

COMPREHENSIVE ANNUAL FINANCIAL REPORT

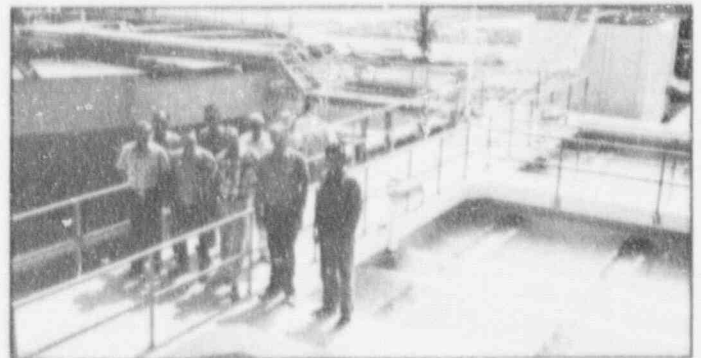


CITY OF OCALA
FLORIDA

For the Year Ended
September 30, 1990



*PEOPLE
MAKE THE
DIFFERENCE*



CITY OF OCALA

Comprehensive Annual Financial Report



For the Fiscal Year Ended
September 30, 1990

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, 1990

City Council - 1989 - 1990

Jack Clark, Mayor
Gerald K. Egle, President
Michael S. Amsden
Lorenzo S. Edwards
Michael A. Finn

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. Shav
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.
Acting Water and Sewer Director	William D. Hall, Jr.

INTRODUCTORY SECTION

This Section contains the following Subsections:

Table of Contents

Letter of Transmittal

Certificate of Achievement
for Excellence in Financial Reporting

City of Ocala Organization Charts

CITY OF OCALA, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 1990

TABLE OF CONTENTS

	<u>Pages</u>
<u>I. INTRODUCTORY SECTION</u>	
Letter of Transmittal	vi-xvi
Certificate of Achievement for Excellence in Financial Reporting	xvii
City of Ocala Organization Charts	xviii-xix
<u>II. FINANCIAL SECTION</u>	
Independent Auditors' Report	1-2
<u>General Purpose Financial Statements (Combined Statements - Overview)</u>	
o Combined Balance Sheet - All Fund Types and Account Groups	3-6
o Combined Statement of Revenues, Expen- ditures and Changes in Fund Balances - All Governmental and Expendable Trust Fund Types	7
o Combined Statement of Revenues, Expen- ditures and Changes in Fund Balances - Actual and Budget - General, Special Revenue, Capital Project and Expendable Trust Fund Types	8-11
o Combined Statement of Revenues, Expenses and Changes in Fund Equity - All Proprietary Fund Types	12
o Combined Statement of Cash Flows - All Proprietary Fund Types.....	13-14
o Notes to Financial Statements	15-54
o Required Supplementary Pension Disclosure	
oo Comparative Summary of Revenues by Sources and Expenses by Type	55-56
oo Analysis of Funding Progress	57

Individual Fund and Account Group and
Combining Financial Statements by Fund Type

Governmental Fund Types

Special Revenue Funds

o Combining Balance Sheet	58-59
o Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Actual and Budget	60-61
o Statement of Revenues, Expenditures and Changes in Fund Balance - Actual and Budget:	
Occupational License Fund	62
Central Florida Regional Library Fund	63
Off-Street Parking Fund	64
Downtown Development Fund	65
Local Gasoline Tax Fund	66
Stormwater Utility Fund	67

Debt Service Funds

o Combining Balance Sheet	68
o Combining Statement of Revenues, Expenditures and Changes in Fund Balances	69

Capital Project Funds

o Combining Balance Sheet	70
o Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Actual and Budget	71-72

Proprietary Fund Types

Enterprise Funds

o Combining Balance Sheet	73-76
o Combining Statement of Revenues, Expenses and Changes in Fund Equity	77-78
o Combining Statement of Cash Flows	79-80

Internal Service Funds

o Combining Balance Sheet	81
o Combining Statement of Revenues, Expenses and Changes in Fund Equity	82
o Combining Statement of Cash Flows	83-84

Trust and Agency Fund Types

o Combining Balance Sheet	85
o Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Actual and Budget.....	86-87
o Combining Statement of Revenues, Expenses and Changes in Fund Balances	88

General Fixed Asset Account Group

o Schedule of General Fixed Assets by Function and Activity	89
o Schedule of Changes in General Fixed Assets by Function and Activity	90

III. Single Audit Report

o Independent Auditors' Report on the Schedule of Federal Financial Assistance.....	91
o Schedule of Federal Financial Assistance	92-93
o Notes to Schedule of Federal Financial Assistance	94
o Schedule of Findings and Questioned Costs	95
o Independent Auditors' Reports on:	
Internal Controls at the General Purpose Financial Statement Level.....	96-97
Compliance at the General Purpose Financial Statement Level.....	98
Internal Accounting and Administrative Controls at the Federal Financial Assistance Program Level.....	99-101
Compliance with General Requirements Applicable to Major Federal Financial Assistance Programs.....	102
Compliance with Specific Requirements Applicable to Major Federal Financial Assistance Programs.....	103-104

IV. STATISTICAL SECTION

o	General Governmental Revenues and Other Financing Sources by Source	105-106
o	General Governmental Expenditures and Other Uses by Function	107-108
o	Property Tax Levies, Tax Collections and Assessed Valuations	109-110
o	Property Tax Rates and Levies - All Overlapping Governments	111
o	Special Assessment Collections	112
o	Computation of Legal Debt Margin	113
o	Schedules of Bond Coverage	
	Electric and Power Supply Revenue and Revenue Refunding Bonds, Series 1977, 1983, 1988, 1989A and 1989B	114-115
	Water and Sewer Revenue and Refunding Revenue Bonds, Series 1968, 1983, 1985A, 1985B, 1986 and 1988 and Anticipation Notes Coverage.....	116-117
	Refunding and Improvement Excise Tax Bonds, Series 1965 and 1972	118
	Street Improvement Revenue Bonds, Series 1966, 1967, 1975 and 1978	119
	Capital Improvement Revenue and Refunding Revenue Bonds, Series 1982 and 1986, and Capital Improvement Revenue and Revenue Refunding Certificates, Series 1986 and 1988	120-121
	Pollution Control Revenue Bonds, Series C	122
	Optional Gas Tax Revenue Bonds, Series 1989.....	123
o	Computation of Direct and Overlapping General Obligation Debt	124
o	Miscellaneous Statistical Data	125
o	Demographic Statistics	126
o	List of Ten Largest Taxpayers	127

	<u>Pages</u>
o Schedule of Insurance In Force	128-129
o Property Value, Construction and Bank Deposits	130
o List of Officers' Salaries	131
o Debt Service Requirements to Maturity	
All Bonded Debt	132
Capital Improvement Refunding Revenue Bonds, Series 1986....	133
Capital Improvement Revenue Refunding Certificates, Series 1988	134
Refunding and Improvement Excise Tax Bonds - 1972 Issue....	135
Electric System Revenue and Revenue Refunding Bonds, Series 1989A and Series 1989B	136-137
Water and Sewer Revenue and Refunding Revenue Bonds, Series 1985A, Series 1986 and Series 1988	138-140
Optional Gas Tax Revenue Bonds, Series 1989.....	141
o Analysis of Sewerage System Capital Improvement Fund Established for Florida Department of Environmental Regulation Grant #621080	e 142

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City of Ocala
January 14, 1991

FINANCE DEPARTMENT
P. O. BOX 1270, OCALA, FLORIDA 32678-1270

City Manager and Council
City Hall
Ocala, Florida 32678

Gentlemen:

The comprehensive annual financial report (CAFR) of the City of Ocala, Florida, for the fiscal year ended September 30, 1990, is hereby submitted.

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

The CAFR is presented in four sections: introductory, financial, single audit and statistical. The introductory section contains the table of contents, this transmittal letter, the certificate of achievement for excellence in financial reporting for our 1989 CAFR and the City's organizational chart. The financial section includes the general purpose financial statements and the individual fund and account group and combining financial statements by fund type, as well as the auditors' report on the financial statements and schedules. The single audit section contains the schedule of federal financial assistance, findings and recommendations, and the auditors' reports on the internal control structure and compliance with applicable laws and regulations, as required by the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-128, "Audits of State and Local Governments." The statistical section includes selected financial and demographic information which is designed to enhance the reader's understanding of the City's past and of its future potential.

All funds and account groups of the City of Ocala are included in this report. The City provides a full range of general services including police and fire protection; general government; culture and recreation; construction and maintenance of highways, streets and infrastructure and library services. The Library serves Marion and Levy Counties with the Ocala branch functioning as headquarters.

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 championship golf courses with a total of 45 holes and 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, an airport (Ocala Municipal Airport/Jim Taylor Field), and a municipal trailer park. The financial activities of all municipal boards and commissions except for the Ocala Housing Authority are included in the City's financial statements. The Ocala Housing Authority has not met the established criteria for inclusion in the reporting entity, and accordingly is excluded from this report.

ECONOMIC CONDITION AND OUTLOOK

The City of Ocala is situated in north central Florida, approximately equidistant from Jacksonville, Daytona, Orlando and Tampa. It is centrally located in Marion County and is the county seat. During the past decade, the City and surrounding areas have grown at a fast pace. Available land, independent water supply, relatively low taxes, moderate climate and proximity to larger cities and to popular tourist attractions continue to be the underlying causes. In the past few years, various reports and studies have shown Ocala to be one of the fastest growing areas in the nation.

Horsebreeding, dominated by thoroughbreds and Arabians, is a major industry in the Ocala area. The tourist industry is also very apparent. 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 near the information center. To the immediate east of Ocala is Silver Springs Attraction, renowned for many films such as Tarzan and James Bond movies and the Sea Hunt television series, which is visited by thousands each year. K-Mart has selected Ocala as the location for a new distribution center, which is scheduled to be in operation in 1991. Other industries in the Ocala area include service industries and some light manufacturing.

The growth surge experienced in the 1980's is expected to continue into the 1990's but at a slower pace. The growth potential of the City continues to be virtually limitless. The growth is challenging to the City since it demands increased services but places a financial strain on the revenues of the City.

MAJOR INITIATIVES

For the Year. In preparing the 1990 budget, the City's focus, at City Council's direction, was to maintain a consistent level of service throughout all departments for the citizens of Ocala, to maintain a low millage rate and to provide quality utility services at competitive rates. Other budget and management objectives for 1990 included the establishment of a joint county-wide program to

coordinate community efforts in the war against drugs and crime, the development of a five-year capital improvement plan along with a financing plan for the improvements and the continuation of the exploration of a public and private cooperative efforts to better service the citizens of Ocala.

In order to accomplish some of the objectives, a total of 17 positions were authorized in the budget. Ten of the authorized positions were for police personnel, of which five were for the creation of a Street Crimes Unit for the war on drugs and increased crime. During 1990, the police department acquired the City's first drug-sniffing police dog. In January, 1990, an interlocal agreement between the City of Ocala, the Marion County Commission and the Marion County School Board created the Substance Abuse Coordinator division. The goal for this division is to spearhead and strengthen community efforts in combating drug abuse by coordinating all resources and services.

During the year, the City issued revenue bonds for massive electric system improvements. Those improvements have begun. The City also continued the water and sewer system expansion and improvements as well as the widening and improvements of various roads. All of these are growth-related. For the past four years, the City has levied an additional mill of ad valorem taxes of which three quarters have been for road improvements and the remaining one quarter has been for fire department capital outlay. For the past few years, the City and Marion County have shared the costs of improvements of some major arterial streets.

The City acquired a new computer, an IBM AS-400, during 1990 in order to more efficiently serve the needs of the many users which include the billing of utilities to customers. Renovation of the Old Light Plant was started during 1990. When the renovation is completed in early 1991, this building will be known as the City Hall Annex and will house the Engineering Department as well as several small departments.

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

The City is also continuing its program of renovating existing City buildings. After the Engineering Department moves to the City Hall Annex, some departments which occupy City Hall will be shifted in order to better serve the public. A master plan of the Municipal Services Complex, which was built in 1984, is addressing the feasibility of additions to the complex. The renovation and expansion or relocation of the Police Department is also being considered.

The most significant and demanding task for the future is the completion, submission and implementation of the Comprehensive Plan of the City of Ocala, which is required by the 1985 Local Government Comprehensive Planning Act. The plan, which must be submitted to the

State of Florida by May 1, 1991, is a tool for growth management and affects virtually all City departments. The plan has ten elements: future land use; traffic circulation; housing; sanitary sewer, solid waste, drainage, potable water, and groundwater aquifer recharge; conservation; recreation and open space; intergovernmental coordination; community redevelopment area; historical preservation and capital improvements. Fiscal years 1991 and 1992 are the transition period prior to the implementation of the Capital Improvements Element of the Comprehensive Plan, which covers the five-year period from 1993 through 1997.

Department Focus. For the purpose of safety awards, the City departments are categorized into low risk, medium risk or high risk, depending on the nature of the work done in each department. The Electric Department, which is a high risk department with 146 employees and is responsible for the transmission and distribution of electric service to Ocala and surrounding areas, has recently achieved a milestone unequalled by any other City department: as of September 30, 1990, the employees had accumulated 428,998 no lost time accident-free safety hours. They reached 500,000 hours on January 5, 1991. In addition to the safety training available to all City departments, the Electric Department has a specialized safety program. In addition to safety in the workplace, the employees have built an exhibit called "Safety City" which is a scale model of a home in a neighborhood designed to show the public the hazards of the improper use of electricity. This exhibit is shown at various events throughout the year.

FINANCIAL INFORMATION

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

Single Audit. As a recipient of federal and state financial assistance, the City is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control structure is subject both to periodic evaluation by the City's management and staff as well as to tests performed by the external auditors as part of the City's single audit. The results of the City's single audit for the fiscal year ended September 30, 1990 are included in this comprehensive annual financial report.

Budgetary Controls. Budgetary control is maintained on an annual allotment basis, based on prior 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 City Council for approval. The entire budget process is coordinated by a full time budget manager. In addition, two separate reviews are made by the Finance Department 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 City Council. This resolution also includes a carryforward for major projects not completed in the previous year which are not covered by purchase orders. All items in this resolution are subject to a working capital availability test. Monthly reports are distributed to the various departments to keep them informed of their year to date expenditures, encumbrances and funds available.

General Governmental Functions. The following schedule presents a summary of general fund, special revenue fund and debt service fund revenues and other financing sources for the fiscal year ended September 30, 1990 and the percentages of increases and decreases in relation to revenues and other financing sources for the fiscal year ended September 30, 1989.

	Amount	Percent of Total	Increase (Decrease) from 1989	Percent Increase (Decrease)
Revenues:				
Property taxes	\$6,505,843	19.49%	\$344,601	5.59%
Other taxes	801,394	2.40	15,373	1.95
State revenue sharing	1,209,813	3.62	(62,214)	(4.89)
Other intergovernmental revenues	5,772,254	17.29	3,121	.05
Parking meters and facilities	88,315	.26	(4,859)	(5.21)
Licenses and permits	736,411	2.21	45,955	6.66
Fines and forfeitures	734,132	2.20	(6,471)	(.87)
Charges for services	1,409,387	4.22	154,393	12.30
Interest	1,545,540	4.63	(22,041)	(1.41)
Gifts and Other	261,093	.78	148,185	131.24
Total revenues	19,064,182	57.10	616,043	
Other financing source:				
Transfers from other funds	14,321,507	42.90	44,484	.31
Total revenues and other financing source	\$33,385,689	100.00%	\$660,527	

The most significant dollar change in revenues was in property taxes. The 5.69% increase corresponds to the 6% increase in assessed valuations. The City's millage rate remained at 5.08. The 4.89% decrease in state revenue sharing was caused by a shortfall of revenues to the State of Florida which are allocated to governmental units. Parking revenues decreased since one of the City's six parking lots was closed. The 6.66% increase in licenses and permits results from a combination of an increase in building permits and an increase in occupational licenses. A combination of an increase in recreation programs and an increase in public safety revenues caused the 12.30% increase in charges for services. Gifts and other revenues had the most significant percent increase, 131.24%, over last fiscal year. Increases in cemetery lot sales and in police miscellaneous revenues, contributions for a new recreation program and for a tree mitigation program, and the isolated sale of a park are the main factors for this increase.

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures and other financing use for the fiscal year ended September 30, 1990 and the percentages of increases and decreases in relation to expenditures and other financing use for the fiscal year ended September 30, 1989.

	Amount	Percent of Total	Increase (Decrease) from 1989	Percent Increase (Decrease)
Expenditures:				
Current:				
General government and administration	\$ 3,168,947	9.25%	\$ 296,050	10.30%
Public safety	10,759,495	31.41	1,239,996	13.03
Public works	3,466,758	10.12	31,667	.92
Culture and recreation	3,376,898	9.86	378,453	12.62
Housing rehabilitation	289,148	.84	(45,882)	(13.69)
Nondepartmental	389,988	1.14	59,374	17.96
Other	469,329	1.37	208,424	79.89
Capital outlay	4,834,530	14.12	2,855,009	144.23
Debt service:				
Principal	1,167,389	3.41	251,497	27.45
Interest and agents' fees	2,452,600	7.16	883,305	56.29
Intergovernmental	<u>112,644</u>	<u>.33</u>	<u>42,948</u>	<u>61.62</u>
Total expenditures:	30,487,726	89.01	6,200,841	
Other financing use:				
Transfer to other funds	<u>3,764,846</u>	<u>10.99</u>	<u>286,933</u>	<u>8.25</u>
Total expenditures and other financing use	\$34,252,572	100.00%	\$6,487,774	

General government and administration expenditures increased by 10.30% primarily because of a youth employment service program which provides job opportunities to high school students aged 14 through 17 during the summer and because of expenditures related to the preparation of the City's comprehensive plan. As mentioned earlier, ten new employees were added to the Police Department. The combination of all costs associated with these employees and with the annually growing costs of both the police and fire functions, as well as the reorganization of the police department, are responsible for the 13.03% increase in public safety expenditures.

Culture and recreation expenditures, which increased by 12.62%, included City support of the Appleton Museum, a cultural facility being funded by an endowment which was built on City property, through funding of maintenance costs for fiscal 1990; the addition of a therapeutic recreation division for recreation programs designed for the mentally and physically challenged as well as for the elderly; and overall more aggressive recreation programs. Nondepartmental expenditures increased by 17.96%, primarily because of an increase in the contribution to the Economic Development Council/Chamber of Commerce to create an international trade search program.

Housing rehabilitation expenditures decreased by 13.69% since fewer homes were rehabilitated during 1990. Factors contributing to the 79.89% increase in other current expenditures were the establishment of the Substance Abuse Coordinator division, which was mentioned previously in this letter, and various new programs funded by grants. Intergovernmental expenditures increased by 61.62%, primarily because of increased charges for the County landfill and a sales tax audit.

Capital outlay increases of 144.23% were caused by the purchase of 20 police vehicles and equipment for newly-constructed fire station #4 and by a strong ongoing street improvement program. Debt service expenditures of principal and interest increased by 27.46% and 56.29% respectively. The increase in principal is due to the increased payment due on the Capital Improvement Revenue Refunding Certificates, Series 1988, during fiscal 1990; and the increase in interest was caused by the first complete year of payments for the Optional Gas Tax Revenue Bonds, Series 1989. The 8.25% increase in transfers to other funds is substantially related to increased transfers to the debt service funds during 1990.

General Fund Balance. The fund balance of the general fund at September 30, 1990 is \$6,680,336, a 15.59% decrease from 1989. The decrease was caused primarily by the usage of ad valorem taxes collected over the past four years for street improvements and for fire department capital outlay and by the reorganization of the police department. The general fund balance is equivalent to 75 working days of expenditures.

Enterprise Operations. The City of Ocala operates seven distinct enterprise funds: Electric System, Water and Sewer, Sanitation,

Municipal Golf Course, Fort King Tennis Court, Municipal Trailer Park and Ocala Municipal Airport. The enterprise funds are well run and continue to be the backbone of financial support of general government operations.

The Electric System Revenue Fund is the combination of the formerly consolidated Electric Revenue and Bulk Power Supply Revenue Funds. During fiscal 1990, Electric System Revenue Bonds, Series 1989A, were issued for the acquisition and construction of improvements to the electric system. The improvements are expected to be completed in fiscal 1992. The electric system continues to be efficiently managed and operated, and had a debt service coverage of 5.60 for the year ended September 30, 1990.

The Water and Sewer Fund, which is the City's second largest enterprise fund, has been burdened with debt service payments and other bond-related restrictions for the past few years. During 1990, the financing related to the Water and Sewer Revenue bonds, Series 1985A, and to the Water and Sewer Refunding Revenue Bonds, Series 1986, was restructured to eliminate the stabilization accounts and to replace the sinking reserve with an insurance policy. Other aspects of the restructuring were to eliminate the water and sewer system development charges from the calculation of debt service coverage and to require a minimum debt service coverage of 1.25. For the year ended September 30, 1990, the Water and Sewer Fund had a debt service coverage ratio of 1.53. Also during 1990, the City's consulting engineers were working on a master plan, including a rate review, for the water and sewer system. An interim rate increase became effective in early fiscal 1991, which should help this fund.

The Sanitation Fund is responsible for trash and garbage pick-up in the City. During the year, sanitation rates increased approximately 5.5%, to meet the increased landfill charges. The fund is financially sound.

The Municipal Golf Course Fund had a net loss for the year ended September 30, 1990 of \$164,889; however, prior to January, 1990, only one of the two courses was open since the other course was being renovated. Also, during 1990, this fund had fewer dollars transferred from other funds for financial support.

The Ocala Municipal Airport Fund had a net loss of \$131,116 in 1990 which is more favorable than the net loss of \$133,683 in 1989. There are expansion programs under way at the Airport, most of which are substantially funded by federal and state grants. This fund is slowly improving.

The Fort King Tennis Court Fund and the Municipal Trailer Park Fund are both small enterprise funds which operate with few financial subsidies from other funds. Both funds continue to do well.

Pension Trust Fund Operations. The combined Pension Trust Funds suffered during 1990, mainly because of the condition of the market and economy. The combined funds had a realized loss on the sale of investments of \$443,347; and an unrealized loss in the fair market value of investments of \$6,890,985, caused by the restatement of investments to market value as of September 30, 1990.

Debt Administration. At September 30, 1990, the City had \$130,155,000 in outstanding serial and term bonds. Of this amount, \$95,690,000 are associated with enterprise funds and \$34,465,000 are associated with governmental funds. All of the City's issues are insured. Although the City may issue general obligation debt in an amount up to 20% of the assessed valuation of the taxable real and personal property in the City according to article IX, section 9.02, of the City Charter, there is no general obligation debt outstanding.

During the year, the City issued \$28,425,000 Electric System Revenue Bonds, Series 1989A and \$13,000,000 Electric System Revenue Bonds, Series 1989B. Both issues are secured by the net revenues of the electric system and are fully insured. The bonds are rated "AAA" by Standard & Poor's Corporation and "Aaa" by Moody's Investors Service, Inc. The proceeds of the 1989A issue are being used for the acquisition and construction of improvements to the electric system; and the proceeds of the 1989B issue, along with certain moneys held in reserve accounts for the refunded bonds, were used for the advance refunding of the City's outstanding Power Supply Revenue Bonds, Series 1977, and the Power Supply Revenue Refunding Bonds, Series 1988, by being deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds. The defeasance resulted in an economic gain of \$102,927.

Also during the year, as previously mentioned, the City restructured the financing related to the outstanding Water and Sewer Revenue Bonds, Series 1985A and to the Water and Sewer Refunding Revenue Bonds, Series 1986.

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, 1990, our investments with the State Board of Administration were earning 8.11% with a year to date return of 8.25%.

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. The Risk Management Department was established through an interlocal agreement between the City of Ocala and Marion County for the purpose of the procurement of insurance, either through insurance companies or through self-insurance, and for the purpose of providing safety training programs. Information on the City's insurance coverage can be found in the Statistical Section of this report. The Risk Management Department is doing very well, both in insurance monitoring and procurement and in safety training.

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 auditors' report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the Single Audit Section of this report.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Ocala, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 1989. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government 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. The City of Ocala has received a Certificate of Achievement for the last eight consecutive years (fiscal years ended 1982-1989.) We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

The City was awarded the Distinguished Budget Presentation Award by the Government Finance Officers Association of the United States and Canada for its annual budgets for the fiscal years beginning October 1, 1987 through 1989. In order to receive this award, which is valid for a period of one year only, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications medium.

Acknowledgements. The preparation of this comprehensive annual financial report was made possible by the dedicated service of the entire staff of the Finance Department. Sincere appreciation is extended to specific individuals who worked diligently throughout the audit: Wayne C. Hodge, Chief Accountant; Prudy Waite, and Doris Remus, Accountants; Jerold Patton, Financial Analyst; and Barbara Edwards Kays, Budget Manager. Appreciation is also extended to Eric Lewerenz, the City's Internal Auditor, and to Kim Peat Marwick, our external auditors, for their assistance in this effort.

At this time, special appreciation is extended to Robert F. Sprinkle, the City's former Finance Director, who retired this month. His leadership and guidance for the last ten years has brought the Finance Department to the professional level that it is at today. Under his leadership, we received our first GFOA Certificate for our comprehensive annual financial report for the fiscal year ended September 30, 1982 and for each subsequent report. We hope we can continue the tradition that he started.

In closing, with the leadership and support of the City Manager, Assistant City Managers and City Council, whose continued interest in good fiscal City government is an invaluable asset to our community, preparation of this report would not have been possible.

Respectfully submitted,

Diane M. Cangelosi

Diane M. Cangelosi
Acting Finance Director

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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, 1989

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.



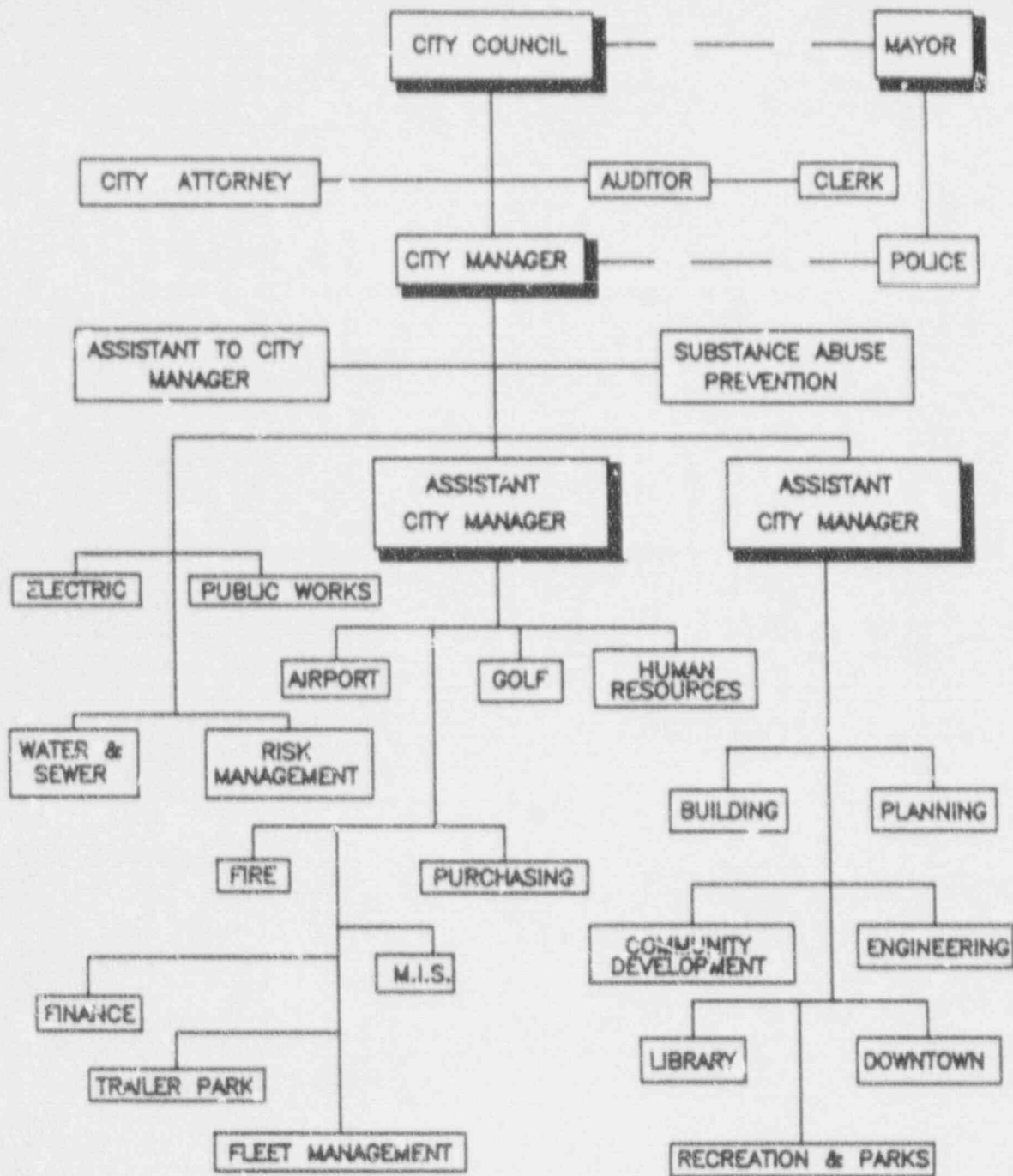
Gary R. Norstrom

President

Jeffrey L. Esoll

Executive Director

ORGANIZATIONAL CHART

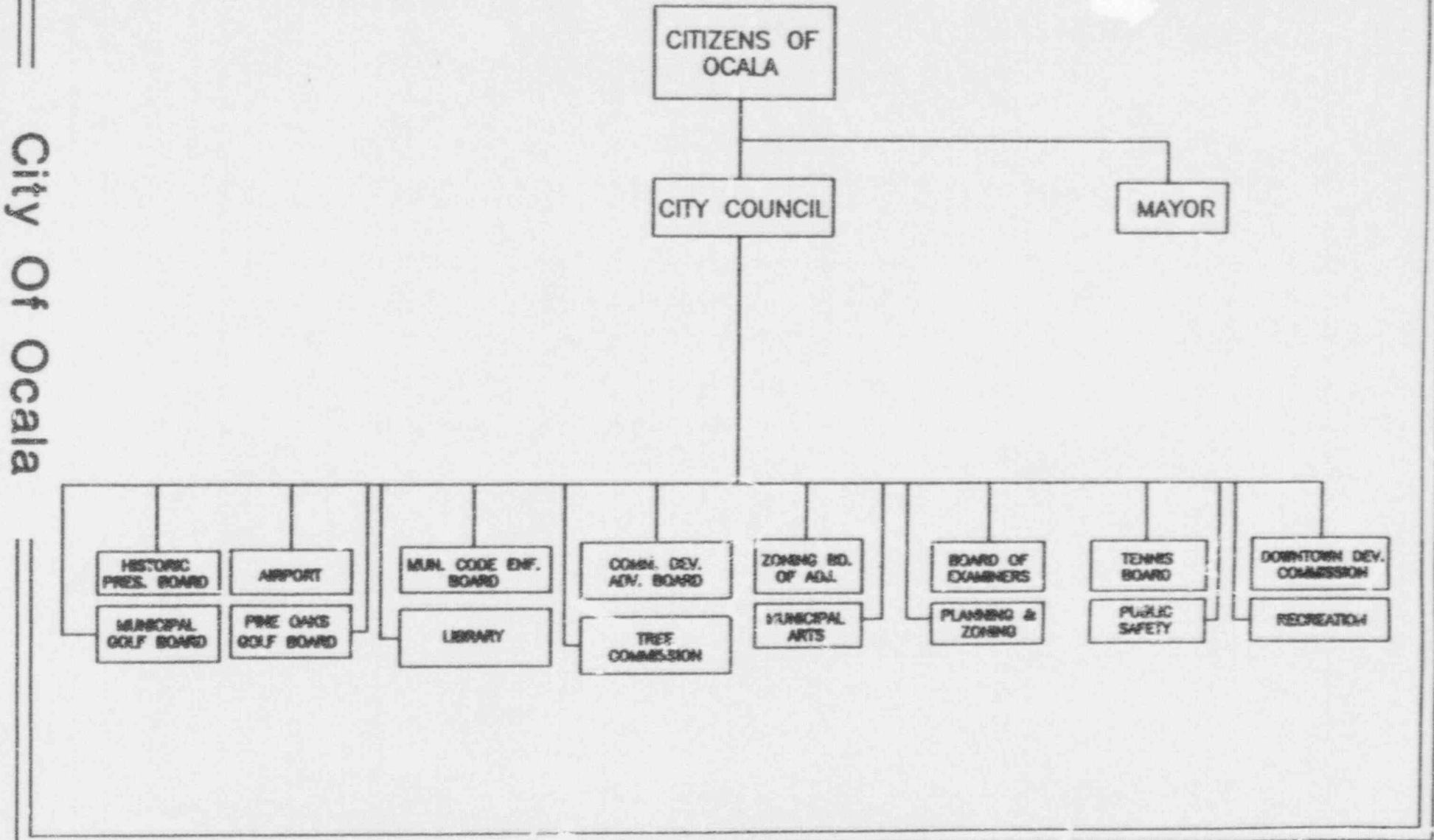


City Of Ocala

OCALA BOARDS AND COMMISSIONS

City Of Ocala

-xix-



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

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, 1990, 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, 1990, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

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 55 through 57, 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 55 through 57 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 inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

KPMG Peat Marwick

January 14, 1991

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, 1990

<u>Assets</u>	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Project</u>
Current assets:				
Cash and investments	\$ 7,013	\$ 394,898	\$ -	\$ -
Equity in pooled cash and investment fund	4,175,313	6,459,532	-	11,670,375
Accounts and notes receivable, net of allowance for doubtful accounts of \$608,767	524,894	11,248	-	973,992
Accrued interest receivable	10,593	-	-	-
Accrued unbilled revenues	-	-	-	-
Due from other funds	340,034	48,337	-	-
Interfund loans receivable	2,075	-	-	-
Inventories	-	-	-	-
Other current assets	12,400	780	-	-
Due from other governments	398,372	341,031	-	165,752
Total current assets	<u>5,470,694</u>	<u>7,255,826</u>	<u>-</u>	<u>12,810,119</u>
Restricted assets:				
Cash and investments	48,475	47,437	511,224	-
Equity in pooled cash and investment fund	2,936,284	-	5,934,108	-
Accrued interest and dividends receivable	-	-	-	-
Due from other funds	-	-	-	-
Other	1,579	-	878	-
Due from other governments	403,245	-	-	-
Total restricted assets	<u>3,389,583</u>	<u>47,437</u>	<u>6,446,210</u>	<u>-</u>
Interfund loans receivable after one year	56,956	-	-	-
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>8,917,233</u>	\$ <u>7,303,263</u>	\$ <u>6,446,210</u>	\$ <u>12,810,119</u>

<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Type</u>	<u>Account Groups</u>		<u>Totals</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>(Memorandum Only)</u>
\$ 3,845	\$ 500	\$ -	\$ -	\$ -	\$ 406,256
3,485,857	4,197,591	-	-	-	29,988,668
5,698,220	507	-	-	-	7,208,951
-	-	-	-	-	10,593
3,731,526	-	-	-	-	3,731,526
557,730	-	-	-	-	946,101
155,832	-	-	-	-	157,907
2,416,159	140,622	-	-	-	2,556,781
189,636	115,123	-	-	-	317,939
-	17,982	-	-	-	923,137
<u>16,238,805</u>	<u>4,472,415</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,247,859</u>
4,363,972	-	29,829,924	-	-	34,801,032
74,069,140	-	7,232	-	-	82,946,764
-	-	432,777	-	-	432,777
-	-	1,671	-	-	1,671
47,503	-	-	-	-	49,960
558,893	-	-	-	-	962,138
<u>79,039,508</u>	<u>-</u>	<u>30,271,604</u>	<u>-</u>	<u>-</u>	<u>119,194,342</u>
716,225	-	-	-	-	773,181
114,417,094	7,012,477	-	14,984,312	-	136,413,883
1,449,922	-	-	-	-	1,449,922
-	-	-	-	6,446,210	6,446,210
-	-	-	-	28,107,976	28,107,976
<u>\$ 211,861,554</u>	<u>\$ 11,484,892</u>	<u>\$ 30,271,604</u>	<u>\$ 14,984,312</u>	<u>\$ 34,554,186</u>	<u>\$ 338,633,373</u>

(Continued)

CITY OF OCALA, FLORIDA

COMBINED BALANCE SHEET

ALL FUND TYPES AND ACCOUNT GROUPS

SEPTEMBER 30, 1990

(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>
Current liabilities:				
Accounts payable	\$ 1,149,710	\$ 136,077	\$ -	\$ 767,823
Compensated absences payable	407,157	13,611	-	-
Bonds and notes payable within one year	-	-	-	-
Accrued interest payable	-	-	-	-
Due to other funds	1,681	-	-	-
Customer deposits	-	-	-	-
Deferred revenue	238,817	677,857	-	-
Interfund loans payable	-	-	-	-
Total current liabilities	<u>1,797,365</u>	<u>827,475</u>	<u>-</u>	<u>767,823</u>
Liabilities payable from restricted assets:				
Accounts payable	391,008	-	-	-
Compensated absences payable	-	-	-	-
Accrued interest payable	-	-	-	-
Deferred revenue	48,524	-	-	-
Bonds and notes payable within one year	-	-	-	-
Total liabilities payable from restricted assets	<u>439,532</u>	<u>-</u>	<u>-</u>	<u>-</u>
Interfund loans payable after one year	-	-	-	-
Bonds and notes payable after one year	-	-	-	-
Total liabilities	<u>2,236,897</u>	<u>827,475</u>	<u>-</u>	<u>767,823</u>
Equity:				
Investment in general fixed assets	-	-	-	-
Contributed equity	-	-	-	-
Retained earnings:				
Reserved for debt service	-	-	-	-
Reserved for renewal and replacement	-	-	-	-
Total reserved retained earnings	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unreserved	-	-	-	-
Total retained earnings	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Reserved for debt service	-	-	6,446,210	-
Reserved for retirement benefits	-	-	-	-
Reserved for interfund loans receivable after one year	56,956	-	-	-
Reserved for encumbrances	1,996,348	325,575	-	846,383
Reserved for restricted assets	2,284,561	47,437	-	-
Total reserved fund balances	<u>4,337,865</u>	<u>373,012</u>	<u>6,446,210</u>	<u>846,383</u>
Unreserved and undesignated fund balances	2,342,471	6,102,776	-	11,195,913
Total fund balances	<u>6,680,336</u>	<u>6,475,788</u>	<u>6,446,210</u>	<u>12,042,296</u>
Total equity	<u>6,680,336</u>	<u>6,475,788</u>	<u>6,446,210</u>	<u>12,042,296</u>
Total liabilities and equity	\$ <u>8,917,233</u>	\$ <u>7,303,263</u>	\$ <u>6,446,210</u>	\$ <u>12,810,119</u>

Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Totals
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	(Memorandum Only)
\$ 4,403,184	\$ 1,164,401	\$ -	\$ -	\$ -	\$ 7,621,125
288,702	51,715	-	-	-	761,185
33,303	190,683	-	-	1,576,611	1,800,597
10,732	-	-	-	-	10,732
946,091	-	-	-	-	947,772
2,519,220	-	-	-	-	2,519,220
731,619	-	-	-	-	1,148,293
157,907	-	-	-	-	157,907
<u>8,590,758</u>	<u>1,406,799</u>	<u>-</u>	<u>-</u>	<u>1,576,611</u>	<u>14,966,831</u>
2,127,367	-	37,543	-	-	2,548,918
-	-	362	-	-	362
3,397,391	-	-	-	-	3,397,391
284,083	-	-	-	-	332,607
<u>2,400,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,400,000</u>
8,208,841	-	30,905	-	-	8,679,278
773,181	-	-	-	-	773,181
92,040,115	735,191	-	-	32,977,575	125,752,881
<u>109,619,895</u>	<u>2,141,990</u>	<u>30,905</u>	<u>-</u>	<u>34,554,186</u>	<u>150,172,171</u>
-	-	-	14,984,312	-	14,984,312
<u>23,428,051</u>	<u>1,309,176</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,737,227</u>
1,596,356	-	-	-	-	1,596,356
<u>12,276,331</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,276,331</u>
13,872,687	-	-	-	-	13,872,687
64,947,921	8,033,726	-	-	-	72,981,647
<u>78,820,608</u>	<u>8,033,726</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>86,854,334</u>
-	-	-	-	-	6,446,210
-	-	29,807,380	-	-	29,807,380
-	-	-	-	-	56,956
-	-	-	-	-	3,168,306
-	-	433,319	-	-	2,765,317
-	-	30,240,699	-	-	42,244,169
-	-	-	-	-	19,641,160
-	-	30,240,699	-	-	61,885,329
<u>102,248,659</u>	<u>9,342,902</u>	<u>30,240,699</u>	<u>14,984,312</u>	<u>-</u>	<u>188,461,202</u>
\$ <u>211,861,554</u>	\$ <u>11,484,892</u>	\$ <u>30,271,604</u>	\$ <u>14,984,312</u>	\$ <u>34,554,186</u>	\$ <u>338,633,373</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, 1990

	Governmental Fund Types				Fiduciary	Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Project	Expendable Trust	
Revenues:						
Property taxes	\$ 6,459,659	\$ 46,184	\$ -	\$ -	\$ 10,934	\$ 6,516,777
Other taxes	801,394	-	-	-	-	801,394
State revenue sharing	1,209,813	-	-	-	-	1,209,813
Other intergovernmental revenues	3,160,280	2,611,974	-	231,285	-	6,003,539
Parking meters and facilities	-	88,315	-	-	-	88,315
Licenses and permits	349,602	386,809	-	-	-	736,411
Fines and forfeitures	680,662	53,470	-	-	-	734,132
Charges for services	368,210	1,041,177	-	-	-	1,409,387
Interest	569,911	514,123	461,506	221,762	14,939	2,282,241
Gifts	56,990	4,918	-	-	-	61,908
Other	181,477	17,208	-	29,418	412,644	641,247
Total revenues	<u>13,837,998</u>	<u>4,764,678</u>	<u>461,506</u>	<u>982,485</u>	<u>438,517</u>	<u>20,485,164</u>
Expenditures:						
Current:						
General government and admini- stration	3,118,578	50,369	-	-	16,026	3,185,973
Public safety	10,759,495	-	-	-	-	10,759,495
Public works	2,614,821	852,137	-	345,122	-	3,811,880
Culture and recreation	2,192,076	1,184,822	-	-	-	3,376,898
Housing rehabilitation	289,148	-	-	-	-	289,148
Nondepartmental appropriations	389,988	-	-	-	-	389,988
Other	397,980	71,349	-	-	-	469,329
Capital outlay	3,144,650	1,689,880	-	1,458,666	-	6,293,196
Debt service:						
Principal payments	42,389	-	1,125,000	-	-	1,167,389
Interest and paying agents' fees	10,596	320	2,441,684	-	44	2,452,644
Intergovernmental	111,646	998	-	-	-	112,644
Total expenditures	<u>23,071,167</u>	<u>3,849,875</u>	<u>3,566,684</u>	<u>1,803,788</u>	<u>16,070</u>	<u>32,307,584</u>
Excess (deficiency) of revenues over expenditures	<u>(9,233,169)</u>	<u>914,803</u>	<u>(3,105,178)</u>	<u>(821,323)</u>	<u>422,447</u>	<u>(11,822,420)</u>
Other financing sources (uses):						
Assets from other funds	9,945,204	384,545	3,991,758	-	33,552	14,335,059
Transfers from other funds	(1,945,445)	(1,618,401)	(201,000)	(58,837)	(2,680)	(3,826,363)
Transfers to other funds (uses)	7,999,759	(1,233,856)	3,790,758	(58,837)	10,872	10,508,696
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(1,233,410)</u>	<u>(219,053)</u>	<u>685,580</u>	<u>(880,160)</u>	<u>433,519</u>	<u>(1,313,724)</u>
Fund balances at beginning of year	7,913,746	6,794,841	5,760,630	13,642,036	-	34,111,253
City transfers to other funds	-	-	-	(719,580)	-	(719,580)
Fund balances at end of year	<u>\$ 6,680,336</u>	<u>\$ 6,475,788</u>	<u>\$ 6,446,210</u>	<u>\$ 12,042,296</u>	<u>\$ 433,319</u>	<u>\$ 32,077,949</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, 1990

	General				
	Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	Revised Budget	Favorable (Unfa- vorable) Variance
Revenues:					
Property taxes	\$ 6,459,659	\$ -	\$ 6,459,659	\$ 6,485,204	\$ (25,545)
Other taxes	801,394	-	801,394	800,000	1,394
State revenue sharing	1,209,813	-	1,209,813	1,333,000	(123,187)
Other intergovernmental revenues	3,160,280	(984,952)	2,175,328	2,382,961	(207,633)
Parking meters and facilities	-	-	-	-	-
Licenses and permits	349,602	-	349,602	338,362	11,240
Fines and forfeitures	680,662	-	680,662	718,000	(37,338)
Charges for services	368,210	-	368,210	409,133	(40,923)
Interest	569,911	(6,651)	563,260	649,350	(86,090)
Gifts	56,990	(30,075)	26,915	23,000	3,915
Other	181,477	(90,330)	91,087	65,754	25,333
Total revenues	<u>13,837,998</u>	<u>(1,112,028)</u>	<u>12,725,970</u>	<u>13,204,764</u>	<u>(478,794)</u>
Expenditures:					
Current:					
General government and administration	3,118,578	(17,813)	3,100,765	3,284,751	183,986
Public safety	10,759,495	19,191	10,778,686	11,643,190	864,504
Public works	2,614,621	50,533	2,665,154	2,664,769	(385)
Culture and recreation	2,192,076	(2,380)	2,189,696	2,397,834	208,138
Housing rehabilitation	289,148	(289,148)	-	-	-
Nondepartmental appropriations	389,988	(4,532)	385,456	531,177	145,721
Other	397,980	(350,637)	47,343	58,219	10,876
Capital outlay	3,144,650	1,172,612	4,317,262	4,098,942	(218,320)
Debt service:					
Principal payments	42,389	-	42,389	42,390	1
Interest and paying agents' fees	10,596	-	10,596	10,593	(3)
Intergovernmental	111,646	(3,031)	108,615	47,030	(61,585)
Total expenditures	<u>23,071,167</u>	<u>574,795</u>	<u>23,645,962</u>	<u>24,778,895</u>	<u>1,132,933</u>
Excess (deficiency) of revenues over expenditures	<u>(9,233,169)</u>	<u>(1,686,823)</u>	<u>(10,919,992)</u>	<u>(11,574,131)</u>	<u>654,139</u>
Other financing sources (uses):					
Operating transfers from other funds	9,945,204	1,082	9,946,286	9,501,000	445,286
Operating transfers (to) other funds	(1,945,445)	4,363	(1,941,082)	(2,003,585)	62,503
Total other sources (uses)	<u>7,999,759</u>	<u>5,445</u>	<u>8,005,204</u>	<u>7,497,415</u>	<u>507,789</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses before fund balance allocation	<u>(1,233,410)</u>	<u>(1,681,378)</u>	<u>(2,914,788)</u>	<u>(4,076,716)</u>	<u>1,161,928</u>
Fund balance allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,076,716</u>	<u>(4,076,716)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(1,233,410)</u>	<u>(1,681,378)</u>	<u>(2,914,788)</u>	<u>-</u>	<u>(2,914,788)</u>
Fund balances at beginning of year	<u>7,913,746</u>	<u>(59,540)</u>	<u>7,854,206</u>	<u>7,854,206</u>	<u>-</u>
Fund balances at end of year	<u>\$ 6,680,336</u>	<u>\$ (1,740,918)</u>	<u>\$ 4,939,418</u>	<u>\$ 7,854,206</u>	<u>\$ (2,914,788)</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
\$ 46,184	\$ -	\$ 46,184	\$ 48,400	\$ (2,216)
-	-	-	-	-
2,611,974	-	2,611,974	3,009,208	(397,234)
88,315	-	88,315	93,000	(4,685)
386,809	-	386,809	333,600	3,209
53,470	-	53,470	52,200	1,270
1,041,177	-	1,041,177	1,016,000	25,177
514,123	(60)	514,063	541,200	(27,137)
4,918	(2,000)	2,918	2,000	918
17,708	-	17,708	17,512	196
<u>4,764,678</u>	<u>(2,060)</u>	<u>4,762,618</u>	<u>5,163,120</u>	<u>(400,502)</u>
50,369	995	51,364	51,513	149
-	-	-	-	-
852,137	203,907	1,056,044	1,187,983	131,939
1,184,822	80,858	1,265,680	1,308,160	42,480
-	-	-	-	-
-	-	-	-	-
71,349	-	71,349	77,016	5,667
1,689,880	37,815	1,727,695	3,660,347	1,933,152
-	-	-	2,680	2,680
320	-	320	320	-
998	-	998	1,500	502
<u>3,849,875</u>	<u>323,573</u>	<u>4,173,450</u>	<u>6,290,019</u>	<u>2,116,569</u>
914,803	(325,635)	589,168	(1,126,899)	1,716,067
384,545	-	384,545	459,545	(75,000)
(1,618,401)	-	(1,618,401)	(1,618,401)	-
<u>(1,233,856)</u>	<u>-</u>	<u>(1,233,856)</u>	<u>(1,158,856)</u>	<u>(75,000)</u>
(319,053)	(325,635)	(644,688)	(2,285,755)	1,641,067
-	-	-	2,285,755	(2,285,755)
(319,053)	(325,635)	(644,688)	-	(644,688)
6,794,841	(592)	6,794,249	6,794,249	-
<u>\$ 6,475,788</u>	<u>\$(326,327)</u>	<u>\$ 6,149,561</u>	<u>\$ 6,794,249</u>	<u>\$ (644,688)</u>

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, 1990

	Actual	Adjustments to Budgetary Basis	Capital Project		Favorable (Unfa- vorable) Variance
			Actual on a Budgetary Basis	Revised Budget	
Revenues:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other intergovernmental revenues	231,285	(231,285)	-	-	-
Interest	721,762	(106,736)	615,026	912,000	(296,974)
Other	29,418	(29,418)	-	-	-
Total revenues	<u>982,465</u>	<u>(267,439)</u>	<u>615,026</u>	<u>912,000</u>	<u>(296,974)</u>
Expenditures:					
Current:					
General government and administration	-	-	-	-	-
Public works	345,122	(18,211)	326,911	296,144	(30,767)
Capital outlay	1,458,666	(695,204)	763,462	7,886,675	7,123,213
Debt service - interest and paying agents' fees	-	-	-	-	-
Total expenditures	<u>1,803,788</u>	<u>(713,415)</u>	<u>1,090,373</u>	<u>8,182,819</u>	<u>7,092,446</u>
Excess (deficiency) of revenues over expenditures	<u>(821,323)</u>	<u>345,976</u>	<u>(475,347)</u>	<u>(7,270,819)</u>	<u>6,795,472</u>
Other financing sources (uses):					
Operating transfers from other funds	-	-	-	-	-
Operating transfers (to) other funds	(58,837)	58,837	-	-	-
Total other sources (uses)	<u>(58,837)</u>	<u>58,837</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses before fund balance allocation	<u>(880,160)</u>	<u>404,813</u>	<u>(475,347)</u>	<u>(7,270,819)</u>	<u>6,795,472</u>
Fund balance allocation	-	-	-	7,270,819	(7,270,819)
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(880,160)</u>	<u>404,813</u>	<u>(475,347)</u>	<u>-</u>	<u>(475,547)</u>
Fund balances at beginning of year	13,642,036	(2,065,809)	11,576,227	11,576,227	-
Equity transfers (to) other funds	(719,580)	719,580	-	-	-
Fund balances at end of year	\$ <u>12,042,296</u>	\$ <u>(941,416)</u>	\$ <u>11,160,880</u>	\$ <u>11,576,227</u>	\$ <u>(475,347)</u>

See accompanying notes to financial statements.

<u>Actual</u>	<u>Adjustments to a Budgetary Basis</u>	<u>Expendable Trust</u>		<u>Favorable (Unfa- vorable) Variance</u>
		<u>Accrual on a Budgetary Basis</u>	<u>Revised Budget</u>	
\$ 10,934	\$ -	\$ 10,934	\$ 10,934	\$ -
-	-	-	-	-
14,979	(13,805)	1,134	1,550	(416)
<u>412,644</u>	<u>(412,644)</u>	-	-	-
<u>438,517</u>	<u>(426,449)</u>	<u>12,068</u>	<u>12,484</u>	<u>(416)</u>
16,027	-	16,026	22,255	6,229
-	-	-	-	-
-	-	-	-	-
<u>44</u>	<u>-</u>	<u>44</u>	<u>44</u>	<u>-</u>
<u>16,070</u>	<u>-</u>	<u>16,070</u>	<u>22,299</u>	<u>6,229</u>
<u>422,447</u>	<u>(426,449)</u>	<u>(4,002)</u>	<u>(9,815)</u>	<u>5,813</u>
13,552	-	13,552	13,552	-
<u>(2,680)</u>	<u>-</u>	<u>(2,680)</u>	<u>(2,680)</u>	<u>-</u>
<u>10,872</u>	<u>-</u>	<u>10,872</u>	<u>10,872</u>	<u>-</u>
433,319	(426,449)	6,870	1,057	5,813
-	-	-	(1,057)	1,057
433,319	(426,449)	6,870	-	6,870
-	-	-	-	-
-	-	-	-	-
<u>\$ 433,319</u>	<u>\$ (426,449)</u>	<u>\$ 6,870</u>	<u>\$ -</u>	<u>\$ 6,870</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, 1990

	<u>Proprietary Fund Types</u>		<u>Fiduciary</u>	<u>Totals</u> <u>(Memorandum</u> <u>Only)</u>
	<u>Enterprise</u>	<u>Internal</u> <u>Service</u>	<u>Fund Type</u> <u>Pension</u> <u>Trust</u>	
Operating revenues:				
Sale of electricity	\$ 59,953,247	\$ -	\$ -	\$ 59,953,247
Sale of water	3,274,734	-	-	3,274,734
Sewer and sanitation service charges	9,065,421	-	-	9,065,421
Fees and rentals	1,817,835	6,088,231	-	7,906,066
Commissions	70,238	-	-	70,238
City and state contributions	-	1,917,693	1,493,505	3,411,198
Employee contributions	-	692,387	243,327	935,714
Income on investments	-	-	1,705,979	1,705,979
Other	2,707,467	125,787	-	2,833,254
Total operating revenues	<u>76,888,942</u>	<u>8,824,098</u>	<u>3,442,811</u>	<u>89,155,851</u>
Operating expenses:				
Purchase of electricity	34,553,158	-	-	34,553,158
Distribution	4,812,837	-	-	4,812,837
Bank-up	727,253	-	-	727,253
Transmission	356,004	-	-	356,004
Operation and maintenance	7,451,405	-	-	7,451,405
Water and sewer treatment	1,650,974	-	-	1,650,974
Sewer collection	751,576	-	-	751,576
Fleet management	-	2,242,669	-	2,242,669
Purchasing and warehousing	-	536,769	-	536,769
Management information system, central reproduction and records management	-	831,767	-	831,767
Building maintenance	-	659,380	-	659,380
Pension payments	-	-	979,744	979,744
Administration	2,652,007	2,612,303	330,035	5,594,345
Depreciation and amortization	5,062,013	453,470	-	5,515,483
Realized loss on sale of investments	-	-	443,347	443,347
Unrealized loss in fair market value of investments	-	-	6,890,985	6,890,985
Other	1,344,901	-	-	1,344,901
Total operating expenses	<u>59,362,128</u>	<u>7,936,358</u>	<u>8,644,111</u>	<u>75,942,597</u>
Operating income	<u>17,526,814</u>	<u>887,740</u>	<u>(5,201,300)</u>	<u>13,813,254</u>
Nonoperating revenues (expenses):				
Interest income	3,596,743	295,358	-	3,892,101
Interest expense	(2,509,985)	(50,644)	-	(2,560,629)
Operating grants	(15,446)	-	-	(15,446)
Total nonoperating revenues (expenses)	<u>1,071,312</u>	<u>244,714</u>	<u>-</u>	<u>1,316,026</u>
Income before operating transfers	<u>18,598,126</u>	<u>1,732,454</u>	<u>(5,201,300)</u>	<u>15,129,280</u>
Operating transfers:				
From other funds	805,115	204,047	-	1,009,162
(To) other funds	(10,685,184)	(832,674)	-	(11,517,858)
Total operating transfers	<u>(9,880,069)</u>	<u>(628,627)</u>	<u>-</u>	<u>(10,508,696)</u>
Net income (loss) before extraordinary item	<u>8,718,057</u>	<u>1,103,827</u>	<u>(5,201,300)</u>	<u>4,620,584</u>
Extraordinary item - gain on in-substance defeasance of debt	915,205	-	-	915,205
Net income (loss)	<u>9,633,262</u>	<u>1,103,827</u>	<u>(5,201,300)</u>	<u>5,535,789</u>
Fund equity at beginning of year	90,452,387	8,218,674	35,008,680	133,679,741
Equity transfers from other funds	719,580	-	-	719,580
Capital contributions from other sources	1,443,430	20,401	-	1,463,831
Fund equity at end of year	<u>\$ 102,248,659</u>	<u>\$ 9,342,902</u>	<u>\$ 29,807,380</u>	<u>\$ 141,398,941</u>

See accompanying notes to financial statements.

CITY OF OCALA, FLORIDA

COMBINED STATEMENT OF CASH FLOWS

ALL PROPRIETARY FUND TYPES

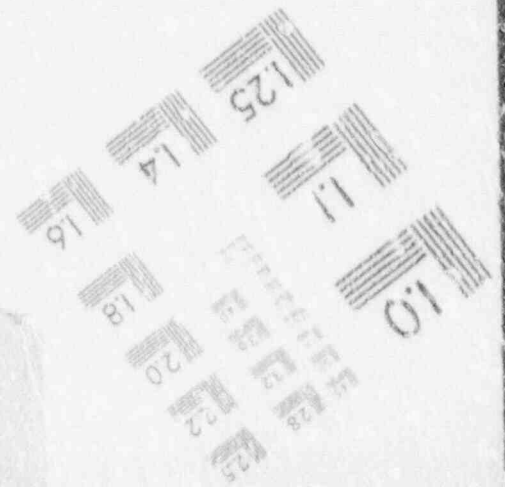
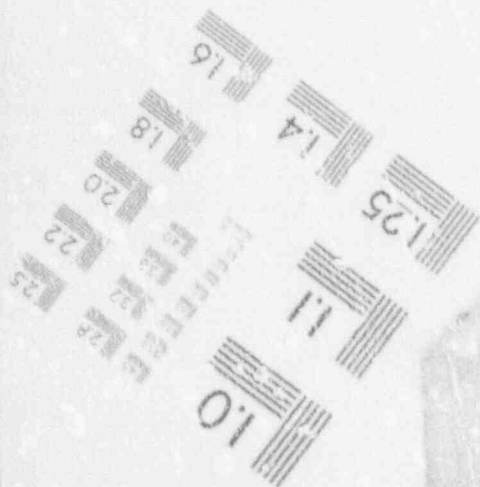
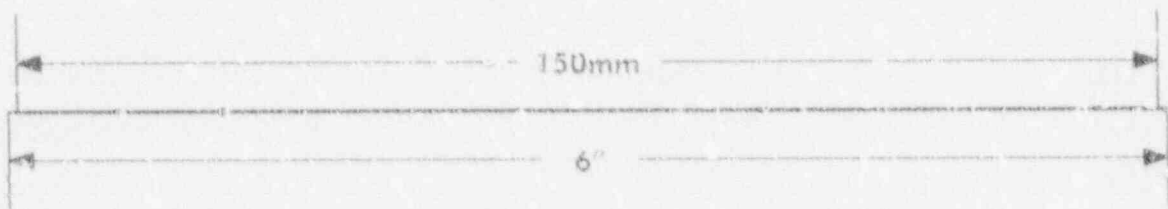
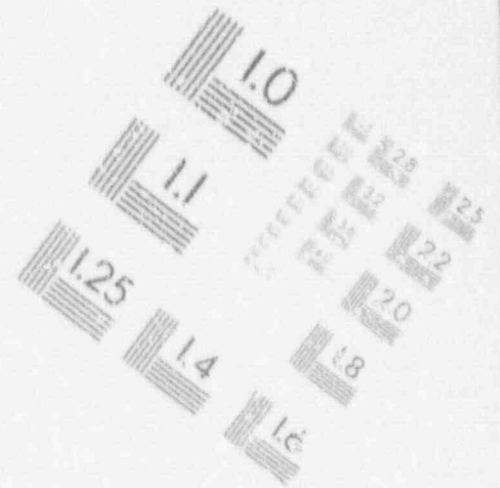
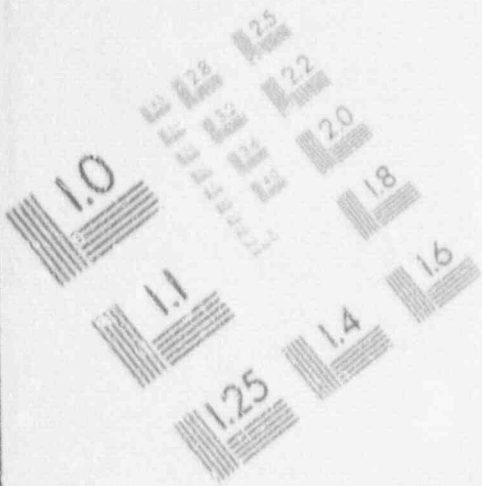
FOR THE YEAR ENDED SEPTEMBER 30, 1990

	<u>Proprietary Fund Types</u>		<u>Totals</u> (Memorandum Only)
	<u>Enterprise</u> <u>Funds</u>	<u>Internal</u> <u>Service</u>	
Cash flows from operations:			
Operating income	\$ 17,526,814	\$ 1,487,740	\$ 19,014,554
Adjustments to reconcile net income to cash provided from operations:			
Depreciation and amortization	5,062,013	453,470	5,515,483
Cash provided by (used for) changes in:			
Accounts and notes receivable	(55,724)	1,627	(54,097)
Accrued unbilled revenue	(86,166)	-	(86,166)
Due (to) from other funds	502,995	(459,535)	43,460
Inventories	(99,977)	(2,383)	(102,360)
Other current assets	(136,577)	(59,336)	(195,913)
Other restricted assets	26,277	-	26,277
Due from other governments	(347,920)	243,311	(104,609)
Accounts payable	(379,810)	4,565	(375,245)
Compensated absences payable	33,045	-	33,045
Customer deposits	520,142	-	520,142
Deferred revenue	(28,224)	-	(28,224)
Other restr'cted liabilities	593,272	-	593,272
Net cash provided from operations	<u>23,130,160</u>	<u>1,669,459</u>	<u>24,799,619</u>
Cash flows from (used in) investing activities:			
Purchases of property and equipment	(17,383,707)	(855,347)	(18,239,054)
Proceeds from sale of property and equipment	135,958	7,595	143,553
Interest received	<u>3,596,743</u>	<u>295,358</u>	<u>3,892,101</u>
Net cash (used in) investing activities	<u>(13,650,996)</u>	<u>(552,394)</u>	<u>(14,203,390)</u>
Cash flows from noncapital financing activities:			
Operating transfers to other funds	(10,685,184)	(832,674)	(11,517,858)
Operating transfers from other funds	<u>865,115</u>	<u>204,047</u>	<u>1,009,162</u>
Net cash (used in) noncapital financing activities	<u>(9,880,069)</u>	<u>(628,627)</u>	<u>(10,508,696)</u>

(Continued)

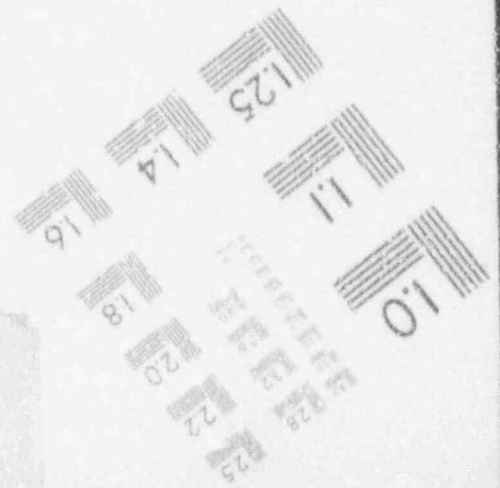
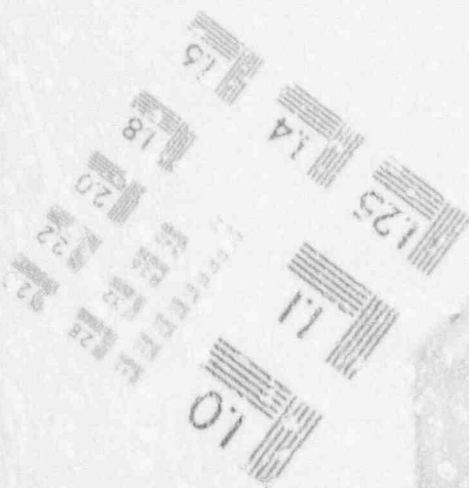
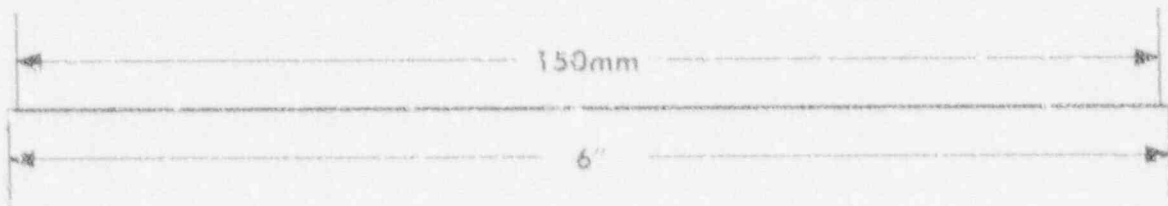
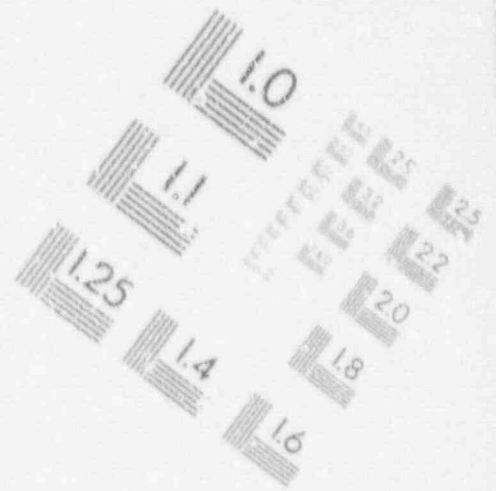
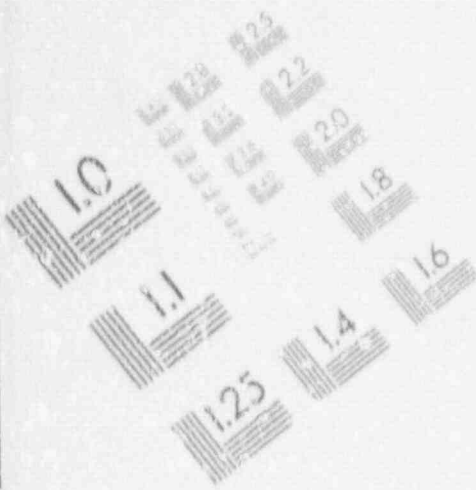
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IMAGE EVALUATION TEST TARGET (MT-3)



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IMAGE EVALUATION
TEST TARGET (MT-3)



CITY OF OCALA, FLORIDA

COMBINED STATEMENT OF CASH FLOWS

ALL PROPRIETARY FUND TYPES

FOR THE YEAR ENDED SEPTEMBER 30, 1990

(Continued)

	<u>Proprietary Fund Types</u>		<u>Totals</u>
	<u>Enterprise</u> <u>Funds</u>	<u>Internal</u> <u>Service</u>	<u>(Memorandum</u> <u>Only)</u>
Cash flows from capital and related financing activities:			
Payment of principal on debt	\$(23,550,015)	\$ (338,805)	\$(23,888,820)
Proceeds from issuance of debt	40,903,858	1,041,300	41,945,228
Transfers to other funds	(15,446)	-	(15,446)
Interest paid	<u>(1,799,210)</u>	<u>(61,542)</u>	<u>(1,860,752)</u>
Net cash provided from capital and related financing activities	<u>15,539,187</u>	<u>641,023</u>	<u>16,180,210</u>
Net increase in cash	15,138,282	1,129,461	16,267,743
Cash and cash equivalents:			
Beginning of year	<u>66,784,532</u>	<u>3,068,630</u>	<u>69,853,162</u>
End of year	<u>\$ 81,922,814</u>	<u>\$ 4,198,091</u>	<u>\$ 86,120,905</u>

See accompanying notes to financial statements.

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CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 1990

(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:

Electric System Revenue Fund

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

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

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:

Internal Service Fund

This fund accounts for the operation of management information system, central reproduction, building maintenance, records management and purchasing and warehousing departments.

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

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 Funds

The trust funds of the City are pension trust funds and expendable trust funds. The trust funds are used to account for assets held by the City in a trustee capacity. The measurement focus and basis of accounting of the pension trust funds are similar to proprietary funds and they are therefore maintained on the accrual basis of accounting. The pension trust funds are utilized to account for the financial transactions of the City-administered pension plans. The measurement focus and basis of accounting of the expendable trust funds are similar to governmental funds and they are therefore maintained on the modified accrual basis of accounting.

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.

Trust Funds

Community Redevelopment Trust Fund

The Community Redevelopment Trust Fund is used to hold funds collected for improving and redeveloping the downtown area.

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

Pension Medical Reserve Fund

This fund is used for accumulating funds for future retiree benefits. It is being treated as an expendable trust fund until the start of the related benefits.

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, one expendable trust 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, 1990.

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 1990, 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, 1990 is presented below:

	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Project</u>	<u>Expendable Trust</u>
Excess (deficiency) of revenues and other sources of financial resources over expenditures and other uses of financial resources (budgetary basis)	\$(2,914,788)	\$(644,688)	\$(475,347)	\$ 6,870
Adjustments:				
Encumbrances	1,588,152	325,575	75,955	-
Non-formally budgeted activities	<u>93,226</u>	<u>60</u>	<u>(480,768)</u>	<u>426,449</u>
Excess (deficiency) of revenues and other sources of financial resources over expenditures and other uses of financial resources (GAAP basis)	\$(<u>1,233,410</u>)	\$(<u>319,053</u>)	\$(<u>880,160</u>)	\$ <u>433,319</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 the statement of cash flows, cash and cash equivalents include cash on hand (including equity pooled cash), demand deposit accounts and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased.

(e) Investments

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 appraisal 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).

(Continued)

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, 1990, \$1,667,369 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 Marion County and normally attach as an enforceable lien on property as of January 1. Generally taxes are levied on November 1 and are payable on or before June 1. Substantially all property tax billings are collected during the fiscal period billed. Property taxes receivable at September 30, 1990 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, 1990 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 5).

(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) 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.

(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.

(Continued)

NOTES TO FINANCIAL STATEMENTS

At year-end, the carrying amount of the City's deposits was \$1,827,925 and the bank balance was \$1,711,043. Of the bank balance, \$249,365 was covered by federal depository insurance, and the remaining \$1,461,478 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.

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 broker's or dealer's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in the City's name.

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Carrying Value</u>	<u>Market Value</u>
U.S. Government securities	\$ -	\$ -	\$ 13,587,050	\$ 13,587,050	\$ 13,587,050
Common Stocks	<u>-</u>	<u>-</u>	<u>15,808,300</u>	<u>15,808,300</u>	<u>15,808,300</u>
	\$ <u>-</u>	\$ <u>-</u>	\$ <u>29,395,350</u>	29,395,350	29,395,350
Investment in state treasurer's investment pool				116,919,445	116,919,445
Bank deposits				<u>1,827,925</u>	<u>1,827,925</u>
Total cash and investments and equity in pooled cash				\$ <u>148,142,720</u>	\$ <u>148,142,720</u>

The pension trust funds own 100% of the investments in Category 3.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

(4) Interfund Receivables/Payables

The following summarizes the interfund receivables and payables of the various funds of the City at September 30, 1990:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Unrestricted Interfund Receivable/Payable:		
General Fund	\$ <u>340,034</u>	\$ <u>1,681</u>
Special Revenue Funds:		
Occupational License	10	-
Stormwater Utility	<u>48,327</u>	<u>-</u>
	<u>48,337</u>	<u>-</u>
Enterprise Funds:		
Electric System Revenue	-	606,057
Water and Sewer	372,198	-
Sanitation	185,532	-
Municipal Trailer Park	-	7,052
Ocala Municipal Airport	<u>-</u>	<u>332,982</u>
	<u>557,730</u>	<u>946,091</u>
Total Current Unrestricted Interfund Receivable/Payable	946,101	947,772
Current Restricted Interfund Receivable/Payable:		
Pension Trust Funds - Employees' Retirement Fund	<u>1,671</u>	<u>-</u>
Total Current Restricted Interfund Receivable/Payable	\$ <u>947,772</u>	\$ <u>947,772</u>

(5) 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, 1990, \$47,175 of this loan is long-term. Interfund interest recognized on the loan in fiscal year 1990 was \$11,840.

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

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, 1990, \$388,500 of this loan is long-term. Interfund interest recognized on this loan in fiscal year 1990 was \$41,500.

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, 1990, this loan has been repaid. Interfund interest recognized on this loan in fiscal year 1990 was \$44.

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, 1990, \$280,550 of this loan is long-term. Interfund interest recognized on this loan in fiscal year 1990 was \$24,057.

On July 18, 1989, the City Council approved a loan of \$60,000 from the General Fund to the Fort King Tennis Court Fund for the construction of a new clubhouse facility. In April 1990, the actual interfund loan was made. 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 and is to be repaid over a fifteen year period. At September 30, 1990, \$56,956 of this loan is long-term. Interfund interest recognized on this loan in fiscal year 1990 was \$2,456.

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 \$719,580 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

(6) Property and Equipment

Property and equipment of the proprietary fund types at September 30, 1990 is summarized as follows:

	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>
Buildings	\$ 4,195,759	\$ 5,214,553
Extensions and improvements other than buildings	103,339,731	806,262
Crystal River Unit No. 3	11,605,756	-
Fixtures, vehicles and equipment	6,654,930	2,383,191
	<u>125,796,176</u>	<u>8,404,006</u>
Less accumulated depreciation	40,885,433	1,879,027
	<u>84,910,743</u>	<u>6,524,979</u>
Land	6,429,892	316,556
Construction in progress	23,076,459	170,942
	<u>\$ 114,417,094</u>	<u>\$ 7,012,477</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, 1990:

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

	Balance at October 1, 1989	Additions	Retirements	Balance at September 30, 1990
Property, plant and equipment:				
Land	\$ 3,392,830	774	-	3,393,604
Buildings	3,745,729	738,430	150	4,484,009
Equipment, furniture and fixtures	6,412,819	1,036,760	511,703	6,937,876
Construction in progress	389,592	168,823	389,592	168,823
	<u>\$ 13,940,970</u>	<u>\$ 1,944,787</u>	<u>\$ 901,445</u>	<u>\$ 14,984,312</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	17,487	-	520,140
General fund	3,293,921	1,782,412	534,354	4,541,979
Special revenue funds	1,998,452	140,193	100,324	2,038,321
Federal and state grants	701,705	4,695	266,767	439,633
Capital equipment fund	1,844,303	-	-	1,844,303
	<u>\$ 13,940,970</u>	<u>\$ 1,944,787</u>	<u>\$ 901,445</u>	<u>\$ 14,984,312</u>

(7) 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, 1990 was \$20,632,287. The City's entire payroll was \$21,539,527.

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, 1990 was \$3,181,900.

A law enforcement officer is eligible to retire on the first day of the month following their sixtieth (60) birthday or may elect to take early retirement upon the completion of twenty-five (25) years of service or 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, 1990 was \$2,276,610.

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.

Participation

At September 30, 1990, participation in the plans consisted of the following:

	<u>General</u>	<u>Police</u>	<u>Fire</u>
Retirees and beneficiaries currently receiving benefits and terminated entitled to benefits not yet receiving them	<u>167</u>	<u>16</u>	<u>13</u>
Current employees:			
Vested	261	36	37
Nonvested	<u>627</u>	<u>77</u>	<u>62</u>
Total	<u>888</u>	<u>113</u>	<u>99</u>

(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.

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

(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, 1990 for the Police Officers' and Firefighters' Plans and October 1, 1989 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 (b) projected salary increases of 6% per year compounded annually, attributable to seniority increases and inflation and (c) no postretirement benefit increases.

Total assets in excess of pension benefit obligation of each of the three Plans at October 1, 1989 and October 1, 1990 are summarized as follows:

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

	<u>October 1, 1989</u>	<u>October 1, 1990</u>		
	<u>General Plan</u>	<u>Police Officers' Plan</u>	<u>Firefighters' Plan</u>	<u>Total</u>
Pension benefit obligation:				
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$ 5,655,000	\$ 973,200	\$ 1,170,500	\$ 7,798,700
Current employees:				
Accumulated employee contributions including allocated investment earnings and state financed - vested	754,000	2,139,400	1,948,800	4,842,200
Employer financed vested	10,531,000	-	-	10,531,000
Employer financed nonvested	<u>2,533,000</u>	<u>959,600</u>	<u>608,900</u>	<u>4,101,500</u>
Total pension benefit obligation	19,473,000	4,072,200	3,728,200	27,273,400
Net assets available for benefits, at market, at October 1, 1989 or October 1, 1990	<u>27,264,000</u>	<u>4,046,600</u>	<u>2,698,300</u>	<u>34,008,900</u>
Assets in excess of (unfunded) pension benefit obligation at October 1, 1989 or October 1, 1990	\$ <u>7,791,000</u>	\$ <u>(25,600)</u>	\$ <u>(1,029,900)</u>	\$ <u>6,735,500</u>

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

(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.

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 1990 determined through an actuarial valuation performed as of October 1, 1989 was \$889,749 (4.64% of current covered payroll). Actual employer contributions amounted to \$1,072,879 (5.2% of current covered payroll).

The contribution requirement for the Supplemental Police Officers' Plan for the 1990 fiscal year determined through an actuarial valuation performed as of October 1, 1987 was \$190,819 (6.0% of current covered payroll). Actual employee contributions totaled \$33,086 (1.0% of current covered payroll) and actual state contributions amounted to \$279,934 (8.8% of current covered payroll).

The contribution requirement for the Supplemental Firefighters' Plan for the 1990 fiscal year determined through an actuarial valuation performed as of October 1, 1987 was \$173,069 (7.6% of current covered payroll). Actual employee contributions totaled \$210,241 (9.2% of current covered payroll) and actual state contributions amounted to \$140,692 (6.2% of current covered payroll).

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

(e) Trend Information

The required three year trend disclosure is as follows:

	<u>1990</u>	<u>1989</u>	<u>1988</u>
Net assets available for benefits as a percentage of the pension benefit obligation:			
General Plan	140.0%	136.7 %	140.2%
Supplemental Police Officers' Plan	99.4%	137.9 %	137.9%
Supplemental Firefighters' Plan	72.4%	108.7 %	108.7%
Contributions as a percentage of annual covered payroll, all made in accordance with actuarially determined requirements:			
General Plan	5.2%	7.2 %	5.1%
Supplemental Police Officers' Plan	8.8%	8.7 %	9.7%
Supplemental Firefighters' Plan	6.2%	6.0 %	9.1%
Assets in excess o. (unfunded) pension obligation as a percentage of the pension benefit obligation:			
General Plan	37.8%	34.1 %	35.4%
Supplemental Police Offices' Plan	.8%	35.2 %	Not Available
Supplemental Firefighters' Plan	39.3%	(9.2)%	Not Available

Ten year historical trend information is presented in the supplementary schedules directly following the notes to the financial statements of this report. This information is useful in assessing the pension plan's accumulation of sufficient assets to pay pension benefits as they become due.

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

(8) 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 1985A - PT and Sewer Revenue Bonds	Series 1986 Water and Sewer Refunding Revenue Bonds	Series 1988 Water and Sewer Refunding Revenue Bonds	Series 1989A Electric System Revenue Bonds	Series 1989B Electric System Revenue Refunding Bonds	Installment Note Payable	Total Principal Due
1991	\$ 360,000	\$ 195,000	\$ -	\$ 725,000	\$ 1,120,000	\$ 13,303	\$ 2,433,303
1992	435,000	205,000	-	770,000	1,195,000	-	2,605,000
1993	465,000	220,000	-	820,000	1,260,000	-	2,765,000
1994	505,000	230,000	45,000	870,000	1,345,000	-	2,995,000
1995	-	785,000	245,000	920,000	1,435,000	-	3,385,000
1996-2016	-	38,415,060	12,160,000	24,320,000	6,645,000	-	81,540,000
Total long-term debt	1,765,000	40,050,000	12,450,000	28,425,000	13,900,000	13,303	95,723,303
Less:							
Current portion in mortgized discount	360,000	195,000	-	725,000	1,120,000	13,303	2,433,303
	8,410	514,204	174,358	433,074	119,839	-	1,249,885
Total long-term portion	\$ 1,396,590	\$ 39,340,796	\$ 12,275,662	\$ 27,266,926	\$ 11,780,161	\$ -	\$ 92,060,115
Interest rate	7.25 - 8.0%	5.8 - 7.4%	6.15 - 7.875%	6.0 - 7.125%	6.0 - 6.8%	8.00%	

The electric system 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.

In October 1989, the City issued \$28,425,000 Electric System Revenue Bonds, Series 1989A, and \$13,000,000 Electric System Revenue Refunding Bonds, Series 1989B. The 1989A bonds mature through October 1, 2009 and the 1989B bonds mature through October 1, 1998. Both issues are secured by the net revenues of the City's electric system. The proceeds of the 1989A issue are being used to finance the cost of the acquisition and construction of additions, extensions and improvements to the City's electric system. The proceeds of the 1989B issue, along with certain monies held in reserve accounts for the refunded bonds, were used for the advance refunding of the outstanding Power Supply Revenue Bonds, Series 1977, and the Power Supply Revenue Refunding Bonds, Series 1988, by purchasing U.S. government securities, which were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds. As a result, the refunded bonds are considered to be defeased and the liability for those bonds is no longer reported in the financial statements.

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

The defeasance resulted in the recognition of an accounting gain for the year ended September 30, 1990 of \$915,205. Although there is a reduction in the aggregate debt service payments of approximately \$14,167,000 over the next 16 years, the economic gain (the difference between the present values of the new and old debt service payments) is \$102,927.

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, 1990:

Fiscal Year Ended September 30	Series 1985A	Series 1986	Series 1988	Series 1989A	Series 1989B	Principal and Interest
	Water and Sewer Revenue Bonds	Water and Sewer Refunding Revenue Bonds	Water and Sewer Refunding Revenue Bonds	Electric System Revenue Bonds	Electric System Revenue Refunding Bonds	
1991	\$ 482,112	\$ 3,096,472	\$ 948,311	\$ 2,413,338	\$ 1,846,375	\$ 8,786,608
1992	527,750	3,094,774	948,311	2,687,148	1,971,333	9,229,316
1993	523,419	3,097,016	948,311	2,689,793	1,962,840	9,221,379
1994	525,200	3,093,057	991,927	2,688,953	1,969,720	9,268,857
1995	-	3,615,496	1,182,825	2,684,143	1,974,985	9,457,449
1996	-	3,622,295	1,181,658	2,685,263	1,978,145	9,467,361
1997	-	3,614,204	1,183,828	2,686,073	1,977,930	9,462,035
1998	-	3,615,877	1,179,418	2,686,058	1,983,720	9,465,073
1999	-	3,607,057	1,183,348	2,595,238	1,860,060	9,245,703
2000	-	3,607,211	1,175,583	2,689,338	-	7,472,132
2001	-	3,605,764	1,180,901	2,685,438	-	7,472,103
2002	-	3,602,474	1,173,265	2,690,588	-	7,466,327
2003	-	3,597,209	1,177,574	2,693,738	-	7,468,521
2004	-	3,590,192	1,174,406	2,689,538	-	7,454,136
2005	-	3,590,692	1,173,759	2,692,988	-	7,457,439
2006	-	3,583,162	1,175,253	2,688,038	-	7,446,453
2007	-	3,582,055	1,168,187	2,687,306	-	7,438,248
2008	-	3,576,640	1,165,471	2,691,959	-	7,438,070
2009	-	3,570,340	1,163,812	2,690,919	-	7,427,071
2010	-	3,567,165	1,162,656	2,688,838	-	7,418,659
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
Total	\$ 2,058,481	\$ 91,168,407	\$ 29,521,660	\$ 53,404,695	\$ 17,525,108	\$ 193,728,351

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

Internal Service Fund

Bonds and notes payable at September 30, 1990 in the Internal Service Fund include installment purchase contracts payable bearing interest at 10% and at 7.62% and a financing agreement bearing interest at 7.94%. These obligations are secured by certain equipment.

Following is a schedule of outstanding debt of the Internal Service Fund:

Fiscal Year Ended September 30,	Total Principal Due
1991	\$ 190,683
1992	201,735
1993	218,025
1994	235,638
1995	<u>79,793</u>
Tot l	925,874
Less:	
Current portion	<u>190,683</u>
Total long-term portion	\$ <u>735,191</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, 1990:

Fiscal Year Ended September 30,	Total Principal and Interest Due
1991	\$ 256,056
1992	251,941
1993	251,941
1994	251,941
1995	<u>81,196</u>
Total	\$ <u>1,093,075</u>

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

(9) 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, 1990:

	Balance at October 1, 1989	General Long-Term Debt Additions	General Long-Term Debt Retired	Debt Service Funds Operations	Balance at September 30, 1990
Amounts available in debt service funds	\$ 5,760,630	\$ -	\$ -	\$ 685,580	\$ 6,446,210
Amount to be provided:					
Term bonds	15,015,000	-	-	-	15,015,000
Serial bonds	8,695,312	-	(710,000)	(456,388)	7,528,924
Revenue certificates	6,119,058	-	(415,000)	(229,192)	5,474,866
Notes payable	105,150	-	(26,287)	-	78,863
Installment purchase and capital lease obligations	26,425	-	(16,102)	-	10,323
	<u>29,960,945</u>	<u>-</u>	<u>(1,167,389)</u>	<u>(685,580)</u>	<u>28,107,976</u>
Total amount available and to be provided	\$ <u>35,721,575</u>	\$ <u>-</u>	\$ <u>(1,167,389)</u>	\$ <u>-</u>	\$ <u>34,554,186</u>
General long-term debt payable:					
Term bonds	\$ 15,015,000	\$ -	\$ -	\$ -	\$ 15,015,000
Serial bonds	13,270,000	-	(710,000)	-	12,560,000
Revenue certificates	7,305,000	-	(415,000)	-	6,890,000
Notes payable	105,150	-	(26,287)	-	78,863
Installment purchase and capital lease obligations	26,425	-	(16,102)	-	10,323
Total general long-term debt payable	\$ <u>35,721,575</u>	\$ <u>-</u>	\$ <u>(1,167,389)</u>	\$ <u>-</u>	\$ <u>34,554,186</u>

General long-term debt matures as follows:

Fiscal Year Ended September 30,	Refunding and Improvement Excise Tax Bonds Dated January 1, 1977	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
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	-	530,000	980,000	450,000	-	-	1,960,000
1996 - 2010	-	10,305,000	7,370,000	12,100,000	-	-	25,775,000
	\$ <u>845,000</u>	\$ <u>12,645,000</u>	\$ <u>6,890,000</u>	\$ <u>14,085,000</u>	\$ <u>78,863</u>	\$ <u>10,323</u>	\$ <u>34,554,186</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. 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.

(Continued)

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>Improvement Excise Tax Bonds Dated January 1, 1972</u>	<u>Improvement Refunding Revenue Bonds Series 1986</u>	<u>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>
1991	\$ 366,980	\$ 1,272,212	\$ 917,685	\$ 1,344,405	\$ 32,685	\$ 10,738	\$ 1,944,705
1992	354,430	1,271,758	929,785	1,341,900	30,552	-	1,928,425
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	1,285,800	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	-	1,240,000	-	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>\$ 919,010</u>	<u>\$ 21,357,480</u>	<u>\$ 9,360,550</u>	<u>\$ 26,623,383</u>	<u>\$ 91,657</u>	<u>\$ 10,738</u>	<u>\$ 58,362,818</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.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

(10) 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, 1990, \$89,900,000 of bonds outstanding are considered defeased, as follows:

General Long-Term Debt:

Capital Improvement Revenue Certificates,
Series 1986 \$ 1,135,000

Enterprise Funds:

Electric System Revenue:

Special Obligation Bonds, Series 1977-A 50,000
Power Supply Revenue Bonds, Series 1983 11,555,000
Power Supply Revenue Bonds, Series 1977 9,725,000
Power Supply Refunding Revenue Bonds, Series 1988 12,465,000

Water and Sewer:

Water and Sewer Refunding Revenue Bonds, Series 1983 9,260,000
Water and Sewer Refunding Revenue Bonds, Series 1985A 34,935,000
Water and Sewer Refunding Revenue Bonds, Series 1985B 10,775,000

\$ 89,900,000

(11) 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

	Electric System Revenue	Water and Sewer	Sanitation	Other	Total
Current assets	\$ 14,747,093	\$ 1,073,853	\$ 244,414	\$ 173,445	\$ 16,238,805
Current liabilities	<u>7,335,818</u>	<u>365,940</u>	<u>163,969</u>	<u>725,031</u>	<u>8,590,758</u>
Working capital	\$ <u>7,411,275</u>	\$ <u>707,913</u>	\$ <u>80,445</u>	\$ <u>(551,586)</u>	\$ <u>7,648,047</u>
Property, plant and equipment:					
Additions	\$ <u>11,199,236</u>	\$ <u>6,957,698</u>	\$ <u>425,625</u>	\$ <u>964,602</u>	\$ <u>19,547,161</u>
Deletions	\$ <u>705,049</u>	\$ <u>53,722</u>	\$ <u>73,849</u>	\$ <u>28,786</u>	\$ <u>861,411</u>
Total property, plant and equipment	\$ <u>48,028,541</u>	\$ <u>53,259,812</u>	\$ <u>1,083,671</u>	\$ <u>11,995,070</u>	\$ <u>116,417,094</u>
Restricted assets	\$ <u>61,277,432</u>	\$ <u>37,202,734</u>	\$ <u>-</u>	\$ <u>559,362</u>	\$ <u>79,039,508</u>
Total assets	\$ <u>105,218,773</u>	\$ <u>92,586,839</u>	\$ <u>1,328,085</u>	\$ <u>12,727,857</u>	\$ <u>211,861,554</u>
Liabilities payable from restricted assets	\$ <u>4,807,368</u>	\$ <u>3,116,917</u>	\$ <u>-</u>	\$ <u>286,556</u>	\$ <u>8,208,841</u>
Bonds and other long-term liabilities	\$ <u>39,027,087</u>	\$ <u>53,013,028</u>	\$ <u>-</u>	\$ <u>773,181</u>	\$ <u>92,813,296</u>
Total fund equity	\$ <u>54,048,500</u>	\$ <u>36,090,954</u>	\$ <u>1,164,116</u>	\$ <u>10,945,089</u>	\$ <u>102,248,659</u>
Total operating revenues	\$ 61,291,284	\$ 9,251,605	\$ 4,251,194	\$ 2,094,859	\$ 76,888,942
Operating expenses (less depreciation and amortization)	44,369,479	4,116,897	3,833,065	1,980,674	54,300,115
Depreciation and amortization	<u>2,764,199</u>	<u>1,670,238</u>	<u>207,730</u>	<u>419,846</u>	<u>5,062,013</u>
Operating income (loss)	14,157,606	3,464,470	210,399	(305,661)	17,526,814
Operating transfers from other funds	163,016	-	247,300	394,799	805,115
Operating transfers (to) other funds	(9,776,193)	(370,533)	(212,744)	(325,714)	(10,685,184)
Interest income	1,888,400	1,646,812	9,263	52,268	3,596,743
Interest expense	(869,333)	(1,556,836)	-	(83,816)	(2,509,985)
Operating grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,446)</u>	<u>(15,446)</u>
Income (loss) before extraordinary item	5,563,496	3,183,913	254,218	(283,570)	8,718,057
Extraordinary item - gain on in-substance defeasance of debt	<u>915,205</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>915,205</u>
Net income (loss)	\$ <u>6,478,701</u>	\$ <u>3,183,913</u>	\$ <u>254,218</u>	\$ <u>(283,570)</u>	\$ <u>9,633,262</u>
Equity transfers from other funds	\$ <u>-</u>	\$ <u>719,580</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>719,580</u>
Capital contributions from other sources	\$ <u>297,877</u>	\$ <u>603,782</u>	\$ <u>-</u>	\$ <u>541,771</u>	\$ <u>1,443,430</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

(12) Reserved Retained Earnings

The following is a reconciliation of the reserved retained earnings to the net restricted assets of enterprise funds as of September 30, 1990:

Total restricted assets	\$ 79,039,508
Less:	
Restricted assets set aside for construction under bond indentures	(58,579,351)
Liabilities payable from restricted assets	(8,208,841)
Add:	
Liabilities payable from restricted assets set aside for construction under bond indentures	<u>1,621,371</u>
Total reserved retained earnings	\$ <u>13,872,687</u>

(13) 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 at September 30, 1990 is comprised of the following:

General Fund

Reserved for capital equipment purchases	\$ 2,156,783
Special police reserves:	
Law enforcement - confiscations	72,662
Police education and training	3,416
Law enforcement - recovered property	20,772
Special investigations	26,254
School education program	<u>4,674</u>
Total	\$ <u>2,284,561</u>

Special Revenue Funds:

Central Florida Regional Library:	
Reserved for book endowment fund	\$ 45,648
Reserved for Hocker and Bitzer contribution	<u>1,789</u>
Total	\$ <u>47,437</u>

(Continued)

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

Expendable Trust Funds:

Community Redevelopment Fund:	
Reserved for downtown redevelopment	\$ 6,870
Pension Medical Reserve:	
Reserved for future retiree benefits	<u>426,449</u>
Total	<u>\$ 433,319</u>

(14) 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, 1990 which are included in the accompanying combined financial statements:

<u>Proprietary Funds</u>	<u>Net Loss</u>
Enterprise Funds:	
Municipal Golf Course	\$ 164,889
Ocala Municipal Airport (Jim Taylor Field)	131,116
Internal Service Funds:	
Internal Service	199,695
Pension Trust Funds:	
Employees' Retirement Fund	4,201,039
Firefighters' Supplemental Pension	378,520
Police Officers' Supplemental Pension	621,741
 <u>Governmental Funds</u>	 <u>Deficiency</u>
General Fund	\$ 1,233,410
Special Revenue Fund:	
Local Gasoline Tax	951,766
Capital Project Funds:	
Capital Improvement Construction	480,768
Optional Gas Tax Construction	399,392

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

(15) Contributed Capital

During the year ended September 30, 1990, contributed equity increased as follows:

	Contributed Capital October 1, <u>1989</u>	<u>Contributions from</u>				Contributed Capital September 30, <u>1990</u>
		Other Governments	Developers	Customers	Govern- mental Funds	
Enterprise funds:						
Airport	\$ 4,828,118	\$ 541,771	\$ -	\$ -	\$ -	\$ 5,369,889
Golf	3,853,439	-	-	-	-	3,853,439
Sanitation	8,515	-	-	-	-	8,515
Water and sewer	9,253,304	205,989	397,793	-	719,580	10,576,666
Electric	<u>3,321,665</u>	<u>-</u>	<u>-</u>	<u>297,877</u>	<u>-</u>	<u>3,619,542</u>
Total enterprise funds	\$ <u>21,265,041</u>	\$ <u>747,760</u>	\$ <u>397,793</u>	\$ <u>297,877</u>	\$ <u>719,580</u>	\$ <u>23,428,051</u>
Internal service fund	\$ <u>1,288,775</u>	\$ <u>20,401</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,309,176</u>

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

(16) 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, 1990 were \$137,572 and \$3,726,029, respectively. These commitments are evidenced by signed purchase orders and contracts which were entered into prior to September 30, 1990.

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, 1990, accumulated sick leave for each applicable fund type is as follows:

General	\$ 1,955,126
Special Revenue	80,707
Capital Projects	1,519
Enterprise	1,282,450
Internal Service	<u>240,290</u>
	<u>\$ 3,560,092</u>

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CITY OF OCALA, FLORIDA

Supplemental Pension Disclosure

Comparative Summary of Revenues by Source and Expenses by Type

Revenues by Source
(in thousands)

Fiscal Year Ended September 30,	<u>City Contributions</u>			<u>State Contributions</u>	<u>Investment Income</u>	<u>Total</u>
	<u>Employee Contributions</u>	<u>Amount</u>	<u>As a Percentage of Covered Payroll</u>			
General Plan:						
1990	\$ -	\$ 1,073	5.20%	\$ -	\$ 1,329	\$ 2,402
1989	-	1,331	7.20%	-	4,865	6,196
1988	-	1,191	7.20%	-	2,124	3,315
1987	-	1,277	8.20%	-	2,583	3,860
1986	-	1,101	7.84%	-	3,071	4,172
1985	1	1,004	7.90%	-	2,126	3,131
1984	7	850	7.43%	-	330	1,187
1983	-	603	5.82%	189	2,059	2,851
1982	-	549	5.67%	162	1,419	2,130
Supplemental Police Officers' Plan:						
1990	\$ 33	\$ -	- %	\$ 280	\$ 226	\$ 539
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:						
1990	\$ 210	\$ -	- %	\$ 141	\$ 151	\$ 502
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>Investment Losses</u>	<u>Total</u>
1990	\$ 687	\$ 1	\$ 239	\$ 5,676	\$ 6,603
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
1990	\$ 116	\$ 5	\$ 45	\$ 995	\$ 1,161
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
1990	\$ 176	\$ 7	\$ 33	\$ 664	\$ 880
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

See accompanying auditors' report on page 1

CITY OF Ocala, Florida

Supplemental Pension Disclosure

Analysis 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)	(5) Annual Covered Payroll	(6)
				Assets in Excess of Pension Benefit Obligation (Unfunded Pension Benefit Obligation) (1) - (2)		Assets in Excess of Pension Benefit Obligation (Unfunded Pension Benefit Obligation) as a Percentage of Covered Payroll (4) - (5)
General Plan:						
1989	\$ 27,264	\$ 19,473	140.0%	\$ 7,791	\$ 20,832	37.8%
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	9,374	93.3%	(624)	9,750	(6.4)%
1981	6,915	7,824	88.4%	(909)	8,573	(10.6)%
Supplemental Police Officers' Plan:						
1990	\$ 4,047	\$ 4,072	99.4%	\$ 25	\$ 3,329	.8%
1987	\$ 3,205	\$ 2,324	137.9%	\$ 881	\$ 2,501	35.2%
Supplemental Firefighters' Plan:						
1990	\$ 2,698	\$ 3,728	72.4%	\$ 1,030	\$ 2,620	39.3%
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.

See accompanying auditors' report on page 1

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, 1990

<u>Assets</u>	<u>Occupational License</u>	<u>Central Florida Regional Library</u>
Current assets:		
Cash and investments	\$ 394,083	\$ 715
Equity in pooled cash and investment fund	-	27,318
Accounts and notes receivable	36	106
Due from other funds	10	-
Due from other governments	-	171,595
Other current assets	-	-
Total current assets	<u>394,129</u>	<u>199,734</u>
Restricted assets - cash and investments	<u>-</u>	<u>47,437</u>
Total assets	<u>\$ 394,129</u>	<u>\$ 247,171</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payable	\$ -	\$ 26,449
Compensated absences payable	-	10,228
Deferred revenue	162,091	-
Total liabilities	<u>162,091</u>	<u>36,677</u>
Fund balances:		
Reserved for encumbrances	-	82,858
Reserved for restricted assets	-	47,437
Total reserved fund balances	<u>-</u>	<u>130,295</u>
Unreserved and undesignated	232,038	80,199
Total fund balances	<u>232,038</u>	<u>210,494</u>
Total liabilities and fund balances	<u>\$ 394,129</u>	<u>\$ 247,171</u>

<u>Off-Street Parking</u>	<u>Downtown Development</u>	<u>Local Gasoline Tax</u>	<u>Stormwater Utility</u>	<u>Total</u>
\$ 50	\$ 50	\$ -	\$ -	\$ 394,898
48,239	48,153	5,241,194	1,094,628	6,459,532
5	-	11,101	-	11,248
-	-	-	48,327	48,337
-	-	169,436	-	341,031
-	-	-	780	780
<u>48,294</u>	<u>48,203</u>	<u>5,421,731</u>	<u>1,143,735</u>	<u>7,255,826</u>
-	-	-	-	47,437
<u>\$ 48,294</u>	<u>\$ 48,203</u>	<u>\$ 5,421,731</u>	<u>\$ 1,143,735</u>	<u>\$ 7,303,263</u>

\$ 1,740	\$ 1,998	\$ 50,974	\$ 54,846	\$ 136,007
900	439	-	2,044	13,611
3,746	-	512,020	-	677,857
<u>6,386</u>	<u>2,437</u>	<u>562,994</u>	<u>56,890</u>	<u>827,475</u>
-	16,445	79,751	146,521	325,575
-	-	-	-	47,437
-	16,445	79,751	146,521	373,012
41,908	29,321	4,778,986	940,324	6,102,776
<u>41,908</u>	<u>45,766</u>	<u>4,858,737</u>	<u>1,086,845</u>	<u>6,475,788</u>
<u>\$ 48,294</u>	<u>\$ 48,203</u>	<u>\$ 5,421,731</u>	<u>\$ 1,143,735</u>	<u>\$ 7,303,263</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, 1990

	Actual						
	Occupational License	Central Florida Regional Library	Off- Street Parking	Downtown Develop- ment	Local Gasoline Tax	Stormwater Utility	Total
Revenues:							
Property taxes	\$ -	\$ -	\$ -	\$ 46,184	\$ -	\$ -	\$ 46,184
Other intergovernmental revenues	-	866,832	-	-	1,745,162	-	2,611,974
Parking meters and facilities	-	-	88,315	-	-	-	88,315
Licenses and permits	386,809	-	-	-	-	-	386,809
Fines and forfeitures	-	22,988	30,482	-	-	-	53,470
Charges for services	-	-	-	-	-	1,041,177	1,041,177
Interest	-	6,890	3,108	3,789	428,968	69,368	514,123
Gifts	-	4,918	-	-	-	-	4,918
Other	822	15,678	276	1,132	-	-	17,708
Total revenues	<u>387,631</u>	<u>917,106</u>	<u>122,181</u>	<u>53,105</u>	<u>2,174,110</u>	<u>1,110,545</u>	<u>4,764,675</u>
Expenditures:							
Current:							
General government and administration	-	-	-	50,369	-	-	50,369
Public works	-	-	-	-	341,969	510,168	852,137
Culture and recreation	-	1,184,822	-	-	-	-	1,184,822
Other	12	-	71,337	-	-	-	71,349
Capital outlay	-	21,457	2,512	18,147	1,486,985	160,779	1,689,880
Debt service:							
Principal payments	-	-	-	-	-	-	-
Interest and paying agent's fees	-	-	-	320	-	-	320
Intergovernmental	-	-	-	-	-	998	998
Total expenditures	<u>12</u>	<u>1,206,279</u>	<u>73,849</u>	<u>68,836</u>	<u>1,828,954</u>	<u>671,945</u>	<u>3,849,871</u>
Excess (deficiency) of revenues over expenditures	<u>387,619</u>	<u>(289,173)</u>	<u>48,332</u>	<u>(15,731)</u>	<u>345,156</u>	<u>438,600</u>	<u>914,804</u>
Other financing sources (uses):							
Transfers from other funds	-	320,000	-	34,545	-	30,000	384,545
Transfers (to) other funds	(283,571)	(8,656)	(26,305)	(783)	(1,296,922)	(2,164)	(1,618,401)
Total other sources (uses)	<u>(283,571)</u>	<u>311,344</u>	<u>(26,305)</u>	<u>33,762</u>	<u>(1,296,922)</u>	<u>27,836</u>	<u>(1,233,855)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses before fund balance allocation	<u>104,048</u>	<u>22,171</u>	<u>22,027</u>	<u>18,031</u>	<u>(951,766)</u>	<u>466,436</u>	<u>(319,051)</u>
Fund balance allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>104,048</u>	<u>22,171</u>	<u>22,027</u>	<u>18,031</u>	<u>(951,766)</u>	<u>466,436</u>	<u>(319,051)</u>
Fund balances (deficit):							
Beginning of year	127,990	188,323	19,881	27,735	5,810,503	620,409	6,794,841
End of year	<u>\$ 232,038</u>	<u>\$ 210,494</u>	<u>\$ 41,908</u>	<u>\$ 45,766</u>	<u>\$ 4,858,737</u>	<u>\$ 1,086,865</u>	<u>\$ 6,475,798</u>

Revised Budget

Adjust- ments to Budgetary Basis	Total Actual on a Budgetary Basis	Occupational License	Central Florida Regional Library	Off- Street Parking	Downtown Develop- ment	Local Gasoline Tax	Stormwater Utility	Total	Favorable (Unfavorable) Variance
\$ -	\$ 46,184	\$ -	\$ -	\$ -	\$ 48,400	\$ -	\$ -	\$ 48,400	\$ (2,216)
-	2,611,974	-	270,208	-	-	2,139,000	-	3,009,208	(397,234)
-	88,315	-	-	93,000	-	-	-	93,000	(4,685)
-	386,809	383,600	-	-	-	-	-	383,600	3,209
-	53,470	-	22,200	30,000	-	-	-	52,200	1,270
-	1,041,177	-	-	-	-	-	1,016,000	318,000	25,177
(60)	514,063	-	8,800	3,550	3,100	485,000	40,750	541,200	(27,137)
(2,000)	2,918	-	2,000	-	-	-	-	2,000	918
-	17,708	910	16,204	258	140	-	-	17,512	196
<u>(2,060)</u>	<u>6,762,618</u>	<u>384,510</u>	<u>919,612</u>	<u>126,808</u>	<u>51,840</u>	<u>2,424,000</u>	<u>1,056,750</u>	<u>5,163,120</u>	<u>(400,502)</u>
995	51,364	-	-	-	51,513	-	-	51,513	149
203,907	1,056,044	-	-	-	-	476,046	711,937	1,187,983	131,939
80,858	1,215,680	-	1,308,160	-	-	-	-	1,308,160	42,480
-	71,349	-	-	77,016	-	-	-	77,016	5,667
37,817	1,727,695	-	21,707	7,330	47,630	3,419,689	166,491	3,660,847	1,933,152
-	-	-	-	-	2,680	-	-	2,680	2,680
-	320	-	-	-	320	-	-	320	-
-	998	-	-	-	-	-	1,500	1,500	502
<u>373,175</u>	<u>2,173,450</u>	<u>-</u>	<u>1,329,867</u>	<u>84,346</u>	<u>102,143</u>	<u>3,895,735</u>	<u>877,928</u>	<u>6,290,019</u>	<u>2,116,569</u>
(325,635)	589,168	384,510	(410,455)	82,462	(50,503)	(1,271,735)	178,822	(1,126,899)	1,716,067
-	384,545	-	320,000	75,000	34,545	-	30,000	459,545	(75,000)
-	(1,618,401)	(283,571)	(8,656)	(26,305)	(783)	(1,296,922)	(2,164)	(1,618,401)	-
<u>-</u>	<u>(1,233,856)</u>	<u>(283,571)</u>	<u>311,344</u>	<u>48,695</u>	<u>33,762</u>	<u>(1,296,922)</u>	<u>27,836</u>	<u>(1,158,856)</u>	<u>(75,000)</u>
(325,635)	(644,688)	100,939	(99,111)	91,157	(16,741)	(2,568,657)	206,658	(2,285,755)	1,641,067
-	-	(100,939)	99,111	(91,157)	16,741	2,568,657	(206,658)	2,285,755	(2,285,755)
(325,635)	(644,688)	-	-	-	-	-	-	-	(644,688)
(592)	6,794,249	127,990	187,731	19,881	27,735	5,810,503	620,409	6,794,249	-
<u>\$(326,227)</u>	<u>\$ 6,149,561</u>	<u>\$ 127,990</u>	<u>\$ 187,731</u>	<u>\$ 19,881</u>	<u>\$ 27,735</u>	<u>\$ 5,810,503</u>	<u>\$ 620,409</u>	<u>\$ 6,794,249</u>	<u>\$ (644,688)</u>

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, 1990

	Actual and Actual on a Budgetary Basis	Revised Budget	Favorable (Unfavorable) Variance
Revenues:			
Licenses and permits	\$ 386,809	\$ 383,600	\$ 3,209
Other	<u>822</u>	<u>910</u>	<u>(88)</u>
Total revenues	387,631	384,510	3,121
Expenditures:			
Current - other	<u>12</u>	<u>-</u>	<u>(12)</u>
Excess of revenues over expenditures	387,619	384,510	3,109
Other financing (uses) - transfers (to) other funds	<u>(283,571)</u>	<u>(283,571)</u>	<u>-</u>
Excess of revenues over expenditures and other uses before fund balance allocation	104,048	100,939	3,109
Fund balance allocation	<u>-</u>	<u>(100,939)</u>	<u>100,939</u>
Excess of revenues over expenditures and other uses	104,048	-	104,048
Fund balance:			
Beginning of year	<u>127,990</u>	<u>127,990</u>	<u>-</u>
End of year	\$ <u>232,038</u>	\$ <u>127,990</u>	\$ <u>104,048</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, 1990

	<u>Actual</u>	Adjustments to Budgetary <u>Basis</u>	Actual on a Budgetary <u>Basis</u>	<u>Revised Budget</u>	Favorable (Unfavorable) <u>Variance</u>
Revenues:					
Intergovernmental revenues	\$ 866,832	\$ -	\$ 866,832	\$ 870,208	\$ (3,376)
Fines and forfeitures	22,988	-	22,988	22,200	788
Interest	6,890	(60)	6,830	8,800	(1,970)
Gifts	4,918	(2,000)	2,918	2,000	918
Other	<u>15,478</u>	<u>-</u>	<u>15,478</u>	<u>16,204</u>	<u>(726)</u>
Total revenues	<u>917,106</u>	<u>(2,060)</u>	<u>915,046</u>	<u>919,412</u>	<u>(4,366)</u>
Expenditures:					
Current - culture and recreation	1,184,822	80,858	1,265,680	1,308,160	42,480
Capital outlay	<u>21,457</u>	<u>-</u>	<u>21,457</u>	<u>21,707</u>	<u>250</u>
Total expenditures	<u>1,206,279</u>	<u>80,858</u>	<u>1,287,137</u>	<u>1,329,867</u>	<u>42,730</u>
(Deficiency) of revenues over expenditures	(289,173)	(82,918)	(372,091)	(410,455)	38,364
Other financing sources (uses):					
Transfers from other funds	320,000	-	320,000	320,000	-
Transfers (to) other funds	<u>(8,656)</u>	<u>-</u>	<u>(8,656)</u>	<u>(8,656)</u>	<u>-</u>
Total other financing sources (uses)	311,344	-	311,344	311,344	-
Excess (deficiency) of revenues and other sources over expenditures and other uses before fund balance allocation	22,171	(82,918)	(60,747)	(99,111)	38,364
Fund balance allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,111</u>	<u>(99,111)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	22,171	(82,918)	(60,747)	-	(60,747)
Fund balance:					
Beginning of year	<u>188,323</u>	<u>(592)</u>	<u>187,731</u>	<u>187,731</u>	<u>-</u>
End of year	\$ <u>210,494</u>	\$ <u>(83,510)</u>	\$ <u>126,984</u>	\$ <u>187,731</u>	\$ <u>(60,747)</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, 1990

	Actual on a Budgetary Basis	Revised Budget	Favorable (Unfavorable) Variance
Revenues:			
Parking meters and facilities	\$ 88,315	\$ 93,000	\$ (4,685)
Fines and forfeitures	30,482	30,000	482
Interest	3,108	3,550	(442)
Other	276	258	18
Total revenues	<u>122,181</u>	<u>126,808</u>	<u>(4,627)</u>
Expenditures:			
Current - other	71,337	77,016	5,679
Capital outlay	<u>2,512</u>	<u>7,330</u>	<u>4,818</u>
Total expenditures	<u>73,849</u>	<u>84,346</u>	<u>10,497</u>
Excess of revenues over expenditures	<u>48,332</u>	<u>42,462</u>	<u>5,870</u>
Other financing sources (uses):			
Transfers from other funds	-	75,000	(75,000)
Transfers (to) other funds	<u>(26,305)</u>	<u>(26,305)</u>	<u>-</u>
Total other sources (uses)	<u>(26,305)</u>	<u>48,695</u>	<u>(75,000)</u>
Excess (deficiency) of revenues over expenditures and other uses before fund balance allocation	22,027	91,157	(69,130)
Fund balance allocation	<u>-</u>	<u>(91,157)</u>	<u>91,157</u>
Excess of revenues over expenditures and other uses	22,027	-	22,027
Fund balance:			
Beginning of year	<u>19,881</u>	<u>19,881</u>	<u>-</u>
End of year	\$ <u>41,908</u>	\$ <u>19,881</u>	\$ <u>22,027</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, 1990

	<u>Actual</u>	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	<u>Revised Budget</u>	Favorable (Unfavorable) Variance
Revenues:					
Property taxes	\$ 46,184	\$ -	\$ 46,184	\$ 48,400	\$ (2,216)
Interest	5,789	-	5,789	3,100	2,689
Other	<u>1,132</u>	-	<u>1,132</u>	140	992
Total revenues	<u>53,105</u>	<u>-</u>	<u>53,105</u>	<u>51,640</u>	<u>1,465</u>
Expenditures:					
Current - general government and administration	50,369	995	51,364	51,513	149
Capital outlay	18,147	15,450	33,597	47,630	14,033
Debt service:					
Principal	-	-	-	2,680	2,680
Interest	320	-	320	320	-
Total expenditures	<u>68,836</u>	<u>16,445</u>	<u>85,281</u>	<u>102,143</u>	<u>16,862</u>
Excess (deficiency) of revenues over expenditures	<u>(15,731)</u>	<u>(16,445)</u>	<u>(32,176)</u>	<u>(50,503)</u>	<u>18,327</u>
Other financing sources (uses):					
Transfers from other funds	34,545	-	34,545	34,545	-
Transfers (to) other funds	<u>(783)</u>	-	<u>(783)</u>	<u>(783)</u>	-
Total other sources (uses)	<u>33,762</u>	<u>-</u>	<u>33,762</u>	<u>33,762</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses before fund balance allocation	18,031	(16,445)	1,586	(16,741)	18,327
Fund balance allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,741</u>	<u>(16,741)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	18,031	(16,445)	1,586	-	1,586
Fund balance (deficit):					
Beginning of year	<u>27,735</u>	<u>-</u>	<u>27,735</u>	<u>27,735</u>	<u>-</u>
End of year	\$ <u>45,766</u>	\$ <u>(16,445)</u>	\$ <u>29,321</u>	\$ <u>27,735</u>	\$ <u>1,586</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, 1990

	<u>Actual</u>	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	Revised Budget	Favorable (Unfavorable) Variance
Revenues:					
Intergovernmental revenues	\$ 1,745,142	\$ -	\$ 1,745,142	\$ 2,139,000	\$ (393,858)
Interest	428,968	-	428,968	485,000	(56,032)
Total revenues	<u>2,174,110</u>	<u>-</u>	<u>2,174,110</u>	<u>2,624,000</u>	<u>(449,890)</u>
Expenditures:					
Current - public works	341,969	57,386	399,355	476,046	76,691
Capital outlay	1,486,985	22,365	1,509,350	3,419,689	1,910,339
Total expenditures	<u>1,828,954</u>	<u>79,751</u>	<u>1,908,705</u>	<u>3,895,735</u>	<u>1,987,030</u>
Excess (deficiency) of revenues over expenditures	345,156	(79,751)	265,405	(1,271,735)	1,537,140
Other financing (uses) - transfer (to) other funds	<u>(1,296,922)</u>	<u>-</u>	<u>(1,296,922)</u>	<u>(1,296,922)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other uses before fund balance allocation	(951,766)	(79,751)	(1,031,517)	(2,568,657)	1,537,140
Fund balance allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,568,657</u>	<u>(2,568,657)</u>
Excess (deficiency) of revenues over expenditures and other uses	(951,766)	(79,751)	(1,031,517)	-	(1,031,517)
Fund balance:					
Beginning of year	<u>5,810,503</u>	<u>-</u>	<u>5,810,503</u>	<u>5,810,503</u>	<u>-</u>
End of year	\$ <u>4,858,737</u>	\$ <u>(79,751)</u>	\$ <u>4,778,986</u>	\$ <u>5,810,503</u>	\$ <u>(1,031,517)</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, 1990

	<u>Actual</u>	Adjustments to Budgetary <u>Basis</u>	Actual on a Budgetary <u>Basis</u>	<u>Revised Budget</u>	Favorable (Unfavorable) <u>Variance</u>
Revenues:					
Charges for services	\$ 1,041,177	\$ -	\$ 1,041,177	\$ 1,016,000	\$ 25,177
Interest	<u>69,368</u>	<u>-</u>	<u>69,368</u>	<u>40,750</u>	<u>28,618</u>
Total revenues	<u>1,110,545</u>	<u>-</u>	<u>1,110,545</u>	<u>1,056,750</u>	<u>53,795</u>
Expenditures:					
Current - public works	510,168	146,521	656,689	711,937	55,248
Capital outlay	160,779	-	160,779	164,491	3,712
Intergovernmental	<u>998</u>	<u>-</u>	<u>998</u>	<u>1,500</u>	<u>502</u>
Total expenditures	<u>671,945</u>	<u>146,521</u>	<u>818,466</u>	<u>877,928</u>	<u>59,462</u>
Excess of revenues over expenditures	<u>438,600</u>	<u>(146,521)</u>	<u>292,079</u>	<u>178,822</u>	<u>113,257</u>
Other financing sources (uses):					
Transfers from other funds	30,000	-	30,000	30,000	-
Transfers (to) other funds	<u>(2,164)</u>	<u>-</u>	<u>(2,164)</u>	<u>(2,164)</u>	<u>-</u>
Total other sources (uses)	<u>27,836</u>	<u>-</u>	<u>27,836</u>	<u>27,836</u>	<u>-</u>
Excess of revenues and other sources over expenditures and other uses before fund balance allocation	466,436	(146,521)	319,915	206,658	113,257
Fund balance allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>(206,658)</u>	<u>206,658</u>
Excess of revenues and other sources over expenditures and other uses	466,436	(146,521)	319,915	-	319,915
Fund balance:					
Beginning of year	<u>620,409</u>	<u>-</u>	<u>620,409</u>	<u>620,409</u>	<u>-</u>
End of year	\$ <u>1,086,845</u>	\$ <u>(146,521)</u>	\$ <u>940,324</u>	\$ <u>620,409</u>	\$ <u>319,915</u>

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DEBT SERVICE FUNDS

CITY OF OCALA, FLORIDA

DEBT SERVICE FUNDS

COMBINING BALANCE SHEET

SEPTEMBER 30, 1990

<u>Assets - Restricted</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	\$ 511,224	\$ -	\$ -	\$ -	\$ 511,224
Equity in pooled cash and investment fund	-	2,294,220	1,415,134	2,224,754	5,934,108
Other assets	<u>878</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>878</u>
Total assets	\$ <u>512,102</u>	\$ <u>2,294,220</u>	\$ <u>1,415,134</u>	\$ <u>2,224,754</u>	\$ <u>6,446,210</u>

Fund Balances

Fund balances reserved for debt service	\$ <u>512,102</u>	\$ <u>2,294,220</u>	\$ <u>1,415,134</u>	\$ <u>2,224,754</u>	\$ <u>6,446,210</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, 1990

	<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>47,100</u>	\$ <u>153,929</u>	\$ <u>99,927</u>	\$ <u>160,550</u>	\$ <u>461,506</u>
Expenditures - debt service:					
Bond principal payments	315,000	395,000	415,000	-	1,125,000
Bond interest and paying agents' fees	<u>60,185</u>	<u>881,284</u>	<u>494,085</u>	<u>1,006,130</u>	<u>2,441,684</u>
Total expenditures	<u>375,185</u>	<u>1,276,284</u>	<u>909,085</u>	<u>1,006,130</u>	<u>3,566,684</u>
(Excess) of expenditures over revenues	<u>(328,085)</u>	<u>(1,122,355)</u>	<u>(809,158)</u>	<u>(845,580)</u>	<u>(3,105,178)</u>
Other financing sources (uses):					
Transfers from other funds	372,238	1,284,248	1,038,350	1,296,922	3,991,758
Transfers (to) other funds	<u>(41,000)</u>	<u>(160,000)</u>	<u>-</u>	<u>-</u>	<u>(201,000)</u>
Total other financing sources (uses)	<u>331,238</u>	<u>1,124,248</u>	<u>1,038,350</u>	<u>1,296,922</u>	<u>3,790,758</u>
Excess of revenues and other sources over expenditures and other uses	3,153	1,893	229,192	451,342	685,580
Fund balances:					
Beginning 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>
End of year	\$ <u>512,102</u>	\$ <u>2,294,220</u>	\$ <u>1,415,134</u>	\$ <u>2,224,754</u>	\$ <u>6,446,210</u>

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CAPITAL PROJECT FUNDS

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CITY OF OCALA, FLORIDA

CAPITAL PROJECT FUNDS

COMBINING BALANCE SHEET

SEPTEMBER 30, 1990

<u>Assets</u>	<u>Capital Improvement Construction</u>	<u>Optional Gas Tax Construction</u>	<u>Total</u>
Equity in pooled cash and investment fund	\$ 681,291	\$ 10,989,084	\$ 11,670,375
Accounts and notes receivable	411,339	562,653	973,992
Due from other governments	<u>155,037</u>	<u>10,715</u>	<u>165,752</u>
Total assets	\$ <u>1,247,667</u>	\$ <u>11,562,452</u>	\$ <u>12,810,119</u>
 <u>Liabilities and Fund Balances</u>			
Current liabilities - accounts payable	\$ <u>382,206</u>	\$ <u>385,617</u>	\$ <u>767,823</u>
 Fund balances:			
Reserved for encumbrances	770,428	75,955	846,383
Unreserved and undesignated	<u>95,033</u>	<u>11,100,880</u>	<u>11,195,913</u>
Total fund balances	<u>865,461</u>	<u>11,176,835</u>	<u>12,042,296</u>
Total liabilities and fund balances	\$ <u>1,247,667</u>	\$ <u>11,562,452</u>	\$ <u>12,810,119</u>

CITY OF OCALA, FLORIDA

CAPITAL PROJECT FUNDS

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

SEPTEMBER 30, 1990

	<u>Capital Improvement Construction</u>	<u>Optional Gas Tax Construction</u>	<u>Total</u>
Revenues:			
Other intergovernmental revenues	\$ 231,285	\$ -	\$ 231,285
Interest	106,736	615,026	721,762
Other	<u>29,418</u>	<u>-</u>	<u>29,418</u>
Total revenues	<u>367,439</u>	<u>615,026</u>	<u>982,465</u>
Expenditures:			
Current - public works	93,269	251,853	345,122
Capital outlay	<u>696,101</u>	<u>762,565</u>	<u>1,458,666</u>
Total expenditures	<u>789,370</u>	<u>1,014,418</u>	<u>1,803,788</u>
(Deficiency) of revenues over expenditures	(421,931)	(399,392)	(821,323)
Other financing (uses) -			
Transfers (to) other funds	<u>(58,837)</u>	<u>-</u>	<u>(58,837)</u>
Excess (deficiency) of revenues over expenditures and other uses before fund balance allocation	(480,768)	(399,392)	(880,160)
Fund balance allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other uses	(480,768)	(399,392)	(880,160)
Fund balances at beginning of year	2,065,809	11,576,227	13,642,036
Equity transfers (to) other funds	<u>(719,580)</u>	<u>-</u>	<u>(719,580)</u>
Fund balances at end of year	\$ <u>865,461</u>	\$ <u>11,176,835</u>	\$ <u>12,042,296</u>

Adjustments to a Budgetary Basis	Actual on a Budgetary Basis	Revised Budget	Favorable (Unfavorable) Variance
\$ (231,285)	\$ -	\$ -	\$ -
(106,736)	615,026	912,000	(296,974)
<u>(29,418)</u>	<u>-</u>	<u>-</u>	<u>-</u>
(367,439)	615,026	912,000	(296,974)
(18,211)	326,911	296,144	(30,767)
<u>(695,204)</u>	<u>763,462</u>	<u>7,886,675</u>	<u>7,123,213</u>
(713,415)	1,090,373	8,182,819	7,092,446
345,076	(475,347)	(7,270,819)	6,795,472
<u>58,837</u>	<u>-</u>	<u>-</u>	<u>-</u>
404,813	(475,347)	(7,270,819)	6,795,472
<u>-</u>	<u>-</u>	<u>7,270,819</u>	<u>(7,270,819)</u>
404,813	(475,347)	-	(475,347)
(2,065,809)	11,576,227	11,576,227	-
<u>719,580</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ <u>(941,416)</u>	\$ <u>11,100,880</u>	\$ <u>11,576,227</u>	\$ <u>(475,347)</u>

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ENTERPRISE FUNDS

CITY OF OCALA, FLORIDA

ENTERPRISE FUNDS

COMBINING BALANCE SHEET

SEPTEMBER 30, 1990

<u>Assets</u>	<u>Electric System 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	3,031,757	298,889	58,882
Accounts and notes receivable	5,473,003	203,375	-
Accrued unbilled revenues	3,731,526	-	-
Due from other funds	-	372,198	185,532
Interfund loans receivable	61,482	94,350	-
Inventories	2,261,271	104,591	-
Other current assets	186,729	-	-
Total current assets	<u>14,747,093</u>	<u>1,073,853</u>	<u>244,414</u>
Restricted assets:			
Cash and investments	505,523	3,858,449	-
Equity in pooled cash and investment fund	40,771,909	33,297,231	-
Other	-	47,054	-
Due from other governments	-	-	-
Total restricted assets	<u>41,277,432</u>	<u>37,202,734</u>	<u>-</u>
Interfund loan receivable after one year	669,050	47,175	-
Property, plant and equipment, net	48,078,541	53,259,812	1,083,671
Issuance costs on long-term debt	446,657	1,003,265	-
Total assets	<u>\$ 105,218,773</u>	<u>\$ 92,586,839</u>	<u>\$ 1,328,085</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>
\$ 1,920	\$ 50	\$ 100	\$ -	\$ 3,845
69,838	26,491	-	-	3,485,857
1,851	-	54	19,937	5,698,220
-	-	-	-	3,731,526
-	-	-	-	557,730
-	-	-	-	155,832
50,297	-	-	-	2,416,159
2,907	-	-	-	189,636
<u>126,813</u>	<u>26,541</u>	<u>154</u>	<u>19,937</u>	<u>16,238,805</u>
-	-	-	-	4,363,972
-	-	-	-	74,069,140
-	-	-	449	47,503
-	-	-	558,893	558,893
<u>-</u>	<u>-</u>	<u>-</u>	<u>559,342</u>	<u>79,039,508</u>
-	-	-	-	716,225
6,047,042	112,290	41,425	5,794,313	114,417,094
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,449,922</u>
\$ <u>6,173,855</u>	\$ <u>138,831</u>	\$ <u>41,579</u>	\$ <u>6,373,592</u>	\$ <u>211,861,554</u>

(Continued)

CITY OF OCALA, FLORIDA

ENTERPRISE FUNDS

COMBINING BALANCE SHEET

SEPTEMBER 30, 1990

(Continued)

<u>Liabilities and Fund Equity</u>	<u>Electric System Revenue</u>	<u>Water and Sewer</u>	<u>Sanitation</u>
Current liabilities:			
Accounts payable	\$ 4,032,719	\$ 181,217	\$ 117,052
Compensated absences payable	168,455	46,176	46,917
Bonds and notes payable within one year	-	-	-
Accrued interest payable	9,367	-	-
Due to other funds	606,057	-	-
Customer deposits	2,519,220	-	-
Deferred revenue	-	138,547	-
Interfund loans payable	-	-	-
Total current liabilities	<u>7,335,818</u>	<u>365,940</u>	<u>163,969</u>
Liabilities payable from restricted assets:			
Accounts payable	1,560,278	566,616	-
Accrued interest payable	1,402,090	1,995,301	-
Deferred revenue	-	-	-
Revenue bonds payable within one year	<u>1,845,000</u>	<u>555,000</u>	<u>-</u>
Total liabilities payable from restricted assets	4,807,368	3,116,917	-
Interfund loans payable after one year	-	-	-
Revenue bonds and notes payable after one year	<u>39,027,087</u>	<u>53,013,028</u>	<u>-</u>
Total liabilities	<u>51,170,273</u>	<u>56,495,885</u>	<u>163,969</u>
Contributed equity	<u>3,619,542</u>	<u>10,576,666</u>	<u>8,515</u>
Retained earnings:			
Reserved for debt service	157,825	1,438,531	-
Reserved for renewal and replacement	<u>10,156,005</u>	<u>2,120,326</u>	<u>-</u>
Total reserved retained earnings	10,313,830	3,558,857	-
Unreserved	<u>40,115,128</u>	<u>21,955,431</u>	<u>1,155,601</u>
Total retained earnings	<u>50,428,958</u>	<u>25,514,288</u>	<u>1,155,601</u>
Total fund equity	<u>54,048,500</u>	<u>36,090,954</u>	<u>1,164,116</u>
Total liabilities and fund equity	<u>\$ 105,218,773</u>	<u>\$ 92,586,839</u>	<u>\$ 1,328,085</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>
\$ 53,285	\$ 723	\$ 1,107	\$ 17,081	\$ 4,403,184
25,212	-	462	1,480	288,702
33,303	-	-	-	33,303
1,365	-	-	-	10,732
-	-	7,052	332,982	946,091
-	-	-	-	2,519,220
92,710	-	-	362	231,619
149,850	2,075	-	5,982	157,907
<u>355,725</u>	<u>2,798</u>	<u>8,621</u>	<u>357,887</u>	<u>8,590,758</u>
-	-	-	473	2,127,367
-	-	-	-	3,397,391
-	-	-	284,083	284,083
-	-	-	-	2,400,000
-	-	-	284,556	8,208,841
435,675	56,956	-	280,550	773,181
-	-	-	-	92,040,115
<u>791,400</u>	<u>59,754</u>	<u>8,621</u>	<u>922,993</u>	<u>109,612,895</u>
3,853,439	-	-	5,369,889	23,428,051
-	-	-	-	1,596,356
-	-	-	-	12,276,331
-	-	-	-	13,872,687
1,529,016	79,077	32,958	80,710	64,947,921
1,529,016	79,077	32,958	80,710	78,820,608
<u>5,382,455</u>	<u>79,077</u>	<u>32,958</u>	<u>5,450,599</u>	<u>102,248,659</u>
\$ <u>6,173,855</u>	\$ <u>138,831</u>	\$ <u>41,579</u>	\$ <u>6,373,592</u>	\$ <u>211,861,554</u>

CITY OF OCALA, FLORIDA

ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY

FOR THE YEAR ENDED SEPTEMBER 30, 1990

	Electric System Revenue	Water and Sewer	Sanitation
Operating revenues:			
Sale of electricity	\$ 59,953,247	\$ -	\$ -
Sale of water	-	3,274,734	-
Sewer and sanitation service charges	-	4,819,224	4,246,197
Fees and rentals	-	-	-
Commissions	-	-	-
Other	1,338,037	1,157,647	4,997
Total operating revenues	<u>61,291,284</u>	<u>9,251,605</u>	<u>4,251,194</u>
Operating expenses:			
Purchase of electricity	34,553,158	-	-
Distribution	4,396,037	416,800	-
Back-up	727,253	-	-
Transmission	356,004	-	-
Operation and maintenance	2,020,788	-	3,594,016
Water and sewer treatment	-	1,650,974	-
Sewer collection	-	751,576	-
Administration	1,249,501	1,163,457	239,049
Depreciation and amortization	2,764,199	1,670,238	207,730
Other	1,066,738	134,090	-
Total operating expenses	<u>47,133,678</u>	<u>5,787,135</u>	<u>4,040,795</u>
Operating income (loss)	<u>14,157,606</u>	<u>3,464,470</u>	<u>210,399</u>
Nonoperating revenues (expenses):			
Interest income	1,888,400	1,646,812	9,263
Interest expense	(869,333)	(1,556,836)	-
Operating grants	-	-	-
Total nonoperating revenues (expenses)	<u>1,019,067</u>	<u>89,976</u>	<u>9,263</u>
Income (loss) before operating transfers	<u>15,176,673</u>	<u>3,554,446</u>	<u>219,662</u>
Operating transfers:			
From other funds	163,016	-	247,300
(To) other funds	(9,776,193)	(370,533)	(212,744)
Total operating transfers	<u>(9,613,177)</u>	<u>(370,533)</u>	<u>34,556</u>
Net income (loss) before extraordinary item	5,563,496	3,183,913	254,218
Extraordinary item - gain on in-substance defeasance of debt	915,205	-	-
Net income (loss)	<u>6,478,701</u>	<u>3,183,913</u>	<u>254,218</u>
Fund equity, at beginning of year	47,271,922	31,583,679	909,898
Equity transfers from other funds	-	719,580	-
Capital contributions from other sources	<u>297,877</u>	<u>603,782</u>	<u>-</u>
Fund equity, at end of year	\$ <u>54,048,500</u>	\$ <u>36,090,954</u>	\$ <u>1,164,116</u>

Municipal Golf Course	Fort King Tennis Court	Municipal Trailer Park	Ocala Municipal Airport	Total
\$ -	\$ -	\$ -	\$ -	\$ 59,953,247
-	-	-	-	3,274,734
-	-	-	-	9,065,421
1,579,691	55,091	80,076	102,977	1,817,835
13,683	-	-	56,555	70,238
193,569	1,500	806	10,911	2,707,467
<u>1,786,943</u>	<u>56,591</u>	<u>80,882</u>	<u>170,443</u>	<u>76,888,942</u>
-	-	-	-	34,553,158
-	-	-	-	4,812,837
-	-	-	-	727,253
-	-	-	-	356,004
1,604,981	53,313	63,597	114,710	7,451,405
-	-	-	-	1,550,974
-	-	-	-	751,576
-	-	-	-	2,652,007
299,676	3,343	1,539	115,288	5,062,013
134,017	-	-	10,056	1,344,901
<u>2,038,674</u>	<u>56,656</u>	<u>65,136</u>	<u>240,054</u>	<u>59,362,128</u>
<u>(251,731)</u>	<u>(65)</u>	<u>15,746</u>	<u>(69,611)</u>	<u>17,526,814</u>
18,812	3,883	-	29,573	3,596,743
(57,303)	(2,456)	-	(24,057)	(2,509,985)
-	-	-	(15,446)	(15,446)
<u>(38,491)</u>	<u>1,427</u>	<u>-</u>	<u>(9,930)</u>	<u>1,071,312</u>
<u>(290,222)</u>	<u>1,362</u>	<u>15,746</u>	<u>(79,541)</u>	<u>18,598,126</u>
319,799	-	-	75,000	805,115
(194,466)	-	(4,673)	(126,575)	(10,685,184)
<u>125,333</u>	<u>-</u>	<u>(4,673)</u>	<u>(51,575)</u>	<u>(9,820,069)</u>
(164,889)	1,362	11,073	(131,116)	8,718,057
-	-	-	-	915,205
<u>(164,889)</u>	<u>1,362</u>	<u>11,073</u>	<u>(131,116)</u>	<u>9,633,262</u>
5,547,344	77,715	21,885	5,039,944	90,452,387
-	-	-	-	719,580
-	-	-	541,771	1,443,430
<u>\$ 5,382,455</u>	<u>\$ 79,077</u>	<u>\$ 32,958</u>	<u>\$ 5,450,599</u>	<u>\$ 102,248,659</u>

CITY OF OCALA, FLORIDA

ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 1990

	<u>Electric System Revenue</u>	<u>Water and Sewer</u>
Cash flows from operations:		
Operating income (loss)	\$ 14,157,006	\$ 3,464,470
Adjustments to reconcile net income to cash provided from operations:		
Depreciation and amortization	2,764,199	1,670,238
Cash provided by (used for) changes in:		
Accounts and notes receivable	(149,811)	93,092
Accrued unbilled revenue	(86,166)	-
Due (to) from other funds	106,202	26,817
Inventories	(125,442)	26,493
Other current assets	(139,552)	-
Other restricted assets	33,676	(7,398)
Due from other governments	6,536	-
Accounts payable	(237,714)	(130,598)
Compensated absences payable	24,998	(1,359)
Customer deposits	520,142	-
Deferred revenue	-	(88,326)
Other restricted liabilities	1,046,345	(424,166)
Net cash provided from operations	<u>17,921,019</u>	<u>4,629,263</u>
Cash flows from investing activities:		
Purchases of property and equipment	(10,684,087)	(5,780,947)
Collection of interfund receivable	60,968	75,000
Interest received	1,888,400	1,646,812
Net cash used in investing activities	<u>(8,734,719)</u>	<u>(4,059,135)</u>
Cash flows from noncapital financing activities:		
Operating transfers to other funds	(9,776,193)	(370,533)
Operating transfers from other funds	163,016	-
Net cash provided by (used in) noncapital financing activities	<u>(9,613,177)</u>	<u>(370,533)</u>
Cash flows from capital and related financing activities:		
Proceeds from issuance of debt	40,843,858	-
Payment of principal on debt	(22,954,775)	(425,000)
Transfers from (to) other funds	-	-
Interest paid	(143,613)	(1,570,416)
Net cash used in capital and related financing activities	<u>17,745,470</u>	<u>(1,995,416)</u>
Net increase (decrease) in cash	<u>17,318,593</u>	<u>(1,795,821)</u>
Cash and cash equivalents:		
Beginning of year	<u>26,991,921</u>	<u>39,250,840</u>
End of year	<u>\$ 44,310,514</u>	<u>\$ 37,455,019</u>

<u>Sani- tation</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>
\$ 210,399	\$(251,731)	\$ (65)	\$ 15,746	\$ (69,611)	\$ 17,526,814
207,730	299,676	3,343	1,539	115,288	5,062,013
-	(270)	-	(54)	1,319	(55,724)
-	-	-	-	-	(86,166)
47,888	12,940	267	(11,211)	320,092	502,995
-	(1,028)	-	-	-	(99,977)
-	2,975	-	-	-	(136,577)
-	-	-	-	(1)	26,277
-	-	-	-	(354,456)	(347,920)
(10,275)	(8,150)	(1,736)	(1,216)	9,879	(379,810)
2,096	7,076	(373)	(121)	728	33,045
-	-	-	-	-	520,142
-	61,945	-	-	(1,843)	(28,224)
-	-	-	-	(28,907)	593,272
<u>457,838</u>	<u>123,433</u>	<u>1,436</u>	<u>4,683</u>	<u>(7,512)</u>	<u>23,130,160</u>
(509,732)	(124,641)	(95,159)	(10)	(189,131)	(17,383,707)
-	-	-	-	-	135,968
9,263	18,812	3,883	-	29,573	3,596,743
<u>(500,469)</u>	<u>(105,829)</u>	<u>(91,276)</u>	<u>(10)</u>	<u>(159,558)</u>	<u>(13,650,996)</u>
(212,744)	(194,466)	-	(4,673)	(126,575)	(10,685,184)
<u>247,300</u>	<u>319,799</u>	<u>-</u>	<u>-</u>	<u>75,000</u>	<u>805,115</u>
<u>34,556</u>	<u>125,333</u>	<u>-</u>	<u>(4,673)</u>	<u>(51,575)</u>	<u>(9,880,069)</u>
-	-	60,000	-	-	40,903,858
-	(163,803)	(969)	-	(5,468)	(23,550,015)
-	-	-	-	(15,446)	(15,446)
-	(58,668)	(2,456)	-	(24,057)	(1,799,210)
-	(222,471)	56,575	-	(44,971)	15,539,187
<u>(8,075)</u>	<u>(79,534)</u>	<u>(33,265)</u>	<u>-</u>	<u>(263,616)</u>	<u>15,138,282</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>
\$ <u>58,882</u>	\$ <u>71,758</u>	\$ <u>26,541</u>	\$ <u>100</u>	\$ <u>-</u>	\$ <u>81,922,814</u>

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INTERNAL SERVICE FUNDS

CITY OF OCALA, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 1990

<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	169,456	2,971,761	1,056,374	4,197,591
Accounts receivable	329	268	-	597
Inventories	79,681	60,941	-	140,622
Other current assets	82,609	-	32,514	115,123
Due from other governments	-	17,982	-	17,982
Total current assets	<u>332,225</u>	<u>3,051,152</u>	<u>1,089,038</u>	<u>4,472,415</u>
Property, plant and equipment, net	6,599,233	389,209	24,035	7,012,477
Total assets	<u>\$ 6,931,458</u>	<u>\$ 3,440,361</u>	<u>\$ 1,113,073</u>	<u>\$ 11,484,892</u>
<u>Liabilities and Fund Equity</u>				
Current liabilities:				
Accounts payable	\$ 58,821	\$ 68,166	\$ 1,037,414	\$ 1,164,401
Compensated absences payable	32,025	19,690	-	51,715
Notes payable within one year	<u>190,683</u>	<u>-</u>	<u>-</u>	<u>190,683</u>
Total current liabilities	281,529	87,856	1,037,414	1,406,799
Notes payable after one year	<u>735,191</u>	<u>-</u>	<u>-</u>	<u>735,191</u>
Total liabilities	<u>1,016,720</u>	<u>87,856</u>	<u>1,037,414</u>	<u>2,141,990</u>
Fund equity:				
Contributed equity	1,288,775	-	20,401	1,309,176
Unreserved retained earnings	4,625,963	3,352,505	55,258	8,033,726
Total fund equity	<u>5,914,738</u>	<u>3,352,505</u>	<u>75,659</u>	<u>9,342,902</u>
Total liabilities and fund equity	<u>\$ 6,931,458</u>	<u>\$ 3,440,361</u>	<u>\$ 1,113,073</u>	<u>\$ 11,484,892</u>

CITY OF OCALA, FLORIDA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES

AND CHANGES IN FUND EQUITY

FOR THE YEAR ENDED SEPTEMBER 30, 1990

	<u>Internal Service</u>	<u>Fleet Management</u>	<u>Self- Insurance</u>	<u>Total</u>
Operating revenues:				
Fees and rentals	\$ 2,153,662	\$ 3,631,757	\$ 302,812	\$ 6,088,231
Employer's insurance contributions	-	-	1,917,693	1,917,693
Employees' insurance contributions	-	-	692,387	692,387
Other	-	122,670	3,117	125,787
Total operating revenues	<u>2,153,662</u>	<u>3,754,427</u>	<u>2,916,009</u>	<u>8,824,098</u>
Operating expenses:				
Fleet management	-	2,242,669	-	2,242,669
Purchasing and warehousing	536,769	-	-	536,769
Management information system, central reproduction and records management	831,767	-	-	831,767
Building maintenance	659,380	-	-	659,380
Insurance administration	-	-	2,612,303	2,612,303
Depreciation and amortization	409,611	43,345	514	453,470
Total operating expenses	<u>2,437,527</u>	<u>2,286,014</u>	<u>2,612,817</u>	<u>7,336,358</u>
Operating income (loss)	<u>(283,865)</u>	<u>1,468,413</u>	<u>303,192</u>	<u>1,487,740</u>
Nonoperating revenues (expenses):				
Interest income	22,912	208,389	64,057	295,358
Interest expense	(50,644)	-	-	(50,644)
Total nonoperating revenues (expenses)	<u>(27,732)</u>	<u>208,389</u>	<u>64,057</u>	<u>244,714</u>
Income before operating transfers	<u>(311,597)</u>	<u>1,676,802</u>	<u>367,249</u>	<u>1,732,454</u>
Operating transfers:				
From other funds	190,247	13,800	-	204,047
(To) other funds	(78,345)	(754,329)	-	(832,674)
Total operating transfers	<u>111,902</u>	<u>(740,529)</u>	<u>-</u>	<u>(628,627)</u>
Net income (loss)	(199,695)	936,273	367,249	1,103,827
Fund equity at beginning of year	6,114,433	2,416,232	(311,991)	8,218,674
Capital contributions	-	-	20,401	20,401
Fund equity at end of year	\$ <u>5,914,738</u>	\$ <u>3,352,505</u>	\$ <u>75,659</u>	\$ <u>9,342,902</u>

CITY OF OCALA, FLORIDA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 1990

	<u>Internal</u> <u>Service</u>	<u>Fleet</u> <u>Management</u>	<u>Self-</u> <u>Insurance</u>	<u>Total</u>
Cash flows from operations:				
Operating income (loss)	\$ (283,865)	\$ 1,468,413	\$ 303,192	\$ 1,487,740
Adjustment to reconcile net income to cash flows from operations:				
Depreciation	409,611	43,345	514	453,470
Cash provided by (used for) changes in:				
Accounts receivable	(169)	1,796	-	1,627
Due from (to) other funds	13,377	9,139	(482,051)	(459,535)
Inventories	(19,954)	17,571	-	(2,383)
Other current assets	(82,609)	(360)	23,633	(59,336)
Accounts payable	10,404	11,986	220,921	243,311
Compensated absences payable	<u>2,170</u>	<u>2,395</u>	<u>-</u>	<u>4,565</u>
Net cash provided from operations	<u>48,965</u>	<u>1,554,285</u>	<u>66,209</u>	<u>1,609,459</u>
Cash flows from investing activities:				
Purchases of property and equipment	(851,199)	-	(4,148)	(855,347)
Proceeds from sale of property and equipment	-	7,595	-	7,595
Interest received	<u>22,912</u>	<u>208,389</u>	<u>64,057</u>	<u>295,358</u>
Net cash provided by (used in) investing activities	<u>(828,287)</u>	<u>215,984</u>	<u>59,909</u>	<u>(552,394)</u>
Cash flows from noncapital financing activities:				
Operating transfers to other funds	(78,345)	(754,329)	-	(832,674)
Operating transfers from other funds	<u>190,247</u>	<u>13,800</u>	<u>-</u>	<u>204,047</u>
Net cash (used in) noncapital financing activities	<u>111,902</u>	<u>(740,529)</u>	<u>-</u>	<u>(628,627)</u>

(Continued)

CITY OF OCALA, FLORIDA

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED SEPTEMBER 30, 1990

(Continued)

	<u>Internal Service</u>	<u>Fleet Management</u>	<u>Self- Insurance</u>	<u>Total</u>
Cash flows from capital and related financing activities:				
Proceeds from issuance of long-term debt	\$ 1,041,370	\$ -	\$ -	\$ 1,041,376
Principal payment on long-term debt	(338,805)	-	-	(338,805)
Interest paid	<u>(61,542)</u>	<u>-</u>	<u>-</u>	<u>(61,542)</u>
Net cash used in capital and related financing activities	<u>641,023</u>	<u>-</u>	<u>-</u>	<u>641,023</u>
Net increase (decrease) in cash	(26,397)	1,029,740	126,118	1,129,461
Cash and cash equivalents at beginning of year	<u>196,003</u>	<u>1,942,221</u>	<u>930,406</u>	<u>3,068,630</u>
Cash and cash equivalents at end of year	<u>\$ 169,606</u>	<u>\$ 2,971,961</u>	<u>\$ 1,056,524</u>	<u>\$ 4,198,091</u>

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TRUST AND AGENCY FUNDS

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CITY OF OCALA, FLORIDA

TRUST AND AGENCY FUNDS

COMBINING BALANCE SHEET

SEPTEMBER 30, 1990

<u>Assets</u>	<u>Expendable Trust</u>		<u>Pension Trust Funds</u>			<u>Total</u>
	<u>Pension Medical Reserve</u>	<u>Community Redevelop- ment Trust Fund</u>	<u>Employee's Retirement Fund</u>	<u>Firefighters' Supplemental Pension</u>	<u>Police Officers' Supplemental Pension</u>	
Cash and investments	\$ 426,449	\$ -	\$ 22,754,013	\$ 2,659,557	\$ 3,987,905	\$ 29,829,924
Equity in pooled cash and investment fund	-	7,232	-	-	-	7,232
Due from other funds	-	-	1,671	-	-	1,671
Accrued interest and dividends receivable	-	-	334,926	39,166	58,685	432,777
Total assets	\$ 426,449	\$ 7,232	\$ 23,092,610	\$ 2,698,723	\$ 4,046,590	\$ 30,271,604
 <u>Liabilities and Fund Balance</u>						
Liabilities payable from restricted assets:						
Accounts payable	\$ -	\$ -	\$ 30,084	\$ 459	\$ -	\$ 30,543
Compensated absences payable	-	362	-	-	-	362
Total liabilities	-	362	30,084	459	-	30,905
Fund balance:						
Reserved for retirement benefits	-	-	23,062,526	2,698,264	4,046,590	29,807,380
Reserved for restricted assets	426,449	6,870	-	-	-	433,319
Total equity	426,449	6,870	23,062,526	2,698,264	4,046,590	30,240,699
Total liabilities and fund balance	\$ 426,449	\$ 7,232	\$ 23,092,610	\$ 2,698,723	\$ 4,046,590	\$ 30,271,604

CITY OF OCALA, FLORIDA

EXPENDABLE TRUST FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCES - ACTUAL AND BUDGET

FOR THE YEAR ENDED SEPTEMBER 30, 1990

	<u>Pension Medical Reserve</u>	<u>Community Redevelop- ment</u>	<u>Total</u>	<u>Adjustments to a Budgetary Basis</u>
Revenues:				
Property taxes	\$ -	\$ 10,934	\$ 10,934	\$ -
Interest	13,805	1,134	14,939	(13,805)
Other	<u>412,644</u>	<u>-</u>	<u>412,644</u>	<u>(412,644)</u>
Total revenues	<u>426,449</u>	<u>12,068</u>	<u>438,517</u>	<u>(426,449)</u>
Expenditures:				
Current - general government and administrative	-	16,026	16,026	-
Debt service - Interest	<u>-</u>	<u>44</u>	<u>44</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>16,070</u>	<u>16,070</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>426,449</u>	<u>(4,002)</u>	<u>422,447</u>	<u>(426,449)</u>
Other financing sources (uses):				
Transfers from other funds	-	13,552	13,552	-
Transfers (to) other funds	<u>-</u>	<u>(2,680)</u>	<u>(2,680)</u>	<u>-</u>
Total other sources (uses)	<u>-</u>	<u>10,872</u>	<u>10,872</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses before fund balances allocation	<u>426,449</u>	<u>6,870</u>	<u>433,319</u>	<u>(426,449)</u>
Fund balance allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>426,449</u>	<u>6,870</u>	<u>433,319</u>	<u>(426,449)</u>
Fund balances at:				
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
End of year	\$ <u>426,449</u>	\$ <u>6,870</u>	\$ <u>433,319</u>	\$ <u>(426,449)</u>

<u>Actual on a Budgetary Basis</u>	<u>Revised Budget</u>	<u>Favorable (Unfavorable) Variance</u>
\$ 10,934	\$ 10,934	\$ -
1,134	1,550	(416)
<u>-</u>	<u>-</u>	<u>-</u>
<u>12,068</u>	<u>12,484</u>	<u>(416)</u>
16,026	22,255	6,229
<u>44</u>	<u>44</u>	<u>-</u>
<u>16,070</u>	<u>22,299</u>	<u>6,229</u>
<u>(4,002)</u>	<u>(9,815)</u>	<u>5,813</u>
13,552	13,552	-
<u>(2,680)</u>	<u>(2,680)</u>	<u>-</u>
<u>10,872</u>	<u>10,872</u>	<u>-</u>
6,870	1,057	5,813
<u>-</u>	<u>(1,057)</u>	<u>1,057</u>
6,870	-	6,870
<u>-</u>	<u>-</u>	<u>-</u>
\$ <u>6,870</u>	\$ <u>-</u>	\$ <u>6,870</u>

CITY OF OCALA, FLORIDA

PENSION TRUST FUNDS

COMBINING STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 1990

	Employees' Retire- ment Fund	Fire- fighters' Supple- mental Pension	Police Officers' Supple- mental Pension	Total
Operating revenues:				
City and state contributions	\$ 1,072,879	\$ 140,692	\$ 279,934	\$ 1,493,505
Employee contributions	-	210,241	33,786	243,327
Income on investments	<u>1,329,002</u>	<u>150,842</u>	<u>226,135</u>	<u>1,705,979</u>
Total operating revenues	<u>2,401,881</u>	<u>501,775</u>	<u>539,155</u>	<u>3,442,811</u>
Operating expenses:				
Pension payments	687,155	176,411	116,178	979,744
Refunds to employees	1,286	6,710	4,566	12,562
Administration	238,706	33,373	45,394	317,473
Realized loss on sale of investments	342,000	40,167	60,340	443,347
Unrealized loss in fair market value of investments	<u>5,332,933</u>	<u>623,634</u>	<u>934,418</u>	<u>6,890,985</u>
Total operating expenses	<u>6,602,920</u>	<u>880,295</u>	<u>1,160,896</u>	<u>8,644,111</u>
Net loss	(4,201,039)	(378,520)	(621,741)	(5,201,300)
Fund balances:				
Beginning of year	<u>27,263,565</u>	<u>3,076,784</u>	<u>4,668,331</u>	<u>35,008,680</u>
End of year	\$ <u>23,062,526</u>	\$ <u>2,698,264</u>	\$ <u>4,046,590</u>	\$ <u>29,807,380</u>

GENERAL FIXED ASSET ACCOUNT GROUP

CITY OF OCALA, FLORIDA
SCHEDULE OF GENERAL FIXED ASSETS BY
FUNCTION AND ACTIVITY
AS OF SEPTEMBER 30, 1990

<u>Function and Activity</u>	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Machinery and Equipment</u>
General government and administration:				
Legislative	\$ 3,311	\$ -	\$ -	\$ 3,311
Executive	124,251	-	159	124,092
Finance	25,168	-	433	24,735
Purchasing	1,465	-	-	1,465
Personnel and safety	24,379	-	1,233	23,146
Planning	581,006	165,236	321,324	94,446
Building inspection	111,100	-	-	111,100
Total general government	<u>870,680</u>	<u>165,236</u>	<u>323,149</u>	<u>382,295</u>
Public safety:				
Police protection	2,180,939	-	21,038	2,159,901
Fire protection	2,690,755	25,182	799,102	1,866,471
Total public safety	<u>4,871,694</u>	<u>25,182</u>	<u>820,140</u>	<u>4,026,372</u>
Public works:				
Flood control	352,807	-	2,000	350,807
Engineering	786,310	457,712	23,987	306,541
Highway and street construction	1,173,615	-	9,100	1,169,515
Total public works	<u>2,312,732</u>	<u>457,712</u>	<u>35,087</u>	<u>1,826,863</u>
Culture and recreation:				
Library	354,134	-	116,775	237,359
Recreation	877,572	774	408,995	463,503
Total culture and recreation	<u>1,227,406</u>	<u>774</u>	<u>525,770</u>	<u>700,862</u>
Nondepartmental	5,526,046	2,744,700	2,779,863	1,483
Construction in progress	168,823	756	168,067	-
Total general fixed assets	<u>\$ 14,984,312</u>	<u>\$ 3,394,360</u>	<u>\$ 4,652,076</u>	<u>\$ 6,937,876</u>

CITY OF OCALA, FLORIDA

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY

FUNCTION AND ACTIVITY

FOR THE YEAR ENDED SEPTEMBER 30, 1990

<u>Function and Activity</u>	General Fixed Assets September 30, 1989	Addi- tions	Deduc- tions	General Fixed Assets September 30, 1990
General government and admin- istration:				
Legislative	\$ 4,358	\$ -	\$ 1,047	\$ 3,311
Executive	165,239	11,725	52,712	124,252
Finance	33,833	3,125	11,790	25,168
Purchasing	1,465	-	-	1,465
Personnel and safety	26,533	1,775	3,929	24,379
Planning	562,292	28,921	10,207	581,006
Building inspection	119,653	12,170	20,723	111,100
Total general government	<u>913,373</u>	<u>57,716</u>	<u>100,408</u>	<u>870,681</u>
Public safety:				
Police protection	1,827,980	451,345	98,386	2,180,939
Fire protection	2,050,640	675,699	35,584	2,690,755
Total public safety	<u>3,878,620</u>	<u>1,127,044</u>	<u>133,970</u>	<u>4,871,694</u>
Public works:				
Flood control	311,463	117,190	75,846	352,807
Engineering	763,385	54,193	29,338	788,240
Highway and street construction	1,137,072	151,270	109,727	1,178,615
Total public works	<u>2,211,920</u>	<u>322,653</u>	<u>214,911</u>	<u>2,319,662</u>
Culture and recreation:				
Library	352,544	21,459	19,869	354,134
Recreation	669,665	246,302	42,695	873,272
Total culture and recreation	<u>1,022,209</u>	<u>267,761</u>	<u>62,564</u>	<u>1,227,406</u>
Nondepartmental	5,525,256	790	-	5,526,046
Construction in progress	389,592	168,823	389,592	168,823
Total general fixed assets	<u>\$ 13,940,970</u>	<u>\$ 1,944,787</u>	<u>\$ 901,445</u>	<u>\$ 14,984,312</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

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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, 1990, and have issued our report thereon dated January 14, 1991. These general purpose financial statements are the responsibility of the City. 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 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 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.

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. The information in that Schedule 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 14, 1991



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CITY OF OCALA, FLORIDA

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

FOR THE YEAR ENDED SEPTEMBER 30, 1990

<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
CDBG-Entitlement-B-89-MC-120029	14.228 *	602,000
 <u>U.S. Department of Transportation</u>		
Direct Programs:		
Airport Improvement Program 04	20.106	\$ 45,000
Airport Improvement Program 06	20.106	997,712
Airport Improvement Program 07	20.106	831,993
 Passed through State of Florida Department of Transportation:		
Unified Planning Work Program - \$112-88/89	20.205	\$ 67,206
Unified Planning Work Program - \$112-89/90	20.205	54,500
Level III O.A.T.S.	20.205	80,000
 <u>U.S. Department of the Interior - 86/87</u>		
Passed through Florida Division of Historical Resources:		
Ft. King Archaeological		\$ 6,539
Ft. King Archaeological - PHASE II		21,500
 <u>Urban Mass Transportation Administration</u>		
Direct Programs:		
Planning Grant-FL-08-0231	-	\$ 20,000
Planning Grant-FL-08-0257		20,000
 <u>U.S. Department of Education</u>		
Passed through State of Florida - Division of Library Service:		
Library Literacy Grant	R-167-A-9000-7	84.034 \$ 22,204

* Major Program

See accompanying notes to schedule.

Accrued (Deferred) Grant Revenue September 30, 1989		Revenues Received		Expenditures		Accrued (Deferred) Grant Revenue September 30, 1990	
Grantor	Local	Grantor	Local	Grantor	Local	Grantor	Local
\$ -	\$ -	\$ 174,180	\$ -	\$ 174,180	\$ -	\$ -	\$ -
180,516	-	180,516	-	-	-	-	-
11,261	-	45,125	-	46,479	-	12,615	-
-	-	257,935	-	622,271	-	364,336	-
<u>191,777</u>	<u>-</u>	<u>657,756</u>	<u>-</u>	<u>842,930</u>	<u>-</u>	<u>376,951</u>	<u>-</u>
9,000	495	8,704	791	(296)	296	-	-
10,796	16,674	-	16,674	-	-	10,796	-
-	11,797	-	11,797	72,197	-	72,197	-
<u>19,796</u>	<u>28,966</u>	<u>8,704</u>	<u>29,262</u>	<u>71,901</u>	<u>296</u>	<u>82,993</u>	<u>-</u>
24,664	-	24,664	-	-	-	-	-
10,994	-	34,045	2,383	32,251	2,999	9,200	616
1,680	-	52,280	-	55,800	-	5,200	-
<u>37,338</u>	<u>-</u>	<u>110,989</u>	<u>2,383</u>	<u>88,051</u>	<u>2,999</u>	<u>14,400</u>	<u>616</u>
5,964	6,784	6,539	7,190	575	406	-	-
-	-	-	-	8,057	8,057	6,057	8,057
<u>5,964</u>	<u>6,784</u>	<u>6,539</u>	<u>7,190</u>	<u>8,632</u>	<u>8,463</u>	<u>8,057</u>	<u>8,057</u>
8,494	1,062	20,000	3,839	11,506	2,933	-	156
-	-	12,891	3,374	14,765	3,691	1,874	317
<u>8,494</u>	<u>1,062</u>	<u>32,891</u>	<u>7,213</u>	<u>26,271</u>	<u>6,624</u>	<u>1,874</u>	<u>473</u>
-	-	16,110	-	19,867	-	3,757	-
<u>\$ 263,369</u>	<u>\$ 36,812</u>	<u>\$ 832,989</u>	<u>\$ 46,048</u>	<u>\$ 1,057,652</u>	<u>\$ 18,382</u>	<u>\$ 488,032</u>	<u>\$ 9,146</u>

CITY OF OCALA, FLORIDA

NOTES TO SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

FOR THE YEAR ENDED SEPTEMBER 30, 1990

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.

CITY OF OCALA, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 1990

<u>Finding/ Noncompliance</u>	<u>Finding/Noncompliance</u>	<u>Questioned Costs</u>
CDBG Entitlement Grants	The City did not file two of the four quarterly federal cash transaction reports on a timely basis. The reports are required to be submitted 15 days after the end of each quarter. The December 31, 1989 and September 30, 1990 reports were submitted after this deadline.	N/A
CDBG Entitlement Grants	The City did not accurately complete the Federal Cash Transaction reports. Discrepancies were noted in the rollforward of cash on hand, the reporting of cash receipts and gross disbursements. However, the City did not request more funds than it was entitled. The City intends to correct the reports and resubmit them to the U.S. Department of Housing and Urban Development.	N/A
All Grants	A material control necessary to detect errors in the grant reporting system was not performed during the September 30, 1990 fiscal year end. The control was performed in the prior year and is currently performed for the fiscal year ended September 30, 1991.	N/A

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Certified Public Accountants

111 North Orange Avenue, Suite 1600
P.O. Box 3021
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, 1990, and have issued our report thereon dated January 14, 1991.

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 Ocala, for the year ended September 30, 1990, we considered its 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 Ocala, 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 relative 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. 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:

o Accounting Controls

- o Treasury
- o Revenue/Receipts
- o Purchasing/Disbursements
- o External Financial Reporting

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

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 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 general purpose 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 Ocala, Florida, in a separate letter dated January 14, 1991.

This report is intended for the information of the audit committee, management, and the auditor general. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

KPMG Peat Marwick

January 14, 1991

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, 1990, and have issued our report thereon dated January 14, 1991.

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.

Compliance with laws, regulations, contracts, and grants applicable to the City of Ocala, Florida, is the responsibility of the management of the City of Ocala, Florida. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the City of Ocala, Florida'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. Accordingly, we do not express such an opinion.

The results of our tests indicate that, with respect to the items tested, the City of Ocala, 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 of Ocala, Florida has not complied, in all material respects, with those provisions.

This report is intended for the information of the audit committee, management, and auditor general. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

KPMG Peat Marwick

January 14, 1991



Certified Public Accountants

111 North Orange Avenue, Suite 1600
PO 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, 1990, and have issued our report thereon dated January 14, 1991.

As part of our audit, we made a study and evaluation of the internal control systems, including applicable internal administrative controls, used in administering federal financial assistance programs to the extent we considered necessary to evaluate the systems as required by generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, the Single Audit Act of 1984, and the provisions of Office of Management and Budget Circular A-128, Audits of State and Local Governments.

Under the date of January 14, 1991, we reported separately on the results of our consideration of the internal control structure 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 therein.

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 used 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, error 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.



3

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:

- o Accounting Controls
 - o Treasury
 - o Revenue/Receipts
 - o Purchasing/Disbursements
 - o External Financial Reporting

- o Administrative Controls
 - o General Requirements
 - o Political Activity;
 - o Davis-Bacon Act;
 - o Civil Rights;
 - o Cash Management;
 - o Relocation Assistance and Real Property Acquisition; and
 - o Federal Financial Reports

 - o Specific Requirements
 - o Types of Services;
 - o Eligibility;
 - o Matching Level of Efforts;
 - o Reporting;
 - o Cost Allocation;
 - o Special Requirements; and
 - o Monitoring Subrecipients

Our study and evaluation included all of the applicable control categories listed above.

During the year ended September 30, 1990, the City of Ocala, Florida, expended 80 percent of its total federal financial assistance under major federal financial assistance programs. With respect to internal control 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 systems used solely in administering nonmajor federal financial assistance programs, our study and evaluation was limited to a preliminary review of the systems to obtain an understanding of the control environment and the flow of transactions through the accounting system. Our study and evaluation of the internal control systems used solely in administering the nonmajor federal financial assistance programs of City of Ocala, Florida, did not extend beyond this preliminary review phase. Accordingly, our audit would not necessarily disclose material weaknesses in the internal control systems 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. 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, taken as a whole, or on any of the control categories identified above. However, our study and evaluation and our audit disclosed the following conditions that we believe result in more than a relatively low risk that errors or irregularities in amounts that would be material to a federal financial assistance program may occur and not be detected within a timely period. A reconciliation control necessary to detect errors in the grant reporting system was not performed during the fiscal year ended September 30, 1990. In our letter to management dated January 14, 1991, we have separately communicated our observations and recommendations regarding certain other matters, including those pertaining to nonmaterial internal control findings.

These conditions were considered in determining the nature, timing, and extent of the audit tests to be applied in (1) our audit of the 1990 general purpose financial statements and (2) our audit and review of the City's compliance with those laws and regulations for which we believe noncompliance could have a material effect on the allowability of program expenditures. This report does not affect our reports on the general purpose financial statements and on the City's compliance with laws and regulations dated January 14, 1991.

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 14, 1991

Certified Public Accountants

111 North Orange Avenue, Suite 1600
P.O. Box 3031
Orlando, FL 32802

Independent Auditors' Report on Compliance with General Requirements

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, 1990, and have issued our report thereon dated January 14, 1991.

We have also applied procedures to test the City of Ocala, Florida's compliance with the following requirements applicable to each of its major federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended September 30, 1990:

- Political Activity
- Davis-Bacon Act
- Civil Rights
- Cash Management
- Federal Financial Reports

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's Compliance Supplement for Single Audits of State and Local Governments. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Ocala, Florida's compliance with the requirements listed in the preceding paragraph. Accordingly we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Ocala, Florida, had not complied, in all material respects, with those requirements. However, the results of our procedures disclosed immaterial instances of noncompliance with those requirements, which are described in the accompanying schedule of findings and questioned costs.

This report is intended for the information of management and the cognizant and other federal audit agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

KPMG Peat Marwick

January 14, 1991



Certified Public Accountants

111 North Orange Avenue, Suite 1600
P.O. Box 3031
Orlando, FL 32802

Independent Auditors' Report on Compliance with
Specific Major Program Requirements

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, 1990, and have issued our report thereon dated January 14, 1991.

We have also audited the City of Ocala, Florida's compliance with the requirements governing types of services allowed or unallowed; reporting; claims for advanced and reimbursements; environmental review certification; and program income that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended September 30, 1990. The management of the City of Ocala, Florida, is responsible for the City of Ocala, Florida's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States, and OMB Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City of Ocala, Florida's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying schedule of findings and questioned costs. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, the City of Ocala, Florida, complied, in all material respects, with the requirements governing types of services allowed or unallowed; reporting; claims for advances and reimbursements; and environmental review certification; and program income that are applicable to each of its major federal financial assistance programs for the year ended September 30, 1990.

KPMG Peat Marwick

January 14 1991

103

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>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
Property taxes	\$ 1,671,438	\$ 2,029,326	\$ 1,659,194	\$ 2,227,719
Other taxes	459,151	504,200	711,774	675,663
Intergovernmental revenues	1,990,385	2,448,542	3,832,853	1,574,314
Licenses and permits	426,876	395,285	518,026	590,212
Fines and forfeitures	255,011	256,531	342,033	329,289
Charges for services and off- street parking	106,616	90,525	162,613	187,819
Transfers from other funds	6,954,284	6,642,731	7,434,175	6,973,813
Bond and note proceeds	-	-	7,192,325	238,538
Interest income	279,306	220,844	230,273	405,039
Miscellaneous	<u>100,936</u>	<u>246,296</u>	<u>466,285</u>	<u>908,881</u>
Total	\$ <u>12,244,003</u>	\$ <u>12,244,003</u>	\$ <u>22,549,551</u>	\$ <u>17,111,287</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>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>
\$ 2,258,689	\$ 2,921,415	\$ 4,413,746	\$ 5,073,641	\$ 6,161,242	\$ 6,505,843
705,331	717,980	710,945	763,823	786,021	801,394
5,215,617	5,868,213	6,342,097	6,727,199	7,041,160	6,982,067
628,624	706,762	677,805	673,596	690,456	736,411
543,685	474,764	532,498	710,301	740,603	734,132
209,369	240,735	245,690	223,742	1,348,168	1,497,702
9,252,428	10,203,401	10,928,043	11,571,596	14,277,023	14,321,507
-	13,041,330	-	7,542,626	-	-
428,183	522,787	756,439	889,905	1,567,581	1,545,540
<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>261,093</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>	\$ <u>33,385,689</u>

CITY OF OCALA, FLORIDA

GENERAL GOVERNMENTAL EXPENDITURES AND OTHER USES BY FUNCTION (1)

LAST TEN FISCAL YEARS

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
General government and administration	\$ 1,30.	\$ 2,433,279	\$ 1,497,736	\$ 1,668,132
Public safety	3,994	4,554,075	4,901,697	5,454,770
Public works	1,613,386	1,809,302	1,862,172	2,115,342
Culture and recreation	1,709,533	1,734,942	1,860,400	2,108,338
Nondepartmental	21,184	17,236	419,079	672,488
Debt service	2,544,623	464,510	472,668	1,327,341
Capital outlay	1,309,005	2,097,034	1,128,128	1,285,902
Transfers to other funds	752,023	725,039	8,132,864	1,364,676
Miscellaneous	50,886	132,825	263,329	298,085
Total	\$ <u>13,308,251</u>	\$ <u>12,968,242</u>	\$ <u>20,538,073</u>	\$ <u>16,295,074</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>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>
\$ 1,750,550	\$ 2,180,146	\$ 2,398,717	\$ 2,462,279	\$ 2,872,897	\$ 3,168,947
6,130,072	6,836,255	7,529,924	8,030,705	9,519,499	10,759,495
2,289,859	2,470,282	2,690,444	2,707,074	3,435,091	3,466,758
2,278,015	2,420,806	2,806,405	2,728,031	2,998,445	3,376,898
883,597	998,914	1,259,245	1,973,860	330,614	389,988
1,337,651	8,546,374	2,153,331	6,011,761	2,485,187	3,619,989
1,502,593	1,740,251	2,537,305	2,501,826	1,979,521	4,834,530
2,723,972	4,803,525	3,865,642	4,176,731	3,477,913	3,764,846
<u>267,924</u>	<u>762,977</u>	<u>329,074</u>	<u>666,543</u>	<u>665,631</u>	<u>871,121</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>	\$ <u>34,252,572</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>
1981	\$ 542,919,857	3.17	\$ 1,724,044	\$ 1,613,061	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
1990	1,310,033,579	5.08	6,667,187	5,956,404	89.3

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>
\$ 1,634,002	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
6,459,659	96.9	710,783

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>
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
1990	106,229	159,966	509,401

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

CITY OF OCALA, FLORIDA

COMPUTATION OF LEGAL DEBT MARGIN

SEPTEMBER 30, 1990

Assessed Value (100% at market as of January 1, 1990)	\$ <u>1,310,033,579</u>
Debt limit: 20% of Assessed Value	\$ 262,006,716
Amount of General Obligation Debt Outstanding	<u> -</u>
Legal Debt Margin	\$ <u>262,006,716</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

SCHEDULE OF ELECTRIC SYSTEM REVENUE AND REVENUE

REFUNDING BONDS, SERIES 1977, 1983, 1988, 1989A AND 1989B 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>	
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
1990	17,555,603	1,435,000	1,698,359	3,133,359	5.60

(1) Represents gross operating revenues and interest income less gross operating expenses, excluding amortization and depreciation, of the electric system.

(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 SYSTEM REVENUE AND REVENUE

REFUNDING BONDS, SERIES 1977, 1983, 1988, 1989A AND 1989B 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.
- (5) In October 1989, the City issued Electric System Revenue Bonds, Series 1989A in the amount of \$28,425,000 and Electric System Revenue Refunding Bonds, Series 1989B in the amount of \$13,000,000. The 1989B bonds were issued for the purpose of advance refunding the City's outstanding Power Supply Revenue Bonds, Series 1977 and the City's outstanding Power Supply Revenue Refunding Bonds, Series 1988. The refunding bonds are no longer considered outstanding debt of the City because an escrow account was created for them; and, therefore, all debt service requirements subsequent to October 1989 for the refunded bonds have been excluded from the determination of debt service coverage. The proceeds of the 1989A bonds are being used to fund the cost of the acquisition and construction of additions, extensions and improvements to the electric system and certain infrastructure improvements related thereto. The first interest payments on the Series 1989A and 1989B bonds occurred in April 1990; the first principal payments were made October 1, 1990.

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

Year	Net Revenue Available For Debt Service(1)	Debt Service Requirements		Total	Coverage
		Principal	Interest		
1981	\$ 643,835	\$ 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
1990	6,778,281	425,000	4,004,180	4,429,180	1.53

(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 \$20,000,000 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>Cover- age</u>
	<u>Occupational License</u>	<u>Cigarette Tax</u>		<u>Prin- cipal</u>	<u>Interest</u>	<u>Total</u>	
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	388,381	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
1990	386,809	422,576	809,385	315,000	58,990	373,990	2.16

(1) The final maturity of the Refunding and Improvement Excise Tax Bonds, Series 1965, was in fiscal year 1986.

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CITY OF OCALA, FLORIDA

SCHEDULE OF STREET IMPROVEMENT REVENUE BONDS COVERAGE

SERIES 1965, 1967, 1975 AND 1978

LAST TEN FISCAL YEARS

<u>Year</u>	Special Assessment Collections Available for <u>Debt Service(1)</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
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
1990	(2)	(2)	(2)	(2)	(2)

(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).

(2) Final payments of principal and interest for this issue were made during fiscal 1989.

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

<u>Year</u>	<u>Pledged Revenues</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	1,511,964	292,968	362,960	643,622	28,696
1988	1,613,635	314,227	349,663	643,622	27,015
1989	1,818,812	333,517	376,590	643,622	28,903
1990	1,875,964	344,210	386,809	643,622	26,375

- (1) Subject to a prior lien on 1965 and 1972 Refunding and Improvement Excise Tax Bonds.
- (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>	
\$ 781,500	\$ 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	1.68
607,365	3,848,809	575,000	1,236,591	1,811,591	2.12
612,535	3,889,515	810,000	1,372,694	2,182,594	1.78

(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, 1985. 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>	
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)
1990	(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>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Coverage</u>
1989	\$ 1,790,008	\$ -	\$ 234,560	\$ 234,560	7.63
1990	1,745,142	-	1,005,255	1,005,255	1.74

(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, 1990

<u>Governmental Unit</u>	<u>Bonds Outstanding</u>	<u>Applicable to City of Ocala</u>	
		<u>Percent (1)</u>	<u>Amount</u>
School District of Marion County General Obligation Bonds, Series 1987	\$ <u>56,380,000</u>	<u>31.18%</u>	\$ <u>17,577,753</u>
Total Overlapping Debt	\$ <u>56,380,000</u>	<u>31.18%</u>	\$ <u>17,577,753</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, 1990.

CITY OF OCALA, FLORIDA

MISCELLANEOUS STATISTICAL DATA

SEPTEMBER 30, 1990

Date of Incorporation	February 4, 1869
City Charter Adopted	January 28, 1885
Form of Government	Council/Manager
Area of City	30.95 square miles
Miles of Streets, Sidewalks and Bikepaths:	
Streets - Paved	219.71 miles
Streets - Unpaved	41.27 miles
Sidewalks (2)	51.84 miles
Bikepaths	18.05 miles
Miles of Sewers:	
Storm	42.61 miles
Sanitary	263.21 miles
Force Main	44.02 miles
Lift Stations	83
Building Permits (October 1989 - September 1990) (1):	
Permits Issued	5,042
Permit Value	\$79,012,473
Fire Protection:	
Stations	4
Employees - Sworn	105
Employees - Civilian	7
Fire and rescue response time (minutes)	3
Police Protection:	
Stations	1
Employees - Sworn	123
Employees - Reserve	17
Employees - Civilian	62
Vehicular Patrol Units - Marked Vehicles	70
- Motorcycles	6
- Other Vehicles	44
Recreation:	
Activity areas	90
Land area (acres)	340
Activity centers	6
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>CITY OF OCALA</u>	<u>MARION COUNTY</u>
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
1990	42,045	194,833

Sources: 1982 Florida Statistical Abstract (for years 1981 and 1982). From information on file with the Bureau of Business and Economic Research - University of Florida, Gainesville (for years 1983 through 1990).

POPULATION PROJECTIONS *

<u>YEAR</u>	<u>MARION COUNTY</u>	<u>STATE OF FLORIDA</u>
1995	220,500	14,647,800
2000	263,800	15,899,400
2005	287,700	16,975,600
2010	314,000	17,998,300
2020	359,600	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	19.3	19.2
15-44	37.5	42.5
45-64	22.4	20.7
65 +	20.8	17.6

Source: 1990 Florida Estimates of Population, Bureau of Business and Economic Research, University of Florida.

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

(1) On April 1, 1989, Ocala ranked 32nd in population size among Florida cities; Marion County ranked 18th in population among Florida counties; and Marion County ranked 3rd in population density among Florida counties.

CITY OF OCALA, FLORIDA
LIST OF TEN LARGEST TAXPAYERS
1989 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	\$ 50,019,643	3.82%	\$ 254,100
2. Paddock Mall Associates	Regional Shopping Center	24,647,027	1.88	125,207
3. Marion Community Hospital	General Hospital Care	15,695,162	1.20	79,731
4. Dayco Products, Inc.	Manufacturing	11,931,807	.91	60,614
5. Atreco-Fla., Inc.	Hilton Hotel	10,309,282	.78	52,371
6. Ocala Mall Associates	Local Shopping Center	9,367,832	.72	47,589
7. C.C. Ocala Joint Venture	Local Shopping Center	8,755,012	.67	44,475
8. Paddock Park Apartments	Apartment Complex	8,378,720	.64	42,564
9. Cotter & Co.	Warehousing and Dist.	7,728,974	.59	39,263
10. Six Gun Plaza	Regional Shopping Center	6,529,628	.50	33,171
		<u>153,363,087</u>	<u>11.71</u>	<u>779,085</u>
	Total Assessed Value Other Taxpayers	<u>1,156,670,492</u>	<u>88.29</u>	<u>5,875,886</u>
	Total Assessed Value	\$ <u>1,310,033,579</u>	<u>100.00%</u>	\$ <u>6,654,971</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, 1990

<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
Florida Municipal Liability Self-Insurers Fund	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, 1990

(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	LC9208	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>
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
1990	179	42,657,459	204	11,441,739	1,330,496	768,062

- (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 1981 through 1984 and by Barnett Bank of Marion County, N.A. for 1985 and from the Florida Bankers Association for 1986 through 1990. Figures shown are for Marion County and represent total bank deposits at December 31, for years 1981 through 1983, and at September 30, for 1984 through 1990.
- (3) Obtained by Citizens First Bank of Ocala for the years 1981 through 1984 and by Mid-State Federal Savings and Loan Association for 1985 and from the Federal Home Loan Bank for 1986 through 1990. Figures shown are for Marion County and represent total savings and loan association deposits at December 31, for years 1981 through 1983, at March 31, for 1984 through 1986, at June 30, for 1987 and 1988, and at September 30, for 1989 and 1990.

CITY OF OCALA, FLORIDA
LIST OF OFFICERS' SALARIES
SEPTEMBER 30, 1990

City Manager	\$ 68,883
Assistant City Manager	58,678
Assistant City Manager	48,203
Building Official	50,047
City Clerk	32,002
City Engineer	53,366
Downtown Development Manager	29,944
Electric Utility Director	57,189
Finance Director	54,800
Fire Chief	43,115
Fleet Management Director	35,263
Golf Director	34,264
Human Resources Director	40,234
Internal Auditor	36,914
Management Information System Director	44,026
Planning Director	38,563
Police Chief	56,083
Public Works Director	43,503
Purchasing Director	41,101
Recreation and Parks Director	38,164
Regional Library Director	38,236
Risk Manager	39,304
Acting Water and Sewer Director	34,261

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CITY OF OCALA, FLORIDA

SUMMARY OF DEBT SERVICE REQUIREMENTS TO MATURITY

ALL BONDED DEBT

1991 - 2016

<u>Fiscal Year</u>	<u>Improvement Refunding Revenue Bonds and Revenue Refunding Certificates</u>	<u>Refunding and Improvement Excise Tax Bonds</u>	<u>Electric System Revenue and Refunding Bonds</u>	<u>Water and Sewer Revenue and Refunding Bonds</u>	<u>Optional Gas Tax Revenue Bonds</u>	<u>Total Principal and Interest</u>
1991	\$ 2,189,897	\$ 366,980	\$ 4,593,830	\$ 4,526,895	\$ 1,344,405	\$ 13,022,007
1992	2,201,543	354,430	4,598,056	4,570,835	1,341,900	13,066,764
1993	2,357,244	197,600	4,588,152	4,568,746	1,342,605	13,054,347
1994	2,547,110	-	4,588,899	4,610,184	1,341,315	13,087,508
1995	2,551,475	-	4,583,767	4,798,321	1,342,815	13,276,378
1996	2,551,493	-	4,581,205	4,803,953	1,341,885	13,278,536
1997	2,547,205	-	4,574,390	4,798,032	1,338,465	13,278,092
1998	2,548,300	-	4,572,538	4,795,295	1,337,322	13,253,455
1999	1,262,875	-	4,357,318	4,790,405	1,333,220	11,743,818
2000	1,258,850	-	2,644,888	4,782,794	1,335,889	10,022,421
2001	1,254,531	-	2,638,013	4,786,665	1,330,251	10,009,460
2002	1,249,819	-	2,639,663	4,775,739	1,331,081	9,996,302
2003	1,250,069	-	2,639,138	4,774,783	1,327,215	9,991,205
2004	1,244,894	-	2,631,263	4,764,598	1,328,385	9,969,140
2005	1,239,100	-	2,630,513	4,764,451	1,325,115	9,959,179
2006	1,233,625	-	2,620,174	4,758,415	1,322,220	9,937,434
2007	1,230,000	-	2,614,633	4,750,942	1,319,330	9,914,905
2008	-	-	2,613,940	4,746,111	1,316,075	8,676,126
2009	-	-	2,607,380	4,736,152	1,312,085	8,655,617
2010	-	-	2,599,400	4,729,821	1,311,805	8,641,047
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
Total	\$ 30,718,030	\$ 919,010	\$ 69,917,181	\$ 122,798,548	\$ 26,623,383	\$ 250,976,152

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, 1990

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, 1990, \$1,015,000 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>
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	24,763	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	<u>1,200,000</u>	<u>30,000</u>	<u>-</u>	<u>1,230,000</u>
Total		\$ <u>12,645,000</u>	\$ <u>4,573,550</u>	\$ <u>4,138,930</u>	\$ <u>21,357,480</u>

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, 1990

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, 1990, \$615,000 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 Year</u>	<u>Interest Rate</u>	<u>Principal Due 4-1</u>	<u>Interest Due 10-1</u>	<u>Interest Due 4-1</u>	<u>Total</u>
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>6,890,000</u>	\$ <u>1,235,276</u>	\$ <u>1,235,274</u>	\$ <u>9,360,550</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, 1990

This issue consists of 500 \$5,000 bonds. Bonds numbered 1 through 331 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>Fiscal</u> <u>Year</u>	<u>Interest</u> <u>Rate</u>	<u>Bond</u> <u>Numbers</u>	<u>Principal</u> <u>Due 7-1</u>	<u>Interest</u> <u>Due 1-1</u>	<u>Interest</u> <u>Due 7-1</u>	<u>Total</u>
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	<u>190,000</u>	<u>3,800</u>	<u>3,800</u>	<u>197,600</u>
Total			\$ <u>845,000</u>	\$ <u>37,005</u>	\$ <u>37,005</u>	\$ <u>919,010</u>

CITY OF OCALA, FLORIDA

ELECTRIC SYSTEM REVENUE BONDS, SERIES 1989A

STATEMENT OF BONDED DEBT AND INTEREST

SEPTEMBER 30, 1990

In October 1989, the \$28,425,000 Electric System Revenue Bonds, Series 1989A were sold. This issue consists of \$9,800,000 in serial bonds of which \$8,345,000 mature on October 1, 1990 through 1998 and \$1,455,000 mature on October 1, 2001 and of \$18,625,000 in term bonds of which \$2,625,000 mature October 1, 2000, \$5,010,000 mature October 1, 2004 and \$10,990,000 mature October 1, 2009. 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 1989A bonds is secured by a lien on the net revenues derived from the operation of the City's electric system.

The proceeds of this issue are being used to finance the cost of the acquisition and construction of additions, extensions and improvements to the electric system of the City and certain infrastructure improvements related thereto.

<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>
1991	6.000	\$ 725,000	\$ 980,335	\$ 958,563	\$ 2,663,898
1992	6.150	770,000	958,585	934,885	2,663,470
1993	6.200	820,000	934,907	909,465	2,664,372
1994	6.300	870,000	909,487	882,060	2,661,547
1995	6.400	920,000	882,082	852,620	2,654,702
1996	6.550	980,000	852,642	820,525	2,653,167
1997	6.700	1,045,000	820,547	785,518	2,651,065
1998	6.800	1,115,000	785,540	747,608	2,648,148
1999	6.900	1,100,000	747,630	709,658	2,557,288
2000	7.000	1,270,000	709,680	665,208	2,644,888
2001	7.000	1,355,000	665,230	617,783	2,638,013
2002	7.000	1,455,000	617,805	566,858	2,639,663
2003	7.000	1,560,000	556,880	512,258	2,639,138
2004	7.000	1,665,000	512,280	453,983	2,631,263
2005	7.000	1,785,000	454,005	391,508	2,630,513
2006	7.125	1,905,000	391,530	323,644	2,620,174
2007	7.125	2,040,000	323,662	250,971	2,614,633
2008	7.125	2,190,000	250,985	172,955	2,613,940
2009	7.125	2,345,000	172,964	89,416	2,607,380
2010	7.125	2,510,000	89,421	-	2,599,421
Total		\$ <u>28,425,000</u>	\$ <u>12,626,197</u>	\$ <u>11,645,486</u>	\$ <u>52,696,683</u>

CITY OF OCALA, FLORIDA

ELECTRIC SYSTEM REVENUE REFUNDING BONDS, SERIES 1989B

STATEMENT OF BONDED DEBT AND INTEREST

SEPTEMBER 30, 1990

In October 1989, the \$13,000,000 Electric System Revenue Refunding Bonds, Series 1989B were sold. This issue consists of \$13,000,000 in serial bonds which mature on October 1, 1990 through 1998. The schedule below shows the actual maturities and the debt service requirements for the serial bonds. The bonds are fully registered and were issued in denominations of \$5,000 or any integral multiple thereof. The paying agent and bond registrar is Citizens and Southern Trust Company (Georgia), National Association in Atlanta, Georgia.

The payment of principal and interest on the Series 1989B bonds is secured by a lien on the net revenues derived from the operation of the City's electric system.

The proceeds of this issue were used for the purpose of advance refunding the City's outstanding Power System Revenue Bonds, Series 1977, and the City's outstanding Power Supply Revenue Refunding Bonds, Series 1988.

<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>
1991	6.00	\$ 1,120,000	\$ 421,766	\$ 388,166	\$ 1,929,932
1992	6.15	1,195,000	388,166	351,420	1,934,586
1993	6.20	1,260,000	351,420	312,360	1,923,780
1994	6.30	1,345,000	312,360	269,992	1,927,352
1995	6.40	1,435,000	269,992	224,073	1,929,065
1996	6.55	1,530,000	224,073	173,965	1,928,038
1997	6.70	1,630,000	173,965	119,360	1,923,325
1998	6.80	1,745,000	119,360	60,030	1,924,390
1999	6.90	<u>1,740,000</u>	<u>60,030</u>	<u>-</u>	<u>1,800,030</u>
Total		\$ <u>13,000,000</u>	\$ <u>2,321,132</u>	\$ <u>1,899,366</u>	\$ <u>17,220,498</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, 1990

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, 1990, \$420,000 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 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>
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	<u>505,000</u>	<u>20,200</u>	<u>-</u>	<u>525,200</u>
Total		\$ <u>1,765,000</u>	\$ <u>180,531</u>	\$ <u>112,950</u>	\$ <u>2,058,481</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, 1990

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, 1990, \$770,000 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 recured 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>
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	1,441,861	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
Total		\$ 40,050,000	\$ 26,285,987	\$ 24,832,420	\$ 91,168,407

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, 1990

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 revenue 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>
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		\$ 12,450,000	\$ 8,797,902	\$ 8,323,758	\$ 29,571,660

CITY OF OCALA, FLORIDA

OPTIONAL GAS TAX REVENUE BONDS, SERIES 1989

STATEMENT OF BONDED DEBT AND INTEREST

SEPTEMBER 30, 1990

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>
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>6,520,501</u>	\$ <u>6,017,882</u>	\$ <u>26,623,383</u>

CITY OF OCALA, FLORIDA

ANALYSIS OF SEWERAGE SYSTEM CAPITAL

IMPROVEMENT FUND ESTABLISHED FOR FLORIDA

DEPARTMENT OF ENVIRONMENTAL REGULATION GRANT #621080

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

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

<u>Fiscal</u> <u>Year</u>	<u>Deposits</u>	<u>Interest</u> <u>Income</u>	<u>Balance</u> <u>September 30</u>
1986	\$ 301,023.12	\$ -	\$ 301,023.12
1987	301,023.12	18,714.00	620,760.24
1988	301,023.12	50,909.96	972,693.32
1989	301,023.12	91,647.90	1,365,364.34
1990	301,023.12	125,170.01	1,791,557.47

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