(1,948,953)
-	-	-	30,700	30,700
<u>(47,226)</u>	<u>5,443</u>	<u>-</u>	<u>77,657</u>	<u>1,475,853</u>
<u>(374,165)</u>	<u>11,634</u>	<u>3,962</u>	<u>(116,063)</u>	<u>19,546,135</u>
1,108,175	-	-	75,000	1,300,447
(79,408)	-	(5,300)	(142,620)	(10,415,711)
<u>1,028,767</u>	<u>-</u>	<u>(5,300)</u>	<u>(67,620)</u>	<u>(9,115,264)</u>
654,602	11,634	(1,338)	(183,683)	10,430,871
4,892,342	66,081	23,223	3,746,096	76,882,368
-	-	-	-	938,927
400	-	-	1,477,531	2,200,221
<u>\$ 5,547,344</u>	<u>\$ 77,715</u>	<u>\$ 21,885</u>	<u>\$ 5,039,944</u>	<u>\$ 90,452,387</u>

CITY OF OCALA, FLORIDA

ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 1989

	Electric and Bulk Power Supply <u>Revenue</u>	Water and Sewer
Cash flows from operations:		
Operating income (loss)	\$ 14,635,416	\$ 3,886,744
Adjustments to reconcile net income to cash provided from operations:		
Depreciation and amortization	2,301,128	1,255,215
(Gain) loss on disposal of property and equipment	175,353	7,153
Cash provided by (used for) changes in:		
Accounts and notes receivable	(192,361)	(9,689)
Accrued unbilled revenue	(538,494)	-
Due (to) from other funds	255,616	(86,539)
Inventories	(477,793)	(9,150)
Other current assets	102,983	-
Other restricted assets	(16,574)	20,611
Accounts payable	494,426	91,201
Compensated absences payable	5,853	(612)
Customer deposits	130,246	-
Deferred revenue	-	(14,404)
Other restricted liabilities	256,157	(161,839)
Net cash provided from operations	<u>17,131,956</u>	<u>4,978,691</u>
Cash flows from investing activities:		
Purchases of property and equipment	(4,848,534)	(9,352,347)
Collection of special assessments	-	70,642
Interest received	2,012,444	1,296,741
Net cash used in investing activities	<u>(2,836,090)</u>	<u>(7,984,964)</u>
Cash flows from noncapital financing activities:		
Operating grants	-	-
Operating transfers to other funds	(9,482,818)	(710,052)
Operating transfers from other funds	94,609	22,663
Net cash provided by (used in) noncapital financing activities	<u>(9,388,209)</u>	<u>(687,389)</u>
Cash flows from capital and related financing activities:		
Payment of principal on debt	(1,190,000)	(315,000)
Equity contributions	474,091	248,199
Transfers from (to) other funds	-	938,927
Interest paid	(1,028,753)	(720,683)
Net cash used in capital and related financing activities	<u>(1,744,662)</u>	<u>151,443</u>
Net increase (decrease) in cash	<u>3,162,995</u>	<u>(3,542,219)</u>
Cash and cash equivalents at beginning of year	23,828,926	42,793,059
Cash and cash equivalents at end of year	\$ <u>26,991,921</u>	\$ <u>39,250,840</u>

<u>Sanitation</u>	<u>Municipal Golf Course</u>	<u>Fort King Tennis Court</u>	<u>Municipal Trailer Park</u>	<u>Ocala Municipal Airport</u>	<u>Total</u>
\$ 58,628	\$ (326,939)	\$ 6,191	\$ 3,962	\$ (193,720)	\$ 18,070,282
185,471	283,336	2,197	1,494	106,748	4,135,589
2,045	12,216	(112)	500	55	197,210
-	(1,408)	-	-	(5,149)	(208,607)
-	-	-	-	-	(538,494)
21,866	4,339	1,601	58	(8,840)	188,101
-	20,653	-	-	-	(466,290)
-	1,927	38	38	-	104,986
-	-	-	-	496,726	500,763
14,204	(2,334)	606	(100)	2,573	600,576
1,989	(4,239)	75	(174)	(57)	2,835
-	-	-	-	-	130,246
-	(46,281)	-	-	(895)	(61,580)
-	-	-	-	31,687	126,005
<u>284,203</u>	<u>(58,730)</u>	<u>10,596</u>	<u>5,778</u>	<u>429,128</u>	<u>22,781,622</u>
(59,631)	(891,537)	-	(478)	(1,945,080)	(17,097,607)
-	-	-	-	-	70,642
9,725	22,796	5,443	-	46,957	3,394,106
<u>(49,906)</u>	<u>(868,741)</u>	<u>5,443</u>	<u>(478)</u>	<u>(1,898,123)</u>	<u>(13,632,859)</u>
-	-	-	-	30,700	30,700
(232,013)	(134,908)	-	(5,300)	(142,620)	(10,707,711)
-	<u>1,108,175</u>	-	-	<u>367,000</u>	<u>1,592,447</u>
<u>(232,013)</u>	<u>973,267</u>	-	<u>(5,300)</u>	<u>255,080</u>	<u>(9,084,564)</u>
-	(33,303)	-	-	-	(1,538,303)
-	400	-	-	1,477,531	2,200,221
-	-	-	-	-	938,927
-	<u>(71,376)</u>	-	-	-	<u>(1,820,812)</u>
-	(104,279)	-	-	1,477,531	(219,967)
<u>2,284</u>	<u>(58,483)</u>	<u>16,039</u>	-	<u>263,616</u>	<u>(155,768)</u>
<u>64,673</u>	<u>209,775</u>	<u>43,767</u>	<u>100</u>	-	<u>66,940,300</u>
\$ <u>66,957</u>	\$ <u>151,292</u>	\$ <u>59,806</u>	\$ <u>100</u>	\$ <u>263,616</u>	\$ <u>66,784,532</u>

CITY OF OCALA, FLORIDA

ELECTRIC AND BULK POWER SUPPLY REVENUE FUNDS

CONSOLIDATING BALANCE SHEET

SEPTEMBER 30, 1989

<u>Assets</u>	<u>Electric Revenue</u>	<u>Bulk Power Supply Revenue</u>	<u>Eliminations</u>	<u>Consolidated</u>
Current assets:				
Cash and investments	\$ 1,325	\$ -	\$ -	\$ 1,325
Equity in pooled cash and investment fund	-	8,425,096	-	8,425,096
Accounts receivable, net	5,323,192	-	-	5,323,192
Accrued unbilled revenues	3,645,360	-	-	3,645,360
Due from other funds	82,201	6,815,569	(6,815,569)	82,201
Interfund loans receivable	55,500	-	-	55,500
Inventories	2,135,829	-	-	2,135,829
Other current assets	<u>14,620</u>	<u>32,557</u>	<u>-</u>	<u>47,177</u>
Total current assets	<u>11,258,027</u>	<u>15,273,222</u>	<u>(6,815,569)</u>	<u>19,715,680</u>
Restricted assets:				
Cash and investments	-	2,262,741	-	2,262,741
Equity in pooled cash and investment fund	3,752,838	12,549,921	-	16,302,759
Accrued interest receivable	-	33,676	-	33,676
Other	<u>-</u>	<u>6,536</u>	<u>-</u>	<u>6,536</u>
Total restricted assets	<u>3,752,838</u>	<u>14,852,874</u>	<u>-</u>	<u>18,605,712</u>
Interfund loans receivable after one year	736,000	-	-	736,000
Property, plant and equip- ment, net	22,500,185	17,069,258	-	39,569,443
Issuance costs on long- term debt	-	214,971	-	214,971
Total assets	<u>\$ 38,247,050</u>	<u>\$ 47,410,325</u>	<u>\$(6,815,569)</u>	<u>\$ 78,841,806</u>

<u>Liabilities and Fund Equity</u>	<u>Electric Revenue</u>	<u>Bulk Power Supply Revenue</u>	<u>Eliminations</u>	<u>Consolidated</u>
Current liabilities:				
Accounts payable	\$ 864,909	\$ 3,405,524	\$ -	\$ 4,270,433
Compensated absences payable	143,457	-	-	143,457
Due to other funds	7,397,625	-	(6,815,569)	582,056
Customer deposits	<u>1,999,078</u>	<u>-</u>	<u>-</u>	<u>1,999,078</u>
Total current liabilities	<u>10,405,069</u>	<u>3,405,524</u>	<u>(6,815,569)</u>	<u>6,995,024</u>
Current liabilities payable from restricted assets:				
Accounts payable	-	513,933	-	513,933
Accrued interest payable	-	685,737	-	685,737
Revenue bonds payable within one year	<u>-</u>	<u>1,435,000</u>	<u>-</u>	<u>1,435,000</u>
Total current liabilities payable from restricted assets	-	2,634,670	-	2,634,670
Revenue bonds payable after one year	-	21,940,190	-	21,940,190
Total liabilities	<u>10,405,069</u>	<u>27,980,384</u>	<u>(6,815,569)</u>	<u>31,569,884</u>
Contributed equity	<u>3,321,665</u>	<u>739,884</u>	<u>(739,884)</u>	<u>3,321,665</u>
Retained earnings:				
Reserved for debt service	-	2,829,549	-	2,829,549
Reserved for renewal and replacement	<u>3,752,838</u>	<u>1,220,549</u>	<u>-</u>	<u>4,973,387</u>
Total reserved	<u>3,752,838</u>	<u>4,050,098</u>	<u>-</u>	<u>7,802,936</u>
Unreserved	<u>20,767,478</u>	<u>14,639,959</u>	<u>739,884</u>	<u>36,147,321</u>
Total retained earnings	<u>24,520,316</u>	<u>18,690,057</u>	<u>739,884</u>	<u>43,950,257</u>
Total fund equity	<u>27,841,981</u>	<u>19,429,941</u>	<u>-</u>	<u>47,271,922</u>
Total liabilities and fund equity	\$ <u>38,247,050</u>	\$ <u>47,410,325</u>	\$ <u>(6,815,569)</u>	\$ <u>78,841,806</u>

CITY OF OCALA, FLORIDA

ELECTRIC AND BULK POWER SUPPLY REVENUE FUNDS

CONSOLIDATING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY

FOR THE YEAR ENDED SEPTEMBER 30, 1989

	<u>Electric Revenue</u>	<u>Bulk Power Supply Revenue</u>	<u>Eliminations</u>	<u>Consolidated</u>
Operating revenues:				
Sale of electricity	\$ 57,676,377	\$ 35,648,004	\$(35,648,004)	\$ 57,676,377
Other	1,083,426	6,387	-	1,089,813
Total operating revenues	<u>58,759,803</u>	<u>35,654,391</u>	<u>(35,648,004)</u>	<u>58,766,190</u>
Operating expenses:				
Purchase of electricity	35,648,004	31,917,495	(35,648,004)	31,917,495
Distribution	3,767,523	-	-	3,767,523
Back-up	-	1,665,240	-	1,665,240
Transmission	-	321,811	-	321,811
Operation and maintenance	-	1,675,082	-	1,675,082
Administration	1,386,676	-	-	1,386,676
Depreciation and amortization	1,544,904	756,224	-	2,301,128
Other	1,018,833	76,986	-	1,095,819
Total operating expenses	<u>43,365,940</u>	<u>36,412,838</u>	<u>(35,648,004)</u>	<u>44,130,774</u>
Operating income (loss)	<u>15,393,863</u>	<u>(758,447)</u>	<u>-</u>	<u>14,635,416</u>
Nonoperating revenues (expenses):				
Interest income	300,167	1,712,277	-	2,012,444
Interest expense	(106,048)	(824,572)	-	(930,620)
Total nonoperating revenues (expenses)	<u>194,119</u>	<u>887,705</u>	<u>-</u>	<u>1,081,824</u>
Income before operating transfers	<u>15,587,982</u>	<u>129,258</u>	<u>-</u>	<u>15,717,240</u>
Operating transfers:				
From other funds	94,609	-	-	94,609
(To) other funds	(9,246,318)	-	-	(9,246,318)
Total operating transfers	<u>(9,151,709)</u>	<u>-</u>	<u>-</u>	<u>(9,151,709)</u>
Net income	6,436,273	129,258	-	6,565,531
Fund equity at beginning of year	20,931,617	19,300,683	-	40,232,300
Capital contributions	474,091	-	-	474,091
Fund equity at end of year	\$ <u>27,841,981</u>	\$ <u>19,429,941</u>	\$ <u>-</u>	\$ <u>47,271,922</u>

CITY OF OCALA, FLORIDA

ELECTRIC AND BULK POWER SUPPLY REVENUE FUNDS

CONSOLIDATING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 1989

	<u>Electric Revenue</u>	<u>Bulk Power Supply Revenue</u>	<u>Consolidated</u>
Cash flows from operations:			
Operating income (loss)	\$ 15,393,863	\$ (758,447)	\$ 14,635,416
Adjustments to reconcile net income to cash provided from operations:			
Depreciation and amortization	1,544,904	756,224	2,301,128
Loss on disposal of property and equipment	175,353	-	175,353
Cash provided by (used for) changes in:			
Accounts and notes receivable	(192,361)	-	(192,361)
Accrued unbilled revenue	(538,494)	-	(538,494)
Due (to) from other funds	(2,891,762)	3,147,378	255,616
Inventories	(477,793)	-	(477,793)
Other current assets	870	102,113	102,983
Other restricted assets	-	(16,574)	(16,574)
Accounts payable	159,513	334,913	494,426
Compensated absences payable	5,853	-	5,853
Customer deposits	130,246	-	130,246
Other restricted liabilities	-	256,157	256,157
Net cash provided from operations	<u>13,310,192</u>	<u>3,821,764</u>	<u>17,131,956</u>
Cash flows from investing activities:			
Purchases of property and equipment	(2,851,049)	(1,997,485)	(4,848,534)
Interest received	<u>300,167</u>	<u>1,712,277</u>	<u>2,012,444</u>
Net cash used in investing activities	<u>(2,550,882)</u>	<u>(285,208)</u>	<u>(2,836,090)</u>
Cash flows from noncapital financing activities:			
Operating transfers to other funds	(9,482,818)	-	(9,482,818)
Operating transfers from other funds	<u>94,609</u>	<u>-</u>	<u>94,609</u>
Net cash (used in) noncapital financing activities	<u>(9,388,209)</u>	<u>-</u>	<u>(9,388,209)</u>
Cash flows from capital and related financing activities:			
Payment of principal on bonds	-	(1,190,000)	(1,190,000)
Contributions from developers and customers	474,091	-	474,091
Interest paid	<u>(106,048)</u>	<u>(922,705)</u>	<u>(1,028,753)</u>
Net cash used in capital and related financing activities	<u>368,043</u>	<u>(2,112,705)</u>	<u>(1,744,662)</u>
Net increase in cash	1,739,144	1,423,851	3,162,995
Cash and cash equivalents at beginning of year	<u>2,015,019</u>	<u>21,813,907</u>	<u>23,828,926</u>
Cash and cash equivalents at end of year	\$ <u>3,754,163</u>	\$ <u>23,237,758</u>	\$ <u>26,991,921</u>



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INTERNAL SERVICE FUNDS

CITY OF OCALA, FLORIDA

INTERNAL SERVICE FUNDS

COMBINING BALANCE SHEET

SEPTEMBER 30, 1989

<u>Assets</u>	<u>Internal Service</u>	<u>Fleet Management</u>	<u>Self- Insurance</u>	<u>Total</u>
Current assets:				
Cash and investments	\$ 150	\$ 200	\$ 150	\$ 500
Equity in pooled cash and investment fund	195,853	1,942,021	930,256	3,068,130
Accounts receivable	160	2,064	-	2,224
Due from other funds	13,377	9,139	-	22,516
Inventories	59,727	78,512	-	138,239
Other current assets	-	-	44,242	44,242
Due from other governments	-	17,622	11,905	29,527
Total current assets	<u>269,267</u>	<u>2,049,558</u>	<u>986,553</u>	<u>3,305,378</u>
Property, plant and equipment, net	<u>6,157,645</u>	<u>440,149</u>	<u>-</u>	<u>6,597,794</u>
Total assets	<u>\$ 6,426,912</u>	<u>\$ 2,489,707</u>	<u>\$ 986,553</u>	<u>\$ 9,903,172</u>
 <u>Liabilities and Fund Equity</u>				
Current liabilities:				
Accounts payable	\$ 48,417	\$ 56,180	\$ 816,493	\$ 921,090
Compensated absences payable	29,855	17,295	-	47,150
Notes payable within one year	117,198	-	-	117,198
Accrued interest payable	10,898	-	-	10,898
Due to other funds	-	-	482,051	482,051
Total current liabilities	<u>206,368</u>	<u>73,475</u>	<u>1,298,544</u>	<u>1,578,387</u>
Notes payable after one year	<u>106,111</u>	<u>-</u>	<u>-</u>	<u>106,111</u>
Total liabilities	<u>312,479</u>	<u>73,475</u>	<u>1,298,544</u>	<u>1,684,498</u>
Fund equity:				
Contributed equity	1,288,775	-	-	1,288,775
Unreserved retained earnings	4,825,658	2,416,232	(311,991)	6,929,899
Total fund equity	<u>6,114,433</u>	<u>2,416,232</u>	<u>(311,991)</u>	<u>8,218,674</u>
Total liabilities and fund equity	<u>\$ 6,426,912</u>	<u>\$ 2,489,707</u>	<u>\$ 986,553</u>	<u>\$ 9,903,172</u>

CITY OF OCALA, FLORIDA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND EQUITY  
FOR THE YEAR ENDED SEPTEMBER 30, 1989

	<u>Internal Service</u>	<u>Fleet Management</u>	<u>Self- Insurance</u>	<u>Total</u>
Operating revenues:				
Fees and rentals	\$ 2,056,209	\$ 3,259,575	\$ 295,933	\$ 5,611,717
Employer's insurance contributions	-	-	1,669,153	1,669,153
Employees' insurance contributions	-	-	535,368	535,368
Other	71,099	51,811	-	122,910
Total operating revenues	<u>2,127,308</u>	<u>3,311,386</u>	<u>2,500,454</u>	<u>7,939,148</u>
Operating expenses:				
Fleet management	-	2,138,302	-	2,138,302
Purchasing and warehousing	528,546	-	-	528,546
Management information system, central reproduction and records management	594,317	-	-	594,317
Building maintenance	572,531	-	-	572,531
Insurance administration	-	-	2,855,167	2,855,167
Depreciation and amortization	364,998	57,412	-	422,410
Total operating expenses	<u>2,060,392</u>	<u>2,195,714</u>	<u>2,855,167</u>	<u>7,111,273</u>
Operating income (loss)	<u>66,916</u>	<u>1,115,672</u>	<u>(354,713)</u>	<u>827,875</u>
Nonoperating revenues (expenses):				
Interest income	11,384	127,284	57,441	196,109
Interest expense	(20,563)	-	-	(20,563)
Total nonoperating revenues (expenses)	<u>(9,179)</u>	<u>127,284</u>	<u>57,441</u>	<u>175,546</u>
Income before operating transfers	<u>57,737</u>	<u>1,242,956</u>	<u>(297,272)</u>	<u>1,003,421</u>
Operating transfers:				
From other funds	2,500	-	-	2,500
(To) other funds	(75,481)	(6,086)	(72,081)	(153,648)
Total operating transfers	<u>(72,981)</u>	<u>(6,086)</u>	<u>(72,081)</u>	<u>(151,148)</u>
Net income (loss)	(15,244)	1,236,870	(369,353)	852,273
Fund equity at beginning of year	6,129,677	1,179,362	-	7,309,039
Residual equity transfers from (to) other funds	-	-	57,362	57,362
Fund equity at end of year	<u>\$ 6,114,433</u>	<u>\$ 2,416,232</u>	<u>\$ (311,991)</u>	<u>\$ 8,218,674</u>

CITY OF OCALA, FLORIDA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 1989

	<u>Internal Service</u>	<u>Fleet Management</u>	<u>Self- Insurance</u>	<u>Total</u>
Cash flows from operations:				
Operating income (loss)	\$ 66,916	\$ 1,115,672	\$(354,713)	\$ 827,875
Adjustment to reconcile net income to cash flows from operations:				
Depreciation	364,998	57,412	-	422,410
Loss on disposal of equipment	6,920	55,200	-	62,120
Cash provided by (used for) changes in:				
Accounts receivable	60	798	40,315	41,173
Due from (to) other funds	(3,267)	3,353	(209,608)	(209,522)
Inventories	(5,887)	20,079	-	14,192
Other current assets	378	(89)	(13,566)	(13,277)
Accounts payable	21,145	4,635	494,622	520,402
Compensated absences payable	<u>3,582</u>	<u>2,822</u>	<u>-</u>	<u>6,404</u>
Net cash provided from operations	<u>454,845</u>	<u>1,259,882</u>	<u>(42,950)</u>	<u>1,671,777</u>
Cash flows from investing activities:				
Purchases of property and equipment	(151,492)	(434,875)	-	(586,367)
Interest received	<u>11,384</u>	<u>127,284</u>	<u>57,441</u>	<u>196,109</u>
Net cash used in investing activities	<u>(140,108)</u>	<u>(307,591)</u>	<u>57,441</u>	<u>(390,258)</u>
Cash flows from noncapital financing activities:				
Operating transfers to other funds	(75,481)	(6,086)	(72,081)	(153,648)
Operating transfers from other funds	<u>2,500</u>	<u>-</u>	<u>-</u>	<u>2,500</u>
Net cash (used in) noncapital financing activities	<u>(72,981)</u>	<u>(6,086)</u>	<u>(72,081)</u>	<u>(151,148)</u>

(Continued)

CITY OF OCALA, FLORIDA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 1989

(Continued)

	<u>Internal Service</u>	<u>Fleet Management</u>	<u>Self- Insurance</u>	<u>Total</u>
Cash flows from capital and related financing activities:				
Principal payment on long-term debt	(115,778)	-	-	(115,778)
Interest paid	<u>(23,077)</u>	<u>-</u>	<u>-</u>	<u>(23,077)</u>
Net cash used in capital and related financing activities	<u>(138,855)</u>	<u>-</u>	<u>-</u>	<u>(138,855)</u>
Net increase (decrease) in cash	102,901	946,205	(57,590)	991,516
Cash and cash equivalents at beginning of year	<u>93,102</u>	<u>996,016</u>	<u>987,996</u>	<u>2,077,114</u>
Cash and cash equivalents at end of year	<u>\$ 196,003</u>	<u>\$ 1,942,221</u>	<u>\$ 930,406</u>	<u>\$ 3,068,630</u>

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TRUST AND AGENCY FUNDS



CITY OF OCALA, FLORIDA

TRUST AND AGENCY FUNDS

COMBINING BALANCE SHEET

SEPTEMBER 30, 1989

<u>Assets</u>	<u>Expendable Trust</u>	<u>Pension Trust Funds</u>			<u>Total</u>
	<u>Community Redevelopment Trust Fund</u>	<u>Employees' Retirement Fund</u>	<u>Fire-fighters' Supplemental Pension</u>	<u>Police Officers' Supplemental Pension</u>	
Cash and investments	\$ -	\$ 26,953,823	\$ 3,038,935	\$ 4,610,417	\$ 34,603,175
Accrued interest and dividends receivable	-	340,302	38,379	58,444	437,125
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 27,294,125</b>	<b>\$ 3,077,314</b>	<b>\$ 4,668,861</b>	<b>\$ 35,040,300</b>
 <u>Liabilities and Fund Balance</u>					
Liabilities payable from restricted assets -					
Accounts payable	\$ -	\$ 30,560	\$ 530	\$ 530	\$ 31,620
Fund balance - reserved for retirement benefits	-	27,263,565	3,076,784	4,668,331	35,008,680
<b>Total liabilities and fund balance</b>	<b>\$ -</b>	<b>\$ 27,294,125</b>	<b>\$ 3,077,314</b>	<b>\$ 4,668,861</b>	<b>\$ 35,040,300</b>

CITY OF OCALA, FLORIDA  
COMMUNITY REDEVELOPMENT TRUST FUND  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - ACTUAL AND BUDGET  
FOR THE YEAR ENDED SEPTEMBER 30, 1989

	Actual and Actual on a Budgetary Basis	Revised Budget	Favorable (Unfavorable) Variance
Revenues:			
Property taxes	\$ 9,855	\$ 9,855	\$ -
Interest	1,137	1,020	117
Other	<u>701</u>	<u>701</u>	<u>-</u>
Total revenues	<u>11,693</u>	<u>11,576</u>	<u>117</u>
Expenditures:			
Debt service:			
Principal payments	-	21,600	21,600
Interest	<u>1,702</u>	<u>1,702</u>	<u>-</u>
Total expenditures	<u>1,702</u>	<u>23,302</u>	<u>21,600</u>
Excess (deficiency) of revenues over expenditures	<u>9,991</u>	<u>(11,726)</u>	<u>21,717</u>
Other financing sources (uses):			
Transfers from other funds	12,329	12,329	-
Transfers (to) other funds	<u>(22,320)</u>	<u>-</u>	<u>(22,320)</u>
Total other sources (uses)	<u>(9,991)</u>	<u>12,329</u>	<u>(22,320)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses before fund balances allocation	-	603	(603)
Fund balance allocation	<u>-</u>	<u>(603)</u>	<u>603</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF OCALA, FLORIDA

PENSION TRUST FUNDS

COMBINING STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED SEPTEMBER 30, 1989

	<u>Employees'</u> <u>Retire-</u> <u>ment</u> <u>Fund</u>	<u>Fire-</u> <u>fighters'</u> <u>Supple-</u> <u>mental</u> <u>Pension</u>	<u>Police</u> <u>Officers'</u> <u>Supple-</u> <u>mental</u> <u>Pension</u>	<u>Total</u>
Operating revenues:				
City and state contributions	\$ 1,331,195	\$ 119,949	\$ 258,380	\$ 1,709,524
Employee contributions	-	174,778	30,145	204,923
Income on investments	1,260,975	138,721	210,146	1,609,842
Gain on sale of investments	669,758	72,958	110,645	853,361
Net appreciation in fair market value of investments	<u>2,933,836</u>	<u>330,881</u>	<u>503,859</u>	<u>3,768,576</u>
Total operating revenues	<u>6,195,764</u>	<u>837,287</u>	<u>1,113,175</u>	<u>8,146,226</u>
Operating expenses:				
Pension payments	584,214	114,592	94,858	793,664
Refunds to employees	6,111	17,769	811	24,691
Administration	<u>230,816</u>	<u>29,795</u>	<u>40,730</u>	<u>301,341</u>
Total operating expenses	<u>821,141</u>	<u>162,156</u>	<u>136,399</u>	<u>1,119,696</u>
Net income	5,374,623	675,131	976,776	7,026,530
Fund balances at beginning of year	<u>21,888,942</u>	<u>2,401,653</u>	<u>3,691,555</u>	<u>27,982,150</u>
Fund balances at end of year	\$ <u>27,263,565</u>	\$ <u>3,076,784</u>	\$ <u>4,668,331</u>	\$ <u>35,008,680</u>

GENERAL FIXED ASSET ACCOUNT GROUP

CITY OF OCALA, FLORIDA

SCHEDULE OF GENERAL FIXED ASSETS BY

FUNCTION AND ACTIVITY

AS OF SEPTEMBER 30, 1989

<u>Function and Activity</u>	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Machinery and Equipment</u>
General government and administration:				
Legislative	\$ 4,358	\$ -	\$ -	\$ 4,358
Executive	165,239	-	159	165,080
Finance	33,833	-	433	33,400
Purchasing	1,465	-	-	1,465
Personnel and safety	26,533	-	1,233	25,300
Planning	562,292	165,236	319,294	77,762
Building inspection	119,653	-	-	119,653
Total general government	<u>913,373</u>	<u>165,236</u>	<u>321,119</u>	<u>427,018</u>
Public safety:				
Police protection	1,827,980	-	19,552	1,808,428
Fire protection	2,050,640	25,182	267,930	1,757,528
Total public safety	<u>3,878,620</u>	<u>25,182</u>	<u>287,482</u>	<u>3,565,956</u>
Public works:				
Flood control	311,463	-	-	311,463
Engineering	763,385	457,712	23,987	281,686
Highway and street construction	1,137,072	-	9,100	1,127,972
Total public works	<u>2,211,920</u>	<u>457,712</u>	<u>33,087</u>	<u>1,721,121</u>
Culture and recreation:				
Library	352,544	-	116,775	235,769
Recreation	669,665	-	207,253	462,412
Total culture and recreation	<u>1,022,209</u>	<u>-</u>	<u>324,028</u>	<u>698,181</u>
Nondepartmental	5,525,256	2,744,700	2,779,863	693
Construction in progress	389,592	-	389,592	-
Total general fixed assets	\$ <u>13,940,970</u>	\$ <u>3,392,830</u>	\$ <u>4,135,171</u>	\$ <u>6,412,969</u>

CITY OF OCALA, FLORIDA

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY

FUNCTION AND ACTIVITY

FOR THE YEAR ENDED SEPTEMBER 30, 1989

<u>Function and Activity</u>	<u>General Fixed Assets 9/30/88</u>	<u>Addi- tions</u>	<u>Deduc- tions</u>	<u>General Fixed Assets 9/30/89</u>
General government and admin- istration:				
Legislative	\$ 6,192	\$ -	\$ 1,834	\$ 4,358
Executive	147,654	40,550	22,965	165,239
Finance	36,310	3,830	6,307	33,833
Purchasing	1,465	-	-	1,465
Personnel and safety	28,707	1,069	3,243	26,533
Planning	565,438	12,273	15,419	562,292
Building inspection	144,807	1,732	26,886	119,653
Total general government	<u>930,573</u>	<u>59,454</u>	<u>76,654</u>	<u>913,373</u>
Public safety:				
Police protection	1,753,569	316,948	242,537	1,827,980
Fire protection	1,747,877	334,287	31,524	2,050,640
Total public safety	<u>3,501,446</u>	<u>651,235</u>	<u>274,061</u>	<u>3,878,620</u>
Public works:				
Flood control	-	311,463	-	311,463
Engineering	925,860	42,508	204,983	763,385
Highway and street construction	1,194,056	90,993	147,977	1,137,072
Total public works	<u>2,119,916</u>	<u>444,964</u>	<u>352,960</u>	<u>2,211,920</u>
Culture and recreation:				
Library	374,990	21,941	44,387	352,544
Recreation	661,505	71,054	62,894	669,665
Total culture and recreation	<u>1,036,495</u>	<u>92,995</u>	<u>107,281</u>	<u>1,022,209</u>
Nondepartmental	5,565,968	-	40,712	5,525,256
Construction in progress	<u>16,000</u>	<u>373,592</u>	<u>-</u>	<u>389,592</u>
Total general fixed assets	\$ <u>13,170,398</u>	\$ <u>1,622,240</u>	\$ <u>851,668</u>	\$ <u>13,940,970</u>

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## **SINGLE AUDIT REPORT**

This Section contains the following:  
Schedule of Federal Financial Assistance  
Reports of Certified Public Accountants on:  
Schedule of Federal Financial Assistance  
Internal Accounting and Administrative Controls  
Compliance with Applicable Laws and Regulations



SINGLE AUDIT REPORT

CITY OF OCALA, FLORIDA  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 1989

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Program Award</u>
<u>U.S. Department of Housing and Urban Development</u>		
Direct Programs:		
CDBG-Entitlement-B-87-MC-120029	14.228	\$ 607,000
CDBG-Entitlement-B-88-MC-120029	14.228	572,000
CDBG-Residential Rehabilitation-R-87-HG-120242	14.228	190,600
<u>U.S. Department of Transportation</u>		
Direct Programs:		
Airport Improvement Program 04	20.106	\$ 45,000
Airport Improvement Program 05	20.106	634,283
Airport Improvement Program 06	20.106	997,712
Airport Improvement Program 07	20.106	749,000
Passed through State of Florida Department of Transportation:		
Unified Planning Work Program - \$112-87/88	20.205	\$ 52,438
Unified Planning Work Program - \$112-88/89	20.205	86,919
Unified Planning Work Program - \$112-89/90	20.205	54,500
<u>U.S. Department of the Interior - 86/87</u>		
Passed through U.S. Department of State:		
Historic Preservation Grant	-	\$ 4,750
<u>Urban Mass Transportation Administration</u>		
Direct Programs:		
Planning Grant-FL-08-0231	-	\$ 20,000
<u>U.S. Department of Education</u>		
Passed through State of Florida - Division of Library Service:		
Library Services to Youth	DLS-88-I-02-E-01	84.034 \$ 20,000
Library Services to Youth	DLS-87-I-02-E-01	84.034 30,000
Inter Library Coop	DLS-85-III-3-7A-1	84.034 8,110
Library Services Technology	DLS-87-I-2F2	84.034 7,500

See accompanying notes to schedule.

Accrued (Deferred) Grant Revenue September 30, 1988				Accrued (Deferred) Grant Revenue September 30, 1989			
Grantor		Local		Revenues Received		Expenditures	
Grantor	Local	Grantor	Local	Grantor	Local	Grantor	Local
\$ 188,200	\$ -	\$ 188,200	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	473,884	-	654,400	-	180,516	-
-	-	67,849	-	79,110	-	11,261	-
<u>188,200</u>	<u>-</u>	<u>729,933</u>	<u>-</u>	<u>733,510</u>	<u>-</u>	<u>191,777</u>	<u>-</u>
6,166	1,115	-	935	2,834	315	9,000	495
87,975	3,530	16,222	49,370	(71,753)	45,840	-	-
5,565	309	944,534	69,430	949,765	85,795	10,796	16,674
<u>354,577</u>	<u>19,698</u>	<u>749,000</u>	<u>158,679</u>	<u>394,423</u>	<u>150,778</u>	<u>-</u>	<u>11,797</u>
<u>454,283</u>	<u>24,652</u>	<u>1,709,756</u>	<u>278,414</u>	<u>1,275,269</u>	<u>282,728</u>	<u>19,796</u>	<u>28,966</u>
8,081	-	8,081	-	-	-	-	-
12,031	-	43,704	4,772	56,337	4,772	24,664	-
-	-	-	1,099	10,994	1,099	10,994	-
<u>20,112</u>	<u>-</u>	<u>51,785</u>	<u>5,871</u>	<u>67,331</u>	<u>5,871</u>	<u>35,658</u>	<u>-</u>
<u>4,750</u>	<u>-</u>	<u>-</u>	<u>4,750</u>	<u>(4,750)</u>	<u>4,750</u>	<u>-</u>	<u>-</u>
<u>281</u>	<u>35</u>	<u>-</u>	<u>1,027</u>	<u>8,213</u>	<u>2,054</u>	<u>8,494</u>	<u>1,062</u>
-	-	20,000	78	20,000	78	-	-
(978)	-	(31)	-	947	-	-	-
72	-	-	72	(72)	72	-	-
<u>(200)</u>	<u>-</u>	<u>(200)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(1,106)</u>	<u>-</u>	<u>19,769</u>	<u>150</u>	<u>20,875</u>	<u>150</u>	<u>-</u>	<u>-</u>
\$ <u>666,520</u>	\$ <u>24,687</u>	\$ <u>2,511,243</u>	\$ <u>290,212</u>	\$ <u>2,100,448</u>	\$ <u>295,553</u>	\$ <u>255,725</u>	\$ <u>30,028</u>

CITY OF OCALA, FLORIDA

NOTES TO SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

FOR THE YEAR ENDED SEPTEMBER 30, 1989

1. General

The accompanying Schedule of Federal Financial Assistance presents the activity of all federal financial assistance programs of the City of Ocala, Florida. The City of Ocala reporting entity is defined in note 1 to the City's combined financial statements. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies are included on the schedule.

2. Basis of Accounting

The accompanying Schedule of Federal Financial Assistance is presented using the modified accrual basis of accounting, which is described in note 2 to the City's combined financial statements.

3. Grantor

Grantor is defined as the federal agency or state pass through agency providing the federal financial assistance.

4. Local

Local is defined as the matching contribution provided by the state or the City.

Certified Public Accountants

111 North Orange Avenue, Suite 1600  
P.O. Box 3031  
Orlando, FL 32802

Independent Auditors' Report

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

We have audited the general purpose financial statements of the City of Ocala, Florida, for the year ended September 30, 1989, and have issued our report thereon dated January 10, 1990. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions issued by the U.S. General Accounting Office. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements and whether management has complied with laws and regulations. An audit in accordance with those standards includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements and compliance with laws and regulations. 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 opinions.

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 supplementary information included in the accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. Such supplementary 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.

*KPMG Peat Marwick*

January 10, 1990



Certified Public Accountants

111 North Orange Avenue, Suite 1600  
P.O. Box 3031  
Orlando, FL 32802

Independent Auditors' Report

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

We have audited the general purpose financial statements of the City of Ocala, Florida, for the year ended September 30, 1989, and have issued our report thereon dated January 10, 1990. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; the standards for financial audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, issued by the U.S. General Accounting Office; the Single Audit Act of 1984; and the provisions of OMB Circular A-128, Audits of State and Local Governments. 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 misstatements, whether management has complied with laws and regulations, and has established and maintained a system of internal controls. An audit in accordance with these standards includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements and compliance with laws and regulations. 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 opinions.

Under the date of January 10, 1990, we reported separately on the results of our study and evaluation of internal accounting controls performed in connection with our audit of the general purpose financial statements. The results of our study and evaluation of internal accounting and administrative controls used in administering federal financial assistance programs are presented herein.

For the purpose of this report, we have classified the significant internal accounting and administrative controls used in administering the major federal financial assistance programs in the following categories:



Cycles of the City's Activity

- o Revenues/receipts
- o Purchases/disbursements
- o Payroll

General Requirements

- o Political activity
- o Davis-Bacon Act
- o Civil rights
- o Cash management
- o Federal financial reports

Specific Requirements

- o Types of services
- o Reporting
- o Program income
- o Special requirements

Our study and evaluation included all of the applicable control categories listed above.

The management of the City of Ocala, Florida, is responsible for establishing and maintaining internal control systems used in administering federal financial assistance programs. In fulfilling that responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of internal control systems used in administering federal financial assistance programs are to provide management with reasonable, but not absolute assurance that, with respect to federal financial assistance programs, resource use is consistent with laws, regulations and policies; resources are safeguarded against waste, loss and misuse; and reliable data are obtained, maintained and fairly disclosed in reports.

Because of inherent limitations in any system of internal accounting and administrative controls used in administering federal financial assistance programs, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the systems to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

During the year ended September 30, 1989, the City of Ocala, Florida, expended ninety-five percent of its total federal financial assistance under major federal financial assistance programs. With respect to the internal control structure systems used in administering major federal financial assistance programs, our study and evaluation included considering the types of errors and irregularities that could occur, determining the internal control procedures that should prevent or detect such errors and irregularities, determining whether necessary procedures are prescribed and are being followed satisfactorily, and evaluating any weaknesses.

With respect to the internal control structures used solely in administering nonmajor federal financial assistance programs, our study and evaluation was limited to a preliminary review of the system to obtain an understanding of the control environment and the flow of transactions through the accounting system. Accordingly, our audit would not necessarily disclose material weaknesses in the internal control structures used solely in administering nonmajor federal financial assistance programs.

Our study and evaluation described in the two preceding paragraphs was more limited than would be necessary to express an opinion on the internal control systems used in administering the major and nonmajor federal financial assistance programs of the City of Ocala, Florida. Accordingly, we do not express an opinion on the internal control systems used in administering the major and nonmajor federal financial assistance programs of the City of Ocala, Florida. However, our study and evaluation and our audit disclosed no condition that we believe to be a material weakness in relation to a federal financial assistance program of the City of Ocala, Florida. In our letter to management dated January 10, 1990, we have separately communicated our observations and recommendations regarding certain other matters, including those pertaining to nonmaterial internal control findings.

This report is intended solely for the use of management and the cognizant and other Federal audit agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which, upon acceptance by the City of Ocala, Florida, is a matter of public record.

*KPMG Peat Marwick*

January 10, 1990



Certified Public Accountants

111 North Orange Avenue, Suite 1600  
P.O. Box 3031  
Orlando, FL 32802

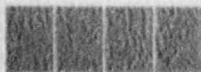
Independent Auditors' Report

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

We have audited the general purpose financial statements of the City of Ocala, Florida, for the year ended September 30, 1989, and have issued our report thereon dated January 10, 1990. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards for financial audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions issued by the U.S. General Accounting Office; the Single Audit Act of 1984; and the provisions of OMB Circular A-128, Audits of State and Local Governments. 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 misstatements, whether management has complied with laws and regulations, and has established and maintained a system of internal controls. An audit in accordance with those standards includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements and compliance with laws and regulations. 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 opinions.

The management of the City of Ocala, Florida, is also responsible for the City's compliance with laws and regulations. In connection with the audit referred to above, we selected and tested transactions and records from each major federal financial assistance program and certain nonmajor federal financial assistance programs. The purpose of our testing of transactions and records from those federal financial assistance programs was to obtain reasonable assurance that the City of Ocala, Florida, had, in all material respects, administered its major programs and executed the tested nonmajor program transactions in compliance with those laws and regulations for which noncompliance could have a material effect on the allowability of program expenditures. Such laws and regulations include those pertaining to federal financial reports and claims for advances and reimbursements.



In our opinion, the City of Ocala, Florida, administered each of its major federal financial assistance programs in compliance, in all material respects, with those laws and regulations for which noncompliance could have a material effect on the allowability of program expenditures for the year ended September 30, 1989.

Our testing of transactions and records selected from federal financial assistance programs disclosed instances of noncompliance with certain laws and regulations.

All instances of noncompliance that we found, and the programs to which they relate, are identified in the accompanying schedule of findings and questioned costs, the ultimate resolution of which cannot presently be determined. Accordingly, no provision for any liability that may result upon resolution has been made to the federal financial assistance programs to which they relate. We do not believe these instances of noncompliance could have a material effect on the allowability of program expenditures.

The results of our testing of transactions and records selected from nonmajor federal financial assistance programs indicate that for the transactions and records tested the City of Ocala, Florida, complied with those laws and regulations referred to in the third paragraph of our report, except as described in the accompanying schedule of findings and questioned costs. Our testing was more limited than would be necessary to express an opinion on whether the City of Ocala, Florida, administered the nonmajor federal financial assistance programs in compliance, in all material respects, with those laws and regulations for which noncompliance could have a material effect on the allowability of program expenditures. With respect to the transactions and records that were not tested by us, nothing came to our attention to indicate that the City of Ocala, Florida, had not complied with laws and regulations other than those laws and regulations for which we noted violations in our testing referred to above.

*KPMG Peat Marwick*

January 10, 1990

CITY OF OCALA, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED SEPTEMBER 30, 1989

<u>Program</u>	<u>Finding/Noncompliance</u>
Finding	
1. Runway 18/36 Improvements Grant 06 and 07	<p>Discrepancies noted during the performance of on-construction-site interviews performed for Grant compliance with Davis-Bacon Act were not followed up on by the City. Employees hourly wages differed from the certified payroll reports.</p> <p>City employees did not use the proper on-site interview forms for interviews performed for compliance with the Davis-Bacon Act provisions. This resulted in the City's inability to agree the hours worked by the employee per the interview to the certified payroll sheets submitted.</p> <p>The City failed to pay the minimum wage as prescribed by the Department of Labor Wage Determination which resulted in the underpayment of the contractor's employees in the amount of \$8.18.</p>
2. CDBG Street and Storm Drainage Project	<p>The City did not obtain certified payroll sheets from the contractor for the periods from June 23, 1989 through July 21, 1989 and August 18, 1989 through September 29, 1989.</p> <p>Discrepancies noted during the performance of on-site-construction interviews performed for compliance with Davis-Bacon Act were not followed up on by the City. Employees hourly wages differed from the certified payroll reports.</p>
3. CDBG Entitlement Grant	<p>The Community Development Block Grant failed to maintain a current environmental regulatory review for all activities undertaken by CDBG.</p>

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## **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

CITY OF OCALA, FLORIDA

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

LAST TEN FISCAL YEARS

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
Property taxes	\$ 1,832,271	\$ 1,671,438	\$ 2,029,326	\$ 1,659,194
Other taxes	401,038	459,151	504,200	711,774
Intergovernmental revenues	1,740,399	1,990,385	2,448,542	3,832,853
Licenses and permits	368,278	426,876	395,285	518,026
Fines and forfeitures	217,224	255,011	256,531	342,033
Charges for services and off- street parking	66,271	106,616	90,525	162,613
Transfers from other funds	5,440,228	6,954,284	6,642,731	7,434,175
Bond and note proceeds	-	-	-	7,192,325
Interest income	213,668	279,306	220,844	230,273
Miscellaneous	<u>266,246</u>	<u>100,936</u>	<u>246,296</u>	<u>466,285</u>
Total	\$ <u>10,545,623</u>	\$ <u>12,244,003</u>	\$ <u>12,834,280</u>	\$ <u>22,549,551</u>

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

<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
\$ 2,227,719	\$ 2,258,689	\$ 2,921,415	\$ 4,413,746	\$ 5,073,641	\$ 6,161,242
675,663	705,331	717,980	710,945	763,823	786,021
4,574,314	5,215,617	5,868,213	6,342,097	6,727,199	7,041,160
590,212	628,624	706,762	677,805	673,596	690,456
329,289	543,685	474,764	532,498	710,301	740,603
187,819	209,369	240,735	245,690	223,742	1,348,168
6,973,813	9,252,428	10,203,401	10,928,043	11,571,596	14,277,023
238,538	-	13,041,330	-	7,542,626	-
405,039	428,183	522,787	756,439	889,905	1,567,581
<u>908,881</u>	<u>1,001,957</u>	<u>1,064,125</u>	<u>1,571,289</u>	<u>1,067,093</u>	<u>112,908</u>
\$ <u>17,111,287</u>	\$ <u>20,243,883</u>	\$ <u>35,761,512</u>	\$ <u>26,178,552</u>	\$ <u>35,307,167</u>	\$ <u>32,725,162</u>



CITY OF OCALA, FLORIDA

GENERAL GOVERNMENTAL EXPENDITURES AND OTHER USES BY FUNCTION (1)

LAST TEN FISCAL YEARS

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
General government and administration	\$ 1,269,165	\$ 1,308,029	\$ 1,433,279	\$ 1,497,736
Public safety	3,427,983	3,999,582	4,554,075	4,901,697
Public works	1,579,937	1,613,386	1,809,302	1,862,172
Culture and recreation	1,565,026	1,709,533	1,734,942	1,860,400
Nondepartmental	20,081	21,184	17,236	419,079
Debt service	779,928	2,544,623	464,510	472,668
Capital outlay	1,292,457	1,309,005	2,097,034	1,128,128
Transfers to other funds	884,153	752,023	725,039	8,132,864
Miscellaneous	10,713	50,886	132,825	263,329
Total	\$ <u>10,829,443</u>	\$ <u>13,308,251</u>	\$ <u>12,968,242</u>	\$ <u>20,538,073</u>

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

<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
\$ 1,668,132	\$ 1,750,550	\$ 2,180,146	\$ 2,398,717	\$ 2,462,279	\$ 2,872,897
5,454,770	6,130,072	6,836,255	7,529,924	8,030,705	9,519,499
2,115,342	2,289,859	2,470,282	2,690,444	2,707,074	3,435,091
2,108,338	2,278,015	2,420,806	2,806,405	2,728,031	2,998,445
672,488	883,597	998,914	1,259,245	1,973,860	330,614
1,327,341	1,337,651	8,546,374	2,153,331	6,011,761	2,485,187
1,285,902	1,502,593	1,740,251	2,537,305	2,501,826	1,979,521
1,364,676	2,723,972	4,803,525	3,865,642	4,176,731	3,477,913
<u>298,085</u>	<u>267,924</u>	<u>762,977</u>	<u>329,074</u>	<u>666,543</u>	<u>665,631</u>
\$ <u>16,295,074</u>	\$ <u>19,164,233</u>	\$ <u>30,759,530</u>	\$ <u>25,570,087</u>	\$ <u>31,258,810</u>	\$ <u>27,764,798</u>

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

<u>Fiscal Year</u>	<u>Assessed Valuation (100% at Market)</u>	<u>Tax rate in Mills(3)</u>	<u>Total Tax Levy (1)</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>
1980	\$ 387,525,371	4.52	1,756,180	1,697,053	96.6
1981	542,919,857	3.17	1,724,044	1,613,001	93.6
1982	559,458,934	3.47	1,950,292	1,849,490	94.8
1983	632,082,715	2.58	1,632,079	1,586,632	97.2
1984	672,994,062	2.93	1,970,526	1,851,074	93.9
1985	721,342,613	3.15	2,274,596	2,142,364	94.2
1986	807,763,046	3.65	2,962,022	2,758,410	93.1
1987	971,042,837	4.65	4,527,718	4,199,267	92.8
1988	1,096,194,648	4.65	5,112,811	4,765,369	93.2
1989	1,235,655,356	5.08	6,287,092	5,662,203	90.1

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.

<u>Total (2) Tax Collections</u>	<u>Ratio of Total Collections to Tax Levy</u>	<u>Uncollected Taxes</u>
\$ 1,790,939	102.0	59,127
1,634,002	94.8	111,043
1,991,899	102.1	100,802
1,623,260	99.5	45,447
1,903,537	96.6	119,452
2,201,312	96.8	132,232
2,881,597	97.3	203,612
4,373,759	96.6	328,451
5,027,371	98.3	347,442
6,114,815	97.3	624,889

CITY OF OCALA, FLORIDA

PROPERTY TAX RATES AND LEVIES - ALL OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

Millage Rates

<u>Fiscal Year</u>	<u>City</u>	<u>County</u>	<u>School</u>	<u>Water Managements Districts</u>	<u>Total</u>
1980	4.52	3.09	6.95	.18	14.74
1981	3.17	2.94	7.98	.23	14.32
1982	3.47	3.56	8.02	.32	15.37
1983	2.58	2.77	7.19	.27	12.81
1984	2.93	2.63	7.13	.33	13.02
1985	3.15	2.45	7.07	.33	13.00
1986	3.65	3.21	7.10	.32	14.28
1987	4.65	3.59	7.70	.32	16.26
1988	4.65	3.83	7.70	.33	16.51
1989	5.08	4.35	7.88	.36	17.67

Tax Levies

<u>Fiscal Year</u>	<u>City(1)</u>	<u>County(2)</u>	<u>School(2)</u>	<u>Water Manage- ment Dis- tricts(2)</u>	<u>Total</u>
1980	1,751,615	1,197,453	2,693,301	71,305	5,713,674
1981	1,721,056	1,596,184	4,332,500	127,043	7,776,783
1982	1,945,798	1,991,674	4,486,861	176,789	8,601,122
1983	1,628,245	1,750,869	4,546,570	170,662	8,096,346
1984	1,971,873	1,648,835	4,764,798	181,708	8,567,214
1985	2,269,344	1,729,709	4,996,388	230,758	9,226,199
1986	2,950,758	2,592,919	5,735,118	258,484	11,537,279
1987	4,518,262	3,486,044	7,477,030	310,734	15,792,070
1988	5,100,594	4,198,426	8,440,699	361,744	18,101,463
1989	6,277,129	5,375,101	9,736,964	444,836	21,834,030

(1) Does not include penalties under Section 193.072 of the Florida Statutes.

(2) The tax levies for overlapping governments reflect each government's millage applied to the total assessed valuation within the City's corporate boundaries.

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

<u>Fiscal Year</u>	<u>New Liens Assessed</u>	<u>Collections and Adjustments</u>	<u>Total Outstanding Assessments(1)</u>
1980	\$ 117,863	\$ 191,111	\$ 599,769
1981	-	132,112	467,657
1982	44,576	86,719	425,514
1983	1,379,317	301,723	1,503,108
1984	66,420	312,189	1,257,339
1985	58,191	217,811	1,097,719
1986	21,768	179,648	939,839
1987	12,959	158,409	794,389
1988	28,300	175,308	647,381
1989	6,000	90,243	563,138

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

CITY OF OCALA, FLORIDA

COMPUTATION OF LEGAL DEBT MARGIN

SEPTEMBER 30, 1989

Assessed Value (100% at market as of January 1, 1987)	\$ <u>1,235,655,356</u>
Debt limit: 20% of Assessed Value	\$ 247,131,071
Amount of General Obligation Debt Outstanding	<u>                    -</u>
Legal Debt Margin	\$ <u>247,131,071</u>

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

CITY OF OCALA, FLORIDA

RATIO OF NET GENERAL OBLIGATION BONDED DEBT  
TO ASSESSED VALUE AND NET BONDED DEBT PER CAPITA

LAST TEN FISCAL YEARS

<u>Year</u>	<u>Popula- tion (1)</u>	<u>Taxable Assessed Value</u>	<u>Gross General Obligation Bonded Debt</u>	<u>less Debt Service Funds</u>	<u>Net Bonded Debt</u>	<u>Net Debt to Assessed Value</u>	<u>Net Debt Per Capita</u>
1980	37,170	\$ 387,525,371	\$ -	\$ -	\$ -	-	\$ -
1981	37,489	542,919,857	-	-	-	-	-
1982	38,265	559,458,934	-	-	-	-	-
1983	38,636	632,082,715	-	-	-	-	-
1984	39,094	672,994,062	-	-	-	-	-
1985	41,120	721,342,613	-	-	-	-	-
1986	42,298	807,763,046	-	-	-	-	-
1987	43,267	971,042,837	-	-	-	-	-
1988	44,386	1,096,194,648	-	-	-	-	-
1989	45,814	1,235,655,356	-	-	-	-	-

(1) Source: For years 1980 through 1982, 1982 Florida Statistical Abstract; for year 1983, information on file with the Ocala/Marion County Chamber of Commerce; for years 1984 through 1989, information from the Bureau of Business and Economic Research, University of Florida, Gainesville.



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CITY OF OCALA, FLORIDA

RATIO OF ANNUAL DEBT SERVICE FOR GENERAL OBLIGATION

BONDED DEBT TO TOTAL GENERAL EXPENDITURES

LAST TEN FISCAL YEARS

<u>Year</u>	<u>Debt Service Requirements</u>			<u>Total General Expenditures</u>	<u>Ratio of General Obligation Debt Service to General Expenditures</u>
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>		
1980	\$ 160,000	\$ 2,200	\$ 162,200	\$ 10,829,443	1.50%
1981	-	-	-	13,308,251	-
1982	-	-	-	12,968,242	-
1983	-	-	-	20,538,073	-
1984	-	-	-	16,295,074	-
1985	-	-	-	19,164,233	-
1986	-	-	-	30,759,530	-
1987	-	-	-	25,570,087	-
1988	-	-	-	31,258,810	-
1989	-	-	-	27,764,798	-

CITY OF OCALA, FLORIDA

SCHEDULE OF ELECTRIC AND POWER SUPPLY REVENUE AND REVENUE

REFUNDING BONDS, SERIES 1977, 1983 AND 1988, COVERAGE

LAST TEN FISCAL YEARS

<u>Year</u>	<u>Net Revenue Available for Debt Service (1)</u>	<u>Debt Service Requirements (2)(3)(4)</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
1980	\$ 6,112,325	\$ 665,000	\$ 913,855	\$ 1,578,855	3.87
1981	5,976,618	756,000	887,357	1,643,357	3.66
1982	8,571,345	850,000	855,404	1,705,404	5.03
1983	10,526,167	885,000	818,952	1,703,952	6.18
1984	12,460,017	925,000	1,718,543	2,643,543	4.71
1985	12,065,015	965,000	1,863,609	2,828,609	4.27
1986	14,329,773	1,010,000	1,817,677	2,827,677	5.07
1987	14,371,791	1,045,000	1,769,218	2,814,218	5.11
1988	14,891,027	1,105,000	1,160,385	2,265,385	6.57
1989	16,936,544	1,190,000	1,469,607	2,659,607	6.37

(1) Represents gross operating revenues less gross operating expenses, excluding amortization and depreciation, of the consolidated electric and bulk power supply systems.

(2) In August 1977, the City issued the following refunding bonds:

Power Supply Revenue Bonds, Series 1977	\$ 11,180,000
Electric Revenue Bonds, Series 1977	7,850,000
Special Obligation Bonds, Series 1977A	<u>10,990,000</u>
	\$ <u>30,020,000</u>

The refunding bonds were issued to effect the advance refunding of the following issues:

Electric Revenue Certificates, Series 1959	\$ 240,000
Electric Revenue Certificates, Series 1962	1,145,000
Electric Revenue Certificates, Series 1967	2,140,000
Electric Revenue Certificates, Series 1972	5,725,000
Power Supply Revenue Bonds, Series A-1975	<u>10,000,000</u>
	\$ <u>19,250,000</u>

CITY OF OCALA, FLORIDA

SCHEDULE OF ELECTRIC AND POWER SUPPLY REVENUE AND REVENUE

REFUNDING BONDS, SERIES 1977, 1983 AND 1988, COVERAGE

(Continued)

The proceeds derived from the sale of the refunding bonds were placed in an irrevocable escrow account, which, together with related interest earnings, will provide sufficient amounts to satisfy not only the remaining debt service requirements, in accordance with the original maturity schedules, on the refunded bonds, but the Special Obligation Bonds, Series 1977A as well. Accordingly, the refunded bonds and the Special Obligation Bonds, Series 1977A are not considered outstanding debt of the City in consideration of the escrow account created and, as such, all debt service requirements on the refunded bonds and the Special Obligation Bonds, Series 1977A, have been excluded from the determination of revenue bonds coverage.

- (3) In August 1983, the City issued the \$13,480,000 Power Supply Revenue Bonds, Series 1983. The first principal payment occurred in October 1987. Proceeds of this issue are being used for the acquisition and construction of a new substation, supervised control data acquisition system and for other improvements to the bulk power system.
  
- (4) In March 1988, the City issued the \$14,350,000 Power Supply Revenue Refunding Bonds, Series 1988, for the purpose of advance refunding the outstanding Power Supply Revenue Bonds, Series 1983. The refunded bonds are no longer considered outstanding debt of the City since an escrow account was created for them; and, therefore, all debt service requirements subsequent to March 1988 for the refunded bonds have been excluded from the determination of debt service coverage. The first principal and interest payments on the Series 1988 bonds occurred in October 1988.

CITY OF OCALA, FLORIDA

SCHEDULE OF WATER AND SEWER REVENUE AND REFUNDING REVENUE BONDS,

SERIES 1968, 1983, 1985A, 1985B, 1986 AND 1988, AND ANTICIPATION NOTES COVERAGE

LAST TEN FISCAL YEARS

<u>Year</u>	<u>Net Revenue Available For Debt Service(1)</u>	<u>Debt Service Requirements</u>		<u>Total</u>	<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>		
1980	\$ 839,866	\$ 240,000	\$ 262,476	\$ 502,476	1.67
1981	643,805	250,000(2)	476,465	726,465	.89
1982	1,377,870	260,000	789,196	1,049,196	1.31
1983	2,800,069	270,000(3)	773,590	1,043,590	2.68
1984	3,302,614	230,000	1,052,623	1,282,623	2.57
1985	4,505,928	240,000	959,002	1,199,002	3.76
1986	6,762,243	- (4)	1,893,489(4)	1,893,489	3.50
1987	5,690,844	245,000(4)	4,129,150(4)	4,374,150	1.30
1988	8,047,236	165,000(5)	4,118,735(5)	4,283,735	1.88
1989	7,738,769	315,000	3,790,133	4,105,133	1.89

(1) Represents gross operating revenues less gross operating expenses, excluding amortization and depreciation, of the water and sewer system. Additional pledged revenues are the collections, including interest and penalties, on the 11,000 series special assessment levy, which were also pledged to retire the refunded 1974 Pollution Control Bonds, Series C (this pledge does not pertain to the debt issued after 1978); 31,000 series of assessments (1979 and 1979-2 note issues only); 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 (1983, 1985A, 1985B, 1986 and 1988 issues); and water and sewer system development charges and interest earnings on development charges (1985A and 1986 issues).

(2) Does not include July 1, 1981 maturity of \$3,745,000 Water and Sewer Revenue Bonds, Series 1979 Anticipation Notes, which were issued in June, 1980 and secured by the \$6,600,000 Water and Sewer Revenue Bonds, Series 1979-2 Anticipation Notes that were issued on June 25, 1981. Proceeds from the sale of the 1979-2 Anticipation Notes were used to refund the 1979 Anticipation Notes, to effect an advanced refunding of the 1974 Pollution Control Bonds, Series C, and provide additional funding for various improvements to the water and sewer system. (Remaining principal on 1974 bonds after 1981 maturity has also been excluded from debt service requirements above.)

CITY OF OCALA, FLORIDA

SCHEDULE OF WATER AND SEWER REVENUE AND REFUNDING REVENUE BONDS,

SERIES 1968, 1983, 1985A, 1985B, 1986 AND 1988, AND ANTICIPATION NOTES COVERAGE

LAST TEN FISCAL YEARS

(Continued)

- (3) The 1979-2 Anticipation Notes matured on July 1, 1983 and the related principal was secured by the \$11,200,000 Water and Sewer Refunding Revenue Bonds, Series 1983, which were issued in June, 1983. Proceeds from the sale of the 1983 bonds were used to advance refund the 1968 Water and Sewer Revenue Bonds (remaining principal after July 1, 1983 maturity is excluded from debt service requirements above) and refund the 1979-2 Anticipation Notes, the principal of which is excluded from debt service requirements above. Remaining proceeds are being used for the acquisition and construction of additions, extensions and improvements to the water and sewer system.
- (4) In October, 1985, the City issued the \$37,080,000 Water and Sewer Revenue Bonds, Series 1985A, for the purpose of financing a portion of the acquisition and construction of certain additions, expansions and improvements to the City's water and sewer system; and the \$10,775,000 Water and Sewer Refunding Revenue Bonds, Series 1985B, for the purpose of advance refunding the outstanding Water and Sewer Refunding Revenue Bonds, Series 1983. In April, 1986, the City issued the \$40,820,000 Water and Sewer Refunding Revenue Bonds, Series 1986, for the purpose of advance refunding the portion of the Water and Sewer Revenue Bonds Series 1985A, stated to mature on and after October 1, 1994. The refunded bonds are no longer considered outstanding debt of the City since escrow accounts were created for them; and, therefore, all debt service requirements for the refunded bonds have been excluded from the determination of debt service coverage. For fiscal 1986, the debt service requirements consist of the interest payments made for the Series 1985A and the Series 1985B bonds (before the advance refunding of the portion of the Series 1985A bonds) net of the accrued interest received at the time of bond closing. For fiscal 1987, the debt service requirements consist of the principal and interest for the 1985A, 1985B and 1986 bonds.
- (5) In July 1988, the City issued the \$12,450,000 Water and Sewer Refunding Revenue Bonds, Series 1988, for the purpose of advance refunding the outstanding Water and Sewer Refunding Revenue Bonds, Series 1985B. The refunded bonds are no longer considered outstanding debt of the City since an escrow account was created for them; and, therefore, all debt service requirements subsequent to 1988 will be excluded from the determination of debt service coverage. The first interest payment on the Series 1988 bonds occurred in October 1988.

CITY OF OCALA, FLORIDA

SCHEDULE OF REFUNDING AND IMPROVEMENT EXCISE

TAX BONDS, SERIES 1965 AND 1972, COVERAGE

LAST TEN FISCAL YEARS

<u>Year</u>	<u>Pledged Revenues</u>			<u>Total Revenue Available for Debt Service</u>	<u>Debt Service Requirements (1)</u>			<u>Coverage</u>
	<u>Occupational License</u>	<u>Cigarette Tax</u>			<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
1980	\$ 208,105	\$ 287,867	\$ 495,972	\$ 200,000	\$ 178,100	\$ 378,100	1.31	
1981	249,312	308,993	558,305	210,000	168,483	378,483	1.48	
1982	273,635	311,719	585,354	220,000	158,420	378,420	1.55	
1983	292,546	335,334	627,880	230,000	148,250	378,250	1.66	
1984	300,791	344,839	645,630	240,000	137,723	377,723	1.71	
1985	328,964	366,731	695,695	250,000	126,750	376,750	1.85	
1986	340,013	406,723	746,736	265,000	115,300	380,300	1.96	
1987	362,960	338,381	751,341	275,000	103,150	378,150	1.99	
1988	349,663	417,874	767,537	285,000	89,125	374,125	2.05	
1989	376,590	419,394	795,984	300,000	74,590	374,590	2.12	

(1) The final maturity of the Refunding and Improvement Excise Tax Bonds, Series 1965, was in fiscal year 1986.

CITY OF OCALA, FLORIDA

SCHEDULE OF STREET IMPROVEMENT REVENUE BONDS COVERAGE

SERIES 1966, 1967, 1975 AND 1978

LAST TEN FISCAL YEARS

<u>Year</u>	<u>Special Assessment Collections Available for Debt Service(1)</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
1980	\$ 96,393	\$ -	\$ 36,100	\$ 36,100	2.67
1981	57,963	150,000	36,100	186,100	.31
1982	48,354	-	26,350	26,350	1.84
1983	53,647	50,000	26,350	76,350	.70
1984	31,543	100,000	23,350	123,350	.26
1985	41,979	-	16,600	16,600	2.53
1986	24,010	-	16,600	16,600	1.45
1987	12,030	200,000	16,600	216,600	.06
1988	7,202	-	3,600	3,600	2.00
1989	27,285	60,000	3,600	63,600	.43

(1) Includes collections on the special assessment levies pledged to retire these bonds (i.e. - Series 9,000; 10,000; 13,000; 14,000; 15,000; 16,000; 17,000; 24,000; 26,000; and 27,000).



CITY OF OCALA, FLORIDA

SCHEDULE OF CAPITAL IMPROVEMENT REVENUE AND REFUNDING REVENUE BONDS,

SERIES 1982 AND 1986, AND CAPITAL IMPROVEMENT REVENUE AND

REVENUE REFUNDING CERTIFICATES, SERIES 1986 AND 1988 COVERAGE

LAST TEN FISCAL YEARS

Pledged Revenues

<u>Year</u>	<u>Local Government Half-Cent Sales Tax</u>	<u>Franchise Fees</u>	<u>Occupational License Tax (1)</u>	<u>Guaranteed Entitle- ment (2)</u>	<u>Mobile Home Licenses</u>
1983	\$ 1,046,671	\$ 360,540	\$ 292,546	\$ 643,621	\$ 17,863
1984	1,257,077	311,281	300,791	643,622	25,754
1985	1,346,284	298,084	328,964	643,622	32,116
1986	1,414,157	275,654	340,013	643,622	31,857
1987	1,539,964	292,968	362,960	643,622	28,696
1988	1,833,635	314,227	349,663	643,622	27,015
1989	1,858,812	333,517	376,590	643,622	28,903

- (1) Subject to a prior lien on 1965 and 1972 Refunding and Improvement Excise Tax Bonds. See page 105.
- (2) The minimum amount of state revenue sharing funds to be received by the City in accordance with the provisions of the State of Florida Revenue Sharing Act.
- (3) The Capital Improvement Revenue Bonds, Series 1982, were sold in December, 1982; and the first principal payment occurred in October, 1984. The outstanding portion of this issue was advance refunded in August, 1986 by the Capital Improvement Refunding Revenue Bonds. Since an escrow account was established for the redemption of this issue, the 1982 issue will not be included in the debt service requirements after 1986.
- (4) 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 October 1, 1987. This issue places a senior lien on the pledged revenues.

<u>Court Fines and Forfeitures</u>	<u>Total Revenue Available for Debt Service</u>	<u>Debt Service Requirements (3) (4) (5) (6)</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
\$ 281,500	\$ 2,642,741	\$ -	\$ -	\$ -	-
288,693	2,827,218	-	913,470	913,470	3.10
428,958	3,078,028	155,000	680,065	835,065	3.69
388,082	3,093,385	160,000	669,430	829,430	3.73
427,981	3,296,191	900,000	851,101	1,751,101	1.88
595,245	3,763,407	1,195,000	1,184,385	2,379,385	1.58
607,365	3,848,809	575,000	1,236,591	1,811,591	2.12

(5) The Capital Improvement Revenue Certificates, Series 1986, were sold in July, 1986. The first interest payment was on October 1, 1986, and the first principal payment was on April 1, 1987. This issue constitutes a junior or subordinate lien on the pledged revenues. The outstanding portion of this issue was advance refunded in August 1988 by the Capital Improvement Revenue Refunding Certificates, Series 1988. Since an escrow account was established for the redemption of this issue, the 1986 certificates will not be included in the debt service requirements after 1988.

(6) The Capital Improvement Revenue Refunding Certificates, Series 1988, were sold in August 1988. The first principal and interest payments were made on April 1, 1989. This issue constitutes a junior or subordinate lien on the pledged revenues.

CITY OF OCALA, FLORIDA

SCHEDULE OF POLLUTION CONTROL REVENUE BONDS, SERIES C, COVERAGE

LAST TEN FISCAL YEARS

<u>Year</u>	<u>Revenue Available for Debt Service(1)</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
1980	\$ 1,110,569	\$ 60,000	\$ 121,691	\$ 181,691	6.11
1981	1,232,081	65,000	117,791	182,791	6.74
1982	(2)	(2)	(2)	(2)	(2)
1983	(2)	(2)	(2)	(2)	(2)
1984	(2)	(2)	(2)	(2)	(2)
1985	(2)	(2)	(2)	(2)	(2)
1986	(2)	(2)	(2)	(2)	(2)
1987	(2)	(2)	(2)	(2)	(2)
1988	(2)	(2)	(2)	(2)	(2)
1989	(2)	(2)	(2)	(2)	(2)

- (1) The 11,000 series special assessment levy, sewer availability charges, and state revenue sharing were pledged to retire these bonds.
- (2) The remaining principal amount of the pollution control bonds after 1981 debt service requirements were met (\$1,915,000) were retired in 1981 through an advanced refunding transaction under the full cash defeasance method. The City legally satisfied its obligation with the creation of an irrevocable escrow account using cash and investments in the debt service funds of the refunded bonds and a portion of the proceeds of the Water and Sewer Revenue Bonds, Series 1979-2 Anticipation Notes. The balance on deposit in the escrow account, including related interest earnings, will provide amounts sufficient for future payment of all principal and interest on the refunded bonds, in accordance with the original maturity schedule.

CITY OF OCALA, FLORIDA  
SCHEDULE OF OPTIONAL GAS TAX REVENUE BONDS,  
SERIES 1989, COVERAGE  
LAST TEN FISCAL YEARS

<u>Year</u>	Pledged Revenue- Six Cent Optional Gas Tax	<u>Debt Service Requirements (1)</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
1989	\$ 1,790,008	\$ -	\$ 234,560	\$ 234,560	7.63

(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 will occur in December, 1990.

CITY OF OCALA, FLORIDA  
COMPUTATION OF DIRECT AND OVERLAPPING  
GENERAL OBLIGATION DEBT (2)  
SEPTEMBER 30, 1989

<u>Governmental Unit</u>	<u>Bonds Outstanding</u>	<u>Applicable to City of Ocala Percent (1)</u>	<u>Amount</u>
School District of Marion County General Obligation Bonds, Series 1987	\$ <u>27,640,000</u>	<u>31.30%</u>	\$ <u>8,650,814</u>
Total Overlapping Debt	\$ <u>27,640,000</u>	<u>31.30%</u>	\$ <u>8,650,814</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, 1989.

CITY OF OCALA, FLORIDA  
MISCELLANEOUS STATISTICAL DATA  
SEPTEMBER 30, 1989

Date of Incorporation	February 4, 1869
City Charter Adopted	January 28, 1885
Form of Government	Council/Manager
Area of City	30.34 square miles

Miles of Streets, Sidewalks and Bikepaths:

Streets - Paved	218.42 miles
Streets - Unpaved	42.56 miles
Sidewalks (2)	51.40 miles
Bikepaths	16.19 miles

Miles of Sewers:

Storm	42.61 miles
Sanitary	263.21 miles
Force Main	44.02 miles
Lift Stations	93

Building Permits (October 1988 -  
September 1989) (1):

Permits Issued	4,787
Permit Value	\$93,406,522

Fire Protection:

Stations	4
Employees - Sworn	98
Employees - Civilian	7
Fire and rescue response time (minutes)	3

Police Protection:

Stations	1
Employees - Sworn	117
Employees - Reserve	17
Employees - Civilian	57
Vehicular Patrol Units - Marked Vehicles	75
- Motorcycles	6
- Other Vehicles	32

Recreation:

Activity areas	90
Land area (acres)	340
Activity centers	5
Pools	2

(1) Includes plumbing, gas, electrical, sewer, heating, air conditioning, refrigeration, ventilation and building permits, the latter of which is exclusive of moving and sign permits.

(2) Includes 11.66 miles of sidewalks installed by the Florida Department of Transportation but located inside the city limits.

CITY OF OCALA, FLORIDA

DEMOGRAPHIC STATISTICS

<u>YEAR</u>	<u>POPULATION (1)</u>	
	<u>CITY OF OCALA</u>	<u>MARION COUNTY</u>
1980	37,170	122,500
1981	37,489	129,300
1982	38,265	135,100
1983	38,636	141,991
1984	39,094	148,864
1985	41,120	157,853
1986	42,298	166,606
1987	43,267	174,614
1988	44,386	182,329
1989	45,814	190,742

Sources: 1982 Florida Statistical Abstract (for years 1980 through 1982). From information on file with the Bureau of Business and Economic Research - University of Florida, Gainesville (for years 1983 through 1989).

POPULATION PROJECTIONS \*

<u>YEAR</u>	<u>MARION COUNTY</u>	<u>STATE OF FLORIDA</u>
1990	197,700	13,088,500
1995	234,800	14,647,800
2000	264,600	15,899,400
2005	292,500	16,975,600
2010	322,200	17,998,300
2020	357,000	19,942,200

Source: Bureau of Business and Economic Research - University of Florida, Gainesville. Figures for years subsequent to year 2020 are unavailable.

% POPULATION BY AGE GROUP\*

<u>YEAR</u>	<u>MARION COUNTY</u>	<u>STATE OF FLORIDA</u>
0-14	20.2	18.8
15-44	38.8	42.0
45-64	22.7	21.0
65 +	18.3	18.2

Source: 1988 Florida Estimates of Population, Bureau of Business and Economic Research, University of Florida. Figures for years subsequent to 1988 are unavailable.

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

(1) On April 1, 1988, Ocala ranked 31st in population size among Florida cities; Marion County ranked 19th in population among Florida counties; and Marion County ranked 30th in population density among Florida counties.

CITY OF OCALA, FLORIDA

LIST OF TEN LARGEST TAXPAYERS

1988 TAX ROLL

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>Percent of Total Assessed Valuation</u>	<u>City Tax Bill(1)(2)</u>
1. United Telephone of Florida	Telephone Communications	\$ 46,259,983	3.74%	\$ 235,001
2. Paddock Mall Associates	Regional Shopping Center	20,597,999	1.67	104,638
3. Marion Community Hospital	General Hospital Care	16,285,788	1.32	82,732
4. Ocala 201 and 202 Joint Venture	Hilton Hotel	10,288,546	.83	52,265
5. Ocala Mall Associates	Local Shopping Center	8,760,541	.71	44,504
6. Cotter & Co.	Warehousing and Distribution	7,972,732	.65	40,501
7. Clairson International	Manufacturing	7,532,220	.61	38,264
8. Paddock Park Apartments	Apartment Complex	5,994,018	.49	30,450
9. Cala Hills	Real Estate Development	5,871,871	.48	29,829
10. Ocala Oxford, Ltd. Partnership	Adult Congregate Living Facility	5,743,916	.46	29,179
		<u>135,307,614</u>	<u>10.96</u>	<u>687,363</u>
	Total Assessed Value Other Taxpayers	<u>1,100,347,742</u>	<u>89.04</u>	<u>5,589,766</u>
	Total Assessed Value	\$ <u>1,235,655,356</u>	<u>100.00%</u>	\$ <u>6,277,129</u>

(1) City of Ocala taxpayers pay City, County, School Board and certain water district levies. The City levy only is shown here.

(2) Excludes property tax levies of the Downtown Development Commission.



CITY OF OCALA, FLORIDA  
SCHEDULE OF INSURANCE IN FORCE  
SEPTEMBER 30, 1989

<u>Company</u>	<u>Policy #</u>	<u>Type of Coverage</u>	<u>Deductible Self Retention</u>	<u>Limit of Coverage</u>
City of Ocala	Self-insured	Workers' compensation	-	\$ 250,000
Travelers	BT (1) 55715	Police and fire-fighters accidental death and dismemberment	-	\$ 20,000
Travelers	BT (1) 55715	Police and fire-fighters intentional death and dismemberment	-	\$ 50,000
MacCabees	G12974	Employee life, AD and D,	-	Various as specified in policy
City of Ocala	Self-insured	Disability income replacement	-	60% of income
Old Republic Insurance Co.	WEXS-216	Workers' Compensation Excess	\$250,000	\$5,000,000
Lloyds	WEXS-316	All risk property	\$10,000 - 100,000 bridges	Per Schedule
Insurance Co. of North America	API087260	Airport liability	\$1,000	\$5,000,000 per occurrence
Florida Municipal Liability Self-Insurers Program	FML 246	General liability	\$100,000 per person \$200,000 per occurrence	\$1,000,000
"	"	Auto liability	\$10,000	\$1,000,000
"	"	Law enforcement officers and public officials liability EMT	\$100,000 per person \$200,000 per occurrence	\$1,000,000
"	"	Fire legal	-	\$ 50,000

(Continued)

CITY OF OCALA, FLORIDA  
SCHEDULE OF INSURANCE IN FORCE  
SEPTEMBER 30, 1989

(Continued)

<u>Company</u>	<u>Policy #</u>	<u>Type of Coverage</u>	<u>Deductible Self Retention</u>	<u>Limit of Coverage</u>
American General Insurance	GC9208	Employee health coverage	\$50,000/case -	Various as specified in policy
State Auto Mutual Insurance Company	4054	Blanket honesty bond	None	\$ 25,000 per employee
Lexington Insurance Company	PC559-1675	Legal liquor liability	\$2,500.00	\$ 500,000
Hartford Steam Boiler	AT-9429840-02	Boiler/Machinery (transformers)	\$25,000 or per schedule	\$ 5,000,000
<u>Surety Bonds Required by Ordinance</u>			<u>Amount</u>	
City Manager - Scotty J. Andrews State Automobile Mutual Insurance Company - #78059			\$ 95,000	
Finance Director - Robert F. Sprinkle State Automobile Mutual Insurance Company - #78058			\$ 95,000	

CITY OF OCALA, FLORIDA

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS

LAST TEN FISCAL YEARS

	<u>Commercial Construction(1)</u>		<u>Residential Construction(1)</u>		<u>Bank Deposits (in thousands)</u>	
	<u>Number of Units</u>	<u>Value</u>	<u>Number of Units</u>	<u>Value</u>	<u>Bank(2)</u>	<u>Savings and Loan Association(3)</u>
1980	123	\$ 12,961,320	261	\$ 8,367,874	\$ 402,567	\$ 331,432
1981	94	13,521,570	178	5,926,908	456,176	369,199
1982	67	4,976,597	90	3,213,700	544,451	408,854
1983	110	12,833,638	278	10,387,336	657,995	496,073
1984	206	29,589,475	373	14,142,930	708,943	515,109
1985	253	27,110,703	210	11,005,595	825,572	557,588
1986	168	25,943,361	484	13,682,001	898,714	569,115
1987	144	20,501,586	207	10,956,790	961,160	698,496
1988	125	22,273,533	199	12,073,501	1,099,243	694,452
1989	148	56,245,634	236	13,646,775	1,220,332	749,632

(1) Obtained from records maintained by the City of Ocala Building, Zoning and Licensing Department.

(2) Obtained by Citizens First Bank of Ocala for the years 1980 through 1984 and by Barnett Bank of Marion County, N.A. for 1985 and from the Florida Bankers Association for 1986 through 1989. Figures shown are for Marion County and represent total bank deposits at December 31, for years 1980 through 1983, and at September 30, for 1984 through 1989.

(3) Obtained by Citizens First Bank of Ocala for the years 1980 through 1984 and by Mid-State Federal Savings and Loan Association for 1985 and from the Federal Home Loan Bank for 1986 through 1989. Figures shown are for Marion County and represent total savings and loan association deposits at December 31, for years 1980 through 1983, at March 31, for 1984 through 1986, at June 30, for 1987 and 1988, and at September 30, for 1989.

CITY OF OCALA, FLORIDA  
LIST OF OFFICERS' SALARIES  
SEPTEMBER 30, 1989

City Manager	\$ 68,211
Assistant City Manager	57,008
Assistant City Manager	47,070
Building Official	48,195
City Clerk	31,728
City Engineer	53,037
Downtown Development Manager	27,421
Electric Utility Director	57,745
Finance Director	53,214
Fire Chief	42,728
Fleet Management Director	34,266
Golf Director	33,291
Human Resources Director	39,071
Internal Auditor	36,229
Management Information System Director	42,981
Planning Director	35,769
Police Chief	56,781
Public Works Director	42,847
Purchasing Director	39,924
Recreation and Parks Director	37,053
Regional Library Director	36,523
Risk Manager	39,717
Water and Sewer Director	44,127

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CITY OF OCALA, FLORIDA

SUMMARY OF DEBT SERVICE REQUIREMENTS TO MATURITY

ALL BONDED DEBT

1990 - 2016

<u>Fiscal Year</u>	<u>Improvement Refunding Revenue Bonds and Revenue Refunding Certificates</u>	<u>Refunding and Improvement Excise Tax Bonds</u>	<u>Power Supply Revenue and Revenue Refunding Bonds</u>	<u>Water and Sewer Revenue and Refunding Revenue Bonds</u>	<u>Optional Gas Tax Revenue Bonds</u>	<u>Total Principal and Interest</u>
1990	\$ 2,182,694	\$ 373,990	\$ 2,770,788	\$ 4,429,180	\$ 1,005,255	\$ 10,761,907
1991	2,189,897	366,980	2,761,221	4,526,895	1,344,405	11,189,398
1992	2,201,543	354,430	2,764,581	4,570,835	1,341,900	11,233,289
1993	2,357,244	197,600	2,755,461	4,568,746	1,342,605	11,221,656
1994	2,547,110	-	2,758,407	4,610,184	1,341,315	11,257,016
1995	2,551,475	-	2,758,076	4,798,321	1,342,815	11,450,687
1996	2,551,493	-	2,758,827	4,803,953	1,341,885	11,456,158
1997	2,547,205	-	2,754,292	4,798,032	1,338,465	11,437,994
1998	2,548,300	-	2,753,436	4,795,295	1,337,322	11,434,353
1999	1,262,875	-	2,542,749	4,790,405	1,333,220	9,929,249
2000	1,258,850	-	924,910	4,782,794	1,335,689	8,302,443
2001	1,254,531	-	922,761	4,786,665	1,330,251	8,294,208
2002	1,249,819	-	923,315	4,775,739	1,331,081	8,279,954
2003	1,250,069	-	916,563	4,774,783	1,327,215	8,268,630
2004	1,244,894	-	917,332	4,764,598	1,328,385	8,255,209
2005	1,239,100	-	915,324	4,764,451	1,325,115	8,243,990
2006	1,233,625	-	915,588	4,758,415	1,322,220	8,229,848
2007	1,230,000	-	-	4,750,942	1,319,330	7,300,272
2008	-	-	-	4,746,111	1,316,075	6,062,186
2009	-	-	-	4,736,152	1,312,085	6,048,237
2010	-	-	-	4,729,821	1,311,805	6,041,626
2011	-	-	-	4,717,700	-	4,717,700
2012	-	-	-	4,708,656	-	4,708,656
2013	-	-	-	4,706,001	-	4,706,001
2014	-	-	-	4,688,600	-	4,688,600
2015	-	-	-	4,675,330	-	4,675,330
2016	-	-	-	4,669,124	-	4,669,124
<b>Total</b>	<b>\$ 32,900,724</b>	<b>\$ 1,293,000</b>	<b>\$ 33,813,631</b>	<b>\$ 127,227,728</b>	<b>\$ 27,628,638</b>	<b>\$ 222,863,721</b>

CITY OF OCALA, FLORIDA

CAPITAL IMPROVEMENT REFUNDING REVENUE BONDS, SERIES 1986, SINKING FUND

CAPITAL IMPROVEMENT REFUNDING REVENUE BONDS, SERIES 1986

STATEMENT OF BONDED DEBT AND INTEREST

SEPTEMBER 30, 1989

This issue, which was sold in August, 1986, consists of \$6,625,000 serial bonds maturing on October 1, 1987 through 1999 and of \$7,035,000 term bonds of which \$4,690,000 mature on October 1, 2004 and \$2,345,000 mature on October 1, 2006. As of September 30, 1989, \$620,000 of the serial bonds have been retired. The schedule below shows the actual maturities for the outstanding serial bonds and the debt service requirements for the term bonds. The bonds are fully registered and are in denominations of \$5,000 each or any integral multiple thereof. The paying agent and bond registrar is The Citizens and Southern National Bank in Atlanta, Georgia.

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 are pledged to retire these bonds.

Proceeds of this issue are being used primarily for the advance refunding of the Capital Improvements Revenue Bonds, Series 1982 and for a portion of the costs of paving and four-laning NE 14th Street from Silver Springs Boulevard to Magnolia Avenue.

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due 10-1</u>	<u>Interest Due 10-1</u>	<u>Interest Due 4-1</u>	<u>Total</u>
1990	5.50	\$ 395,000	\$ 445,486	\$ 434,623	\$ 1,275,109
1991	5.80	415,000	434,624	422,588	1,272,212
1992	6.10	440,000	422,589	409,169	1,271,758
1993	6.35	465,000	409,169	394,405	1,268,574
1994	6.60	490,000	394,405	378,235	1,262,640
1995	6.90	530,000	378,235	359,950	1,268,185
1996	7.10	565,000	359,950	339,893	1,264,843
1997	7.20	605,000	339,892	318,113	1,263,005
1998	7.30	650,000	318,112	294,388	1,262,500
1999	7.40	700,000	294,387	268,488	1,262,875
2000	7.50	750,000	268,487	240,363	1,258,850
2001	7.75	805,000	240,362	209,169	1,254,531
2002	7.75	865,000	209,169	175,650	1,249,819
2003	7.75	935,000	175,650	139,419	1,250,069
2004	7.75	1,005,000	139,419	100,475	1,244,894
2005	7.75	1,080,000	100,475	58,625	1,239,100
2006	5.00	1,145,000	58,625	30,000	1,233,625
2007	5.00	1,200,000	30,000	-	1,230,000
<b>Total</b>		<b>\$ 13,040,000</b>	<b>\$ 5,019,036</b>	<b>\$ 4,573,553</b>	<b>\$ 22,632,589</b>

CITY OF OCALA, FLORIDA

CAPITAL IMPROVEMENT REVENUE REFUNDING CERTIFICATES, SERIES 1988, SINKING

FUND CAPITAL IMPROVEMENT REVENUE REFUNDING CERTIFICATES, SERIES 1988

STATEMENT OF BONDED DEBT AND INTEREST

SEPTEMBER 30, 1989

This issue, which was sold in August 1988, consists of \$7,505,000 in fully registered certificates in denominations of \$5,000 and integral multiples thereof. The certificates mature from April 1, 1989 through 1998 and are not subject to redemption prior to their stated maturities. As of September 30, 1989, \$200,000 of the certificates have been retired. The outstanding certificates will mature as listed below. The paying agent and certificate registrar is Citizens and Southern Trust Company (Georgia), National Association in Atlanta, Georgia.

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 are pledged to retire these certificates; however, the lien and pledge for payment of the certificates is junior and subordinate to the lien upon and the pledge of the pledged revenues for the payment of the City's Capital Improvement Refunding Revenue Bonds, Series 1986.

The certificates were issued primarily to advance refund the outstanding portion of the Capital Improvement Revenue Certificates, Series 1986 and to pay the cost of various capital improvement projects of the City.

<u>Fiscal</u> <u>Year</u>	<u>Interest</u> <u>Rate</u>	<u>Principal</u> <u>Due 4-1</u>	<u>Interest</u> <u>Due 10-1</u>	<u>Interest</u> <u>Due 4-1</u>	<u>Total</u>
1990	6.00	\$ 415,000	\$ 246,293	\$ 246,292	\$ 907,585
1991	6.20	450,000	233,843	233,842	917,685
1992	6.35	490,000	219,893	219,892	929,785
1993	6.50	680,000	204,335	204,335	1,088,670
1994	6.65	920,000	182,235	182,235	1,284,470
1995	6.80	980,000	151,645	151,645	1,283,290
1996	6.90	1,050,000	118,325	118,325	1,286,650
1997	7.00	1,120,000	82,100	82,100	1,284,200
1998	7.15	<u>1,200,000</u>	<u>42,900</u>	<u>42,900</u>	<u>1,285,800</u>
Total		\$ <u>7,305,000</u>	\$ <u>1,481,569</u>	\$ <u>1,481,566</u>	\$ <u>10,268,135</u>



CITY OF OCALA, FLORIDA

EXCISE TAX SINKING FUND

REFUNDING AND IMPROVEMENT EXCISE TAX BONDS - 1972 ISSUE

STATEMENT OF BONDED DEBT AND INTEREST

SEPTEMBER 30, 1989

This issue consists of 500 \$5,000 bonds. Bonds numbered 1 through 268 have been retired. The bonds are retired serially according to the retirement schedule below. The paying agent is Sun First National Bank of Orlando, Florida.

Occupational license and cigarette tax revenues are pledged to retire these bonds.

Proceeds of this issue were used for arterial street improvements, fire headquarters addition, new fire station, City building renovation, water plant number one and an electric operating and warehousing facility.

<u>Year</u>	<u>Interest Rate</u>	<u>Bond Numbers</u>	<u>Principal Due 7-1</u>	<u>Interest Due 1-1</u>	<u>Interest Due 7-1</u>	<u>Total</u>
1990	5.4	269-331	\$ 315,000	\$ 29,495	\$ 29,495	\$ 373,990
1991	5.4	332-396	325,000	20,990	20,990	366,980
1992	5.1	397-462	330,000	12,215	12,215	354,430
1993	4.0	463-500	190,000	3,800	3,800	197,600
Total			\$ <u>1,160,000</u>	\$ <u>66,500</u>	\$ <u>66,500</u>	\$ <u>1,293,000</u>

CITY OF OCALA, FLORIDA

ELECTRIC AND POWER SUPPLY FACILITY SINKING FUNDS

ELECTRIC AND POWER SUPPLY REVENUE BONDS, SERIES 1977

STATEMENT OF BONDED DEBT AND INTEREST

SEPTEMBER 30, 1989

The Electric and Bulk Power Supply Revenue Bond issues consist of 1,570 and 2,236 \$5,000 bonds, respectively. Electric Revenue Bonds numbered 1 through 1,570 and Power Supply Revenue Bonds numbered 1 through 215 have been retired. The bonds are retired serially according to the retirement schedule below. The paying agent is Chemical Bank in New York, New York.

The net revenues derived from the operation of the bulk power and electric systems are pledged to retire these bonds.

The proceeds of these issues were used to provide a portion of the funds required to refund the entire amount of the City's previously issued Electric Revenue Certificates and Power Supply Revenue Bonds.

<u>Year</u>	<u>Interest Rate</u>	<u>Bond Numbers</u>	<u>Principal Due 10-1</u>	<u>Interest Due 10-1</u>	<u>Interest Due 4-1</u>	<u>Total</u>
1990	4.90	216-291	\$ 380,000	\$ 279,499	\$ 270,189	\$ 929,688
1991	5.00	292-370	395,000	270,189	260,314	925,503
1992	5.10	371-453	415,000	260,313	249,731	925,044
1993	5.20	454-540	435,000	249,732	238,422	923,154
1994	5.30	541-632	460,000	238,421	226,231	924,652
1995	5.40	633-729	485,000	226,232	213,136	924,368
1996	5.45	730-832	515,000	213,136	199,103	927,239
1997	5.50	833-940	540,000	199,102	184,252	923,354
1998	5.55	941-1,054	570,000	184,253	168,435	922,688
1999	5.60	1,055-1,175	605,000	168,435	151,495	924,930
2000	5.65	1,176-1,303	640,000	151,495	133,415	924,910
2001	5.65	1,304-1,438	675,000	133,415	114,346	922,761
2002	5.70	1,439-1,581	715,000	114,346	93,969	923,315
2003	5.70	1,582-1,731	750,000	93,969	72,594	916,563
2004	5.75	1,732-1,890	795,000	72,594	49,738	917,332
2005	5.75	1,891-2,058	840,000	49,737	25,587	915,324
2006	5.75	2,059-2,236	890,000	25,588	-	915,588
			<u>\$ 10,105,000</u>	<u>\$ 2,930,456</u>	<u>\$ 2,650,957</u>	<u>\$ 15,686,413</u>

CITY OF OCALA, FLORIDA

POWER SUPPLY REVENUE REFUNDING BONDS SINKING FUND

POWER SUPPLY REVENUE REFUNDING BONDS - SERIES 1988

STATEMENT OF BONDED DEBT AND INTEREST

SEPTEMBER 30, 1989

This issue, which was sold in March 1988, consists of \$14,350,000 serial bonds maturing from October 1, 1988 through 1998. As of September 30, 1989, \$830,000 of the bonds have been retired. The outstanding bonds will mature as shown in the schedule below. The bonds are fully registered and were issued in denominations of \$5,000 or any integral multiple thereof. The paying agent and bond registrar is Citizens and Southern Trust Company (Georgia), National Association in Atlanta, Georgia.

The payment of the principal and interest on the Series 1988 bonds is secured by a lien upon and pledge of the revenues of the City's electric bulk power supply system.

Proceeds of this issue were primarily to advance refund the Power Supply Revenue Bonds, Series, 1,83.

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due 10-1</u>	<u>Interest Due 10-1</u>	<u>Interest Due 4-1</u>	<u>Total</u>
1990	5.00	\$ 1,055,000	\$ 406,237	\$ 379,863	\$ 1,841,100
1991	5.25	1,105,000	379,862	350,856	1,835,718
1992	5.50	1,170,000	350,856	318,681	1,839,537
1993	5.70	1,230,000	318,681	283,626	1,832,307
1994	5.90	1,305,000	283,626	245,129	1,833,755
1995	6.00	1,385,000	245,129	203,579	1,833,708
1996	6.20	1,470,000	203,579	158,009	1,831,588
1997	6.40	1,565,000	158,009	107,929	1,830,938
1998	6.60	1,670,000	107,929	52,819	1,830,748
1999	6.75	<u>1,565,000</u>	<u>52,819</u>	<u>-</u>	<u>1,617,819</u>
Total		\$ <u>13,520,000</u>	\$ <u>2,506,727</u>	\$ <u>2,100,491</u>	\$ <u>18,127,218</u>

CITY OF OCALA, FLORIDA

WATER AND SEWER REVENUE BONDS SINKING FUND

WATER AND SEWER REVENUE BONDS - SERIES 1985A

STATEMENT OF BONDED DEBT AND INTEREST

SEPTEMBER 30, 1989

In October 1985, the \$37,080,000 Water and Sewer Revenue Bonds, Series 1985A, were sold. This issue consists of \$7,070,000 in serial bonds maturing on October 1, 1988 through 2000, \$9,135,000 in term bonds maturing on October 1, 2007 and \$20,875,000 in term bonds maturing on October 1, 2015. The bonds are fully registered and were issued in denominations of \$5,000 or any integral multiple thereof. The paying agent and bond registrar is The Citizens and Southern National Bank in Atlanta, Georgia.

In April 1986, the Series 1985A bonds were advance refunded by the Water and Sewer Refunding Revenue Bonds, Series 1986, except for the portion of the Series 1985A bonds maturing through October 1, 1993. As of September 30, 1989, \$140,000 of the bonds have been retired. The remaining maturities of the portion which was not advance refunded will occur in accordance with the retirement schedule below.

The payment of principal and interest on the Series 1985A bonds is secured by a senior lien on the net revenues derived from the operation of the water and sewer system, certain sewer system development charges and certain water system development charges.

Proceeds of this issue are being used primarily to finance in part the initial cost of acquisition and construction of certain additions, expansions and improvements to the City's water and sewer system.

<u>Fiscal</u> <u>Year</u>	<u>Interest</u> <u>Rate</u>	<u>Principal</u> <u>Due 10-1</u>	<u>Interest</u> <u>Due 10-1</u>	<u>Interest</u> <u>Due 4-1</u>	<u>Total</u>
1990	7.00	\$ 240,000	\$ 75,981	\$ 67,581	\$ 383,562
1991	7.25	360,000	67,581	54,531	482,112
1992	7.50	435,000	54,531	38,219	527,750
1993	7.75	465,000	38,219	20,200	523,419
1994	8.00	505,000	20,200	-	525,200
Total		\$ <u>2,005,000</u>	\$ <u>256,512</u>	\$ <u>180,531</u>	\$ <u>2,442,043</u>

CITY OF OCALA, FLORIDA  
WATER AND SEWER REVENUE BONDS SINKING FUND  
WATER AND SEWER REFUNDING REVENUE BONDS, SERIES 1986  
STATEMENT OF BONDED DEBT AND INTEREST  
SEPTEMBER 30, 1989

This issue, which was sold in April, 1986, consists of \$8,395,000 serial bonds maturing from October 1, 1986 through 2000 and of \$32,425,000 term bonds of which \$10,985,000 mature on October 1, 2007 and \$21,440,000 mature on October 1, 2015. As of September 30, 1989, \$585,000 of the serial bonds have been retired. The schedule below shows the actual maturities for the outstanding 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 bond registrar is The Citizens and Southern National Bank in Atlanta, Georgia.

The payment of principal and interest on the Series 1986 bonds is secured by a senior lien on the net revenues derived from the operation of the water and sewer system, certain sewer system development charges and certain water system development charges.

Proceeds of this issue were used primarily to advance refund the portion of the Water and Sewer Revenue Bonds, Series 1985A which are scheduled to mature on and after October 1, 1994.

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due 10-1</u>	<u>Interest Due 10-1</u>	<u>Interest Due 4-1</u>	<u>Total</u>
1990	5.60	\$ 185,000	\$ 1,458,744	\$ 1,453,563	\$ 3,097,307
1991	5.80	195,000	1,453,564	1,447,908	3,096,472
1992	5.90	205,000	1,447,909	1,441,865	3,094,774
1993	6.10	220,000	1,441,865	1,435,151	3,097,016
1994	6.30	230,000	1,435,151	1,427,906	3,093,057
1995	6.45	785,000	1,427,906	1,402,590	3,615,496
1996	6.60	845,000	1,402,590	1,374,705	3,622,295
1997	6.75	895,000	1,374,705	1,344,499	3,614,204
1998	6.90	960,000	1,344,499	1,311,378	3,615,877
1999	7.00	1,020,000	1,311,379	1,275,678	3,607,057
2000	7.15	1,095,000	1,275,679	1,236,532	3,607,211
2001	7.20	1,175,000	1,236,532	1,194,232	3,605,764
2002	7.30	1,260,000	1,194,232	1,148,242	3,602,474
2003	7.30	1,350,000	1,148,242	1,098,967	3,597,209
2004	7.30	1,445,000	1,098,967	1,046,225	3,590,192
2005	7.30	1,555,000	1,046,225	989,467	3,590,692
2006	7.30	1,665,000	989,467	928,695	3,583,162
2007	7.30	1,790,000	928,695	863,360	3,582,055
2008	7.30	1,920,000	863,360	793,280	3,576,640
2009	7.40	2,060,000	793,280	717,060	3,570,340
2010	7.40	2,215,000	717,060	635,105	3,567,165
2011	7.40	2,375,000	635,105	547,230	3,557,335
2012	7.40	2,550,000	547,230	452,880	3,550,110
2013	7.40	2,745,000	452,880	351,315	3,549,195
2014	7.40	2,940,000	351,315	242,535	3,533,850
2015	7.40	3,160,000	242,535	125,615	3,528,150
2016	7.40	3,395,000	125,615	-	3,520,615
<b>Total</b>		<b>\$ 40,235,000</b>	<b>\$ 27,744,731</b>	<b>\$ 26,285,983</b>	<b>\$ 94,265,714</b>

CITY OF OCALA, FLORIDA

WATER AND SEWER REFUNDING REVENUE BONDS, SERIES 1988, SINKING FUND

WATER AND SEWER REFUNDING REVENUE BONDS, SERIES 1988

STATEMENT OF BONDED DEBT AND INTEREST

SEPTEMBER 30, 1989

This issue, which was sold in July 1988, consists of \$2,145,000 serial bonds maturing from October 1, 1993 through 2000 and of \$10,305,000 term bonds of which \$3,430,000 mature on October 1, 2007 and \$6,875,000 mature on October 1, 2015. 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 bond registrar is Citizens and Southern Trust Company (Georgia), National Association in Atlanta, Georgia.

The payment of principal and interest on the Series 1988 bonds is secured by a lien on the net revenues derived from the operation of the water and sewer system; however, the lien on the pledged revenues for the Series 1988 bonds is junior and subordinate to the Series 1985A and Series 1986 bonds.

Proceeds of this issue were used primarily to advance refund the Water and Sewer Refunding Revenue Bonds, Series 1985B.

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due 10-1</u>	<u>Interest Due 10-1</u>	<u>Interest Due 4-1</u>	<u>Total</u>
1990	-	\$ -	\$ 474,155	\$ 474,156	\$ 948,311
1991	-	-	474,155	474,156	948,311
1992	-	-	474,155	474,156	948,311
1993	-	-	474,155	474,156	948,311
1994	6.15	45,000	474,155	472,772	991,927
1995	6.30	245,000	472,771	465,054	1,182,825
1996	6.50	260,000	465,054	456,604	1,181,658
1997	6.70	280,000	456,604	447,224	1,183,828
1998	6.80	295,000	447,224	437,194	1,179,418
1999	6.90	320,000	437,194	426,154	1,183,348
2000	7.00	335,000	426,154	414,429	1,175,583
2001	7.10	365,000	414,429	401,472	1,180,901
2002	7.625	385,000	401,471	386,794	1,173,265
2003	7.625	420,000	386,793	370,781	1,177,574
2004	7.625	450,000	370,781	353,625	1,174,406
2005	7.625	485,000	353,625	335,134	1,173,759
2006	7.625	525,000	335,134	315,119	1,175,253
2007	7.625	560,000	315,118	293,769	1,168,887
2008	7.625	605,000	293,768	270,703	1,169,471
2009	7.875	650,000	270,703	245,109	1,165,812
2010	7.875	700,000	245,109	217,547	1,162,656
2011	7.875	755,000	217,546	187,819	1,160,365
2012	7.875	815,000	187,818	155,728	1,158,546
2013	7.875	880,000	155,728	121,078	1,156,806
2014	7.875	950,000	121,078	83,672	1,154,750
2015	7.875	1,020,000	83,671	43,509	1,147,180
2016	7.875	1,105,000	43,509	-	1,148,509
Total		\$ <u>12,450,000</u>	\$ <u>9,272,057</u>	\$ <u>8,797,914</u>	\$ <u>30,519,971</u>

CITY OF OCALA, FLORIDA

OPTIONAL GAS TAX REVENUE BONDS, SERIES 1989

STATEMENT OF BONDED DEBT AND INTEREST

SEPTEMBER 30, 1989

This issue consists of \$14,085,000 serial bonds maturing from December 1, 1990 through 2010, as shown in the schedule below. The bonds are fully registered and were issued in denominations of \$5,000 or any integral multiple thereof. The paying agent and bond registrar is Citizens and Southern Trust Company (Georgia), National Association in Atlanta, Georgia.

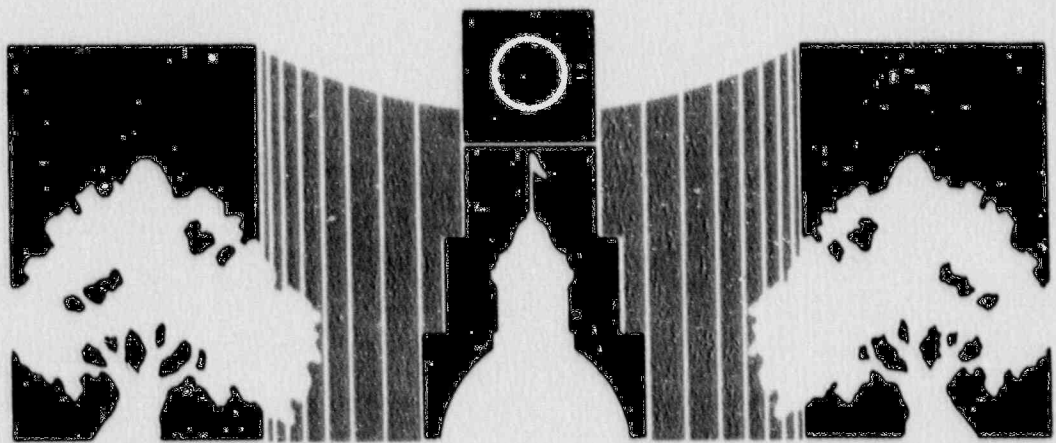
The payment of principal and interest on the Series 1989 bonds is secured by a lien upon and pledge of the proceeds of the six cent optional gas tax received by the City.

The series 1989 bonds were issued to provide funds for the purposes of financing the cost of the acquisition and construction of certain transportation improvements within the City.

<u>Fiscal</u> <u>Year</u>	<u>Interest</u> <u>Rate</u>	<u>Principal</u> <u>Due 12-1</u>	<u>Interest</u> <u>Due 12-1</u>	<u>Interest</u> <u>Due 6-1</u>	<u>Total</u>
1990	-	\$ -	\$ 502,627	\$ 502,628	\$ 1,005,255
1991	6.20	350,000	502,627	491,778	1,344,405
1992	6.30	370,000	491,777	480,123	1,341,900
1993	6.40	395,000	480,122	467,483	1,342,605
1994	6.50	420,000	467,482	453,833	1,341,315
1995	6.60	450,000	453,832	438,983	1,342,815
1996	6.70	480,000	438,982	422,903	1,341,885
1997	6.80	510,000	422,902	405,563	1,338,465
1998	6.90	545,000	405,562	386,760	1,337,322
1999	7.00	580,000	386,760	366,460	1,333,220
2000	7.05	625,000	366,460	344,429	1,335,889
2001	7.10	665,000	344,429	320,822	1,330,251
2002	7.15	715,000	320,821	295,260	1,331,081
2003	7.40	765,000	295,260	266,955	1,327,215
2004	7.40	825,000	266,955	236,430	1,328,385
2005	7.40	885,000	236,430	203,685	1,325,115
2006	7.40	950,000	203,685	168,535	1,322,220
2007	7.40	1,020,000	168,535	130,795	1,319,330
2008	7.40	1,095,000	130,795	90,280	1,316,075
2009	7.40	1,175,000	90,280	46,805	1,312,085
2010	7.40	<u>1,265,000</u>	<u>46,805</u>	<u>-</u>	<u>1,311,805</u>
Total		\$ <u>14,085,000</u>	\$ <u>7,023,128</u>	\$ <u>6,520,510</u>	\$ <u>27,628,638</u>

*City of Tallahassee, Florida*

# COMPREHENSIVE ANNUAL FINANCIAL REPORT



CITY OF TALLAHASSEE

For The Fiscal Year Ended September 30, 1989

*'Florida's Capital City'—Serving all Florida*



**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

OF THE

**CITY OF TALLAHASSEE, FLORIDA  
FOR THE**

**Fiscal Year Ended September 30, 1989**



PREPARED BY THE

**Department of Finance**

# CITY OF TALLAHASSEE, FLORIDA

COMMISSION—MANAGER FORM OF GOVERNMENT

## CITY COMMISSION

DOROTHY INMAN, Mayor

STEVE MEISBURG, Mayor Pro Tem      DEBBIE LIGHTSEY, Commissioner

JACK L. McLEAN, JR., Commissioner      BOB HIGHTOWER, Commissioner

CITY MANAGER

Daniel A. Kleman

CITY ATTORNEY

James R. English

CITY TREASURER—CLERK

Robert B. Inzer

CITY AUDITOR

Ricardo Fernandez, CPA

DIRECTOR OF FINANCE

Philip F. Inglese, CPA

CONTROLLER

Johnny F. Session, CPA

**INTRODUCTORY SECTION**

# CITY OF TALLAHASSEE, FLORIDA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED SEPTEMBER 30, 1989

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CITY HALL  
TALLAHASSEE, FL  
32301-1731  
904/599-8100

DOROTHY INMAN  
Mayor-Commissioner  
STEVE MEISBURG  
Mayor Pro Tem-  
Commissioner

BOB HIGHTOWER  
Commissioner  
DEBBIE LIGHTSEY  
Commissioner  
JACK L. McLEAN, JR.  
Commissioner

DANIEL A. KLEMAN  
City Manager  
ROBERT B. INZER  
City Treasurer-Clerk

JAMES R. ENGLISH  
City Attorney  
RICARDO FERNANDEZ  
City Auditor

October 31, 1989

The Honorable Mayor and  
Members of the City Commission  
City of Tallahassee, Florida

Ladies and Gentlemen:

The Comprehensive Annual Financial Report of the City of Tallahassee, Florida, for the fiscal year ended September 30, 1989, is submitted herewith pursuant to Florida Statutes, Chapter 11, Section 45, and Chapter 10.550 of the Rules of the Auditor General of the State of Florida. The Comprehensive Annual Financial Report was compiled by the staff of the Finance Department, with close cooperation of the external auditors, and represents the official report of the City financial operations and condition to the citizens, City Commission, management personnel of the City, rating agencies, and other interested persons. Responsibility for both the accuracy of the presented data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

The Comprehensive Annual Financial Report is designed to meet the needs of a broad spectrum of readers and is presented in three sections: introductory, financial, and statistical. The introductory section includes the table of contents, this transmittal letter, the Certificate of Achievement for Excellence in Financial Reporting awarded to the City by the Government Finance Officers Association, and the City organization chart. The financial section includes the general purpose financial statements, the combining and individual fund and account group financial statements and schedules, and the independent auditors' report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

#### The Reporting Entity

The City of Tallahassee was incorporated in 1825, twenty years before Florida was admitted to the Union. In 1919, Tallahassee was granted a new City Charter by the State Legislature authorizing our present Commission-Manager form of government.

This report includes all funds, account groups, organizations, authorities, and agencies that are controlled by or dependent upon the City, as determined on the basis of budgetary oversight, taxing authority, or the City's obligation to fund any deficits that may occur. The City provides a full range of municipal services. These services include public safety (police and fire), construction and maintenance of streets and sidewalks, stormwater management, solid waste collection, recreation, public improvements, planning and zoning, general administrative services, four utilities (electric, gas, water, and sewer), a mass transit bus system, and a regional airport.



### Accounting System and Budgetary Control

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable, and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's utilities and other enterprises are maintained on the accrual basis. Budgetary control is maintained at the department level. Purchase orders which would result in an overrun of balances are not released until additional appropriations are made available. Open encumbrances are reported as reservations of fund balance at September 30, 1989. In developing and altering the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss for unauthorized use or disposition; and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived; and the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The City's Auditing Department reviews and appraises the soundness, adequacy, and application of accounting, financial, and administrative controls in the City's accounting system. Financial transactions and related data are examined for accuracy, completeness, and authorization. Data processing applications and systems are addressed by the internal auditors at appropriate times to assess the adequacy and accuracy of controls. Also, computerized applications are reviewed to determine that they have been developed according to the policies, procedures, standards, and guidelines of the City.

### General Governmental Functions

The General Fund encompasses the general governmental functions of the City not required to be accounted for in other funds. The following summary shows actual revenue to support these functions for the current fiscal year and the change from the prior fiscal year:

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) From 1988</u>
Taxes	\$19,020,600	27.9	\$1,143,600
Licenses & Permits	1,409,800	2.1	42,400
Intergovernmental Revenues	8,971,800	13.2	161,300
Charges for Services	6,187,900	9.1	3,001,800
Fines & Forfeits	987,000	1.4	233,700
Miscellaneous	1,262,100	1.9	128,600
SUB-TOTAL	<u>37,839,200</u>	<u>55.6</u>	<u>4,711,400</u>
Transfers In	<u>30,246,600</u>	<u>44.4</u>	<u>3,791,400</u>
TOTAL	<u>\$68,085,800</u>	<u>100.0</u>	<u>\$8,502,800</u>

The City's principal sources of local tax revenues are property taxes, public service taxes, and the local option gas tax. In fiscal years 1989 and 1988, the City's property tax, all of which is for operating purposes, was 2.900 mills. The related property values subject to taxes showed growth of 5.5 percent, representing \$131.2 million in added taxable property. This increase continues the trend of growth as a result of increased property values in existing properties and

new construction. Taxable assessed values have increased by \$700 million over the last five years. Collection of property taxes increased by \$362,900 over 1988 to \$7,107,300.

Public service taxes are levied at the maximum allowable State rate of 10 percent on telephone, electric, water, and natural and bottled gas, and four cents per gallon on fuel oil services within the City. In 1989, total revenue from this tax reflected an increase of \$445,000, equivalent to 5.8 percent over 1988. This growth is attributed to increased utility sales.

The local option gas tax is the remaining major source of local tax revenues. According to Florida Statutes, Chapter 336, a county may impose a one to six cents local option gas tax upon every gallon of motor fuel and special fuel sold within the county. In June, 1985, Leon County and the City entered into an interlocal agreement whereby a levy of four cents was approved and is to be split on an equal 50-50 percentage basis. In June, 1987, the levy was increased by an additional two cents. The tax is due to expire September 30, 1996 unless the voters, by referendum, approve an extension. The tax can be used only for transportation purposes. During 1989, the City collected \$3,054,700, as compared to \$2,860,800 in 1988.

Charges for services showed an overall increase of \$3,001,800, or 94.2 percent. The increase is primarily due to the implementation of the City-wide Cost Allocation Plan whereby proprietary funds are assessed for their cost of general government operations (\$2,301,400), and the increase in the charge to Leon County for fire protection, planning, and parks and recreation (\$544,300).

The following summary shows the level of funds used in providing governmental services:

<u>Financing Use</u>	<u>Amount</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) From 1989</u>
Expenditures:			
General Government	\$ 8,035,500	11.6	\$ 1,145,500
Public Safety	27,416,200	39.6	6,272,600
Transportation	6,711,100	9.7	(267,600)
Human Services	1,108,900	1.6	101,900
Economic Environment	434,400	.6	160,900
Physical Environment	1,283,400	1.9	327,600
Culture & Recreation	4,808,900	7.0	404,900
SUB-TOTAL	49,798,400	72.0	8,145,800
Transfers Out	19,359,000	28.0	2,724,200
TOTAL USES	<u>\$69,157,400</u>	<u>100.0</u>	<u>\$10,870,000</u>

The increase in expenditures for general government services is primarily attributable to costs associated with public safety expenditures which increased \$6,272,600 or 29.7 percent. This increase is attributable to increases in law enforcement (\$2,752,900) due to personnel increases and in fire control (\$3,403,800) due to the costs associated with the opening of five (5) fire stations in the unincorporated areas in accordance with the agreement between the City and Leon County.

The preceding schedules of Financing Sources and Uses reflect significant Transfers In and Out. Transfers In primarily represent excess enterprise fund revenues which may legally be used for general governmental purposes. Transfers Out are primarily used for debt service, underwriting the operations of certain funds, and capital projects. The General Fund acts as a clearing fund and accordingly utilizes these funds or transfers them to other funds for their respective purposes. The City Commission adopted a financing policy that addressed the transfer of monies from the enterprise funds to the General Fund. The amount transferred is limited to the policy established for each enterprise fund. Included in the Transfers Out is \$7,518,700 to Internally

fund capital projects, which otherwise would have to be bonded. This internal funding is in accordance with the City Commission approved Debt Management Policy.

In 1989, General Fund sources were \$348,400 under General Fund uses. At September 30, 1989, the fund balance of the General Fund consists of \$6,026,100, with \$3,584,300 reserved and \$2,441,800 unreserved.

Certain revenues of the General Fund are pledged toward the repayment of the outstanding Capital Refunding Bonds, Series 1984 and Capital Bonds, Series 1989. Coverage information is as follows:

	<u>1989</u>	<u>1988</u>
Pledged Revenues	\$13,889,400	\$13,249,600
Bond Service Requirement	3,635,000	3,044,500
Debt Coverage	7.82	4.35
Required Coverage	1.25	1.25

#### Special Revenue Funds

Special revenue funds account for revenue from special revenue sources which are legally restricted for specific purposes. The combined fund balances of these funds amount to \$3,606,600, and the following represents an analysis of sources and uses in the special revenue funds for 1989:

<u>Fund</u>	<u>Sources</u>	<u>Uses</u>	<u>Change In Fund Balances</u>	<u>Sept. 30, 1989 Fund Balances</u>
Special Projects Fund	\$2,943,800	\$1,396,300	\$1,547,500	\$2,217,500
Stormwater Management Fund	2,396,700	1,985,000	411,700	1,118,900
Law Enforcement Forfeiture Fund	141,800	12,900	128,900	195,600
Transportation Impact Fee Fund	74,600	-	74,600	74,600
TOTAL	<u>\$5,556,900</u>	<u>\$3,394,200</u>	<u>\$2,162,700</u>	<u>\$3,606,600</u>

The Special Projects Fund is used to account for Federal, State, local and other revenues that are to be used for specific general governmental purposes. The major revenue source in this fund was the Federally funded Community Development Block Grant program which provided \$918,200 to the City during 1989.

The Stormwater Management Fund was established to account for fees restricted for stormwater operating and capital costs. The ordinance establishing the fee became effective October 1, 1986 and the total revenues, including interest earnings, collected for fiscal year 1989 were \$1,675,400; the balance of the uses was funded by a subsidy from the General Fund.

The Law Enforcement Forfeiture Fund was established to account for forfeitures as prescribed by Chapter 932 of the Florida Statutes. Appropriations from this fund can be made only for law enforcement purposes.

The Transportation Impact Fee Fund was established to account for fees restricted for required additions and improvements to the City's road system to accommodate future growth.

### Debt Administration

The City's outstanding debt is classified and reported according to the type of resource pledged to satisfy the individual debt series.

General long-term debt consists of bonds supported by general revenues that are obligations of the City as a whole and not of its individual funds. The City has no general obligation debt (debt secured by ad valorem taxes) outstanding. In May 1989, the City issued \$21,220,000 Capital Bonds Series 1989. The bonds were issued to finance the acquisition and construction of roads, streets, bridges, and parks and related facilities. At September 30, 1989, the City has outstanding \$41,825,000 of Capital Revenue and Refunding Bonds with \$11,632,900 available for debt service.

Enterprise debt encompasses electric, gas, water, sewer, and airport long-term debt and is comprised of obligations incurred in the course of financing extensions and improvements to these systems that are financed solely from their revenues. At September 30, 1989, the City has outstanding \$101,300,200 of Electric Revenue Bonds with \$14,804,500 available for debt service, \$21,360,000 of bonds secured by gas, water, and sewer systems with \$2,594,400 available for debt service, and \$12,350,000 Airport Revenue Bonds with \$1,193,200 available for debt service.

Ratings for the City's bonds are assigned by independent nationally recognized agencies. These ratings have a significant influence in establishing the rate of interest expense the City must pay when bonds are sold. Such "credit" ratings for the City of Tallahassee's debt have been consistently judged to be of good investment quality. Current ratings by the two major ratings agencies are shown below for each series of long-term bonded debt:

<u>Bonds</u>	<u>Moody's</u>	<u>Standard &amp; Poor's</u>
Capital Revenue Bonds	A1	A+
Capital Refunding Bonds	A1	AAA
Electric Junior Lien Refunding Revenue Bonds	A1	AA
Electric Senior Lien Revenue Bonds	AA	AA
Municipal Utility Revenue Bonds	A1	A+
Airport System Revenue Bonds	Aaa	AAA

All reserve and coverage requirements mandated by bond covenants have been met.

### Capital Projects Funds

Proceeds of general revenue bond issues and internal general government type fundings are primarily accounted for in Capital Projects Funds until the improvement projects are completed.

At the end of the fiscal year, completed projects are capitalized in the General Fixed Assets Account Group. During 1989, a net amount of \$1,511,400 of such assets was added to General Fixed Assets. As of September 30, 1989, there were projects with an authorized amount of \$41,757,600, with \$32,337,300 expended, in progress.

### Enterprise Funds

Enterprise funds are those that are financed and operated in a manner similar to a private business enterprise where the intent of the governing body is that the cost of providing goods and services on a continuing basis be financed through user charges or where the governmental

body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, budget policy, management control, accountability, or other purposes. The City accounts for its Electric, Gas, Water, Sewer, Airport, Transit, Solid Waste, Golf Course, and Forestmeadows Funds as enterprise operations. These funds are primarily supported by user charges. Net income as used in these funds is a defined accounting term; it is different from budgetary income in that depreciation and transfers have been deducted but not bond principal payments, contributions to required reserve accounts, or capital outlay.

Comparative data for the last two fiscal years for the Electric Fund are presented below:

	<u>1989</u>	<u>1988</u>
Operating Revenues	\$131,622,700	\$120,799,000
Net Income	21,101,800	12,860,700
Amount Available for Debt Service	66,095,500	57,093,100
Debt Service	14,028,900	14,032,300
Debt Coverage	4.71	4.07
Required Coverage	1.40	1.40

Electric Fund operating revenues increased by \$10.8 million over 1988, due to an increase in consumption of 64,168 megawatts (3.8 percent) and, in turn, net income increased by \$8,241,000. This increase is primarily attributable to increased consumption by commercial customers due to the unexpected increase in commercial customers over the past two years. For the fiscal year 1989, this growth plus an increase in unrestricted interest earnings of \$2 million contributed to budgetary profits of \$10.7 million more than was budgeted. In accordance with the City's Financing Policy, the City will rebate 50 percent (\$5.4 million) to the City's electric customers. The remaining 50 percent will be kept in the electric system to offset future debt by utilizing it for capital projects.

The City of Tallahassee maintains separate funds for its gas, water, and sewer operations. However, the outstanding bonds are principally Municipal Utility Revenue Bonds secured by the revenues of the combined operations of these funds; this combined operation is referred to as the Municipal Utility System. Therefore, it is reasonable to show certain combined data for the last two fiscal years as presented below:

	<u>1989</u>	<u>1988</u>
Operating Revenues	\$33,388,900	\$31,754,300
Net Income	11,793,800	8,507,500
Amount Available for Debt Service	12,589,000	10,604,500
Debt Service	2,513,000	2,510,200
Debt Coverage	5.01	4.22
Required Coverage	1.25	1.25

Net income in the Gas Fund increased from \$1,351,400 in 1988 to \$1,405,100 in 1989, or \$53,700.

Net income in the Water Fund increased from \$3,863,400 in 1988 to \$5,207,000 in 1989, or \$1,343,600 which is attributable to increased systems charge collections.

Net income in the Sewer Fund increased from \$3,292,700 in 1988 to \$5,181,700 in 1989 or \$1,889,000. Operating income increased \$1,353,600 due to the 4.7 percent rate increase and a 2.9 percent increase in customers.

Data for the Airport Fund, as follows, is presented for fiscal year 1989 only because 1989 is the first year debt service is required for the outstanding Airport Revenue Bonds.

	<u>1989</u>
Operating Revenues	\$4,896,200
Net Income	1,084,700
Amount Available for Debt Service	1,061,600
Debt Service	454,700
Debt Coverage	2.33
Required Coverage	1.25

Net Income in the Airport Fund increased from \$903,600 in 1988 to a net income of \$1,084,700 in 1989, or \$181,100.

The Tallahassee Transit Fund accounts for the City-owned bus system. The capital assets of the system were primarily funded through Federal grants from the Urban Mass Transportation Administration (UMTA). Additionally, each year the operating loss, exclusive of depreciation and capital purchases, has been partially funded by a Section IX operating grant from UMTA. The loss before Operating Transfers increased from \$2,194,600 in 1988 to \$2,501,200 in 1989, or \$306,600.

In the Golf Course Fund, there was an operating loss of \$174,400 in 1989 compared to \$223,400 in 1988. Golf rounds increased to 74,193 in 1989.

The Solid Waste Fund had an operating loss of \$811,700 in 1989 compared to \$1,706,900 in 1988. The General Fund subsidized the Solid Waste Fund in the amount of \$661,200, resulting in a net loss of \$156,300. The subsidy is related solely to residential services and, in order to reduce future subsidies, the City is increasing its residential rates \$1.00 per month each fiscal year until full recovery is achieved.

During 1989, the City purchased the Forestmeadows Athletic Club, a full service tennis and athletic facility. It is the intent of the City to operate this facility as a full cost recovery operation. For 1989, Forestmeadows had an operating loss of \$54,200 resulting in a net loss of \$31,500.

#### Internal Service Funds

Internal service funds are established to account for the financing of goods and services provided by one department or agency to other departments or agencies of the governmental unit on a cost-reimbursement basis. The City of Tallahassee accounted for its Reading, Billing, and Collection activities, Data Processing, Accounting, Central Stores, Purchasing, Garage, Human Resources, Pension Administration, Risk Management, and Communications activities as internal service funds in 1989. The expenses associated with these funds are billed to other City departments through allocation methodologies deemed reasonable for each activity.

#### Fiduciary Funds

Fiduciary funds are established to account for assets held by the City in a trustee or agent capacity for individuals, private organizations, other governmental units, and/or other funds.

Pension Trust Funds - The City maintains a retirement plan for its employees which covers police officers, firefighters, and general employees. Benefits vary depending on the particular membership in the plan. The City is responsible for funding liabilities of the plan based upon

actuarial valuations. Employees participate in both a defined benefit article and a defined contribution article. At September 30, 1989, the City's pension plan had total assets of \$176,355,100. In addition, the City maintains a supplemental share plan for police officers. The total assets for this plan are \$1,336,400. In order to obtain the highest possible yield on pension assets, substantially all of the assets are managed via contracts with private investment companies. Further details concerning pension expenses, vested benefits, and actuarial assumptions are included in the notes to the financial statements.

Expendable Trust Funds - Expendable trust funds consist of the Stadium Fund (used to fund improvements, operations, and maintenance of the City's athletic stadium); the Downtown Improvement Authority Fund (used to account for monies appropriated by the Downtown Improvement Authority to regulate downtown growth); the Special Capital Projects Fund (used to provide a means for financing long-term capital projects while minimizing the impact on the City's operating budget); and the Deficiencies and Emergencies Fund (used to provide for unforeseen expenditures of an emergency nature). These funds have total assets of \$21,889,700 at September 30, 1989.

Nonexpendable Trust Fund - The Cemetery Perpetual Care Trust Fund was established pursuant to Commission action to provide for the perpetual maintenance of the City's cemeteries. This fund had total assets of \$2,083,900 at September 30, 1989.

Agency Fund - The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code, Section 457. The City has chosen to have this plan administered by the International City Management Association Retirement Corporation. This fund had total assets of \$3,909,400 at September 30, 1989.

#### General Fixed Asset Account Group

The general fixed assets of the City are those assets used in the performance of general governmental functions and exclude the fixed assets of the Enterprise and Internal Service Funds. Governmental accounting dictates that these assets be accounted for separately from the General Fund since they do not represent financial resources available for expenditure. In accordance with generally accepted accounting principles, the City of Tallahassee does not record depreciation in the General Fixed Assets Group of Accounts. The City of Tallahassee has \$80,254,500 of general fixed assets which were acquired from General Fund revenues, bonds, and gifts. As allowed by generally accepted accounting principles for local governments, roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, and similar assets that are immovable and of value only to the governmental unit are not recorded as general fixed assets.

#### Cash Management Program

The City's banking service agreement calls for the bank, on a daily basis, to invest all monies in the City's demand accounts in an overnight repurchase agreement at the Federal Funds rate. Earnings directly attributable to our banking services agreement for fiscal year 1989 are \$44,900.

The City Charter relative to investment of City funds provides for the adoption of an investment policy. In connection with the City Charter, the City Commission adopted an investment policy which provides a wide range of securities from which to choose, including U.S. Treasury Securities, bankers' acceptances, commercial paper, various government agencies and sponsored corporations, certificates of deposit, open and term repurchase agreements, and corporate fixed income securities. These instruments provide great flexibility and diversity, as well as a high return on investments. The policy also establishes restrictions that require diversification of

Investment types and issuers, liquidity and maturity provisions, and standards for rating security issuers.

These policies enable the City's investment program to be in step with other innovative municipal investment operations and provides the mechanism for keeping our policies current with the ever changing investment environment. The result of these investment policies was that the City's general investment portfolio achieved an 9.21 percent effective yield during fiscal year 1989.

#### Perspectives

The economy of Tallahassee is strongly oriented toward governmental and educational activities. The remainder of the demand for labor is almost equally divided into those industry groups that support urban populations and governmental affairs. The level of governmental employment has a stabilizing effect on the economy and helps to keep unemployment down. Of the work force, 4.7 percent were unemployed in 1989. Since 1964 the percentage of employees employed by government has leveled off at approximately 43 percent of the work force.

Federal assistance is continuing to be less available as evidenced by the elimination of Federal Revenue Sharing and anticipated continued reduced operating assistance from UMTA; at the same time, the City is attempting to reduce its dependence on electric revenue for general governmental operations. There are areas in general government expenditures, specifically transportation and public safety, that are creating pressure on the general government dollar.

During its 1985 session, the State Legislature passed the Growth Management Act which requires the State and local governments to develop five-year comprehensive plans addressing growth related issues for the particular political division. The State requires each unit of local government's plan to effectively co-exist (city with county, city and county with regional planning council, etc.) to ensure that adequate attention is being placed on the infrastructure needs of the State.

The City's plan, either independently or jointly with Leon County, is due to the State on February 1, 1990. Once adopted and approved by the State, the plan will be a legally binding document that will have a high level of specificity and will identify the City's goals, objectives, and policies. It will identify needs, facilities, levels of service, and amounts and sources of revenues needed to meet the adopted levels of services. Once in place, all development decisions and approvals must be consistent with the plan. The alternative is a mandatory moratorium on the issuance of new building permits.

The City continues to aggressively seek new revenues through a number of approaches while continuing to address the whole spectrum of economy in government. The City has moved to increase user fees in many areas that fall under the City's purview. The economic pressure from reduced Federal contributions and reduced reliance on utility revenue support has led to an aggressive cost recovery approach for the general governmental activities. Fees have risen to approach costs in many activities, including swimming pool, recreation, golf course, sanitation, cemetery, parking, planning, and rentals.

In the area of economic development, an aggressive effort by the City is underway. Significant achievements in this area follow:

- The City's Economic Development Commission (EDC), a twelve-member advisory board appointed by the City Commission in 1985, has been developing programs that will create jobs, expand the tax base, and diversify the local economy. The EDC's major project is the development of an over one hundred acre mixed use office/industrial park. In the



past two years, the EDC has assisted in the recruitment of six new manufacturing employers to Tallahassee. The largest of these employers are General Dynamics and Tadiran, Ltd., who are partners for a contract to provide communication radios to the U.S. Army. At full production, General Dynamics and Tadiran will employ in excess of 700 people in the area of high-tech electronics.

Other EDC activities include the development of marketing and financial assistance programs designed to bring new businesses to the area, as well as helping local businesses to grow and prosper.

- The City selected the Sullivan Group, with internationally known I.M. Pei as architect, to design a 300 room hotel/convention complex with 16,000 square feet of meeting space, 200,000 square feet of office space, a swimming pool, a health club, a restaurant/lounge, a 1750 space parking garage and a 500 seat performing arts center. The cost of the complex, including the garage and land, is approximately \$100 million. The groundbreaking for the project is scheduled for Summer, 1990 with completion by March of 1992. The importance of this event is the potential for attracting a great number of organizations to Tallahassee for meetings or conferences that might otherwise have traveled to other cities. The complex is being developed on City-owned land with the air rights being leased to the developer. In addition to a convention complex, the project will provide additional downtown parking with the parking revenues going to the City.

During the 1987 legislative session, the Florida Legislature enacted the "Local Government Infrastructure Commitment Act." The Act allows counties or municipalities representing a majority of a county's population to levy for a period of up to 15 years a one-half percent (one half cent) or one percent (one cent) tax on all transactions subject to the state sales tax. The enactment of this surtax must be approved by a majority of voters in referendum. The proceeds of the surtax may be expended only on infrastructure, defined as any fixed capital expenditure or fixed capital costs associated with the construction, reconstruction, or improvement of public facilities which have a life expectancy of five or more years, and land acquisition, land improvement, design and engineering costs related thereto. The City has proposed that the surtax be utilized to fund City and County roads, to advance fund some state road projects as identified in the 2010 Transportation Plan and to provide expansion for the City police station and to construct a new Leon County Jail. The surtax is estimated to generate approximately \$180,000,000 over the 15 year period. In September 1989, the surtax referendum was approved by Leon County voters; the levy of the surtax begins December 1, 1989.

In order to keep utility rates as low as possible, the City and Florida Gas Transmission Company recently executed agreements which, subject to the approval of the Federal Energy Regulatory Commission (FERC), will provide new gas supplies at lower projected cost for the City's electric and gas systems. In addition, to enable the City to take advantage of potential spot market gas purchases, the City has completed negotiations with South Georgia Natural Gas Company (SGNG) regarding the availability of interruptible transportation service over the SGNG gas pipeline. This agreement is also subject to approval by FERC.

Certain other events that occurred during 1989 affected or will affect the electric system, as follows:

- The Florida State University's (FSU) Selection Committee for its cogeneration project completed its ranking of the three proposals during the fourth quarter of fiscal year 1988. The number one ranked proposal was the partnership arrangement between Foster Wheeler Corporation, the City of Tallahassee and Ruston Turbine. The City's participation in the project would provide partial recovery of the anticipated revenue lost by the installation of cogeneration at FSU.

- . In 1986, the City submitted a proposal to the U. S. Department of Energy (DOE) in response to a Clean Coal Technology program solicitation. The proposal involved the conversion of the boiler at Hopkins Unit 2 from gas/oil to fluidized-bed coal operation. In June 1989, the City was notified by DOE that the Hopkins conversion project had been selected for negotiation. This negotiation process is anticipated to be complete by August 1990 and could result in the City receiving cost-sharing from the DOE to partially offset the projected \$348 million construction cost. In return for the cost-sharing, DOE would obtain field test data and commercial demonstration information for this 250 MW class circulation fluidized bed combustion technology.
- . The City is also involved as the host utility in another DOE Clean Coal Technology project. The project, proposed by CRSS Capital, Inc. and TECO Power Services, involves an integrated gasifier combined cycle plant which could be located at the City's Hopkins generation station. This facility would burn coal to produce a gas which is used to drive the combined cycle unit, and is potentially the cleanest coal combustion technology available. The City has expressed an interest in purchasing the output of this 120 MW facility, and negotiations regarding the extent of the City's involvement in this project should begin in the fall of 1990.
- . During 1989, the City either executed or amended Interchange Service Contracts with the Cities of Starke, Vero Beach, Homestead, Lakeland, and Lake Worth; Utility Board of Key West; Kissimmee Utility Authority; Utility Commission of New Smyrna Beach; and the Orlando Utilities Commission. These contracts include service schedules for the purchases and sales of emergency, short term firm, economy, long term firm, backup and extended economy service.
- . During FY 89, the City's backup service schedule with Seminole Electric Cooperative produced total sales revenues of \$2,524,200 from Seminole, and associated expenses incurred by the Electric Department to produce energy sales to Seminole was \$1,183,000 (the cost of fuel). The results of sales (46,243,000 kwh) to Seminole were net revenues of \$1,341,200 for the year.
- . On October 30, 1988, the City's territorial agreement with Talquin Electric Cooperative expired after approximately two years of unsuccessful negotiations. During FY 89, the City was involved in Circuit Court proceedings and extensive Florida Public Service Commission proceedings attempting to preserve the City's right to serve electrical customers within the City of Tallahassee urban area. Concurrently with the Florida Public Service Commission litigation preparation, the City was successful in negotiating an acceptable agreement with Talquin which provided for two fixed geographic zones, a term of 30 years and purchase by the City of all Talquin facilities within the City's zone based on a fixed 15-year schedule. Furthermore, the agreement provides for voluntary transfer of existing customers who will be purchased at a rate subject to a declining multiplier for the first 15 years of the agreement, new customers at existing service locations will be transferred on a voluntary basis during the first 15 years of the agreement and automatically transferred during the second 15 years of the agreement and cross billing between the utilities for customers served on the other's behalf. The Florida Public Service Commission is scheduled to approve the agreement on January 30, 1990.

During 1989, South Georgia Natural Gas deeded to the City a five and one-half (5 1/2) mile gas transmission line running from the City's current distribution system to the north part of Tallahassee. This line will be used by the City as a distribution line to the growth areas of the City. In order to encourage builders to utilize gas service, the City is offering a rebate to builders who put in gas service.

The City Commission received the Sewer Master Plan in the summer of 1988 that outlined the major sewer improvements needed through the year 2010. The major capital costs, approximately \$65 million to be funded via the issuance of bonds, will be incurred in the first six years of the plan. These costs impacted the sewer rates and sewer system charges (Impact fees). A sewer rate study that includes these increased capital costs was presented to the City Commission in March of 1989.

During the 1988 legislative session, the Florida Legislature passed the Solid Waste Management Act. The Act has numerous provisions, with required implementation dates, which will have a significant impact on waste collection within the City. The Act will require, among other things, the initiation of a recycling program and a required reduction in the amount and type of waste allowed to be placed in landfills. During fiscal year 89, a voluntary residential recycling program was approved, with implementation in January 1990. Other measures to reduce the City's waste stream are currently being studied.

Progress on construction of a new \$31.9 million terminal at the Tallahassee Regional Airport is continuing at a rapid pace. The project, slated for completion in December, 1989, will bring the City a new "H-shaped" terminal complex with five jet gates and four ground-level commuter gates. The configuration of the terminal building is designed in a way which will easily allow the terminal to expand as needs require. The new terminal will be more than three times the size of the existing terminal, and the jet gates will be equipped with loading bridges which will allow travelers to board planes through enclosed corridors rather than from outside. The project is being funded through Airport Revenue Bonds, and FAA and State of Florida Department of Transportation grants.

Stormwater management continues to be a concern for the City. In order to address this concern, the City previously implemented a stormwater utility fee as a means of financing stormwater operations and improvements; is currently performing a mapping of City-wide stormwater facilities; and, in conjunction with Leon County, entered into a contract with the Northwest Florida Water Management District to have a comprehensive Stormwater Management Plan developed. When developed, the plan will provide the City and County with a hydrological model for the City's major lakes and a prioritized list of stormwater capital needs.

Under the Florida Constitution, the State Legislature is the body responsible for determining the taxing authority that units of local government may have. As indicated earlier, the Legislature has passed some legislation providing the means for raising the necessary dollars at the local level. However, as more and more of the problems of local government and State and Federal mandates have to be financed locally, the Legislature will have to continue to provide the means necessary to raise the required revenues.

#### Independent Audit

The Florida Statutes and the City's Bond Resolutions require an annual audit of the books of account and financial records of the City by independent certified public accountants selected by the City Commission. This requirement has been complied with and the auditors' opinion has been included in this report.

#### Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Tallahassee, Florida for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 1988.

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

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

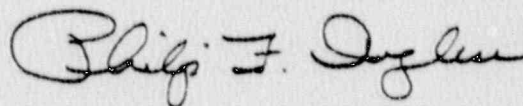
In addition, the City received the GFOA's Award for Distinguished Budget Presentation for its annual budget for the fiscal year beginning October 1, 1988. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including policy documentation, operations guidance, financial planning and communications.

In 1989, the City received the GFOA's Award for Excellence in Financial Management for Portfolio Management: Policy, Performance and Evaluation. The award is presented to those organizations whose financial management systems and procedures are judged the winners in international competition in a specific financial discipline (cash management). This award is not given every year in a discipline if no submission is judged worthy of recognition.

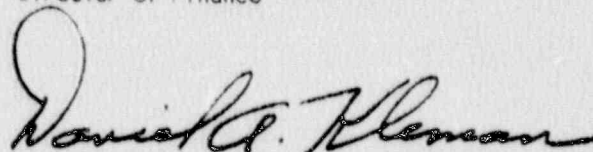
#### Acknowledgments

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department, in particular the members of the Accounting Division who actually compiled the report. We would also like to thank the members of the City Commission for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Philip F. Inglese, C.P.A.  
Director of Finance



Daniel A. Kleman  
City Manager

# Certificate of Achievement for Excellence in Financial Reporting

Presented to  
City of Tallahassee,  
Florida

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 1988

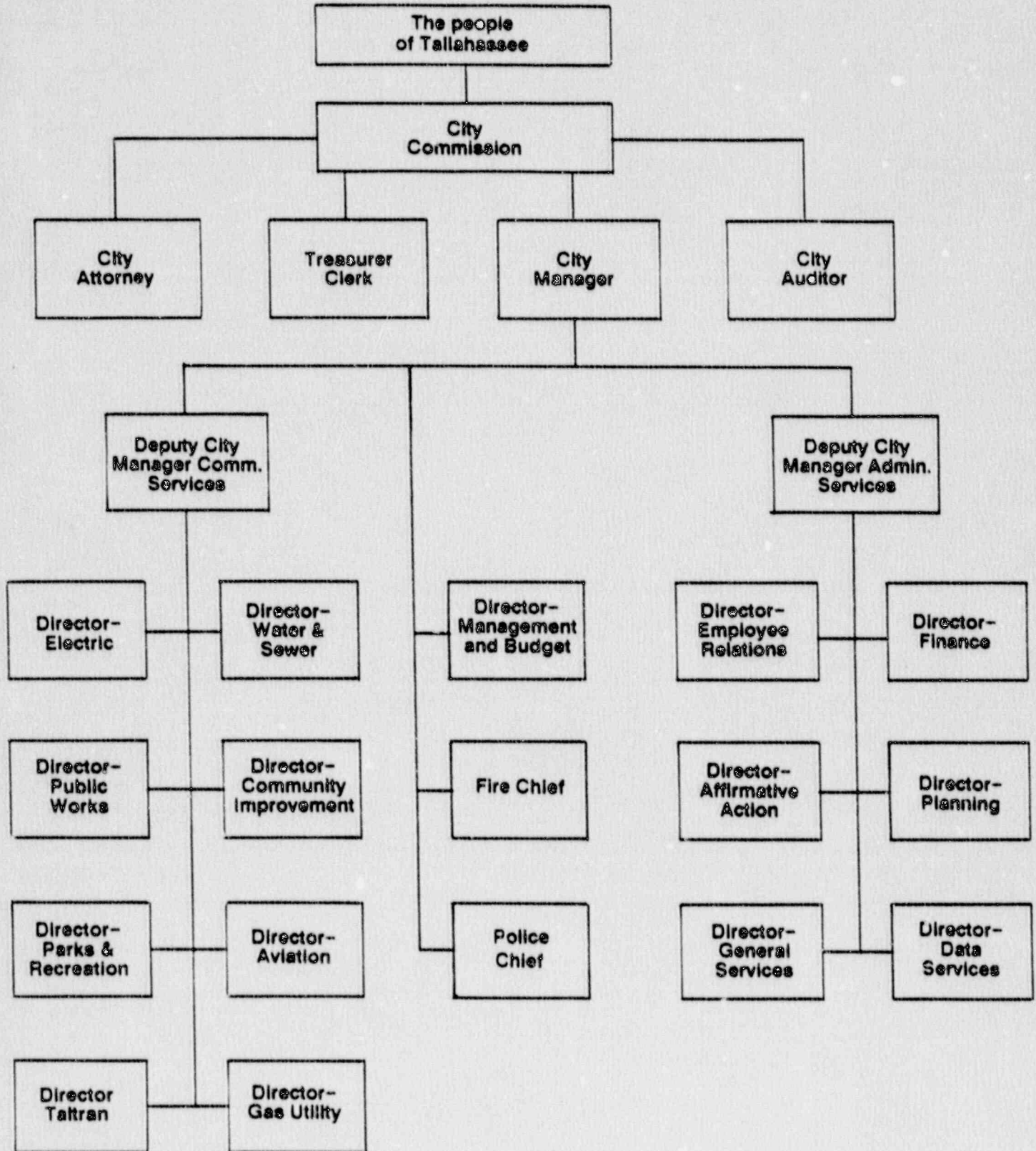
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFR's) achieve the highest standards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



President

Executive Director

**CITY OF TALLAHASSEE  
ORGANIZATION CHART**



CITY OF TALLAHASSEE, FLORIDA

LISTING OF CITY OFFICIALS

ELECTED OFFICIALS

Mayor-Commissioner. . . . . Dorothy Inman  
Mayor Pro Tem Commissioner. . . . . Steve Holsburg  
Commissioner. . . . . Bob Hightower  
Commissioner. . . . . Debbie Lightsey  
Commissioner. . . . . Jack L. McLean, Jr.

APPOINTED OFFICIALS

City Manager. . . . . Daniel A. Kleban  
City Treasurer-Clerk. . . . . Robert B. Inzer  
City Auditor. . . . . Ricardo Fernandez  
City Attorney . . . . . James R. English

DEPUTY CITY MANAGERS

Administrative Services . . . . . Charles F. Cuthbertson  
Community Services . . . . . Jerry L. Maxwell

DEPARTMENT DIRECTORS

Affirmative Action . . . . . Sharon Ofuani  
Aviation . . . . . Jerry L. Sealy  
Community Improvement. . . . . George R. Manning  
Data Services. . . . . Fred Joiner  
Electric . . . . . Benjamin Walt, III  
Employee Relations . . . . . Gloria Hall-McNeil  
Finance. . . . . Phillip F. Inglese  
Fire . . . . . Edwin C. Ragans  
Gas Utility. . . . . Samuel Davis, Jr.  
General Services . . . . . Kenneth M. Austin  
Management and Budget. . . . . Donald A. Corley  
Parks and Recreation . . . . . Randy Trousdell  
Planning . . . . . Edward R. Mack  
Police . . . . . Melvin L. Tucker  
Public Works . . . . . Robert A. Miller  
TalTran (Tallahassee Transit). . . . . John L. Carter  
Water and Sewer. . . . . James H. Peters

## **FINANCIAL SECTION**

This section contains the following subsections:

Auditors' Report

General Purpose Financial Statements

Combining and Individual Fund and Account Group—  
Statements and Schedules



Coopers  
& Lybrand

Williams  
Cox  
Weidner  
Cox

The Honorable Mayor-Commissioner  
and City Commissioners  
City of Tallahassee, Florida

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying general purpose financial statements of the City of Tallahassee, Florida and the individual fund financial statements of the City's electric, gas, sewer, water, and airport enterprise funds, as of and for the year ended September 30, 1989, as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Tallahassee, Florida, at September 30, 1989, and the results of its operations and the changes in financial position of its proprietary fund types and similar trust funds for the year then ended, in conformity with generally accepted accounting principles. Also, in our opinion, the individual fund financial statements of the City's electric, gas, sewer, water and airport enterprise funds present fairly, in all material respects, the financial position of each of these enterprise funds of the City of Tallahassee, Florida, at September 30, 1989, and the results of operations of such funds and the changes in their financial position for the year then ended, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the individual fund financial statements of the City's electric, gas, sewer, water and airport enterprise funds. The combining and individual fund and account group financial statements and schedules listed in the Table of Contents (except for the enterprise funds referred to above) are presented for purposes of additional analysis and are not a required part of the financial statements of the City of Tallahassee, Florida. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

As discussed in Note II-Part D to the financial statements, the City established one new Proprietary Fund, and one new Special Revenue Fund.

Certain 1988 data included in the general purpose financial statements and the combining and individual fund financial statements of the City's enterprise funds and the accompanying supplemental information were contained in the City's comprehensive annual financial report for the year ended September 30, 1988, and are included herein for comparative purposes only.

The information shown in the statistical section listed in the Table of Contents has not been subjected to auditing procedures sufficient to enable us to express an opinion as to the fairness of all the information included therein and, accordingly, we do not express an opinion thereon.

*Coopers & Lybrand*

Coopers & Lybrand

October 31, 1989  
Tallahassee, Florida

*Williams, Cox, Weidner & Cox*  
Williams, Cox, Weidner & Cox

# **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 and schedules that follow in subsequent sections.

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**CITY OF TALLAHASSEE, FLORIDA**  
**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**  
**September 30, 1989**

ASSETS	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Cash . . . . .	\$ 41,300	\$ 12,000	\$ --	\$ --
Equity in Pooled Cash . . . . .	3,177,600	1,821,600	5,587,900	49,057,100
Investments . . . . .	--	1,016,200	5,822,900	2,813,800
Receivables:				
Special Assessments - Current . . . . .	--	--	--	227,600
Special Assessments - Deferred . . . . .	--	--	--	341,800
Accrued Interest . . . . .	--	--	175,400	151,600
Notes . . . . .	15,000	179,900	--	--
Customers . . . . .	970,000	--	--	--
Accounts . . . . .	427,800	610,800	--	3,800
Less: Allowance for Doubtful Accounts . . . . .	(200)	--	--	--
Due from Other Governments . . . . .	--	--	--	--
Due from other Funds . . . . .	--	--	--	--
Advance to Other Funds . . . . .	2,148,400	--	--	--
Deposits . . . . .	--	--	57,500	--
Inventory . . . . .	5,600	--	--	--
Restricted Assets:				
Equity in Pooled Cash . . . . .	--	--	--	--
Cash with Fiscal Agent . . . . .	--	--	--	--
Investments . . . . .	--	--	--	--
Accounts Receivable . . . . .	--	--	--	--
Notes Receivable . . . . .	--	--	--	--
Fixed Assets (Net of Accumulated Depreciation) . . . . .	--	--	--	--
Unamortized Bond Issue Costs . . . . .	--	--	--	--
Unamortized Loan Issue Costs . . . . .	--	--	--	--
Amount Available in Debt Service Funds . . . . .	--	--	--	--
Amount to be Provided for Retirement of General Long-term Debt: Bonds, Notes, and Loans Payable . . . . .	--	--	--	--
Accrued Leave . . . . .	--	--	--	--
Total Assets . . . . .	<u>\$ 6,785,500</u>	<u>\$ 3,640,500</u>	<u>\$ 11,643,700</u>	<u>\$ 52,595,700</u>

**CITY OF TALLAHASSEE, FLORIDA**

<u>Proprietary Fund Types</u>		<u>Fund Type</u>	<u>Account Groups</u>		<u>(Memorandum Only)</u>	
<u>Enterprise</u>	<u>Internal Service</u>	<u>Trust and Agency</u>	<u>General Fixed Assets</u>	<u>General Long-term Debt</u>	<u>September 30, 1989</u>	<u>September 30, 1988</u>
\$ 3,900	\$ 14,400	\$ --	\$ --	\$ --	\$ 71,600	\$ 198,600
20,813,600	6,965,800	47,436,100	--	--	134,859,700	115,940,100
--	--	153,496,300	--	--	163,149,200	143,416,100
--	--	--	--	--	227,600	227,600
--	--	--	--	--	341,800	473,800
--	--	--	--	--	327,000	263,500
--	--	--	--	--	194,900	220,000
14,425,000	--	--	--	--	15,395,000	12,222,100
2,098,400	36,600	172,200	--	--	3,349,600	3,723,100
(1,272,600)	--	--	--	--	(1,272,800)	(1,663,100)
--	--	1,336,400	--	--	1,336,400	2,788,200
--	45,200	--	--	--	45,200	45,200
--	--	3,133,500	--	--	5,281,900	2,261,400
--	6,500	--	--	--	64,000	62,300
8,108,300	4,516,500	--	--	--	12,630,400	11,511,700
115,607,500	10,575,500	--	--	--	126,183,000	143,188,300
1,039,200	--	--	--	--	1,039,200	1,226,300
13,129,900	--	--	--	--	13,129,900	--
3,840,100	--	--	--	--	3,840,100	887,300
3,910,900	--	--	--	--	3,910,900	3,013,900
352,273,100	15,026,700	--	80,254,500	--	447,554,300	379,861,100
965,200	--	--	--	--	965,200	1,046,900
160,400	--	--	--	--	160,400	166,300
--	--	--	--	11,632,900	11,632,900	8,119,000
--	--	--	--	32,184,400	32,184,400	14,507,000
--	--	--	--	3,229,000	3,229,000	2,959,300
<u>\$535,102,900</u>	<u>\$ 37,187,200</u>	<u>\$205,574,500</u>	<u>\$ 80,254,500</u>	<u>\$ 47,046,300</u>	<u>\$ 979,830,800</u>	<u>\$ 846,666,000</u>

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

**CITY OF TALLAHASSEE, FLORIDA**  
**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**

September 30, 1989

(Continued)

LIABILITIES AND FUND EQUITY	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Liabilities:				
Accounts Payable . . . . .	\$ 718,100	\$ 33,900	\$ --	\$ 709,300
Accrued Interest Payable . . . . .	--	--	10,800	--
Claims Payable . . . . .	--	--	--	--
Lease Payable . . . . .	--	--	--	--
Accrued Leave . . . . .	--	--	--	--
Contracts Payable . . . . .	--	--	--	--
Retainage Payable . . . . .	--	--	--	317,400
Due to Other Funds . . . . .	41,300	--	--	--
Due to Other Governments . . . . .	--	--	--	--
Advance from Other Fund . . . . .	--	--	--	--
Customer Advances . . . . .	--	--	--	--
Utility Deposits Payable . . . . .	--	--	--	--
Payable from Restricted Assets:				
Accrued Interest and Commissions Payable . . . . .	--	--	--	--
Retainage & Accounts Payable . . . . .	--	--	--	--
Deferred Compensation Payable . . . . .	--	--	--	--
Deferred Revenue . . . . .	--	--	--	341,800
Revenue Bonds Payable . . . . .	--	--	--	--
Unamortized Bond Discount . . . . .	--	--	--	--
Special Assessment Certificates Payable . . . . .	--	--	--	--
Loan Payable . . . . .	--	--	--	--
Total Liabilities . . . . .	<u>759,400</u>	<u>33,900</u>	<u>10,800</u>	<u>1,368,500</u>
Fund Equity:				
Contributed Capital . . . . .	--	--	--	--
Investment in General Fixed Assets . . . . .	--	--	--	--
Retained Earnings:				
Reserved . . . . .	--	--	--	--
Unreserved . . . . .	--	--	--	--
Fund Balances:				
Reserved . . . . .	3,584,300	1,297,900	11,632,900	38,615,000
Unreserved:				
Designated . . . . .	--	--	--	--
Undesignated . . . . .	2,441,800	2,308,700	--	12,612,200
Total Fund Equity . . . . .	<u>6,026,100</u>	<u>3,606,600</u>	<u>11,632,900</u>	<u>51,227,200</u>
Total Liabilities and Fund Equity . . . . .	<u>\$6,785,500</u>	<u>\$3,640,500</u>	<u>\$11,643,700</u>	<u>\$52,595,700</u>

**CITY OF TALLAHASSEE, FLORIDA**

Proprietary Fund Types		Fiduciary	Account Groups		Totals	
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-term Debt	(Memorandum Only)	
					September 30, 1989	September 30, 1988
\$ 13,614,800	\$ 582,600	\$ 11,200	\$ --	\$ --	\$ 15,669,900	\$ 15,001,500
--	--	--	--	--	10,800	10,700
--	2,553,300	--	--	--	2,553,300	1,522,500
--	2,343,200	--	--	--	2,343,200	2,037,400
2,498,200	840,900	--	--	3,229,000	6,568,100	5,942,700
3,507,300	--	--	--	--	3,507,300	3,313,700
--	--	--	--	--	317,400	182,500
3,900	--	--	--	--	45,200	45,200
--	--	73,900	--	--	73,900	--
5,266,300	--	15,600	--	--	5,281,900	2,261,400
374,500	--	--	--	--	374,500	207,800
7,421,900	--	--	--	--	7,421,900	6,724,900
88,800	--	--	--	--	88,800	827,600
2,114,100	--	--	--	--	2,114,100	834,000
--	--	3,909,400	--	--	3,909,400	3,034,000
409,500	--	--	--	--	751,300	846,500
135,010,200	--	--	--	41,825,000	176,835,200	161,463,300
(2,193,700)	--	--	--	--	(2,193,700)	(2,311,200)
--	--	--	--	7,000	7,000	16,600
15,880,500	--	--	--	1,985,300	17,865,800	18,039,700
<u>183,996,300</u>	<u>6,320,000</u>	<u>4,010,100</u>	<u>--</u>	<u>47,046,300</u>	<u>243,545,300</u>	<u>220,000,800</u>
62,349,000	5,475,100	--	--	--	67,824,100	60,596,200
--	--	--	80,254,500	--	80,254,500	54,049,800
135,276,500	11,693,200	--	--	--	146,969,700	139,658,800
153,481,100	13,698,900	--	--	--	167,180,000	136,923,700
--	--	178,711,500	--	--	233,841,600	199,562,500
--	--	2,814,500	--	--	2,814,500	2,814,500
--	--	20,038,400	--	--	37,401,100	33,059,700
<u>351,106,600</u>	<u>30,867,200</u>	<u>201,564,400</u>	<u>80,254,500</u>	<u>--</u>	<u>736,285,500</u>	<u>626,665,200</u>
<u>\$535,102,900</u>	<u>\$37,187,200</u>	<u>\$205,574,500</u>	<u>\$ 80,254,500</u>	<u>\$ 47,046,300</u>	<u>\$979,830,800</u>	<u>\$846,666,000</u>

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



# CITY OF TALLAHASSEE, FLORIDA

## COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS For the Fiscal Year Ended September 30, 1989

	Governmental Fund Types		
	General	Special Revenue	Debt Service
<b>Revenues:</b>			
Special Assessment Revenues . . . . .	\$ --	\$ --	\$ --
Taxes . . . . .	19,020,600	--	--
Licenses and Permits . . . . .	1,409,800	--	--
Intergovernmental Revenues . . . . .	8,971,800	1,347,300	--
Charges for Services . . . . .	6,187,900	1,716,600	--
Fines and Forfeits . . . . .	987,000	131,200	--
Interest Earned . . . . .	436,900	1,062,400	442,200
Miscellaneous Revenues . . . . .	825,200	33,500	--
<b>Total Revenues . . . . .</b>	<b><u>37,839,200</u></b>	<b><u>4,291,000</u></b>	<b><u>442,200</u></b>
<b>Expenditures:</b>			
<b>Current:</b>			
General Government . . . . .	8,035,500	253,900	--
Public Safety . . . . .	27,416,200	21,900	--
Transportation . . . . .	6,711,100	93,100	--
Human Services . . . . .	1,108,900	306,800	--
Economic Environment . . . . .	434,400	612,700	--
Physical Environment . . . . .	1,283,400	2,064,300	--
Culture and Recreation . . . . .	4,808,900	800	--
Capital Outlay . . . . .	--	33,700	--
<b>Debt Service:</b>			
Principal Retired . . . . .	--	--	28,700
Interest and Fiscal Charges . . . . .	--	--	2,977,500
<b>Total Expenditures . . . . .</b>	<b><u>49,798,400</u></b>	<b><u>3,387,200</u></b>	<b><u>3,006,200</u></b>
Excess of Revenues Over (Under) Expenditures . . . . .	<u>(11,959,200)</u>	<u>903,800</u>	<u>(2,564,000)</u>
<b>Other Financing Sources (Uses):</b>			
Advance to Other Fund . . . . .	1,420,000	--	--
Debt Proceeds . . . . .	--	--	2,271,600
Proceeds from Sale of Property . . . . .	--	--	--
Operating Transfers In . . . . .	30,246,600	1,265,900	3,806,300
Operating Transfers Out . . . . .	(19,359,000)	(7,000)	--
<b>Total Other Financing Sources (Uses) . . . . .</b>	<b><u>12,307,600</u></b>	<b><u>1,258,900</u></b>	<b><u>6,077,900</u></b>
Excess of Revenues and Other Sources Over(Under) Expenditures and Other Uses . . . . .	<u>348,400</u>	<u>2,162,700</u>	<u>3,513,900</u>
Fund Balances - October 1 . . . . .	5,677,700	1,443,900	8,119,000
Residual Equity Transfers . . . . .	--	--	--
<b>Fund Balances - September 30 . . . . .</b>	<b><u>\$ 6,026,100</u></b>	<b><u>\$ 3,606,600</u></b>	<b><u>\$ 11,632,900</u></b>

**CITY OF TALLAHASSEE, FLORIDA**

Capital Projects	Fiduciary Fund Type Expendable Trust	Totals (Memorandum Only)	
		September 30, 1989	September 30, 1988
\$ 131,700	\$ --	\$ 131,700	\$ 231,600
--	76,600	19,097,200	17,954,200
--	--	1,409,800	1,367,400
97,000	--	10,416,100	11,299,600
--	38,000	7,942,500	4,737,300
--	--	1,113,200	797,700
3,703,600	1,795,800	7,440,900	5,253,400
38,800	45,300	942,800	1,422,800
<u>3,971,100</u>	<u>1,955,700</u>	<u>48,499,200</u>	<u>43,064,000</u>
323,400	85,700	8,698,500	8,027,000
11,500	--	27,449,600	21,217,000
7,771,900	--	14,576,100	13,516,900
44,500	--	1,460,200	1,640,400
33,800	--	1,080,900	1,599,000
65,300	--	3,413,000	3,362,200
124,700	110,300	5,044,700	4,952,000
20,318,200	--	20,351,900	3,824,400
--	--	28,700	65,900
--	--	2,977,500	2,201,800
<u>28,693,300</u>	<u>196,000</u>	<u>85,081,100</u>	<u>60,366,600</u>
(24,722,200)	1,759,700	(36,381,900)	(17,302,600)
--	--	1,420,000	743,800
18,907,500	--	21,179,100	--
1,550,300	--	1,550,300	7,600
18,448,900	2,764,800	56,532,500	44,971,000
(1,681,100)	(8,635,600)	(29,682,700)	(20,816,100)
<u>37,225,600</u>	<u>(5,870,800)</u>	<u>50,999,200</u>	<u>24,906,300</u>
12,503,400	(4,111,100)	14,417,300	7,603,700
38,723,800	25,908,000	79,872,400	73,019,300
--	--	--	(750,600)
<u>\$51,227,200</u>	<u>\$21,796,900</u>	<u>\$94,289,700</u>	<u>\$79,872,400</u>

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

# CITY OF TALLAHASSEE, FLORIDA

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

### GENERAL FUND TYPE

For the Fiscal Year Ended September 30, 1989

	1989			1988	
	Budget	Actual On Budgetary Basis	Variance- Favorable (Unfavorable)	Actual	Actual
<b>Revenues:</b>					
Taxes . . . . .	\$18,749,000	\$19,020,600	\$ 271,600	\$19,020,600	\$17,877,000
Licenses and Permits . . . .	1,797,200	1,409,800	(387,400)	1,409,800	1,367,400
Intergovernmental Revenues .	8,296,500	8,971,800	575,300	8,971,800	8,810,500
Charges for Services . . . .	5,882,400	6,187,900	305,500	6,187,900	3,186,100
Fines and Forfeits . . . . .	872,700	987,000	114,300	987,000	753,300
Interest Earned . . . . .	546,400	436,900	(109,500)	436,900	296,200
Miscellaneous Revenues . . .	983,700	608,800	(374,900)	825,200	837,300
<b>Total Revenues . . . . .</b>	<u>37,127,900</u>	<u>37,622,800</u>	<u>494,900</u>	<u>37,839,200</u>	<u>33,127,800</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General Government . . . . .	8,337,100	8,095,800	241,300	8,035,500	6,890,000
Public Safety . . . . .	26,434,800	26,267,900	166,900	27,416,200	21,143,600
Transportation . . . . .	7,042,900	6,787,100	255,800	6,711,100	6,978,700
Human Services . . . . .	1,168,400	1,111,600	56,800	1,108,900	1,007,000
Economic Environment . . . .	560,200	434,300	125,900	434,400	273,500
Physical Environment . . . .	1,416,900	1,280,300	136,600	1,283,400	955,800
Culture and Recreation . . .	4,971,500	4,850,600	120,900	4,808,900	4,404,000
<b>Total Expenditures . . . .</b>	<u>49,931,800</u>	<u>48,827,600</u>	<u>1,104,200</u>	<u>49,798,400</u>	<u>41,652,600</u>
Excess of Revenues Over (Under) Expenditures . . . .	<u>(12,803,900)</u>	<u>(11,204,800)</u>	<u>1,599,100</u>	<u>(11,959,200)</u>	<u>(8,524,800)</u>
<b>Other Financing Sources (Uses):</b>					
Advance to Other Fund . . . .	--	--	--	1,420,000	743,800
Operating Transfers In . . . .	30,238,600	30,246,600	8,000	30,246,600	26,455,200
Operating Transfers Out . . .	<u>(17,164,500)</u>	<u>(19,359,000)</u>	<u>(2,194,500)</u>	<u>(19,359,000)</u>	<u>(16,634,300)</u>
<b>Total Other Financing Sources (Uses) . . . . .</b>	<u>13,074,100</u>	<u>10,887,600</u>	<u>(2,186,500)</u>	<u>12,307,600</u>	<u>10,564,200</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses . . . . .	<u>\$ 270,200</u>	<u>\$ (317,200)</u>	<u>\$ (587,400)</u>	<u>\$ 348,400</u>	<u>\$ 2,039,400</u>

**CITY OF TALLAHASSEE, FLORIDA**

**Combined Statement of Revenues, Expenses and Changes in  
Retained Earnings/Fund Balances  
All Proprietary Fund Types and Similar Trust Funds  
For the Fiscal Year Ended September 30, 1989**

	Proprietary Fund Types		Fiduciary Fund Type		Totals (Memorandum Only)	
	Enterprise	Internal Service	Pension Trust	Nonexpendable Trust	September 30, 1989	September 30, 1988
<b>Operating Revenues:</b>						
Charges for Services . . . . .	\$179,986,400	\$29,721,400	\$ --	\$ --	\$ 209,707,800	\$192,694,000
Investment Revenue . . . . .	--	--	9,039,600	55,200	9,094,800	7,061,300
Investment Gains-Net . . . . .	--	--	4,798,900	--	4,798,900	10,701,800
Contributions . . . . .	--	--	14,791,100	--	14,791,100	14,094,600
Miscellaneous . . . . .	--	9,700	8,900	16,700	35,300	45,900
<b>Total Operating Revenues . . . . .</b>	<u>179,986,400</u>	<u>29,731,100</u>	<u>28,638,500</u>	<u>71,900</u>	<u>238,427,900</u>	<u>224,597,600</u>
<b>Operating Expenses:</b>						
Personal Services . . . . .	23,261,200	8,924,000	--	--	32,185,200	28,608,100
Fossil Fuel . . . . .	36,771,000	--	--	--	36,771,000	32,604,700
Power Purchased . . . . .	15,677,500	--	--	--	15,677,500	14,189,200
Gas Purchased . . . . .	4,510,500	--	--	--	4,510,500	5,162,100
Materials and Supplies . . . . .	6,569,000	758,500	--	--	7,327,500	4,587,300
Contractual Services . . . . .	18,899,400	12,189,100	--	--	31,088,500	31,739,200
Other Expenses . . . . .	8,700,500	4,398,200	--	--	13,098,700	9,703,200
Less: Applied Equipment Charges . . . . .	(623,100)	--	--	--	(623,100)	(467,900)
Depreciation . . . . .	12,129,600	2,104,500	--	--	14,234,100	13,986,500
Amortization . . . . .	205,200	--	--	--	205,200	197,200
Benefit Payments . . . . .	--	--	4,267,000	--	4,267,000	3,752,400
Refunds . . . . .	--	--	878,300	--	878,300	1,131,500
Insurance . . . . .	--	--	17,300	--	17,300	13,200
Administration . . . . .	--	--	727,000	--	727,000	779,300
<b>Total Operating Expenses . . . . .</b>	<u>124,100,800</u>	<u>28,374,300</u>	<u>5,889,600</u>	<u>--</u>	<u>158,364,700</u>	<u>145,986,000</u>
<b>Operating Income . . . . .</b>	<u>55,885,600</u>	<u>1,356,800</u>	<u>22,748,900</u>	<u>71,900</u>	<u>80,063,200</u>	<u>78,611,600</u>
<b>Non-operating Revenues(Expenses):</b>						
Interest Revenue . . . . .	14,080,400	1,028,700	--	--	15,109,100	12,610,400
Gain on Sale - Surplus Property . . . . .	5,500	228,800	--	--	234,300	81,900
Grant Revenue . . . . .	646,100	--	--	--	646,100	678,500
Other Revenues . . . . .	9,502,500	--	--	--	9,502,500	2,864,800
Interest & Commission Expenses . . . . .	(12,781,600)	(211,000)	--	--	(12,992,600)	(12,713,500)
Interest Capitalized . . . . .	1,723,300	--	--	--	1,723,300	1,141,200
Loss on Sale of Property . . . . .	--	--	--	--	--	(26,000)
Other Expenses . . . . .	(7,260,100)	--	--	--	(7,260,100)	(6,716,600)
<b>Total Non-operating Revenues Expenses . . . . .</b>	<u>5,916,100</u>	<u>1,046,500</u>	<u>--</u>	<u>--</u>	<u>6,962,600</u>	<u>(2,079,300)</u>
<b>Income Before Operating Transfers . . . . .</b>	<u>61,801,700</u>	<u>2,403,300</u>	<u>22,748,900</u>	<u>71,900</u>	<u>87,025,800</u>	<u>76,532,300</u>
Operating Transfers In . . . . .	3,380,600	215,900	--	1,382,400	4,978,900	5,779,700
Operating Transfers Out . . . . .	(31,811,100)	(317,600)	--	--	(31,828,700)	(29,934,600)
<b>Net Income . . . . .</b>	<u>33,871,200</u>	<u>2,301,600</u>	<u>22,748,900</u>	<u>1,454,300</u>	<u>60,176,000</u>	<u>52,377,400</u>
<b>Disposition of Net Income:</b>						
Increase in Contributed Capital . . . . .	(187,600)	--	--	--	(187,600)	(160,000)
Depreciation on Contributed Assets . . . . .	1,781,300	--	--	--	1,781,300	1,687,600
<b>Net Increase in Retained Earnings/Fund Balances . . . . .</b>	<u>35,264,900</u>	<u>2,301,600</u>	<u>22,748,900</u>	<u>1,454,300</u>	<u>61,769,700</u>	<u>53,905,000</u>
<b>Retained Earnings/ Fund Balances - October 1 . . . . .</b>	<u>253,492,700</u>	<u>23,090,600</u>	<u>154,934,700</u>	<u>629,600</u>	<u>432,147,600</u>	<u>378,242,600</u>
<b>Retained Earnings/ Fund Balances - September 30 . . . . .</b>	<u>\$288,757,600</u>	<u>\$25,392,200</u>	<u>\$177,683,600</u>	<u>\$ 2,083,900</u>	<u>\$493,917,300</u>	<u>\$432,147,600</u>

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

# CITY OF TALLAHASSEE, FLORIDA

## Combined Statement of Changes in Financial Position All Proprietary Fund Types and Similar Trust Funds For the Fiscal Year Ended September 30, 1989

	Proprietary Fund Types		Fiduciary Fund Types		Totals	
	Enterprise	Internal Service	Pension Trust	Nonexpendable Trust	Memorandum Only	
					September 30, 1989	September 30, 1988
<b>Sources of Working Capital:</b>						
<b>Operations:</b>						
Net income . . . . .	\$ 33,671,200	\$ 2,301,800	\$22,748,900	\$ 1,454,300	\$ 60,176,400	\$ 52,377,400
<b>Items not Requiring (Providing) Working Capital:</b>						
Depreciation . . . . .	12,129,600	2,104,500	--	--	14,234,100	13,986,500
Amortization . . . . .	205,200	--	--	--	205,200	197,200
Accretion . . . . .	1,341,900	--	--	--	1,341,900	1,224,800
Accrued Leave . . . . .	251,700	104,000	--	--	355,700	474,400
Working Capital Provided by Operations . . . . .	<u>47,599,600</u>	<u>4,510,300</u>	<u>22,748,900</u>	<u>1,454,300</u>	<u>76,313,300</u>	<u>68,260,300</u>
Proceeds From the Sale of Bonds . . . . .	--	--	--	--	--	12,350,000
Increase in Advance From Other Funds . . . . .	3,025,600	--	--	--	3,025,600	1,740,700
Increase in Customer Contracts Payable . . . . .	6,200	--	--	--	6,200	174,200
Decrease in Long-term Portion of Notes Receivable . . . . .	--	--	--	--	--	223,900
Increase in Accrued Leave . . . . .	--	--	--	--	--	25,800
Increase in Contributions . . . . .	7,818,100	1,014,200	--	--	8,832,300	3,971,400
Lease Payable Non-Current . . . . .	--	88,000	--	--	88,000	--
Decrease in Restricted Assets . . . . .	12,716,800	--	--	--	12,716,800	--
Retirement of Plant in Service . . . . .	--	1,000	--	--	1,000	95,800
Increase in Customer Advances . . . . .	172,200	--	--	--	172,200	--
Increase in Deferred Revenue . . . . .	44,100	--	--	--	44,100	315,800
Increase in Payable from Restricted Assets . . . . .	738,100	--	--	--	738,100	1,191,800
<b>Total Sources of Working Capital . . . . .</b>	<u><b>72,122,700</b></u>	<u><b>5,613,500</b></u>	<u><b>22,748,900</b></u>	<u><b>1,454,300</b></u>	<u><b>101,939,600</b></u>	<u><b>88,349,700</b></u>
<b>Uses of Working Capital:</b>						
Acquisition of Fixed Assets . . . . .	51,412,900	4,310,800	--	--	55,723,700	31,313,300
Increase in Restricted Assets . . . . .	10,600	3,016,700	--	--	3,027,300	22,578,000
Decrease in Customer Advances . . . . .	--	--	--	--	--	50,500
Decrease in Deferred Revenues . . . . .	7,300	--	--	--	7,300	10,000
Decrease in Bonds Payable . . . . .	7,190,000	--	--	--	7,190,000	6,785,000
Increase in Bond Discount . . . . .	--	--	--	--	--	214,100
Increase in Bond Issue Cost . . . . .	--	--	--	--	--	421,300
Increase in Loan Issue Cost . . . . .	154,800	--	--	--	154,800	--
Decrease in Loan Payable . . . . .	9,487,400	--	--	--	9,487,400	76,900
Reduction in Claims Payable . . . . .	--	100	--	--	100	83,900
Reduction of Loan from Municipal Retirement Fund . . . . .	19,300	--	--	--	19,300	186,000
Decrease in Payable from Restricted Assets . . . . .	196,800	--	--	--	196,800	326,100
<b>Total Uses of Working Capital . . . . .</b>	<u><b>68,479,100</b></u>	<u><b>7,327,600</b></u>	<u><b>--</b></u>	<u><b>--</b></u>	<u><b>75,806,700</b></u>	<u><b>62,015,100</b></u>
<b>Net Increase (Decrease) in Working Capital . . . . .</b>	<u><b>\$ 3,643,600</b></u>	<u><b>\$(1,714,100)</b></u>	<u><b>\$22,748,900</b></u>	<u><b>\$ 1,454,300</b></u>	<u><b>\$ 26,132,900</b></u>	<u><b>\$ 26,334,600</b></u>
<b>Elements of Net Increase in Working Capital:</b>						
Cash . . . . .	\$ (97,700)	\$ 3,200	\$ --	\$ --	\$ (94,500)	\$ 55,500
Equity in Pooled Cash . . . . .	2,421,000	(2,219,300)	9,178,800	1,454,300	10,834,800	15,260,600
Accrued Interest Receivable . . . . .	--	--	--	--	--	(2,700)
Investments - At Cost . . . . .	--	--	13,665,200	--	13,665,200	15,318,500
Accounts Receivable . . . . .	2,813,400	11,600	(55,700)	--	2,769,300	1,972,400
Inventory . . . . .	(1,069,300)	2,187,800	--	--	1,118,500	109,800
Due from Other Funds . . . . .	472,300	--	(33,900)	--	438,400	1,370,300
Accounts Payable . . . . .	--	(448,800)	(5,500)	--	(454,300)	(6,598,500)
Claims Payable - Current . . . . .	--	(1,030,800)	--	--	(1,030,800)	(443,600)
Lease Payable Current . . . . .	--	(217,800)	--	--	(217,800)	--
Customer Contracts Payable . . . . .	(204,700)	--	--	--	(204,700)	(128,000)
Customer Advances . . . . .	5,500	--	--	--	5,500	(3,900)
Lease Payable - Current . . . . .	--	--	--	--	--	436,200
Utility Deposits Payable . . . . .	(696,900)	--	--	--	(696,900)	(1,050,000)
Loan from Municipal Retirement Fund . . . . .	--	--	--	--	--	37,900
<b>Net Increase (Decrease) in Working Capital . . . . .</b>	<u><b>\$ 3,643,600</b></u>	<u><b>\$(1,714,100)</b></u>	<u><b>\$22,748,900</b></u>	<u><b>\$ 1,454,300</b></u>	<u><b>\$ 26,132,900</b></u>	<u><b>\$26,334,600</b></u>

**NOTES TO FINANCIAL STATEMENTS**

# CITY OF TALLAHASSEE, FLORIDA

## NOTE 1 - FINANCIAL STATEMENTS

September 30, 1989

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. On June 15, 1987, the GASB issued a codification of the then existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Standards and Interpretations), constitutes GAAP for governmental units.

This summary of Tallahassee's significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. These policies are considered essential and should be read in conjunction with the accompanying financial statements.

**A. REPORTING ENTITY** - The City of Tallahassee is a political subdivision of the State of Florida, located in Leon County in the north central portion of the State. Tallahassee, the capital city of Florida, is the county seat and the only incorporated municipality in Leon County. The City was incorporated in 1825 and has operated since 1919 under the same charter. The City is approximately 56 square miles in area. The City is a full service city, providing its citizens with a full complement of municipal services. In addition, the City owns and operates six utilities including: an electric generation, a transmission and distribution system; a natural gas distribution system; a water production and distribution system; a sewage collection and treatment system; and a municipal airport and a bus system.

This report includes financial statements of the funds and account groups required to account for those financial activities which are related to the City and are controlled by or dependent upon the City's legislative body, the City Commission. Control or dependence upon the City was determined on the basis of budget adoption, taxing authority, outstanding debt collateralized by revenues of general obligations of the City, or the City's legal responsibility to fund any deficits that may occur. On this basis, the following entities are not part of the City of Tallahassee and thus, are excluded from the accompanying financial statements:

**Tallahassee Housing Authority** - This authority was created by the City pursuant to State Statutes with commissioners of the Authority appointed by the City Commission. Operations are administered by the Authority and financed with Federal funds and rentals. Outstanding debt of the Authority is not an obligation of the City.

**Sunshine State Governmental Financing Commission** - Although the Cities of Orlando and Tallahassee, Florida entered into an interlocal agreement to create the Commission and undertook certain initial risks to ensure its ability to sell bonds, the Commission is a joint venture between the members of the governmental units (See Note V.B).

**Crystal River Unit 3** - As indicated in Note V.A, the City of Tallahassee has an ownership interest in the Crystal River Unit 3 nuclear power plant operated by Florida Power Corporation. The City's interest does not meet the criteria for inclusion as part of the reporting entity since the operation of the plant is not controlled by the City.

**B. BASIS OF PRESENTATION** - The accounting records of the City are organized on the basis of funds and account groups. For reporting purposes, the various funds of the City are classified into three basic fund types: governmental funds, proprietary funds, and fiduciary funds. In addition to the various fund types, a fourth category of accounting entities is the account groups.

# CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

September 30, 1989

### NOTE 1 - (Continued)

Amounts in the "Totals (Memorandum Only)" columns in the combined financial statements represent a summation of the combined financial statement line items of the fund types and account groups and are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations. However, comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

Certain balances presented in the financial statements for the year ended September 30, 1988 have been reclassified for comparative purposes in the accompanying financial statements.

The following fund types and account groups are used by the City:

#### GOVERNMENTAL FUNDS

The focus of Governmental Fund measurement is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon determination of net income. 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 all financial resources except those required to be accounted for in another fund.

**SPECIAL REVENUE FUNDS** - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

**DEBT SERVICE FUNDS** - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

**CAPITAL PROJECTS FUNDS** - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds).

#### PROPRIETARY FUNDS

The focus of Proprietary Fund measurement is upon determination of net income, financial position, and changes in financial position. The generally accepted accounting principles utilized for these funds are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the City:

**ENTERPRISE FUNDS** - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.



# CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

September 30, 1989

### NOTE 1 - (Continued)

**INTERNAL SERVICE FUNDS** - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis.

### FIDUCIARY FUNDS

**TRUST AND AGENCY FUNDS** - Trust and Agency 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 other funds. These include Expendable Trust, Nonexpendable Trust, Agency, and Pension Trust Funds. Pension Trust Funds and Nonexpendable Trust Funds are accounted for in essentially the same manner as Proprietary Funds since capital maintenance is critical. Expendable Trust Funds are accounted for in essentially the same manner as Governmental Funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

### ACCOUNT GROUPS

Account Groups are used to establish control and accountability over the City's general fixed assets, and the unmatured principal of its general long-term debt, which is not associated with, or the obligation of, the proprietary or trust funds. Accordingly, the City maintains a GENERAL FIXED ASSET ACCOUNT GROUP and a GENERAL LONG-TERM DEBT ACCOUNT GROUP.

**C. BASIS OF ACCOUNTING** - Basis of accounting refers to when revenues or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All Governmental Funds, Expendable Trust Funds, and Agency Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The following revenues are considered to be susceptible to accrual: rent revenues, cigarette tax revenue, telephone tax revenue, mobile home licenses, state revenue sharing, and special assessments. Interest earned on special assessment levies and interest expense on offsetting long-term debt are not accrued unless fully matured and unpaid. Property taxes are accounted for when measurable and available as prescribed in NCGA Interpretation #3.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on general long-term debt are recognized when due.

All Proprietary Funds, Nonexpendable Trust Funds, and Pension Trust Funds are accounted for using the accrual basis of accounting. Utility revenues are recorded as earned. Fuel adjustment revenues are recognized based on the actual fuel costs. Amounts charged based on estimated costs are adjusted semi-annually for any differences between the actual and estimated cost once actual costs are known.

### **D. BUDGETARY DATA**

**1. BUDGET POLICY** - Budgets are legally adopted for the General and Enterprise Funds and are controlled on a fund and departmental level. The City Manager is authorized to transfer budget amounts within departments; however, any revision that alters the total expenditures of any department or fund must be approved by the City Commission. During the year, several supplementary appropriations were necessary to ensure that expenditures did not exceed budgeted appropriations. In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented in the financial statements represent final authorized amounts. Unencumbered appropriations are lapsed at year end.

CITY OF TALLAHASSEE, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 1989

NOTE 1 - (Continued)

2. ENCUMBRANCES - Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Expendable Trust Funds and Capital Projects Funds. Encumbrances outstanding at year end are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

E. ASSETS, LIABILITIES AND FUND EQUITY

1. INVESTMENTS - Investments, except for those included in the Deferred Compensation Fund, are stated at amortized cost. Investments in the Deferred Compensation Fund are stated at market value.

2. INVENTORY - Fuel inventory in the Electric, Airport, and Tallahassee Transit Funds are stated at the lower of cost or market based upon a moving average cost. Fuel inventory in the Gas Fund is stated at lower of cost or market utilizing the first-in, first-out (FIFO) method. Material inventory in the Tallahassee Transit Fund, consisting of maintenance parts and tires, and inventories in the Internal Service Funds, consisting of general office supplies, maintenance parts, tires, and fuel held for consumption, are stated at weighed average cost. Material inventory in the General Fund, consisting of maintenance and repair parts are stated at cost utilizing the first-in, first-out (FIFO) method. The cost of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased. Inventories in the Golf Course Fund, consisting of resale items, are stated at lower of cost or market utilizing the first-in, first-out (FIFO) method. Appropriate allowances have been recorded for obsolete items. Perpetual inventory records are maintained for all significant inventories.

3. ADVANCE TO OTHER FUNDS - Noncurrent portions of long-term interfund loans receivable (reported in "Advance to" asset accounts) are equally offset by a fund balance reserve account which indicates that they do not constitute "available spendable resources" since they are not a component of net current assets. Current portions of long-term interfund receivables (reported in "Due from" asset accounts) are considered "available spendable resources."

4. FIXED ASSETS - Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or market value if actual cost is not available. Donated fixed assets are valued at their fair market value on the date donated.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on Proprietary Fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight line method, with no depreciation recorded in the year of addition and full year's depreciation recorded in the year of retirement. Depreciation is charged to contributed capital for those assets constructed or purchased with funds received from Grants, Entitlements or Shared Revenues.

The estimated useful lives are as follows:

Buildings . . . . .	10 to 40 Years
Improvements other than Buildings . .	10 to 40 Years
Machinery and Equipment . . . . .	10 to 65 Years
Vehicles . . . . .	5 to 15 Years

# CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

September 30, 1989

### NOTE 1 - (Continued)

The City of Tallahassee follows the Federal Energy Regulatory Commission's Uniform System of Accounting; therefore, retirements of Utility Funds' plant in service are accounted for in accordance with Federal Energy Regulatory Commission regulations, whereby, when an asset is retired, the cost of the asset is charged to accumulated depreciation.

Net interest costs incurred during long-term construction projects are capitalized.

**5. BOND DISCOUNTS AND ISSUANCE COSTS** - Bond discounts and issuance costs are deferred and amortized over the term of the bonds using the effective interest method. Bond discounts are presented on the financial statements as such and issuance costs are presented as other assets.

**6. LOAN ISSUANCE COSTS** - Loan issuance costs are deferred and amortized over the term of the loan.

### F. REVENUES, EXPENDITURES AND EXPENSES

**1. PROPERTY TAXES** - Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method statewide. State statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The millage rate assessed by the City for the fiscal year ended September 30, 1989 was 2.900.

All property is assessed according to its fair market value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State Statutes.

The current year taxes for the fiscal year, beginning October 1, are billed in the month of November and are due no later than March 31. On April 1, all unpaid amounts become delinquent and are subject to interest and penalties. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. The taxes paid in March are without discount.

Delinquent taxes on real property bear interest of 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear interest of 18% per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years.

Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property or by the five year statute of limitations.

Since the Leon County Tax Collector's Office acts quickly in selling tax certificates and in remitting such collections to the City, no delinquent nor uncollected property taxes exist at year end. The City Tax Calendar is as follows:

Valuation Date:	January 1
Levy Date	: November 1
Due Date	: March 31, Succeeding Year
Lien Date	: April 1, Succeeding Year

**CITY OF TALLAHASSEE, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 1989**

**NOTE 1 - (Continued)**

**2. AMORTIZATION OF NUCLEAR FUEL** - The costs of nuclear fuel, including estimated disposal cost, are charged to operating expenses. These costs are charged to customers through increased rates or through the fuel adjustment clause.

**3. COMPENSATED ABSENCES** - All full-time employees earn vacation and sick leave starting with the first day of employment; all part-time employees earn vacation and sick leave in proportion to the number of hours in their normal work day.

Vacation leave is earned based on years of continuous and creditable service as follows:

<u>Executive</u>		<u>Senior Management</u>		<u>General</u>	
<u>Years of Service</u>	<u>Total Days Per Year</u>	<u>Years of Service</u>	<u>Total Days Per Year</u>	<u>Years of Service</u>	<u>Total Days Per Year</u>
Up to 1	12	Up to 1	12	Up to 5	12
1 to 5	18	1 to 5	15	5 to 10	15
5 to 10	21	5 to 10	18	10 to 20	18
Over 10	24	10 to 20	21	20 to 30	21
		Over 20	24	Over 30	24

A maximum of 40 days vacation leave time may be carried over from one fiscal year to the next for executive employees and a maximum of 30 days for senior management and general employees. An employee who terminates employment with the City is paid for any unused vacation leave accumulated to the time of termination.

Sick leave is earned at the rate of eight hours for each month of service with no maximum limit on the number of hours which may be accumulated. An employee who terminates from the City for any reason other than retirement (as defined by the provisions of the appropriate City Pension Plan) or death, does not receive payment for unused sick leave. If the employee retires or dies, the employee (or his beneficiary or estate) is paid one quarter of the total amount of sick leave accumulated by him or her on the effective date of his or her retirement or death.

Accumulated unpaid vacation and sick pay amounts are accrued when vested in Proprietary Funds. The Governmental Funds accumulated liabilities are recorded in the General Long-term Debt Account Group.

**4. INTRA-GOVERNMENTAL CHARGES** - Certain functions of the City of a general and administrative nature are centralized and the related costs are allocated to the various funds of the City. Such costs allocated to the Enterprise Funds for the year ended September 30, 1989 are as follows:

Electric . . . . .	\$4,668,500
Gas . . . . .	\$ 634,400
Sewer . . . . .	\$1,649,100
Water . . . . .	\$1,489,500
Airport . . . . .	\$ 431,500
Traffic . . . . .	\$ 361,800
Solid Waste . . . . .	\$ 841,600
Golf Course . . . . .	\$ 214,400

**CITY OF TALLAHASSEE, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

September 30, 1989

NOTE 1 - (Continued)

5. **RECONCILIATION OF BUDGETARY BASIS TO GAAP BASIS** - The following schedule reconciles the "Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses - Budgetary Basis" to the "Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses - GAAP Basis" for the General Fund for the year ended September 30, 1989:

Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses - Budgetary Basis . . . . .	\$ (317,200)
Adjustments:	
Decrease in Reserve for Encumbrances . . . . .	(754,400)
Advance to Forest Meadows Fund . . . . .	<u>1,420,000</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses - GAAP Basis. . . . .	<u>\$ 348,400</u>

6. **BUDGETARY COMPLIANCE SCHEDULE** - The schedule below gives a comparison on a departmental basis of budget to actual expenditures on a budgetary basis. Budgetary basis expenditures include encumbrances to reflect actual expenditures on a basis consistent with the legally adopted budget.

<u>Departments</u>	<u>Budget</u>	<u>Expenditures</u>	<u>Variance</u>
City Commission	\$ 273,101	\$ 259,700	\$ 13,401
Legal	696,300	698,200	(1,900)
Treasurer/Clerk	6,242,000	4,053,500	2,188,500
Auditing	196,500	208,500	(12,000)
Executive	798,900	796,300	2,600
Management and Budget	8,295,900	8,152,300	143,600
Fire	9,503,100	9,712,300	(209,200)
Police	16,465,200	16,122,400	342,800
Public Works	21,248,800	20,241,000	1,007,800
Parks and Recreation	6,459,900	6,305,200	154,700
General Services	1,106,300	1,129,000	(22,700)
Planning	1,489,600	1,456,500	33,100
Community Improvement	1,929,100	1,618,400	310,700
Aviation	4,410,700	4,178,600	232,100
Taltran	4,416,000	4,360,100	55,900
Electric	105,147,500	100,995,700	4,151,800
Water and Sewer	23,041,100	23,198,000	(156,900)
Gas	10,005,900	8,473,800	1,532,100
	<u>\$ 221,725,901</u>	<u>\$ 211,959,500</u>	<u>\$ 9,766,401</u>

# CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

September 30, 1989

### NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

#### A. COMPLIANCE WITH FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS

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

#### B. DEFICIT RETAINED EARNINGS OF INDIVIDUAL FUNDS

Enterprise Funds - The Solid Waste Fund and Forest Meadows Fund activities during the year resulted in a deficit retained earnings of \$(339,100) and \$(31,500), respectively at September 30, 1989.

#### C. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL FUNDS

No individual fund contained an excess of expenditures over appropriations.

#### D. ESTABLISHMENT OF NEW FUNDS

1. **FOREST MEADOWS ATHLETIC CLUB** - It is the intention of the City to provide a professionally managed tennis and athletic facility for the citizens of Tallahassee and Leon County. Forest Meadows Athletic Club will be coordinated with our existing fitness programs. Since it is the intent of management that the Forest Meadows Athletic Club operating costs be recovered primarily through user charges, it will operate as an Enterprise Fund.

2. **TRANSPORTATION IMPACT FEE** - The City of Tallahassee in conjunction with Leon County adopted the Road Impact Fee Ordinance in 1989 to provide for the imposition of countywide road impact fees on all road impact construction within Leon County. Since it is the intent of management that the transportation impact fee revenues be legally restricted for specified purposes, it will operate as a Special Revenue Fund.

#### E. PRIOR PERIOD ADJUSTMENT

1. **DATA PROCESSING FUND** - During 1989, as a part of the analysis of the City's Lease Commitments, it was discovered that Lease Commitments previously reported as Operating Leases in the Data Processing Fund should have been reported as Capital Leases. All amounts disclosed in this report have been restated as if the correction had been made as of September 30, 1988. Fixed Asset, accumulated depreciation, lease payable, and unreserved fund equity for the Data Processing Fund as of September 30, 1988, was originally reported as \$360,200, (\$111,400), \$0, and \$521,600 respectively; the effect of the correction was to restate the amounts to \$2,984,200, (\$203,900), \$2,037,400, and \$1,015,700 respectively.

2. **PURCHASING FUND** - During 1989, as part of the analysis of the City's Fixed Assets, it was discovered that Fixed Assets previously reported for the Purchasing Fund had been incorrect. All amounts disclosed in this report have been restated as if the correction had been made as of September 30, 1988. Fixed Asset, accumulated depreciation, and unreserved fund equity for the Purchasing Fund as of September 30, 1988, was originally reported as \$27,600, (\$8,600) and \$125,400 respectively; the effect of the correction was to restate the amounts to \$87,600, (\$32,600), and \$161,400 respectively.

3. **ELECTRIC FUND** - During 1989, as part of the analysis of the City's capitalized interest and Utility Rebate policies, it was discovered that Capitalized Interest was overstated and Accounts Payable was understated for fiscal year ended September 30, 1988. All accounts disclosed in this report have been restated as if the corrections had been made as of September 30, 1988. Capitalized Interest, Accounts Payable, Utility Rebate Expense (other expenses), and Retained Earnings as of September 30, 1988 was originally reported as \$2,010,000, \$9,396,500, \$(2,121,000) and \$168,557,600 respectively; the effect of the correction was to restate the amounts to \$1,141,200, \$13,314,700, \$(6,039,200) and \$163,770,600 respectively.

# CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

September 30, 1989

### NOTE III - DETAIL NOTES - ALL FUNDS AND ACCOUNT GROUPS

#### A. ASSETS

##### 1. EQUITY IN POOLED CASH, DEPOSITS AND INVESTMENTS

The City of Tallahassee maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed as "Equity in Pooled Cash." Interest earned by this pool is distributed to each fund monthly based on weekly balances. In addition, investments are separately held by several of the City's funds.

**Deposits** - At year end, the carrying amount of the City's deposits was \$5,406,900 and the bank balance was \$3,623,500. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Deposit Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses, in excess of federal depository insurance and proceeds from the sale of the securities pledged by the defaulting depository, are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis.

**Investments** - The City's investment guidelines, as defined by the City Charter and its written investment policies, are approved by the City Commission or the Sinking Fund Commission, as described below. The policies established three investment pools: 1) The General Operating Pool, which covers all monies of the City not otherwise classified and is included in the above-referenced cash and investment pool; 2) the Sinking Fund Pool, which covers all monies set aside for the payment of principal and interest on the City's notes, bonds, or other obligations of indebtedness; and 3) the Pension Fund Pool which covers all monies of the City's pension funds. According to the City Charter, the City Treasurer-Clerk is designated to invest all monies belonging to the City pursuant to the policies approved by the City Commission, except those monies in the Sinking Fund and Pension Fund Pools. Monies in the Sinking Fund and Pension Fund Pools are invested under the auspices of the City Charter-created Sinking Fund Commission, which consists of the five City Commissioners and three appointed members. Under the policies approved by the City Commission and the Sinking Fund Commission, the day-to-day investment of all monies is managed by the City Treasurer-Clerk.

# CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

September 30, 1989

**NOTE III - (Continued)**

The Pension Fund Pool may be invested in the General Operating Pool and/or any nationally recognized investment company approved by the Sinking Fund Commission. The following table indicates the authorized investment instruments for the General Operating and Sinking Fund Pools:

	General Operating	Sinking Fund
Repurchase Agreements . . . . .	X	X
Reverse Repurchase Agreements . . . . .	X	X
Certificates of Deposit . . . . .	X	X
Bankers' Acceptances . . . . .	X	X
Commercial Paper Rated A-1 by Standard & Poor's or P-1 by Moody's . . . . .	X	X
U. S. Treasury Bills, Bonds or Notes . . . . .	X	X
U. S. Government Agencies . . . . .	X	X
Mortgage-backed Government Obligations . . . . .	X	
Corporate Fixed Income Securities rated at least A by Standard & Poor's or Moody's . . . . .	X	
Florida State Board of Administration Local Governments Surplus Funds Investment Pool . . . . .	X	X

In addition to authorizing investment instruments, the City's policies also identify various portfolio parameters addressing issuer diversification, term to maturity and liquidity, and requires "purchase versus delivery" perfection for securities held by a third party on behalf of and in the name of the City.

The City's investments for all pools are summarized and categorized under GASB 3 guidelines as follows to give an indication of the level of risk assumed by the City at September 30, 1989:

	Category			Carrying Amount	Market Value
	1	2	3		
Repurchase Agreements . . . . .	\$ --	\$ 7,000,000	\$ --	\$ 7,000,000	\$ 7,000,000
U. S. Government Securities . . . . .	131,074,300	--	--	131,074,300	130,880,900
U. S. Government Agencies	79,197,400	--	--	79,197,400	78,727,400
Bankers' Acceptances . . . . .	9,395,000	--	--	9,395,000	9,395,000
Corporate Fixed Income Securities . . . . .	<u>32,570,300</u>	--	--	<u>32,570,300</u>	<u>32,446,200</u>
	<u>\$252,237,000</u>	<u>\$ 7,000,000</u>	<u>\$ --</u>	<u>259,237,000</u>	<u>258,449,500</u>

Investment In Florida State Board of Administration Local Governments Surplus Funds Investment Pool . . . . .	15,583,200	15,583,200
Investment in mutual funds . . . . .	60,585,900	60,585,900
Investment in guaranteed investment contract . . . . .	92,913,500	107,647,400
Accrued interest . . . . .	<u>4,722,200</u>	<u>4,722,200</u>
Total Investments . . . . .	<u>\$433,041,800</u>	<u>\$446,988,200</u>



# CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

September 30, 1989

**NOTE 111 - (Continued)**

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 for which the securities are held by the broker, dealer, or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, by its agent but not in the name of the City.

**2. FIXED ASSETS**

During the fiscal year ended September 30, 1989, the following changes in general fixed assets occurred:

	Balance October 1, 1988	Additions	Deletions	Balance September 30, 1989
Land . . . . .	\$ 8,275,100	\$ 2,838,600	\$ --	\$ 11,113,700
Buildings . . . . .	19,673,300	1,074,400	--	20,747,700
Improvements Other Than Buildings . . . . .	3,948,800	36,400	--	4,045,200
Equipment . . . . .	10,225,800	1,973,200	188,400	12,010,600
Construction In Progress . . . . .	11,926,800	20,410,500	--	32,337,300
	<u>\$54,049,800</u>	<u>\$26,393,100</u>	<u>\$ 188,400</u>	<u>\$ 80,254,500</u>

General fixed assets construction in progress is composed of the following:

	Project Authorized	Expended to September 30, 1989	Committed	Required Future Funding
Municipal Garage Expansion . . . . .	\$ 3,370,800	\$ 2,973,300	\$ 397,500	None
Downtown Mixed Use Project . . . . .	7,751,000	6,912,700	838,300	None
Economic Development . . . . .	7,201,200	6,479,100	722,100	None
Land Acquisition . . . . .	7,656,500	6,880,200	776,300	None
Parking Facilities . . . . .	4,252,900	2,479,100	1,773,800	Yes
Parks & Recreation Facilities . . . . .	5,009,100	2,165,300	2,843,800	None
Fire Stations . . . . .	920,100	862,900	57,200	None
Miscellaneous Projects . . . . .	5,596,000	3,584,700	2,011,300	None
	<u>\$ 41,757,600</u>	<u>\$ 32,337,300</u>	<u>\$ 9,420,300</u>	

A summary of proprietary fund type fixed assets at September 30, 1989 is as follows:

	Enterprise	Internal Service
Land . . . . .	\$ 7,401,000	\$ 44,400
Structures and improvements . . . . .	47,471,400	650,700
Equipment . . . . .	346,217,500	6,036,100
Vehicles . . . . .	8,359,900	18,088,900
Construction In Progress . . . . .	101,678,100	--
Total . . . . .	511,127,900	24,820,100
Less: Accumulated Depreciation . . . . .	158,854,800	9,793,400
Net . . . . .	<u>\$352,273,100</u>	<u>\$15,026,700</u>

## CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

September 30, 1989

## NOTE III - (Continued)

A summary of fixed assets for each Enterprise Fund as of September 30, 1989 is as follows:

	Land	Structures and Improvements	Equipment	Vehicles	Construction In Progress	Total	Less Accumulated Depreciation	Net
Electric . . . . .	\$ 3,123,100	\$ 22,208,700	\$215,347,100	\$ 3,153,900	\$ 56,382,100	\$300,214,900	\$ 110,703,500	\$189,511,400
Gas . . . . .	61,600	177,900	9,718,900	--	2,040,700	11,999,100	4,237,600	7,761,500
Sewer . . . . .	871,800	924,400	81,698,800	45,400	9,474,600	93,015,000	19,617,100	73,397,900
Water . . . . .	156,400	21,500	6,771,900	2,600	4,373,600	41,326,000	11,175,700	30,150,300
Airport . . . . .	913,600	17,605,000	314,000	284,400	28,237,300	47,354,300	7,682,000	39,672,300
Taltran . . . . .	1,850,300	3,762,700	638,700	4,845,400	1,137,900	12,235,000	3,615,100	8,619,900
Solid Waste . . . .	280,000	--	1,573,100	6,800	--	1,859,900	1,568,000	291,900
Golf Course . . . .	144,200	1,352,700	155,000	21,400	27,900	1,701,200	255,800	1,445,400
Forest Meadows . .	--	1,418,500	--	--	4,000	1,422,500	--	1,422,500
Total . . . . .	<u>\$ 7,401,000</u>	<u>\$ 47,471,400</u>	<u>\$346,217,500</u>	<u>\$ 8,359,900</u>	<u>\$101,678,100</u>	<u>\$511,127,900</u>	<u>\$ 158,854,800</u>	<u>\$352,273,100</u>

# CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

September 30, 1989

NOTE III - (Continued)

### B. LIABILITIES

#### I. PENSION PLAN OBLIGATIONS

The City's pension plan is established by Chapter 17 of the City Code of Ordinances. Under the plan the City provides a single employer defined benefit provision covering general employees (Article II), police officers (Article III) and firefighters (Article IV), and a defined contribution provision (Article V - Matched Annuity) covering all City employees' pension. The City also maintains a police officers' share plan (Article VI), established by Florida Statutes, Chapter 185. The provisions of the pension plans are "qualified" under the Internal Revenue Service Code, which makes employee contributions tax deferred.

**a. Defined Benefit Provision** - Is established in Parts A, B, and C in each of the articles II, III, and IV. Parts A and B are closed to further participation while part C provides coverage to all general employees hired on or after January 27, 1988. All members of the pension plan are covered by one of these parts depending upon employment date. These parts provide a detail description of the various defined benefit provisions. These provisions include the types of employees covered, benefit provisions, employee eligibility requirements for normal, early and/or vested retirements, and the related benefits for each of these retirements, pre-retirement death benefits, and provisions for disability retirements. These are also provisions for normal retirement benefit and post retirement cost-of-living adjustment (COLA).

**b. Defined Contribution Provision** - Requires employees to contribute 2% of compensation. Employees may elect to contribute up to an additional 5% for a total contribution not to exceed 7% of their compensation. Employees may change the amounts of their additional contribution but may do so no more than two times in any one fiscal year. Upon reaching normal retirement age or retiring under the plan, a participant shall be paid his contributions, together with accrued earnings. If the participant uses the contributions and accrued earnings to purchase an annuity contract, the plan will increase the amount of funds so used by the participant by a factor of 50 percent. Employee contributions plus accrued earnings thereon are 100% refundable if the employee elects to terminate his vesting rights or is not vested at the date of employment termination.

**c. Police Officers' Share Plan** - The City established a Police Officers' Share Plan on December 16, 1987. The Plan was established to provide additional benefits for the police officers who are in the regular and permanent employment of the City. The City is required to establish an individual share plan account for each participant. The City is not obligated to provide any funding for the plan beyond the amount received from the State under Florida Statutes, Chapter 185.

**d. Funding Status and Progress** - The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increase and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the plan on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the System.

**CITY OF TALLAHASSEE, FLORIDA**

NOTES TO FINANCIAL STATEMENTS

September 30, 1989

**NOTE III - (Continued)**

The pension benefit obligation was computed as part of an actuarial valuation performed as of September 30, 1988. Significant actuarial assumptions used in the valuation include (a) an interest rate of 7% per annum compounded annually, (b) projected salary increases of 7% per annum compounded annually, (c) a moderation of future inflation and, (d) no post retirement benefit increases other than cost-of-living adjustments.

The total assets in excess of pension benefit obligation as of September 30, 1988, the most recent actuarial report date, were as follows:

<u>Pension Benefit Obligation</u>	Fiscal Year Ended September 30	
	<u>1988</u>	<u>1987</u>
o Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving benefits	\$ 41,126,543	\$ 36,883,709
o Current employees:		
Accumulated employee contributions	28,535,758	25,516,582
Employer-financed vested	19,736,020	16,692,382
Employer-financed nonvested	<u>52,655,588</u>	<u>46,261,215</u>
Total Pension Benefit Obligation	142,053,909	125,353,888
o Net assets available for benefits, at amortized cost	<u>153,564,400</u>	<u>128,785,900</u>
o Assets in excess of Pension Benefit Obligation	<u>\$ 11,510,491</u>	<u>\$ 3,432,012</u>

Pension Plan Information:

1989 Membership Statistical Information

	<u>Totals</u>
A. Retirees and beneficiaries currently receiving benefits	383
B. Terminated employees entitled to benefits	21
C. Fully vested, partially vested and non-vested active employees	2,292
D. Total current years payroll	\$62,869,000
E. Current year payroll for employees covered by the Plan	\$56,383,800

**e. Actuarially Determined Contribution Requirements and Contribution Made** - The Plan's funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, increase gradually over time so that sufficient assets will be available to pay benefits when due. The contribution rate for normal cost is determined using the entry age actuarial cost method. The Plan uses the level percentage of payroll method to amortize the unfunded liability over a 28 year period for general employees and a 9 year period for police officers and firefighters. The significant actuarial assumptions used to compute the actuarially determined contribution requirement are the same as those used to compute the pension benefit obligation as described above.

# CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

September 30, 1989

**NOTE III - (Continued)**

The employer pension cost as a percentage of payroll for each Article is as follows:

	Article II - General	Article III - Police	Article IV - Fire
Normal Cost . . . . .	11.24%	13.04%	22.57%
Unfunded Liability Amortization . . . . .	0.59	0.00	4.16
Term Life Cost . . . . .	0.96	0.71	0.97
Expenses . . . . .	0.50	.50	.50
Sub-total	<u>13.29</u>	<u>14.25</u>	<u>28.20</u>
Article V - Matched Annuity Pension Plan. .	<u>1.21</u>	<u>2.26</u>	<u>0.00</u>
Total	<u><u>14.50%</u></u>	<u><u>16.51%</u></u>	<u><u>28.20%</u></u>

f. **Trend Information** - Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due.

The following first two years of the ten-year historical trend information, prepared in accordance with Governmental Accounting Standards Board Statement No. 5, provides information on progress made in accumulating sufficient assets to pay benefits when due. The purpose of the chart is to establish a consistent method for analyzing and making comparisons among different public retirement systems.

Required Supplementary Information Analysis of Funding Progress  
(in \$ million)

	(1)	(2)	(3)	(4)	(5)	(6)
Fiscal Year Ended	Net Assets Available for Benefits	Pension Benefit Obligation	Percentage Funded (1) / (2)	Assets in Excess of Pension Benefit Obligation (1) - (2)	Annual Covered Payroll	Assets in Excess of PBO as % of Covered Payroll (4) / (5)
9/30/87	\$ 128.8	\$ 125.4	103%	\$ 3.4	\$ 44.3	8%
9/30/88	153.6	142.1	108%	11.5	49.3	23%

**CITY OF TALLAHASSEE, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

September 30, 1989

NOTE III - (Continued)

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

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City (without being restricted to the provisions of benefits under the plan), subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the City's legal counsel that the City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The City believes that it is unlikely that it will use the assets to satisfy the claims of the general creditors in the future.

The City has chosen to have this plan administered by an independent plan administrator. By agreement between the employee and the City, an arrangement has been made to have the applicable portion of the employee's compensation deposited with the International City Management Association Retirement Corporation's national trust fund. It will invest and reinvest the money and credit each account with earnings from its investments.

3. **OUTSTANDING CONTRACTS** - The City has outstanding commitments on various contracts for construction and other projects. These commitments, as of September 30, 1989, in the respective funds are as follows:

Special Revenue Funds . . . . .	\$ 48,100
Capital Project Funds . . . . .	269,300
Enterprise Funds	
Electric . . . . .	38,200
Sewer . . . . .	189,300
Water . . . . .	29,100
Airport . . . . .	1,670,200
Total . . . . .	<u>\$ 2,244,200</u>

4. **LONG-TERM DEBT**

a. The following is a summary of the changes in the general long-term debt account group for the City for the year ended September 30, 1989:

	Balance <u>October 1</u>	Additions	Reductions	Balance <u>September 30</u>
General Revenue Bonds . . .	\$ 20,605,000	\$ 21,220,000	\$ --	\$ 41,825,000
Loan Payable . . . . .	2,004,400	--	19,100	1,985,300
Accrued Leave . . . . .	2,959,300	269,700	--	3,229,000
Certificate Payable . . . . .	16,600	--	9,600	7,000
	<u>\$ 25,585,300</u>	<u>\$ 21,489,700</u>	<u>\$ 28,700</u>	<u>\$ 47,046,300</u>

**CITY OF TALLAHASSEE, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 1989**

**NOTE III - (Continued)**

b. Summarized below are the City's individual bond issues which were outstanding at September 30, 1989:

General revenue bonds:

\$20,605,000 Capital Refunding Bonds - Series 1984, due in annual installments of \$540,000 to \$1,050,000 from October 1, 1994 to October 1, 2006 with a term payment of \$13,765,000 due October 2007, interest at 11.05%. In addition, the City is required to make semi-annual sinking fund investment purchases of \$986,500 to \$1,780,200 from November 15, 1984 to May 15, 1993, in order to provide for the term payment due October 1, 2007. \$ 20,605,000

\$21,220,000 Capital Bonds - Series 1989, due in annual installments of \$457,000 to \$1,960,000 from October 1, 1990 to October 1, 2009, interest at 7.32%. 21,220,000  
\$ 41,825,000

Proprietary revenue bonds:

\$95,290,100 Junior Lien Electric Refunding Revenue Bonds - Series 1985, due in annual installments of \$2,899,800 to \$8,130,000, October 1, 1991 through October 1, 2007, at an effective average interest of 9.34%, Bonds stated at face amount plus accretion of \$4,705,100. \$ 97,995,200

\$19,640,000 Senior Lien Electric Revenue Bonds - Series 1985-A, due in annual installments of \$3,305,000 to \$6,115,000, October 1, 1987 through October 1, 1990, at an effective average interest of 7.26%. 3,305,000

\$7,300,000 Municipal Utility Revenue Bonds - Series 1970, due in annual installments of \$50,000 to \$700,000 through October 1, 1996, interest at 5.9%. 4,350,000

\$3,150,000 Municipal Utility Revenue Bonds - Series 1970A, due in annual installments of \$50,000 to \$300,000 through October 1, 2001, interest at 5.5%. 1,600,000

\$12,000,000 Municipal Utility Revenue Bonds - Series 1979, due in annual installments of \$175,000 to \$1,785,000 through October 1, 2001, interest at 5.9%. 10,160,000

\$6,000,000 Municipal Utility Revenue Bonds - Series 1982, due in annual installments of \$100,000 to \$675,000 from October 1, 1984 to October 1, 2003, interest at 8.72%. 5,250,000

\$12,350,000 Airport Revenue Bonds - Series 1988A, due in annual installments of \$225,000 to \$1,080,000 from October 1, 1992 to October 1, 2014, interest at 6.2%. 12,350,000  
\$135,010,200

## CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

September 30, 1989

## c. Schedule of Principal Requirements

Year Ending September 30	General Revenue	Proprietary Revenue				Water	Airport	Loan Payable	Total
		Electric	Gas	Sewer					
1990	\$ 495,000	\$ 3,305,000	\$ 10,000	\$ 793,100	\$ 336,900	\$ --	\$ --	\$ 4,940,000	
1991	530,000	4,590,000	11,000	858,600	360,400	--	--	6,350,000	
1992	565,000	4,935,000	12,000	909,100	373,900	225,000	--	7,020,000	
1993	605,000	5,315,000	13,000	993,600	408,400	240,000	--	7,575,000	
1994	1,190,000	5,735,000	13,000	1,032,400	439,600	255,000	--	8,665,000	
1995	1,290,000	6,200,000	14,000	1,116,900	474,100	270,000	--	9,365,000	
1996	1,400,000	6,715,000	14,000	1,170,700	515,300	290,000	--	10,105,000	
1997	1,515,000	5,795,000	--	1,291,900	463,200	310,000	--	9,375,100	
1998	1,650,000	4,815,000	--	1,387,300	502,700	330,000	--	8,685,000	
1999	1,790,000	5,245,000	--	1,486,600	543,400	355,000	--	9,420,000	
2000	1,178,000	5,715,000	--	1,593,600	586,400	380,000	--	9,453,000	
2001	1,236,100	6,235,000	--	1,704,400	630,500	410,000	--	10,216,000	
2002	1,305,400	6,815,000	--	375,000	250,000	440,000	--	9,185,400	
2003	1,376,600	7,445,000	--	405,000	270,000	470,000	--	9,966,600	
2004	1,463,900	8,130,000	--	--	--	510,000	--	10,103,900	
2005	2,395,000	4,317,900	--	--	--	550,000	--	7,262,900	
2006	2,615,000	4,752,600	--	--	--	590,000	--	7,957,600	
2007	15,450,000	5,239,700	--	--	--	635,000	--	21,324,700	
2008-2016	3,775,000	--	--	--	--	6,090,000	17,865,800	27,730,800	
	<u>\$41,825,000</u>	<u>\$101,300,200</u>	<u>\$ 87,000</u>	<u>\$15,118,200</u>	<u>\$ 6,154,800</u>	<u>\$12,350,000</u>	<u>\$17,865,800</u>	<u>\$194,701,000</u>	



CITY OF TALLAHASSEE, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 1989

d. Schedule of Debt Service Requirements, Including Principal and Interest

Year Ending September 30	General Revenue	Proprietary Revenue					Loan Payable	Total
		Electric	Gas	Sewer	Water	Airport		
1990	\$ 4,092,200	\$ 10,803,100	\$ 14,900	\$ 1,751,800	\$ 747,300	\$ 939,700	\$ 2,679,900	\$ 21,028,900
1991	4,093,000	11,856,700	15,300	1,769,900	750,300	939,700	2,679,900	22,104,800
1992	4,091,400	11,857,400	16,000	1,768,500	741,600	1,164,700	2,679,900	22,319,500
1993	4,092,400	11,857,400	16,000	1,797,300	752,800	1,166,200	2,679,900	22,362,000
1994	4,635,700	11,857,500	15,200	1,774,500	757,800	1,166,200	2,679,900	22,886,800
1995	4,639,600	11,858,000	15,400	1,793,100	763,800	1,164,600	2,679,900	22,914,400
1996	4,644,700	11,858,400	14,600	1,776,500	774,000	1,166,700	2,679,900	22,914,800
1997	4,644,500	11,853,800	--	1,833,500	690,700	1,166,800	2,679,900	22,869,200
1998	4,652,900	11,855,900	--	1,847,400	699,200	1,165,100	2,679,900	22,900,400
1999	4,653,800	11,857,400	--	1,857,900	705,600	1,166,400	2,679,900	22,921,000
2000	4,663,400	11,855,300	--	1,869,300	711,300	1,165,400	2,679,900	22,944,600
2001	4,668,700	11,855,200	--	1,875,900	714,500	1,167,300	2,679,900	22,961,500
2002	4,675,400	11,858,500	--	434,500	289,700	1,166,600	2,679,900	21,104,600
2003	4,677,800	11,858,100	--	430,800	287,200	1,163,100	2,679,900	21,096,900
2004	4,676,000	11,854,500	--	--	--	1,167,200	2,679,900	20,377,600
2005	4,688,200	11,857,400	--	--	--	1,167,600	2,679,900	20,393,100
2006	4,701,900	11,855,000	--	--	--	1,165,000	2,679,900	20,401,800
2007	17,311,100	11,852,300	--	--	--	1,164,300	2,679,900	33,007,600
2008 -2016	4,193,700	--	--	--	--	8,158,800	41,984,100	54,336,600
	<u>\$98,496,200</u>	<u>\$212,361,900</u>	<u>\$ 107,400</u>	<u>\$22,380,900</u>	<u>\$ 9,385,800</u>	<u>\$28,691,400</u>	<u>\$90,222,300</u>	<u>\$ 461,846,100</u>

# CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

September 30, 1989

**NOTE III - (Continued)**

**e. Refunded Issues** - In prior years, the City defeased certain general obligation and other 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. The following schedule reflects the refunded bonds as of September 30, 1989:

Type	Series	Outstanding as of September 30, 1989
General Revenue	1973	\$ 16,150,000
	1978	38,800,000
	1981	22,850,000
Municipal Hospital	1967	820,000
Municipal Electric	1963	210,000
	1964	1,800,000
	1969	4,000,000
	1972	13,600,000
	1977	85,500,000
	1982	19,100,000
		\$202,830,000

**f. Loan Payable** - On November 18, 1986, the City obtained an \$18,200,000 loan from the Sunshine State Governmental Financing Commission, the proceeds of which were used to retire an outstanding Special Assessment note and to finance construction of certain water and sewer projects. The rate of interest on the loan will vary based upon market interest rates for short-term tax exempt financing. The loan interest rate at September 30, 1989 was 6.013%. The accompanying debt service schedule was prepared utilizing a fifteen percent (15%) interest rate, which is the maximum rate on the loan.

The loan is non-project specific (as long as designated projects are appropriate under Florida Law and will not cause the loan, if considered as a separate bond issue, to be in violation of applicable IRS guidelines) and non-revenue specific (a covenant to budget and appropriate for non-advalorem revenues exists).

The loan has been allocated as follows: general government (\$2,022,000, with the primary source of debt service being collections of special assessment receivables); water fund (\$7,483,700, with the primary source of debt service being water operating revenues); and sewer fund (\$8,694,300, with the primary source of debt service being sewer operating revenues).

The loan is due to be repaid at July 1, 2016; however, earlier repayment is allowed under the terms of the loan.

**g. Bonds Issued** - Capital Bonds, Series 1989 dated April 1, 1989 were issued in the principal amount of \$21,220,000. The Bonds mature annually beginning October 1, 1990 with final maturity on October 1, 2009. Interest is due and payable semi-annually on April 1, and October 1, of each year. The Bonds are collateralized by a first lien and pledge on pledged revenue (Public Service Tax, Local Government Half-Cent Sales Tax, and Guaranteed Entitlement Revenues) on parity with Capital Refunding Bonds, Series 1984. The proceeds of the issue were used to finance transportation and recreation improvements.

# CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

September 30, 1989

NOTE III - (Continued)

### 5. ACCRUED LEAVE

Current and Long-Term portion of accrued leave by fund consists of the following at September 30, 1989:

	<u>Accrued Vacation</u>	<u>Accrued Sick Leave</u>	<u>Total</u>	<u>Accrued Leave Short-Term Portion</u>
Enterprise Funds:				
Electric . . . . .	\$ 646,500	\$ 582,400	\$ 1,228,900	\$ 477,900
Gas. . . . .	61,900	42,700	104,600	44,500
Sewer. . . . .	220,300	156,900	377,200	167,300
Water. . . . .	74,400	77,400	151,800	62,900
Airport. . . . .	74,000	91,000	165,000	60,600
Taltran. . . . .	115,400	34,300	169,700	84,200
Solid Waste. . . . .	139,000	126,900	265,900	99,900
Golf Course. . . . .	24,000	11,000	35,000	15,900
Internal Service Funds	490,600	350,300	840,900	342,600
General Long-Term Debt	<u>1,644,000</u>	<u>1,585,000</u>	<u>3,229,000</u>	<u>1,261,800</u>
Total	<u>\$ 3,490,100</u>	<u>\$ 3,077,900</u>	<u>\$ 6,568,000</u>	<u>\$ 2,617,600</u>

### 6. LEASE COMMITMENTS

The City leases a significant amount of equipment from various corporations. The leases are for 1 to 5 years expiring in 1990 through 1994, and may be renewed annually thereafter. The leases are classified as operating leases and the payments are charged to expenditures when paid. In addition the City leases certain equipment which meet the criteria for capitalization. Total remaining operating lease payments and future minimum lease payments and capitalized leases follows:

	<u>Operating</u>	<u>Capital</u>
1990	\$ 573,600	\$ 890,000
1991	485,200	829,300
1992	462,700	709,400
1993	453,700	543,700
1994	<u>452,000</u>	<u>66,300</u>
Total Minimum Lease Payments	<u>\$ 2,427,200</u>	3,038,700
Less: Amount Representing Interest		(695,500)
Present Value of Net Minimum Lease Payments		2,343,200
Current Portions		(654,000)
Long-Term Obligation at September 30, 1989		<u>\$ 1,689,200</u>

### 7. SELF-INSURANCE PROGRAM

The Self-Insurance Program provides coverage against workers' compensation claims (up to a maximum of \$100,000 per occurrence), general liability and automobile liability. The Risk Management Fund is responsible for collecting premiums from insured funds, paying claims settlements and purchasing certain insurance policies. Claims settlements and loss expenses are accrued for the estimated settlement value of reported and unreported claims. At September 30, 1989, the City recorded a liability of \$2,553,300 for claims.

**CITY OF TALLAHASSEE, FLORIDA**

**NOTES TO FINANCIAL STATEMENTS**

September 30, 1989

NOTE III - (Continued)

**C. INTERFUND RECEIVABLES AND PAYABLES**

At September 30, 1989, Interfund Receivables and Payables are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General . . . . .	\$ --	\$41,300
Reading, Billing and Collection . . .	45,200	--
Airport . . . . .	--	1,000
Tallahassee Transit . . . . .	--	2,900
	<u>\$45,200</u>	<u>\$45,200</u>

**D. FUND EQUITY**

**1. CHANGES IN CONTRIBUTED CAPITAL**

1) Enterprise Funds - The following changes occurred in contributed capital of the Enterprise Funds during the year ended September 30, 1989:

	<u>Electric</u>	<u>Sewer</u>	<u>Airport</u>	<u>Tallahassee Transit</u>	<u>Others</u>	<u>Total</u>
Beginning Balance as of October 1, 1988 . . . . .	<u>\$ 1,890,700</u>	<u>\$21,992,600</u>	<u>\$20,292,400</u>	<u>\$ 9,679,300</u>	<u>\$ 2,280,300</u>	<u>\$56,135,300</u>
<b>Additions:</b>						
Grant Revenue . . . . .	235,300	--	7,334,800	383,600	--	7,953,700
Transfer from Other Funds . . . . .	--	--	--	187,600	--	187,600
Total Additions . . . . .	<u>235,300</u>	<u>--</u>	<u>7,334,800</u>	<u>571,200</u>	<u>--</u>	<u>8,141,300</u>
<b>Deductions:</b>						
Depreciation on						
Contributed Assets . . . . .	--	699,500	575,500	506,400	--	1,781,400
Miscellaneous . . . . .	--	10,600	--	135,600	--	146,200
Total Deductions . . . . .	<u>--</u>	<u>710,100</u>	<u>575,500</u>	<u>642,000</u>	<u>--</u>	<u>1,927,600</u>
Ending Balance as of September 30, 1989 . . . . .	<u>\$ 2,126,000</u>	<u>\$21,282,500</u>	<u>\$27,051,700</u>	<u>\$ 9,608,500</u>	<u>\$ 2,280,300</u>	<u>\$62,349,000</u>

2) Internal Service Funds - The following changes occurred in contributed capital of the Internal Service Funds during the year ended September 30, 1989:

	<u>Garage</u>	<u>Risk Management</u>	<u>Communication</u>	<u>Total</u>
Beginning Balance as of October 1, 1988 . . . . .	<u>\$ 3,437,600</u>	<u>\$ 893,500</u>	<u>\$ 129,800</u>	<u>\$ 4,460,900</u>
<b>Additions:</b>				
Fixed Assets . . . . .	1,014,200	--	--	1,014,200
Total Additions . . . . .	<u>1,014,200</u>	<u>--</u>	<u>--</u>	<u>1,014,200</u>
<b>Deductions:</b>				
Total Deductions . . . . .	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Ending Balance as of September 30, 1989 . . . . .	<u>\$ 4,451,800</u>	<u>\$ 893,500</u>	<u>\$ 129,800</u>	<u>\$ 5,475,100</u>

CITY OF TALLAHASSEE, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 1989

NOTE III - (Continued)

D. FUND EQUITY

2. CHANGES IN RESERVED RETAINED EARNINGS - ENTERPRISE FUNDS

For purposes of this presentation, the Tallahassee Transit Fund, Airport Fund, Solid Waste Fund, Golf Fund, and Forest Meadows Fund have been combined as Others. As of September 30, 1989, the Reserved Retained Earnings for the Tallahassee Transit Fund, Airport Fund, Solid Waste Fund, Golf Fund, and Forest Meadows Fund was \$50,700, \$7,889,100, \$0, \$47,000, and \$0, respectively. The following changes occurred in reserved retained earnings of the enterprise funds during the year ended September 30, 1989:

	Electric	Gas	Sewer	Water	Others	Total Enterprise Funds
Reserved Retained Earnings:						
Revenue Bond Reserve . . . . .	\$14,804,500	\$ --	\$ 1,883,300	\$ 635,600	\$ 1,109,200	\$ 18,432,600
Sunshine State Construction . . . . .	--	--	8,025,500	7,257,800	--	15,283,300
Revenue Bonds Renewal and Replacement . . . . .	33,943,400	3,407,900	7,751,400	2,661,000	2,655,100	50,418,800
Revenue Bonds Construction . . . . .	16,427,300	75,500	4,051,500	3,419,900	8,101,000	32,075,200
System Charges . . . . .	--	--	1,818,800	1,209,300	--	3,028,100
Revenue Bond Debt Service . . . . .	--	--	--	--	530,600	530,600
Other . . . . .	9,429,400	98,400	853,600	321,100	112,800	10,815,300
Total - October 1, 1988 . . . . .	<u>74,604,600</u>	<u>3,581,800</u>	<u>24,384,100</u>	<u>15,504,700</u>	<u>12,508,700</u>	<u>130,583,900</u>
<b>Add</b>						
Income Earned on Restricted Assets . . . . .	1,724,400	307,700	1,806,300	1,163,100	1,055,600	6,057,100
Debt Service Funding . . . . .	14,032,800	15,000	2,571,300	1,448,400	277,700	18,345,200
Renewal and Replacement Funding . . . . .	19,432,600	1,685,000	2,056,800	2,292,100	400,000	25,866,500
Increase in Other Reserve . . . . .	192,500	--	--	--	--	192,500
Other . . . . .	376,600	--	2,603,400	1,737,900	7,605,100	12,323,000
<b>Deduct</b>						
Payment of Bond Principal . . . . .	(6,115,000)	(9,500)	(747,000)	(139,300)	--	(7,010,800)
Transfer to Other Funds . . . . .	(136,100)	(85,300)	(128,400)	(733,600)	--	(1,083,400)
Interest and Fiscal Charges . . . . .	(7,913,800)	(5,500)	(1,608,600)	(947,500)	(940,500)	(11,415,900)
Transfer of Fixed Assets and Expenses . . . . .	<u>(14,847,300)</u>	<u>(1,735,100)</u>	<u>(5,452,900)</u>	<u>(3,626,500)</u>	<u>(12,919,800)</u>	<u>(38,581,600)</u>
Net Increase in Reserved Retained Earnings . . . . .	<u>6,746,700</u>	<u>172,300</u>	<u>1,100,900</u>	<u>1,194,600</u>	<u>(4,521,900)</u>	<u>4,692,600</u>
	<u>\$81,351,300</u>	<u>\$ 3,754,100</u>	<u>\$25,485,000</u>	<u>\$16,699,300</u>	<u>\$ 7,986,800</u>	<u>\$135,276,500</u>
Reserved Retained Earnings:						
Revenue Bond Reserve . . . . .	\$14,804,500	\$ --	\$ 1,883,300	\$ 635,600	\$ 1,167,700	\$ 18,491,100
Revenue Bonds Debt Service . . . . .	--	--	--	--	25,500	25,500
Revenue Bonds Renewal and Replacement . . . . .	40,823,200	3,635,300	8,021,400	3,108,700	1,878,300	57,466,900
Revenue Bonds Construction . . . . .	16,066,400	75,500	3,506,800	3,897,100	4,636,400	28,182,200
System Charges . . . . .	--	--	4,175,600	2,368,000	--	6,543,600
Other . . . . .	9,657,200	43,300	1,131,600	443,000	278,900	11,554,000
Sunshine State Construction . . . . .	--	--	6,766,300	6,246,900	--	13,013,200
Total - September 30, 1989 . . . . .	<u>\$81,351,300</u>	<u>\$ 3,754,100</u>	<u>\$25,485,000</u>	<u>\$16,699,300</u>	<u>\$ 7,986,800</u>	<u>\$135,276,500</u>

CITY OF TALLAHASSEE, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 1989

NOTE III - (Continued)

The following is a description of each reserve:

Revenue Bond Reserve:

Established in conjunction with the issuance of Revenue Bonds and fully funded by initial deposits from the proceeds of such revenue bonds. The reserve is to maintain, at all times, as long as the bonds are outstanding, an amount equal to the maximum debt service due in any ensuing fiscal year.

Revenue Bond Debt Service:

Established in conjunction with the issuance of revenue bonds and funded by initial deposits from the proceeds of such revenue bonds and by transfers from the revenue accounts of the appropriate enterprise funds. The use of money is restricted to the payment of current bond service requirements.

Revenue Bond Renewal and Replacement:

Established in conjunction with the issuance of revenue bonds and funded by transfers from the revenue accounts of the appropriate enterprise funds. The use of money is restricted to funding the cost of extensions, enlargements or additions to, or replacement or emergency repair of, capital assets.

Revenue Bond Construction:

Established in conjunction with the issuance of revenue bonds and are funded by initial deposits from the proceeds of such revenue bonds and investment earnings. The use of the money is restricted to the acquisition of construction of projects as indicated in the appropriate Bond Resolution.

System Charges:

Reserve is funded through the collection of water and sewer system charges. The use of money is restricted to extensions and expansions, of the City's water and sewer systems.

Other:

Other reserves have been established by Commission action for specified purposes.

# CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

September 30, 1989

NOTE III - (Continued)

### 3. RESERVED FUND BALANCES AND RETAINED EARNINGS:

1) Governmental and Expendable Trust Funds - Reserved fund balances indicate those portions of fund balances that are legally segregated for a specific use or not available for appropriation or expenditure. The nature of these reserves are as follows:

	September 30	
	1989	1988
General Fund - Reserved for:		
Advances to Other Funds . . . . .	\$ 2,148,400	\$ 733,600
Inventory . . . . .	5,600	5,600
Law Enforcement . . . . .	46,200	51,700
Note Receivable . . . . .	15,000	15,000
Encumbrances . . . . .	1,369,100	2,123,500
Total General Fund . . . . .	<u>3,584,300</u>	<u>2,929,400</u>
Special Revenue Funds - Reserved for:		
Projects . . . . .	1,106,000	783,000
Notes Receivable . . . . .	179,900	205,000
Community and Rehabilitative Trust . . . . .	12,000	44,500
Total Special Revenue Funds . . . . .	<u>1,297,900</u>	<u>1,032,500</u>
Debt Service Fund - Reserved for:		
Current Debt Service . . . . .	403,700	399,800
Future Debt Service . . . . .	11,229,200	7,719,200
Total Debt Service Fund . . . . .	<u>11,632,900</u>	<u>8,119,000</u>
Capital Projects Funds - Reserved for:		
Encumbrances . . . . .	5,828,000	4,380,200
Projects . . . . .	32,787,000	26,571,300
Total Capital Projects Funds . . . . .	<u>38,615,000</u>	<u>30,951,500</u>
Expendable Trust Funds - Reserved for:		
Advance to Other Funds . . . . .	1,027,900	1,527,800
Encumbrances . . . . .	--	800
Stadium Improvements . . . . .	--	51,400
Stadium Operations . . . . .	--	15,400
Total Expendable Trust Funds . . . . .	<u>1,027,900</u>	<u>1,595,400</u>
Total . . . . .	<u>\$56,158,000</u>	<u>\$44,627,800</u>

2) Internal Service Funds - Reserved retained earnings are restricted to indicate funds obligated as follows:

Reserved for:		
Fleet Management . . . . .	\$10,575,500	\$ 7,558,800
Projects . . . . .	1,117,700	1,516,100
Total . . . . .	<u>\$11,693,200</u>	<u>\$ 9,074,900</u>

CITY OF TALLAHASSEE, FLORIDA

NOTES TO FINANCIAL STATEMENTS

September 30, 1989

NOTE III - (Continued)

3) Pension Trust Fund - Fund Balance by Article is reserved to indicate fund equity restricted for future benefits to members of the pension plans as follows:

	1989	1988
General Employees - Article II . . . . .	\$116,250,400	\$102,949,600
Police Officers - Article III. . . . .	24,991,200	21,943,600
Firefighters - Article IV. . . . .	24,355,500	21,617,700
General Defined Contribution - Article V . . . . .	12,086,500	8,423,800
Total . . . . .	<u>\$177,683,600</u>	<u>\$154,934,700</u>

4. DESIGNATED FUND BALANCE

The City has established the following designations of fund balance within the Deficiencies and Emergencies Fund (an Expendable Trust Fund type):

A \$993,800 designation of funds for annexations related front-ending of expenditures.

A \$70,500 designation of funds to cover the City's contribution to the Housing Development Corporation. The Housing Development Corporation is a private not for profit corporation established to provide low cost housing.

A \$1,750,200 designation of funds for Sanitation. The City currently has a contract with a private company to provide residential sanitation services in the recently annexed areas. The City has designated these funds for purchase of vehicles should this contract be terminated and the City decides to provide this service.



# CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS September 30, 1989

### NOTE IV - FINANCIAL SEGMENT INFORMATION OF ENTERPRISE FUNDS

The City maintains eight Enterprise Funds which provide electric, gas, sewer, water, airport, mass transportation, solid waste collection, recreation, and golf course operation services. Segment information for the year ended September 30, 1989 was as follows:

	Electric Fund	Gas Fund	Sewer Fund	Water Fund	Airport Fund	Tallahassee Transit Fund	Solid Waste Fund	Forest Meadows and Golf Course Fund	Total Enterprise Funds
Operating Revenues . . . .	\$ 131,622,700	\$ 8,578,000	\$ 14,058,500	\$ 10,752,400	\$ 4,896,200	\$ 1,549,100	\$ 7,581,400	\$ 948,100	\$ 179,986,400
Depreciation and Amortization Expense . . . .	\$ 7,986,700	\$ 221,500	\$ 1,938,900	\$ 724,800	\$ 692,500	\$ 530,700	\$ 188,700	\$ 51,000	\$ 12,334,800
Operating Income or (Loss) . . . .	\$ 50,750,800	\$ 1,677,500	\$ 3,038,600	\$ 4,507,700	\$ 304,700	\$ (3,353,400)	\$ (811,700)	\$ (228,600)	\$ 55,885,600
Operating Transfers:									
In . . . . .	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 2,297,900	\$ 661,200	\$ 421,500	\$ 3,380,600
Out . . . . .	\$ (28,261,300)	\$ (929,800)	\$ (224,600)	\$ (1,934,000)	\$ (122,300)	\$ --	\$ (500)	\$ (38,600)	\$ (31,511,100)
Net Income or (Loss) . . . .	\$ 21,101,800	\$ 1,405,100	\$ 3,181,700	\$ 3,207,000	\$ 1,065,600	\$ (203,300)	\$ (156,300)	\$ 90,500	\$ 33,652,100
Current Capital: Contributions . . . .	\$ 235,300	\$ --	\$ --	\$ --	\$ 7,334,800	\$ 248,000	\$ --	\$ --	\$ 7,818,100
Restricted Assets . . . .	\$ 81,597,900	\$ 3,754,100	\$ 25,790,700	\$ 16,778,500	\$ 9,559,400	\$ --	\$ --	\$ 47,000	\$ 137,527,600
Fixed Assets (Cost):									
Additions . . . .	\$ 276,600	\$ 19,700	\$ 101,300	\$ 28,600	\$ 6,900	\$ 63,300	\$ 700	\$ 108,500	\$ 605,600
Deletions . . . .	\$ (32,200)	\$ (3,300)	\$ (5,100)	\$ (7,800)	\$ --	\$ (126,000)	\$ (400)	\$ (80,400)	\$ (255,200)
Net Working Capital . . . .	\$ 17,029,300	\$ 630,600	\$ 1,243,600	\$ 831,000	\$ 919,500	\$ 1,216,600	\$ 423,200	\$ 89,200	\$ 22,383,000
Total Assets . . . .	\$ 307,625,900	\$ 12,783,300	\$ 101,114,400	\$ 48,707,000	\$ 50,700,500	\$ 9,946,600	\$ 1,209,200	\$ 3,016,000	\$ 535,102,900
Bonds and Other Long-term Liabilities: Payable from Operating Revenues . . . .	\$ 101,300,200	\$ 87,000	\$ 15,118,200	\$ 6,154,800	\$ 12,350,000	\$ --	\$ --	\$ --	\$ 135,010,200
Total Fund Equity . . . .	\$ 186,998,400	\$ 11,954,600	\$ 72,865,100	\$ 32,844,000	\$ 34,838,900	\$ 9,666,800	\$ 449,200	\$ 1,489,600	\$ 351,106,600

# CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

September 30, 1989

### NOTE V - RELATED PARTIES

#### A - JOINTLY OWNED ELECTRIC UTILITY PLANT

The Electric Utility Fund's owned resources for supplying electric power and energy requirements include its 1.3333% undivided ownership interest in the Crystal River Unit 3 (CR3) nuclear power plant operated by Florida Power Corporation. CR3 revenue and operating maintenance costs, which represents the Electric Utility's part of all revenue and expenses attributable to operation of CR3, are properly recorded in accordance with the instructions as set forth in the Uniform System of Accounts. Payments are made to Florida Power Corporation in accordance with the CR3 participation agreement.

Condensed financial information is not available relating to the power plant.

Included within the Electric Fund's "Reserve for Other" is approximately \$2.3 million set aside for the City's share of the costs associated with the decommissioning of the nuclear power plant. The plant's decommissioning is anticipated to occur in 2008.

#### B - SUNSHINE STATE GOVERNMENTAL FINANCING COMMISSION

In November 1985, the Cities of Tallahassee and Orlando, Florida, through an interlocal agreement, created the Sunshine State Governmental Financing Commission (the Commission) which was developed as a pooled financing vehicle to allow for a limited number of high quality Florida local governmental units (cities and counties) to join together in a variable rate financing program. On July 16, 1986, the Commission issued \$300,000,000 in Variable Rate Long-Term Bonds supported by a letter of credit from three major Japanese banking institutions.

The proceeds of the bonds are being used to provide loans to selected governmental units, acceptable to the banks, which have an A (or better) credit rating. Individual loans may be for a term of up to 30 years, with or without principal amortization. Each participant's loan will bear interest at an effective blended rate and the participant is responsible for paying by the 15th of each month for the preceding month.

According to the interlocal agreement, each participating governmental unit appoints a representative to the Commission. These representatives elect a Board of Directors which is responsible for the administration of the program. As of September 30, 1989, the Board consisted of five members representing the City of Tallahassee, the City of Orlando, the City of Vero Beach, the City of Lakeland, and Dade County.

The City of Tallahassee has no obligation or risk associated with the Commission other than the repayment of its loan from the Commission (See Note III.4.F). Condensed financial information relating to the Commission as of September 30, 1989 is as follows:

Total Assets	- \$305,055,700	Total Liabilities	- \$305,055,700
Total Retained Earnings	- \$ 0	Total Operating Revenue	- \$ 18,565,500
Total Operating Expense	- \$ 21,456,300	Operating Loss	- \$ 2,890,800
Non-Operating Income	- \$ 2,890,800	Net Income	- \$ 0

# CITY OF TALLAHASSEE, FLORIDA

## NOTES TO FINANCIAL STATEMENTS September 30, 1989

### NOTE VI - CONTINGENCIES

#### A. Litigation

The City is involved in pending lawsuits. The City Attorney estimates that the potential claims against the City not covered by insurance resulting from litigation would not materially affect the financial position of the City.

#### B. Federal Grants

The City participates in a number of federally assisted programs, principal of which are the Urban Mass Transportation Authority, Community Development Block Grant and the Federal Aviation Authority programs. These programs are subject to the program compliance audits by the grantees under the Office of Management and Budget Circular A-128. The audits of these programs for or including the year ended September 30, 1989 will be issued under separate report. The amount, if any, of expenditures which may be disallowed by the granting agencies is immaterial to the City's Combined Financial Statements.

#### C. \$150,000,000 City of Tallahassee, Florida Capital Program Revenue Bonds, Series 1988

On July 14, 1988, the City issued \$150,000,000 City of Tallahassee, Florida Capital Program Revenue Bonds, Series 1988. The bonds are a special, limited obligation of the City issued under a Trust Indenture dated as of July 1, 1988 between the City and Sun Bank, National Association, as trustee. The bonds were issued to provide funds for the City or to loan to any participating political subdivision or municipal corporation to finance, refinance or reimburse the costs of qualified projects.

The bonds are payable solely out of the Trust Estate and do not constitute or create an obligation, general or special, or debt, liability or moral obligation of the State of Florida or any political subdivision or any municipal corporation, including the City.

The City is liable only to the extent of any funds the City borrows from the bond issue. As of September 30, 1989, the City has not borrowed any such funds.

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## **COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP— STATEMENTS AND SCHEDULES**

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.

## **GOVERNMENTAL FUNDS**

GENERAL FUND  
SPECIAL REVENUE FUNDS  
DEBT SERVICE FUND  
CAPITAL PROJECTS FUNDS

## **GENERAL FUND**

The General Fund accounts for all financial resources not properly accounted for in another fund.

**CITY OF TALLAHASSEE, FLORIDA**

**GENERAL FUND  
BALANCE SHEET**

	September 30	
	<u>1989</u>	<u>1988</u>
<b>ASSETS</b>		
Cash . . . . .	\$ 41,300	\$ 41,300
Equity in Pooled Cash . . . . .	3,177,600	4,029,000
Receivables:		
Customers . . . . .	970,000	533,200
Accounts . . . . .	427,800	699,200
Note . . . . .	15,000	15,000
Less: Allowance for Doubtful Accounts . . . . .	(200)	(64,400)
Advances to Other Funds . . . . .	2,148,400	733,600
Inventory . . . . .	5,600	5,600
<b>Total Assets . . . . .</b>	<b><u>\$6,785,500</u></b>	<b><u>\$5,992,500</u></b>
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts Payable . . . . .	\$ 718,100	\$ 273,500
Due to Other Funds . . . . .	41,300	41,300
<b>Total Liabilities . . . . .</b>	<b><u>759,400</u></b>	<b><u>314,800</u></b>
Fund Balance:		
Reserved for:		
Inventory . . . . .	5,600	5,600
Advances to Other Funds . . . . .	2,148,400	733,600
Law Enforcement . . . . .	46,200	51,700
Note Receivable . . . . .	15,000	15,000
Encumbrances . . . . .	1,369,100	2,123,500
<b>Total Reserved . . . . .</b>	<b><u>3,584,300</u></b>	<b><u>2,929,400</u></b>
Unreserved/Undesignated . . . . .	2,441,800	2,748,300
<b>Total Fund Balance . . . . .</b>	<b><u>6,026,100</u></b>	<b><u>5,677,700</u></b>
<b>Total Liabilities and Fund Balance . . . . .</b>	<b><u>\$6,785,500</u></b>	<b><u>\$5,992,500</u></b>

# CITY OF TALLAHASSEE, FLORIDA

## GENERAL FUND SCHEDULE OF REVENUE

	Fiscal Year Ended September 30			
	1989		1988	
	Budget	Actual on Budgetary Basis	Variance- Favorable (Unfavorable)	Actual on Budgetary Basis
<b>Taxes:</b>				
Ad Valorem . . . . .	\$ 7,313,200	\$ 7,107,300	\$ (205,900)	\$ 6,744,400
General Sales and Use Taxes:				
Local Option Gas Tax . . . . .	3,000,000	3,054,700	54,700	2,860,800
Local Alternative Fuel User Fee . . . . .	--	2,700	2,700	2,900
Public Service Taxes:				
Electricity . . . . .	5,702,300	5,829,200	126,900	5,546,300
Telephone . . . . .	812,100	950,000	137,900	878,700
Water . . . . .	622,200	662,500	40,300	605,400
Gas . . . . .	450,000	441,200	(8,800)	404,800
Propane . . . . .	170,000	167,700	(2,300)	151,800
Fuel Oil . . . . .	80,000	42,900	(37,100)	61,500
Franchise Fees:				
Telephone . . . . .	379,000	429,800	50,800	366,800
Cable Television . . . . .	220,200	332,600	112,400	253,600
<b>Total Taxes . . . . .</b>	<b>18,749,000</b>	<b>19,020,600</b>	<b>271,600</b>	<b>17,877,000</b>
<b>Licenses and Permits:</b>				
Occupational . . . . .	665,600	680,500	14,900	698,700
Building Permits . . . . .	870,400	698,600	(171,800)	668,700
Other . . . . .	261,200	30,700	(230,500)	--
<b>Total Licenses and Permits</b>	<b>1,797,200</b>	<b>1,409,800</b>	<b>(387,400)</b>	<b>1,367,400</b>
<b>Intergovernmental Revenue:</b>				
State:				
Shared Revenues:				
Local Government 1/2 Cent				
Sales Tax . . . . .	3,942,400	4,544,900	602,500	4,350,100
Two-Cent Cigarette Tax . . . . .	337,900	317,000	(20,900)	345,000
Revenue Sharing . . . . .	3,801,800	3,884,500	83,100	3,878,600
Mobile Home Licenses . . . . .	25,000	48,300	23,300	37,700
Alcoholic Beverage License	82,000	74,700	(7,300)	77,100
Public Safety:				
Firefighters' Supplemental Compensation . . . . .	11,400	24,700	13,300	23,000
County:				
City Share of County Occu- pational Licenses . . . . .	93,200	77,300	(15,900)	92,100
Payments-in-Lieu-of-Taxes . . . . .	2,800	--	(2,800)	6,900
<b>Total Intergovernmental Revenue . . . . .</b>	<b>8,296,500</b>	<b>8,971,800</b>	<b>675,300</b>	<b>8,810,500</b>



**CITY OF TALLAHASSEE, FLORIDA**

**GENERAL FUND  
SCHEDULE OF REVENUE  
(Continued)**

	Fiscal Year Ended September 30		
	1989		1988
	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Actual on Budgetary Basis</u>
Charges for Services:			
General Government Charges:			
Zoning Fees . . . . .	40,900	31,200	(9,700)
County for Planning Dept. . . . .	321,600	575,100	253,500
Cost Allocation . . . . .	2,301,400	2,301,400	--
Sale of City Code Books . . . . .	2,500	3,300	800
Public Safety Charges:			
Police Services . . . . .	30,500	44,000	13,500
County for Fire Protection. . . . .	1,706,600	1,714,200	7,600
Physical Environment Charges:			
Lot Mowing and Clearing . . . . .	5,600	3,500	(2,100)
Transportation Charges:			
Parking Facility. . . . .	410,000	463,600	53,600
Traffic Signal Maintenance. . . . .	5,500	8,100	2,600
Parking Meter Receipts. . . . .	178,200	226,600	48,400
Human Services Charges:			
Animal Shelter Fees . . . . .	78,900	39,800	(39,100)
Parks and Recreation:			
Program Activity Fees . . . . .	409,300	386,500	(22,800)
Swimming Pools. . . . .	65,800	73,400	7,600
Other . . . . .	25,600	17,200	(8,400)
County for Parks and Recreation . . . . .	300,000	300,000	--
Total Charges for Services. . . . .	<u>5,882,400</u>	<u>6,187,900</u>	<u>305,500</u>
Total Charges for Services. . . . .			<u>3,186,100</u>
Fines and Forfeitures:			
Traffic Fines. . . . .	375,800	524,500	148,700
Parking Violations . . . . .	466,200	433,400	(32,800)
Police Education \$2.00 . . . . .	30,700	29,100	(1,600)
Total Fines and Forfeitures . . . . .	<u>872,700</u>	<u>987,000</u>	<u>114,300</u>
Total Fines and Forfeitures . . . . .			<u>75,300</u>

**CITY OF TALLAHASSEE, FLORIDA**

**GENERAL FUND  
SCHEDULE OF REVENUE**

(Continued)

	Fiscal Year Ended September 30			
	1989		1988	
	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance- Favorable (Unfavorable)</u>	<u>Actual on Budgetary Basis</u>
Miscellaneous Revenue:				
Interest . . . . .	546,400	436,900	(109,500)	296,200
Rents and Royalties . . . . .	188,500	213,800	25,300	227,400
Recovered Costs . . . . .	595,600	354,800	(240,800)	304,400
Sales:				
Cemetery Lots . . . . .	96,900	99,100	2,200	105,100
Surplus Traffic Materials . . . . .	--	7,200	7,200	7,800
Other . . . . .	<u>102,700</u>	<u>(66,100)</u>	<u>(168,800)</u>	<u>192,600</u>
Total Miscellaneous Revenue . . . . .	<u>1,530,100</u>	<u>1,045,700</u>	<u>(484,400)</u>	<u>1,133,500</u>
Total Revenue . . . . .	<u>\$37,127,900</u>	<u>\$37,622,800</u>	<u>\$ 494,900</u>	<u>\$ 33,127,800</u>

**CITY OF TALLAHASSEE, FLORIDA**

**GENERAL FUND**

**SCHEDULE OF EXPENDITURES**

	Fiscal Year Ended September 30				
	1989		Variance-	1988	
	Budget	Budgetary Basis	Favorable (Unfavorable)	Actual	Actual
General Government:					
Legislative					
City Commission					
Personal Services . . . . .	\$ 210,000	\$ 208,500	\$ 1,500	\$ 208,500	\$ 158,400
Other Operating . . . . .	63,100	51,100	12,000	51,100	54,400
Capital Outlay . . . . .	--	--	--	--	500
Total Legislative . . . . .	<u>273,100</u>	<u>259,600</u>	<u>13,500</u>	<u>259,600</u>	<u>213,300</u>
Executive					
City Manager					
Personal Services . . . . .	479,300	490,700	(11,400)	490,700	439,300
Other Operating . . . . .	137,800	134,700	3,100	123,600	118,500
Total Executive . . . . .	<u>617,100</u>	<u>625,400</u>	<u>(8,300)</u>	<u>614,300</u>	<u>557,800</u>
Financial and Administrative					
Treasurer-Clerk					
Personal Services . . . . .	322,900	325,100	(2,200)	325,100	302,200
Other Operating . . . . .	159,000	167,500	(8,500)	178,200	102,100
Capital Outlay . . . . .	800	800	--	2,400	4,200
	<u>482,700</u>	<u>493,400</u>	<u>(10,700)</u>	<u>505,700</u>	<u>408,500</u>
Management and Budget					
Personal Services . . . . .	407,700	407,300	400	407,300	424,600
Other Operating . . . . .	164,300	149,900	14,400	148,500	128,300
Capital Outlay . . . . .	--	--	--	4,400	1,300
	<u>572,000</u>	<u>557,200</u>	<u>14,800</u>	<u>560,200</u>	<u>554,200</u>
Records Management					
Personal Services . . . . .	153,300	153,300	--	153,300	128,000
Other Operating . . . . .	159,400	141,900	17,500	133,300	119,200
Capital Outlay . . . . .	21,800	21,800	--	2,800	13,500
	<u>334,500</u>	<u>317,000</u>	<u>17,500</u>	<u>289,400</u>	<u>260,700</u>
Real Estate Control					
Personal Services . . . . .	227,100	130,500	96,600	130,500	94,200
Other Operating . . . . .	18,700	60,600	(41,900)	60,600	8,600
Capital Outlay . . . . .	--	--	--	--	400
	<u>245,800</u>	<u>191,100</u>	<u>54,700</u>	<u>191,100</u>	<u>103,200</u>

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

**CITY OF TALLAHASSEE, FLORIDA**

**GENERAL FUND  
SCHEDULE OF EXPENDITURES**

(Continued)

	Fiscal Year Ended September 30				
	1989		Variance- Favorable (Unfavorable)	1988	
	Budget	Budgetary Basis		Actual	Actual
<b>General Services</b>					
Personal Services . . . . .	\$ 130,100	\$ 131,500	\$ (1,400)	\$ 131,500	\$ 122,000
Other Operating . . . . .	103,900	103,500	400	103,500	130,700
	<u>234,000</u>	<u>235,000</u>	<u>(1,000)</u>	<u>235,000</u>	<u>252,700</u>
<b>Internal Audit</b>					
Personal Services . . . . .	154,100	167,300	(13,200)	167,300	147,800
Other Operating . . . . .	42,400	41,200	1,200	48,700	27,100
	<u>196,500</u>	<u>208,500</u>	<u>(12,000)</u>	<u>216,000</u>	<u>174,900</u>
<b>Archives</b>					
Personal Services . . . . .	78,200	78,600	(400)	78,600	81,800
Other Operating . . . . .	18,100	14,700	3,400	14,700	16,600
	<u>96,300</u>	<u>93,300</u>	<u>3,000</u>	<u>93,300</u>	<u>98,400</u>
<b>Total Financial and Administrative . . . . .</b>					
	<u>2,161,800</u>	<u>2,095,500</u>	<u>66,300</u>	<u>2,090,700</u>	<u>1,852,600</u>
<b>Legal</b>					
Personal Services . . . . .	137,100	140,700	(3,600)	140,700	128,400
Other Operating . . . . .	559,100	557,500	1,600	557,500	543,300
Total Legal . . . . .	<u>696,200</u>	<u>698,200</u>	<u>(2,000)</u>	<u>698,200</u>	<u>672,200</u>
<b>Planning</b>					
Personal Services . . . . .	1,143,600	1,124,400	19,200	1,124,400	988,500
Other Operating . . . . .	281,900	271,900	10,000	236,000	201,200
Capital Outlay . . . . .	8,300	7,100	1,200	7,100	1,200
Total Planning . . . . .	<u>1,433,800</u>	<u>1,403,400</u>	<u>30,400</u>	<u>1,367,500</u>	<u>1,190,900</u>
<b>Other General Government</b>					
<b>Liaison Office</b>					
Personal Services . . . . .	87,600	80,600	7,000	80,600	80,000
Other Operating . . . . .	59,800	56,800	3,000	50,300	44,600
	<u>147,400</u>	<u>137,400</u>	<u>10,000</u>	<u>130,900</u>	<u>124,600</u>
<b>Public Works Administration</b>					
Personal Services . . . . .	310,800	280,300	30,500	280,300	244,100
Other Operating . . . . .	720,700	714,400	6,300	714,900	534,800
Capital Outlay . . . . .	--	--	--	3,000	--
	<u>1,031,500</u>	<u>994,700</u>	<u>36,800</u>	<u>998,200</u>	<u>778,900</u>

CITY OF TALLAHASSEE, FLORIDA

GENERAL FUND  
SCHEDULE OF EXPENDITURES  
(Continued)

	Fiscal Year Ended September 30				
	1989		Variance- Favorable (Unfavorable)	1988	
	Budget	Budgetary Basis		Actual	Actual
Non-Departmental					
Other Operating . . . . .	\$ 1,170,400	\$1,055,700	\$ 114,700	\$1,052,500	\$ 683,000
Capital Outlay . . . . .	3,300	3,300	--	3,300	--
	<u>1,173,700</u>	<u>1,059,000</u>	<u>114,700</u>	<u>1,055,800</u>	<u>683,000</u>
Code Enforcement Board					
Personal Services . . . . .	26,900	28,200	(1,300)	28,200	25,100
Other Operating . . . . .	7,500	5,400	2,100	5,400	3,600
	<u>34,400</u>	<u>33,600</u>	<u>800</u>	<u>33,600</u>	<u>28,700</u>
City Hall Maintenance					
Personal Services . . . . .	223,200	235,400	(12,200)	235,400	216,300
Other Operating . . . . .	542,700	551,600	(8,900)	548,900	565,900
Capital Outlay . . . . .	2,200	2,000	200	2,400	5,800
	<u>768,100</u>	<u>789,000</u>	<u>(20,900)</u>	<u>786,700</u>	<u>788,000</u>
Total Other General					
Government . . . . .	<u>3,155,100</u>	<u>3,013,700</u>	<u>141,400</u>	<u>3,005,200</u>	<u>2,403,200</u>
Total General Government . . . . .	<u>8,337,100</u>	<u>8,095,800</u>	<u>241,300</u>	<u>8,035,500</u>	<u>6,890,000</u>
Public Safety:					
Law Enforcement					
Personal Services . . . . .	12,551,100	12,548,500	2,600	12,548,500	10,279,900
Other Operating . . . . .	3,214,200	2,959,800	254,400	2,940,000	2,524,900
Capital Outlay . . . . .	430,800	341,300	89,500	335,900	266,700
Total Law Enforcement . . . . .	<u>16,196,100</u>	<u>15,849,600</u>	<u>346,500</u>	<u>15,824,400</u>	<u>13,071,500</u>
Fire Control					
Personal Services . . . . .	6,587,900	6,883,700	(295,800)	6,883,700	6,128,600
Other Operating . . . . .	2,477,700	2,400,800	76,900	2,370,200	791,900
Capital Outlay . . . . .	34,600	32,200	2,400	1,235,800	165,400
Total Fire Control . . . . .	<u>9,100,200</u>	<u>9,316,700</u>	<u>(216,500)</u>	<u>10,489,700</u>	<u>7,085,900</u>
Protective Inspection					
Building Inspection					
Personal Services . . . . .	699,500	716,100	(16,600)	716,100	622,500
Other Operating . . . . .	100,500	89,200	11,300	89,600	103,400
Capital Outlay . . . . .	16,800	15,900	900	16,700	200
	<u>816,800</u>	<u>821,200</u>	<u>(4,400)</u>	<u>822,400</u>	<u>726,100</u>

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

**CITY OF TALLAHASSEE, FLORIDA**

**GENERAL FUND**

**SCHEDULE OF EXPENDITURES**

(Continued)

	Fiscal Year Ended September 30				
	1989		Variance- Favorable (Unfavorable)	1988	
	Budget	Budgetary Basis		Actual	Actual
Code Enforcement					
Personal Services . . . . .	\$ 279,800	\$ 253,100	\$ 26,700	\$ 253,100	\$ 224,900
Other Operating . . . . .	39,500	25,200	14,300	24,900	35,200
Capital Outlay . . . . .	2,400	2,100	300	1,700	--
	<u>321,700</u>	<u>280,400</u>	<u>41,300</u>	<u>279,700</u>	<u>260,100</u>
Total Protective Inspection	<u>1,138,500</u>	<u>1,101,600</u>	<u>36,900</u>	<u>1,102,100</u>	<u>986,200</u>
Total Public Safety . . . . .	<u>26,434,800</u>	<u>25,267,900</u>	<u>166,900</u>	<u>27,416,200</u>	<u>21,143,600</u>
Transportation:					
Road and Street Facilities					
Street Lighting					
Personal Services . . . . .	34,600	59,500	(24,900)	59,500	40,700
Other Operating . . . . .	716,500	679,800	36,700	679,800	795,800
	<u>751,100</u>	<u>739,300</u>	<u>11,800</u>	<u>739,300</u>	<u>836,500</u>
Right-Of-Ways					
Personal Services . . . . .	1,365,400	1,316,000	49,400	1,316,000	1,238,400
Other Operating . . . . .	445,000	397,900	47,100	391,500	429,300
Capital Outlay . . . . .	35,600	35,400	200	7,800	51,900
	<u>1,846,000</u>	<u>1,749,300</u>	<u>96,700</u>	<u>1,715,300</u>	<u>1,719,600</u>
Streets					
Personal Services . . . . .	1,300,800	1,377,100	(76,300)	1,377,100	1,342,900
Other Operating . . . . .	1,352,100	1,177,600	174,500	1,166,800	1,393,400
Capital Outlay . . . . .	16,700	16,400	300	7,000	12,500
	<u>2,669,600</u>	<u>2,571,100</u>	<u>98,500</u>	<u>2,550,900</u>	<u>2,748,800</u>
Traffic Engineering					
Personal Services . . . . .	980,000	978,300	1,700	978,300	900,300
Other Operating . . . . .	639,800	605,500	34,300	582,400	638,700
Capital Outlay . . . . .	16,400	13,700	2,700	15,000	12,000
	<u>1,636,200</u>	<u>1,597,500</u>	<u>38,700</u>	<u>1,575,700</u>	<u>1,551,000</u>
Total Road and Street Facilities . . . . .	<u>6,902,900</u>	<u>6,657,200</u>	<u>245,700</u>	<u>6,581,200</u>	<u>6,855,900</u>
Parking Facilities					
Other Operating . . . . .	140,000	129,900	10,100	129,900	122,800
Total Transportation . . . . .	<u>7,042,900</u>	<u>6,787,100</u>	<u>255,800</u>	<u>6,711,100</u>	<u>6,978,700</u>

**CITY OF TALLAHASSEE, FLORIDA**

**GENERAL FUND**

**SCHEDULE OF EXPENDITURES**

(Continued)

	Fiscal Year Ended September 30				
	1989		Variance- Favorable (Unfavorable)	1988	
	Budget	Budgetary Basis		Actual	Actual
<b>Human Services:</b>					
Smith-Williams Center					
Personal Services . . . . .	\$ 78,400	\$ 78,600	\$ (200)	\$ 75,600	\$ 71,600
Other Operating . . . . .	43,500	40,900	2,600	40,300	36,100
Capital Outlay . . . . .	--	--	--	--	1,700
	<u>121,900</u>	<u>119,500</u>	<u>2,400</u>	<u>118,900</u>	<u>109,400</u>
Senior Citizen Center					
Personal Services . . . . .	149,200	138,900	10,300	138,900	134,800
Other Operating . . . . .	70,900	67,200	3,700	64,500	48,500
Capital Outlay . . . . .	--	--	--	--	500
	<u>220,100</u>	<u>206,100</u>	<u>14,000</u>	<u>203,400</u>	<u>183,800</u>
Lincoln Center					
Personal Services . . . . .	99,900	95,600	4,300	95,600	93,600
Other Operating . . . . .	93,700	63,200	30,500	63,800	70,500
Capital Outlay . . . . .	--	--	--	--	900
	<u>193,600</u>	<u>158,800</u>	<u>34,800</u>	<u>159,400</u>	<u>173,000</u>
Administration					
Personal Services . . . . .	129,200	129,300	(100)	129,300	146,600
Other Operating . . . . .	503,600	497,900	5,700	497,900	393,600
Capital Outlay . . . . .	--	--	--	--	600
	<u>632,800</u>	<u>627,200</u>	<u>5,600</u>	<u>627,200</u>	<u>540,800</u>
Total Human Services . . .	<u>1,168,400</u>	<u>1,111,600</u>	<u>56,800</u>	<u>1,108,900</u>	<u>1,007,000</u>
<b>Economic Environment:</b>					
Industry Development					
Minority Business Office					
Personal Services . . . . .	87,200	88,400	(1,200)	88,400	80,700
Other Operating . . . . .	16,000	15,300	500	15,600	12,500
	<u>103,200</u>	<u>103,900</u>	<u>(700)</u>	<u>104,000</u>	<u>93,200</u>
Housing and Urban Development					
Personal Services . . . . .	232,300	215,600	16,700	215,600	104,400
Other Operating . . . . .	224,700	114,800	109,900	114,800	75,900
	<u>457,000</u>	<u>330,400</u>	<u>126,600</u>	<u>330,400</u>	<u>180,300</u>
Total Economic Environment	<u>560,200</u>	<u>434,300</u>	<u>125,900</u>	<u>434,400</u>	<u>273,500</u>

**CITY OF TALLAHASSEE, FLORIDA**

**GENERAL FUND**

**SCHEDULE OF EXPENDITURES**

(Continued)

	Fiscal Year Ended September 30				
	1989		Variance- Favorable (Unfavorable)	1988	
	Budget	Budgetary Basis		Actual	Actual
<b>Physical Environment:</b>					
Environmental Services					
Personal Services . . . . .	\$ 91,100	\$ 64,100	\$ 27,000	\$ 64,100	\$ --
Other Operating . . . . .	56,500	36,900	19,600	34,400	--
Capital Outlay . . . . .	67,900	76,500	(8,600)	76,500	--
	<u>215,500</u>	<u>177,500</u>	<u>38,000</u>	<u>175,000</u>	<u>--</u>
Cemeteries					
Personal Services . . . . .	24,700	29,100	(4,400)	29,100	103,700
Other Operating . . . . .	197,100	194,400	2,700	192,200	112,000
Capital Outlay . . . . .	--	--	--	--	200
	<u>221,800</u>	<u>223,500</u>	<u>(1,700)</u>	<u>221,300</u>	<u>215,900</u>
Engineering					
Personal Services . . . . .	844,100	743,900	100,200	743,900	585,100
Other Operating . . . . .	134,000	133,900	100	131,700	136,700
Capital Outlay . . . . .	1,500	1,500	--	11,500	18,100
	<u>979,600</u>	<u>879,300</u>	<u>100,300</u>	<u>887,100</u>	<u>739,900</u>
Total Physical Environment	<u>1,416,900</u>	<u>1,280,300</u>	<u>136,600</u>	<u>1,283,400</u>	<u>955,800</u>
<b>Culture and Recreation:</b>					
Administration					
Personal Services . . . . .	464,300	474,500	(10,200)	474,500	411,600
Other Operating . . . . .	432,400	443,300	(10,900)	435,700	318,400
Capital Outlay . . . . .	--	--	--	--	200
	<u>896,700</u>	<u>917,800</u>	<u>(21,100)</u>	<u>910,200</u>	<u>730,200</u>
Grounds and Facilities					
Personal Services . . . . .	1,238,900	1,177,900	61,000	1,177,900	1,055,500
Other Operating . . . . .	642,700	589,900	52,800	560,500	593,100
Capital Outlay . . . . .	42,400	39,900	2,500	48,700	69,600
	<u>1,924,000</u>	<u>1,807,700</u>	<u>116,300</u>	<u>1,787,100</u>	<u>1,718,200</u>
Recreation					
Personal Services . . . . .	1,023,800	1,056,200	(32,400)	1,056,200	953,600
Other Operating . . . . .	369,800	332,000	37,800	325,100	257,900
Capital Outlay . . . . .	11,200	7,400	3,800	8,000	24,100
	<u>1,404,800</u>	<u>1,395,600</u>	<u>9,200</u>	<u>1,389,300</u>	<u>1,235,600</u>



CITY OF TALLAHASSEE, FLORIDA

GENERAL FUND  
SCHEDULE OF EXPENDITURES  
(Continued)

	Fiscal Year Ended September 30				
	1989		Variance- Favorable (Unfavorable)	1988	
	Budget	Budgetary Basis		Actual	Actual
Athletics					
Personal Services . . . . .	\$ 509,100	\$ 498,500	\$ 10,600	\$ 498,500	\$ 460,100
Other Operating . . . . .	236,500	231,000	5,900	223,800	259,900
	<u>746,000</u>	<u>729,500</u>	<u>16,500</u>	<u>722,300</u>	<u>720,000</u>
Total Culture and Recreation . . . . .	4,971,500	4,850,600	120,900	4,808,900	4,404,000
Total Expenditures . . . . .	<u>\$49,931,800</u>	<u>\$48,827,600</u>	<u>\$ 1,104,200</u>	<u>\$49,798,400</u>	<u>\$41,652,600</u>

# CITY OF TALLAHASSEE, FLORIDA

## GENERAL FUND SCHEDULE OF OPERATING TRANSFERS

	Fiscal Year Ended September 30			
	1989		1988	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
Operating Transfers In . . . . .				
Capital Improvement Fund . . . . .	\$ --	\$ 8,000	\$ 8,000	\$ --
Electric Fund . . . . .	27,452,600	27,452,600	--	24,070,800
Water Fund . . . . .	1,886,900	1,886,900	--	1,344,700
Gas Fund . . . . .	899,100	899,100	--	1,039,700
Total Operating Transfers In . . . . .	<u>\$ 30,238,600</u>	<u>\$ 30,246,600</u>	<u>\$ 8,000</u>	<u>\$ 26,455,200</u>
Operating Transfers Out:				
Special Capital Projects Fund . . . . .	\$ --	\$ 1,382,400	\$ (1,382,400)	\$ --
Capital Improvement Fund . . . . .	6,272,500	7,518,700	(1,246,200)	9,466,600
Tallahassee Transit Fund . . . . .	2,372,600	2,110,300	262,300	1,776,700
Deficiencies and Emergencies Fund . . . . .	--	1,382,400	(1,382,400)	--
Golf Course Fund . . . . .	315,900	408,100	(92,200)	232,500
Debt Service Fund . . . . .	5,508,500	3,329,800	2,178,700	2,772,800
Stormwater Management Fund . . . . .	829,400	682,100	147,300	785,500
Pension Administration Fund . . . . .	21,000	21,000	--	--
Human Resources Fund . . . . .	12,200	12,200	--	--
Data Processing Fund . . . . .	2,500	2,500	--	7,800
Cemetery Perpetual Care Trust Fund . . . . .	--	1,382,400	(1,382,400)	--
Special Projects Fund . . . . .	465,800	465,800	--	68,800
Solid Waste Fund . . . . .	1,364,100	661,300	702,800	1,524,100
Total Operating Transfers Out . . . . .	<u>\$ 17,164,500</u>	<u>\$ 19,359,000</u>	<u>\$ (2,194,500)</u>	<u>\$ 16,634,800</u>

## **SPECIAL REVENUE FUNDS**

Special Projects Fund—to account for Federal, State, local and other revenues that are to be used for specific general government purposes.

Stormwater Management Fund—to account for fees restricted for stormwater operating and capital costs.

Law Enforcement Forfeiture Fund—to account for forfeitures received by the City as prescribed by Florida Statutes.

Transportation Impact Fee Fund—to account for fees restricted for required additions and improvements to the City's road system to accommodate future growth.

**CITY OF TALLAHASSEE, FLORIDA**

SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET

September 30, 1989

	Special Projects	Stormwater Management	Law Enforcement Forfeiture	Transportation Impact Fee	Totals	
					September 30, 1989	September 30, 1988
<b>ASSETS</b>						
Cash . . . . .	\$ 12,000	\$ --	\$ --	\$ --	\$ 12,000	\$ 44,500
Equity in Pooled Cash . . . . .	630,900	904,700	195,600	90,400	1,821,600	936,800
Investments . . . . .	1,016,200	--	--	--	1,016,200	--
Notes Receivable . . . . .	179,900	--	--	--	179,900	205,000
Accounts Receivable . . . . .	386,400	224,400	--	--	610,800	263,700
Total Assets . . . . .	<u>\$2,225,400</u>	<u>\$1,129,100</u>	<u>\$ 195,600</u>	<u>\$ 90,400</u>	<u>\$3,640,500</u>	<u>\$1,450,000</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts Payable . . . . .	\$ 7,900	\$ 10,200	\$ --	\$ 15,800	\$ 33,900	\$ 6,100
Total Liabilities . . . . .	<u>7,900</u>	<u>10,200</u>	<u>--</u>	<u>15,800</u>	<u>33,900</u>	<u>6,100</u>
Fund Balances:						
Reserved for:						
Projects . . . . .	--	1,067,800	38,200	--	1,106,000	783,000
Notes Receivable . . . . .	179,900	--	--	--	179,900	205,000
Community and Rehabilitative Trust . . . . .	12,000	--	--	--	12,000	44,500
Total Reserved . . . . .	191,900	1,067,800	38,200	-0-	1,297,900	1,032,500
Unreserved/Undesignated . . . . .	2,025,600	51,100	157,400	74,600	2,308,700	411,400
Total Fund Balances . . . . .	<u>2,217,500</u>	<u>1,118,900</u>	<u>195,600</u>	<u>74,600</u>	<u>3,606,600</u>	<u>1,443,900</u>
Total Liabilities and Fund Balances . . . . .	<u>\$2,225,400</u>	<u>\$1,129,100</u>	<u>\$ 195,600</u>	<u>\$ 90,400</u>	<u>\$3,640,500</u>	<u>\$1,450,000</u>

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

**CITY OF TALLAHASSEE, FLORIDA**  
**SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**For the Fiscal Year Ended September 30, 1989**

	Special Projects	Stormwater Management	Law	Transportation	Totals	
			Enforcement Forfeiture	Impact Fee	September 30, 1989	September 30, 1988
<b>Revenues:</b>						
Intergovernmental Revenues . . . . .	\$1,347,300	\$ --	\$ --	\$ --	\$1,347,300	\$1,578,000
Charges for Services . . . . .	--	1,642,200	--	74,400	1,716,600	1,527,900
Fines and Forfeits . . . . .	--	--	131,200	--	131,200	44,400
Interest Earned . . . . .	1,018,400	33,200	10,600	200	1,062,400	29,900
Miscellaneous Revenues . . . . .	33,500	--	--	--	33,500	97,500
<b>Total Revenues . . . . .</b>	<b>2,399,200</b>	<b>1,675,400</b>	<b>141,800</b>	<b>74,600</b>	<b>4,291,000</b>	<b>3,277,700</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General Government . . . . .	253,900	--	--	--	253,900	121,100
Public Safety . . . . .	16,300	--	5,600	--	21,900	51,400
Transportation . . . . .	93,100	--	--	--	93,100	49,000
Human Services . . . . .	306,800	--	--	--	306,800	551,800
Economic Environment . . . . .	612,700	--	--	--	612,700	1,155,200
Physical Environment . . . . .	86,300	1,978,000	--	--	2,064,300	2,315,200
Cultural and Recreation . . . . .	800	--	--	--	800	8,000
Capital Outlay . . . . .	26,400	--	7,300	--	33,700	--
<b>Total Expenditures . . . . .</b>	<b>1,396,300</b>	<b>1,978,000</b>	<b>12,900</b>	<b>--</b>	<b>3,387,200</b>	<b>4,251,700</b>
Excess of Revenues Over (Under) Expenditures . . . . .	1,002,900	(302,600)	128,900	74,600	903,800	(974,000)
<b>Other Financing Sources (Uses):</b>						
Operating Transfers In . . . . .	544,600	721,300	--	--	1,265,900	1,504,300
Operating Transfers Out . . . . .	--	(7,000)	--	--	(7,000)	(5,000)
<b>Total Other Financing Sources (Uses) . . . . .</b>	<b>544,600</b>	<b>714,300</b>	<b>--</b>	<b>--</b>	<b>1,258,900</b>	<b>1,499,300</b>
Excess of Revenues and Other Sources (Under) Expenditures and Other (Uses) . . . . .	1,547,500	411,700	128,900	74,600	2,162,700	525,300
Fund Balances - October 1 . . . . .	670,000	707,200	66,700	--	1,443,900	855,200
Residual Equity Transfer . . . . .	--	--	--	--	--	63,400
<b>Fund Balances - September 30 . . . . .</b>	<b>\$2,217,500</b>	<b>\$1,118,900</b>	<b>\$ 195,600</b>	<b>\$ 74,600</b>	<b>\$3,606,600</b>	<b>\$1,443,900</b>

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

## **DEBT SERVICE FUND**

To account for the accumulation of resources for, and the payment of general long-term debt principal and interest.

**CITY OF TALLAHASSEE, FLORIDA**

**DEBT SERVICE FUND  
BALANCE SHEET**

	September 30	
	<u>1989</u>	<u>1988</u>
<b>ASSETS</b>		
Equity in Pooled Cash . . . . .	\$ 5,587,900	\$ 3,480,800
Investments . . . . .	5,822,900	4,460,400
Accrued Interest Receivable . . . . .	175,400	132,700
Deposits . . . . .	<u>57,500</u>	<u>55,800</u>
Total Assets . . . . .	<u>\$ 11,643,700</u>	<u>\$ 8,129,700</u>
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accrued Interest Payable . . . . .	\$ 10,800	\$ 10,700
Total Liabilities . . . . .	<u>10,800</u>	<u>10,700</u>
Fund Balance:		
Reserved for:		
Current Debt Service . . . . .	403,700	399,800
Future Debt Service . . . . .	<u>11,229,200</u>	<u>7,719,200</u>
Total Reserved . . . . .	<u>11,632,900</u>	<u>8,119,000</u>
Total Liabilities and Fund Balance . . . . .	<u>\$ 11,643,700</u>	<u>\$ 8,129,700</u>

**DEBT SERVICE FUND  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE**

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Revenue:		
Interest Earned . . . . .	\$ 442,200	\$ 410,800
Expenditures:		
Debt Service:		
Principal Retirement . . . . .	28,700	25,900
Interest and Fiscal Charges . . . . .	<u>2,977,500</u>	<u>2,201,800</u>
Total Expenditures . . . . .	<u>3,006,200</u>	<u>2,227,700</u>
Excess of Revenues (Under) Expenditures . . . . .	<u>(2,564,000)</u>	<u>(1,816,900)</u>
Other Financing Sources (Uses):		
Debt Proceeds . . . . .	2,271,600	--
Operating Transfers In . . . . .	<u>3,806,300</u>	<u>3,110,300</u>
Total Other Financing Sources (Uses) . . . . .	<u>6,077,900</u>	<u>3,110,300</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses . . . . .	3,513,900	1,293,400
Fund Balance - October 1 . . . . .	<u>8,119,000</u>	<u>6,825,600</u>
Fund Balance - September 30 . . . . .	<u>\$ 11,632,900</u>	<u>\$ 8,119,000</u>

The accompanying notes are an integral part of these financial statements. C-15

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## CAPITAL PROJECTS FUNDS

Capital Improvement Fund—to account for general revenues used for the acquisition or construction of general fixed assets.

Capital Bonds Construction Fund—to account for bond proceeds used for the acquisition or construction of general fixed assets.

**CITY OF TALLAHASSEE, FLORIDA**

**CAPITAL PROJECTS FUNDS**

**COMBINING BALANCE SHEET**

September 30, 1989

	Capital Improvement	Capital Bonds Construction	Totals	
			September 30, 1989	September 30, 1988
<b>ASSETS</b>				
Equity in Pooled Cash. . . . .	\$24,383,000	\$ 24,674,100	\$49,057,100	\$38,863,100
Accounts Receivable. . . . .	3,800	--	3,800	172,500
Accrued Interest Receivable. . . . .	151,600	--	151,600	130,800
Investments. . . . .	2,813,800	--	2,813,800	--
Special Assessment Receivable				
Current . . . . .	227,600	--	227,600	227,600
Deferred. . . . .	341,800	--	341,800	473,800
Total Assets . . . . .	<u>\$27,921,600</u>	<u>\$ 24,674,100</u>	<u>\$52,595,700</u>	<u>\$39,867,800</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable . . . . .	\$ 681,800	\$ 27,500	\$ 709,300	\$ 487,700
Retainage Payable. . . . .	269,300	48,100	317,400	182,500
Deferred Revenue . . . . .	341,800	--	341,800	473,800
Total Liabilities. . . . .	<u>1,292,900</u>	<u>75,600</u>	<u>1,368,500</u>	<u>1,144,000</u>
<b>Fund Balances:</b>				
Reserved for:				
Encumbrances . . . . .	3,321,500	2,506,500	5,828,000	4,380,200
Projects . . . . .	20,939,300	11,847,700	32,787,000	26,571,300
Total Reserved . . . . .	24,260,800	14,354,200	38,615,000	30,951,500
Unreserved/Undesignated . . . . .	2,367,900	10,244,300	12,612,200	7,772,300
Total Fund Balances. . . . .	<u>26,628,700</u>	<u>24,598,500</u>	<u>51,227,200</u>	<u>38,723,800</u>
Total Liabilities and Fund Balances . . . . .	<u>\$27,921,600</u>	<u>\$ 24,674,100</u>	<u>\$52,595,700</u>	<u>\$39,867,800</u>

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

**CITY OF TALLAHASSEE, FLORIDA**  
**CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**For the Fiscal Year Ended September 30, 1989**

	Capital Improvement	Capital Bonds Construction	Totals	
			September 30, 1989	September 30, 1988
<b>Revenues:</b>				
Special Assessment Revenue . . . . .	\$ 131,700	\$ --	\$ 131,700	\$ 231,600
Intergovernmental Revenue . . . . .	97,000	--	97,000	28,200
Interest Earned . . . . .	2,959,400	1,144,200	3,703,600	2,781,200
Miscellaneous Revenue . . . . .	38,400	400	38,800	445,200
Total Revenues . . . . .	<u>2,826,500</u>	<u>1,144,600</u>	<u>3,971,100</u>	<u>3,486,200</u>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government . . . . .	232,400	91,000	323,400	941,300
Public Safety . . . . .	11,500	--	11,500	22,000
Transportation . . . . .	6,432,700	1,339,200	7,771,900	6,489,200
Human Services . . . . .	44,500	--	44,500	81,600
Economic Environment . . . . .	33,800	--	33,800	170,300
Physical Environment . . . . .	65,300	--	65,300	91,200
Culture and Recreation . . . . .	124,700	--	124,700	467,500
Capital Outlay . . . . .	<u>16,369,800</u>	<u>3,948,400</u>	<u>20,318,200</u>	<u>3,824,400</u>
Total Expenditures . . . . .	<u>23,314,700</u>	<u>5,378,600</u>	<u>28,693,300</u>	<u>12,097,500</u>
Excess of Revenues Over (Under) Expenditures . . . . .	<u>(20,488,200)</u>	<u>(4,234,000)</u>	<u>(24,722,200)</u>	<u>(8,601,300)</u>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Bonds . . . . .	--	18,907,500	18,907,500	--
Proceeds from Sale of Property . . . . .	1,550,300	--	1,550,300	7,600
Operating Transfers In . . . . .	16,883,000	1,565,900	18,448,900	13,394,500
Operating Transfers Out . . . . .	<u>(1,668,500)</u>	<u>(12,600)</u>	<u>(1,681,100)</u>	<u>(3,206,000)</u>
Total Other Financing Sources (Uses) . . . . .	<u>16,764,800</u>	<u>20,460,800</u>	<u>37,225,600</u>	<u>10,196,100</u>
Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses . . . . .	<u>(3,723,400)</u>	<u>16,226,800</u>	<u>12,503,400</u>	<u>1,594,800</u>
Fund Balances - October 1 . . . . .	<u>30,352,100</u>	<u>8,371,700</u>	<u>38,723,800</u>	<u>37,129,000</u>
Fund Balances - September 30 . . . . .	<u>\$26,628,700</u>	<u>\$ 24,598,500</u>	<u>\$51,227,200</u>	<u>\$38,723,800</u>

## **ENTERPRISE FUNDS**

**Electric Fund**—to account for the assets, operation and maintenance of the City-owned electric system.

**Gas Fund**—to account for the assets, operation and maintenance of the City-owned gas system.

**Sewer Fund**—to account for the assets, operation and maintenance of the City-owned sewer system.

**Water Fund**—to account for the assets, operation and maintenance of the City-owned water system.

**Airport Fund**—to account for the assets, operation and maintenance of the municipal airport.

**Tallahassee Transit Fund**—to account for the assets, operation and maintenance of the City's mass transportation system.

**Solid Waste Fund**—to account for the assets, operation and maintenance of the City's solid waste operation.

**Golf Course Fund**—to account for the assets, operation and maintenance of the City's golf courses.

**Forestmeadows Fund**—to account for the assets, operation and maintenance of the City's Tennis and Health Club operation.

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CITY OF TALLAHASSEE, FLORIDA

ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
September 30, 1989

ASSETS	Electric	Gas	Sewer	Water
Current Assets:				
Cash . . . . .	\$ --	\$ --	\$ --	\$ --
Equity In Pooled Cash . . . . .	19,546,800	318,000	3,400	428,000
Receivables:				
Customers . . . . .	8,869,500	1,060,800	1,890,800	1,351,400
Accounts . . . . .	814,500	--	29,900	5,900
Less: Allowance for Doubtful Accounts	(814,500)	(115,200)	(139,600)	(97,500)
Inventory . . . . .	7,610,200	4,100	--	--
Total Current Assets . . . . .	<u>36,026,500</u>	<u>1,267,700</u>	<u>1,784,500</u>	<u>1,687,800</u>
Restricted Assets:				
Equity In Pooled Cash . . . . .	77,164,500	3,754,100	18,778,500	10,505,800
Cash with Fiscal Agent . . . . .	--	--	--	--
Notes Receivable . . . . .	3,754,300	--	156,600	--
Investments . . . . .	--	--	6,855,600	6,272,700
Accounts Receivable . . . . .	678,700	--	--	--
Total Restricted Assets . . . . .	<u>81,597,900</u>	<u>3,754,100</u>	<u>25,790,700</u>	<u>16,778,500</u>
Other Assets:				
Unamortized Bond Issue Cost . . . . .	490,100	--	54,800	16,500
Unamortized Loan Issue Cost . . . . .	--	--	86,500	73,900
Total Other Assets . . . . .	<u>490,100</u>	<u>--</u>	<u>141,300</u>	<u>90,400</u>
Fixed Assets:				
Fixed Assets - Cost . . . . .	243,832,800	9,958,400	83,540,400	36,952,400
Less: Accumulated Depreciation . . . . .	(110,703,500)	(4,237,600)	(19,617,100)	(11,175,700)
Construction In Progress . . . . .	56,382,100	2,040,700	9,474,600	4,373,600
Fixed Assets - Net . . . . .	<u>189,511,400</u>	<u>7,761,500</u>	<u>73,397,900</u>	<u>30,150,300</u>
Total Assets . . . . .	<u>\$307,625,900</u>	<u>\$ 12,783,300</u>	<u>\$101,114,400</u>	<u>\$ 48,707,000</u>

CITY OF TALLAHASSEE, FLORIDA

ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
September 30, 1989  
(Continued)

Airport	Tallahassee Transit	Solid Waste	Golf Course	Forest Meadows	Totals	
					September 30, 1989	September 30, 1988
\$ 1,000	\$ 2,900	\$ --	\$ --	\$ --	\$ 3,900	\$ 101,600
464,000	(2,800)	12,000	39,600	4,600	20,813,600	18,402,000
277,300	93,100	882,000	100	--	14,425,000	11,688,900
290,700	873,900	83,500	--	--	2,098,400	2,347,300
(45,600)	--	(60,200)	--	--	(1,272,600)	(1,598,700)
77,700	359,600	--	34,900	21,800	8,108,300	9,177,500
<u>1,065,100</u>	<u>1,326,700</u>	<u>917,300</u>	<u>74,600</u>	<u>26,400</u>	<u>44,176,600</u>	<u>40,118,600</u>
5,357,200	--	--	47,000	--	115,607,500	135,629,500
1,039,200	--	--	--	--	1,039,200	1,226,300
--	--	--	--	--	3,910,900	3,013,900
1,600	--	--	--	--	13,129,900	--
3,161,400	--	--	--	--	3,840,100	887,300
<u>9,559,400</u>	<u>--</u>	<u>--</u>	<u>47,000</u>	<u>--</u>	<u>137,527,600</u>	<u>140,757,000</u>
403,800	--	--	--	--	965,200	1,046,900
--	--	--	--	--	160,400	166,300
<u>403,800</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,125,600</u>	<u>1,213,200</u>
19,117,000	11,097,100	1,859,900	1,673,300	1,418,500	409,449,800	396,564,500
(7,682,000)	(3,615,100)	(1,568,000)	(255,800)	--	(158,854,800)	(146,932,700)
28,237,200	1,137,900	--	28,000	4,000	101,678,100	63,358,100
<u>39,672,200</u>	<u>8,619,900</u>	<u>291,900</u>	<u>1,445,500</u>	<u>1,422,500</u>	<u>352,273,100</u>	<u>312,989,900</u>
<u>\$50,700,500</u>	<u>\$ 9,946,600</u>	<u>\$ 1,209,200</u>	<u>\$ 1,567,100</u>	<u>\$ 1,448,900</u>	<u>\$535,102,900</u>	<u>\$495,078,700</u>

CITY OF TALLAHASSEE, FLORIDA

ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
September 30, 1989  
(Continued)

LIABILITIES AND FUND EQUITY	Electric	Gas	Sewer	Water
<b>Current Liabilities:</b>				
Accounts Payable . . . . .	\$ 12,195,200	\$ 510,700	\$ 116,300	\$ 56,400
Customer Contracts Payable . . . . .	--	--	424,600	299,100
Customer Advances . . . . .	--	7,800	--	--
Due to Other Funds . . . . .	--	--	--	--
Utility Deposits Payable . . . . .	6,802,000	118,600	--	501,300
Total Current Liabilities . . . . .	<u>18,997,200</u>	<u>637,100</u>	<u>540,900</u>	<u>856,800</u>
<b>Payable from Restricted Assets:</b>				
Accrued Interest and Commissions Payable . . . . .	--	--	47,900	40,900
Retainage and Accounts Payable . . . . .	216,200	--	189,300	38,400
Total Payable from Restricted Assets . . . . .	<u>216,200</u>	<u>--</u>	<u>237,200</u>	<u>79,300</u>
<b>Other Liabilities:</b>				
Advance From Other Funds . . . . .	--	--	2,046,000	--
Deferred Revenue . . . . .	409,500	--	--	--
Customer Contracts Payable . . . . .	110,900	--	1,404,000	1,268,700
Customer Advances . . . . .	280,000	--	33,600	31,600
Accrued Leave . . . . .	1,228,900	104,600	377,200	151,800
Loan Payable . . . . .	--	--	8,533,900	7,346,600
Bonds and Notes Payable . . . . .	101,300,200	87,000	15,118,200	6,154,800
Less: Bond Discount . . . . .	(1,915,400)	--	(41,700)	(26,600)
Total Other Liabilities . . . . .	<u>101,414,100</u>	<u>191,600</u>	<u>27,471,200</u>	<u>14,926,900</u>
Total Liabilities . . . . .	<u>120,627,500</u>	<u>828,700</u>	<u>28,249,300</u>	<u>15,863,000</u>
<b>Fund Equity:</b>				
Contributed Capital . . . . .	2,126,000	--	21,282,500	--
<b>Retained Earnings:</b>				
Reserved . . . . .	81,351,300	3,754,100	25,485,000	16,699,300
Unreserved . . . . .	103,521,100	8,200,500	26,097,600	16,144,700
Total Fund Equity . . . . .	<u>186,998,400</u>	<u>11,954,600</u>	<u>72,865,100</u>	<u>32,844,000</u>
Total Liabilities and Fund Equity . . . . .	<u>\$307,625,900</u>	<u>\$ 12,783,300</u>	<u>\$101,114,400</u>	<u>\$ 48,707,000</u>



**CITY OF TALLAHASSEE, FLORIDA**

**ENTERPRISE FUNDS  
COMBINING BALANCE SHEET**

**September 30, 1989**

(Continued)

Airport	Tallahassee Transit	Solid Waste	Golf Course	Forest Meadows	Totals	
					September 30, 1989	September 30, 1988
\$ 132,900	\$ 97,400	\$ 494,100	\$ 11,000	\$ 800	\$ 13,614,800	\$ 14,096,500
--	--	--	--	--	723,700	519,000
11,700	9,800	--	--	--	29,300	34,800
1,000	2,900	--	--	--	3,900	3,900
--	--	--	--	--	7,421,900	6,724,900
<u>145,600</u>	<u>110,100</u>	<u>494,100</u>	<u>11,000</u>	<u>800</u>	<u>21,793,600</u>	<u>21,379,100</u>
--	--	--	--	--	88,800	827,600
<u>1,670,200</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,114,100</u>	<u>834,000</u>
<u>1,670,200</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,202,900</u>	<u>1,661,600</u>
1,740,700	--	--	--	1,479,600	5,266,300	2,240,700
--	--	--	--	--	409,500	372,700
--	--	--	--	--	2,783,600	2,794,700
--	--	--	--	--	345,200	173,000
165,100	169,700	265,900	35,000	--	2,498,200	2,246,500
--	--	--	--	--	15,880,500	16,035,300
12,350,000	--	--	--	--	135,010,200	140,858,300
(210,000)	--	--	--	--	(2,193,700)	(2,311,200)
<u>14,045,800</u>	<u>169,700</u>	<u>265,900</u>	<u>35,000</u>	<u>1,479,600</u>	<u>159,999,800</u>	<u>162,410,000</u>
<u>15,861,600</u>	<u>279,800</u>	<u>760,000</u>	<u>46,000</u>	<u>1,480,400</u>	<u>183,996,300</u>	<u>185,450,700</u>
27,051,700	9,608,500	788,300	1,492,000	--	62,349,000	56,135,300
7,889,100	50,700	--	47,000	--	135,276,500	130,583,900
(101,900)	7,600	(339,100)	(17,900)	(31,500)	153,481,100	122,908,800
<u>34,838,900</u>	<u>9,666,800</u>	<u>449,200</u>	<u>1,521,100</u>	<u>(31,500)</u>	<u>351,106,600</u>	<u>309,628,000</u>
<u>\$50,700,500</u>	<u>\$ 9,946,600</u>	<u>\$ 1,209,200</u>	<u>\$ 1,567,100</u>	<u>\$ 1,448,900</u>	<u>\$535,102,900</u>	<u>\$495,078,700</u>

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

CITY OF TALLAHASSEE, FLORIDA

ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS

For the Fiscal Year Ended September 30, 1989

	<u>Electric</u>	<u>Gas</u>	<u>Sewer</u>	<u>Water</u>
Operating Revenue:				
Charges for Services:				
Residential Sales . . . . .	\$ 53,864,300	\$ 2,223,400	\$ 6,657,000	\$ 5,095,900
Commercial and Industrial Sales . .	66,492,000	6,145,900	6,569,700	3,419,500
Public Street and Highway Lighting .	1,207,000	--	--	--
Sales for Resale . . . . .	4,243,900	--	--	--
Sales to Other Funds . . . . .	3,647,000	68,300	95,400	197,600
Surcharge . . . . .	927,000	2,700	204,900	548,400
Tapping Fees . . . . .	--	35,300	193,400	613,200
Sales of Gas and Oil . . . . .	--	--	--	--
Landing and Tie Down Fees . . . . .	--	--	--	--
Late Fees . . . . .	240,800	25,500	--	32,900
Initiating Service . . . . .	340,900	29,500	--	448,300
Rentals . . . . .	216,400	--	--	48,100
Cut-ins and cut-fees . . . . .	99,700	6,800	--	52,000
Recreation Fees . . . . .	--	--	--	--
Transportation Fees . . . . .	--	--	--	--
Other . . . . .	343,700	40,600	338,100	296,500
Total Operating Revenues . . . . .	<u>131,622,700</u>	<u>8,578,000</u>	<u>14,058,500</u>	<u>10,752,400</u>
Operating Expenses:				
Personal Services . . . . .	9,388,400	816,000	4,046,400	1,638,300
Fossil Fuel . . . . .	36,771,000	--	--	--
Power Purchased . . . . .	13,677,500	--	--	--
Gas Purchased . . . . .	--	4,510,500	--	--
Materials and Supplies . . . . .	848,600	52,100	4,228,900	332,500
Contractual Services . . . . .	6,898,300	794,400	521,300	3,029,300
Other Expenses . . . . .	5,333,300	715,800	364,300	821,300
Less: Applied Equipment Charges . . .	(31,900)	(209,800)	(79,900)	(301,500)
Depreciation . . . . .	7,823,300	221,500	1,924,500	717,100
Amortization . . . . .	161,400	--	14,400	7,700
Total Operating Expenses . . . . .	<u>80,871,900</u>	<u>6,900,300</u>	<u>11,019,900</u>	<u>6,244,700</u>
Operating Income (Loss) . . . . .	<u>50,750,800</u>	<u>1,677,500</u>	<u>3,038,600</u>	<u>4,507,700</u>

CITY OF TALLAHASSEE, FLORIDA

ENTERPRISE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN RETAINED EARNINGS  
 For the Fiscal Year Ended September 30, 1989  
 (Continued)

Airport	Tallahassee Transit	Solid Waste	Golf Course	Forest Meadows	Totals	
					September 30, 1989	September 30, 1988
\$ --	\$ --	\$ 4,157,500	\$ --	\$ --	\$ 71,998,100	\$ 67,341,400
--	--	3,423,900	--	--	86,051,000	78,502,500
--	--	--	--	--	1,207,000	913,300
--	--	--	--	--	4,243,900	3,921,400
--	--	--	--	--	4,008,300	4,154,900
--	--	--	--	--	1,683,000	1,552,100
--	--	--	--	--	841,900	583,900
1,936,900	--	--	--	--	1,936,900	1,666,000
352,400	--	--	--	--	352,400	376,800
--	--	--	--	--	299,200	262,100
--	--	--	--	--	818,700	485,400
2,448,600	--	--	--	--	2,713,100	2,504,200
--	--	--	--	--	158,500	639,800
--	--	--	760,700	187,400	948,100	795,000
--	1,549,100	--	--	--	1,549,100	1,458,500
158,300	--	--	--	--	1,177,200	747,800
<u>4,896,200</u>	<u>1,549,100</u>	<u>7,581,400</u>	<u>760,700</u>	<u>187,400</u>	<u>179,986,400</u>	<u>165,905,100</u>
1,433,600	2,908,100	2,533,200	497,200	--	23,261,200	20,903,600
--	--	--	--	--	36,771,000	32,604,700
--	--	--	--	--	13,677,500	14,189,200
--	--	--	--	--	4,510,500	5,162,100
94,200	786,000	66,900	159,800	--	6,569,000	4,246,300
1,979,000	202,900	5,015,600	217,000	241,600	18,899,400	20,981,900
392,200	474,800	588,700	10,100	--	8,700,500	6,662,800
--	--	--	--	--	(623,100)	(467,900)
670,800	530,700	188,700	51,000	--	12,129,600	12,269,000
21,700	--	--	--	--	205,200	197,200
<u>4,591,500</u>	<u>4,902,500</u>	<u>8,393,100</u>	<u>935,100</u>	<u>241,600</u>	<u>124,100,800</u>	<u>116,748,900</u>
<u>304,700</u>	<u>(3,353,400)</u>	<u>(811,700)</u>	<u>(174,400)</u>	<u>(54,200)</u>	<u>55,885,600</u>	<u>49,156,200</u>

CITY OF TALLAHASSEE, FLORIDA

ENTERPRISE FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN RETAINED EARNINGS  
 For the Fiscal Year Ended September 30, 1989  
 (Continued)

	Electric	Gas	Sewer	Water
Nonoperating Revenues (Expenses):				
Interest Revenue . . . . .	\$ 9,183,100	\$ 351,400	\$ 2,070,300	\$ 1,335,400
Gain on Sale of Surplus Property . .	5,300	--	--	--
Grant Revenue . . . . .	--	--	--	--
Other Revenue . . . . .	3,481,000	460,000	2,412,000	2,381,400
Interest and Commission Expenses . .	(9,277,800)	(7,200)	(1,608,600)	(947,500)
Capitalized Interest . . . . .	667,300	--	658,600	--
Loss on Sale of Property . . . . .	--	--	--	--
Other Expenses . . . . .	(5,446,600)	(146,800)	(1,164,600)	(136,000)
Total Nonoperating Revenues (Expenses) . . . . .	(1,387,700)	657,400	2,367,700	2,633,300
Income (Loss) Before Operating Transfers . . . . .	49,363,100	2,334,900	5,406,300	7,141,000
Operating Transfers In (Out):				
Operating Transfers In . . . . .	--	--	--	--
Operating Transfers (Out) . . . . .	(28,261,300)	(929,800)	(224,600)	(1,934,000)
Net Income (Loss) . . . . .	21,101,800	1,405,100	5,181,700	5,207,000
Disposition of Net Income:				
(Increase) Decrease In Contributed Capital . . . . .	--	--	--	--
Depreciation on Contributed Assets . .	--	--	699,400	--
Net Increase (Decrease) in Retained Earnings . . . . .	21,101,800	1,405,100	5,881,100	5,207,000
Retained Earnings - October 1 . . . . .	163,770,600	10,549,500	45,701,500	27,637,000
Retained Earnings - September 30 . . . .	<u>\$184,872,400</u>	<u>\$ 11,954,600</u>	<u>\$ 51,582,600</u>	<u>\$ 32,844,000</u>

**CITY OF TALLAHASSEE, FLORIDA**

**ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS  
For the Fiscal Year Ended September 30, 1989  
(Continued)**

Airport	Tallahassee Transit	Solid Waste	Golf Course	Forest Meadows	Totals	
					September 30, 1989	September 30, 1988
\$ 1,130,900	\$ --	\$ --	\$ --	\$ 9,300	\$ 14,080,400	\$ 11,958,100
--	200	--	--	--	5,500	7,800
--	646,100	--	--	--	646,100	678,500
424,000	233,600	--	110,500	--	9,502,500	2,864,800
(940,500)	--	--	--	--	(12,781,600)	(12,713,500)
397,400	--	--	--	--	1,723,300	1,141,200
--	--	--	--	--	--	(26,000)
(109,500)	(27,700)	(5,300)	(223,600)	--	(7,260,100)	(6,716,600)
<u>902,300</u>	<u>852,200</u>	<u>(5,300)</u>	<u>(113,100)</u>	<u>9,300</u>	<u>5,916,100</u>	<u>(2,805,700)</u>
1,207,000	(2,501,200)	(817,000)	(287,500)	(44,900)	61,801,700	46,350,500
--	2,297,900	661,200	408,100	13,400	3,380,600	4,226,200
(122,300)	--	(500)	(38,600)	--	(31,511,100)	(28,798,600)
<u>1,084,700</u>	<u>(203,300)</u>	<u>(156,300)</u>	<u>82,000</u>	<u>(31,500)</u>	<u>33,671,200</u>	<u>21,778,100</u>
--	(187,600)	--	--	--	(187,600)	(160,000)
<u>575,500</u>	<u>506,400</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,781,300</u>	<u>1,687,600</u>
1,660,200	115,500	(156,300)	82,000	(31,500)	35,264,900	23,305,700
<u>6,127,000</u>	<u>(57,200)</u>	<u>(182,800)</u>	<u>(52,900)</u>	<u>--</u>	<u>253,492,700</u>	<u>230,187,000</u>
<u>\$ 7,787,200</u>	<u>\$ 58,300</u>	<u>\$ (339,100)</u>	<u>\$ 29,100</u>	<u>\$ (31,500)</u>	<u>\$288,757,600</u>	<u>\$253,492,700</u>

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

**CITY OF TALLAHASSEE, FLORIDA**

**ENTERPRISE FUNDS**

**COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION**

**For the Fiscal Year Ended September 30, 1989**

	<u>Electric</u>	<u>Gas</u>	<u>Sewer</u>	<u>Water</u>
<b>Sources of Working Capital:</b>				
Operations:				
Net Income (Loss) . . . . .	\$ 21,101,800	\$ 1,405,100	\$ 5,181,700	\$ 5,207,000
Items Not Requiring (providing)				
Working Capital:				
Depreciation . . . . .	7,825,300	221,500	1,924,500	717,100
Amortization . . . . .	161,400	--	14,400	7,700
Accretion . . . . .	1,341,900	--	--	--
Accrued Leave . . . . .	106,900	15,500	53,800	11,300
Working Capital Provided by Operations . . . . .	<u>30,537,300</u>	<u>1,642,100</u>	<u>7,174,400</u>	<u>5,943,100</u>
Proceeds From the Sale of Bonds . . . . .	--	--	--	--
Increase in Customer Contract Payable . . . . .	--	--	8,200	--
Decrease in Restricted Assets . . . . .	--	--	--	--
Increase in Customer Advances . . . . .	149,400	--	300	22,500
Increase in Deferred Revenue . . . . .	44,100	--	--	--
Contributions . . . . .	235,300	--	--	--
Increase in Advance from Other Funds . . . . .	--	--	1,546,000	--
Increase in Payable from Restricted Assets . . . . .	--	--	177,100	--
Retirement of Plant in Service . . . . .	--	--	--	--
Advance From Other Fund . . . . .	--	--	--	--
Total Sources of Working Capital . . . . .	<u>30,966,100</u>	<u>1,642,100</u>	<u>8,906,000</u>	<u>5,965,600</u>
<b>Uses of Working Capital:</b>				
Acquisition of Fixed Assets . . . . .	15,153,800	1,701,800	6,294,400	4,026,200
Decrease in Customer Advances . . . . .	--	--	--	--
Decrease in Deferred Revenue . . . . .	--	--	--	--
Decrease in Bonds Payable . . . . .	6,115,000	9,500	747,000	318,500
Increase in Bond Discount . . . . .	--	--	--	--
Increase in Bond Issue Cost . . . . .	--	--	--	--
Decrease in Loan Payable . . . . .	--	--	83,500	71,300
Increase in Restricted Assets . . . . .	6,775,400	172,300	1,346,500	1,146,200
Contributions . . . . .	--	--	10,700	--
Reduction of Loan from Municipal Retirement Fund . . . . .	--	--	--	--
Decrease in Customer Contracts Payable . . . . .	--	--	--	19,300
Decrease in Payable from Restricted Assets . . . . .	148,500	--	--	48,300
Total Uses of Working Capital . . . . .	<u>28,192,700</u>	<u>1,883,600</u>	<u>8,482,100</u>	<u>5,629,800</u>
Net Increase (Decrease) in Working Capital . . . . .	<u>\$ 2,773,400</u>	<u>\$ (241,500)</u>	<u>\$ 423,900</u>	<u>\$ 335,800</u>

CITY OF TALLAHASSEE, FLORIDA

ENTERPRISE FUNDS

COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION

For the Fiscal Year Ended September 30, 1989

Airport	Tallahassee Transit	Solid Waste	Golf Course	Forest Meadows	Totals	
					September 30, 1989	September 30, 1988
\$ 1,084,700	\$ (203,300)	\$ (156,300)	\$ 82,000	\$ (31,500)	\$ 33,671,200	\$ 21,778,100
670,800	530,700	188,700	51,000	--	12,129,600	12,269,000
21,700	--	--	--	--	205,200	197,200
--	--	--	--	--	1,341,900	1,224,800
17,900	17,500	18,600	10,200	--	251,700	404,900
1,795,100	344,900	51,000	143,200	(31,500)	47,599,600	35,874,000
--	--	--	--	--	--	12,350,000
--	--	--	--	--	8,200	174,200
12,716,800	--	--	--	--	12,716,800	--
--	--	--	--	--	172,200	--
--	--	--	--	--	44,100	315,800
7,334,800	248,000	--	--	--	7,818,100	3,180,900
--	--	--	--	1,479,600	3,025,600	1,740,700
551,000	--	--	--	--	738,100	1,191,800
--	--	--	--	--	--	25,200
--	--	--	--	--	--	--
22,407,700	592,900	51,000	143,200	1,448,100	72,122,700	54,852,600
22,241,400	488,000	8,000	76,700	1,422,500	51,412,800	28,006,900
--	--	--	--	--	--	50,500
--	7,300	--	--	--	7,300	10,000
--	--	--	--	--	7,190,000	6,755,000
--	--	--	--	--	--	214,100
--	--	--	--	--	--	421,300
--	--	--	--	--	154,800	76,900
--	--	--	47,000	--	9,487,400	18,055,400
--	--	--	--	--	10,700	--
--	--	--	--	--	--	186,000
--	--	--	--	--	19,300	--
--	--	--	--	--	196,800	326,100
22,241,400	495,300	8,000	123,700	1,422,500	68,479,100	54,102,200
\$ 166,300	\$ 97,600	\$ 43,000	\$ 19,500	\$ 25,600	\$ 3,643,600	\$ 750,400

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

CITY OF TALLAHASSEE, FLORIDA

ENTERPRISE FUNDS  
 COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION  
 For the Fiscal Year Ended September 30, 1989  
 (Continued)

	<u>Electric</u>	<u>Gas</u>	<u>Sewer</u>	<u>Water</u>
Elements of Net Increase				
(Decrease) in Working Capital:				
Cash . . . . .	\$ (97,700)	\$ --	\$ --	\$ --
Equity in Pooled Cash . . . . .	3,960,400	(465,500)	(221,200)	(37,500)
Accounts Receivable . . . . .	(654,400)	452,100	881,700	697,300
Inventory . . . . .	(1,053,800)	(91,600)	--	--
Accounts Payable . . . . .	1,119,400	(139,000)	(96,300)	(56,200)
Customer Contracts Payable . . . . .	8,400	--	(140,300)	(72,800)
Customer Advances . . . . .	--	(4,500)	--	--
Utility Deposits Payable . . . . .	(508,900)	7,000	--	(195,000)
Loan from Municipal Retirement Fund . .	--	--	--	--
Net Increase (Decrease)				
Working Capital . . . . .	<u>\$ 2,773,400</u>	<u>\$ (241,500)</u>	<u>\$ 423,900</u>	<u>\$ 335,800</u>



CITY OF TALLAHASSEE, FLORIDA

ENTERPRISE FUNDS

COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION

For the Fiscal Year Ended September 30, 1989

(Continued)

<u>Airport</u>	<u>Tallahassee Transit</u>	<u>Solid Waste</u>	<u>Golf Course</u>	<u>Forest Meadows</u>	<u>Totals</u>	
					<u>September 30, 1989</u>	<u>September 30, 1988</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ (97,700)	\$ 56,400
(21,600)	(795,300)	(42,500)	30,200	4,600	2,411,600	6,405,000
195,300	860,400	381,000	--	--	2,813,400	2,029,300
(17,300)	72,600	--	(1,000)	21,800	(1,069,300)	13,600
9,900	(50,100)	(295,500)	(9,700)	(800)	481,700	(6,609,900)
--	--	--	--	--	(204,700)	(128,000)
--	10,000	--	--	--	5,500	(3,900)
--	--	--	--	--	(696,900)	(1,050,000)
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>37,900</u>
<u>\$ 166,300</u>	<u>\$ 97,600</u>	<u>\$ 43,000</u>	<u>\$ 19,500</u>	<u>\$ 25,600</u>	<u>\$ 3,643,600</u>	<u>\$ 750,400</u>

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

CITY OF TALLAHASSEE, FLORIDA

ELECTRIC FUND  
BALANCE SHEET

	September 30	
	<u>1989</u>	<u>1988</u>
ASSETS		
Current Assets:		
Cash . . . . .	\$ --	\$ 97,700
Equity in Pooled Cash . . . . .	19,546,800	15,586,400
Accounts Receivable:		
Customers . . . . .	8,869,500	8,843,500
Other . . . . .	814,500	1,944,000
Less: Allowance for Doubtful Accounts . . . . .	(814,500)	(1,263,500)
Inventory:		
Fossil Fuel . . . . .	5,161,100	6,540,000
Nuclear Fuel . . . . .	4,981,400	4,492,300
Accumulated Amortization of Nuclear Fuel . . . . .	(2,532,300)	(2,368,400)
Total Current Assets . . . . .	<u>36,025,500</u>	<u>33,872,000</u>
Restricted Assets:		
Revenue Bonds Reserve:		
Equity in Pooled Cash . . . . .	14,804,500	14,804,500
Revenue Bonds Construction:		
Equity in Pooled Cash . . . . .	16,077,700	16,658,800
Other:		
Equity in Pooled Cash . . . . .	5,058,300	6,393,600
Notes Receivable . . . . .	3,754,300	3,013,900
Revenue Bonds Renewal and Replacement:		
Equity in Pooled Cash . . . . .	40,224,400	33,601,000
Accounts Receivable . . . . .	678,700	350,700
Total Restricted Assets . . . . .	<u>81,597,900</u>	<u>74,822,500</u>
Other Assets:		
Unamortized Bond Issue Cost . . . . .	490,100	546,200
Total Other Assets . . . . .	<u>490,100</u>	<u>546,200</u>
Fixed Assets:		
Fixed Assets - Cost . . . . .	243,832,800	239,617,500
Less: Accumulated Depreciation . . . . .	(110,703,500)	(102,953,400)
Construction in Progress . . . . .	56,382,100	45,518,800
Fixed Assets - Net . . . . .	<u>189,511,400</u>	<u>182,182,900</u>
Total Assets . . . . .	<u>\$307,625,900</u>	<u>\$291,423,600</u>

CITY OF TALLAHASSEE, FLORIDA

ELECTRIC FUND  
BALANCE SHEET  
(Continued)

	September 30	
	<u>1989</u>	<u>1988</u>
LIABILITIES AND FUND EQUITY		
Current Liabilities:		
Accounts Payable . . . . .	\$ 12,195,200	\$ 13,314,700
Customer Contract Payable . . . . .	--	8,400
Utility Deposits Payable . . . . .	6,802,000	6,293,000
Total Current Liabilities . . . . .	<u>18,997,200</u>	<u>19,616,100</u>
Payable from Restricted Assets:		
Retainage and Accounts Payable . . . . .	216,200	364,700
Total Payable from Restricted Assets . . . . .	<u>216,200</u>	<u>364,700</u>
Other Liabilities:		
Customer Contracts Payable . . . . .	110,900	110,900
Deferred Revenue . . . . .	409,500	365,400
Customer Advances . . . . .	280,000	130,600
Accrued Leave . . . . .	1,228,900	1,122,000
Bonds and Notes Payable . . . . .	101,300,200	106,073,300
Less: Bond Discount . . . . .	(1,915,400)	(2,020,700)
Total Other Liabilities . . . . .	<u>101,414,100</u>	<u>105,781,500</u>
Total Liabilities . . . . .	<u>120,627,500</u>	<u>125,762,300</u>
Fund Equity:		
Contributed Capital . . . . .	<u>2,126,000</u>	<u>1,890,700</u>
Retained Earnings:		
Reserved for:		
Revenue Bonds . . . . .	14,804,500	14,804,500
Revenue Bonds Construction . . . . .	16,066,400	16,427,300
Other . . . . .	9,657,200	9,429,400
Revenue Bonds Renewal and Replacement . . . . .	40,823,200	33,943,400
Total Reserved . . . . .	81,351,300	74,604,600
Unreserved . . . . .	103,521,100	89,166,000
Total Fund Equity . . . . .	<u>186,998,400</u>	<u>165,661,300</u>
Total Liabilities and Fund Equity . . . . .	<u>\$307,625,900</u>	<u>\$291,423,600</u>

**CITY OF TALLAHASSEE, FLORIDA**

**ELECTRIC FUND  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS**

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Operating Revenue:		
Charges for Services:		
Residential Sales . . . . .	\$ 53,864,300	\$ 50,609,200
Commercial and Industrial Sales . . . . .	66,492,000	59,520,900
Public Street and Highway Lighting . . . . .	1,207,000	913,300
Sales for Resale . . . . .	4,243,900	3,921,400
Sales to Other Funds . . . . .	3,647,000	3,822,700
Surcharge . . . . .	927,000	875,300
Late Fees . . . . .	240,800	231,400
Initiating Service . . . . .	340,900	262,200
Rentals . . . . .	216,400	93,800
Cut-Ins and Cut-fees . . . . .	99,700	376,700
Other . . . . .	343,700	172,100
Total Operating Revenues . . . . .	<u>131,622,700</u>	<u>120,799,000</u>
Operating Expenses:		
Personal Services . . . . .	9,388,400	8,448,400
Fossil Fuel . . . . .	33,771,000	32,604,700
Power Purchased . . . . .	13,677,500	14,189,200
Materials and Supplies . . . . .	848,600	619,700
Contractual Services . . . . .	6,898,300	6,970,500
Other Expenses . . . . .	5,333,300	4,436,700
Less: Applied Equipment Charges . . . . .	(31,900)	(19,500)
Depreciation . . . . .	7,825,300	8,185,600
Amortization . . . . .	161,400	153,500
Total Operating Expenses . . . . .	<u>80,871,900</u>	<u>75,588,800</u>
Operating Income . . . . .	<u>50,750,800</u>	<u>45,210,200</u>
Nonoperating Revenues (Expenses):		
Interest Revenue . . . . .	9,183,100	7,333,000
Gain on Sale of Surplus Property . . . . .	5,300	7,600
Other Revenue . . . . .	3,481,000	392,900
Interest and Commission Expenses . . . . .	(9,277,800)	(9,540,900)
Capitalized Interest . . . . .	667,300	1,141,200
Other Expenses . . . . .	(5,446,600)	(6,039,200)
Total Nonoperating Revenues (Expenses) . . . . .	<u>(1,387,700)</u>	<u>(6,705,400)</u>
Income Before Operating Transfers . . . . .	49,363,100	38,504,800
Operating Transfers In (Out):		
Operating Transfers In . . . . .	--	415,300
Operating Transfers (Out) . . . . .	(28,261,300)	(26,059,400)
Net Income . . . . .	21,101,800	12,860,700
Retained Earnings - October 1 - As Restated . . . . .	<u>163,770,600</u>	<u>150,909,900</u>
Retained Earnings - September 30 - As Restated . . . . .	<u>\$184,872,400</u>	<u>\$163,770,600</u>

CITY OF TALLAHASSEE, FLORIDA

ELECTRIC FUND  
STATEMENT OF CHANGES IN FINANCIAL POSITION

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Sources of Working Capital:		
Operations:		
Net Income . . . . .	\$ 21,101,800	\$ 12,860,700
Items Not Requiring (providing) Working Capital		
Depreciation . . . . .	7,825,300	8,185,600
Amortization . . . . .	161,400	153,500
Accretion . . . . .	1,341,900	1,224,800
Accrued Leave . . . . .	106,900	78,600
Working Capital Provided by Operations . . . . .	<u>30,537,300</u>	<u>22,503,200</u>
Increase in Customer Advances . . . . .	149,400	--
Contributions . . . . .	235,300	--
Increase in Deferred Revenue . . . . .	44,100	315,800
Increase in Customer Contract Payable . . . . .	--	<u>33,200</u>
Total Sources of Working Capital . . . . .	<u>30,966,100</u>	<u>22,852,200</u>
Uses of Working Capital:		
Acquisition of Plant in Service . . . . .	15,153,800	12,232,000
Decrease in Bonds Payable . . . . .	6,115,000	5,745,000
Increase in Restricted Assets . . . . .	6,775,400	4,384,100
Decrease in Payable from Restricted Assets . . . . .	148,500	233,600
Decrease in Customer Advances . . . . .	--	27,100
Total Uses of Working Capital . . . . .	<u>28,192,700</u>	<u>22,621,800</u>
Net Increase (Decrease) in Working Capital . . . . .	<u>\$ 2,773,400</u>	<u>\$ 230,400</u>
Elements of Net Increase (Decrease) in Working Capital:		
Cash . . . . .	\$ (97,700)	\$ 56,400
Equity in Pooled Cash . . . . .	3,960,400	6,287,800
Accounts Receivable . . . . .	(654,400)	1,505,600
Inventory . . . . .	(1,053,800)	(2,800)
Accounts Payable . . . . .	1,119,400	(6,566,400)
Customer Contract Payable . . . . .	8,400	30,500
Utility Deposits Payable . . . . .	<u>(508,900)</u>	<u>(1,080,700)</u>
Net Increase (Decrease) Working Capital . . . . .	<u>\$ 2,773,400</u>	<u>\$ 230,400</u>

**CITY OF TALLAHASSEE, FLORIDA**

**ELECTRIC FUND  
SCHEDULE OF OPERATING EXPENSE**

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Administrative and General:		
Personal Services . . . . .	\$ 1,412,200	\$ 1,136,900
Contractual Services . . . . .	3,422,000	3,590,400
Materials and Supplies . . . . .	35,400	18,500
Other . . . . .	5,208,100	4,316,400
	<u>10,077,700</u>	<u>9,062,200</u>
Distribution:		
Personal Services . . . . .	2,984,500	2,901,200
Contractual Services . . . . .	1,359,000	1,293,800
Materials and Supplies . . . . .	237,400	185,100
Other . . . . .	27,500	18,700
	<u>4,608,400</u>	<u>4,398,800</u>
Transmission:		
Personal Services . . . . .	121,200	120,200
Contractual Services . . . . .	179,500	217,600
Materials and Supplies . . . . .	10,900	2,500
Other . . . . .	43,100	49,300
	<u>354,700</u>	<u>389,600</u>
Engineering:		
Personal Services . . . . .	415,000	219,300
Contractual Services . . . . .	46,900	15,800
Materials and Supplies . . . . .	14,900	5,400
Other . . . . .	30,200	20,600
	<u>507,000</u>	<u>261,100</u>
Generation:		
Personal Services . . . . .	4,455,500	4,070,800
Fossil Fuel . . . . .	36,771,000	32,604,700
Contractual Services . . . . .	1,890,900	1,852,900
Power Purchased . . . . .	13,677,500	14,189,200
Materials and Supplies . . . . .	550,000	408,200
Other . . . . .	24,400	31,700
	<u>57,369,300</u>	<u>53,157,500</u>
Less: Applied Equipment Charges . . . . .	(31,900)	(19,500)
Depreciation . . . . .	7,825,300	8,185,600
Amortization . . . . .	161,400	153,500
Total Operating Expense . . . . .	<u>\$ 80,871,900</u>	<u>\$ 75,588,800</u>

CITY OF TALLAHASSEE, FLORIDA

ELECTRIC FUND  
REGULATORY SCHEDULE OF OPERATING EXPENSE

	September 30	
	1989	1988
Fossil Fuel . . . . .	\$36,771,000	\$32,604,700
Nuclear . . . . .	1,471,000	1,272,600
Purchase of Power . . . . .	13,677,500	14,189,200
Production:		
Operating . . . . .	3,237,900	2,881,200
Maintenance . . . . .	1,194,600	1,130,900
Transmission:		
Operating . . . . .	340,900	472,700
Maintenance . . . . .	230,600	100,300
Distribution:		
Operating . . . . .	2,476,400	2,475,200
Maintenance . . . . .	955,000	1,140,100
Administrative . . . . .	6,181,400	5,413,200
Automotive Equipment Expense . . . . .	680,900	528,900
Less: Applied Equipment Charges . . . . .	(31,900)	(121,300)
Depreciation . . . . .	7,825,300	8,185,600
Amortization . . . . .	161,400	153,500
Customer Accounts Expense . . . . .	4,731,400	3,776,900
Other . . . . .	968,500	1,385,100
Total Operating Expense . . . . .	<u>\$80,871,900</u>	<u>\$75,588,800</u>

The above schedule is presented in accordance with the Uniform Chart of Accounts as promulgated by the Federal Energy Regulatory Commission.

**CITY OF TALLAHASSEE, FLORIDA**

**GAS FUND  
BALANCE SHEET**

	September 30	
	<u>1989</u>	<u>1988</u>
<b>ASSETS</b>		
Current Assets:		
Equity in Pooled Cash . . . . .	\$ 318,000	\$ 783,500
Accounts Receivable:		
Customers . . . . .	1,060,800	572,600
Other . . . . .	--	800
Less: Allowance for Doubtful Accounts . . . . .	(115,200)	(79,900)
Inventory:		
Fossil Fuel . . . . .	<u>4,100</u>	<u>95,700</u>
Total Current Assets . . . . .	<u>1,267,700</u>	<u>1,372,700</u>
Restricted Assets:		
Revenue Bonds Reserve:		
Equity in Pooled Cash . . . . .	75,500	75,500
Revenue Bonds Renewal and Replacement:		
Equity in Pooled Cash . . . . .	3,635,300	3,407,900
Other:		
Equity in Pooled Cash . . . . .	<u>43,300</u>	<u>98,400</u>
Total Restricted Assets . . . . .	<u>3,754,100</u>	<u>3,581,800</u>
Fixed Assets:		
Fixed Assets - Cost . . . . .	9,958,400	9,519,700
Less: Accumulated Depreciation . . . . .	(4,237,600)	(4,018,300)
Construction in Progress . . . . .	<u>2,040,700</u>	<u>779,800</u>
Fixed Assets - Net . . . . .	<u>7,761,500</u>	<u>6,281,200</u>
Total Assets . . . . .	<u>\$ 12,783,300</u>	<u>\$ 11,235,700</u>
<b>LIABILITIES AND FUND EQUITY</b>		
Current Liabilities:		
Accounts Payable . . . . .	\$ 510,700	\$ 371,700
Customer Advances . . . . .	7,800	3,300
Utility Deposits Payable . . . . .	<u>118,600</u>	<u>125,600</u>
Total Current Liabilities . . . . .	<u>637,100</u>	<u>500,600</u>
Other Liabilities:		
Accrued Leave . . . . .	104,600	89,100
Bonds and Notes Payable . . . . .	<u>87,000</u>	<u>96,500</u>
Total Other Liabilities . . . . .	<u>191,600</u>	<u>185,600</u>
Total Liabilities . . . . .	<u>828,700</u>	<u>686,200</u>
Fund Equity:		
Retained Earnings:		
Reserved for:		
Revenue Bonds . . . . .	75,500	75,500
Revenue Bonds Renewal and Replacement . . . . .	3,635,300	3,407,900
Other . . . . .	<u>43,300</u>	<u>98,400</u>
Total Reserved . . . . .	<u>3,754,100</u>	<u>3,581,800</u>
Unreserved . . . . .	<u>8,200,500</u>	<u>6,967,700</u>
Total Fund Equity . . . . .	<u>11,954,600</u>	<u>10,549,500</u>
Total Liabilities and Fund Equity . . . . .	<u>\$ 12,783,300</u>	<u>\$ 11,235,700</u>



CITY OF TALLAHASSEE, FLORIDA

GAS FUND

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Operating Revenue:		
Charges for Services:		
Residential Sales . . . . .	\$ 2,223,400	\$ 2,467,900
Commercial and Industrial Sales . . . . .	6,145,900	6,615,500
Sales to Other Funds . . . . .	68,300	65,200
Tapping Fees . . . . .	35,300	14,000
Late Fees . . . . .	25,500	22,100
Initiating Service . . . . .	29,500	25,400
Cut-ins and Cut-fees . . . . .	6,800	34,300
Surcharge . . . . .	2,700	--
Other . . . . .	40,600	5,400
Total Operating Revenues . . . . .	<u>8,578,000</u>	<u>9,249,800</u>
Operating Expenses:		
Personal Services . . . . .	816,000	614,500
Gas Purchased . . . . .	4,510,500	5,162,100
Materials and Supplies . . . . .	52,100	60,800
Contractual Services . . . . .	794,400	803,900
Other Expenses . . . . .	715,800	212,500
Less: Applied Equipment Charges . . . . .	(209,800)	(111,300)
Depreciation . . . . .	221,500	230,200
Total Operating Expenses . . . . .	<u>6,900,500</u>	<u>6,972,700</u>
Operating Income . . . . .	<u>1,677,500</u>	<u>2,277,100</u>
Nonoperating Revenues (Expenses):		
Interest Revenue . . . . .	351,400	303,000
Other Revenue . . . . .	460,000	10,600
Interest and Commission Expenses . . . . .	(7,200)	(8,300)
Other Expenses . . . . .	(146,800)	(174,500)
Total Nonoperating Revenues (Expenses) . . . . .	<u>657,400</u>	<u>130,800</u>
Income Before Operating Transfers . . . . .	2,334,900	2,407,900
Operating Transfers In (Out):		
Operating Transfers In . . . . .	--	9,900
Operating Transfers (Out) . . . . .	(929,800)	(1,066,400)
Net Income . . . . .	1,405,100	1,351,400
Retained Earnings - October 1 . . . . .	<u>10,549,500</u>	<u>9,198,100</u>
Retained Earnings - September 30 . . . . .	<u>\$ 11,954,600</u>	<u>\$ 10,549,500</u>

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

**CITY OF TALLAHASSEE, FLORIDA**  
**GAS FUND**  
**STATEMENT OF CHANGES IN FINANCIAL POSITION**

	Fiscal Year Ended September 30	
	1989	1988
Sources of Working Capital:		
Operations:		
Net Income . . . . .	\$ 1,405,100	\$ 1,351,407
Items Not Requiring (providing) Working Capital:		
Depreciation . . . . .	221,500	230,200
Accrued Leave . . . . .	15,500	9,600
Working Capital Provided by Operations . . . . .	1,642,100	1,591,200
Total Sources of Working Capital . . . . .	1,642,100	1,591,200
Uses of Working Capital:		
Acquisition of Plant in Service . . . . .	1,701,800	910,500
Decrease in Bonds Payable . . . . .	9,500	9,000
Increase in Restricted Assets . . . . .	172,300	400,000
Total Uses of Working Capital . . . . .	1,883,600	1,319,500
Net Increase (Decrease) In Working Capital . . . . .	\$ (241,500)	\$ 271,700
Elements of Net Increase (Decrease) in Working Capital:		
Equity in Pooled Cash . . . . .	\$ (465,500)	\$ 64,600
Accounts Receivable . . . . .	452,100	87,200
Inventory . . . . .	(91,600)	(900)
Accounts Payable . . . . .	(139,000)	119,700
Customer Advances . . . . .	(4,500)	(400)
Utility Deposits Payable . . . . .	7,000	1,500
Net Increase (Decrease) Working Capital . . . . .	\$ (241,500)	\$ 271,700

**CITY OF TALLAHASSEE, FLORIDA**

**GAS FUND  
SCHEDULE OF OPERATING EXPENSE**

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Administrative and General:		
Personal Services . . . . .	\$ 193,000	\$ 95,400
Contractual Services . . . . .	522,600	496,400
Materials and Supplies . . . . .	5,300	5,300
Other Expenses . . . . .	<u>696,200</u>	<u>124,300</u>
	<u>1,417,100</u>	<u>721,400</u>
Peak Shaving:		
Personal Services . . . . .	8,700	5,000
Contractual Services . . . . .	1,800	1,700
Materials and Supplies . . . . .	<u>1,000</u>	<u>500</u>
	<u>11,500</u>	<u>7,200</u>
Transmission and Distribution:		
Personal Services . . . . .	614,300	514,100
Gas Purchased . . . . .	4,510,500	5,162,100
Contractual Services . . . . .	270,000	305,800
Materials and Supplies . . . . .	45,800	55,000
Other Expenses . . . . .	<u>19,600</u>	<u>88,200</u>
	<u>5,460,200</u>	<u>6,125,200</u>
Less Applied Equipment Charges . . . . .	(209,800)	(111,300)
Depreciation . . . . .	<u>221,500</u>	<u>230,200</u>
Total Operating Expense . . . . .	<u>\$ 6,900,500</u>	<u>\$ 6,972,700</u>

**GAS FUND  
REGULATORY SCHEDULE OF OPERATING EXPENSE**

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Purchase of Gas . . . . .	\$ 4,510,500	\$ 5,162,100
Distribution:		
Operating . . . . .	349,600	407,400
Maintenance . . . . .	196,400	161,200
Administrative . . . . .	645,300	337,200
Automotive Equipment Expense . . . . .	241,000	268,600
Less: Applied Equipment Charges . . . . .	(209,800)	(163,600)
Depreciation . . . . .	221,500	230,300
Customer Accounts Expense . . . . .	565,800	494,400
Other . . . . .	<u>380,200</u>	<u>75,100</u>
Total Operating Expense . . . . .	<u>\$ 6,900,500</u>	<u>\$ 6,972,700</u>

The above schedule is presented in accordance with the Uniform Chart of Accounts as promulgated by the Federal Energy Regulatory Commission.

CITY OF TALLAHASSEE, FLORIDA

SEWER FUND  
BALANCE SHEET

ASSETS	September 30	
	1989	1988
Current Assets:		
Equity in Pooled Cash . . . . .	\$ 3,400	\$ 224,600
Accounts Receivable:		
Customers . . . . .	1,890,800	962,400
Other . . . . .	29,900	46,000
Less: Allowance for Doubtful Accounts . . . . .	(139,600)	(109,000)
Total Current Assets . . . . .	<u>1,784,500</u>	<u>1,124,000</u>
Restricted Assets:		
Loan Debt Service:		
Equity in Pooled Cash . . . . .	178,900	46,600
Revenue Bonds Reserve:		
Equity in Pooled Cash . . . . .	1,883,300	1,883,300
Revenue Bonds Construction:		
Equity in Pooled Cash . . . . .	3,581,000	4,065,000
Other:		
Equity in Pooled Cash . . . . .	844,000	853,600
Notes Receivable . . . . .	156,600	--
Revenue Bonds Renewal and Replacement:		
Equity in Pooled Cash . . . . .	8,080,600	7,751,400
Sewer System Charges:		
Equity in Pooled Cash . . . . .	4,175,600	1,818,800
Sunshine State Construction:		
Equity in Pooled Cash . . . . .	35,100	8,025,500
Investments . . . . .	6,855,600	--
Total Restricted Assets . . . . .	<u>25,790,700</u>	<u>24,444,200</u>
Other Assets:		
Unamortized Bond Issue Cost . . . . .	54,800	61,000
Unamortized Loan Issue Cost . . . . .	86,500	89,700
Total Other Assets . . . . .	<u>141,300</u>	<u>150,700</u>
Fixed Assets:		
Fixed Assets - Cost . . . . .	83,540,400	79,409,300
Less: Accumulated Depreciation . . . . .	(19,617,100)	(17,697,000)
Construction in Progress . . . . .	9,474,600	7,315,800
Fixed Assets - Net . . . . .	<u>73,397,900</u>	<u>69,028,100</u>
Total Assets . . . . .	<u>\$101,114,400</u>	<u>\$ 94,747,000</u>

CITY OF TALLAHASSEE, FLORIDA

SEWER FUND  
BALANCE SHEET  
(Continued)

	September 30	
	1989	1988
LIABILITIES AND FUND EQUITY		
Current Liabilities:		
Accounts Payable . . . . .	\$ 116,300	\$ 20,000
Customer Contracts Payable . . . . .	424,600	284,300
Total Current Liabilities . . . . .	<u>540,900</u>	<u>304,300</u>
Payable from Restricted Assets:		
Accrued Interest and Commissions Payable . . . . .	47,900	46,600
Retainage and Accounts Payable . . . . .	189,300	13,500
Total Payable from Restricted Assets . . . . .	<u>237,200</u>	<u>60,100</u>
Other Liabilities:		
Advance from Other Funds . . . . .	2,046,000	500,000
Customer Contracts Payable . . . . .	1,404,000	1,395,800
Customer Advances . . . . .	33,600	33,300
Accrued Leave . . . . .	377,200	323,400
Loan Payable . . . . .	8,533,900	8,617,400
Bonds and Notes Payable . . . . .	15,118,200	15,865,200
Less: Bond Discount . . . . .	(41,700)	(46,600)
Total Other Liabilities . . . . .	<u>27,471,200</u>	<u>26,688,500</u>
Total Liabilities . . . . .	<u>28,249,300</u>	<u>27,052,900</u>
Fund Equity:		
Contributed Capital . . . . .	21,282,500	21,992,600
Retained Earnings:		
Reserved for:		
Loan Debt Service . . . . .	131,000	--
Revenue Bonds . . . . .	1,883,300	1,883,300
Revenue Bonds Construction . . . . .	3,506,800	4,051,500
Other . . . . .	1,000,600	853,600
Revenue Bonds Renewal and Replacement . . . . .	8,021,400	7,751,400
Sewer System Charges . . . . .	4,175,600	1,818,800
Sunshine State Construction . . . . .	6,766,300	8,025,500
Total Reserved . . . . .	<u>25,485,000</u>	<u>24,384,100</u>
Unreserved . . . . .	26,097,600	21,317,400
Total Fund Equity . . . . .	<u>72,865,100</u>	<u>67,694,100</u>
Total Liabilities and Fund Equity . . . . .	<u>\$101,114,400</u>	<u>\$ 94,747,000</u>

CITY OF TALLAHASSEE, FLORIDA

SEWER FUND  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS

	Fiscal Year Ended September 30	
	1989	1988
Operating Revenue:		
Charges for Services:		
Residential Sales. . . . .	\$ 6,657,000	\$ 5,987,600
Commercial and Industrial Sales. . . . .	6,569,700	6,239,400
Sales to Other Funds . . . . .	95,400	91,400
Surcharge. . . . .	204,900	179,300
Tapping Fees . . . . .	193,400	151,100
Other. . . . .	338,100	217,700
Total Operating Revenues . . . . .	<u>14,058,500</u>	<u>12,866,500</u>
Operating Expenses:		
Personal Services . . . . .	4,046,400	3,613,900
Materials and Supplies. . . . .	4,228,900	529,800
Contractual Services. . . . .	521,300	4,181,000
Other Expenses. . . . .	364,300	1,117,600
Less: Applied Equipment Charges. . . . .	(79,900)	(138,800)
Depreciation. . . . .	1,924,500	1,863,500
Amortization. . . . .	14,400	14,500
Total Operating Expenses . . . . .	<u>11,019,900</u>	<u>11,181,500</u>
Operating Income . . . . .	<u>3,038,600</u>	<u>1,685,000</u>
Nonoperating Revenues (Expenses):		
Interest Revenue. . . . .	2,070,300	1,851,500
Other Revenue . . . . .	2,412,000	1,534,200
Interest and Commission Expenses. . . . .	(1,608,600)	(1,559,500)
Other Expenses. . . . .	(1,164,600)	(32,400)
Capitalized Interest. . . . .	658,600	--
Total Nonoperating Revenues (Expenses). . . . .	<u>2,367,700</u>	<u>1,793,800</u>
Income Before Operating Transfers . . . . .	5,406,300	3,478,800
Operating Transfers In (Out):		
Operating Transfers In. . . . .	--	36,000
Operating Transfers (Out) . . . . .	(224,600)	(222,100)
Net Income. . . . .	5,181,700	3,292,700
Disposition of Net Income:		
Depreciation on Contributed Assets. . . . .	699,400	692,800
Net Increase in Retained Earnings . . . . .	<u>5,881,100</u>	<u>3,985,500</u>
Retained Earnings - October 1 . . . . .	<u>45,701,500</u>	<u>41,716,000</u>
Retained Earnings - September 30. . . . .	<u>\$51,582,600</u>	<u>\$45,701,500</u>

CITY OF TALLAHASSEE, FLORIDA

SEWER FUND

STATEMENT OF CHANGES IN FINANCIAL POSITION

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Sources of Working Capital:		
Operations:		
Net Income . . . . .	\$ 1,181,700	\$ 3,292,700
Items Not Requiring (providing) Working Capital:		
Depreciation . . . . .	1,924,500	1,863,500
Amortization . . . . .	14,400	14,500
Accrued Leave . . . . .	<u>53,800</u>	<u>35,800</u>
Working Capital Provided by Operations . . . . .	7,174,400	5,206,500
Increase in Customer Contracts Payable . . . . .	8,200	61,200
Increase in Customer Advances . . . . .	300	--
Increase in Advance from Other Fund . . . . .	1,546,000	--
Increase in Payable from Restricted Assets . . . . .	<u>177,100</u>	<u>--</u>
Total Sources of Working Capital . . . . .	<u>8,906,000</u>	<u>5,267,700</u>
Uses of Working Capital:		
Decrease in Customer Advance . . . . .	--	19,500
Decrease in Payable from Restricted Assets . . . . .	--	26,700
Acquisition of Plant in Service . . . . .	6,294,400	3,734,900
Decrease in Bonds Payable . . . . .	747,000	704,200
Decrease in Loan Payable . . . . .	83,500	76,900
Contribution . . . . .	10,700	--
Increase in Restricted Assets . . . . .	<u>1,346,500</u>	<u>695,700</u>
Total Uses of Working Capital . . . . .	<u>8,482,100</u>	<u>5,257,900</u>
Net Increase in Working Capital . . . . .	<u>\$ 423,900</u>	<u>\$ 9,800</u>
Elements of Net Increase (Decrease) in Working Capital:		
Equity in Pooled Cash . . . . .	\$ (221,200)	\$ 39,000
Accounts Receivable . . . . .	881,700	18,900
Accounts Payable . . . . .	(96,300)	12,000
Customer Contracts Payable . . . . .	<u>(140,300)</u>	<u>(60,100)</u>
Net Increase Working Capital . . . . .	<u>\$ 423,900</u>	<u>\$ 9,800</u>

# CITY OF TALLAHASSEE, FLORIDA

## SEWER FUND SCHEDULE OF OPERATING EXPENSE

	Fiscal Year Ended September 30	
	1989	1988
<b>Administrative and General:</b>		
Personal Services . . . . .	\$ 630,200	\$ 523,400
Contractual Services . . . . .	1,524,700	1,083,300
Other . . . . .	317,200	237,100
	2,272,100	1,843,800
<b>Treatment Plants:</b>		
Personal Services . . . . .	1,657,800	1,598,200
Contractual Services . . . . .	1,769,300	1,811,400
Materials and Supplies . . . . .	284,700	292,300
Other . . . . .	18,200	792,700
	3,730,000	4,494,600
<b>Water Quality Lab:</b>		
Personal Services . . . . .	293,000	244,800
Contractual Services . . . . .	12,800	14,500
Materials and Supplies . . . . .	65,000	67,300
Other . . . . .	19,500	18,500
	390,300	345,100
<b>Sewer Collection:</b>		
Personal Services . . . . .	1,082,400	952,200
Contractual Services . . . . .	650,500	795,700
Materials and Supplies . . . . .	93,200	104,000
Other . . . . .	6,900	3,200
	1,833,000	1,855,100
<b>TV Inspection:</b>		
Personal Services . . . . .	17,500	129,000
Contractual Services . . . . .	13,900	60,300
Materials and Supplies . . . . .	11,800	10,700
Other . . . . .	1,000	300
	208,200	200,300
<b>Pumping Stations:</b>		
Personal Services . . . . .	245,500	231,400
Contractual Services . . . . .	417,800	415,900
Materials and Supplies . . . . .	62,500	55,400
Other . . . . .	1,500	700
	727,300	703,400
Applied Equipment Expense . . . . .	(79,900)	(138,800)
Depreciation . . . . .	1,924,500	1,863,500
Amortization . . . . .	14,400	14,500
	\$ 11,019,900	\$ 11,181,500



CITY OF TALLAHASSEE, FLORIDA

SEWER FUND  
REGULATORY SCHEDULE OF OPERATING EXPENSE

	Fiscal Year Ended September 30	
	1989	1988
Production:		
Operating . . . . .	\$ 1,410,700	\$ 1,512,600
Maintenance . . . . .	507,800	585,700
Transmission:		
Operating . . . . .	155,300	170,000
Maintenance . . . . .	103,400	102,700
Distribution:		
Operating . . . . .	2,608,500	2,608,200
Maintenance . . . . .	136,600	196,200
Administrative . . . . .	1,965,900	1,655,600
Automotive Equipment Expense . . . . .	824,900	1,054,200
Less: Applied Equipment Charges . . . . .	(79,900)	(497,800)
Depreciation . . . . .	1,924,500	1,863,500
Amortization . . . . .	14,400	14,500
Customer Accounts Expense . . . . .	1,447,800	1,140,300
Other . . . . .	--	775,800
Total Operating Expense . . . . .	<u>\$11,019,900</u>	<u>\$11,181,500</u>

The above schedule is presented in accordance with the Uniform System of Accounts for Class A and B Water Utilities as promulgated by the National Association of Regulatory Utility Commissioners.

CITY OF TALLAHASSEE, FLORIDA

WATER FUND  
BALANCE SHEET

	September 30	
	<u>1989</u>	<u>1988</u>
ASSETS		
Current Assets:		
Equity in Pooled Cash . . . . .	\$ 428,000	\$ 465,500
Accounts Receivable:		
Customers . . . . .	1,351,400	624,600
Other . . . . .	5,900	12,300
Less: Allowance for Doubtful Accounts. . . . .	<u>(97,500)</u>	<u>(74,400)</u>
Total Current Assets. . . . .	<u>1,687,800</u>	<u>1,028,000</u>
Restricted Assets:		
Loan Debt Service:		
Equity in Pooled Cash . . . . .	152,800	39,700
Revenue Bonds Reserve:		
Equity in Pooled Cash . . . . .	635,600	635,600
Revenue Bonds Construction:		
Equity in Pooled Cash . . . . .	3,900,500	3,507,700
Revenue Bonds Renewal and Replacement:		
Equity in Pooled Cash . . . . .	3,117,800	2,661,100
Water System Charge		
Equity in Pooled Cash . . . . .	2,368,000	1,209,300
Sunshine State Construction:		
Investments . . . . .	6,272,700	7,257,800
Other:		
Equity in Pooled Cash. . . . .	<u>331,100</u>	<u>321,100</u>
Total Restricted Assets. . . . .	<u>16,778,500</u>	<u>15,632,300</u>
Others Assets:		
Unamortized Bond Issue Cost . . . . .	16,500	18,400
Unamortized Loan Issue Cost . . . . .	<u>73,900</u>	<u>76,600</u>
Total Other Assets . . . . .	<u>90,400</u>	<u>95,000</u>
Fixed Assets:		
Fixed Assets - Cost . . . . .	36,952,400	34,361,800
Less: Accumulated Depreciation . . . . .	(11,175,700)	(10,463,800)
Construction in Progress. . . . .	<u>4,373,600</u>	<u>2,940,100</u>
Fixed Assets - Net . . . . .	<u>30,150,300</u>	<u>26,841,100</u>
Total Assets . . . . .	<u>\$48,707,000</u>	<u>\$43,596,400</u>

CITY OF TALLAHASSEE, FLORIDA

WATER FUND  
BALANCE SHEET  
(Continued)

	September 30	
	<u>1989</u>	<u>1988</u>
LIABILITIES AND FUND EQUITY		
Current Liabilities:		
Accounts Payable . . . . .	\$ 56,400	\$ 200
Customer Contracts Payable . . . . .	299,100	226,300
Utility Deposits Payable . . . . .	<u>501,300</u>	<u>306,300</u>
Total Current Liabilities . . . . .	<u>856,800</u>	<u>532,800</u>
Payable from Restricted Assets:		
Accrued Interest and Commissions Payable . . . . .	40,900	39,700
Retainage and Accounts Payable . . . . .	<u>38,400</u>	<u>87,900</u>
Total Payable from Restricted Assets . . . . .	<u>79,300</u>	<u>127,600</u>
Other Liabilities:		
Customer Contracts Payable . . . . .	1,268,700	1,288,000
Customer Advances . . . . .	31,600	9,100
Accrued Leave . . . . .	151,800	140,500
Loan Payable . . . . .	7,346,600	7,417,900
Bonds and Notes Payable . . . . .	6,154,800	6,473,300
Less: Bond Discount . . . . .	<u>(26,600)</u>	<u>(29,800)</u>
Total Other Liabilities . . . . .	<u>14,926,900</u>	<u>15,299,000</u>
Total Liabilities . . . . .	<u>15,863,000</u>	<u>15,959,400</u>
Fund Equity:		
Retained Earnings:		
Reserved for:		
Loan Debt Service . . . . .	111,900	--
Revenue Bonds . . . . .	635,600	635,600
Revenue Bonds Construction . . . . .	3,897,100	3,419,900
Revenue Bonds Renewal and Replacement . . . . .	3,108,700	2,661,000
Water Line Systems Charge . . . . .	2,368,000	1,209,300
Sunshine State Construction . . . . .	6,246,900	7,257,800
Other . . . . .	<u>331,100</u>	<u>321,100</u>
Total Reserved . . . . .	16,699,300	15,504,700
Unreserved . . . . .	<u>16,144,700</u>	<u>12,132,300</u>
Total Fund Equity . . . . .	32,844,000	27,637,000
Total Liabilities and Fund Equity . . . . .	<u>\$ 48,707,000</u>	<u>\$ 43,596,400</u>

**CITY OF TALLAHASSEE, FLORIDA**  
**WATER FUND**  
**STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN RETAINED EARNINGS**

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Operating Revenue:		
Charges for Services:		
Residential Sales . . . . .	\$ 5,095,900	\$ 4,709,100
Commercial and Industrial Sales . . . . .	3,419,500	3,137,200
Sales to Other Funds . . . . .	197,600	175,600
Surcharge . . . . .	548,400	497,500
Tapping Fees . . . . .	613,200	418,800
Late Fees . . . . .	32,900	8,600
Initiating Service . . . . .	448,300	197,800
Rentals . . . . .	48,100	52,500
Cut-ins and Cut-fees . . . . .	52,000	228,800
Other . . . . .	296,500	212,100
Total Operating Revenues . . . . .	<u>10,752,400</u>	<u>9,638,000</u>
Operating Expenses:		
Personal Services . . . . .	1,638,300	1,299,900
Materials and Supplies . . . . .	332,500	296,400
Contractual Services . . . . .	3,029,300	2,945,800
Other Expenses . . . . .	821,300	282,900
Less: Applied Equipment Charges . . . . .	(301,500)	(198,300)
Depreciation . . . . .	717,100	677,500
Amortization . . . . .	7,700	7,800
Total Operating Expenses . . . . .	<u>6,244,700</u>	<u>5,312,000</u>
Operating Income . . . . .	<u>4,507,700</u>	<u>4,326,000</u>
Nonoperating Revenues (Expenses):		
Interest Revenue . . . . .	1,335,400	1,174,800
Gain on Sale of Surplus Property . . . . .	--	200
Other Revenue . . . . .	2,381,400	926,500
Interest and Commission Expenses . . . . .	(947,500)	(887,000)
Other Expenses . . . . .	(136,000)	(362,100)
Total Nonoperating Revenues (Expenses) . . . . .	<u>2,633,300</u>	<u>852,400</u>
Income Before Operating Transfers . . . . .	7,141,000	5,178,400
Operating Transfers In (Out):		
Operating Transfers In . . . . .	--	71,300
Operating Transfers (Out) . . . . .	(1,934,000)	(1,386,300)
Net Income . . . . .	5,207,000	3,863,400
Retained Earnings - October 1 . . . . .	<u>27,637,000</u>	<u>23,773,600</u>
Retained Earnings - September 30 . . . . .	<u>\$ 32,844,000</u>	<u>\$27,637,000</u>

**CITY OF TALLAHASSEE, FLORIDA**  
**WATER FUND**  
**STATEMENT OF CHANGES IN FINANCIAL POSITION**

	Fiscal Year Ended September 30	
	1989	1988
Sources of Working Capital:		
Operations:		
Net Income . . . . .	\$ 5,207,000	\$ 3,863,400
Items not Requiring (providing) Working Capital:		
Depreciation . . . . .	717,100	677,500
Amortization . . . . .	7,700	7,800
Accrued Leave . . . . .	11,300	4,400
Working Capital Provided by Operations . . . . .	5,943,100	4,553,100
Increase in Customer Contracts Payable . . . . .	--	79,800
Increase in Customer Advances . . . . .	22,500	--
Increase in Payable for Restricted Assets . . . . .	--	90,400
Total Sources of Working Capital . . . . .	5,965,600	4,723,300
Uses of Working Capital:		
Acquisition of Plant in Services . . . . .	4,026,200	3,569,300
Decrease in Bonds Payable . . . . .	318,500	296,800
Decrease in Customer Advances . . . . .	--	3,900
Increase in Restricted Assets . . . . .	1,146,200	878,000
Decrease in Payable from Restricted Assets . . . . .	48,300	--
Decrease in Customer Contracts Payable . . . . .	19,300	--
Decrease in Loan Payable . . . . .	71,300	65,800
Total Uses of Working Capital . . . . .	5,629,800	4,813,800
Net Increase (Decrease) in Working Capital . . . . .	\$ 335,800	\$ (90,500)
Elements of Net Increase (Decrease) in Working Capital:		
Equity in Pooled Cash . . . . .	\$ (37,500)	\$ (23,200)
Accounts Receivable . . . . .	697,300	(27,200)
Accounts Payable . . . . .	(56,200)	29,100
Customer Contracts Payable . . . . .	(72,800)	(98,400)
Utility Deposits Payable . . . . .	(195,000)	29,200
Net Increase (Decrease) in Working Capital . . . . .	\$ 335,800	\$ (90,500)

**CITY OF TALLAHASSEE, FLORIDA**

**WATER FUND**

**SCHEDULE OF OPERATING EXPENSE**

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Administrative and General:		
Personal Services . . . . .	\$ 252,200	\$ 92,500
Contractual Services . . . . .	1,353,600	1,096,400
Other Expenses . . . . .	<u>809,900</u>	<u>118,000</u>
	<u>2,415,700</u>	<u>1,306,900</u>
Supply:		
Personal Services . . . . .	254,800	244,300
Contractual Services . . . . .	973,000	1,136,100
Materials and Supplies . . . . .	67,900	48,700
Other Expenses . . . . .	<u>1,600</u>	<u>1,600</u>
	<u>1,297,300</u>	<u>1,430,700</u>
Transmission and Distribution:		
Personal Services . . . . .	1,131,400	963,100
Contractual Services . . . . .	702,600	713,200
Materials and Supplies . . . . .	264,600	247,800
Other Expenses . . . . .	<u>9,800</u>	<u>163,300</u>
	<u>2,108,400</u>	<u>2,087,400</u>
Less: Applied Equipment Charges . . . . .	(301,500)	(198,300)
Depreciation Expense . . . . .	717,100	677,500
Amortization Expense . . . . .	<u>7,700</u>	<u>7,800</u>
Total Operating Expense . . . . .	<u>\$ 6,244,700</u>	<u>\$ 5,312,000</u>

**WATER FUND**

**REGULATORY SCHEDULE OF OPERATING EXPENSE**

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Production:		
Operating . . . . .	\$ 1,041,800	\$ 1,346,600
Maintenance . . . . .	--	6,300
Distribution:		
Operating . . . . .	608,700	331,300
Maintenance . . . . .	693,100	758,300
Administrative . . . . .	953,900	561,100
Automotive Equipment Expense . . . . .	658,300	701,700
Less: Applied Equipment Charges . . . . .	(301,500)	(351,000)
Depreciation . . . . .	717,100	677,500
Amortization . . . . .	7,700	7,800
Customer Accounts Expense . . . . .	1,406,900	1,135,400
Other . . . . .	<u>458,700</u>	<u>137,000</u>
Total Operating Expense . . . . .	<u>\$ 6,244,700</u>	<u>\$ 5,312,000</u>

The above schedule is presented in accordance with the Uniform System of Accounts for Class A and B Water Utilities as promulgated by the National Association of Regulatory Utility Commissioners.

CITY OF TALLAHASSEE, FLORIDA

AIRPORT FUND  
BALANCE SHEET

	September 30	
ASSETS	<u>1989</u>	<u>1988</u>
Current Assets:		
Cash . . . . .	\$ 1,000	\$ 1,000
Equity in Pooled Cash . . . . .	464,000	485,600
Accounts Receivable:		
Customers . . . . .	277,300	150,700
Other . . . . .	290,700	217,000
Less: Allowance for Doubtful Accounts . . . . .	(45,600)	(40,600)
Inventory - Fossil Fuel . . . . .	77,700	95,000
Total Current Assets . . . . .	<u>1,065,100</u>	<u>908,700</u>
Restricted Assets:		
Construction:		
Equity in Pooled Cash . . . . .	2,204,500	16,635,100
Cash with Fiscal Agent . . . . .	1,039,200	--
Accounts Receivable . . . . .	3,053,300	514,200
Other:		
Equity in Pooled Cash . . . . .	120,200	68,300
Accounts Receivable . . . . .	108,100	22,400
Renewal and Replacement:		
Equity in Pooled Cash . . . . .	1,840,900	2,655,100
Reserve:		
Equity in Pooled Cash . . . . .	1,167,700	1,109,200
Revenue Bonds Debt Service:		
Equity in Pooled Cash . . . . .	23,900	45,600
Investment . . . . .	1,600	--
Cash with Fiscal Agent . . . . .	--	1,226,300
Total Restricted Assets . . . . .	<u>9,559,400</u>	<u>22,276,200</u>
Fixed Assets:		
Fixed Assets - Cost . . . . .	19,117,000	18,995,500
Less: Accumulated Depreciation . . . . .	(7,682,000)	(7,011,100)
Construction in Progress . . . . .	28,237,200	6,117,300
Fixed Assets - Net . . . . .	<u>39,672,200</u>	<u>18,101,700</u>
Other Assets:		
Unamortized Bond Issue Cost . . . . .	403,800	421,300
Total Other Assets . . . . .	<u>403,800</u>	<u>421,300</u>
Total Assets . . . . .	<u>\$50,700,500</u>	<u>\$41,707,900</u>

CITY OF TALLAHASSEE, FLORIDA

AIRPORT FUND  
BALANCE SHEET  
(Continued)

	September 30	
	<u>1989</u>	<u>1988</u>
LIABILITIES AND FUND EQUITY		
Current Liabilities:		
Accounts Payable . . . . .	\$ 132,900	\$ 142,800
Customer Advances . . . . .	11,700	11,700
Due to Other Funds . . . . .	<u>1,000</u>	<u>1,000</u>
Total Current Liabilities . . . . .	<u>145,600</u>	<u>155,500</u>
Payable From Restricted Assets:		
Retainage Payable . . . . .	1,670,200	367,900
Accrued Interest Payable . . . . .	<u>—</u>	<u>741,300</u>
Total Payable from Restricted Assets . . . . .	<u>1,670,200</u>	<u>1,109,200</u>
Other Liabilities:		
Accrued Leave . . . . .	165,100	147,200
Bonds Payable . . . . .	12,350,000	12,350,000
Less: Bond Discount . . . . .	(210,000)	(214,100)
Advance from Other Funds . . . . .	<u>1,740,700</u>	<u>1,740,700</u>
Total Other Liabilities . . . . .	<u>14,045,800</u>	<u>14,023,800</u>
Total Liabilities . . . . .	<u>15,861,600</u>	<u>15,288,500</u>
Fund Equity:		
Contributed Capital . . . . .	<u>27,051,700</u>	<u>20,292,400</u>
Retained Earnings:		
Reserved for:		
Revenue Bonds Debt Service . . . . .	25,500	530,600
Revenue Bond . . . . .	1,167,700	1,109,200
Construction . . . . .	4,636,400	8,101,000
Renewal and Replacement . . . . .	1,831,300	2,655,100
Other . . . . .	<u>228,200</u>	<u>49,500</u>
Total Reserved . . . . .	7,889,100	12,445,400
Unreserved . . . . .	<u>(101,900)</u>	<u>(6,318,400)</u>
Total Fund Equity . . . . .	<u>34,838,900</u>	<u>26,419,400</u>
Total Liabilities and Fund Equity . . . . .	<u>\$50,700,500</u>	<u>\$41,707,900</u>



**CITY OF TALLAHASSEE, FLORIDA**

**AIRPORT FUND  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS**

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Operating Revenue:		
Charges for Services:		
Sales of Gas and Oil . . . . .	\$ 1,936,900	\$ 1,666,000
Landing and Tie Down Fees . . . . .	352,400	376,800
Rentals . . . . .	2,448,600	2,357,900
Other . . . . .	158,300	140,500
Total Operating Revenues . . . . .	<u>4,896,200</u>	<u>4,541,200</u>
Operating Expenses:		
Personal Services . . . . .	1,433,600	1,264,700
Materials and Supplies . . . . .	94,200	79,400
Contractual Services . . . . .	1,979,000	1,858,200
Other Expenses . . . . .	392,200	279,900
Depreciation . . . . .	670,800	602,100
Amortization . . . . .	21,700	21,400
Total Operating Expenses . . . . .	<u>4,591,500</u>	<u>4,105,700</u>
Operating Income (Loss) . . . . .	<u>304,700</u>	<u>435,500</u>
Nonoperating Revenues (Expenses):		
Interest Revenue . . . . .	1,130,900	1,295,800
Other Revenue . . . . .	424,000	--
Interest and Commission Expenses . . . . .	(940,500)	(717,800)
Capitalized Interest . . . . .	397,400	--
Other Expenses . . . . .	(109,500)	(105,900)
Total Nonoperating Revenues (Expenses) . . . . .	<u>902,300</u>	<u>472,100</u>
Income Before Operating Transfers . . . . .	1,207,000	907,600
Operating Transfers In (Out):		
Operating Transfers (Out) . . . . .	(122,300)	(4,000)
Net Income . . . . .	1,084,700	903,600
Disposition of Net Income:		
Depreciation on Contributed Assets . . . . .	575,500	514,200
Net Increase In Retained Earnings . . . . .	1,660,200	1,417,800
Retained Earnings - October 1 . . . . .	<u>6,127,000</u>	<u>4,709,200</u>
Retained Earnings - September 30 . . . . .	<u>\$ 7,787,200</u>	<u>\$ 6,127,000</u>

CITY OF TALLAHASSEE, FLORIDA

AIRPORT FUND  
STATEMENT OF CHANGES IN FINANCIAL POSITION

	September 30	
	<u>1989</u>	<u>1988</u>
Sources of Working Capital:		
Operations:		
Net Income . . . . .	\$ 1,084,700	\$ 903,600
Items Not Requiring Working Capital:		
Depreciation . . . . .	670,800	602,100
Accrued Leave . . . . .	17,900	(14,400)
Amortization . . . . .	<u>21,700</u>	<u>21,400</u>
Working Capital Provided by Operations . . . . .	1,795,100	1,512,700
Increase In Payable from Restricted Assets . . . . .	561,000	1,101,400
Advance from Other Funds . . . . .	--	1,740,700
Proceeds from Sale of Bonds . . . . .	--	12,350,000
Decrease In Restricted Assets . . . . .	12,716,800	--
Retirement of Fixed Asset . . . . .	--	25,200
Contributions . . . . .	<u>7,334,800</u>	<u>577,800</u>
Total Sources of Working Capital . . . . .	<u>22,407,700</u>	<u>17,307,800</u>
Uses of Working Capital:		
Acquisition of Plant In Service . . . . .	22,241,400	4,775,000
Decrease In Deferred Revenue . . . . .	--	10,000
Increase In Restricted Assets . . . . .	--	11,687,600
Reduction of Loan from Municipal Retirement Fund . . . . .	--	186,000
Increase In Bond Issue Cost . . . . .	--	438,900
Increase In Bond Discount . . . . .	--	218,000
Total Uses of Working Capital . . . . .	<u>22,241,400</u>	<u>17,315,500</u>
Net Increase (Decrease) In Working Capital . . . . .	<u>\$ 166,300</u>	<u>\$ (7,700)</u>
Elements of Net Increase (Decrease) In Working Capital:		
Equity In Pooled Cash . . . . .	\$ (21,600)	\$ 11,400
Accounts Receivable . . . . .	195,300	(51,300)
Inventory . . . . .	(17,300)	400
Accounts Payable . . . . .	9,900	(6,100)
Loan from Municipal Retirement Fund . . . . .	<u>--</u>	<u>37,900</u>
Net Increase (Decrease) Working Capital . . . . .	<u>\$ 166,300</u>	<u>\$ (7,700)</u>

CITY OF TALLAHASSEE, FLORIDA

AIRPORT FUND  
SCHEDULE OF OPERATING EXPENSE

	Fiscal Year Ended September 30	
	1989	1988
Administrative and General:		
Personal Services . . . . .	\$ 199,000	\$ 141,700
Contractual Services . . . . .	215,300	273,300
Materials and Supplies . . . . .	3,500	3,100
Other Expenses . . . . .	361,700	267,600
	<u>779,500</u>	<u>685,700</u>
Public Safety - Fire:		
Personal Services . . . . .	307,500	285,200
Contractual Services . . . . .	83,200	11,100
Other Expenses . . . . .	2,300	800
	<u>393,000</u>	<u>297,100</u>
Airport Patrol:		
Personal Services . . . . .	199,000	189,600
Contractual Services . . . . .	6,100	4,900
Materials and Supplies . . . . .	1,300	500
	<u>206,400</u>	<u>195,000</u>
Flightline:		
Personal Services . . . . .	414,100	361,500
Contractual Services . . . . .	1,357,600	1,245,600
Materials and Supplies . . . . .	15,900	10,500
Other Expenses . . . . .	11,300	9,700
	<u>1,798,900</u>	<u>1,627,300</u>
Building Maintenance:		
Personal Services . . . . .	166,000	154,500
Contractual Services . . . . .	224,200	233,100
Materials and Supplies . . . . .	34,200	30,000
Other Expenses . . . . .	2,800	--
	<u>427,200</u>	<u>417,600</u>
Base Maintenance:		
Personal Services . . . . .	148,000	132,200
Contractual Services . . . . .	92,600	90,200
Materials and Supplies . . . . .	39,300	35,300
Other Expenses . . . . .	14,100	1,800
	<u>294,000</u>	<u>259,500</u>
Depreciation . . . . .	670,800	602,100
Amortization . . . . .	21,700	21,400
Total Operating Expense . . . . .	<u>\$4,591,500</u>	<u>\$4,105,700</u>

CITY OF TALLAHASSEE, FLORIDA

TALLAHASSEE TRANSIT  
BALANCE SHEET

	September 30	
	<u>1989</u>	<u>1988</u>
ASSETS		
Current Assets:		
Cash . . . . .	\$ 2,900	\$ 2,900
Equity In Pooled Cash . . . . .	(2,800)	792,500
Accounts Receivable:		
Customers . . . . .	93,100	87,100
Other . . . . .	873,900	19,500
Inventory:		
Fossil Fuel . . . . .	18,800	16,600
Other . . . . .	<u>340,800</u>	<u>270,400</u>
Total Current Assets . . . . .	<u>1,326,700</u>	<u>1,189,000</u>
Fixed Assets:		
Fixed Assets - Cost . . . . .	11,097,100	11,160,200
Less: Accumulated Depreciation . . . . .	(3,615,100)	(3,183,900)
Construction In Progress . . . . .	<u>1,137,900</u>	<u>686,300</u>
Fixed Assets - Net . . . . .	<u>8,619,900</u>	<u>8,662,600</u>
Total Assets . . . . .	<u>\$ 9,946,600</u>	<u>\$ 9,851,600</u>
LIABILITIES AND FUND EQUITY		
Current Liabilities:		
Accounts Payable . . . . .	\$ 97,400	\$ 47,300
Customer Advances . . . . .	9,800	19,800
Due to Other Funds . . . . .	<u>2,900</u>	<u>2,900</u>
Total Current Liabilities . . . . .	<u>110,100</u>	<u>70,000</u>
Other Liabilities:		
Deferred Revenue . . . . .	--	7,300
Accrued Leave . . . . .	<u>169,700</u>	<u>152,200</u>
Total Other Liabilities . . . . .	<u>169,700</u>	<u>159,500</u>
Total Liabilities . . . . .	<u>279,800</u>	<u>229,500</u>
Fund Equity:		
Contributed Capital . . . . .	9,608,500	9,679,300
Retained Earnings:		
Reserved for Projects . . . . .	50,700	63,300
Unreserved . . . . .	<u>7,600</u>	<u>(120,500)</u>
Total Fund Equity . . . . .	<u>9,666,800</u>	<u>9,622,100</u>
Total Liabilities and Fund Equity . . . . .	<u>\$ 9,946,600</u>	<u>\$ 9,851,600</u>

CITY OF TALLAHASSEE, FLORIDA

TALLAHASSEE TRANSIT FUND  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Operating Revenues:		
Transportation Fees . . . . .	\$ 1,549,100	\$ 1,458,500
Total Operating Revenues. . . . .	<u>1,549,100</u>	<u>1,458,500</u>
Operating Expenses:		
Personal Services . . . . .	2,908,100	2,575,800
Materials and Supplies. . . . .	786,000	752,500
Contractual Services. . . . .	202,900	379,800
Other Expenses. . . . .	474,800	107,200
Depreciation. . . . .	530,700	489,500
Total Operating Expenses. . . . .	<u>4,902,500</u>	<u>4,305,800</u>
Operating Loss. . . . .	<u>(3,353,400)</u>	<u>(2,847,300)</u>
Nonoperating Revenues (Expenses):		
Grant Revenue . . . . .	646,100	678,500
Other Revenue . . . . .	233,600	200
Loss on Sale of Surplus Property. . . . .	200	(26,000)
Other Expenses. . . . .	(27,700)	--
Total Nonoperating Revenues . . . . .	<u>852,200</u>	<u>652,700</u>
Loss Before Operating Transfers . . . . .	<u>(2,501,200)</u>	<u>(2,194,600)</u>
Operating Transfers:		
Operating Transfers In. . . . .	<u>2,297,900</u>	<u>1,936,600</u>
Net Loss. . . . .	<u>(203,300)</u>	<u>(258,000)</u>
Disposition of Net Income:		
Increase in Contributed Capital . . . . .	(187,600)	(160,000)
Depreciation on Contributed Assets. . . . .	506,400	480,600
Net Increase in Retained Earnings . . . . .	<u>115,500</u>	<u>62,600</u>
Retained Deficit - October 1. . . . .	<u>(57,200)</u>	<u>(119,800)</u>
Retained Earnings - September 30. . . . .	<u>\$ 58,300</u>	<u>\$ (57,200)</u>

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

CITY OF TALLAHASSEE, FLORIDA

TALLAHASSEE TRANSIT FUND  
STATEMENT OF CHANGES IN FINANCIAL POSITION

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Sources of Working Capital:		
Operations:		
Net Income (Loss) . . . . .	\$ (203,300)	\$ (258,000)
Items Not Requiring (providing) Working Capital:		
Depreciation . . . . .	530,700	489,500
Accrued Leave . . . . .	<u>17,500</u>	<u>18,800</u>
Working Capital Provided by Operations . . . . .	344,900	250,300
Contributions . . . . .	<u>248,000</u>	<u>322,800</u>
Total Sources of Working Capital . . . . .	<u>592,900</u>	<u>573,100</u>
Uses of Working Capital:		
Acquisition of Plant in Service . . . . .	488,000	660,800
Decrease in Deferred Revenue . . . . .	<u>7,300</u>	<u>--</u>
Total Uses of Working Capital . . . . .	<u>495,300</u>	<u>660,800</u>
Net Increase (Decrease) in Working Capital . . . . .	<u>\$ 97,600</u>	<u>\$ (87,700)</u>
Elements of Net Increase (Decrease) in Working Capital:		
Equity in Pooled Cash . . . . .	\$ (795,300)	\$ (38,500)
Accounts Receivable . . . . .	860,400	(28,300)
Inventory . . . . .	72,600	(19,000)
Accounts Payable . . . . .	(50,100)	1,600
Customer Advances . . . . .	<u>10,000</u>	<u>(3,500)</u>
Net Increase (Decrease) in Working Capital . . . . .	<u>\$ 97,600</u>	<u>\$ (87,700)</u>

CITY OF TALLAHASSEE, FLORIDA

TALLAHASSEE TRANSIT FUND  
SCHEDULE OF OPERATING EXPENSE

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Administrative and General:		
Personal Services . . . . .	\$ 300,000	\$ 204,400
Contractual Services . . . . .	86,000	278,100
Materials and Supplies . . . . .	14,800	13,300
Other . . . . .	440,800	97,800
	<u>841,600</u>	<u>593,600</u>
Operations:		
Personal Services . . . . .	2,135,800	1,922,800
Contractual Services . . . . .	103,900	166,600
Materials and Supplies . . . . .	406,100	332,200
Other . . . . .	33,300	7,800
	<u>2,679,100</u>	<u>2,429,400</u>
Maintenance:		
Personal Services . . . . .	472,300	449,600
Contractual Services . . . . .	13,000	307,900
Materials and Supplies . . . . .	365,100	34,200
Other . . . . .	700	1,600
	<u>851,100</u>	<u>793,300</u>
Depreciation . . . . .	<u>530,700</u>	<u>489,500</u>
Total Operating Expense . . . . .	<u>\$ 4,902,500</u>	<u>\$ 4,305,800</u>

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

CITY OF TALLAHASSEE, FLORIDA

SOLID WASTE FUND  
BALANCE SHEET

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
ASSETS		
Current Assets:		
Cash In Pooled Cash . . . . .	\$ 12,000	\$ 54,500
Accounts Receivable:		
Customers . . . . .	882,000	448,000
Other . . . . .	83,500	107,600
Less: Allowance for Doubtful Accounts . . . . .	<u>(60,200)</u>	<u>(31,300)</u>
Total Current Assets . . . . .	<u>917,300</u>	<u>578,800</u>
Fixed Assets:		
Fixed Assets - Cost . . . . .	1,852,900	1,852,300
Less: Accumulated Depreciation . . . . .	<u>(1,568,000)</u>	<u>(1,379,700)</u>
Fixed Assets - Net . . . . .	<u>291,900</u>	<u>472,600</u>
Total Assets . . . . .	<u>\$ 1,209,200</u>	<u>\$ 1,051,400</u>
LIABILITIES AND FUND EQUITY		
Current Liabilities:		
Accounts Payable . . . . .	\$ 494,100	\$ 198,500
Total Current Liabilities . . . . .	<u>494,100</u>	<u>198,500</u>
Other Liabilities:		
Accrued Leave . . . . .	265,900	247,400
Total Other Liabilities . . . . .	<u>265,900</u>	<u>247,400</u>
Total Liabilities . . . . .	<u>760,000</u>	<u>445,900</u>
Fund Equity:		
Contributed Capital . . . . .	788,300	788,300
Retained Earnings (Deficit):		
Unreserved . . . . .	<u>(539,100)</u>	<u>(182,800)</u>
Total Fund Equity . . . . .	<u>449,200</u>	<u>605,500</u>
Total Liabilities and Fund Equity . . . . .	<u>\$ 1,209,200</u>	<u>\$ 1,051,400</u>



CITY OF TALLAHASSEE, FLORIDA

SOLID WASTE FUND  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Operating Revenue:		
Charges for Services:		
Residential Collection . . . . .	\$ 4,157,500	\$ 3,567,600
Commercial Collection . . . . .	<u>3,423,900</u>	<u>2,989,500</u>
Total Operating Revenues . . . . .	<u>7,581,400</u>	<u>6,557,100</u>
Operating Expenses:		
Personal Services . . . . .	2,533,200	2,537,100
Materials and Supplies . . . . .	66,900	57,900
Contractual Services . . . . .	5,015,600	5,293,000
Other Expenses . . . . .	588,700	203,800
Depreciation . . . . .	<u>188,700</u>	<u>172,200</u>
Total Operating Expenses . . . . .	<u>8,393,100</u>	<u>8,264,000</u>
Operating Loss . . . . .	<u>(811,700)</u>	<u>(1,706,900)</u>
Non-operating Revenues (Expense)		
Other Expenses . . . . .	<u>(5,300)</u>	<u>--</u>
Total Non-operating Revenue (Expenses) . . . . .	<u>(5,300)</u>	<u>--</u>
Loss Before Operating Transfers . . . . .	(817,000)	(1,706,900)
Operating Transfers In (Out):		
Operating Transfers In . . . . .	661,200	1,524,100
Operating Transfers Out . . . . .	<u>(500)</u>	<u>--</u>
Net Loss . . . . .	(156,300)	(182,800)
Retained Deficit - October 1 . . . . .	<u>(182,800)</u>	<u>--</u>
Retained Deficit - September 30 . . . . .	<u>\$ (339,100)</u>	<u>\$ (182,800)</u>

CITY OF TALLAHASSEE, FLORIDA

SOLID WASTE FUND  
STATEMENT OF CHANGES IN FINANCIAL POSITION

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Sources of Working Capital:		
Operations:		
Net Loss . . . . .	\$ (156,300)	\$ (182,800)
Items Not Requiring (providing) Working Capital:		
Depreciation . . . . .	188,700	172,200
Accrued Leave . . . . .	18,600	247,400
Working Capital Provided by Operations . . . . .	<u>51,000</u>	<u>236,800</u>
Contributions . . . . .	—	788,300
Total Sources of Working Capital . . . . .	<u>51,000</u>	<u>1,025,100</u>
Uses of Working Capital:		
Acquisition of Fixed Assets . . . . .	<u>8,000</u>	<u>644,800</u>
Total Uses of Working Capital . . . . .	<u>8,000</u>	<u>644,800</u>
Net Increase in Working Capital . . . . .	<u>\$ 43,000</u>	<u>\$ 380,300</u>
Elements of Net Increase in Working Capital:		
Equity in Pooled Cash . . . . .	\$ (42,500)	\$ 54,500
Accounts Receivable . . . . .	381,000	524,300
Accounts Payable . . . . .	<u>(295,500)</u>	<u>(198,500)</u>
Net Increase Working Capital . . . . .	<u>\$ 43,000</u>	<u>\$ 380,300</u>

CITY OF TALLAHASSEE, FLORIDA

SOLID WASTE FUND  
SCHEDULE OF OPERATING EXPENSE

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Administrative and General:		
Personal Services . . . . .	\$ 507,200	\$ 500,000
Contractual Services . . . . .	2,152,400	1,801,500
Materials and Supplies . . . . .	35,100	38,300
Other . . . . .	588,700	203,800
	<u>3,283,400</u>	<u>2,543,600</u>
Residential Collection:		
Personal Services . . . . .	1,236,100	1,265,300
Contractual Services . . . . .	1,170,400	1,773,600
Materials and Supplies . . . . .	31,500	19,600
	<u>2,438,000</u>	<u>3,058,500</u>
Commercial Collection:		
Personal Services . . . . .	789,900	771,800
Contractual Services . . . . .	1,692,800	1,717,900
Material and Supplies . . . . .	300	---
	<u>2,483,000</u>	<u>2,489,700</u>
Depreciation . . . . .	<u>188,700</u>	<u>172,200</u>
Total Operating Expense . . . . .	<u>\$ 8,393,100</u>	<u>\$ 8,264,000</u>

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

CITY OF TALLAHASSEE, FLORIDA

GOLF COURSE FUND  
BALANCE SHEET

Fiscal Year Ended September 30  
1989                      1988

ASSETS

Current Assets:		
Equity in Pooled Cash . . . . .	\$ 39,600	\$ 9,400
Accounts Receivable:		
Other . . . . .	100	100
Inventory . . . . .	34,900	35,900
Total Current Assets. . . . .	<u>74,600</u>	<u>45,400</u>
Restricted Assets:		
Renewal, Replacement and Improvement:		
Equity Pool Cash. . . . .	47,000	--
Total Restricted Asset. . . . .	<u>47,000</u>	<u>--</u>
Fixed Assets:		
Fixed Assets - Cost . . . . .	1,673,300	1,645,200
Less: Accumulated Depreciation . . . . .	(255,800)	(225,500)
Construction in Progress. . . . .	28,000	--
Fixed Assets - Net. . . . .	<u>1,445,500</u>	<u>1,419,700</u>
Total Assets. . . . .	<u>\$ 1,567,100</u>	<u>\$ 1,465,100</u>

LIABILITIES AND FUND EQUITY

Current Liabilities:		
Accounts Payable. . . . .	\$ 11,000	\$ 1,300
Total Current Liabilities . . . . .	<u>11,000</u>	<u>1,300</u>
Other Liabilities:		
Accrued Leave . . . . .	35,000	24,700
Total Other Liabilities . . . . .	<u>35,000</u>	<u>24,700</u>
Total Liabilities . . . . .	<u>46,000</u>	<u>26,000</u>
Fund Equity:		
Contributed Capital . . . . .	1,492,000	1,492,000
Retained Earnings (Deficit):		
Reserved . . . . .	47,000	--
Unreserved . . . . .	(17,900)	(52,900)
Total Fund Equity . . . . .	<u>1,521,100</u>	<u>1,439,100</u>
Total Liabilities and Fund Equity . . . . .	<u>\$ 1,567,100</u>	<u>\$ 1,465,100</u>

**CITY OF TALLAHASSEE, FLORIDA**

**GOLF COURSE FUND  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN RETAINED EARNINGS**

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Operating Revenue:		
Charges for Services:		
Greens Fees . . . . .	\$ 355,400	\$ 360,000
Golf Cart Fees . . . . .	182,400	200,400
Pro Shop Sales . . . . .	76,500	82,800
Annual Golf Fees . . . . .	59,000	62,800
Driving Range Fees . . . . .	23,800	30,600
Concessions . . . . .	22,300	18,700
Other . . . . .	<u>41,300</u>	<u>59,700</u>
Total Operating Revenues . . . . .	<u>760,700</u>	<u>795,000</u>
Operating Expenses:		
Personnel Services . . . . .	497,200	548,300
Materials and Supplies . . . . .	159,800	71,000
Contractual Services . . . . .	217,000	328,500
Other Expenses . . . . .	10,100	22,200
Depreciation . . . . .	<u>51,000</u>	<u>48,400</u>
Total Operating Expenses . . . . .	<u>935,100</u>	<u>1,018,400</u>
Operating Loss . . . . .	<u>(174,400)</u>	<u>(223,400)</u>
Nonoperating Revenues (Expenses):		
Other Revenue . . . . .	110,500	400
Other Expenses . . . . .	<u>(223,600)</u>	<u>(2,500)</u>
Total Nonoperating Revenues (Expenses) . . . . .	<u>(113,100)</u>	<u>(2,100)</u>
Loss Before Operating Transfers . . . . .	<u>(287,500)</u>	<u>(225,500)</u>
Operating Transfers In (Out):		
Operating Transfers In . . . . .	408,100	233,000
Operating Transfers (Out) . . . . .	<u>(38,600)</u>	<u>(60,400)</u>
Net Income . . . . .	82,000	(52,900)
Retained Deficit - October 1 . . . . .	<u>(52,900)</u>	<u>--</u>
Retained Earnings (Deficit) - September 30 . . . . .	<u>\$ 29,100</u>	<u>\$ (52,900)</u>

CITY OF TALLAHASSEE, FLORIDA

GOLF COURSE FUND

STATEMENT OF CHANGES IN FINANCIAL POSITION

	Fiscal Year Ended September 30	
	<u>1989</u>	<u>1988</u>
Sources of Working Capital:		
Operations:		
Net Income . . . . .	\$ 82,000	\$ (52,900)
Items Not Requiring (providing) Working Capital:		
Depreciation . . . . .	51,000	48,400
Accrued Leave . . . . .	10,200	24,700
Working Capital Provided by Operations . . . . .	<u>143,200</u>	<u>20,200</u>
Contributions . . . . .	--	1,492,000
Total Sources of Working Capital . . . . .	<u>143,200</u>	<u>1,512,200</u>
Uses of Working Capital:		
Acquisition of Fixed Assets . . . . .	76,700	1,468,100
Increase in Restricted Assets . . . . .	47,000	--
Total Uses of Working Capital . . . . .	<u>123,700</u>	<u>1,468,100</u>
Net Increase in Working Capital . . . . .	<u>\$ 19,500</u>	<u>\$ 44,100</u>
Elements of Net Increase in Working Capital:		
Equity in Pooled Cash . . . . .	\$ 30,200	\$ 9,400
Accounts Receivable . . . . .	--	100
Inventory . . . . .	(1,000)	35,900
Accounts Payable . . . . .	<u>(9,700)</u>	<u>(1,300)</u>
Net Increase in Working Capital . . . . .	<u>\$ 19,500</u>	<u>\$ 44,100</u>

CITY OF TALLAHASSEE, FLORIDA

GOLF COURSE FUND  
SCHEDULE OF OPERATING EXPENSE

	Fiscal Year Ended September 30	
	1989	1988
Administrative and General:		
Personal Services . . . . .	\$ 51,400	\$ 144,100
Contractual Services . . . . .	51,200	44,100
Other . . . . .	8,500	20,500
	<u>111,100</u>	<u>208,700</u>
Hiiman:		
Personal Services . . . . .	309,900	276,400
Contractual Services . . . . .	144,900	234,600
Materials and Supplies . . . . .	134,800	61,000
Other . . . . .	700	1,600
	<u>590,300</u>	<u>573,600</u>
Galther:		
Personal Services . . . . .	135,900	127,800
Contractual Services . . . . .	20,900	49,800
Materials and Supplies . . . . .	25,000	10,000
Other . . . . .	900	100
	<u>182,700</u>	<u>187,700</u>
Depreciation . . . . .	<u>51,000</u>	<u>48,400</u>
Total Operating Expense . . . . .	<u>\$ 935,100</u>	<u>\$ 1,018,400</u>

**CITY OF TALLAHASSEE, FLORIDA**  
**FOREST MEADOWS FUND**  
**BALANCE SHEET**

September 30,  
1989

ASSETS

Current Assets:	
Equity in Pooled Cash . . . . .	\$ 4,600
Inventory . . . . .	21,800
Total Current Assets . . . . .	<u>26,400</u>
Fixed Assets:	
Fixed Assets - Cost . . . . .	1,418,500
Construction in Progress . . . . .	4,000
Fixed Assets - Net . . . . .	<u>1,422,500</u>
Total Assets . . . . .	<u><u>\$ 1,448,900</u></u>

LIABILITIES AND FUND EQUITY

Current Liabilities:	
Accounts Payable . . . . .	\$ 800
Total Current Liabilities . . . . .	<u>800</u>
Other Liabilities:	
Advances From Other Funds . . . . .	1,479,600
Total Other Liabilities . . . . .	<u>1,479,600</u>
Total Liabilities . . . . .	<u>1,480,400</u>
Fund Equity:	
Retained Deficit	
Unreserved . . . . .	(31,500)
Total Fund Deficit . . . . .	<u>(31,500)</u>
Total Liabilities and Fund Deficit . . . . .	<u><u>\$ 1,448,900</u></u>



**CITY OF TALLAHASSEE, FLORIDA**  
**FOREST MEADOWS FUND**  
**STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN RETAINED EARNINGS**

Fiscal Year Ended  
September 30, 1989

Operating Revenue:	
Charges for Services:	
Initiation Fees . . . . .	\$ 4,100
Annual Fees . . . . .	7,500
Monthly Fees . . . . .	82,100
Daily Fees . . . . .	27,500
Special Programs . . . . .	13,500
Contracts . . . . .	49,900
Other . . . . .	<u>2,800</u>
Total Operating Revenues . . . . .	<u>187,400</u>
Operating Expenses:	
Contractual Services . . . . .	<u>241,600</u>
Total Operating Expenses . . . . .	<u>241,600</u>
Operating Loss . . . . .	<u>(54,200)</u>
Nonoperating Revenues (Expenses):	
Interest . . . . .	<u>9,300</u>
Total Nonoperating Revenues (Expenses) . . . . .	<u>9,300</u>
Loss Before Operating Transfers . . . . .	(44,900)
Operating Transfers In (Out):	
Operating Transfers In . . . . .	<u>13,400</u>
Net (Loss) . . . . .	<u>(31,500)</u>
Retained Earnings (Deficit) - September 30 . . . . .	<u>\$ (31,500)</u>

**CITY OF TALLAHASSEE, FLORIDA**  
**FOREST MEADOWS FUND**  
**STATEMENT OF CHANGES IN FINANCIAL POSITION**

Fiscal Year Ended  
September 30, 1989

Sources of Working Capital:

Operations:

Net Loss . . . . .	\$ (21,500)
Items Not Requiring (providing) Working Capital:	
Working Capital Used by Operations . . . . .	(31,500)
Advance From Other Funds . . . . .	1,479,600
Total Sources of Working Capital . . . . .	<u>1,448,100</u>

Uses of Working Capital:

Acquisition of Fixed Assets . . . . .	1,422,500
Total Uses of Working Capital . . . . .	<u>1,422,500</u>
Net Increase in Working Capital . . . . .	<u>\$ 25,600</u>

Elements of Net Increase in Working Capital:

Equity in Pooled Cash . . . . .	\$ 4,600
Inventory . . . . .	21,800
Accounts Payable . . . . .	<u>(800)</u>
Net Increase in Working Capital . . . . .	<u>\$ 25,600</u>

## INTERNAL SERVICE FUNDS

Reading, Billing and Collection Fund—to account for the cost of reading, billing and collecting services provided to the various enterprise funds.

Data Processing Fund—to account for the costs of the City's data processing operations.

Accounting Fund—to account for the costs of the City's accounting operations.

Central Stores Fund—to account for the costs of the City's central stores operation.

Purchasing Fund—to account for the costs of the City's centralized purchasing operation.

Garage Fund—to account for the costs of maintaining and providing for replacement of automotive equipment used by City departments.

Human Resources Fund—to account for the costs of the City's human resource operation.

Pension Administration Fund—to account for the costs of administering the City's pension plans.

Risk Management Fund—to account for the costs of the City's Risk Management operation.

Communications Fund—to account for the costs of the City's radio and telecommunications operation.

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**CITY OF TALLAHASSEE, FLORIDA**

**INTERNAL SERVICE FUNDS  
COMBINING BALANCE SHEET  
September 30, 1989**

	Reading Billing and Collection	Data Processing	Accounting	Central Stores	Purchasing
<b>ASSETS</b>					
<b>Current Assets:</b>					
Cash . . . . .	\$ 14,400	\$ --	\$ --	\$ --	\$ --
Equity in Pooled Cash . . .	803,000	846,600	507,600	(1,326,100)	27,200
Accounts Receivable . . . .	300	--	1,200	200	--
Due from Other Funds . . . .	45,200	--	--	--	--
Deposits . . . . .	6,500	--	--	--	--
Inventory . . . . .	--	--	--	4,158,700	32,700
<b>Total Current Assets . . .</b>	<b>869,400</b>	<b>846,600</b>	<b>508,800</b>	<b>2,832,800</b>	<b>59,900</b>
<b>Restricted Assets:</b>					
Equity in Pooled Cash . . .	--	--	--	--	--
<b>Total Restricted Assets . .</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Fixed Assets . . . . .</b>	<b>208,700</b>	<b>3,951,300</b>	<b>81,900</b>	<b>324,500</b>	<b>87,300</b>
Less Accumulated Depreciation	(120,400)	(502,700)	(40,300)	(114,500)	(40,500)
<b>Net Fixed Assets . . . . .</b>	<b>88,300</b>	<b>3,448,600</b>	<b>41,600</b>	<b>210,000</b>	<b>46,800</b>
<b>Total Assets . . . . .</b>	<b>\$ 957,700</b>	<b>\$4,295,200</b>	<b>\$ 550,400</b>	<b>\$ 3,042,800</b>	<b>\$ 106,700</b>
<b>LIABILITIES AND FUND EQUITY</b>					
<b>Current Liabilities:</b>					
Accounts Payable . . . . .	\$ 62,200	\$ 29,500	\$ 29,100	\$ 364,600	\$ 9,500
Lease Payable - Current . . .	--	654,000	--	--	--
Claims Payable - Current . .	--	--	--	--	--
<b>Total Current Liabilities . .</b>	<b>62,200</b>	<b>683,500</b>	<b>29,100</b>	<b>364,600</b>	<b>9,500</b>
<b>Other Liabilities:</b>					
Lease Payable . . . . .	--	1,689,200	--	--	--
Accrued Leave . . . . .	236,600	176,800	110,600	19,900	29,200
<b>Total Liabilities . . . . .</b>	<b>298,800</b>	<b>2,549,500</b>	<b>139,700</b>	<b>384,500</b>	<b>38,700</b>
<b>Fund Equity:</b>					
Contributed Capital . . . . .	--	--	--	--	--
<b>Retained Earnings:</b>					
<b>Reserved for:</b>					
Fleet Management . . . . .	--	--	--	--	--
Projects . . . . .	321,600	399,900	396,200	--	--
Unreserved . . . . .	337,300	1,345,800	14,500	2,658,300	68,000
<b>Total Fund Equity . . . . .</b>	<b>658,900</b>	<b>1,745,700</b>	<b>410,700</b>	<b>2,658,300</b>	<b>68,000</b>
<b>Total Liabilities and Fund Equity . . . . .</b>	<b>\$ 957,700</b>	<b>\$4,295,200</b>	<b>\$ 550,400</b>	<b>\$ 3,042,800</b>	<b>\$ 106,700</b>

CITY OF TALLAHASSEE, FLORIDA

INTERNAL SERVICE FUNDS  
COMBINING BALANCE SHEET  
September 30, 1989  
(Continued)

Garage	Human Resources	Pension Administration	Risk Management	Communication	Totals	
					September 30, 1989	September 30, 1988
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 14,400	\$ 11,200
287,300	268,300	23,100	5,447,800	81,000	6,965,800	9,185,100
9,900	--	--	25,000	--	36,600	25,000
--	--	--	--	--	45,200	45,200
--	--	--	--	--	6,500	6,500
325,100	--	--	--	--	4,516,500	2,328,600
<u>622,300</u>	<u>268,300</u>	<u>23,100</u>	<u>5,472,800</u>	<u>81,000</u>	<u>11,585,000</u>	<u>11,601,600</u>
10,575,500	--	--	--	--	10,575,500	7,558,800
<u>10,575,500</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>10,575,500</u>	<u>7,558,800</u>
19,708,400	63,300	7,400	5,300	382,000	24,820,100	21,628,500
(8,672,800)	(37,100)	(4,000)	(2,600)	(258,500)	(9,793,400)	(8,807,100)
<u>11,035,600</u>	<u>26,200</u>	<u>3,400</u>	<u>2,700</u>	<u>123,500</u>	<u>15,026,700</u>	<u>12,821,400</u>
<u>\$22,233,400</u>	<u>\$ 294,500</u>	<u>\$ 26,500</u>	<u>\$ 5,475,500</u>	<u>\$ 204,500</u>	<u>\$ 37,187,200</u>	<u>\$31,981,800</u>
\$ 44,400	\$ 4,500	\$ 7,800	\$ 1,800	\$ 29,200	\$ 582,600	\$ 133,500
--	--	--	--	--	654,000	436,200
--	--	--	2,553,300	--	2,553,300	1,522,500
<u>44,400</u>	<u>4,500</u>	<u>7,800</u>	<u>2,555,100</u>	<u>29,200</u>	<u>3,789,900</u>	<u>2,092,200</u>
--	--	--	--	--	1,689,200	1,601,200
<u>142,000</u>	<u>74,900</u>	<u>7,900</u>	<u>9,000</u>	<u>34,000</u>	<u>840,900</u>	<u>736,900</u>
<u>186,400</u>	<u>79,400</u>	<u>15,700</u>	<u>2,564,100</u>	<u>63,200</u>	<u>6,320,000</u>	<u>4,430,300</u>
4,451,800	--	--	893,500	129,800	5,475,100	4,460,900
10,575,500	--	--	--	--	10,575,500	7,558,800
--	--	--	--	--	1,117,700	1,516,100
<u>7,019,700</u>	<u>215,100</u>	<u>10,800</u>	<u>2,017,900</u>	<u>11,500</u>	<u>13,698,200</u>	<u>14,015,700</u>
<u>22,047,000</u>	<u>215,100</u>	<u>10,800</u>	<u>2,911,400</u>	<u>141,300</u>	<u>30,867,200</u>	<u>27,551,500</u>
<u>\$22,233,400</u>	<u>\$ 294,500</u>	<u>\$ 26,500</u>	<u>\$ 5,475,500</u>	<u>\$ 204,500</u>	<u>\$ 37,187,200</u>	<u>\$31,981,800</u>

**CITY OF TALLAHASSEE, FLORIDA**

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN RETAINED EARNINGS  
For the Fiscal Year Ending September 30, 1989**

	Reading Billing and Collection	Data Processing	Accounting	Central Stores	Purchasing
Operating Revenues:					
Charges for Service . . . . .	\$ 5,311,800	\$3,264,900	\$1,857,700	\$4,544,200	\$ 772,900
Miscellaneous . . . . .	--	3,100	--	300	--
Total Operating Revenues . . .	<u>5,311,800</u>	<u>3,268,000</u>	<u>1,857,700</u>	<u>4,544,500</u>	<u>772,900</u>
Operating Expenses:					
Personal Services . . . . .	2,719,800	1,486,700	1,181,800	179,600	442,500
Contractual Services . . . . .	2,201,900	872,800	735,500	4,403,300	172,000
Materials and Supplies . . . . .	351,400	138,900	68,500	7,900	48,800
Other . . . . .	127,200	274,400	43,200	89,400	194,000
Depreciation . . . . .	16,100	299,100	7,700	7,900	9,100
Total Operating Expenses . . .	<u>5,416,400</u>	<u>3,071,900</u>	<u>2,036,700</u>	<u>4,688,100</u>	<u>866,400</u>
Operating Income (Loss) . . . . .	<u>(104,600)</u>	<u>196,100</u>	<u>(179,000)</u>	<u>(143,600)</u>	<u>(93,500)</u>
Non-operating Revenues (Expense):					
Interest Revenue . . . . .	--	--	300	--	--
Gain on Sale of Property . . . .	100	--	--	1,700	100
Interest Expense . . . . .	--	(211,000)	--	--	--
Total Non-operating Revenues (Expense) . . . . .	<u>100</u>	<u>(211,000)</u>	<u>300</u>	<u>1,700</u>	<u>100</u>
Income (Loss) Before Operating Transfers . . . . .	(104,500)	(14,900)	(178,700)	(141,900)	(93,400)
Operating Transfers In . . . . .	125,000	2,500	44,200	--	--
Operating Transfers (Out) . . . .	<u>(232,700)</u>	<u>(44,200)</u>	<u>(1,400)</u>	<u>--</u>	<u>--</u>
Net Income (Loss) . . . . .	(212,200)	(56,600)	(135,900)	(141,900)	(93,400)
Retained Earnings - October 1 . .	<u>871,100</u>	<u>1,802,300</u>	<u>546,600</u>	<u>2,800,200</u>	<u>161,400</u>
Retained Earnings - September 30	<u>\$ 658,900</u>	<u>\$1,745,700</u>	<u>\$ 410,700</u>	<u>\$2,658,300</u>	<u>\$ 68,000</u>

**CITY OF TALLAHASSEE, FLORIDA**

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN RETAINED EARNINGS  
For the Fiscal Year Ending September 30, 1989  
(Continued)**

Garage	Human Resources	Pension Administration	Risk Management	Communi- cation	Totals	
					September 30, 1989	September 30, 1988
\$ 9,103,200	\$1,190,500	\$ 138,900	\$2,774,500	\$ 762,800	\$29,721,400	\$26,788,900
6,200	100	--	--	--	9,700	--
<u>9,109,400</u>	<u>1,190,600</u>	<u>138,900</u>	<u>2,774,500</u>	<u>762,800</u>	<u>29,731,100</u>	<u>26,788,900</u>
1,465,400	905,100	83,600	112,100	347,400	8,924,000	7,704,500
3,108,900	231,100	84,000	48,000	331,600	12,189,100	10,757,300
78,200	24,200	1,100	600	38,700	758,500	341,000
626,800	30,100	4,300	2,982,600	26,200	4,398,200	3,040,400
1,731,500	6,200	800	400	25,700	2,104,500	1,717,500
<u>7,010,800</u>	<u>1,196,700</u>	<u>173,800</u>	<u>3,143,900</u>	<u>769,600</u>	<u>28,374,300</u>	<u>23,560,700</u>
<u>2,098,600</u>	<u>(6,100)</u>	<u>(34,900)</u>	<u>(369,400)</u>	<u>(6,800)</u>	<u>1,356,800</u>	<u>3,228,200</u>
765,300	--	--	263,100	--	1,028,700	652,300
226,800	--	--	--	100	228,800	74,100
--	--	--	--	--	(211,000)	--
<u>992,100</u>	<u>--</u>	<u>--</u>	<u>263,100</u>	<u>100</u>	<u>1,046,500</u>	<u>726,400</u>
3,090,700	(6,100)	(34,900)	(106,300)	(6,700)	2,403,300	3,954,600
--	23,200	21,000	--	--	215,900	1,553,500
<u>--</u>	<u>--</u>	<u>--</u>	<u>(39,300)</u>	<u>--</u>	<u>(317,600)</u>	<u>(1,136,000)</u>
3,090,700	17,100	(13,900)	(145,600)	(6,700)	2,301,600	4,372,100
<u>14,504,500</u>	<u>198,000</u>	<u>24,700</u>	<u>2,163,500</u>	<u>18,200</u>	<u>23,090,500</u>	<u>18,718,500</u>
<u>\$17,595,200</u>	<u>\$ 215,100</u>	<u>\$ 10,800</u>	<u>\$2,017,900</u>	<u>\$ 11,500</u>	<u>\$25,392,100</u>	<u>\$23,090,600</u>

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



# CITY OF TALLAHASSEE, FLORIDA

## INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION For the Fiscal Year Ending September 30, 1989

	Reading Billing and Collection	Data Processing	Accounting	Central Stores	Purchasing
Sources of Working Capital:					
Operations:					
Net Income (Loss) . . . . .	\$ (212,200)	\$ (56,600)	\$ (135,900)	\$ (141,700)	\$ (93,400)
Items not Requiring Working Capital:					
Depreciation . . . . .	16,100	299,100	7,700	7,900	9,100
Accrued Leave . . . . .	32,900	32,400	14,300	1,000	4,200
Working Capital Provided (Used) by Operations . . . . .	(163,200)	274,900	(113,900)	(132,800)	(80,100)
Contributions . . . . .	--	--	--	--	--
Lease Payable - Non-current . .	--	88,000	--	--	--
Increase Accrued Leave . . . . .	--	--	--	--	--
Retirement of Fixed Assets . . .	--	--	--	100	--
Total Sources of Working Capital . . . . .	(163,200)	362,900	(113,900)	(132,700)	(80,100)
Uses of Working Capital:					
Acquisition of Fixed Assets . .	5,900	967,400	500	100	900
Reduction in Claims Payable . . .	--	--	--	--	--
Increase in Restricted Assets . .	--	--	--	--	--
Total Uses of Working Capital . .	5,900	967,400	500	100	900
Net Increase (Decrease) in Working Capital . . . . .	\$ (169,100)	\$ (604,500)	\$ (114,400)	\$ (132,800)	\$ (81,000)
Elements of Net Increase (Decrease) in Working Capital:					
Cash . . . . .	\$ 3,200	\$ --	\$ --	\$ --	\$ --
Equity in Pooled Cash . . . . .	(111,200)	(357,200)	(86,000)	(1,953,500)	(85,100)
Accounts Receivable . . . . .	(300)			100	(100)
Inventory . . . . .	--	--	--	2,099,100	12,700
Accounts Payable . . . . .	(60,800)	(29,500)	(28,400)	(278,400)	(8,500)
Lease Payable - Current . . . . .	--	(217,800)	--	--	--
Claims Payable - Current . . . . .	--	--	--	--	--
Net Increase (Decrease) in Working Capital . . . . .	\$ (169,100)	\$ (604,500)	\$ (114,400)	\$ (132,800)	\$ (81,000)

CITY OF TALLAHASSEE, FLORIDA

INTERNAL SERVICE FUNDS  
 COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION  
 For the Fiscal Year Ending September 30, 1989  
 (Continued)

Garage	Human Resources	Pension Administration	Risk Management	Communication	Totals	
					September 30, 1989	September 30, 1988
\$ 3,090,700	\$ 17,100	\$ (13,900)	\$ (145,600)	\$ (6,700)	\$ 2,301,800	\$ 4,372,100
1,731,500	6,200	800	400	25,700	2,104,500	1,717,500
4,200	5,800	(700)	3,600	6,300	104,000	69,500
4,826,400	29,100	(13,800)	(141,600)	25,300	4,510,300	6,159,100
1,014,200	--	--	--	--	1,014,200	790,500
--	--	--	--	--	88,000	--
--	--	--	--	--	--	25,800
--	800	100	--	--	1,000	70,600
5,840,600	29,900	(13,700)	(141,600)	25,300	5,613,500	7,046,000
3,326,800	--	--	--	9,200	4,310,800	3,306,400
--	--	--	100	--	100	83,900
3,016,700	--	--	--	--	3,016,700	4,522,600
6,343,500	--	--	100	9,200	7,327,600	7,912,900
<u>\$ (502,900)</u>	<u>\$ 29,900</u>	<u>\$ (13,700)</u>	<u>\$ (141,700)</u>	<u>\$ 16,100</u>	<u>\$ (1,714,100)</u>	<u>\$ (866,900)</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 3,200	\$ (800)
(573,100)	34,300	(12,400)	879,700	45,300	(2,219,300)	(922,600)
700	--	--	11,200	--	11,600	(43,700)
76,000	--	--	--	--	2,187,800	96,200
(6,500)	(4,400)	(1,300)	(1,800)	(29,200)	(448,800)	11,400
--	--	--	--	--	(217,800)	436,200
--	--	--	(1,030,800)	--	(1,030,800)	(443,600)
<u>\$ (502,900)</u>	<u>\$ 29,900</u>	<u>\$ (13,700)</u>	<u>\$ (141,700)</u>	<u>\$ 16,100</u>	<u>\$ (1,714,100)</u>	<u>\$ (866,900)</u>

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

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# TRUST AND AGENCY FUND

## **Pension Trust Fund**

Defined Benefit and Contribution Plan—The City Employees' Pension Plan is used to account for the accumulation of resources to be used for retirement annuity payments, at appropriate amounts and times in the future, and predicated on the amount contributed, for City employees.

Share Plan—The Police Officer Share Plan is used to provide additional benefits for the police officers who are in the regular and permanent employment of the City.

## **Expendable Trust Funds**

Special Capital Projects Fund—to provide a means of financing long-term Capital Projects while minimizing impact on the Operating Budget.

Deficiencies and Emergencies Fund—to provide for unforeseen expenditures of an emergency nature.

Stadium Fund—to account for the operation, maintenance, and improvements at the City's Athletic Stadium. Operation and maintenance are funded by the City, Leon County and the Leon County School Board. Improvements are funded by monies collected at the stadium.

Downtown Improvement Authority Fund—to account for the monies appropriated to Downtown Improvement Authority, an agency created by the Florida Legislature to regulate downtown growth.

## **Nonexpendable Trust Fund**

Cemetery Perpetual Care Fund—to accumulate resources for the perpetual maintenance of the City's cemeteries.

## **Agency Fund**

Deferred Compensation Fund—to account for assets held by the City as agent for City employees.

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CITY OF TALLAHASSEE, FLORIDA

TRUST AND AGENCY FUNDS  
COMBINING BALANCE SHEET  
September 30, 1989

	Pension Trust Funds		Expendable Trust Funds				Nonexpendable Trust Fund	Agency Fund	Totals	
	City Employeas' Pension	Police Officers' Share Plan	Special Capital Projects	Deficiencies and Emergencies	Stadium	Downtown Improvement Authority	Cemetery Perpetual Care	Deferred Compensation	September 30, 1989	September 30, 1988
<b>ASSETS</b>										
Equity In Pooled Cash . . . . .	\$ 26,652,800	\$ --	\$ 5,065,200	\$ 13,378,600	\$ 59,700	\$ 255,900	\$ 2,083,900	\$ --	\$ 47,436,100	\$ 41,043,300
Investments . . . . .	149,586,900	--	--	--	--	--	--	3,909,400	153,496,300	138,955,700
Accounts Receivable . . . . .	135,400	--	--	--	36,800	--	--	--	172,200	215,400
Due from Other Governments . . . . .	--	1,336,400	--	--	--	--	--	--	1,336,400	2,788,200
Advance to Other Funds . . . . .	--	--	2,573,900	559,600	--	--	--	--	3,133,500	1,527,800
<b>Total Assets</b> . . . . .	<b>\$176,555,100</b>	<b>\$ 1,336,400</b>	<b>\$ 7,639,100</b>	<b>\$ 13,938,200</b>	<b>\$76,500</b>	<b>\$ 255,900</b>	<b>\$ 2,083,900</b>	<b>\$ 3,909,400</b>	<b>\$205,574,500</b>	<b>\$184,530,400</b>
<b>LIABILITIES AND FUND BALANCES</b>										
<b>Liabilities:</b>										
Accounts Payable . . . . .	\$ 7,900	\$ --	\$ --	\$ --	\$ 2,600	\$ 700	\$ --	\$ --	\$ 11,200	\$ 3,400
Advance from Other Funds . . . . .	--	--	--	--	--	15,600	--	--	15,600	20,700
Due to Other Governments . . . . .	--	--	--	--	73,900	--	--	--	73,900	--
Deferred Compensation Payable . . . . .	--	--	--	--	--	--	--	3,909,400	3,909,400	3,034,000
<b>Total Liabilities</b> . . . . .	<b>7,900</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>76,500</b>	<b>16,300</b>	<b>--</b>	<b>3,909,400</b>	<b>4,010,100</b>	<b>3,058,100</b>
<b>Fund Balances:</b>										
<b>Reserved for:</b>										
Employee Retirement Plans . . . . .	176,347,200	1,336,400	--	--	--	--	--	--	177,683,600	154,934,700
Encumbrances . . . . .	--	--	--	--	--	--	--	--	--	800
Advance to Other Funds . . . . .	--	--	1,027,900	--	--	--	--	--	1,027,900	1,527,800
Stadium Improvements . . . . .	--	--	--	--	--	--	--	--	--	51,400
Stadium Operations . . . . .	--	--	--	--	--	--	--	--	--	15,400
<b>Total Reserved</b> . . . . .	<b>176,347,200</b>	<b>1,336,400</b>	<b>1,027,900</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>178,711,500</b>	<b>156,530,100</b>
<b>Unreserved:</b>										
<b>Designated for:</b>										
Sanitation . . . . .	--	--	--	1,750,200	--	--	--	--	1,750,200	1,750,200
Annexation . . . . .	--	--	--	993,800	--	--	--	--	993,800	993,800
Housing Development Corp . . . . .	--	--	--	70,500	--	--	--	--	70,500	70,500
<b>Total Designated</b> . . . . .	<b>--</b>	<b>--</b>	<b>--</b>	<b>2,814,500</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>2,814,500</b>	<b>2,814,500</b>
<b>Undesignated:</b>										
<b>Total Fund Balances</b> . . . . .	<b>176,347,200</b>	<b>1,336,400</b>	<b>7,639,100</b>	<b>13,938,200</b>	<b>--</b>	<b>219,600</b>	<b>2,083,900</b>	<b>--</b>	<b>201,564,400</b>	<b>181,472,300</b>
<b>Total Liabilities and Fund Balances</b> . . . . .	<b>\$176,555,100</b>	<b>\$ 1,336,400</b>	<b>\$ 7,639,100</b>	<b>\$ 13,938,200</b>	<b>\$76,500</b>	<b>\$ 255,900</b>	<b>\$ 2,083,900</b>	<b>\$ 3,909,400</b>	<b>\$205,574,500</b>	<b>\$184,530,400</b>

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

**CITY OF TALLAHASSEE, FLORIDA**

**PENSION TRUST AND NONEXPENDABLE TRUST FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND BALANCES  
For the Fiscal Year Ended September 30, 1989**

	Pension Trust Funds		Nonexpendable Trust Fund	Totals	
	City Employees' Pension Plan	Police Officers' Share Plan	Cemetery Perpetual Care	September 30, 1989	September 30, 1988
<b>Operating Revenues:</b>					
Investment Income . . . . .	\$ 9,039,600	\$ --	\$ 55,200	\$ 9,094,800	\$ 7,061,300
Investment - Gains Net . . . . .	4,798,900	--	--	4,798,900	10,701,800
City Contribution . . . . .	8,639,600	--	--	8,639,600	7,477,700
Employee Contribution . . . . .	5,399,500	--	--	5,399,500	5,246,600
State Contribution . . . . .	272,100	479,900	--	752,000	1,370,300
Miscellaneous . . . . .	8,900	--	16,700	25,600	45,900
<b>Total Operating Revenues . . . . .</b>	<u>28,158,600</u>	<u>479,900</u>	<u>71,900</u>	<u>28,710,400</u>	<u>31,903,600</u>
<b>Operating Expenses:</b>					
Benefit Payments . . . . .	4,267,000	--	--	4,267,000	3,752,400
Refunds . . . . .	878,300	--	--	878,300	1,131,500
Insurance . . . . .	17,300	--	--	17,300	13,200
Administrative . . . . .	727,000	--	--	727,000	779,300
<b>Total Operating Expenses . . . . .</b>	<u>5,889,600</u>	<u>--</u>	<u>--</u>	<u>5,889,600</u>	<u>5,676,400</u>
<b>Income Before Operating Transfers . . . . .</b>	<u>22,269,000</u>	<u>479,900</u>	<u>71,900</u>	<u>22,820,800</u>	<u>26,227,200</u>
Operating Transfers In . . . . .	--	--	1,382,400	1,382,400	--
<b>Net Income . . . . .</b>	<u>22,269,000</u>	<u>479,900</u>	<u>1,454,300</u>	<u>24,203,200</u>	<u>26,227,200</u>
<b>Fund Balances -</b>					
October 1 . . . . .	154,078,200	856,500	629,600	155,564,300	129,337,100
<b>Fund Balances -</b>					
September 30 . . . . .	<u>\$176,347,200</u>	<u>\$ 1,336,400</u>	<u>\$ 2,083,900</u>	<u>\$179,767,500</u>	<u>\$155,564,300</u>

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

# CITY OF TALLAHASSEE, FLORIDA

## PENSION TRUST AND NONEXPENDABLE TRUST FUNDS COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION For the Fiscal Year Ended September 30, 1989

	Pension Trust Funds		Nonexpendable Trust Fund	Totals	
	City Employees' Pension Plan	Police Officers' Share Plan	Cemetery Perpetual Care	September 30, 1989	September 30, 1988
	<b>Sources of Working Capital:</b>				
Operations:					
Net income . . . . .	\$22,269,000	\$ 479,900	\$ 1,454,300	\$24,203,200	\$26,227,200
Decrease in Long-term Portion of Note Receivable . . . . .	---	---	---	---	223,900
Net Increase in Working Capital . . . . .	<u>\$22,269,000</u>	<u>\$ 479,900</u>	<u>\$ 1,454,300</u>	<u>\$24,203,200</u>	<u>\$26,451,100</u>
<b>Elements of Net Increase in Working Capital:</b>					
Equity in Pooled Cash . . . . .	\$ 9,178,800	\$ --	\$ 1,454,300	\$10,633,100	\$ 9,778,200
Investments at Cost . . . . .	13,665,200	--	--	13,665,200	15,318,500
Accrued Interest Receivable	--	--	--	--	(2,700)
Accounts Receivable . . . . .	(55,700)	--	--	(55,700)	(13,200)
Due from Other Government . . .	(513,800)	479,900	--	(33,900)	1,370,300
Accounts Payable . . . . .	<u>(5,500)</u>	<u>--</u>	<u>--</u>	<u>(5,500)</u>	<u>--</u>
Net Increase in Working Capital . . . . .	<u>\$22,269,000</u>	<u>\$ 479,900</u>	<u>\$ 1,454,300</u>	<u>\$24,203,200</u>	<u>\$26,451,100</u>



# CITY OF TALLAHASSEE, FLORIDA

## EXPENDABLE TRUST FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE For the Fiscal Year Ended September 30, 1989

	Special Capital Projects	Deficiencies and Emergencies	Stadium	Downtown Improvement Authority	Totals	
					September 30, 1989	September 30, 1988
<b>Revenues:</b>						
Taxes . . . . .	\$ --	\$ --	\$ --	\$ 76,600	\$ 76,600	\$ 77,200
Intergovernmental Revenues . . . . .	--	--	--	--	--	882,900
Charges for Services . . . . .	--	--	38,000	--	38,000	23,300
Interest . . . . .	851,800	916,900	4,700	22,400	1,795,800	1,735,300
Miscellaneous . . . . .	--	--	--	45,300	45,300	42,800
<b>Total Revenues . . . . .</b>	<u>851,800</u>	<u>916,900</u>	<u>42,700</u>	<u>144,300</u>	<u>1,955,700</u>	<u>2,761,500</u>
<b>Expenditures:</b>						
<b>Current:</b>						
General Government . . . . .	--	--	--	85,700	85,700	74,600
Culture and Recreation . . . . .	--	--	110,300	--	110,300	72,500
<b>Total Expenditures . . . . .</b>	<u>--</u>	<u>--</u>	<u>110,300</u>	<u>85,700</u>	<u>196,000</u>	<u>147,100</u>
Excess Revenues Over (Under) Expenditures . . . . .	<u>851,800</u>	<u>916,900</u>	<u>(67,600)</u>	<u>58,600</u>	<u>1,759,700</u>	<u>2,614,400</u>
<b>Other Financing Sources(Uses):</b>						
Operating Transfers In . . . . .	1,382,400	1,382,400	--	--	2,764,800	506,700
Operating Transfers (Out) . . . . .	(8,403,000)	(187,600)	--	(45,000)	(8,635,600)	(970,300)
<b>Total Other Financing Sources (Uses)</b>	<u>(7,020,600)</u>	<u>1,194,800</u>	<u>--</u>	<u>(45,000)</u>	<u>(5,870,800)</u>	<u>(463,600)</u>
Excess of Revenues and Other Sources (Uses) Over(Under) Expenditures	<u>(6,168,800)</u>	<u>2,111,700</u>	<u>(67,600)</u>	<u>13,600</u>	<u>(4,111,100)</u>	<u>2,150,800</u>
Fund Balances - October 1 . . . . .	<u>13,807,900</u>	<u>11,826,500</u>	<u>67</u>	<u>206,000</u>	<u>25,908,000</u>	<u>23,757,200</u>
Fund Balances - September 30	<u>\$ 7,639,100</u>	<u>\$ 13,938,200</u>	<u>\$ --</u>	<u>\$ 219,600</u>	<u>\$ 21,796,900</u>	<u>\$ 25,908,000</u>

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

CITY OF TALLAHASSEE, FLORIDA

DEFERRED COMPENSATION FUND  
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 For Fiscal Year Ended September 30, 1989

	Balance October 1, 1988	Additions	Deductions	Balance September 30, 1989
<b>ASSETS</b>				
Investments . . . . .	\$ 3,034,000	\$ 1,023,000	\$ 147,600	\$ 3,909,400
Total Assets . . . . .	<u>\$ 3,034,000</u>	<u>\$ 1,023,000</u>	<u>\$ 147,600</u>	<u>\$ 3,909,400</u>
<b>LIABILITIES</b>				
Deferred Compensation Payable	\$ 3,034,000	\$ 1,023,000	\$ 147,600	\$ 3,909,400
Total Liabilities . . . . .	<u>\$ 3,034,000</u>	<u>\$ 1,023,000</u>	<u>\$ 147,600</u>	<u>\$ 3,909,400</u>

**GENERAL FIXED ASSETS  
ACCOUNT GROUP**

To account for fixed assets not used in Proprietary Fund operations or  
accounted for in Trust Funds.

**CITY OF TALLAHASSEE, FLORIDA**

**SCHEDULE OF GENERAL FIXED ASSETS - BY SOURCES**

	September 30	
	<u>1989</u>	<u>1988</u>
General Fixed Assets:		
Land . . . . .	\$11,113,700	\$ 8,275,100
Buildings . . . . .	20,747,700	19,673,300
Improvements other than Buildings . . . . .	4,045,200	3,948,800
Equipment . . . . .	12,010,600	10,225,800
Construction In Progress . . . . .	32,337,300	11,926,800
Total General Fixed Assets . . . . .	<u>\$80,254,500</u>	<u>\$54,049,800</u>
Investment in General Fixed Assets from:		
General Revenue Bonds . . . . .	\$25,595,200	\$28,872,000
General Fund Revenues . . . . .	24,158,300	15,751,200
Grants . . . . .	5,905,200	4,539,500
Capital Improvement Fund . . . . .	23,839,100	4,130,400
Gifts . . . . .	453,100	453,100
Stadium Fund . . . . .	275,500	275,500
Stormwater Fund . . . . .	28,100	28,100
Total Investment in General Fixed Assets . . . . .	<u>\$80,254,500</u>	<u>\$54,049,800</u>

# CITY OF TALLAHASSEE, FLORIDA

## SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION AND ACTIVITY For the Fiscal Year Ended September 30, 1989

	Total	Land	Buildings	Improvements Other Than Buildings	Equipment
<b>General Government:</b>					
<b>Control:</b>					
City Commission . . . . .	\$ 17,600	\$ --	\$ --	\$ --	\$ 17,600
City Manager . . . . .	52,000	--	--	--	52,000
City Treasurer-Clerk . . . . .	213,700	--	--	72,300	141,400
City Auditor . . . . .	10,300	--	--	--	10,300
<b>Total Control . . . . .</b>	<b><u>293,600</u></b>	<b><u>--</u></b>	<b><u>--</u></b>	<b><u>72,300</u></b>	<b><u>221,300</u></b>
<b>Staff Agencies:</b>					
Management and Budget . . . . .	27,500	--	--	--	27,500
Minority Business . . . . .	9,200	--	--	--	9,200
Grants Management . . . . .	8,000	--	--	--	8,000
Community Liaison Office . . . . .	7,100	--	--	--	7,100
Engineering . . . . .	179,400	--	--	--	179,400
Public Information . . . . .	33,700	--	--	--	33,700
Code Enforcement . . . . .	17,200	--	--	--	17,900
<b>General Government</b>					
Building . . . . .	22,534,400	4,192,500	11,661,300	2,669,600	4,011,000
Community Development . . . . .	3,037,400	251,600	2,592,200	7,100	186,500
<b>Total Staff Agencies . . . . .</b>	<b><u>25,854,600</u></b>	<b><u>4,444,100</u></b>	<b><u>14,253,500</u></b>	<b><u>2,676,700</u></b>	<b><u>4,480,300</u></b>
<b>Total General Government</b>	<b><u>26,148,200</u></b>	<b><u>4,444,100</u></b>	<b><u>14,253,500</u></b>	<b><u>2,749,000</u></b>	<b><u>4,701,600</u></b>
<b>Public Safety:</b>					
Fire Protection . . . . .	5,647,600	411,800	2,006,600	27,900	3,201,300
Police Protection . . . . .	3,949,800	500,000	1,217,700	66,000	2,166,100
Building Inspection . . . . .	61,000	--	--	--	61,000
<b>Total Public Safety . . . . .</b>	<b><u>9,658,400</u></b>	<b><u>911,800</u></b>	<b><u>3,224,300</u></b>	<b><u>93,900</u></b>	<b><u>5,428,400</u></b>
Highways and Streets . . . . .	3,845,800	2,769,300	1,700	112,100	962,700
Sanitation . . . . .	8,900	--	--	--	8,900
Recreation . . . . .	8,125,000	2,988,600	3,248,200	1,030,100	858,100
Cemeteries . . . . .	130,900	--	19,900	60,100	50,900
<b>Total General Fixed Assets Allocated to Functions . . . . .</b>	<b><u>47,917,200</u></b>	<b><u>\$11,113,800</u></b>	<b><u>\$20,747,600</u></b>	<b><u>\$4,045,200</u></b>	<b><u>\$12,010,600</u></b>
Construction in Process . . . . .	<u>32,337,300</u>				
<b>Total General Fixed Assets . . . . .</b>	<b><u>\$30,254,500</u></b>				

# CITY OF TALLAHASSEE, FLORIDA

## SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY For the Year Ended September 30, 1989

	General Fixed Assets October 1, 1988	Additions And Transfers In	Deductions And Transfers Out	General Fixed Assets September 30, 1989
<b>General Government:</b>				
<b>Control:</b>				
City Commission . . . . .	\$ 17,600	\$ --	\$ --	\$ 17,600
City Manager . . . . .	48,900	3,100	--	52,000
City Treasurer-Clerk . . . . .	211,900	2,400	600	213,700
City Auditor . . . . .	<u>10,300</u>	<u>--</u>	<u>--</u>	<u>10,300</u>
Total Control . . . . .	<u>288,700</u>	<u>5,500</u>	<u>600</u>	<u>293,600</u>
<b>Staff Agencies:</b>				
Management and Budget . . . . .	23,800	3,700	--	27,500
Minority Business . . . . .	9,200	--	--	9,200
Grants Management . . . . .	8,000	--	--	8,000
Community Liaison Office . . . . .	7,100	--	--	7,100
Engineering . . . . .	184,800	1,400	6,800	179,400
Public Information . . . . .	34,400	--	700	33,700
Code Enforcement . . . . .	16,200	1,700	--	17,900
General Government Building . . . . .	22,520,500	77,700	63,800	22,534,400
Community Development . . . . .	<u>2,383,000</u>	<u>654,400</u>	<u>--</u>	<u>3,037,400</u>
Total Staff Agencies . . . . .	<u>25,187,000</u>	<u>738,900</u>	<u>71,300</u>	<u>25,854,600</u>
<b>Public Safety:</b>				
Fire Protection . . . . .	4,113,700	1,535,100	1,200	5,647,600
Police Protection . . . . .	3,486,200	541,500	77,900	3,949,800
Building Inspection . . . . .	<u>58,400</u>	<u>2,600</u>	<u>--</u>	<u>61,000</u>
Total Public Safety . . . . .	<u>7,658,300</u>	<u>2,079,200</u>	<u>79,100</u>	<u>9,658,400</u>
Highways and Streets . . . . .	846,400	3,048,000	48,600	3,845,800
Sanitation . . . . .	9,100	--	200	8,900
Recreation . . . . .	8,001,100	134,300	10,400	8,125,000
Cemeteries . . . . .	132,400	--	1,500	130,900
Construction In Progress . . . . .	<u>11,926,800</u>	<u>20,410,500</u>	<u>--</u>	<u>32,337,300</u>
Total General Fixed Assets . . . . .	<u>\$54,049,800</u>	<u>\$26,416,400</u>	<u>\$ 211,700</u>	<u>\$60,254,500</u>

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

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**GENERAL LONG-TERM DEBT  
ACCOUNT GROUP**

To account for general long-term liabilities not accounted for in proprietary funds and trust funds.



**CITY OF TALLAHASSEE, FLORIDA**

**STATEMENT OF GENERAL LONG-TERM DEBT**

	September 30	
	<u>1989</u>	<u>1988</u>
Amount Available and To Be Provided For the Payment of General Long-Term Debt:		
Amount Available in Debt Service Fund. . . . .	<u>\$11,632,900</u>	<u>\$ 8,119,000</u>
To Be Provided:		
Loan Payable . . . . .	1,985,300	2,004,400
Accrued Leave . . . . .	3,229,000	2,959,300
Certificates Payable. . . . .	7,000	16,600
Capital Refunding Bonds, Series 1984. . . . .	11,075,200	12,486,000
Capital Bonds, Series 1989. . . . .	<u>19,116,900</u>	<u>---</u>
Total To Be Provided. . . . .	<u>35,413,400</u>	<u>17,466,300</u>
Total Available and To Be Provided. . . . .	<u><u>\$47,046,300</u></u>	<u><u>\$25,585,300</u></u>
General Long-Term Debt Payable:		
Loan Payable. . . . .	1,985,300	\$ 2,004,400
Accrued Leave . . . . .	3,229,000	2,959,300
Certificates Payable. . . . .	7,000	16,600
Capital Refunding Bonds, Series 1984. . . . .	20,605,000	20,605,000
Capital Bonds, Series 1989. . . . .	<u>21,220,000</u>	<u>---</u>
Total General Long-Term Debt Payable. . . . .	<u><u>\$47,046,300</u></u>	<u><u>\$25,585,300</u></u>

The accompanying notes are an integral part of these financial statements

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## STATISTICAL SECTION

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

# CITY OF TALLAHASSEE, FLORIDA

## COMMENTS ON THE STATISTICAL SECTION

September 30, 1989

The following statistical tables recommended by the National Council on Governmental Accounting are not included for the reasons stated below:

- a) Tables which concern general obligation debt are omitted because the City has no general obligation debt. The City does have general revenue bonds which are not general obligation debt and these corresponding tables are included.
- b) Ten year debt services coverage schedules for enterprise revenue bonds have not been prepared. Due to refundings of the majority of outstanding City bonds in 1977 and the amount of additional bonds issued since that year, they would be confusing to the reader. The City enjoys high bond ratings, and its coverage has been adequate to sustain these ratings. In several cases, its ratings have increased.

Additional schedules which are felt to be useful to various users, principally investors, underwriters, and rating agencies, have been included in this section.

## CITY OF TALLAHASSEE, FLORIDA

### GENERAL GOVERNMENT EXPENDITURES BY FUNCTION AND TRANSFERS Last Ten Fiscal Years

Fiscal Year	General Government	Public Safety	Transportation	Human Services	Economic Environment	Physical (2) Environment	Culture (2) and Recreation	Transfers Out	Total (1)
1980	\$7,719,600	\$7,651,500	\$2,287,900	\$213,600	\$351,800	\$3,813,700	\$2,196,900	\$2,950,000	\$27,185,000
1981	9,564,900	8,882,300	2,678,200	272,000	306,400	4,224,900	2,465,600	6,731,800	35,126,100
1982	5,122,800	9,890,700	3,086,000	286,000	250,800	4,809,000	3,205,200	9,741,700	36,452,200
1983	4,743,000	11,603,000	4,326,200	577,900	165,800	4,864,300	3,686,700	14,812,300	44,779,200
1984	5,346,300	13,794,800	5,602,800	812,300	243,900	5,481,900	4,006,500	13,055,100	48,343,600
1985	5,508,700	15,954,700	6,241,700	830,000	244,000	5,723,600	4,170,600	11,768,900	50,442,200
1986	6,165,000	16,346,800	5,998,200	914,100	256,700	5,578,200	4,570,800	17,833,800	57,663,600
1987	6,660,900	18,113,100	7,053,700	989,100	264,700	7,516,700	4,719,900	14,151,600	59,469,700
1988	6,890,000	21,143,600	6,978,700	1,007,000	273,500	955,800	4,404,000	16,634,800	58,287,400
1989	8,035,500	27,416,200	6,711,100	1,108,900	434,400	1,283,400	4,808,900	19,359,000	69,157,400

### GENERAL REVENUES BY SOURCE AND TRANSFERS Last Ten Fiscal Years

Fiscal Year	Taxes	Licenses and Permits	Fines and Forfeits	Charges (2) for Services	Interest	Intergovernmental Revenues	Miscellaneous Revenues	Transfers In	Total (1) Revenue
1980	\$6,569,600	\$895,000	\$287,600	\$2,652,800	\$648,100	\$5,941,700	\$152,200	\$10,175,000	\$27,322,000
1981	7,325,000	981,100	249,600	2,826,100	843,500	6,031,800	147,300	16,500,000	34,904,400
1982	8,210,400	1,050,300	274,200	2,919,000	517,400	5,947,100	106,500	17,563,300	36,588,200
1983	8,595,100	1,719,300	389,500	3,540,200	665,800	8,288,900	129,900	21,754,800	45,084,000
1984	10,434,300	1,256,900	454,300	3,625,300	663,700	10,039,600	501,900	22,476,500	49,452,500
1985	10,973,100	850,400	485,200	4,143,900	434,000	10,136,500	266,500	22,733,700	50,023,300
1986	13,443,700	1,102,500	591,600	6,610,100	503,200	7,501,000	870,200	28,591,500	59,213,800
1987	14,380,100	997,400	751,900	8,809,400	298,400	7,710,200	820,800	25,399,700	59,167,900
1988	17,877,000	1,367,400	753,300	3,186,100	296,200	8,810,500	837,300	26,455,200	59,583,000
1989	19,020,600	1,409,800	987,000	6,187,900	436,900	8,971,800	608,800	30,246,600	67,815,400

(1) Includes General Fund only.

(2) Solid Waste, Golf Course, and Stormwater activities have been set up as separate funds.

CITY OF TALLAHASSEE, FLORIDA

PROPERTY TAX LEVIES AND COLLECTIONS  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Total Assessed Valuation</u>	<u>Taxable Assessed Valuation</u>	<u>Levy</u>	<u>Collection</u>	<u>Percent (%)</u>
1980	\$1,812,233,400	\$ 877,107,600	\$3,069,900	\$2,971,800	96
1981	2,234,694,600	1,133,300,400	3,168,700	3,061,400	96
1982	2,673,105,800	1,358,118,400	3,550,100	3,458,200	97
1983	2,782,858,100	1,418,980,300	3,706,400	3,597,900	97
1984	3,281,661,000	1,812,714,500	4,582,500	4,459,500	98
1985	3,438,932,300	1,976,951,300	4,918,700	4,799,500	98
1986	3,630,822,400	2,121,548,700	5,278,400	5,140,700	97
1987	3,834,850,400	2,278,953,600	5,670,100	5,500,000	97
1988	5,266,046,400	2,406,246,300	6,978,100	6,744,400	97
1989	5,870,328,400	2,537,446,100	7,358,400	7,107,300	97

Florida Statutes provide for a discount of up to four percent for early payment of ad valorem taxes. All unpaid taxes become delinquent on April 1, and are sold at auction on June 1 of each year as tax certificates. The City, after all tax certificates are sold, has fully collected all ad valorem tax revenues.

CITY OF TALLAHASSEE, FLORIDA

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
Last Ten Fiscal Years

Fiscal Year	Real Property		Personal Property		Centrally Assessed		Totals		Ratio of Total Assessed to Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
1980	\$1,475,325,700	\$1,676,506,500	\$335,640,800	\$ 381,410,000	\$1,266,900	\$1,439,700	\$1,812,233,400	\$2,059,356,200	88%
1981	1,871,964,200	2,127,232,000	361,506,000	410,802,300	1,224,400	1,391,400	2,234,694,600	2,539,425,700	88%
1982	2,208,638,800	2,598,398,600	463,208,800	544,951,500	1,258,200	1,480,200	2,673,105,800	3,144,830,300	85%
1983	2,380,150,300	2,800,176,800	401,769,800	472,670,400	938,000	1,103,500	2,782,858,100	3,273,950,700	85%
1984	2,870,509,100	3,301,085,500	410,125,400	471,644,200	1,026,500	1,180,500	3,281,661,000	3,773,910,200	87%
1985	3,011,116,200	3,542,489,600	426,460,200	501,717,900	1,355,900	1,595,200	3,438,932,300	4,045,802,700	85%
1986	3,191,139,500	3,754,281,800	438,363,200	515,721,400	1,319,700	1,552,600	3,630,822,400	4,271,555,800	85%
1987	3,373,832,400	3,969,214,600	459,105,300	540,123,900	1,912,800	2,250,300	3,834,950,500	4,511,588,800	85%
1988	4,770,490,100	5,612,341,300	493,616,400	580,725,200	1,939,900	2,282,200	5,266,046,400	6,195,348,700	85%
1989	4,889,803,500	5,752,709,900	978,850,400	1,151,588,700	1,674,500	1,970,000	5,870,328,400	6,906,268,600	85%

Source: Leon County Property Appraiser

# CITY OF TALLAHASSEE, FLORIDA

## ASSESSED VALUATIONS, MILLAGE AND TAXES LEVIED AND COLLECTED Last Ten Fiscal Years

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
<b>TOTAL VALUATIONS</b>	\$1,812,255,400	\$2,234,694,600	\$2,675,105,800	\$2,782,858,100	\$3,281,661,000	\$3,438,932,300	\$3,630,822,400	\$3,834,850,400	\$5,266,046,400	\$5,870,328,400
<b>REAL ESTATE EXEMPTIONS</b>										
Agricultural Adjustment . . .	153,700	233,700	1,327,300	2,792,100	3,676,500	5,006,300	6,025,500	9,397,100	10,668,300	8,479,200
Government Exemption . . . .	335,825,300	372,483,000	487,684,500	559,481,300	546,629,500	591,436,300	616,124,100	632,281,500	2,128,416,400	2,589,404,300
Institutional Exemption . . .	475,200,600	497,469,200	509,079,900	515,811,200	529,136,700	449,661,800	461,980,400	472,877,600	265,411,900	262,484,600
Individual or Homestead Exemptions . . . . .	71,387,300	168,271,600	242,145,700	302,146,300	384,513,500	410,779,800	419,964,700	435,642,800	449,804,100	466,744,300
Other Charitable Exemptions.	2,568,900	2,406,300	2,916,100	3,646,900	4,990,300	5,096,800	5,179,100	5,697,800	5,499,400	5,270,200
<b>PERSONAL PROPERTY ADJUSTMENT</b>										
Difference Between Inventory of Average Rate and 25% of Value (10% for 1979-1981) .	49,990,000	60,530,300	71,833,900	—	—	—	—	—	—	—
<b>TOTAL EXEMPTION AND ADJUSTMENTS</b>	955,125,800	1,101,394,100	1,314,987,400	1,365,877,800	1,468,946,500	1,461,981,000	1,309,273,000	1,555,896,800	2,859,800,100	3,332,882,300
<b>TAXABLE VALUATION</b>	\$ 877,107,600	\$1,133,300,500	\$1,358,118,400	\$1,418,980,300	\$1,812,714,500	\$1,976,951,300	\$2,321,548,600	\$2,278,953,600	\$2,406,246,300	\$2,537,446,100
<b>MILLAGE LEVIED</b>	3.50	2.796	2.614	2.612	2.528	2.488	2.488	2.488	2.900	2.900
<b>TOTAL TAXES LEVIED</b>	\$ 3,069,900	\$ 3,168,700	\$ 3,550,100	\$ 3,706,400	\$ 4,582,500	\$ 4,918,700	5,278,400	5,670,000	\$ 6,978,100	\$ 7,358,600
Less: Adjustments & Discount	94,700	86,100	80,200	108,800	137,700	133,800	142,100	174,400	215,300	319,400
<b>Net Taxes Levied . . . . .</b>	\$ 2,975,200	\$ 3,082,600	\$ 3,469,900	\$ 3,597,600	\$ 4,444,800	\$ 4,784,900	\$ 5,136,300	\$ 5,495,600	\$ 6,762,800	\$ 7,039,200
<b>NET COLLECTED (1) (2)</b>	\$ 2,971,800	\$ 3,061,400	\$ 3,458,200	\$ 3,576,900	\$ 4,459,500	\$ 4,799,500	\$ 5,140,700	\$ 5,500,000	\$ 6,744,400	\$ 7,107,300

Source: Leon County Property Appraiser

(1) Florida Statutes provide for a discount of up to four percent for early payment of ad valorem taxes. All unpaid taxes become delinquent on April 1 and are sold at auction on June 1 of each year as tax certificates. The City, after all tax certificates are sold, has fully collected all ad valorem tax revenues.

(2) Net collected includes penalties or late payments.



# CITY OF TALLAHASSEE, FLORIDA

## PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS

(Per \$1000)

Last Ten Fiscal Years

Fiscal Year	City of Tallahassee	County School Board		Leon County	N.W. Water Management District	Total
	Operating	Operating	Debt Service	Operating		
1980	3,500	6,750	0,634	3,640	0,050	14,574
1981	2,796	6,159	0,551	4,846	0,050	14,402
1982	2,614	8,112	0,386	5,359	0,050	16,521
1983	2,612	7,473	0,393	5,167	0,050	15,695
1984	2,528	7,303	0,370	5,167	0,050	15,418
1985	2,488	7,134	0,249	5,167	0,050	15,088
1986	2,400	7,107	0,214	5,450	0,050	15,309
1987	2,488	7,558	0,203	5,800	0,050	16,099
1988	2,900	7,336	0,161	6,200	0,050	16,647
1989	2,900	7,650	1,238	6,790	0,050	18,628

Source: Leon County Tax Collector

## SPECIAL ASSESSMENT COLLECTIONS

Last Ten Fiscal Years

Fiscal Year	Assessments Due October 1	Assessments Levied	Assessments Collected	Assessments Due September 30
1980	\$ 125,300	\$913,800	\$ 25,100	\$1,014,000
1981	1,014,000	160,700	117,000	1,057,700
1982	1,057,700	--	150,800	906,900
1983	906,900	--	143,000	763,900
1984	763,900	250,000	217,200	796,700
1985	796,700	68,500	236,600	628,600
1986	628,600	343,000	110,700	860,900
1987	860,900	308,600	240,600	928,900
1988	928,900	--	227,500	701,400
1989	701,400	--	132,100	569,300

**CITY OF TALLAHASSEE, FLORIDA**

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT**

September 30, 1989

**DIRECT DEBT**

Non-Self-Supporting Revenue Debt:

Capital Refunding Bonds, Series 1984. . . . .	\$ 20,605,000	
Capital Bonds, Series 1989. . . . .	21,220,000	
Less: Sinking and Reserve Funds. . . . .	<u>(11,632,800)</u>	

Total Direct Debt . . . . . \$ 30,192,200

**OVERLAPPING DEBT**

Tax Supported Ad Valorem Debt:

General Obligation Bond Issue		
1988 A & B Series . . . . .	42,000,000	
Less: Sinking and Reserve Funds. . . . .	<u>(2,825,000)</u>	\$39,175,000

1989 A & B Series . . . . .	44,130,000	
Less: Sinking and Reserve Funds. . . . .	<u>-</u>	44,130,000

State Board of Education. . . . .	5,300,000	
Less: Sinking and Reserve Funds. . . . .	<u>(1,059,800)</u>	4,240,200

Race Track School Portion Revenues. . . . .	1,965,000	
Less: Sinking and Reserve Funds. . . . .	<u>(249,400)</u>	1,715,600

Non-Self-Supporting Revenue Debt

Leon County Capital Improvement Bonds 1986 Series Courthouse. . . . .	31,615,000	
Less: Debt Service and Reserve Fund. . . . .	<u>(3,007,000)</u>	28,608,000

Road Bonds 1964 Series. . . . .	490,000	
Less: Debt Service and Reserve Funds . . . . .	<u>(259,000)</u>	231,000

Refund Revenue Bonds 1988 Series. . . . .	9,728,900	
	<u>(678,000)</u>	9,050,900

Library Construction Revenue. . . . .	9,000,000	
	<u>(312,700)</u>	8,687,300

135,838,000

CITY SHARE OF NET OVERLAPPING DEBT (1). . . . . 95,086,600

TOTAL CITY DIRECT AND OVERLAPPING DEBT. . . . . \$125,278,800

**SELF-SUPPORTING REVENUE DEBT:**

Electric Revenue Bonds. . . . .	\$101,300,200	
Less: Sinking and Reserve Funds. . . . .	<u>(14,804,500)</u>	\$86,495,700

Municipal Utility Revenue Bonds . . . . .	21,360,000	
Less: Sinking and Reserve Funds. . . . .	<u>(2,594,400)</u>	18,765,600

Airport Revenue Bond. . . . .	12,350,000	
Less: Sinking and Reserve Funds. . . . .	<u>(1,193,200)</u>	11,156,800

Sunshine State Loan . . . . .	17,865,800	
Less: Sinking and Reserve Funds. . . . .	<u>(331,700)</u>	17,534,100

TOTAL SELF-SUPPORTING REVENUE DEBT \$133,952,200

(1) City's share calculated based on 1987 County Taxable Value of \$3,618,551,800 and City Taxable Value of \$2,537,446,100 percent overlapping 70 percent.

**CITY OF TALLAHASSEE, FLORIDA**

**COMPUTATION OF LEGAL DEBT MARGIN**

**September 30, 1989**

TAXABLE ASSESSED VALUE . . . . .	<u>\$2,537,446,100</u>
Debt Limit 20 Percent of Assessed Value . . . . .	<u>\$ 507,489,200</u>

The City of Tallahassee has no general obligation debt outstanding; the amount of general obligation debt the City can issue is limited by City Charter.

**CITY OF TALLAHASSEE, FLORIDA**  
**CONSTRUCTION, BANK DEPOSITS AND PROPERTY VALUES**  
**Last Ten Fiscal Years**

Fiscal Year	Commercial Construction (1)		Residential Construction (1)		Bank Deposits		Property Value (4)			
	Number of Units	Value	Number of Units	Value	Commercial Banks (2)	Savings and Loan Assn.(3)	Commercial	Residential	Agricultural	Non-taxable
1980	25	\$ 6,929,100	719	\$18,228,600	\$ 469,850,000	\$354,648,000	\$ 358,926,400	\$1,520,887,700	\$269,333,700	\$1,013,938,700
1981	83	13,685,100	1,129	27,005,800	481,563,000	346,995,000	593,608,200	1,787,860,500	268,831,300	1,047,267,200
1982	43	12,120,500	1,168	23,874,900	531,371,000	362,353,000	606,596,200	1,914,485,700	280,142,500	1,101,656,700
1983	93	16,075,000	1,909	57,474,300	648,603,000	411,446,000	686,475,500	2,176,698,600	283,924,200	1,123,750,300
1984	135	44,388,000	1,603	51,962,100	720,167,000	523,810,000	724,305,700	2,319,211,700	311,709,500	1,060,997,800
1985	124	33,821,000	938	35,480,300	863,354,000	509,709,000	782,546,600	2,493,994,900	317,633,400	1,066,997,600
1986	142	42,275,100	840	33,155,600	957,867,000	514,802,000	866,704,500	2,623,318,000	335,644,600	1,064,954,700
1987	139	39,044,300	1,203	46,671,400	975,909,000	496,238,000	955,929,700	2,731,296,700	344,888,500	2,396,377,400
1988	157	63,205,500	1,808	61,681,100	1,170,709,000	465,877,000	1,031,763,900	2,884,666,500	346,221,300	2,394,407,714
1989	147	84,377,602	2,250	86,374,614	1,219,527,000	450,577,000	1,132,533,900	3,116,990,145	388,806,800	2,428,351,155

(1) Source: Tallahassee-Leon County Planning Department

(2) Source: Florida Bankers Association; Includes deposits for entire Leon County; amount for 1989 based upon June 30, all others at December 31

(3) Source: Florida League of Financial Institutions; Includes deposits for entire Leon County

(4) Source: Leon County Property Appraiser for entire Leon County

**CITY OF TALLAHASSEE, FLORIDA**

**SUMMARY OF DEBT SERVICE REQUIREMENTS  
CAPITAL REFUNDING BONDS - SERIES 1984**

September 30, 1989

Fiscal Year Ending	Principal	Interest	Invested Sinking Fund Purchases	Invested Sinking Fund Earnings	Net Payment Due
1990	\$ --	\$ 2,080,600	\$ 1,458,700	\$ 496,500	\$ 3,042,300
1991	--	2,080,600	1,606,500	616,800	3,070,300
1992	--	2,080,600	1,725,100	748,100	3,057,600
1993	--	2,080,600	1,780,200	889,300	2,971,500
1994	540,000	2,080,600	--	995,800	1,624,800
1995	590,000	2,029,300	--	995,800	1,623,500
1996	650,000	1,972,700	--	995,800	1,626,900
1997	710,000	1,909,300	--	995,800	1,623,500
1998	785,000	1,839,000	--	995,800	1,628,200
1999	860,000	1,760,500	--	995,800	1,624,700
2000	173,000	2,447,300	--	995,800	1,624,500
2001	156,100	2,465,600	--	995,800	1,625,900
2002	140,400	2,479,800	--	995,800	1,624,400
2003	126,600	2,494,000	--	995,800	1,624,800
2004	113,900	2,505,600	--	995,800	1,623,700
2005	945,000	1,674,500	--	995,800	1,623,700
2006	1,050,000	1,574,100	--	995,800	1,628,300
2007	13,765,000	1,462,500	--	995,800	14,231,700
<b>Totals</b>	<u>\$20,605,000</u>	<u>\$37,017,200</u>	<u>\$6,570,500</u>	<u>\$16,691,900</u>	<u>\$47,500,800</u>

Bonds Dated: May 1, 1984

Original Issue Amount: \$20,605,000

Principal Due: October 1 of each year, beginning October 1, 1994

Interest Due: April 1 and October 1 of each year, beginning October 1, 1984

Paying Agent: Chemical Bank of New York

Bonds Maturing

October 1, 1994 to September 30, 1995  
 October 1, 1995 to September 30, 1996  
 October 1, 1996 to September 30, 1997  
 October 1, 1997 to September 30, 1998  
 October 1, 1998 and thereafter

Call Premium

Two Percent  
 One and One Half Percent  
 One Percent  
 One Half Percent  
 Par

Security: The Bonds are payable solely from and secured by a first lien and pledge of the Public Service Tax, Local Government Half-cent Sales Tax and Guaranteed Entitlement Revenues.

Bond Ratings: Moody's A1, Standard and Poor's A+

CITY OF TALLAHASSEE, FLORIDA

SUMMARY OF DEBT SERVICE REQUIREMENTS

CAPITAL BONDS - SERIES 1989

September 30, 1989

Fiscal Year Ending	Principal	Interest	Total
1990	\$ 495,000	\$ 1,516,600	\$ 2,011,600
1991	530,000	1,482,400	2,012,400
1992	565,000	1,445,800	2,010,800
1993	605,000	1,406,800	2,011,800
1994	650,000	1,365,100	2,015,100
1995	700,000	1,320,300	2,020,300
1996	750,000	1,272,000	2,022,000
1997	805,000	1,220,200	2,025,200
1998	865,000	1,163,900	2,028,900
1999	930,000	1,103,300	2,033,300
2000	1,005,000	1,038,200	2,043,200
2001	1,080,000	966,900	2,046,900
2002	1,165,000	890,200	2,055,200
2003	1,250,000	807,200	2,057,200
2004	1,350,000	706,500	2,056,500
2005	1,450,000	618,700	2,068,700
2006	1,565,000	512,800	2,077,800
2007	1,685,000	398,600	2,083,600
2008	1,815,000	275,600	2,090,600
2009	1,960,000	143,100	2,103,100
Totals	<u>\$21,220,000</u>	<u>\$19,654,200</u>	<u>\$40,874,200</u>

Bonds Dated: April 1, 1989

Original Issue Amount: \$21,220,000

Principal Due: October 1 of each year, beginning October 1, 1990

Interest Due: April 1 and October 1 of each year, beginning October 1, 1989

Paying Agent: Chemical Bank of New York

Bonds Maturing

October 1, 1996 to September 30, 1997

October 1, 1997 to September 30, 1998

October 1, 1998 and thereafter

Call Premium

Two Percent

One Percent

Par

Security: The Bonds are, on parity with the outstanding Capital Refunding Bonds, Series 1984, payable solely from and secured by a first lien and pledge of the Public Service Tax, Local Government Half-cent Sales Tax and Guaranteed Entitlement Revenues.

Bond Ratings: Moody's AAA, Standard and Poor's A+

# CITY OF TALLAHASSEE, FLORIDA

## SUMMARY OF DEBT SERVICE REQUIREMENTS

### SENIOR LIEN ELECTRIC REVENUE BONDS

SERIES 1985-A

September 30, 1989

<u>Fiscal</u> <u>Year</u> <u>Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1990	<u>\$3,305,000</u>	<u>\$231,400</u>	<u>\$ 3,536,400</u>
Totals	<u>\$3,305,000</u>	<u>\$231,400</u>	<u>\$ 3,536,400</u>

Bonds Dated: December 1, 1985

Original Issue Amount: \$19,640,000

Principal Due: October 1, beginning 1987

Interest Due: April 1 and October 1 of each year, beginning April 1, 1986

Paying Agent: Florida National Bank, Jacksonville, Florida

Call Provision: None

Security: The bonds are secured and payable from a first lien upon and pledge of the net revenues of the Municipal Electric System.

Bond Rating: Moody's Aa, Standard and Poor's AA

**CITY OF TALLAHASSEE, FLORIDA**

**SUMMARY OF DEBT SERVICE REQUIREMENTS  
JUNIOR LIEN ELECTRIC REFUNDING BONDS  
SERIES 1985**

September 30, 1989

Fiscal Year Ending	Principal	Interest	Total
1990	\$ --	\$ 7,266,700	\$ 7,266,700
1991	4,590,000	7,266,700	11,856,700
1992	4,935,000	6,922,400	11,857,400
1993	5,315,000	6,542,400	11,857,400
1994	5,735,000	6,122,500	11,857,500
1995	6,200,000	5,658,000	11,858,000
1996	6,715,000	5,143,400	11,858,400
1997	5,795,000	6,058,800	11,853,800
1998	4,815,000	7,040,900	11,855,900
1999	5,245,000	6,612,400	11,857,400
2000	5,715,000	6,140,300	11,855,300
2001	6,235,000	5,620,200	11,855,200
2002	6,815,000	5,043,500	11,858,500
2003	7,445,000	4,413,100	11,858,100
2004	8,130,000	3,724,500	11,854,500
2005	4,320,300	7,537,100	11,857,400
2006	4,755,500	7,099,500	11,855,000
2007	<u>5,214,400</u>	<u>6,617,900</u>	<u>11,852,300</u>
Totals	<u>\$97,995,200</u>	<u>\$110,830,300</u>	<u>\$208,825,500</u>

Bonds Dated: October 15, 1985

Original Issue Amount: \$93,290,100

Principal Due: October 1, beginning 1991

Interest Due: April 1 and October 1 of each year, beginning April 1, 1986

Paying Agent: Florida National Bank, Jacksonville, Florida

Security: The bonds are subordinate as to lien on and security for payment to the Senior Lien Electric Revenue bonds from the net revenues of the Municipal Electric System.

Bond Ratings: Moody's A1, Standard and Poor's AA

Mandatory Redemption

Terms Bonds Maturing October 1, 2004 subject to following redemption schedule by lot @ 100% of principal

2001	\$6,235,000	2003	\$7,445,000
2002	\$6,815,000	2004	\$8,130,000

Optional Redemption

Serial Bonds Maturing:

October 1, 1993 to September 30, 1994	Three Percent
October 1, 1994 to September 30, 1995	Two Percent
October 1, 1995 to September 30, 1996	One Percent
October 1, 1996 and thereafter	Par

Gains Redemptions

April 1, 2000 to March 31, 2001	Three Percent
April 1, 2001 to March 31, 2002	Two Percent
April 1, 2002 to March 31, 2003	One Percent
April 1, 2003 and thereafter	Par



**CITY OF TALLAHASSEE, FLORIDA**

**SUMMARY OF DEBT SERVICE REQUIREMENTS**

**MUNICIPAL UTILITY REVENUE BONDS**

**SERIES 1970**

September 30, 1989

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Coupon Rate (%)</u>
1990	\$ 500,000	\$ 246,925	\$ 746,925	5.90
1991	550,000	217,425	767,425	5.95
1992	600,000	184,700	784,700	6.00
1993	650,000	148,700	798,700	6.00
1994	650,000	109,700	759,700	6.00
1995	700,000	70,700	770,700	6.00
1996	700,000	28,700	728,700	4.10
<b>Totals</b>	<u><b>\$4,350,000</b></u>	<u><b>\$1,005,850</b></u>	<u><b>\$5,356,850</b></u>	

Bond Dated: October 1, 1970

Original Issue Amount: \$7,300,000

Principal Due: October 1, beginning 1972

Interest Due: April 1 and October 1 of each year, beginning October 1, 1972

Paying Agent: Chemical Bank of New York

Bonds Maturing

October 1, 1986 to September 30, 1989

October 1, 1989 to September 30, 1992

October 1, 1992 and thereafter prior to maturity

Call Premium

Three Percent

Two Percent

One Percent

Security: The Bonds are secured and payable, on a parity with the outstanding Municipal Utility Revenue Bonds, Series 1970-A, 1979 and 1982, from the net revenues of the Municipal Gas, Water, and Sewerage Systems.

Bond Ratings: Moody's A1, Standard and Poor's A+

**CITY OF TALLAHASSEE, FLORIDA**

**SUMMARY OF DEBT SERVICE REQUIREMENTS**

**MUNICIPAL UTILITY REVENUE BONDS**

**SERIES 1970-A**

**September 30, 1989**

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Coupon Rate (%)</u>
1990	\$ 200,000	\$ 90,675	\$ 290,675	5.4
1991	200,000	79,875	279,875	5.5
1992	200,000	68,875	268,875	5.6
1993	200,000	57,675	257,675	5.7
1994	250,000	46,275	296,275	5.75
1995	250,000	31,900	281,900	5.8
1996	<u>300,000</u>	<u>17,400</u>	<u>317,400</u>	5.8
<b>Totals</b>	<u><b>\$1,600,000</b></u>	<u><b>\$392,675</b></u>	<u><b>\$1,992,675</b></u>	

Bond Dated: October 1, 1970

Original issue Amount: \$3,150,000

Principal Due: October 1, beginning 1977

Interest Due: April 1 and October 1 of each year, beginning April 1, 1977

Paying Agent: Chemical Bank of New York

Bonds Maturing

October 1, 1986 to April 1, 1989

October 1, 1989 to April 1, 1992

October 1, 1992 and thereafter prior to maturity

Call Premium

Three Percent

Two Percent

One Percent

Security: The Bonds are secured and payable, on a parity with the outstanding Municipal Utility Revenue Bonds, Series 1970, 1979 and 1982, from the net revenues of the Municipal Gas, Water and Sewerage Systems.

Bond Ratings: Moody's A1 and Standard and Poor's A+

**CITY OF TALLAHASSEE, FLORIDA**

**SUMMARY OF DEBT SERVICE REQUIREMENTS**

**MUNICIPAL UTILITY REVENUE BONDS**

**SERIES 1979**

September 30, 1989

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Coupon Rate(%)</u>
1990	\$ 265,000	\$ 598,290	\$ 863,290	5.50
1991	280,000	583,715	863,715	5.50
1992	295,000	568,315	863,315	5.60
1993	315,000	551,795	866,795	5.60
1994	335,000	534,155	869,155	6.20
1995	355,000	513,385	868,385	5.75
1996	375,000	492,972	867,972	5.80
1997	1,405,000	471,223	1,876,223	5.85
1998	1,490,000	389,030	1,879,030	5.90
1999	1,580,000	301,120	1,881,120	5.90
2000	1,680,000	207,900	1,887,900	6.00
2001	1,785,000	107,100	1,892,100	6.00
<b>Totals</b>	<u><b>\$10,160,000</b></u>	<u><b>\$5,319,000</b></u>	<u><b>\$15,479,000</b></u>	

Bond Dated: April 1, 1979

Original Issue Amount: \$12,000,000

Principal Due: October 1, beginning 1981

Interest Due: April 1 and October 1 of each year, beginning April 1, 1980

Paying Agent: Chemical Bank of New York

Bonds Maturing

October 1, 1989 to September 30, 1991

October 1, 1991 to September 30, 1994

October 1, 1994 to September 30, 1998

October 1, 1998 and thereafter

Call Premium

Three Percent

Two Percent

One Percent

Par

Security: The Bonds are secured and payable, on a parity with the outstanding Municipal Utility Revenue Bonds, Series 1970, 1970-A and 1982, from the net revenues of the Municipal Gas, Water, and Sewerage Systems.

Bond Ratings: Moody's A1, Standard and Poor's A+

CITY OF TALLAHASSEE, FLORIDA

SUMMARY OF DEBT SERVICE REQUIREMENTS  
MUNICIPAL UTILITY REVENUE BONDS  
SERIES 1982  
September 30, 1989

Fiscal Year Ending	Principal	Interest	Total	Coupon Rate(%)
1990	\$ 175,000	\$ 438,006	\$ 613,006	7.700
1991	200,000	424,532	624,532	7.800
1992	200,000	408,932	608,932	8.000
1993	250,000	392,932	642,932	8.200
1994	250,000	372,432	622,432	8.400
1995	300,000	351,432	651,432	8.500
1996	325,000	325,932	650,932	8.600
1997	350,000	297,982	647,982	8.700
1998	400,000	267,532	667,532	8.800
1999	450,000	232,332	682,332	8.800
2000	500,000	192,732	692,732	8.900
2001	550,000	148,232	698,232	8.900
2002	625,000	99,282	724,282	9.000
2003	<u>675,000</u>	<u>43,032</u>	<u>718,032</u>	6.375
Totals	<u>\$5,250,000</u>	<u>\$3,995,322</u>	<u>\$9,245,322</u>	

Bond Dated: October 1, 1982

Original Issue Amount: \$6,000,000

Principal Due: October 1, beginning 1984

Interest Due: April 1 and October 1 of each year, beginning April 1, 1983

Paying Agent: Chemical Bank of New York

Bonds maturing

October 1, 1992 to September 30, 1993  
October 1, 1993 to September 30, 1994  
October 1, 1994 to September 30, 1995  
October 1, 1995 to September 30, 1996  
October 1, 1996 to September 30, 1997  
October 1, 1997 to September 30, 1998  
October 1, 1998 and thereafter

Call Premium

Three Percent  
Two and One Half Percent  
Two Percent  
One and One Half Percent  
One Percent  
One Half of One Percent  
Par

Security: The Bonds are secured and payable, on a parity with the outstanding Municipal Utility Revenue Bonds, Series 1970, 1970-A and 1979, from the net revenues of the Municipal Gas, Water, and Sewerage Systems.

Bond Ratings: Moody's A1, Standard and Poor's A+

# CITY OF TALLAHASSEE, FLORIDA

## SUMMARY OF DEBT SERVICE REQUIREMENTS

### AIRPORT REVENUE BONDS

SERIES 1988A

September 30, 1989

Fiscal Year Ending	Principal	Interest	Total
1990	\$ --	\$ 939,705	\$ 939,705
1991	--	939,705	939,705
1992	225,000	939,705	1,164,705
1993	240,000	926,205	1,166,205
1994	255,000	911,205	1,166,205
1995	270,000	894,630	1,164,630
1996	290,000	876,675	1,166,675
1997	310,000	856,810	1,166,810
1998	330,000	835,110	1,165,110
1999	355,000	811,350	1,166,350
2000	380,000	785,435	1,165,435
2001	410,000	757,315	1,167,315
2002	440,000	726,565	1,166,565
2003	470,000	693,125	1,163,125
2004	510,000	657,170	1,167,170
2005	550,000	617,645	1,167,645
2006	590,000	575,020	1,165,020
2007	635,000	529,295	1,164,295
2008	685,000	480,082	1,165,082
2009	740,000	426,995	1,166,995
2010	795,000	368,535	1,163,535
2011	860,000	305,730	1,165,730
2012	930,000	237,790	1,167,790
2013	1,000,000	164,320	1,164,320
2014	<u>1,080,000</u>	<u>85,320</u>	<u>1,165,320</u>
Totals	<u>\$12,350,000</u>	<u>\$16,341,442</u>	<u>\$ 28,691,442</u>

Bonds Dated: February 1, 1988

Original Issue Amount: \$12,350,000

Principal Due: October 1, beginning 1992

Interest Due: April 1 and October 1 of each year, beginning October 1, 1988

Paying Agent: First Florida Bank, Tampa, Florida

Security: The bonds are secured and payable from the net revenues of the Airport System.

Bond Ratings: Moody's AAA, Standard and Poor's Aaa

#### Mandatory Redemption

##### Term Bonds Due October 1, 2008

Year	Amount
2004	\$510,000
2005	550,000
2006	590,000
2007	635,000
2008	685,000

##### Term Bonds Due October 1, 2014

Year	Amount
2009	\$ 740,000
2010	795,000
2011	860,000
2012	930,000
2013	1,000,000
2014	1,080,000

#### Optional Redemption

October 1, 1995 to September 30, 1996  
 October 1, 1996 to September 30, 1997  
 October 1, 1997 to September 30, 1998  
 October 1, 1998 and thereafter

#### Redemption Price

One Hundred Three Percent  
 One Hundred Two Percent  
 One Hundred One Percent  
 One Hundred Percent

# CITY OF TALLAHASSEE, FLORIDA

## PRINCIPAL TAXPAYERS

September 30, 1989

<u>Taxpayer</u>	<u>Assessed Valuation</u>			Percentage of Total Assessed Valuation
	<u>Real Property</u>	<u>Tangible Personal Property</u>	<u>Total</u>	
Central Telephone . . . . .	\$ 7,820,200	\$ 93,632,400	\$101,452,600	1.9
Governor's Square Mall . . . . .	29,336,800	74,500	29,411,300	.6
Tallahassee Mall . . . . .	22,769,400	93,000	22,862,400	.4
Talquin Electric . . . . .	1,367,200	23,845,500	25,212,700	.5
Killearn Properties . . . . .	18,918,000	131,700	19,049,700	.4
Koger Properties . . . . .	17,304,500	7,800	17,312,300	.3
Comcast Cable . . . . .	--	16,000,000	16,000,000	.3
Tallahassee Community Hospital . . . . .	8,147,600	3,712,200	11,859,800	.2
First Florida Bank Building . . . . .	10,243,300	7,000	10,250,300	.2
Federal Building . . . . .	9,085,700	--	9,085,700	.2
	<u>\$124,992,7</u>	<u>\$137,504,100</u>	<u>\$262,496,800</u>	<u>5.0</u>

Source: Leon County Property Appraiser

## CITY OF TALLAHASSEE, FLORIDA

## SCHEDULE OF INSURANCE IN FORCE

September 30, 1989

Type of Coverage and Insurance Company	Policy Number	Policy Expiration	Details of Coverage	Limits	Estimated Annual Premium
<b>LIABILITY:</b>					
Self-Insured . . . . .	N/A	N/A	Excess Auto/General Liability	\$3,000,000	Fund Trust
Lloyd . . . . .	N/A	9-30-90	Airport Liability	\$100,000,000	\$29,714
Self-Insured . . . . .	N/A	N/A	Primary Auto/General Liability	\$100,000/200,000	Fund Reserves
Self-Insured . . . . .	N/A	N/A	Police Professional	\$100,000/200,000	Fund Reserves
<b>FIRE AND EXTENDED COVERAGE:</b>					
Hartford . . . . .	N/A	9-30-90	Boiler and Machinery	All Risk Comprehensive	\$406,458
<b>ACCIDENTAL DEATH:</b>					
Commercial Insurance . . . . .	GTA-4617	9-30-92	Accidental Death (Firemen & Policemen) Statutory Accidental Death	\$50,000 or \$20,000	\$16,524
<b>WORKERS' COMPENSATION:</b>					
Florida League of Cities Self Insurance					
Trust Fund . . . . .	N/A	9-30-90	Excess Workers' Compensation	\$10,000,000	\$43,124
Self Insured . . . . .	N/A	N/A	Primary Workers' Compensation	\$300,000	Fund Reserves
<b>PUBLIC OFFICIALS BOND:</b>					
Hartford	N/A	9-30-90	Surety Bond	\$1,000,000/\$100,000	\$5,773
<b>PUBLIC EMPLOYEES BLANKET BOND:</b>					
South Carolina Insurance Company . . . . .	FS 901513	2-15-90	Honesty Blanket Position Bond	\$10,000/Specific Excess	\$6,653

# CITY OF TALLAHASSEE, FLORIDA

## MISCELLANEOUS STATISTICAL DATA

September 30, 1969

Date of Incorporation . . . . . 1825  
 Date First Charter Adopted. . . . . 1825  
 Date Present Charter Adopted. . . . . 1919

Form of Government: Commission-Manager  
 Commission Composed of: Mayor and Four Commissioners

Terms of Office:

Mayor - One Year (Elected by the Commission)  
 Commissioners - Four Years  
 Manager - Appointed by Commission

Average Annual Temperature . . . . . 67.2 Degrees  
 Average Annual Rainfall. . . . . 64.59 Inches  
 Area . . . . . 67 Square Miles

### MUNICIPAL UTILITIES and SERVICES

Electric System:

Generating Plants . . . . . 3  
 Generating Capacity (KW). . . . . 461,000  
 Net System Energy Generated (KWH) . . . . . 1,403,707,345  
 Average Number Residential Customers. . . . . 60,425  
 Average Residential Monthly Bill. . . . . \$78.56  
 Miles of Transmission Lines . . . . . 172.1  
 Primary Distribution Sub-System Capacity (KVA). . . . . 645,000  
 Square Miles of Service Area. . . . . 185  
 Number of Street Lights . . . . . 11,835

Gas System:

Miles of Gas Lines . . . . . 292  
 Daily Average Consumption (MCF). . . . . 3,594  
 Plant Capacity (MCF) . . . . . 4,000  
 Number of Service Connections. . . . . 9,191

Police Protection:

Number of Employees. . . . . 425  
 Number of Vehicular Patrol Units . . . . . 87  
 Number of Law Violations:  
     Physical Arrests . . . . . 8,348  
     Traffic Violations . . . . . 43,914  
     Parking Violations . . . . . 82,831

Water System:

Miles of Water Mains . . . . . 661.5  
 Daily Average Consumption (MGD). . . . . 18.18  
 Plant Capacity (MGD) . . . . . 52.2  
 Number of Service Connections. . . . . 50,569  
 Deep Wells . . . . . 24

Sewage System:

Miles of Sanitary Sewers . . . . . 511  
 Number of Lift Stations. . . . . 76  
 Daily Average Treatment (MGD). . . . . 15.1  
 Maximum Capacity of Treatment Plants (MGD) . . . . . 24.56  
 Number of Disposal Plants. . . . . 2  
 Number of Service Connections. . . . . 41,459

Parks and Recreation:

Community Centers . . . . . 8  
 Summer Playgrounds and Camps. . . . . 12  
 Athletic Fields . . . . . 84  
 Golf Courses. . . . . 2  
 Swimming Pools. . . . . 5  
 Parkland Acreage. . . . . 1,046  
 Parcours Trails . . . . . 3  
 Tennis/Racquetball Courts . . . . . 50  
 Gymnasiums. . . . . 13



CITY OF TALLAHASSEE, FLORIDA

MISCELLANEOUS STATISTICAL DATA

(Continued)

Community Facilities

Transportation:

Airline, Bus Line, and Railroad Freight Services

Communications:

Newspapers, Radio Stations, Television Stations;  
Cable Television and Telephone Service

Culture, Recreation, and Health:

Conference Center, Civic Center, and Theaters

Seating Capacity . . . . .	23,142
Museums . . . . .	3
Major Libraries . . . . .	8
Skating Rinks . . . . .	2
Golf Courses . . . . .	6
Hospital Beds . . . . .	951

Education:

Number of Public Schools . . . . .	36
Number of Public School Instructors . . . . .	1,828
Number of Public School Students . . . . .	26,404
Number of Vocational-Technical Schools . . . . .	1
Number of Community Colleges . . . . .	1
Number of Universities . . . . .	2
Number of College-level Instructors . . . . .	1,910
Number of College-level Students . . . . .	43,670

Major Annual Events:

- Springtime Tallahassee Festival
- Tallahassee Open Golf Tournament
- North Florida Fair
- Junior Museum Market Days
- Fourth of July "Celebrate America"

## CITY OF TALLAHASSEE, FLORIDA

### DEMOGRAPHIC STATISTICS For the Years Indicated

Year	(1)	Airline Passengers	Electric KWH Used (000's)	Water	Gas Used (Cu. Ft.) (Millions)	(2)	Leon County	(2)(3)
	Estimated Population			Consumed (Gals) (Millions)		Housing Units	School Enrollment	Retail Sales (000's)
1980	81,548	306,443	1,499,908	5,390.1	1,366,515	33,677	21,197	721,527
1981	92,328	288,681	1,169,832	5,484.2	1,276,483	38,086	21,646	822,175
1982	95,498	266,583	1,339,339	5,830.7	1,251,515	40,261	21,650	847,505
1983	105,577	284,052	1,295,058	5,846.7	1,151,650	45,097	22,433	927,413
1984	113,564	311,739	1,296,268	6,209.9	1,330,499	48,699	22,279	1,012,443
1985	116,239	284,899	1,336,212	6,124.9	1,293,902	50,715	22,823	1,084,427
1986	120,023	354,098	1,419,245	7,983.5	1,285,008	52,015	23,911	1,132,152
1987	123,060	413,242	1,556,543	7,031.3	1,385,865	52,231	24,508	N/A
1988	125,545	430,045	1,676,050	7,641.2	1,447,084	53,213	24,917	1,239,838
1989	130,284	434,859	1,756,912	6,635.1	1,311,770	55,205	26,404	N/A

Source: City Records

(1) U. S. Census Bureau and Tallahassee-Leon County Planning Department

(2) Tallahassee-Leon County Planning Department

(3) Leon County Statistics

N/A - Not Available

Year	Number of Labor Force	Number of Employed	Number of Unemployed	Unemployment Rate
1983	45,561	42,702	2,859	6.3 percent
1984	46,361	43,924	2,437	5.3 percent
1985	47,484	45,068	2,416	5.1 percent
1986	53,856	51,442	2,414	4.5 percent
1987	56,938	54,524	2,414	4.2 percent
1988	58,342	56,117	2,225	3.8 percent
1989	60,640	57,636	3,004	5.0 percent

Source: Florida Department of Labor and Employment Security

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