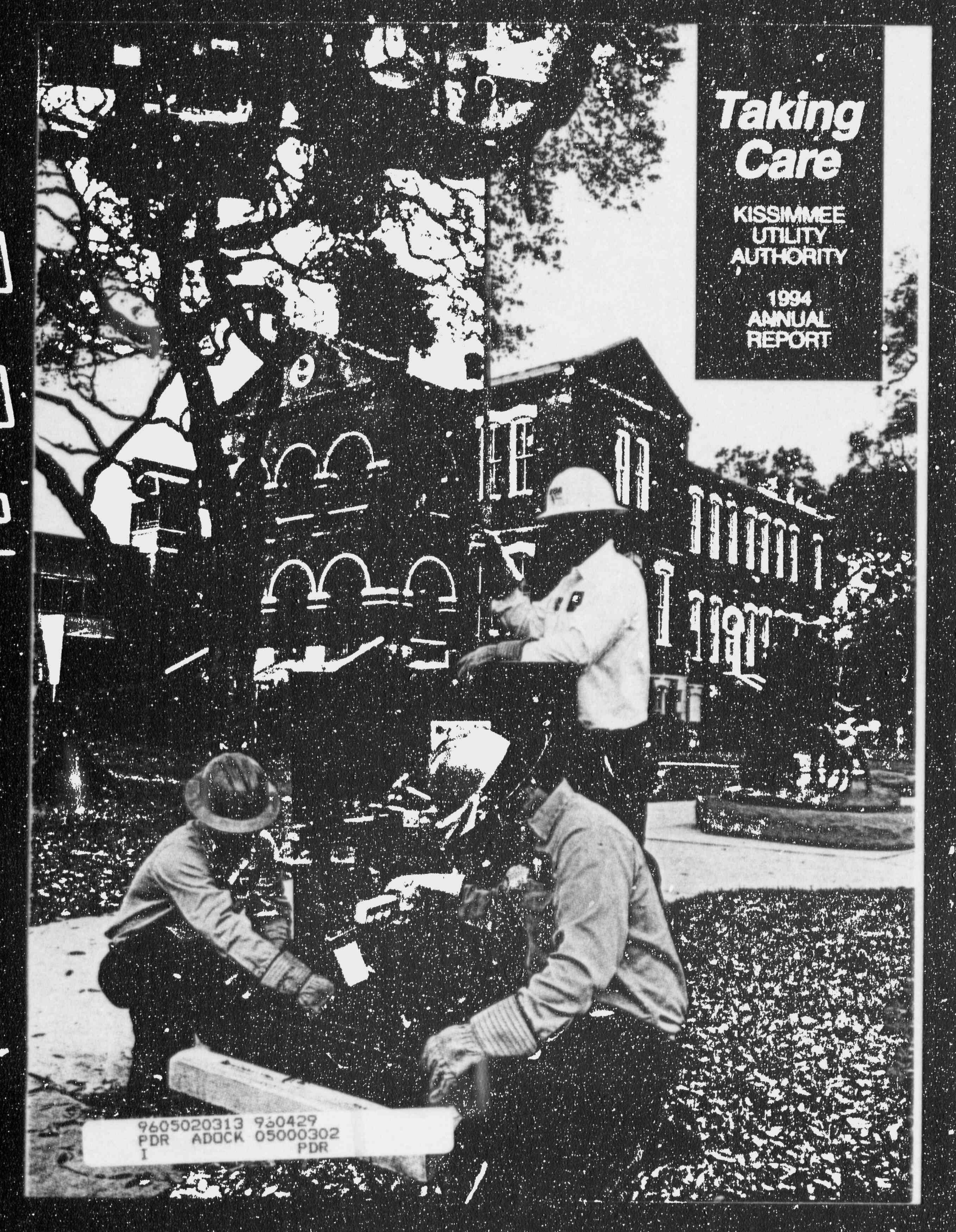


Taking Care

KISSIMMEE
UTILITY
AUTHORITY

1994
ANNUAL
REPORT

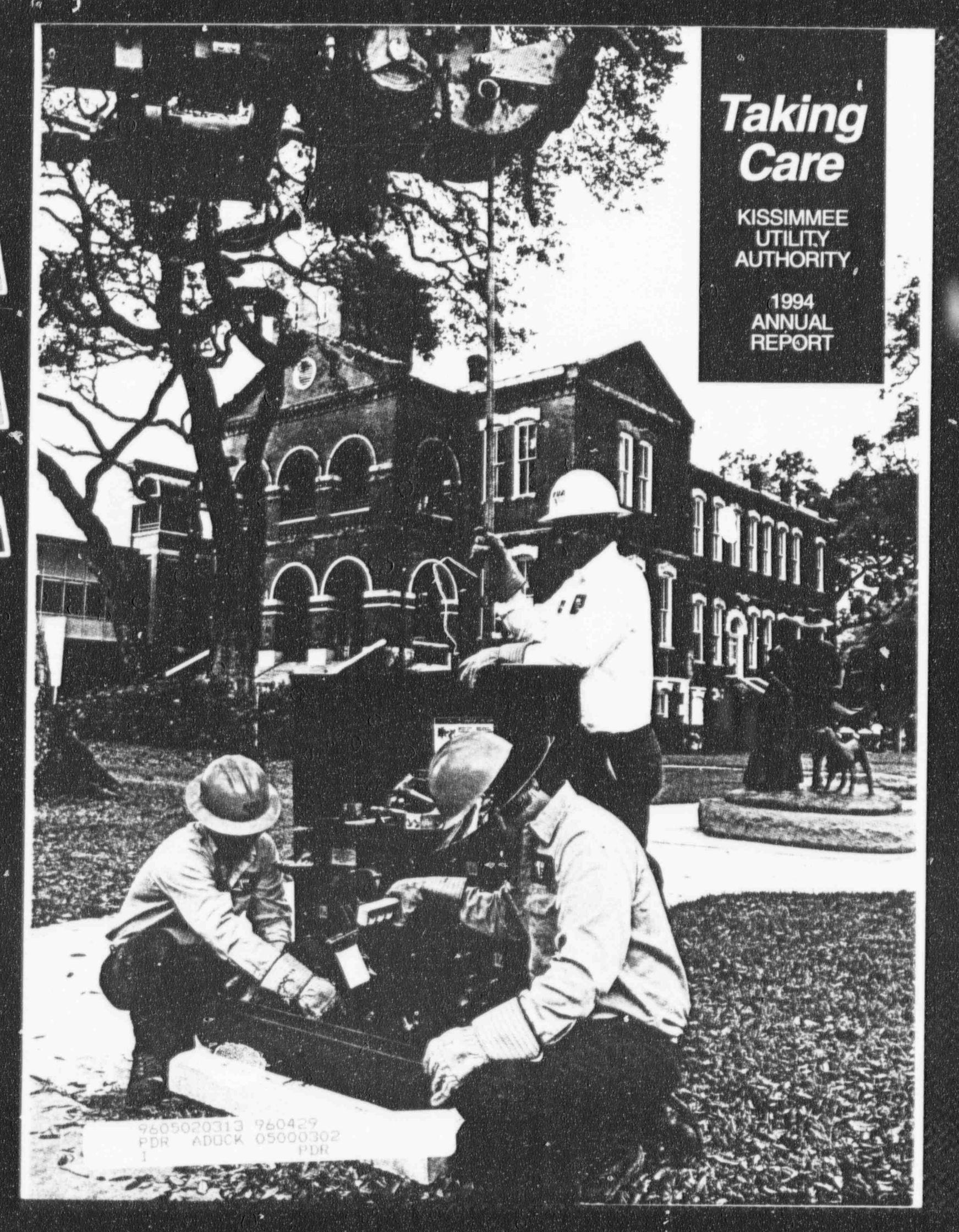


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Taking Care

KISSIMMEE
UTILITY
AUTHORITY

1994
ANNUAL
REPORT



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Taking Care...

Community Outlook

Recognized as one of the fastest growing areas in America, Kissimmee, Florida leads the region in growth in commerce, education, culture, and the wise management of resources. Maintaining the quality of life that initially attracts people here is of highest priority.

In 1994, construction was completed on a new library, a 50,000 square foot waterfront civic center, and a state-of-the-art police facility designed to accommodate police through the year 2010. Work was also begun on a \$2 million swimming pool facility for local and regional competitions and training as well as for community recreation.

Enhanced educational opportunities have also played an important role in the economic development of Kissimmee. Valencia Community College began construction of a new campus on 100 acres donated by the city of Kissimmee. The University of Central Florida also plans to offer classes within the next 10 years which will allow students to earn a 4-year degree in Osceola County.

The Houston Astros spring training facility is a key distinction for Kissimmee, and a tournament-level soccer complex in Osceola County was used as the training site for the Moroccan World Cup team in 1994. The soccer complex was also selected by the U.S. Youth Soccer League for its annual convention.

We at KUA are excited about our community's growth and our prospects for success.

KUA Profile

KUA owns, operates and manages the municipal electric system established by the city of Kissimmee in 1901. Compared to other municipally-owned electric utilities, KUA is the 7th largest utility in Florida. KUA's 253 employees serve approximately 39,000 customers in Kissimmee and surrounding area.

KUA owns and operates the Roy B. Hansel Generating Station and the Cane Island Power Park and has ownership interests in Orlando Utilities Commission's (OUC) Stanton coal-fired Units 1 and 2 (under construction) and Indian River Combustion Turbine Units A and B, Florida Power Corporation's (FPC) Crystal River Nuclear Unit No. 3 and Florida Power & Light Company's (FPL) St. Lucie Nuclear Unit No. 2. KUA's total generating capacity is 180 megawatts (MW).

The governing body of KUA consists of six members. The Mayor of Kissimmee is a non-voting Ex-Officio member. The 5 voting members are nominated by the Board and ratified by the City Commission.



On the Cover: A KUA line crew installs a pad-mounted transformer in front of the historic Osceola County Courthouse in downtown Kissimmee.

The courthouse is said to be the oldest courthouse in Florida to be used continuously to house county governmental functions while retaining its architectural integrity.

The three-story brick structure was completed on May 6, 1890, and has been designated an historic structure.





A Letter from the Authority

Fiscal year 1994 was a good year for the Kissimmee Utility Authority - for our employees, customers, and the community we serve.

Today's utility environment is marked by rapid change and increased competition. We continue to identify and to adapt to opportunities from an enviable position of stability, leadership and strength.

During the past year KUA added 2,039 new customers, sold 801,816 megawatt hours (MWh) of electricity, and recorded \$64 million in electric revenues. That is a 4.8 percent increase in customers, a 2.2 percent increase in MWh sales, and a 6.7 percent increase in electric revenues.

During the past year, KUA welcomed two new authority members: Larry A. Walter, owner and manager of a local surveying company, and Kenneth B. Guthrie, a retired executive with the *Orlando Sentinel*. Larry Walter succeeded Wayne Schoolfield, who resigned for personal reasons in December 1993. Ken Guthrie succeeds Richard L. Hord, who had served on the authority since its inception in 1985. We welcome our newest authority members and express our appreciation to Wayne Schoolfield and Richard Hord for their service and contributions.

At the Authority's annual election of officers, Dr. George A. Gant was elected chairman, Larry Walter was elected vice-chairman, Bob Bobroff was elected secretary, and Harry Lowenstein was elected assistant secretary.

"Taking Care . . ." is the theme of this annual report. In addition to a description of progress experienced in the past year, this report examines KUA's present operations in terms of its mission and concern for the employee, customer, community, environment, and the future.

As new challenges and needs for this community are defined, we must respond with commitment to provide efficient operations, effective management, resourceful financing, and quality service. This will ensure that we always operate in the best interest of this community as directed by our charter.

Thank you for your continued support. We pledge our efforts to successfully meet the challenges of the future.



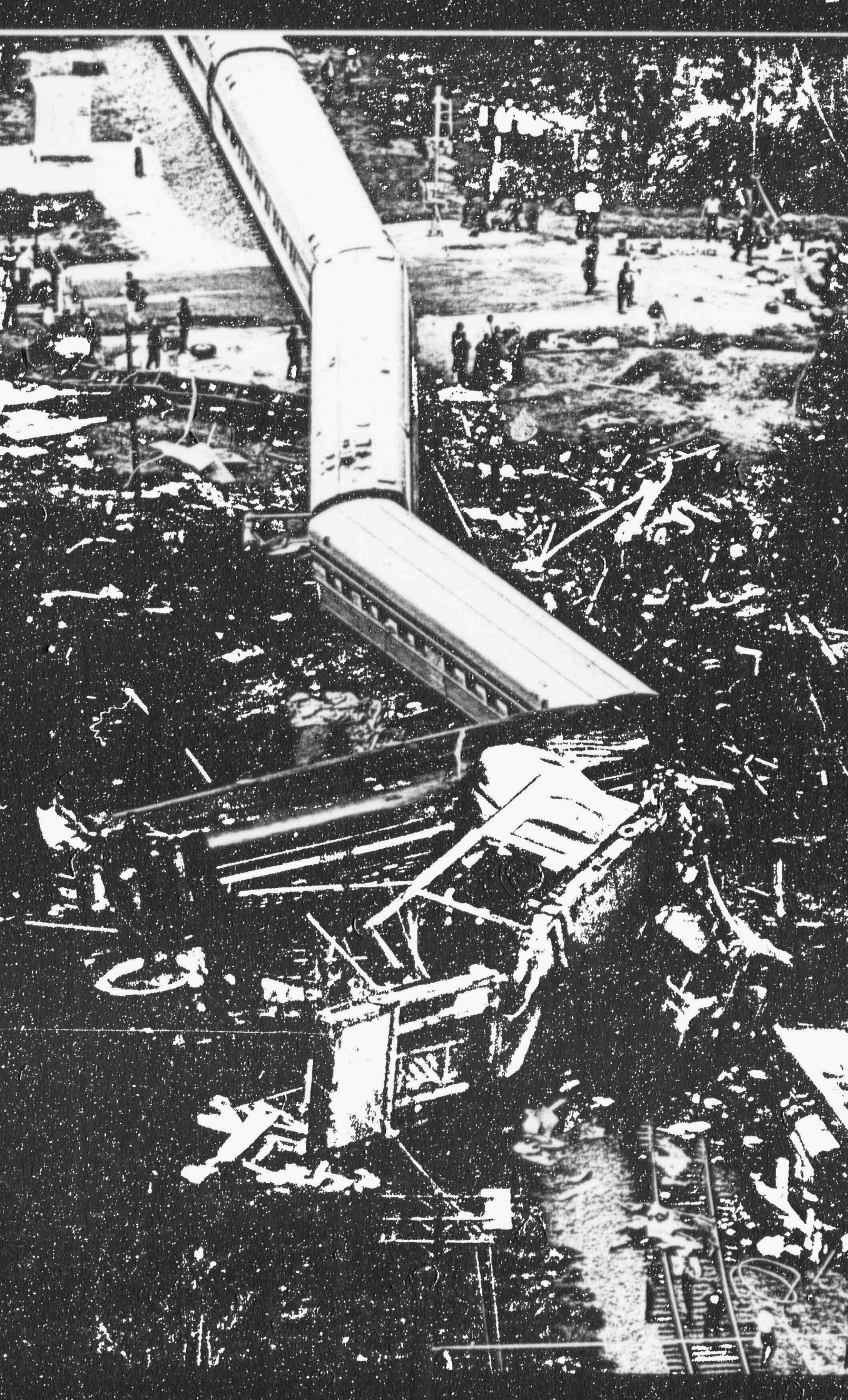
Left to right: James C. Welsh,
President and General Manager, and
Dr. George A. Gant, Chairman.

A handwritten signature in cursive script that reads "George A. Gant, M.D.".

George A. Gant, M.D.
Authority Chairman

A handwritten signature in cursive script that reads "James C. Welsh".

James C. Welsh
President & General Manager



Fiscal Year in Review

October

- Wayne Schoolfield sworn in as Board member
- KUA introduces *Energy Exchange* newsletter for area educators
- New employee performance review form debuts
- KUA is awarded the GFOA Certificate of Achievement of Excellence in Financial Reporting for the sixth consecutive year

November

- Gas turbine bound for Cane Island struck by Amtrak passenger train
- Quarter Century Club banquet held at Hyatt Orlando for all employees with 25 years or more of service to the utility
- KUA introduces new curtailable and interruptible rates for commercial customers

December

- Director Schoolfield resigns from Board for personal reasons
- Employee Christmas Party held at Tupperware Convention Center

January

- Film crew tapes KUA facilities for FMPA video

February

- KUA receives the Distinguished Budget Presentation Award for the seventh consecutive year
- Larry A. Walter sworn in as Board member, replacing Wayne Schoolfield
- KUA sponsors 1994 Osceola County Student Science Fair

March

- Combined cycle unit at Hansel Plant overhauled
- KUA holds first meeting of Customer Focus Group
- Annual employee blood drive held at Carroll Street building
- 'Messages on Hold' debuts on KUA's telephone system

April

- KUA breaks ground on Richard L. Hord Substation
- Employee spring picnic held at Elk's Lodge in Kissimmee

May

- KUA sponsors electrical safety art contest for area students

June

- The Cost of Power and Conservation Adjustment (COPCA) takes effect June 1
- Clay Street Substation is energized

July

- KUA hosts a 'Facts of Light' informational workshop for new customers
- Accelerated hiring begins at Cane Island Power Park

August

- First fire of Unit 1 at Cane Island Power Park
- KUA kicks off United Way campaign as a Corporate Pacesetter for 1994
- Power Box gift certificate program debuts

September

- Chairman Richard L. Hord retires after 9 years of service on the Board



Christine A. Beck
Director of Customer Relations
Year Joined KUA: 1988



Taking Care... of our Employees

Even in this era of high technology, employees remain our single most important resource in serving customers. We recognize that the primary criteria for success is not the number of employees but rather their skills, personal development, and commitment. Management's task is to provide the training, leadership, and cultural environment to support employee efforts.

In 1994, KUA directors, supervisors, managers, and employees worked to turn the organization upside down. In the process, they created a new employee performance review form as well as a supervisory review form. Our employees have found that the new bottom-up, team approach encourages teamwork at every level. It empowers them to make independent, on-the-spot decisions.

Employees are also encouraged to offer creative solutions in the decision-making process. Well-trained, motivated, and empowered employees are the ultimate keys to achieving and maintaining the competitive edge. Our employees have recently been involved in the development of curriculum that will be used for a series of supervisory training courses that are scheduled to begin in December 1994.

KUA employees operate on the principle that, through better customer service and improved productivity, the interests of employees and customers are best served. They help develop work groups that cross business lines to change operations, improve customer service, reduce costs and encourage safe work practices.

No one knows the workings of our business better than our employees; they are in the best position to propose solutions to problems and new ways to increase efficiency and reduce costs. Management gives their views full attention.

Employee programs at KUA that were enhanced in 1994 were:

Employee Personal Computer Purchase Plan - The purpose of this program is to encourage personal computer use and increase computer skills through the purchase of a home computer. This year management raised the \$2,000 financing limit and now evaluates each purchase individually.

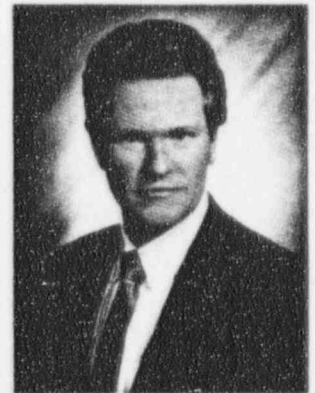
Suggestion Committee - Employees are encouraged to submit suggestions to management to improve operations and/or reduce operating costs. A bonus plan is in effect to reward those employees with implemented suggestions.

Tuition Reimbursement - KUA continues to reimburse up to one hundred percent (100%) of the tuition costs of an employee taking courses at an approved educational institution.

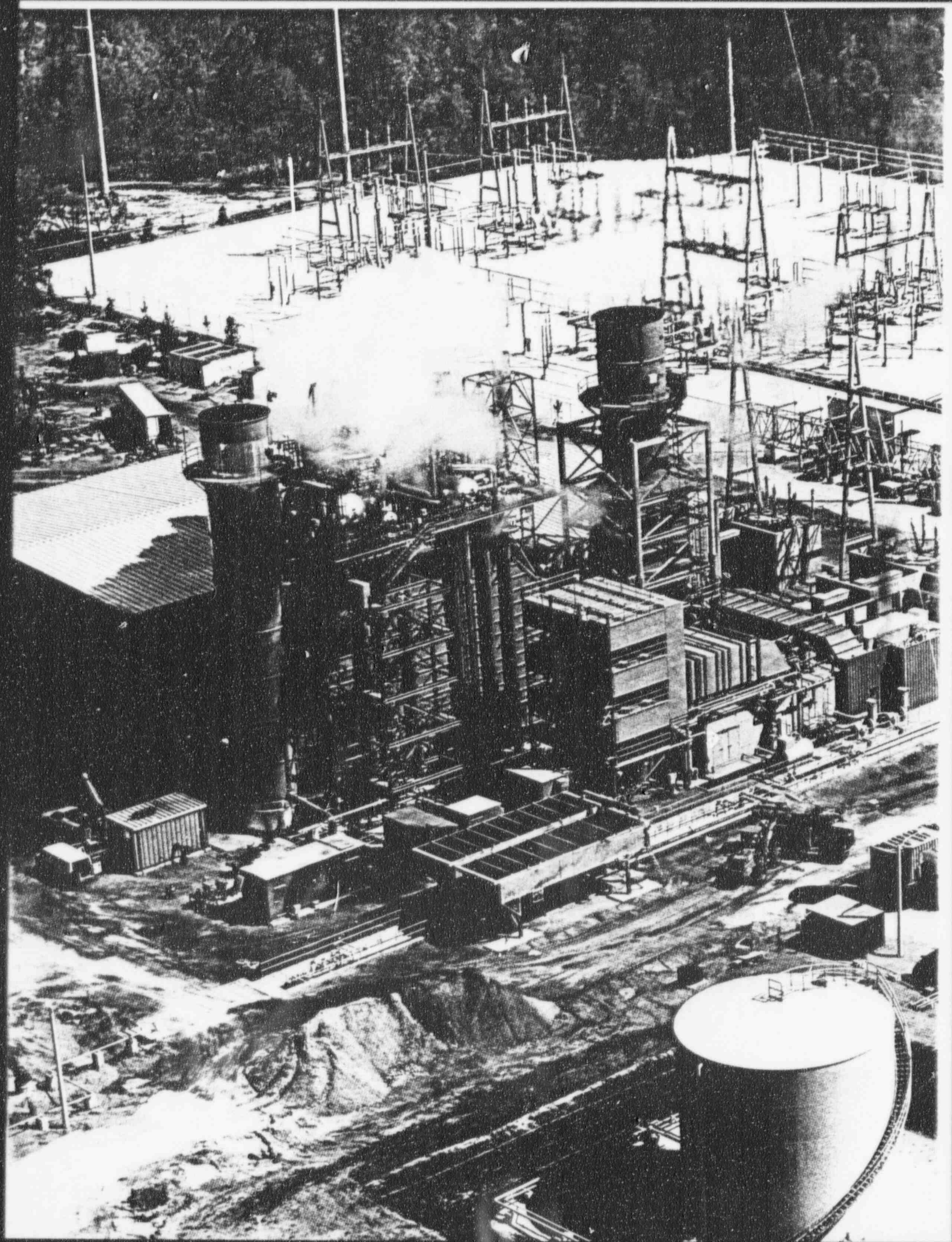
Today's workforce is more diverse than any we have had in the past. Our employees are much more challenged than their predecessors. The past few years have been characterized by rapid change, uncertainty, and increasing demands. Nevertheless, our employees have maintained their dedication to the job, concern for customers, and loyalty to KUA and its mission. With their continuing commitment, we are confident we can successfully achieve the objectives of the future.

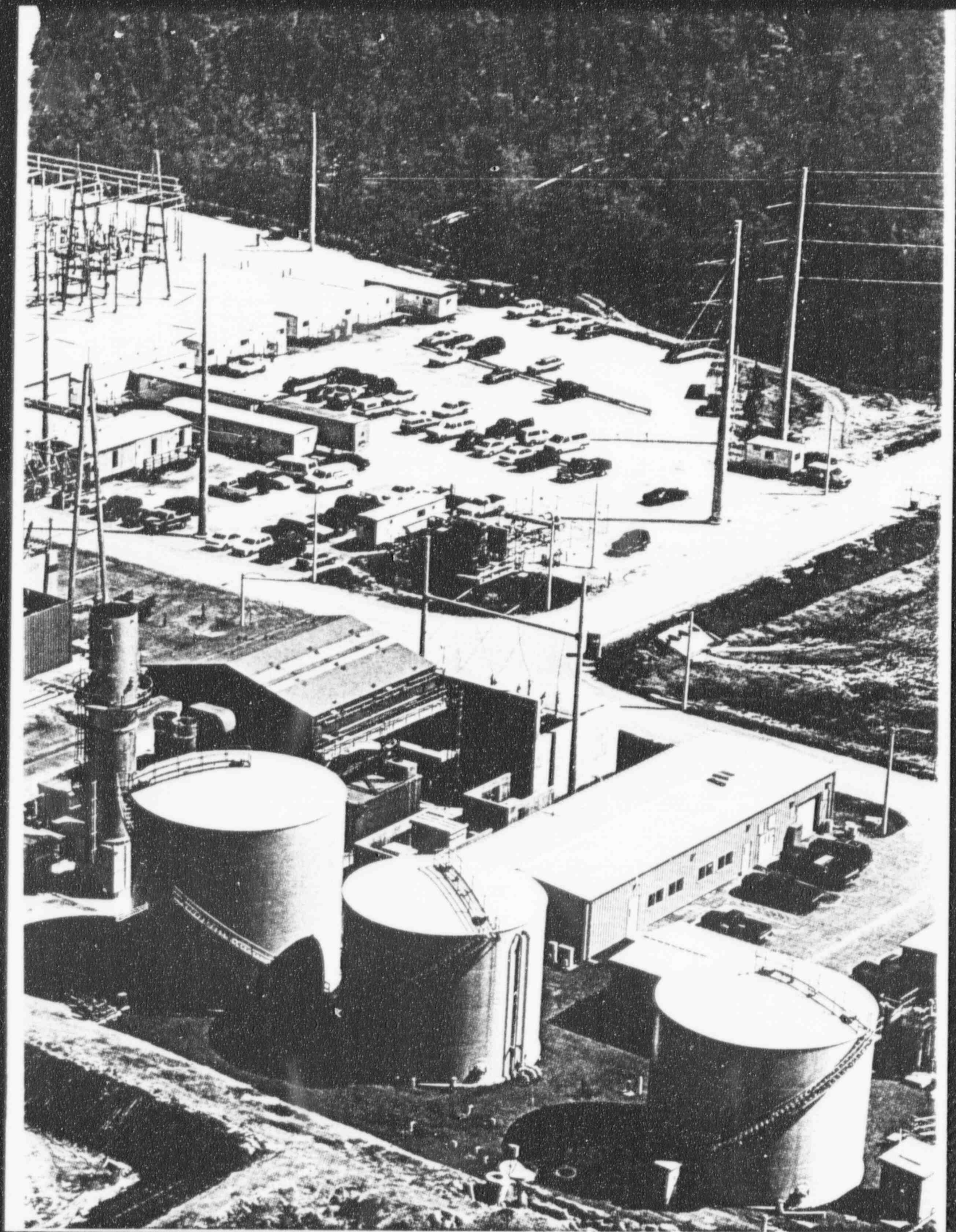


Kenneth L. Davis
Director of Engineering
Year Joined KUA: 1984



Joseph Hostetler
Director of Finance
Year Joined KUA: 1987







Kenneth W. Lackey
Director of
Transmission & Distribution
Year Joined KUA: 1961



Abani K. Sharma
Director of Power Supply
Year Joined KUA: 1989

Taking Care... *of our Customers*

As an energy supplier, we recognize the need to become known for correspondingly high quality service. As part of our plan, we will continuously measure, analyze, and work to increase customer satisfaction with our service.

Good service has many interpretations to our customers. It may be the lineman atop a utility pole restoring service after a thunderstorm. It might be a friendly voice answering a customer's telephone call. It may even be the heroic meter reader who rescues a toddler from a Kissimmee storm drain, as occurred in Kissimmee last December. We are only as good as our customers think we are.

One of the ways to monitor customer satisfaction is through monthly phone surveys. KUA's customer service representatives conduct monthly surveys using a random sample of customers. In the surveys, an overwhelming customer majority continually rank our reputation for providing service as good or excellent.

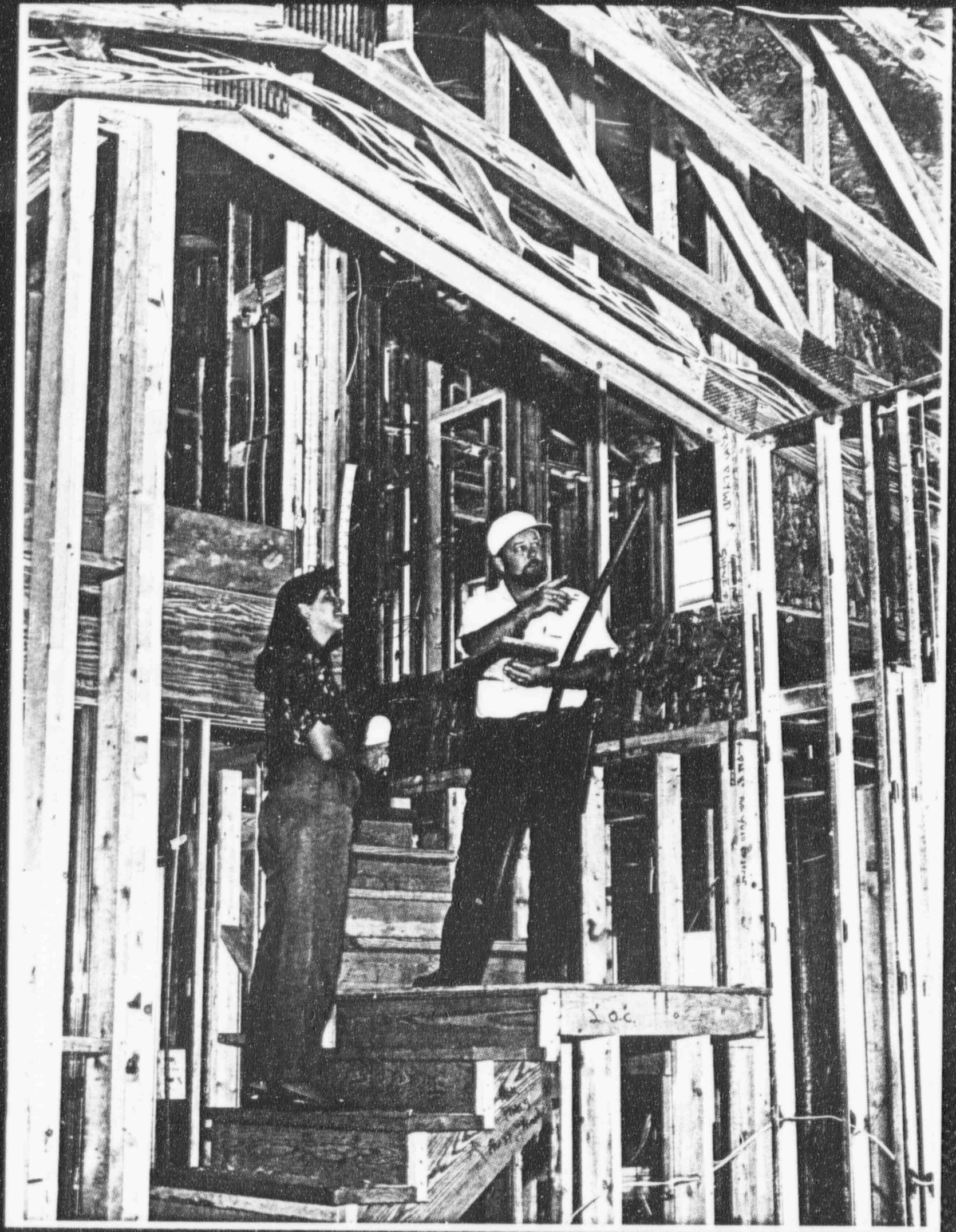
Another way of gauging customer satisfaction is through the use of a customer focus group. A customer focus group provides a forum for a sample of customers to discuss the services and programs provided by a business, or in this case, an electric utility. We conducted our first-ever customer focus group in February 1994. The meeting began with introductions, followed by an explanation of the focus group and a discussion on the evening's topic.

In April, we installed a TV/VCR monitor system in the lobby of our Customer Service Center to provide waiting customers with helpful tips on electrical safety and energy conservation. Now when customers walk into KUA they can do more than conduct business. They can learn something too.

In July, KUA implemented a unique program designed specifically for newcomers to our service area. With over 6,000 new residents projected to move to Kissimmee in 1994, we decided to make the adjustment into the community just a bit easier for these individuals by offering an informational 'facts of light' open house.

The purpose of the open house was to provide an opportunity for newcomers to gather and learn more about the programs and services that we provide. This was accomplished through the use of visual displays and one-on-one contact with customer service representatives. The customers received complimentary maps of the area and were able to sign-up for various programs including bank drafting, leveled billing, and home energy audits.

We continue to provide the energy-efficiency programs that give customers more control over their energy use and costs. These programs include our SAVE (Shifting Adds Value to Energy) load management program, conservation initiatives, free energy audits and information, and other measures to benefit customers. In some instances, these programs might mean a modest reduction in our revenues. Nevertheless, they are essential to good customer service and enhanced customer satisfaction.





James F. Tillman

Director of

Materials Management

Year Joined KUA: 1988

Taking Care... of our Community

Corporate leadership in public and private community groups reflects a desire to enrich the quality of life in the service area. Employees give their time and resources to many charitable and civic organizations throughout our area. These include the United Way, Chamber of Commerce, Junior Achievement, March of Dimes, Central Florida Blood Bank, and Salvation Army.

KUA once again served as a Corporate Pacesetter for the 1994 Heart of Florida United Way campaign. One half of all our employees contributed towards this year's campaign making it possible for Osceola County to exceed the \$1 million milestone for the first time ever. Employees also participated in Junior Achievement's annual bowl-a-thon, March of Dimes' annual WalkAmerica, and volunteered as bell ringers for the Salvation Army during the Christmas holiday.

Much of our support of the community this year came in the form of enhanced energy education for area students and teachers. In 1994, we introduced a monthly publication for the science educators of Osceola County. The *Energy Exchange* provides information about KUA programs and services, as well as work sheets that can be copied and distributed to students for classroom study.

Throughout the year KUA offers employee speakers that visit civic and community groups, provides free publications, and sponsors programs to promote the safe use of electricity. In May, we sponsored an electrical safety art contest for all third, fourth, and fifth grade students in our service area. The thirteen winning artworks appear in KUA's 1995 calendar of electrical safety.

Other educational highlights included classroom presentations by KUA staff to hundreds of students in grades K-12, building math, science, and technical skills. We focused on energy, conservation, the environment, and power production. We also participated in several career fairs at area elementary schools.

In February, we were the proud sponsor of the 1994 Osceola County Science Fair which challenged students in middle and high school to develop energy-saving ideas that could be incorporated into the construction of homes in the future. We also distributed two \$500 mini-grants to Thacker Avenue Elementary School to be used for the development and implementation of electricity-related projects. The grants were funded by the Florida Electric Power Coordinating Group.

Our continued partnership with the Osceola District Schools is building stronger ties between students and employees. Presently, a dozen of our employees serve as student mentors. A mentor is a special type of school volunteer committed to helping a student, identified as a potential drop-out, put his life -- academically, socially, mentally, and physically -- back together. He or she is committed to giving the time and energy necessary to help put the student back on the right track.

KUA's employees have helped light the way for people in need in 1994, helping to build a better, more caring community for all of us.

Report of Independent Accountants

Board of Directors
Kissimmee Utility Authority

We have audited the accompanying balance sheets of the Kissimmee Utility Authority as of September 30, 1994 and 1993, and the related statements of revenue, expenses and changes in accumulated reinvested earnings, and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of the Kissimmee Utility Authority as of September 30, 1994 and 1993, and the results of its operations and its cash flow for the years then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The introductory and statistical sections, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Coopers & Lybrand

Coopers and Lybrand L.L.P.
Tampa, Florida
November 28, 1994

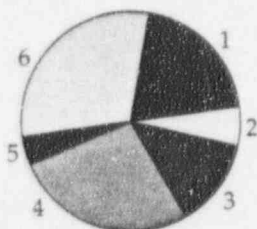
OPERATING HIGHLIGHTS

ELECTRIC OPERATIONS (In Dollars)	SEPTEMBER 30,		% INCREASE (DECREASE)
	1994	1993	
OPERATING REVENUE	\$65,698,002	\$61,263,522	7.2%
SELECTED OPERATING EXPENSES			
Fuel and Purchased Power	\$31,359,352	\$29,016,051	8.08%
Departmental Operations	\$14,287,329	\$14,488,755	-1.40%
INTEREST REVENUES	\$4,167,170	\$3,064,382	35.9%
INTEREST EXPENSE	\$6,643,140	\$8,091,920	-17.9%
DEBT SERVICE COVERAGE	2.64%	1.99%	32.7%
EARNINGS BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGE	\$6,014,207	\$1,180,878	509.3%
PAYMENTS TO OTHER GOVERNMENTS	\$5,787,944	\$5,796,928	-.02%
UTILITY PLANT (Net)	\$151,164,291	\$102,481,131	47.5%
EQUITY	\$162,106,279	\$96,092,072	6.3%
LONG - TERM DEBT	\$237,244,996	\$239,642,872	-1.1%
TOTAL ASSETS	\$368,360,546	\$365,031,902	.9%
TOTAL RETAIL SALES	\$64,331,724	\$60,119,668	7%
Residential	\$32,320,174	\$31,020,730	4.2%
Commercial/Industrial	\$32,011,550	\$29,098,938	10.0%
<hr/>			
SYSTEM PEAK DEMAND (MW)	180	183	-1.6%
TOTAL ENERGY SALES (MWH)	797,884	746,538	6.9%
Residential (MWH)	386,160	362,437	6.5%
Commercial/Industrial (MWH)	411,724	384,101	7.2%
AVERAGE MONTHLY CUSTOMERS	38,434	36,695	4.7%
Residential	31,009	29,906	3.7%
Commercial/Industrial	7,425	6,789	9.4%
AVERAGE MONTHLY RESIDENTIAL USAGE (MWH)	1.038	1.010	2.7%
AVERAGE MONTHLY RESIDENTIAL BILL	\$87	\$85	2.3%
ANNUAL HEATING DEGREE DAYS	828	678	22.1%
ANNUAL COOLING DEGREE DAYS	2,837	2,788	1.7%
GENERAL FUEL MIX (%):			
Natural Gas	52.5%	43.7%	20.1%
Coal	36.3%	44.4%	-18.3%
Nuclear	11.2%	11.9%	-5.9%
NET ENERGY FOR LOAD (MWH)	835,225	784,583	6.4%
Net Generation (MWH)	348,982	325,850	7.0%
Power Purchases (MWH)	486,243	458,844	5.9%
Sales for Resale (MWH)	0	(111)	-

FINANCIAL HIGHLIGHTS

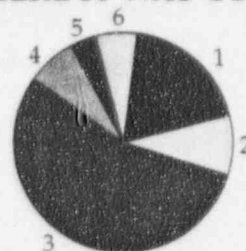
<i>(In Thousands of Dollars)</i>	1993-94	1992-93	1991-92	1990-91	1989-90
OPERATING REVENUES:					
Residential	\$32,320	\$31,021	\$29,621	\$30,652	\$30,759
General Services	9,465	8,476	7,891	7,057	5,199
General Services - Demand	15,287	14,704	14,988	17,023	18,231
General Services - Large Demand	5,174	5,120	4,982	4,888	4,647
Surcharge	1,222				
Outdoor Lighting	742	669	590	535	458
Interdepartmental Sales	122	124	97	92	74
Sales for Resale	0	5	355	5	0
TOTAL METERED SALES	64,332	60,119	58,424	60,252	59,368
OTHER REVENUES	1,366	1,144	1,274	1,329	989
TOTAL OPERATING REVENUES	65,698	61,263	59,698	61,581	60,357
OPERATING EXPENSES:					
Fuel and Purchased Power	31,359	29,016	25,898	24,751	23,202
Operating and Maintenance	14,287	14,489	14,445	12,776	12,042
Depreciation and Amortization	7,509	6,875	6,563	6,436	6,550
Intergovernmental Transfers	5,788	5,797	5,053	4,980	4,030
Costs to be Recovered from Future Revenues	< 3,158 >	< 2,257 >	< 1,946 >		
TOTAL OPERATING EXPENSES	55,785	53,920	50,013	48,943	45,824
OPERATING INCOME	9,913	7,343	9,685	12,638	14,533
INVESTMENT INCOME	4,167	3,064	3,244	3,850	4,130
INCOME BEFORE INTEREST CHARGES	14,080	10,407	12,929	16,488	18,663
LESS INTEREST CHARGES					
Interest on Debt	13,852	11,551	9,395	7,320	7,358
Other Interest	1,423	1,134	1,171	108	69
Allowance for Borrowed Funds Used During Construction	< 7,209 >	< 3,459 >	< 3,103 >		
TOTAL	8,066	9,226	7,463	7,428	7,427
INCOME BEFORE CUMULATIVE EFFECT OF A CHANGE IN ACCOUNTING PRINCIPLE	6,014	1,181	5,466	9,060	11,236
CUMULATIVE EFFECT OF A CHANGE IN ACCOUNTING FOR THE EFFECTS OF REGULATION	0	0	26,362		
CUMULATIVE EFFECT OF A CHANGE IN ACCOUNTING FOR CONTRIBUTED CAPITAL				689	
REINVESTED EARNINGS	\$6,014	\$1,181	\$31,828	\$9,749	\$11,236

WHERE IT CAME FROM



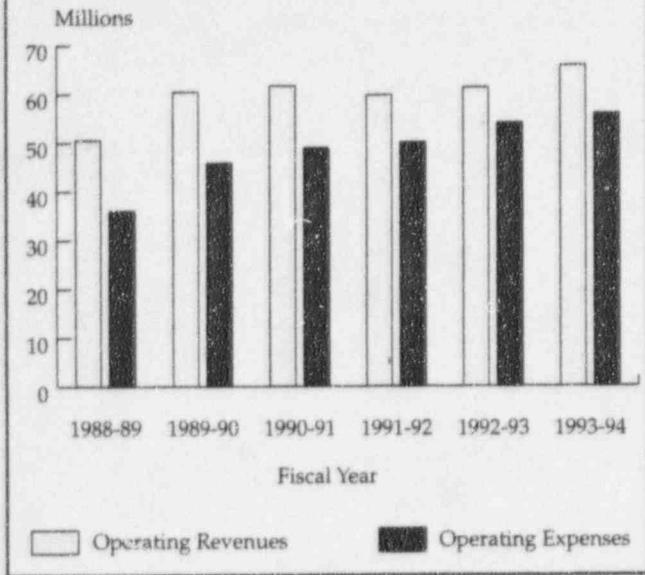
- 1. Residential Revenue 20%
- 2. Commercial Revenue 6%
- 3. Industrial Revenue 13%
- 4. Bond Proceeds 27%
- 5. Interest Revenue/Other 4%
- 6. Contributed Construction Capital 30%

WHERE IT WAS USED

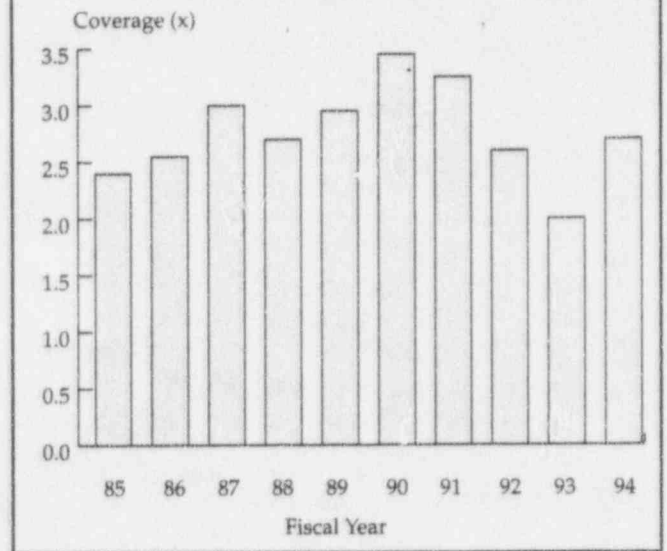


- 1. Fuel & Purchased Power 19%
- 2. Operation & Maintenance 9%
- 3. Capital Improvements 55%
- 4. Debt Service 7%
- 5. Intergovernmental Transfers 4%
- 6. Cash For Future Improvements 6%

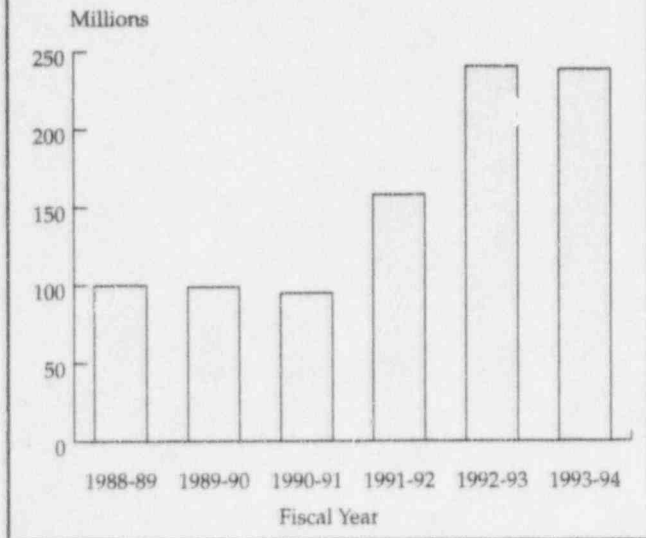
Operating Revenues vs. Operating Expenses



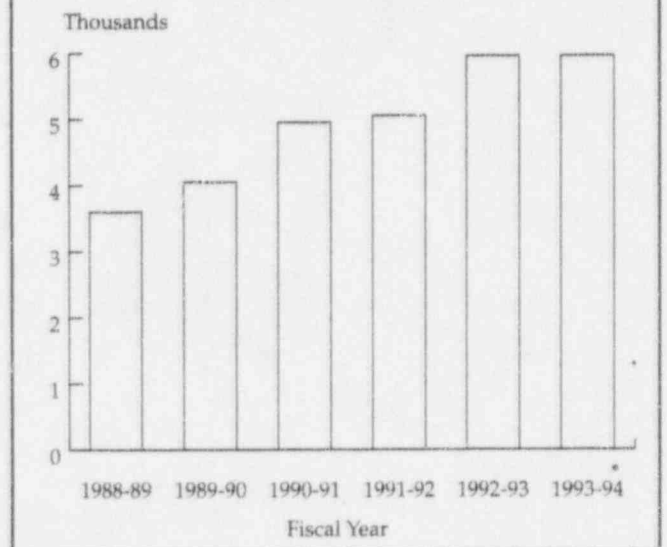
Debt Service Coverage



Long Term Debt



Intergovernmental Transfers



**KISSIMMEE UTILITY AUTHORITY
BALANCE SHEETS
FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993**

ASSETS	<u>1994</u>	<u>1993</u>
UTILITY PLANT		
Property, plant and equipment	\$142,438,287	\$138,211,599
less: accumulated depreciation	<u>(56,639,189)</u>	<u>(49,483,792)</u>
	85,799,098	88,727,807
Construction in progress	64,912,141	13,403,445
Inventory - nuclear fuel	<u>453,053</u>	<u>349,879</u>
TOTAL UTILITY PLANT	<u>151,164,291</u>	<u>102,481,131</u>
RESTRICTED ASSETS		
Cash and cash equivalents	31,455,861	41,801,742
Investments	64,164,164	106,484,445
Interest receivable	<u>852,270</u>	<u>1,207,089</u>
TOTAL RESTRICTED ASSETS	<u>96,472,295</u>	<u>149,493,276</u>
DESIGNATED ASSETS		
Cash and cash equivalents	4,969,941	33,989,252
Investments	33,247,448	2,750,000
Interest receivable	318,206	43,900
Deferred compensation plan assets	<u>1,325,350</u>	<u>1,062,189</u>
TOTAL DESIGNATED ASSETS	<u>39,860,945</u>	<u>37,845,341</u>
CURRENT ASSETS		
Cash and cash equivalents	12,744,314	8,928,789
Investments	500,000	-
Interest receivable	6,100	-
Accounts receivable	8,014,024	8,211,861
less: allowance for doubtful accounts	(137,838)	(217,211)
Inventory	4,595,779	4,499,178
Employee advances	82,596	56,538
Prepaid expenses	19,422	138,738
Due from other governments	48,161	44,849
Deferred cost of power adjustment	<u>-</u>	<u>599,010</u>
TOTAL CURRENT ASSETS	<u>25,872,558</u>	<u>22,261,752</u>
OTHER ASSETS		
Unamortized bond costs	2,787,368	2,855,134
Unamortized loss on reacquired debt	24,492,071	25,541,078
Costs to be recovered from future revenue	27,571,394	24,413,166
Other	<u>139,624</u>	<u>141,024</u>
TOTAL OTHER ASSETS	<u>54,990,457</u>	<u>52,950,402</u>
TOTAL ASSETS	<u>\$368,360,546</u>	<u>\$365,031,902</u>

See accompanying notes.

CAPITALIZATION AND LIABILITIES	<u>1994</u>	<u>1993</u>
CAPITALIZATION		
Accumulated reinvested earnings-Reserved for debt service	\$20,271,150	\$20,271,150
-Unreserved	<u>81,835,129</u>	<u>75,820,922</u>
 TOTAL ACCUMULATED REINVESTED EARNINGS	 <u>102,106,279</u>	 <u>96,092,072</u>
LIABILITIES		
LONG-TERM DEBT		
Revenue Bonds payable	242,410,000	245,040,000
less: unamortized bond discount	<u>(5,165,004)</u>	<u>(5,397,128)</u>
 TOTAL LONG-TERM DEBT	 <u>237,244,996</u>	 <u>239,642,872</u>
 OTHER LONG-TERM LIABILITIES	 <u>128,338</u>	 <u>122,220</u>
CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)		
Current portion of revenue bonds	2,630,000	2,045,000
Accrued interest payable - revenue bonds	6,881,178	5,147,007
Advances for construction	580,012	6,137,349
Customer deposits	2,831,815	2,476,170
Accounts payable	4,077,211	103,692
Other	<u>1,500,000</u>	<u>1,500,000</u>
 TOTAL CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS)	 <u>18,500,217</u>	 <u>17,409,218</u>
DESIGNATED LIABILITIES (PAYABLE FROM DESIGNATED ASSETS)		
Due to employees under deferred compensation plan	1,325,350	1,062,189
Other	<u>3,062,501</u>	<u>2,964,978</u>
 TOTAL DESIGNATED LIABILITIES (PAYABLE FROM DESIGNATED ASSETS)	 <u>4,387,851</u>	 <u>4,027,167</u>
CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)		
Accounts payable	3,096,691	3,711,016
Due to other governments	1,073,309	2,707,981
Accrued compensated absences	588,595	518,984
Deferred cost of power adjustment	370,123	-
Energy conservation cost recovery	2,084	-
Other accrued liabilities	<u>862,062</u>	<u>800,372</u>
 TOTAL CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS)	 <u>5,992,864</u>	 <u>7,738,353</u>
 TOTAL LIABILITIES	 <u>266,254,267</u>	 <u>268,939,830</u>
 TOTAL CAPITALIZATION AND LIABILITIES	 <u>\$368,360,546</u>	 <u>\$365,031,902</u>

See accompanying notes.

KISSIMMEE UTILITY AUTHORITY
STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN
ACCUMULATED REINVESTED EARNINGS
FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993

	<u>1994</u>	<u>1993</u>
OPERATING REVENUES		
Metered sales	\$64,331,724	\$60,119,668
Other operating revenues	<u>1,366,280</u>	<u>1,143,854</u>
TOTAL OPERATING REVENUES	<u>65,698,004</u>	<u>61,263,522</u>
OPERATING EXPENSES		
Power generation	15,055,711	14,687,539
Purchased power	22,287,889	20,533,442
Transmission/Distribution	3,061,714	2,905,818
Administrative and general	5,241,368	5,378,007
Intergovernmental transfers	5,787,944	5,796,928
Depreciation and amortization	7,508,905	6,875,183
Cost to be recovered from future revenue	<u>(3,158,228)</u>	<u>(2,256,625)</u>
TOTAL OPERATING EXPENSES	<u>55,785,303</u>	<u>53,920,292</u>
OPERATING INCOME	<u>9,912,701</u>	<u>7,343,230</u>
NONOPERATING REVENUE (EXPENSES)		
Interest revenue	4,167,170	3,064,382
Interest expense	(6,643,140)	(8,091,920)
Other	<u>(1,422,524)</u>	<u>(1,134,814)</u>
TOTAL NONOPERATING REVENUE (EXPENSES)	<u>(3,898,494)</u>	<u>(6,162,352)</u>
REINVESTED EARNINGS	6,014,207	1,180,878
ACCUMULATED REINVESTED EARNINGS AT BEGINNING OF YEAR	<u>96,092,072</u>	<u>94,911,194</u>
ACCUMULATED REINVESTED EARNINGS AT END OF YEAR	<u>\$102,106,279</u>	<u>\$96,092,072</u>

See accompanying notes.

**KISSIMMEE UTILITY AUTHORITY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 1994 AND 1993**

	<u>1994</u>	<u>1993</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Income	\$9,912,701	\$7,343,230
ADJUSTMENTS TO RECONCILE REINVESTED EARNINGS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Depreciation and amortization	7,508,905	6,875,183
Interest on customer and City of Kissimmee deposits	(86,858)	(139,553)
Cost to be recovered from future revenue	(3,158,228)	(2,256,625)
CHANGES IN CURRENT ASSETS AND LIABILITIES:		
Accounts receivable, net	92,407	(1,098,890)
Inventory	(96,601)	258,739
Other assets	126,834	(79,390)
Due from other governments	(3,312)	61,087
Deferred cost of power adjustment	969,133	(492,546)
Energy conservation cost recovery	2,084	-
Accounts payable	400,169	848,890
Due to other governments	(1,634,672)	459,544
Customer deposits	355,645	274,159
Other accrued liabilities	131,302	(136,109)
Other designated liabilities	<u>97,523</u>	<u>548,414</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>14,617,031</u>	<u>12,466,133</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets and nuclear fuel	(89,758,063)	(13,280,573)
Contributions in aid of construction & advances from co-owners	35,417,673	11,629,739
Principal paid on revenue bonds	(2,045,000)	(2,855,000)
Interest paid on revenue bonds	(12,031,247)	(11,072,108)
Proceeds from bond issuance	-	163,135,295
Debt issuance costs	(64,532)	(2,024,282)
Defeasance of bonds	-	(84,165,083)
Other debt costs	<u>(9,095)</u>	<u>-</u>
NET CASH (USED FOR)/PROVIDED BY CAPITAL & RELATED FINANCING ACTIVITIES	<u>(68,490,263)</u>	<u>61,367,988</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investment securities	(41,500,000)	(121,106,850)
Proceeds from maturities of investment securities	51,811,400	23,041,700
Interest on investments	<u>8,012,164</u>	<u>6,643,698</u>
NET CASH PROVIDED BY/(USED FOR) INVESTING ACTIVITIES	<u>18,323,564</u>	<u>(91,421,452)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(35,549,667)	(17,587,331)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>84,719,783</u>	<u>102,307,114</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$49,170,116</u>	<u>\$84,719,783</u>

See accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Entity Definition

The accompanying financial statements present the financial position, results of operations and cash flows of the Kissimmee Utility Authority (KUA) in accordance with Governmental Accounting Standards Board Statement (GASB) No. 14 The Financial Reporting Entity. The reporting entity for the KUA includes all functions in which the KUA exercises financial accountability. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. As a result of applying the above reporting entity criteria, no other component units exist in which

KUA has any financial accountability which would require inclusion in the KUA's financial statements.

The KUA was created effective October 1, 1985 by the City of Kissimmee Ordinance #1285 adopted on February 19, 1985 and ratified by the voters on March 26, 1985. The KUA Board (the Board) has 6 members. The Mayor of the City of Kissimmee is a non-voting Ex-Officio member. The 5 voting members are nominated by the Board and ratified by the City Commission. The KUA has exclusive jurisdiction, control and management of the electric utility. Under the definition of GASB No. 14, the KUA is properly excluded from the City of Kissimmee's financial statements.

B. Regulation

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

As noted above, the FPSC has jurisdiction to regulate electric "rate structures" of municipal utilities. In addition, the Florida Energy Efficiency and Conservation Act has given the FPSC exclusive authority to approve the construction of new power plants under the Florida Electrical Power Plant Siting Act. The FPSC also exercises jurisdiction under the National Energy Act, including electric use conservation programs.

Operations of the KUA are subject to environmental regulations by federal, state and local authorities and to zoning regulations by local authorities. Federal and state standards and procedures that govern control of the environment can change. These changes can arise from continuing legislative, regulatory and judicial action respecting the standards and procedures. Therefore, there is no assurance that the units in operation, under construction, or contemplated will always remain subject to the regulations currently in effect or will always be in compliance with future regulations.

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

C. Basis of Accounting

The KUA maintains its accounts on an accrual basis in accordance with generally accepted accounting principles. The accounts are substantially in conformity with account-

ing principles and methods prescribed by the Federal Energy Regulatory Commission and other regulatory authorities.

D. Budget

The KUA is required by charter to adopt an annual budget ("budget"). The budget is adopted on a basis consistent with generally accepted accounting principles.

The KUA follows these procedures in establishing the budget:

1. The General Manager submits to the Board of Directors a proposed operating budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the sources of funds to

2. finance them.
2. During several workshops, which are open to the public, the staff and Board of Directors discuss and revise the submitted budget. A public hearing is conducted to obtain ratepayer comments.
3. The budget is approved by the Board of Directors and becomes the basis for operations for the ensuing fiscal year.

The General Manager is authorized to approve all budget transfers and all interdepartmental transfers are reported to

the Board of Directors monthly. Budget amendments which increase the adopted budget are approved by the Board of Directors. Both budget transfers and budget amendments were made during the fiscal year. Operating expense

budgets lapse at year end. Capital projects are budgeted for the project life rather than for the current fiscal year. The unexpended portion of project budgets do not lapse until the conclusion of the project.

E. Costs to be Recovered from Future Revenue

The KUA's electric rates are established based upon debt service and cash operating requirements. Depreciation and other non cash items are not considered in the cost of service calculation. This results in timing differences between when costs are included in the ratemaking process versus when costs are incurred. Costs to be recovered from future revenue consist principally of the difference between depreciation and the amortization of the gain and loss on bond refunding and the debt principal requirements

included in the determination of rates. The recognition in income of outstanding amounts associated with costs to be recovered from future revenue will coincide with the inclusion of these amounts in rates charged to customers. This method was adopted in accordance with Statement of Financial Accounting Standards No. 71 "Accounting for the Effects of Certain Types of Regulation" (SFAS 71) in order to reflect the economics of regulation in the determination of reinvested earnings.

F. Revenues

The KUA accrues base revenue for services rendered but unbilled to provide a closer matching of revenues and

expenses.

G. Utility Plant

Property, plant and equipment are stated at cost when purchased or constructed. Depreciation is provided using the straight-line method. The estimated useful lives of the various classes of depreciable property, plant and equipment are as follows:

Production	13 1/3 to 33 1/3
Transmission	29 2/3 to 50
Distribution	12 1/3 to 33 1/3
General	6 2/3 to 33 1/10

The cost of maintenance and repairs, including renewal of minor items of property, is charged to operating expense as incurred. The cost of replacement of depreciable property units, as distinguished from minor items, is charged to utility plant. The cost of units replaced or retired, including cost of removal, net of any salvage value, is charged to accumulated depreciation.

H. Nuclear Fuel

Amortization of nuclear fuel is based on cost, which is prorated by fuel assembly batch in accordance with the thermal energy that each assembly produces. The KUA is

currently paying 1 mill per KWh for residual future disposal costs in addition to estimated labor and waste burial costs.

I. Inventories

Inventories are stated at weighted average cost.

J. Other Assets

Unamortized bond discounts and issuance costs on long-term debt are amortized over the life of the issue on a straight-line basis. The KUA considered the effective interest method of amortizing bond discounts and determined that no material difference results from the continued use of the straight-line method. Unamortized gains or losses

on refunded debt are amortized to income over the remaining life of the new debt consistent with the methods used for setting rates. Unamortized gains and losses on bond refundings have been netted for financial statement purposes.

K. Reserves

A portion of accumulated reinvested earnings has been reserved for the highest maximum debt service in any year.

This maximum occurs in fiscal year 2018.

L. Contributions In Aid of Construction

The KUA receives funds from developers for electric line extensions and from co-owners of the Cane Island Units 1

and 2. These funds are recorded as reductions to gross plant costs and amortized over the life of related assets.

M. Deferred Cost of Power Adjustment

Deferred cost of power adjustment represents the KUA's cost of power adjustment revenues collected, but for which costs have not been incurred or costs that have been

incurred, but for which cost of power adjustment revenues have not been collected.

N. Energy Conservation Cost Recovery

Energy conservation cost recovery represents the KUA's energy conservation cost revenues collected, but for which costs have not been incurred or costs that have been

incurred, but for which energy conservation cost recovery revenues have not been collected.

O. Payments to the City of Kissimmee

By charter the KUA is required to pay to the City of Kissimmee a minimum of \$6.24 per 1,000 KWh. This payment is treated as an operating and maintenance expense in the statements of revenue, expenses and changes in accumulated reinvested earnings. The total amount paid to the City of Kissimmee was \$5,021,378 and \$4,582,385 for the years ended September 30, 1994 and 1993, respectively. The amount owed to the City of Kissimmee was \$869,641 and \$896,456 at September 30, 1994 and 1993, respectively.

The KUA collects revenues from ratepayers who live outside the City of Kissimmee which corresponds to the City of Kissimmee Utility Tax. The KUA has agreed to transfer twenty-five percent of these revenues collected to the City of Kissimmee for Parks and Recreation use. The amounts paid to the City of Kissimmee were \$397,769 and \$479,574 for the years ended September 30, 1994 and 1993, respectively. The amount owed to the City of Kissimmee was \$38,637 and \$39,715 at September 30, 1994 and 1993, respectively.

The KUA collects revenues on behalf of the City of Kissimmee for City of Kissimmee utility services including water, sewer, solid waste and utility taxes. The City of Kissimmee also performs printing services for the KUA. The amount paid to the City of Kissimmee by the KUA for utility service revenues collected, printing services and other miscellaneous fees was \$21,372,273 and \$18,945,825 for the years ended September 30, 1994 and 1993, respectively. The amount owed to the City of Kissimmee was \$165,031 and \$1,771,810 at September 30, 1994 and 1993, respectively.

The KUA performs certain customer related services for the City of Kissimmee for which the City of Kissimmee paid the KUA \$567,589 and \$491,326 for the years ended September 30, 1994 and 1993, respectively. The amount owed by the City of Kissimmee to the KUA was \$48,161 and \$44,849 at September 30, 1994 and 1993, respectively.

P. Reclassifications

For comparability purposes certain reclassifications have been made to the 1993 financial statements to conform with

the 1994 financial statements.

Q. Cash and Cash Equivalents

Cash and cash equivalents include short-term, highly liquid investments that are both readily convertible to known amounts of cash and whose original maturity is three

months or less. These consist of repurchase agreements, the State Board of Administration Pool and the carrying amount of the KUA's deposits with financial institutions.

R. Compensated Absences

The KUA accrues a liability for employees' rights to receive compensation for future absences when certain conditions are met. The KUA has not normally nor is it legally required to accumulate expendable available financial resources to liquidate this obligation. Accordingly, the liability for compensated absences is included with the Current Liabilities (Payable from Current Assets).

On October 1, 1993 the KUA adopted Governmental Accounting Standards Board Statement No. 16 (GASB 16) Accounting for Compensated Absences. This statement requires the accrual of all payroll related costs in compensated absences. The KUA had been accounting for compensated absences in accordance with the Financial Accounting Standards Board Statement No. 43 and accrued the employ

ee vested hours at the employee pay rate. The effect of adopting GASB 16 did not have a material effect on the

financial position of the KUA.

NOTE 2. CASH, CASH EQUIVALENTS, INVESTMENTS AND INTEREST RECEIVABLE

Florida Statutes, the KUA Charter and Investment Policies authorize the investment of excess funds in time deposits or savings accounts of financial institutions approved by the State Treasurer, obligations of the United States Government and certain instruments guaranteed by the U.S. Government. Revenue Bond Covenants also restrict the type and maturities of investments in the required trust funds (See Note 10).

Investments (excluding deferred compensation plan assets) are recorded at cost, which approximates market. Deferred compensation plan assets are stated at market value (see Note 9). Adjustments are made to cost for any premiums or discounts. Premiums and discounts are amortized over the life of the investments using the straight-line method.

Investments must be in the KUA's name and placed in a

	Restricted	Designated	Unrestricted	Total
1994				
Cash & Cash Equivalents	\$31,455,861	\$ 4,969,941	\$12,744,314	\$ 49,170,116
Investments	64,164,164	33,247,448	500,000	97,911,612
Interest Receivable	852,270	318,206	6,100	1,176,576
Total	<u>\$96,472,295</u>	<u>\$38,535,595</u>	<u>\$13,250,414</u>	<u>\$148,258,304</u>
1993				
Cash & Cash Equivalents	\$ 41,801,742	\$33,989,252	\$8,928,789	\$ 84,719,783
Investments	106,484,445	2,750,000	-	109,234,445
Interest Receivable	1,207,089	43,900	-	1,250,989
Total	<u>\$149,493,276</u>	<u>\$36,783,152</u>	<u>\$8,928,789</u>	<u>\$195,205,217</u>

The level of credit risk assigned to investments are defined and summarized as follows:

- Category 1 - Insured or registered, with securities held by the KUA or its agent in the KUA's name.
- Category 2 - Uninsured and unregistered, with securities

held by the counterparty's trust department or agent in the KUA's name.

- Category 3 - Uninsured and unregistered, with securities held by the counterparty's trust department or agent but not in the KUA's name.

1994 (000's)	Category of Risk			Total
	1	2	3	
U.S. Government Securities	\$ -	\$387	\$ -	\$ 387
U.S. Instrumental Securities	<u>96,750</u>	<u>-</u>	<u>775</u>	<u>97,525</u>
Total Investments	<u>\$96,750</u>	<u>\$387</u>	<u>\$775</u>	<u>\$97,912</u>
1993 (000's)				
U.S. Government Securities	\$ -	\$404	\$ -	\$ 404
U.S. Instrumental Securities	<u>108,155</u>	<u>-</u>	<u>675</u>	<u>108,830</u>
Total Investments	<u>\$108,155</u>	<u>\$404</u>	<u>\$675</u>	<u>\$109,234</u>

The balance in the State Board of Administration Pool (SBA) is approximately \$25,777,000 and \$84,533,000 at September 30, 1994 and 1993, respectively, and is collateralized in accordance with Florida Statutes. All investments are delivered to the SBA's custody bank and held for the SBA's account according to their instructions.

Repurchase agreements result entirely from a banking

services agreement requiring overnight repurchase agreements of securities guaranteed by the United States Government. The value of repurchase agreements held with the KUA's depository bank were approximately \$23,761,000 and \$897,000 at September 30, 1994 and 1993, respectively. Repurchase agreements are held in the name of the KUA's depository bank. During the year, the maximum repurchase agreement was \$23,761,000 and \$6,007,000 for 1994 and

1993, respectively.

At September 30, 1994 and 1993 the carrying amount of the KUA's deposits with financial institutions was (\$358,388)

and (\$710,463), respectively, and the bank balance was \$385,969 and \$271,770, respectively. All bank balances are fully insured in accordance with Florida Statute 280, which established the multiple financial institution collateral pool.

NOTE 3. RESTRICTED ASSETS

Restrictions are made in accordance with bond resolutions, contracts with developers and Florida Municipal Power Agency (FMPA), agreements with customers, and in accordance with Nuclear Regulatory Commission (NRC)

rules and regulations. Restricted assets, which consist of cash, cash equivalents, investments and interest receivable at September 30, 1994 and 1993 included the following:

	1994	1993
Debt Service Reserve	\$20,271,150	\$ 20,271,150
Sinking Fund	9,511,178	7,192,007
Construction Fund	56,215,333	99,539,177
Capitalized Interest	4,484,168	11,693,303
Renewal, Replacement & Improvement	1,500,000	1,500,000
Contributed Capital	580,012	6,137,349
Customer Deposits	2,831,815	2,476,170
Line Extension Fund	295,658	-
Crystal River Unit #3 Decommissioning	782,981	684,120
Total	<u>\$96,472,295</u>	<u>\$149,493,276</u>

NOTE 4. DESIGNATED ASSETS

Certain designations are made in the financial records during the fiscal year to identify a portion of cash, cash equivalents, investments and interest receivable intended to

be used for specific purposes in a future period. Designated assets at September 30, 1994 and 1993 included the following:

	1994	1993
Capital improvements	\$34,509,749	\$33,565,407
Co-Insurance	2,029,142	2,017,714
Decommissioning	331,799	252,767
Combined Cycle Maintenance	1,664,905	947,264
Deferred Compensation	1,325,350	1,062,189
Total	<u>\$39,860,945</u>	<u>\$49,493,276</u>

NOTE 5. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is comprised of the following:

	1994	1993
Nuclear Production	\$ 4,900,357	\$ 4,753,359
Steam Production	19,981,421	19,895,358
Other Production	41,037,182	40,813,395
Transmission Plant	21,571,541	21,278,786
Distribution Plant	39,469,467	36,541,217
General	15,478,319	14,929,484
Subtotal	\$142,438,287	\$138,211,599
Less: Accumulated Depreciation	(56,639,189)	(49,483,792)
Total	<u>\$ 85,799,098</u>	<u>\$ 88,727,807</u>

NOTE 6. CONSTRUCTION PROJECT INTEREST COST

The KUA capitalizes, as part of construction costs, interest earnings on monies held in the construction fund. Recognition of this item as a contribution to the utility plant is consistent with the current accounting adopted under Statement of Financial Accounting Standard 71 (See Note 1). The KUA capitalized interest income of \$2,759,148 and \$2,308,548 in 1994 and 1993, respectively.

On January 27, 1993, the Board of Directors elected to restructure the project funds to fund capitalized interest on the Kissimmee Utility Authority Electric System Improvement and Refunding Revenue Bonds, Series 1991. This

election was effective beginning with the issuance of the bonds and will be effective during the construction period for the gas turbine at Cane Island. On June 17, 1993, the KUA issued the Electric System Improvement and Refunding Revenue Bonds, Series 1993. The portion of the respective bonds relating to the funding of system improvements is approximately 77% and 54% for each series, respectively. The annual interest expense related to these percentages will be capitalized during the construction period. Accordingly, the KUA capitalized \$7,209,136 and \$3,459,019 for the years ended September 30, 1994 and 1993, respectively.

NOTE 7. PARTICIPATION AND POWER SUPPLY AGREEMENTS

The KUA is party to the following participation and power supply agreements at September 30, 1994:

A. Cane Island Project (the Project)

During 1992, the KUA entered into a Participation Agreement with Florida Municipal Power Agency (FMPA) for the joint construction, ownership and operation of the KUA's Cane Island Project. The Project will be located at Cane Island, 14 miles west of the KUA's existing service territory on 990 acres of land. The Project will be owned and operated by the KUA. The agreement contemplates a 50 percent ownership in generating facilities constructed on

this site beginning with the first unit, a 40.6 MW combustion turbine, scheduled for completion during the second quarter of Fiscal Year 1995. The second unit will be approximately 120 MW and is expected to be a combined cycle unit scheduled for completion during the third quarter of Fiscal Year 1995. The total cost of the first unit is approximately \$37 million including transmission facilities while the second unit is estimated to cost approximately \$86 million.

B. Stanton Energy Center Unit No. 1 (SEC 1)

In 1984, the KUA entered into a Participation Agreement with Orlando Utilities Commission (OUC) to acquire a 4.8193% (20MW) undivided ownership interest in SEC 1 and to participate in the use of related common and external facilities. The capacity and energy of the KUA's ownership interest in SEC 1 is transmitted through OUC's transmission facilities to the KUA's transmission facilities. SEC 1 is part of the Stanton Energy Center, which involved the development of an approximately 3,200 acre plant site located approximately 20 miles northeast of the City of Kissimmee. In addition to SEC 1, the Stanton Energy Center is capable of accommodating three more units with a total capacity at the

Stanton Energy Center of approximately 2000 MW. Each participant in the project financed their share of the cost independently and no liability exists for the debt service required by the other participants. The KUA's benefit in the Agreement is the added availability of capacity and energy of the facilities through its participation in future energy purchased and it does not otherwise maintain an ongoing financial interest or responsibility for the project. Stanton Energy Center began commercial operations on July 1, 1987. The KUA does not exercise significant influence or control over operating or financial policies of OUC.

C. Crystal River Unit No. 3 (CR3)

In 1975, the KUA entered into a Participation Agreement with Florida Power Corporation (FPC) to purchase a .6754% undivided interest in their 806 net MW nuclear powered electric generating plant designated Crystal River Unit No.3. The KUA is billed for its share of operating and capital costs. Capital costs are included in Property, Plant and Equipment and operating costs are included as power generation

expenses. The KUA's benefit in the Agreement is the added availability of capacity and energy of the facilities through its participation in future energy purchases and it does not otherwise maintain an ongoing financial interest or responsibility for the project. The KUA does not exercise significant influence or control over the operating or financial policies of FPC.

D. Indian River Combustion Turbine

In 1988, the KUA entered into a Participation Agreement with Orlando Utilities Commission (OUC) to acquire a 12.2% (11.7 MW) undivided ownership interest in the Indian River Combustion Turbine and participate in the use of related common and external facilities. Each participant in

the project financed their share of the cost independently and no liability exists for the debt service required by the other participants. The KUA does not exercise significant influence or control over the operating or financial policies of OUC.

E. Florida Municipal Power Agency

In 1981, the KUA entered into a Power Supply Acquisition Agreement with the FMPA. The KUA is to receive approximately 7 MW of power from the St. Lucie nuclear power plant. Costs associated with this agreement are included in purchased power expenses.

Additionally, in 1991, the KUA entered into a second Power Supply Acquisition Agreement with the FMPA. The KUA is to receive approximately 17 MW of power from the Stanton Energy Center Unit No. 2, which is scheduled to be brought on line in 1997. The participation cost will be included in purchased power expenses beginning in 1997. The KUA does not exercise significant influence or control over the operating or financial policies of FMPA. In conjunction with the power supply agreements, the KUA acquired its share of the SEC common facilities related to its ownership of SEC 1.

None of the participation agreements to which the KUA is a party meet the criteria of a joint venture as specified by the

National Council on Governmental Accounting Statement No. 7. The KUA lacks operational control over the SEC 1, CR3, Indian River and Cane Island Units 1 & 2. No separate governing authority exists for any of the projects.

According to the participation agreements, each participant must provide its own financing and each participants' share of expenses for operations of the plants are included in the corresponding operating expenses of its own income statement. The amounts of utility plant in service for CR3 and Indian River do not include the cost of common and external facilities for which participants pay user charges to the operating entity. Accumulated depreciation on utility plant in service is determined by each participant based on their depreciation methods and rates relating to their share of each plant.

Following is a summary of the KUA's proportionate share of the non-operated jointly owned plants at September 30:

	SEC 1	CR3	Indian River
1994			
Utility Plant in Service	\$19,981,421	\$4,900,358	\$2,729,153
Less: Accum. Deprec.	(4,120,858)	(2,378,501)	(486,049)
Net Plant in Service	<u>\$15,860,563</u>	<u>\$2,521,857</u>	<u>\$2,243,104</u>
1993			
Utility Plant in Service	\$19,895,358	\$4,753,359	\$2,729,153
Less: Accum. Deprec.	(3,503,314)	(2,200,849)	(404,174)
Net Plant in Service	<u>\$16,392,044</u>	<u>\$2,552,510</u>	<u>\$2,324,979</u>

NOTES 8. PENSIONS

The KUA employees participate in a multiple-employer cost sharing Retirement Plan for both employees of the City of Kissimmee and the KUA (The Plan). The Plan was established in 1968 and amended and restated in 1975 to cover substantially all full-time employees, except City of Kissimmee police officers and firefighters. Annual costs of the plan are actuarially computed and include amortization

of past service costs over a 30 to 40 year period beginning January 1, 1974. An actuarial study was conducted as of January 1, 1994 and 1993.

The table below shows relevant data for the Plan as a whole and for the KUA's portion where this was available:

TOTAL PLAN	1994	1993
Unfunded Accrued Liab.	\$ 1,545,778	\$ 1,765,425
Value of Assets	20,983,415	18,275,953
Vested Benefits	10,860,850	9,556,726
Nonvested Benefits	1,056,069	934,799
Normal Costs	1,343,591	1,247,471
Amort. of Unfunded Liab.	139,076	153,786
Interest Adjustment	111,200	105,094
Actuarial Funding Req.	1,593,867	1,506,351

KUA'S PORTION	1994	% OF	1993	% OF
		TOTAL PLAN		TOTAL PLAN
Vested Benefits	\$4,914,596	45.3	\$4,206,497	44.0
Nonvested Benefits	545,931	51.7	492,616	52.7
Normal Costs	617,891	46.0	581,369	46.6
Amort. of Unfunded	63,923	46.0	70,958	46.1
Interest Adjustment	51,136	46.0	48,924	46.6
Actuarial Funding Req.	732,950	46.0	701,251	46.6
		% OF COVERED PAYROLL		% OF COVERED PAYROLL
Covered Payroll	\$6,428,090		\$6,035,131	
Normal Cost	617,891	9.6	581,369	9.6
Amort. of Unfundable Liab.	63,923	1.0	70,958	1.2
Employer Contributions	732,950	11.4	701,251	11.6

The Entry-Age Normal-Level Percentage of Pay actuarial cost method was utilized in the January 1, 1994 and 1993 valuations. The significant assumptions for this Plan are:

1. Life expectancy is calculated using the GA-1951 Male Mortality projected to 1965 by Scale C with a five-year set-back for females.
2. An interest return of 7.5% compounded annually.
3. A salary increase of 6% per year.

As of January 1, 1994, the plan included 604 employees at a total annual basic compensation of \$14,243,035. Of these numbers, the KUA employees were 244 at a total annual basic compensation of \$6,428,090. The current year payroll for all of the KUA employees was \$8,139,097.

Membership in the Plan is comprised of the following:

Retirees receiving benefits	39
Beneficiaries receiving	36
Vested terminated	22
Disabled employees	5
Active employees:	
Fully vested	135
Partially vested	177
Nonvested	190
	<u>604</u>

Normal retirement eligibility is defined as attainment of age 65 and completion of 10 years of credited service. Eligibility for early retirement is attained at age 55 and completion of 10 years of credited service. The Plan also provides for disability retirement and a death benefit. The KUA's contribution is calculated by the actuary based on membership. The administrative cost of the Plan is allocated proportionately between the City of Kissimmee and the KUA and paid separately. As of January 1, 1994, the pension benefit obligation was calculated as follows:

Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$4,034,234
Accumulated employee contributions including allocated investment income	859,032
Employer Financed - vested	5,967,584

Employer Financed - nonvested	\$ 5,643,022
Total Pension Benefit Obligation	16,503,872
Less: Actuarial value of assets	<u>20,983,415</u>
Assets in excess of pension benefit obligation	<u>\$(4,479,543)</u>

The actuarial assumptions used to compute contribution requirements were the same as those used to compute the pension benefit obligation. The pension benefit obligation is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits estimated to be payable in the future as a result of employee service to date. The measure, which is the actuarial present value of credited projected benefits, is intended to help users assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among Public Employees Retirement Systems (PERS) and employers.

On October 4, 1994 the City of Kissimmee Commission adopted Ordinance No. 2003 which amended the pension plan to reduce the normal retirement age from 65 and 10 years of credited service to age 62 and 10 years of credited service. Other changes included providing an additional \$100 per month to age 65 and \$25 per month thereafter, and reducing the early retirement penalty from 5% per year to 3% per year. The table below shows the effect of these changes for the plan as a whole. The KUA's portion was not available.

TOTAL PLAN	PLAN @ 9/30/94	PLAN @ 10/4/94
Unfunded		
Accrued Liability	1,545,778	4,820,817
Value of Assets	20,983,415	20,983,415
Vested Benefits	10,860,850	12,621,864
Nonvested Benefits	1,056,069	1,325,857
Normal Costs	1,343,591	1,511,734
Amortization of Unfunded Liability	139,076	397,031
Interest Adjustment	111,200	143,157
Actuarial Funding Requirement	1,593,867	2,051,922

NOTE 9. DEFERRED COMPENSATION PLAN

The KUA offers its employees a choice of two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans are administered by the International City Managers Association (ICMA) and the United States Conference of Mayors (USCM). The plans, available to all of the KUA employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination or unforeseeable emergency (including death, retirement and disability).

Internal Revenue Code Section 457 requires that all amounts of compensation deferred, all property and rights pur-

chased, and all income earned are (until paid or made available to employees or their beneficiaries) solely the property and rights of the KUA, subject only to the claims of the KUA's general creditors. Participants' rights under the plans are equal to those of general creditors of the KUA in an amount equal to the fair market value of the deferred account for each participant. Deferred compensation accounts are stated at market value.

The ICMA and USCM are responsible for investment of funds, distribution of benefits and reporting to participants. The KUA believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

NOTE 10. LONG-TERM DEBT

The Revenue Bond resolutions provide for:

A. Establishment and maintenance of various funds:

- (1) Revenue Fund records all operating revenues and expenses of the system;
- (2) Sinking Fund records principal and interest requirements;
- (3) Bond Amortization Fund records funds held for the retirement of term bonds;
- (4) Reserve Fund records funds held for the maximum annual debt service requirement;
- (5) Renewal, Replacement & Improvement Fund is to be used only for making improvements, extensions and replacements to the system; and
- (6) Construction Fund records the cost of major additions to the System financed by revenue bonds.

B. Restrictions on the use of cash from operations in order of priority:

- (1) Deposits are made to the Revenue Fund to meet current operations according to the Budget;
- (2) Deposits to the Sinking Fund Account are required on or before the 25th day of each month equal to one-sixth (1/6) of the interest coming due on the next semi-annual interest payment date and one-twelfth (1/12) of the principal coming due on the next principal payment date;
- (3) Deposits to the Bond Amortization Fund are required on or before the 25th of each month equal to one-sixth (1/6) of the amortization installment coming due on the next semi-annual payment date;
- (4) Deposits to the Reserve Fund are to be made when required to maintain the Fund at the reserve requirements (maximum annual debt service); and
- (5) Deposits to the Renewal, Replacement and Improvement Fund are required each month in an amount equal to one-twelfth (1/12) of the adopted

budget for that fund. The total annual deposit may not be less than 5% of the gross revenues for the preceding fiscal year after deducting 100% of the fuel expense and the energy component of purchased power expenses incurred in such preceding fiscal year. However, no such monthly deposit shall be required when the amount in such fund shall at least equal \$1,500,000.

C. Rate Covenant:

The KUA will at all times establish, fix, prescribe and collect rates and charges for the services and facilities furnished by the Electric System which, together with other income, are reasonably expected to yield annual Net Revenues in each Fiscal Year at least equal to 125% of the bond service requirement in the Bond Year which ends one day after such Fiscal Year.

D. Early redemption:

The bond ordinance provides for early redemption of outstanding bonds, except original issue discount bonds, at call rates varying from 100% to 102% of the instruments' face value, dependent upon the call date. Original issue discount bonds may be redeemed early at call rates of 80% to 100% of the face value, dependent upon the call date.

E. Investment restrictions:

- (1) Funds of the Sinking Fund, Bond Amortization Fund, Reserve Fund and Renewal, Replacement & Improvement Fund are required to be continuously secured in the same manner as municipal deposits of funds are required to be secured by the Laws of the State of Florida; and
- (2) Monies on deposit in the Sinking Fund and the Bond Amortization Fund shall be invested only in

direct obligations of, or obligations on which the principal and interest are guaranteed by the United States of America and which do not permit redemption prior to maturity at the option of the KUA. Monies on deposit in the Revenue Fund, Reserve Fund and Renewal, Replacement & Improvement Fund may be invested as described above as well as in the following: obligations rating

an "A" or better from Moody's Investors Service, Inc., bank time deposits represented by certificates of deposit and bankers acceptances, repurchase agreements, commercial paper which has the highest investment grade rating and shares of investment companies which invest principally in United States government securities.

Refunding and revenue bonds outstanding at September 30, 1994 and 1993 consist of the following serial and term bonds

DESCRIPTION	FINAL MATURITY	ORIGINAL AMOUNT	1994		1993	
Electric Revenue Bonds, Series 1987 4.40% - 6.80% 4/1; 10/1	10/01/12	\$ 66,020,000	\$ 61,600,000		\$ 63,500,000	
Improvement & Refunding Revenue Bonds, Series 1991 4.30% - 6.60% 4/1; 10/1	10/01/17	\$ 75,550,000	\$ 16,475,000		\$ 16,620,000	
Improvements & Refunding Revenue Bonds, Series 1993 3.90% - 5.5% 4/1; 10/1	10/01/18	\$145,800,000	\$145,800,000		\$145,800,000	
Refunding Revenue Bonds, Series 1993A 3.2% - 5.30% 4/1; 10/1	10/01/17	\$ 21,165,000	\$ 21,165,000		\$ 21,165,000	
Total Amount Outstanding			\$245,040,000		\$247,085,000	
Less: Current Portion Long-Term Debt			(2,630,000)		(2,045,000)	
Total			\$242,410,000		\$245,040,000	

The annual long-term debt service requirements (net of capitalized interest) at September 30, 1994 are as follows:

1995	\$ 12,158,348
1996	17,965,816
1997	18,101,698
1998	18,101,228
1999	18,069,537
2000-2004	91,520,176
2005-2009	93,695,530
2010-2014	100,566,233
2015-2018	80,608,896
Total	\$450,787,462
Less: Amount Representing Interest	(208,377,462)
Long Term Debt	\$242,410,000

The fair market value of the KUA's long-term debt was estimated using the Delphis Hanover Interest Rate Scale. A yield for each maturity was determined. The individual maturities were priced and summed to arrive at a fair market value of \$230,467,384. The carrying amount of long-term debt due within one year approximated fair market value because of the short maturity of these instruments.

In June 1993, the KUA issued \$145,800,000 in Kissimmee Utility Authority Electric System Improvement and Refunding Revenue Bonds, Series 1993 (Series 1993) at an average interest rate of 5.68%. The proceeds, after payment of underwriting fees, insurance and other issuance costs, were used to finance a part of the cost of the acquisition and construction of additions, extensions and improvements to the System, fund the Reserve account and advance refund \$58,780,000 of the outstanding Series 1991 Bonds. The KUA in effect reduced its aggregate debt service payments by \$3,131,957 over the next 25 years and obtained an economic gain between the present value of the old debt and new debt service payments of \$1,902,779. The loss on early extinguishment of \$5,246,727 has been deferred and will be amortized to income over the remaining life of the new debt consistent with the methods used for setting rates (See Note 1).

In September 1993, the KUA issued \$21,165,000 in Kissimmee Utility Authority Electric System Refunding Revenue Bonds, Series 1993A (Series 1993A) at an average interest rate of 5.36%. The proceeds after payment of underwriting fees, insurance and other issuance costs, were used to advance refund \$20,645,000 of outstanding Series

KUA
KISSIMMEE
UTILITY
AUTHORITY

1701 West Canal Street
Kissimmee, Florida 34741
(407) 938-7777

KUA
KISSIMMEE
UTILITY
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1701 West Carroll Street
Kissimmee, Florida 34741
(407) 933-7777



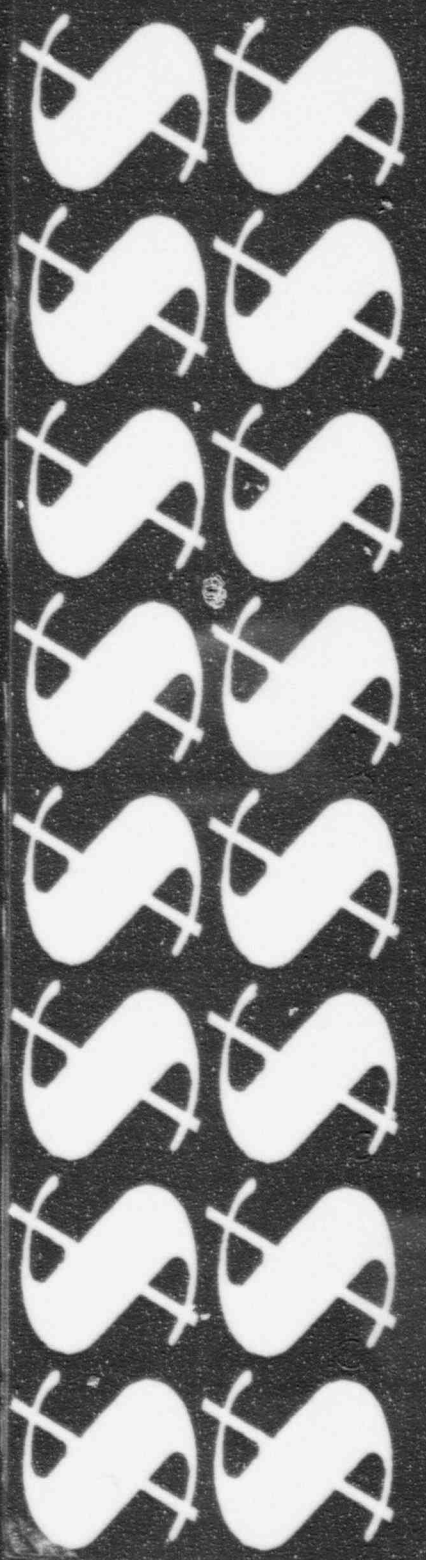
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Kissimmee, Florida 34761
(407) 898-7777

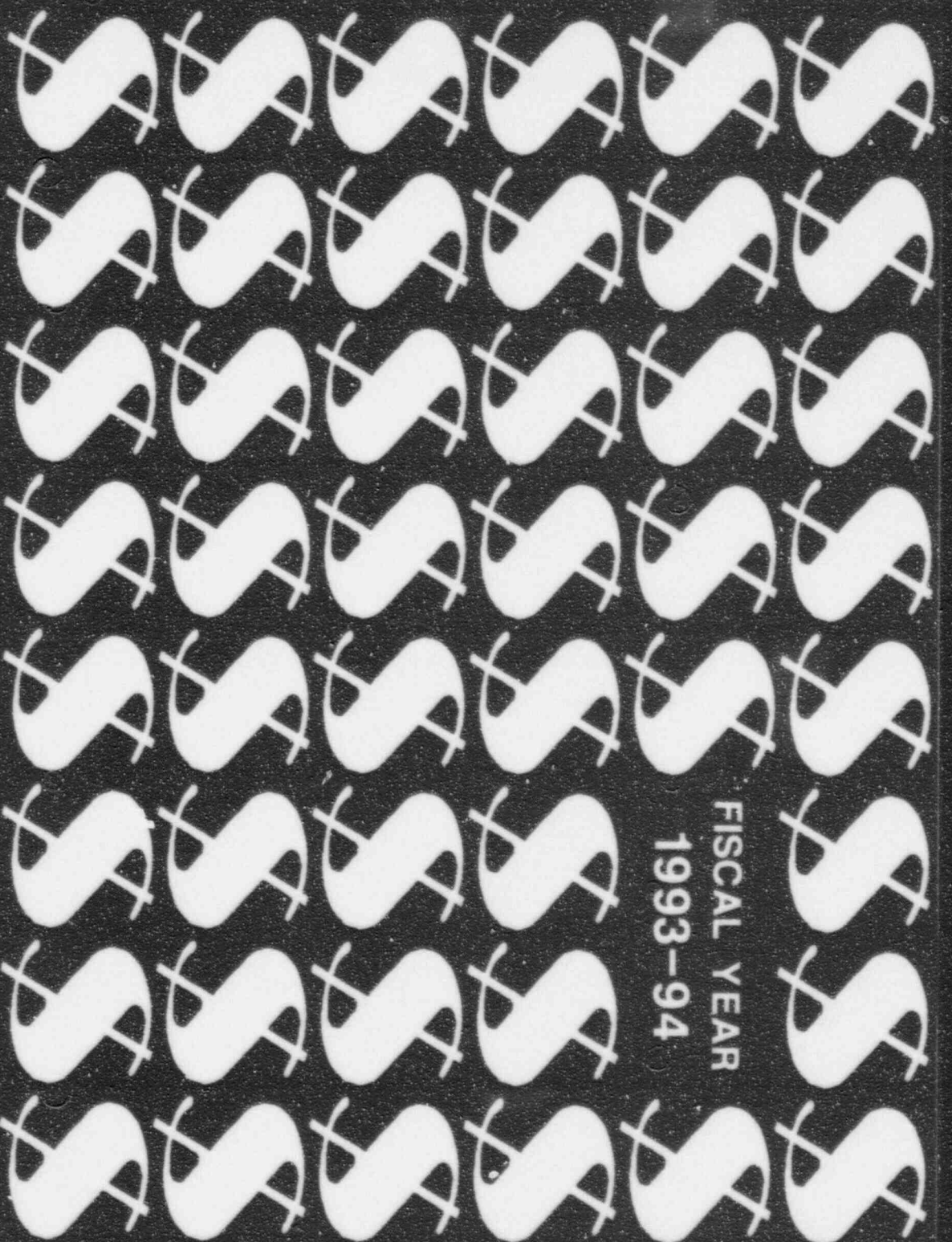
FISCAL YEAR
1993-94



**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**

FOR THE YEAR ENDED SEPTEMBER 30, 1994



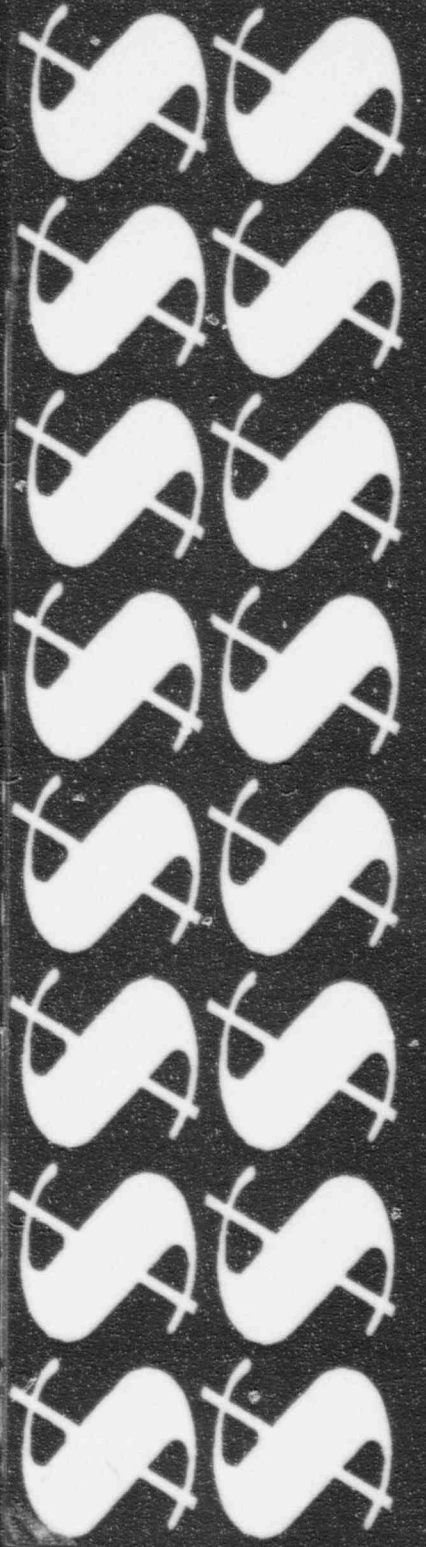


FISCAL YEAR
1993-94



**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**

FOR THE YEAR ENDED SEPTEMBER 30, 1994



City of Ocala

Comprehensive Annual Financial Report



For the Fiscal Year Ended
September 30, 1994

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, 1994

City Council- 1993-1994

Henry F. Speight, Mayor
Lorenzo S. Edwards, President
Micheal S. Amsden
Gerald K. Ergle
Micheal A. Finn
Richard A. Kesselring, Jr.

City Officials

City Manager	Scotty J. Andrews
Assistant City Manager	Richard K. Lewis
Building Official	Donald C. Noxon
City Attorney	Patrick G. Gilligan
City Clerk	M. Jane Milam
City Engineer	B. William Ten Broeck
Downtown Development Manager	Diana McDavid
Electric Utility Director	Dean G. Shaw
Finance Director	Glen L. Baker
Fire Chief	William E. Woods
Acting Fleet Management Director	Glenn A. Stephens
Golf Director	Joseph Moses, Jr.
Human Resources Director	Carolyn V. Ingham
Internal Auditor	Eric J. Lewerenz
Library Director	Julia H. Sieg
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 W. Crosby
Recreation and Parks Director	David J. Pritchard
Risk Manager	Leonard A. Baker, Jr.
Water and Sewer Director	Henry K. Hicks



INTRODUCTORY SECTION

This Section contains the following Subsections:

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

Year Ended September 30, 1994

CONTENTS

	<u>Page</u>
<u>INTRODUCTORY SECTION</u>	
LETTER OF TRANSMITTAL	i
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING	xiii
CITY OF OCALA ORGANIZATION CHARTS	xv
<u>FINANCIAL SECTION</u>	
REPORT OF INDEPENDENT ACCOUNTANTS	1
GENERAL PURPOSE FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW)	
Combined Balance Sheet - All Fund Types and Account Groups	4
Combined Statement of Revenues, Expenditures and Changes in Fund Balance - All Governmental and Expendable Trust Fund Types	8
Combined Statement of Revenues and Expenditures - Budget and Actual - General, Special Revenue, Capital Project and Expendable Trust Fund Types	10
Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balance - All Proprietary Fund Types and Pension Trust Funds	18
Combined Statement of Cash Flows - All Proprietary Fund Types	19
Notes to Financial Statements	21

INDIVIDUAL FUND AND COMBINING STATEMENTS - BY FUND TYPE

Special Revenue Funds:

Combining Balance Sheet	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	64
Combining Schedule of Revenues and Expenditures and Changes in Fund Balance - Budget and Actual	66
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual:	
Occupational Licenses Fund	71
Central Florida Regional Library Fund	72
Off-Street Parking Fund	75
Downtown Development Fund	76
Local Gasoline Tax Fund	78
Stormwater Utility Fund	80
SHIP Local Housing Assistance Fund	82

Debt Service Funds:

Combining Balance Sheet	84
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	86

Capital Project Funds:

Combining Balance Sheet	90
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	92
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	94
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual:	
Capital Improvement Construction Fund	97
Optional Gas Tax Construction Fund	98
Capital Improvement Fund	100

Enterprise Funds:

Combining Balance Sheet	104
Combining Statement of Revenues, Expenditures and Changes in Retained Earnings	108
Combining Statement of Cash Flows	110

Internal Service Funds:

Combining Balance Sheet	116
Combining Statement of Revenues, Expenses and Changes in Retained Earnings	117
Combining Statement of Cash Flows	118

Trust and Agency Funds:

Combining Balance Sheet	122
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	124
Combining Statement of Revenues, Expenses and Changes in Fund Balance	126
Statement of Changes in Assets and Liabilities - Agency Fund	127

General Fixed Asset Account Group:

Schedule of General Fixed Assets by Function and Activity	130
Schedule of Changes in General Fixed Assets by Function and Activity	131

STATISTICAL SECTION

Required Supplementary Information:

- Historical Trend Information for Pension Trust Funds - Comparative
 - Summary of Revenues by Source and Expenses by Type 134
- Historical Trend Information for Pension Trust Funds - Analysis of
 - Funding Progress 136
- General Governmental Revenues and Other Financing
 - Sources By Source - Last Ten Fiscal Years 138
- General Governmental Expenditures and Other Uses
 - By Function - Last Ten Fiscal Years 140
- Property Tax Levies, Tax Collections and Assessed
 - Valuations - Last Ten Fiscal Years 142
- Property Tax Rates and Levies - Direct and Overlapping
 - Governments - Last Ten Fiscal Years 144
- Special Assessment Collections - Last Ten Fiscal Years 145
- Computation of Legal Debt Margin 146
- Schedules of Bond Coverage:
 - Schedule of Electric System Revenue and Revenue Refunding Bonds,
 - Series 1977, 1983, 1988, 1989A and 1989B Coverage - Last Ten Fiscal Years . . 147
 - 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 149
 - Schedule of Utility Systems Subordinate Refunding Revenue Bonds,
 - Series 1992A and 1992B, Coverage - Last Ten Fiscal Years 151
 - Schedule of Refunding and Improvement Excise Tax Bonds,
 - Series 1965 and 1972, Coverage - Last Ten Fiscal Years 153
 - Schedule of Capital Improvement Revenue and Refunding Revenue Bonds,
 - Series 1982 and 1986, and Capital Improvement Revenue, Revenue
 - Refunding and Refunding Revenue Certificates, Series 1986, 1988
 - and 1993 Coverage - Last Ten Fiscal Years 154
 - Schedule of Optional Gas Tax Revenue Bonds, Series 1989, and
 - Optional Gas Tax Refunding Revenue Bonds, Series 1992
 - Coverage - Last Ten Fiscal Years 156
- Computation of Direct and Overlapping General Obligation Debt 157
- Miscellaneous Statistical Data 158
- Demographic Statistics 159
- List of Ten Largest Taxpayers - 1993 Tax Roll 160
- Schedule of Insurance in Force 161
- Property Value, Construction and Bank Deposits - Last Ten Fiscal Years 163
- List of Officers' Salaries 164
- Summary of Debt Service Requirements to Maturity - All Bonded Debt 165

STATISTICAL SECTION - CONTINUED

Statement of Bonded Debt and Interest:

Capital Improvement Revenue Refunding Certificates, Series 1988	166
Capital Improvement Refunding Revenue Certificates, Series 1993	167
Electric System Revenue Refunding Bonds, Series 1989B	168
Water and Sewer Refunding Revenue Bonds, Series 1988	169
Optional Gas Tax Refunding Revenue Bonds, Series 1992	170
Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A	171
Utility Systems Subordinate Refunding Revenue Bonds, Series 1992B	172
Analysis of Sewerage System Capital Improvement Fund Established	
for Florida Department of Environmental Regulation Grant #621080	173



City of Ocala
January 14, 1995

FINANCE DEPARTMENT
P. O. BOX 1270, OCALA, FLORIDA 34478-1270

City Manager and Council
City Hall
Ocala, Florida 34478

Gentlemen:

The comprehensive annual financial report (CAFR) of the City of Ocala, Florida, for the fiscal year ended September 30, 1994, is hereby submitted.

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

The CAFR is presented in three sections: introductory, financial and statistical. The introductory section contains the table of contents, this transmittal letter, the certificate of achievement for excellence in financial reporting for the 1993 CAFR and the City's organizational charts. The financial section includes the general purpose financial statements, combining, individual fund and account group financial statements and schedules by fund type, as well as the auditors' report on the financial statements and schedules. The statistical section includes selected financial and demographic information which is designed to enhance the reader's understanding of the City's past and of its future potential.

All funds and account groups of the City of Ocala are included in this report. The City provides a full range of general services, including police and fire protection; general government; culture and recreation; construction and maintenance of highways, 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, eight enterprise funds as follows: two championship golf courses with a total of 45 holes and clubhouse facilities, garbage and trash pick-up service (both back door and curbside), water and sanitary sewer services, a membership tennis facility, electric utility service, an airport (Ocala Municipal Airport/Jim Taylor Field), an emergency training facility and a municipal trailer park. The financial activities of all municipal boards and commissions are included in the City's financial statements. The Ocala Housing Authority has not met the established criteria for inclusion in the reporting entity, and accordingly, is excluded from this report. The Community Redevelopment Agency is included because of City Council's ability to significantly influence their operations.

ECONOMIC CONDITION AND OUTLOOK

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 of the growth. 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 the Silver Springs Attraction which is visited by thousands each year and is renowned for many films such as Tarzan and James Bond movies and the Sea Hunt television series. K-Mart has selected Ocala as the location for a new distribution center, which started its operations in 1991. Other industries in the Ocala area include service industries and some light manufacturing.

The growth surge experienced in the 1980's has continued into the 1990's but at a slower pace. The growth potential of the City continues to be virtually limitless. The recession, which has affected the entire country, has also been felt in the City of Ocala, especially in the areas of construction and tourism; however, the City has still experienced growth. The growth is challenging to the City since it demands increased services, but places a financial strain on the revenues of the City. The recession, which has caused some shrinking revenues, has forced the City to reevaluate the needs and wants of its citizens, while at the same time providing consistent levels of service.

MAJOR INITIATIVES

For the Year. In preparing the 1994 budget, the City's focus, at City Council's direction, was to maintain the lowest millage rate while continuing to provide quality service to the citizens of Ocala, to provide quality utility services at competitive rates and to provide a competitive benefit package to employees. Other budget and management objectives for 1994 included the promotion and support of downtown revitalization measures and activities, the support of employee involvement in community activities, the continuation of the Public Information Program to provide citizens with working knowledge of local governments, the development of mechanisms and procedures to ensure that departmental goals and objectives are met and the continuation of the exploration of public and private cooperative efforts to better service the citizens of Ocala.

In order to accomplish some of the objectives, fourteen new positions were authorized in the budget. Eight of the positions, which are included in the City's General Fund, were for police officers needed to provide for the safety and welfare of Ocala's citizens by improving response time and by deterring crime. The remaining six positions were added in the areas of electric, water and sewer, the employee clinic, the library and sanitation. These positions were created due to increased workload such as additional facilities and maintenance properties and increased customer volume.

During fiscal year 1990, the City issued revenue bonds for massive electric system improvements. Those improvements have continued through 1994. The City also continued the water and sewer system expansion and improvements, as well as the widening and improvements of various roads. For the past eight 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.

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. A master plan of the Municipal Services Complex, which was built in 1984, addressed 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 implementation of the Comprehensive Plan of the City of Ocala, which is required by the 1985 Local Government Comprehensive Planning Act. The plan, which was submitted to the State of Florida by the May 1, 1991 deadline, is a tool for growth management and affects virtually all City departments. The plan has twelve required and two optional elements: future land use, traffic

circulation, housing, sanitary sewer, solid waste, storm water management, potable water, groundwater recharge, conservation, parks and recreation, capital improvements, intergovernmental coordination, community redevelopment area and historical preservation. Fiscal year 1994 was the second year of the implementation of the Capital Improvements Element of the Comprehensive Plan, which covers the five-year period from 1993 through 1997.

Department Focus. The Recreation and Parks Department consists of 52 regular employees and approximately 70 part time employees who are charged with providing recreation and leisure services for the citizens of the City of Ocala and Marion County. The staff is responsible for the programming and maintenance of seven activity centers, 101 activity areas covering 468 acres, and two pools. In addition, the Recreation and Parks Department operates the Ft. King Tennis Center and the Municipal Trailer Park.

Over the past three years, the Recreation and Parks Department has spent approximately \$600,000 on capital improvement projects designed to bring the City's park system in compliance with the level of service desired by residents and required by the comprehensive plan. These improvements included expansion and lighting of walking trails; installation and expansion of nine playgrounds and 12 picnic pavilions; renovation of Gerig Webb Recreation Complex; renovation of the City pools and pool houses; construction and renovation of three restroom facilities; and installation of new sidewalks to make facilities handicap accessible at seven parks. In addition, the department has begun construction on phase I of a multi-million dollar adult athletic complex. The completion of three lighted softball fields is expected as early as spring of 1995. This facility will house the City's outdoor adult athletic programs including softball and flag football. Later phases of construction will include additional softball fields, flag football fields, batting cages, miniature golf, playgrounds, concession stands and, in years to come, a gymnasium.

Through restructuring of work groups, cross-training of employees, and contract maintenance for small park sites, the department has managed to absorb a 200 percent (plus) increase in park acreage with only a small increase in costs.

In 1994, the City of Ocala passed an ordinance to establish rules and regulations to govern use of the City's park facilities. In 1995, the Recreation and Parks Department will be establishing a Parks Enforcement Division. This division is charged with the responsibility of enforcing park rules and coordinating reservation and maintenance of department rental facilities.

The Recreation and Parks Department is to be commended for providing a wide variety of quality recreation and leisure opportunities for citizens throughout Marion County.

FINANCIAL INFORMATION

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

Budgetary Controls. Budgetary control is maintained on an annual allotment basis, based upon prior working capital and on revenue projections for the current year. Both expenditures and encumbrances are recorded against budgeted appropriations. At mid-year, City department heads are required to reassess their appropriations for the remainder of the year, from which a 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, 1994 and the percentages of increases and decreases in relation to revenues and other financing sources for the fiscal year ended September 30, 1993.

	Amount	% of Total	Increase (Decrease) from 1993	Percent Increase (Decrease)
Revenues:				
Property taxes	\$ 7,575,276	14.22%	\$ 304,614	4.19%
Other taxes	1,502,077	2.82	93,043	6.60
State revenue sharing	930,380	1.75	(45,955)	(4.71)
Other intergovernmental revenues	8,283,822	15.55	1,899,388	29.75
Parking meters and facilities	61,195	.11	(12,757)	(17.25)
Licenses and permits	763,066	1.43	158,279	26.17
Fines and forfeitures	891,455	1.67	18,343	2.10
Charges for services	2,185,097	4.10	233,749	11.98
Interest	1,130,987	2.12	350,879	44.98
Gifts and other	271,518	.51	(5,902)	(2.13)
Total revenues	23,594,873	44.28	2,993,681	
Other financing sources:				
Proceeds from refunding bonds	11,749,269	22.05	(2,394,586)	(16.93)
Transfers from other funds	17,944,570	33.67	532,907	3.06
Total revenues and other financing sources	\$53,288,712	100.00%	\$ 1,132,002	

The most significant dollar change in revenues was in other intergovernmental revenues, where most of the \$1,899,388 (29.75%) increase was attributable to the receipt of the City's portion of the county ninth cent voted gas tax due to a catch-up adjustment in the distribution of this tax. During 1994, there were also increases in the Community Development Block Grant entitlement received by the City and in Marion County's funding of the Central Florida Regional Library. The \$93,043 (6.60%) increase in other taxes was caused by the first complete year of the 7.5% telecommunications tax on basic telephone service within the City and by increased collections of the natural gas franchise fee. The combination of increases in the rate structure for building permits and an increase in the number of permits issued is the reason for the \$158,279 (26.17%) increase in licenses and permits.

Parking meters and facilities revenue decreased by \$12,757 (17.25%) since reserve parking rates were decreased by 33% to 50%, effective in June 1994, in order to increase reserve parking activity. The \$233,749 (11.98%) increase in charges for services was caused partly by increased stormwater utility fees, partly by increased site plan approval fee rates, partly by increased school resource officer revenues and partly by increases in various recreation program revenues. Interest income increased by \$350,879 (44.98%) primarily because of higher interest rates in 1994 as compared to 1993 as well

as the continuation of a short-term investment program for the entire year. The \$532,907 (3.06%) increase in transfers from other funds was caused primarily by an increase in the transfer from the Electric Fund to the General Fund and by increases in transfers to the Debt Service Funds for principal and interest payments on bonds.

During 1993, the City issued the Optional Gas Tax Refunding Revenue Bonds, Series 1992. During 1994 the City issued the Capital Improvement Refunding Revenue Certificates, Series 1993, which is discussed in the Debt Administration section of this letter. The difference in the proceeds of these issues is the reason for the \$2,394,586 (16.93%) decrease in proceeds from refunding bonds.

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures and other financing uses for the fiscal year ended September 30, 1994 and the percentages of increases and decreases in relation to expenditures and other financing uses for the fiscal year ended September 30, 1993.

	Amount	% of Total	Increase (Decrease) from 1993	Percent Increase (Decrease)
Expenditures:				
Current:				
General government and administration	\$ 3,570,694	7.30%	\$ 182,536	5.39%
Public safety	13,296,158	27.18	674,641	5.35
Public works	4,242,507	8.67	308,897	7.85
Culture and recreation	3,826,126	7.82	54,485	1.44
Housing rehabilitation	394,466	.81	(109,809)	(21.78)
Nondepartmental	151,883	.31	(276,180)	(64.52)
Other	623,963	1.28	196,410	45.94
Intergovernmental	111,869	.23	(1,390)	(1.23)
Capital outlay	1,939,122	3.96	(323,217)	(14.29)
Debt service:				
Principal	2,038,544	4.17	256,494	14.39
Interest and agents' fees	1,919,884	3.92	(318,918)	(14.25)
Total expenditures	32,115,216	65.65	643,949	
Other financing uses:				
Payment to refunded bonds escrow agent	11,885,054	24.29	(2,091,261)	(14.96)
Transfers to other funds	4,923,349	10.06	(92,036)	(1.84)
Total expenditures and other financing uses	\$48,923,619	100.00%	\$(1,539,348)	

The \$182,536 (5.39%) increase in general government and administration expenditures was caused by an entire year of the SHIP local housing assistance program, which started in the last quarter of fiscal 1993, and by the cost of living increases in October 1993. Public safety expenditures increased by \$674,641 (5.35%), which is attributable partly to realized costs for an entire year on two Police School Resource Officer positions approved and filled

during the last part of fiscal year 1993, partly to the eight new police officer positions approved and hired in fiscal year 1994 and to cost of living increases in October 1993. The primary reasons for the \$308,897 (7.85%) increase in public works expenditures include the cost of living increases in October 1993 and the absorption of personal service costs, formerly charged to Capital Project and Enterprise Funds, in the General and Special Revenue Funds.

The \$109,809 (21.78%) decrease in housing rehabilitation was the result of 22 structures being fully rehabilitated and no partial rehabilitations in fiscal 1994 as compared to 20 fully and 14 partially rehabilitated in fiscal 1993. Nondepartmental expenditures decreased by \$276,180 (64.52%), which was caused by the revamping of the City's administrative expense related to the purchasing function of the Internal Service Fund and by the completion of the cleanup of identified contaminated underground storage tanks which was started in fiscal 1993. The \$196,410 (45.94%) increase in other current expenditures was due primarily to grant-funded City facility renovations started during fiscal 1993 and substantially completed during fiscal 1994.

Capital outlay decreased \$323,217 (14.29%). During 1994, many vehicles were purchased through the City's fleet replacement program in the Fleet Management Internal Service Fund rather than by the user department. Other reasons for the decrease in capital outlay are a decline in funds spent on roadway projects in the General and Special Revenue Funds and the completion of extensive water retention area projects during fiscal 1993.

Principal increased by \$256,494 (14.39%), and interest and paying agents' fees decreased by \$318,918 (14.25%). Both of these changes are attributable to scheduled debt service payments.

During 1993, the City defeased the Optional Gas Tax Revenue Bonds, Series 1989; and during 1994, the City defeased the Capital Improvement Refunding Revenue Bonds, Series 1986. The 1994 defeasance is discussed later in this letter. The \$2,091,261 (14.96%) decrease in payment to the refunded bonds escrow agent is the difference between the two refundings.

General Fund Balance. The fund balance of the general fund at September 30, 1994 is \$7,671,449, a 33.81% increase from 1993. The increase was caused primarily by the decline in nondepartmental and capital outlay expenditures as well as the increase in other taxes, licenses and permits and other intergovernmental revenues. The general fund balance is equivalent of 80 working days of expenditures.

Enterprise Operations. The City of Ocala operates eight distinct enterprise funds: Electric System, Water and Sewer, Sanitation, Municipal Golf Course, Fort King Tennis Court, Municipal Trailer Park, Ocala Municipal Airport, and the Florida Emergency Training Facility. 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 1995. The electric system continues to be efficiently managed and operated, and had a debt service coverage of 11.98 for the year ended September 30, 1994.

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. For the year ended September 30, 1994, the Water and Sewer Fund had a debt service coverage ratio of 8.24. During 1990, the City's consulting engineers began working on a master plan, including a rate review, for the water and sewer system. Gradual rate increases starting in early fiscal 1991, have helped this fund.

The Sanitation Fund is responsible for trash and garbage pick-up in the City. During the year, sanitation rates had to be increased since there were increased landfill charges. The fund is financially sound although it had a net loss of \$364,274 during fiscal 1994.

The Municipal Golf Course Fund had a net loss for the year ended September 30, 1994 of \$27,763; however, this fund should improve in the future.

The Ocala Municipal Airport Fund had a net loss of \$168,135 in 1994. There are expansion programs under way at the Airport, most of which are substantially funded by federal and state grants. Although the airport is not self-supporting, it is an important part of our community.

The Fort King Tennis Court Fund experienced a net income of \$482 during fiscal 1994. This fund, although small, is well-run and should continue to improve in the future.

The Municipal Trailer Park Fund continues to improve. During 1994 it had a net income of \$21,438.

The Florida Emergency Training Facility Fund, which involves the construction, future operation and maintenance of an emergency facility adjacent to the City's airport, was started in fiscal 1993. During 1994, this fund had a net income of \$116,589.

Pension Trust Fund Operations. The combined Pension Trust Funds improved during 1994, even though the combined funds had a net depreciation in the fair market value of investments of \$1,597,255, caused by the valuation of investments to market value as of September 30, 1994.

Debt Administration. At September 30, 1994, the City had \$127,450,000 in outstanding serial and term bonds. Of this amount, \$91,015,000 are associated with enterprise funds and \$36,435,000 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 \$18,365,000 Capital Improvement Refunding Revenue Certificates, Series 1993, which are secured by certain non-ad valorem revenues of the City. The certificates are fully insured and are rated "AAA" by Standard & Poor's Corporation and "Aaa" by Moody's Investors Service, Inc. The proceeds of the 1993 issue were used to refund the \$10,835,000 outstanding balance of the Capital Improvement Refunding Revenue Bonds, Series 1986, and to finance certain capital improvements in the City. The proceeds of the 1993 issue related to the refunding, along with certain available funds, were used to purchase 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. The defeasance resulted in a reduction of the City's total debt service payments over the next 25 years by \$768,208 and in a present value savings of \$590,964.

Cash Management. Cash temporarily idle during the year was invested 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 competitive rates and we can withdraw funds on demand. At September 30, 1994, our investments with the State Board of Administration were earning 4.17% with a year to date return of 3.81%. During fiscal 1993, the City hired Barnett Banks Trust Company, N.A. as its short-term investment manager in order to maximize investment earnings.

The City's pension fund investments have been administered by the firm of Manning and Napier of Rochester, New York for several years. In January 1991, because of the size of the combined funds, the pension fund investments were equally split for administration by Manning and Napier and by Barnett Banks Trust Company, N.A. of Jacksonville, Florida. In April 1994, the investments of the Ocala Employees' Retirement Fund were separated from those of the Firefighters' and Police Officers' Supplemental Pension Plans; and Templeton Global Equity Management was added as the international fund equity manager in July 1994 for the General Plan. The pension fund investments consist of bonds, debentures, common stocks, U.S. Treasury obligations, mutual funds 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 Florida 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. The auditors' report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Ocala, Florida for its comprehensive annual financial report for the fiscal year ended September 30, 1993. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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 CAFR 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 twelve consecutive years (fiscal years ended 1982-1993.) We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

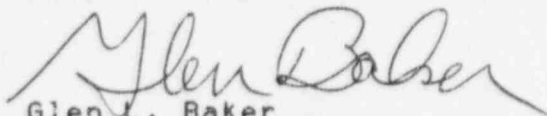
The City was awarded the Distinguished Budget Presentation Award by the Government Finance Officers Association of the United States and Canada for its annual budgets for the fiscal years beginning October 1, 1987 through 1993. In order to receive this award, which is valid for a period of one year only, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications medium.

Acknowledgements. The preparation of this comprehensive annual financial report was made possible by the dedicated service of the entire staff of the Finance Department. Sincere

appreciation is extended to specific individuals who worked diligently throughout the audit: Diane M. McDonald, Deputy Finance Director; Wayne C. Hodge, Chief Accountant; Prudy L. Waite, Accountant and Robert D. Naugler, Financial Analyst/Grant Supervisor. Appreciation is also extended to Eric Lewerenz, the City's Internal Auditor; to Barbara Edwards Kays, Budget Manager and to Coopers & Lybrand, L.L.P. our external auditors, for their assistance in this effort.

In closing, without 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,



Glen L. Baker
Finance Director

/clk

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, 1993

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

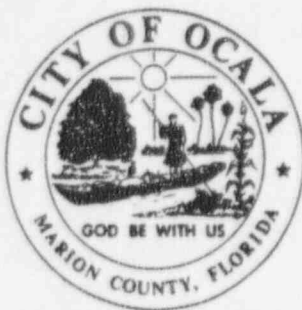
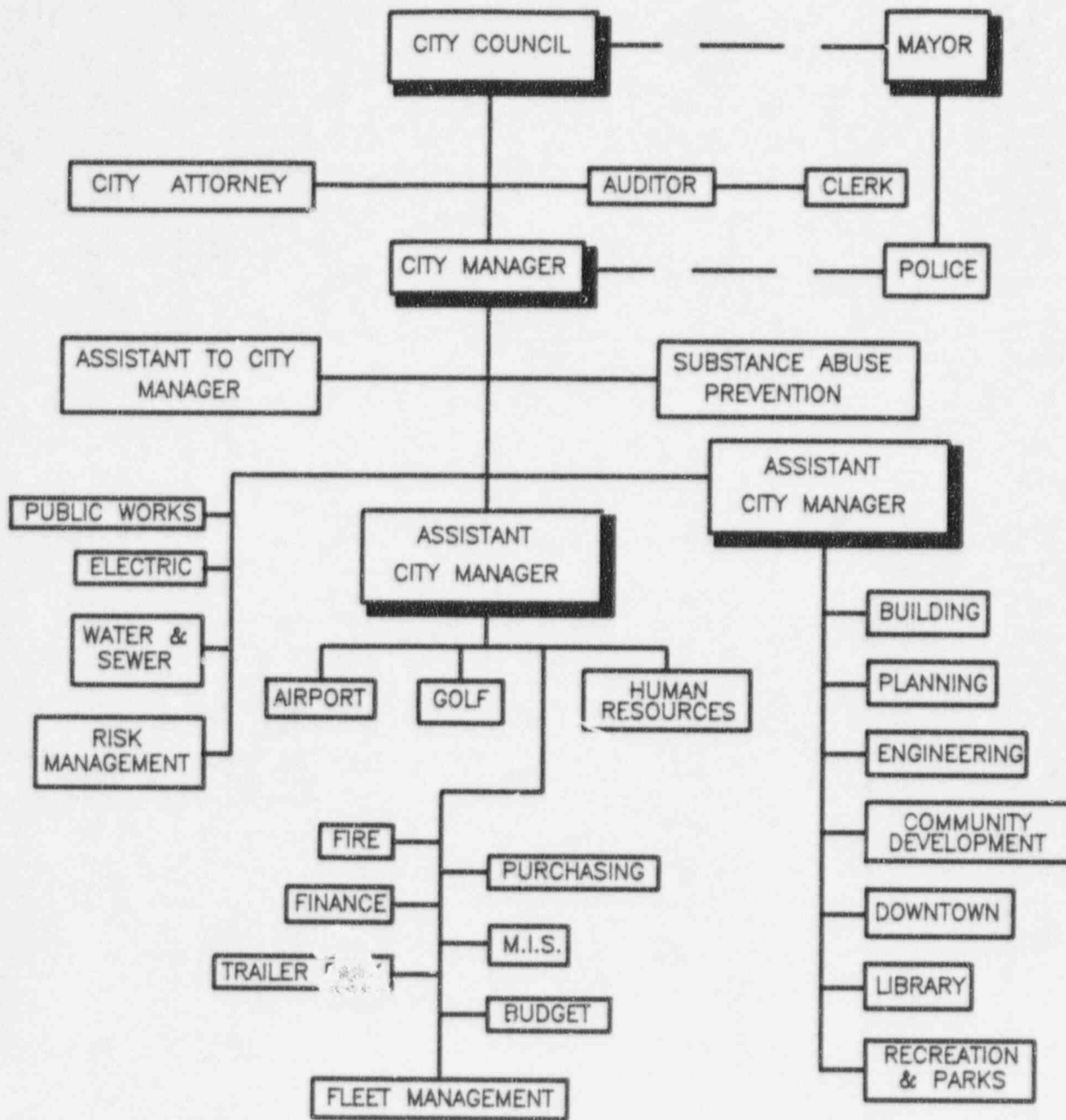


President

Executive Director

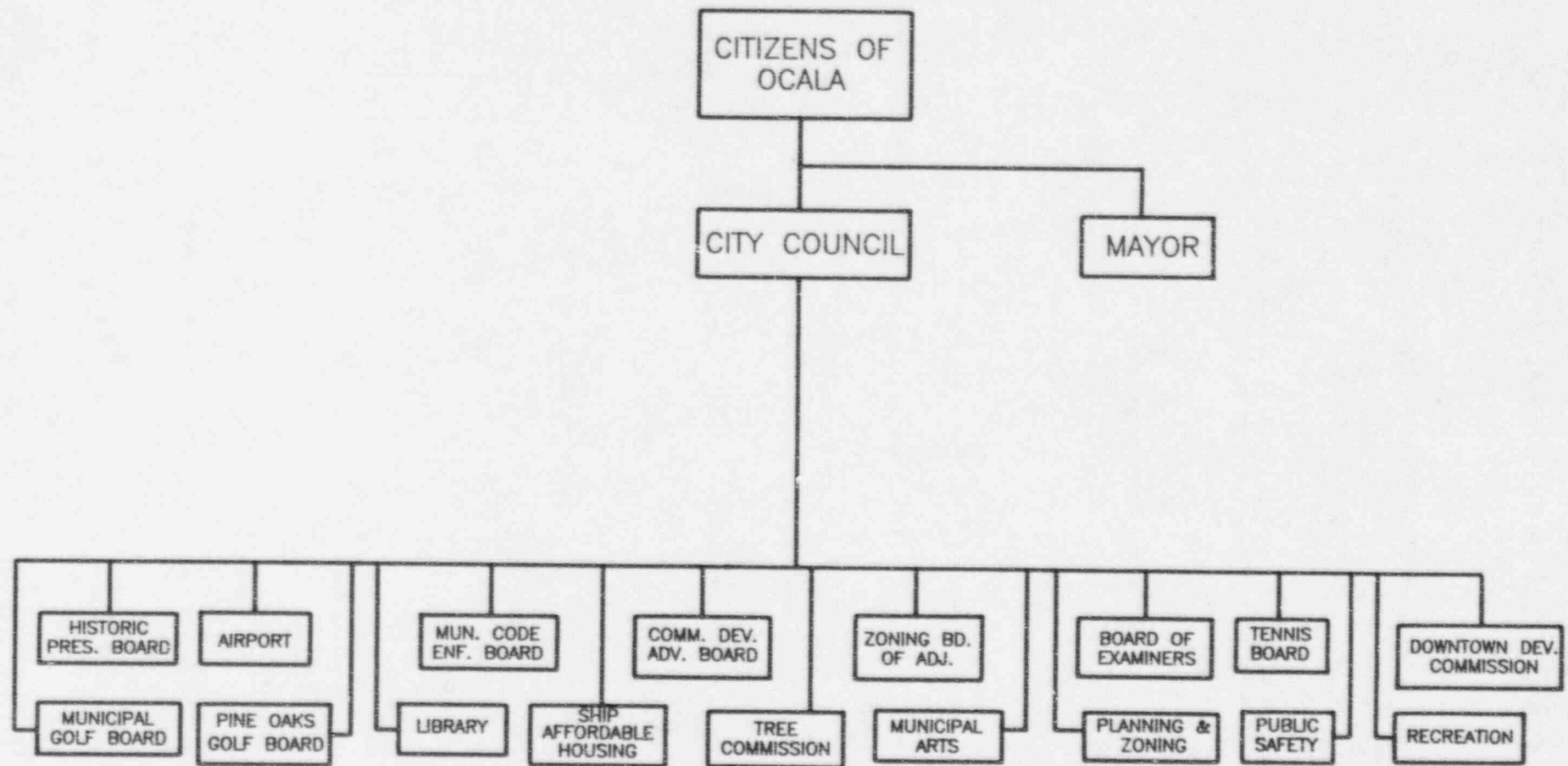


ORGANIZATIONAL CHART



City Of Ocala

OCALA BOARDS AND COMMISSIONS



City Of Ocala

FINANCIAL SECTION

This Section contains the following Subsections:

Report of Certified Public Accountants

General Purpose Financial Statements

Individual Fund and Combining Statements - By Fund Type

Report of Independent Accountants

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, 1994. These general-purpose financial statements are the responsibility of the City of Ocala, Florida's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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 general-purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Ocala, Florida as of September 30, 1994, and the results of its operations and 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 and individual fund and account group financial statements and supporting schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the City of Ocala, Florida. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.

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

Coopers & Lybrand L.L.P.

Orlando, Florida
January 14, 1995

GENERAL PURPOSE FINANCIAL STATEMENTS (Combined Statements - Overview)

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

GENERAL-PURPOSE FINANCIAL STATEMENTS

(Combined Statements - Overview)

CITY OF OCALA, FLORIDA

COMBINED BALANCE SHEET

ALL FUND TYPES AND ACCOUNT GROUPS

September 30, 1994

<u>ASSETS AND OTHER DEBITS</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	\$ 3,602	\$ 368,700	\$ -	\$ 5,790,418
Equity in pooled cash and investment fund	8,068,098	10,739,106	-	427,411
Accrued interest receivable	59,705	73,309	-	67,280
Accounts and notes receivable, net of allowance for doubtful accounts of \$325,813	688,655	60	-	140,220
Accrued unbilled revenues	-	-	-	-
Due from other funds	532	77,365	-	-
Interfund loans receivable	2,969	-	-	-
Inventories	-	-	-	-
Due from other governments	821,620	571,564	-	405,153
Other	23,317	-	-	-
Total current assets	<u>9,668,498</u>	<u>11,830,104</u>	<u>-</u>	<u>6,830,482</u>
Restricted Assets:				
Cash and investments	-	-	-	-
Equity in pooled cash and investment fund	-	-	5,267,573	-
Accrued interest and dividends receivable	-	-	34,383	-
Due from other funds	-	-	-	-
Due from other governments	-	-	-	-
Other	-	-	-	-
Total restricted assets	<u>-</u>	<u>-</u>	<u>5,301,956</u>	<u>-</u>
Other Assets:				
Interfund loans receivable after one year	46,523	-	-	-
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 other assets	<u>46,523</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Other Debits	<u>\$9,715,021</u>	<u>\$11,830,104</u>	<u>\$5,301,956</u>	<u>\$ 6,830,482</u>

<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Types</u>	<u>Account Groups</u>		<u>Totals (Memorandum Only)</u>
<u>Enterprise</u>	<u>Internal Service</u>	<u>Trust and Agency</u>	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	
\$ 13,378	\$ 500	\$ -	\$ -	\$ -	\$ 6,176,598
8,248,949	9,792,653	-	-	-	37,276,217
53,570	62,173	-	-	-	316,037
6,164,337	29,163	-	-	-	7,022,435
4,354,498	-	-	-	-	4,354,498
763,551	-	-	-	-	841,448
70,296	26,560	-	-	-	99,825
2,196,628	145,149	-	-	-	2,341,777
68,995	17,232	-	-	-	1,884,564
226,921	96,196	-	-	-	346,434
<u>22,161,123</u>	<u>10,169,626</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,659,833</u>
33,086,962	-	54,568,236	-	-	87,655,198
28,943,686	-	108,608	-	-	34,319,867
623,921	-	407,142	-	-	1,065,446
-	-	135	-	-	135
206,872	-	-	-	-	206,872
142,046	-	-	-	-	142,046
<u>63,003,487</u>	<u>-</u>	<u>55,084,121</u>	<u>-</u>	<u>-</u>	<u>123,389,564</u>
508,566	26,198	-	-	-	583,287
165,404,918	8,230,379	-	18,013,691	-	191,648,988
769,887	-	-	-	-	769,887
-	-	-	-	5,301,956	5,301,956
-	-	-	-	31,535,832	31,535,832
<u>166,683,371</u>	<u>8,258,577</u>	<u>-</u>	<u>18,013,691</u>	<u>36,837,788</u>	<u>229,839,950</u>
<u>\$251,847,981</u>	<u>\$18,428,203</u>	<u>\$55,084,121</u>	<u>\$18,013,691</u>	<u>\$36,837,788</u>	<u>\$413,889,347</u>

Continued

See accompanying notes to financial statements.

CITY OF OCALA, FLORIDA

COMBINED BALANCE SHEET - CONTINUED

ALL FUND TYPES AND ACCOUNT GROUPS

September 30, 1994

<u>LIABILITIES, EQUITY AND OTHER CREDITS</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	\$ 685,272	\$ 87,728	\$ -	\$ 427,947
Claims payable	-	-	-	-
Compensated absences payable	646,070	33,040	-	-
Bonds and notes payable within one year	-	-	-	-
Accrued interest payable	-	-	-	-
Due to other funds	-	-	-	-
Customer deposits	-	-	-	-
Deferred revenue	712,230	382,266	-	-
Interfund loans payable	-	6,235	-	-
Total current liabilities	<u>2,043,572</u>	<u>509,269</u>	<u>-</u>	<u>427,947</u>
Liabilities Payable from Restricted Assets:				
Accounts payable	-	-	-	-
Accrued interest payable	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
Bonds and notes payable within one year	-	-	-	-
Decommissioning costs	-	-	-	-
Deferred compensation	-	-	-	-
Total liabilities payable from restricted assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Interfund Loans Payable After One Year	-	76,603	-	-
Compensated Absences Payable	-	-	-	-
Bonds and Notes Payable After One Year	-	-	-	-
Total liabilities	<u>2,043,572</u>	<u>585,872</u>	<u>-</u>	<u>427,947</u>
Equity and Other Credits:				
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	-	-	5,301,956	-
Reserved for retirement benefits	-	-	-	-
Reserved for interfund loans receivable after one year	46,523	-	-	-
Reserved for encumbrances	177,105	474,706	-	2,322,116
Reserved for specified projects	244,245	10,769,526	-	-
Reserved for capital projects	507,642	-	-	-
Total reserved fund balances	<u>975,515</u>	<u>11,244,232</u>	<u>5,301,956</u>	<u>2,322,116</u>
Unreserved and undesignated fund balances	6,695,934	-	-	4,080,419
Total fund balances	<u>7,671,449</u>	<u>11,244,232</u>	<u>5,301,956</u>	<u>6,402,535</u>
Total equity and other credits	<u>7,671,449</u>	<u>11,244,232</u>	<u>5,301,956</u>	<u>6,402,535</u>
Total Liabilities, Equity and Other Credits	<u>\$9,715,021</u>	<u>\$11,830,104</u>	<u>\$5,301,956</u>	<u>\$ 6,830,482</u>

<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Types</u>	<u>Account Groups</u>		<u>Totals (Memorandum Only)</u>
<u>Enterprise</u>	<u>Internal Service</u>	<u>Trust and Agency</u>	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	
\$ 4,821,167	\$ 241,107	\$ -	\$ -	\$ -	\$ 6,263,221
-	2,379,654	-	-	-	2,379,654
660,247	132,411	-	-	-	1,471,768
-	92,659	-	-	1,575,000	1,667,659
3,547	-	-	-	-	3,547
841,448	-	-	-	-	841,448
3,033,858	-	-	-	-	3,033,858
45,207	-	-	-	-	1,139,703
93,590	-	-	-	-	99,825
<u>9,499,064</u>	<u>2,845,831</u>	<u>-</u>	<u>-</u>	<u>1,575,000</u>	<u>16,900,683</u>
2,230,829	-	32,215	-	-	2,263,044
2,833,328	-	-	-	-	2,833,328
-	-	135	-	-	135
763,655	-	-	-	-	763,655
4,935,000	-	-	-	-	4,935,000
1,218,296	-	-	-	-	1,218,296
-	-	<u>3,932,667</u>	<u>-</u>	<u>-</u>	<u>3,932,667</u>
<u>11,981,108</u>	<u>-</u>	<u>3,965,017</u>	<u>-</u>	<u>-</u>	<u>15,946,125</u>
506,684	-	-	-	-	583,287
-	-	-	-	402,788	402,788
83,983,980	1,125	-	-	34,860,000	118,845,105
<u>105,970,836</u>	<u>2,846,956</u>	<u>3,965,017</u>	<u>-</u>	<u>36,837,788</u>	<u>152,677,988</u>
-	-	-	18,013,691	-	18,013,691
<u>33,336,650</u>	<u>1,314,264</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,650,914</u>
8,929,494	-	-	-	-	8,929,494
20,734,759	-	-	-	-	20,734,759
29,664,253	-	-	-	-	29,664,253
82,876,242	14,266,983	-	-	-	97,143,225
<u>112,540,495</u>	<u>14,266,983</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>126,807,478</u>
-	-	-	-	-	5,301,956
-	-	51,009,888	-	-	51,009,888
-	-	-	-	-	46,523
-	-	-	-	-	2,973,927
-	-	109,216	-	-	11,122,987
-	-	-	-	-	507,642
-	-	51,119,104	-	-	70,962,923
-	-	-	-	-	10,776,353
-	-	51,119,104	-	-	81,739,276
<u>145,877,145</u>	<u>15,581,247</u>	<u>51,119,104</u>	<u>18,013,691</u>	<u>-</u>	<u>261,211,359</u>
<u>\$251,847,981</u>	<u>\$18,428,203</u>	<u>\$55,084,121</u>	<u>\$18,013,691</u>	<u>\$36,837,788</u>	<u>\$413,889,347</u>

See accompanying notes to financial statements.

CITY OF OCALA, FLORIDA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

ALL GOVERNMENTAL AND EXPENDABLE TRUST FUND TYPES

Year Ended September 30, 1994

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Project
Revenues:				
Property taxes	\$ 7,529,041	\$ 46,235	\$ -	\$ -
Other taxes	1,502,077	-	-	-
State revenue sharing	930,380	-	-	-
Other intergovernmental revenues	3,460,023	4,823,799	-	1,432,018
Parking meters and facilities	-	61,195	-	-
Licenses and permits	388,130	374,936	-	-
Fines and forfeitures	845,992	45,463	-	-
Charges for services	552,771	1,632,326	-	-
Interest	401,197	525,951	203,839	163,553
Gifts	33,681	6,086	-	-
Other	223,488	8,263	-	-
Total revenues	<u>15,866,780</u>	<u>7,524,254</u>	<u>203,839</u>	<u>1,595,571</u>
Expenditures:				
Current:				
General government and administration	3,407,693	163,001	-	-
Public safety	13,296,158	-	-	1,800
Public works	3,224,729	1,017,778	-	271,216
Culture and recreation	2,397,538	1,428,588	-	3,857
Housing rehabilitation	394,466	-	-	-
Nondepartmental appropriations	151,883	-	-	-
Other	559,383	64,580	-	-
Capital outlay	1,347,326	591,796	-	2,491,579
Intergovernmental	111,869	-	-	-
Debt service:				
Principal payments	-	8,544	2,030,000	-
Interest and paying agents' fees	-	721	1,919,163	-
Total expenditures	<u>24,891,045</u>	<u>3,275,008</u>	<u>3,949,163</u>	<u>2,768,452</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(9,024,265)</u>	<u>4,249,246</u>	<u>(3,745,324)</u>	<u>(1,172,881)</u>
Other Financing Sources (Uses):				
Proceeds from bonds	-	-	11,749,269	6,102,730
Payment to refunding bond escrow agent	-	-	(11,885,054)	-
Debt issuance costs	-	-	-	(94,732)
Transfers from other funds	12,466,755	470,402	5,007,413	1,479,422
Transfers (to) other funds	<u>(1,503,946)</u>	<u>(1,939,831)</u>	<u>(1,479,572)</u>	<u>(1,584,111)</u>
Total other sources (uses)	<u>10,962,809</u>	<u>(1,469,429)</u>	<u>3,392,056</u>	<u>5,903,309</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	1,938,544	2,779,817	(353,268)	4,730,428
Fund Balance at Beginning of Year	<u>5,732,905</u>	<u>8,464,415</u>	<u>5,655,224</u>	<u>1,672,107</u>
Fund Balance at End of Year	<u>\$ 7,671,449</u>	<u>\$11,244,232</u>	<u>\$ 5,301,956</u>	<u>\$ 6,402,535</u>

<u>Fiduciary Fund Type</u>	<u>Totals (Memorandum Only)</u>
<u>Expendable Trust</u>	
\$ 11,267	\$ 7,586,543
-	1,502,077
-	930,380
-	9,715,840
-	61,195
-	763,066
-	891,455
-	2,185,097
49,147	1,343,687
-	39,767
73,786	305,537
<u>134,200</u>	<u>25,324,644</u>
20,240	3,590,934
-	13,297,958
-	4,513,723
-	3,829,983
-	394,466
-	151,883
-	623,963
-	4,430,701
-	111,869
-	2,038,544
-	1,919,884
<u>20,240</u>	<u>34,903,908</u>
<u>113,960</u>	<u>(9,579,264)</u>
-	17,851,999
-	(11,885,054)
-	(94,732)
10,464	19,434,456
-	(6,507,460)
<u>10,464</u>	<u>18,799,209</u>
124,424	9,219,945
<u>1,232,847</u>	<u>22,757,498</u>
<u>\$1,357,271</u>	<u>\$ 31,977,443</u>

See accompanying notes to financial statements.

CITY OF OCALA, FLORIDA

COMBINED STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL

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

Year Ended September 30, 1994

	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>GENERAL Actual on a Budgetary Basis</u>
Revenues:			
Property taxes	\$ 7,529,041	\$ -	\$ 7,529,041
Other taxes	1,502,077	-	1,502,077
State revenue sharing	930,380	-	930,380
Other intergovernmental revenues	3,460,023	(1,150,749)	2,309,274
Parking meters and facilities	-	-	-
Licenses and permits	388,130	-	388,130
Fines and forfeitures	845,992	-	845,992
Charges for services	552,771	-	552,771
Interest	401,197	(3,437)	397,760
Gifts	33,681	(9,876)	23,805
Other	223,488	(30,257)	193,231
Total revenues	<u>15,866,780</u>	<u>(1,194,319)</u>	<u>14,672,461</u>
Expenditures:			
Current:			
General government and administration	3,407,693	(129,598)	3,278,095
Public safety	13,296,158	92,122	13,388,280
Public works	3,224,729	16,159	3,240,888
Culture and recreation	2,397,538	(99,363)	2,298,175
Housing rehabilitation	394,466	(394,466)	-
Nondepartmental appropriations	151,883	2,417	154,300
Other	559,383	(468,610)	90,773
Capital outlay	1,347,326	32,249	1,379,575
Intergovernmental	111,869	(67,306)	44,563
Debt service:			
Principal payments	-	-	-
Interest and paying agents' fees	-	-	-
Total expenditures	<u>24,891,045</u>	<u>(1,016,396)</u>	<u>23,874,649</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(9,024,265)</u>	<u>(177,923)</u>	<u>(9,202,188)</u>
Other Financing Sources (Uses):			
Proceeds from long-term borrowing	-	-	-
Debt issuance costs	-	-	-
Operating transfers from other funds	12,466,755	40,000	12,506,755
Operating transfers (to) other funds	(1,503,946)	(16,822)	(1,520,768)
Total other financing sources (uses)	<u>10,962,809</u>	<u>23,178</u>	<u>10,985,987</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	1,938,544	(154,745)	1,783,799
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenue and Other Sources Over Expenditures and Other Uses	<u>\$ 1,938,544</u>	<u>\$ (154,745)</u>	<u>\$ 1,783,799</u>

<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 7,641,498	\$ (112,457)
1,442,000	60,077
950,000	(19,620)
2,282,363	26,911
-	-
348,000	40,130
876,000	(30,008)
571,354	(18,583)
447,625	(49,865)
8,043	15,762
215,748	(22,517)
<u>14,782,631</u>	<u>(110,170)</u>
3,395,497	117,402
13,947,264	558,984
3,230,713	(10,175)
2,451,232	153,057
-	-
185,225	30,925
90,834	61
3,102,050	1,722,475
66,750	22,187
-	-
<u>26,469,565</u>	<u>2,594,916</u>
<u>(11,686,934)</u>	<u>2,484,746</u>
-	-
-	-
12,515,111	(8,356)
(1,619,197)	98,429
<u>10,895,914</u>	<u>90,073</u>
(791,020)	2,574,819
<u>791,020</u>	<u>(791,020)</u>
<u>\$ -</u>	<u>\$ 1,783,799</u>

Continued

See accompanying notes to financial statements.

CITY OF OCALA, FLORIDA

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

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

Year Ended September 30, 1994

	Actual	Adjustments to Budgetary Basis	SPECIAL Actual on a Budgetary Basis
Revenues:			
Property taxes	\$ 46,235	\$ -	\$ 46,235
Other taxes	-	-	-
State revenue sharing	-	-	-
Other intergovernmental revenues	4,823,799	(86,476)	4,737,323
Parking meters and facilities	61,195	-	61,195
Licenses and permits	374,936	-	374,936
Fines and forfeitures	45,463	-	45,463
Charges for services	1,632,326	-	1,632,326
Interest	525,951	(2,780)	523,171
Gifts	6,086	-	6,086
Other	8,263	-	8,263
Total revenues	<u>7,524,254</u>	<u>(89,256)</u>	<u>7,434,998</u>
Expenditures:			
Current:			
General government and administration	163,001	(88,136)	74,865
Public safety	-	-	-
Public works	1,017,778	117,881	1,135,659
Culture and recreation	1,428,588	51,301	1,479,889
Housing rehabilitation	-	-	-
Nondepartmental appropriations	-	-	-
Other	64,580	-	64,580
Capital outlay	591,796	304,474	896,270
Intergovernmental	-	-	-
Debt service:			
Principal payments	8,544	-	8,544
Interest and paying agents' fees	721	-	721
Total expenditures	<u>3,275,008</u>	<u>385,520</u>	<u>3,660,528</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>4,249,246</u>	<u>(474,776)</u>	<u>3,774,470</u>
Other Financing Sources (Uses):			
Proceeds from long-term borrowing	-	-	-
Debt issuance costs	-	-	-
Operating transfers from other funds	470,402	-	470,402
Operating transfers (to) other funds	(1,939,831)	-	(1,939,831)
Total other financing sources (uses)	<u>(1,469,429)</u>	<u>-</u>	<u>(1,469,429)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	2,779,817	(474,776)	2,305,041
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenue and Other Sources Over Expenditures and Other Uses	<u>\$ 2,779,817</u>	<u>\$ (474,776)</u>	<u>\$ 2,305,041</u>

<u>REVENUE</u>	
<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 48,250	\$ (2,015)
-	-
-	-
3,469,829	1,267,494
66,000	(4,805)
377,000	(2,064)
49,500	(4,037)
1,590,000	42,326
393,600	129,571
4,000	2,086
6,853	1,410
<u>6,005,032</u>	<u>1,429,966</u>
75,375	£10
-	-
1,223,455	87,796
1,532,728	52,839
-	-
-	-
68,354	3,774
1,228,084	331,814
-	-
8,544	-
721	-
<u>4,137,261</u>	<u>476,733</u>
<u>1,867,771</u>	<u>1,906,699</u>
-	-
-	-
472,000	(1,598)
<u>(2,470,251)</u>	<u>530,420</u>
<u>(1,998,251)</u>	<u>528,822</u>
(130,480)	2,435,521
<u>130,480</u>	<u>(130,480)</u>
<u>\$ -</u>	<u>\$ 2,305,041</u>

Continued

See accompanying notes to financial statements.

CITY OF OCALA, FLORIDA

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

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

Year Ended September 30, 1994

	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>CAPITAL Actual on a Budgetary Basis</u>
Revenues:			
Property taxes	\$ -	\$ -	\$ -
Other taxes	-	-	-
State revenue sharing	-	-	-
Other intergovernmental revenues	1,432,018	-	1,432,018
Parking meters and facilities	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Interest	163,553	(14,971)	148,582
Gifts	-	-	-
Other	-	-	-
Total revenues	<u>1,595,571</u>	<u>(14,971)</u>	<u>1,580,600</u>
Expenditures:			
Current:			
General government and administration	-	-	-
Public safety	1,800	-	1,800
Public works	271,216	18,744	289,960
Culture and recreation	3,857	40,284	44,141
Housing rehabilitation	-	-	-
Nondepartmental appropriations	-	-	-
Other	-	-	-
Capital outlay	2,491,579	2,262,883	4,754,462
Intergovernmental	-	-	-
Debt service:			
Principal payments	-	-	-
Interest and paying agents' fees	-	-	-
Total expenditures	<u>2,768,452</u>	<u>2,321,911</u>	<u>5,090,363</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,172,881)</u>	<u>(2,336,882)</u>	<u>(3,509,763)</u>
Other Financing Sources (Uses):			
Proceeds from long-term borrowing	6,102,730	(6,102,730)	-
Debt issuance costs	(94,732)	94,732	-
Operating transfers from other funds	1,479,422	(1,288,775)	190,647
Operating transfers (to) other funds	(1,584,111)	1,397,987	(186,124)
Total other financing sources (uses)	<u>5,903,309</u>	<u>(5,898,786)</u>	<u>4,523</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	<u>4,730,428</u>	<u>(8,235,668)</u>	<u>(3,505,240)</u>
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenue and Other Sources Over Expenditures and Other Uses	<u>\$ 4,730,428</u>	<u>\$ (8,235,668)</u>	<u>\$ (3,505,240)</u>

<u>PROJECT</u>	
<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ -	\$ -
-	-
-	-
2,313,255	(881,237)
-	-
-	-
-	-
186,500	(37,918)
-	-
<u>2,499,755</u>	<u>(919,155)</u>
-	-
46,430	44,630
244,583	(45,377)
49,141	5,000
-	-
-	-
5,656,126	901,664
-	-
-	-
<u>5,996,280</u>	<u>905,917</u>
<u>(3,496,525)</u>	<u>(13,238)</u>
-	-
-	-
721,067	(530,420)
(186,124)	-
<u>534,943</u>	<u>(530,420)</u>
(2,961,582)	(543,658)
<u>2,961,582</u>	<u>(2,961,582)</u>
<u>\$ -</u>	<u>\$ (3,505,240)</u>

Continued

See accompanying notes to financial statements.

CITY OF OCALA, FLORIDA

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

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

Year Ended September 30, 1994

	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>EXPENDABLE Actual on a Budgetary Basis</u>
Revenues:			
Property taxes	\$ 11,267	\$ -	\$ 11,267
Other taxes	-	-	-
State revenue sharing	-	-	-
Other intergovernmental revenues	-	-	-
Parking meters and facilities	-	-	-
Licenses and permits	-	-	-
Fines and forfeitures	-	-	-
Charges for services	-	-	-
Interest	49,147	(44,477)	4,670
Gifts	-	-	-
Other	73,786	(73,786)	-
Total revenues	<u>134,200</u>	<u>(118,263)</u>	<u>15,937</u>
Expenditures:			
Current:			
General government and administration	20,240	-	20,240
Public safety	-	-	-
Public works	-	-	-
Culture and recreation	-	-	-
Housing rehabilitation	-	-	-
Nondepartmental appropriations	-	-	-
Other	-	-	-
Capital outlay	-	-	-
Intergovernmental	-	-	-
Debt service:			
Principal payments	-	-	-
Interest and paying agents' fees	-	-	-
Total expenditures	<u>20,240</u>	<u>-</u>	<u>20,240</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>113,960</u>	<u>(118,263)</u>	<u>(4,303)</u>
Other Financing Sources (Uses):			
Proceeds from long-term borrowing	-	-	-
Debt issuance costs	-	-	-
Operating transfers from other funds	10,464	-	10,464
Operating transfers (to) other funds	-	-	-
Total other financing sources (uses)	<u>10,464</u>	<u>-</u>	<u>10,464</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	124,424	(118,263)	6,161
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenue and Other Sources Over Expenditures and Other Uses	<u>\$ 124,424</u>	<u>\$ (118,263)</u>	<u>\$ 6,161</u>

<u>TRUST</u>	
<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 11,267	\$ -
-	-
-	-
-	-
-	-
-	-
5,300	(630)
-	-
<u>16,567</u>	<u>(630)</u>
29,812	9,572
-	-
-	-
-	-
-	-
-	-
-	-
-	-
<u>29,812</u>	<u>9,572</u>
<u>(13,245)</u>	<u>8,942</u>
-	-
-	-
10,464	-
-	-
<u>10,464</u>	<u>-</u>
(2,781)	8,942
<u>2,781</u>	<u>(2,781)</u>
<u>\$ -</u>	<u>\$ 6,161</u>

See accompanying notes to financial statements.

CITY OF OCALA, FLORIDA

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS/FUND BALANCE

ALL PROPRIETARY FUND TYPES AND PENSION TRUST FUNDS

Year Ended September 30, 1994

	Proprietary Fund Types		Fiduciary	Totals
	Enterprise	Internal	Fund Type	(Memorandum Only)
		Service	Pension Trust	
Operating Revenues:				
Sale of electricity	\$ 72,758,508	\$ -	\$ -	\$ 72,758,508
Sale of water	3,627,960	-	-	3,627,960
Sewer and sanitation service charges	13,914,461	-	-	13,914,461
Fees and rentals	2,096,811	8,316,723	-	10,413,534
Commissions	65,727	-	-	65,727
City and state contributions	-	3,175,096	2,003,059	5,178,155
Employee contributions	-	1,036,459	340,298	1,376,757
Income on investments	-	-	1,981,335	1,981,335
Net depreciation in fair market value of investments	-	-	(1,597,255)	(1,597,255)
Other	2,331,889	378,602	-	2,710,491
Total operating revenues	<u>94,795,356</u>	<u>12,906,880</u>	<u>2,727,437</u>	<u>110,429,673</u>
Operating Expenses:				
Purchase of electricity	41,370,148	-	-	41,370,148
Distribution	6,396,532	-	-	6,396,532
Operation and maintenance	9,218,295	-	-	9,218,295
Water and sewer treatment	2,338,173	-	-	2,338,173
Sewer collection	1,068,989	-	-	1,068,989
Fleet management	-	2,863,855	-	2,863,855
Purchasing and warehousing	-	763,651	-	763,651
Management information system and central services	-	815,549	-	815,549
Building maintenance	-	822,640	-	822,640
Pension payments	-	-	1,648,572	1,648,572
Insurance, admin and other	3,545,889	4,207,383	375,253	8,128,525
Loss on sale of investments	-	-	296,939	296,939
Depreciation and amortization	6,271,681	617,060	-	6,888,741
Other	2,141,602	183,796	-	2,325,398
Total operating expenses	<u>72,351,309</u>	<u>10,273,934</u>	<u>2,320,764</u>	<u>84,946,007</u>
Operating Income	<u>22,444,047</u>	<u>2,632,946</u>	<u>406,673</u>	<u>25,483,666</u>
Nonoperating Revenues (Expenses):				
Interest income	2,547,034	383,369	-	2,930,403
Interest expense	(3,835,464)	(18,144)	-	(3,853,608)
Other non-operating revenue	128,590	-	-	128,590
Other non-operating expense	(472,249)	-	-	(472,249)
Total nonoperating revenues (expenses)	<u>(1,632,089)</u>	<u>365,225</u>	<u>-</u>	<u>(1,266,864)</u>
Income Before Operating Transfers	<u>20,811,958</u>	<u>2,998,171</u>	<u>406,673</u>	<u>24,216,802</u>
Operating Transfers:				
From other funds	746,790	8,977	-	755,767
(To) other funds	(13,472,206)	(210,557)	-	(13,682,763)
Total operating transfers	<u>(12,725,416)</u>	<u>(201,580)</u>	<u>-</u>	<u>(12,926,996)</u>
Net Income	8,086,542	2,796,591	406,673	11,289,806
Retained Earnings/Fund Balance at Beginning of Year	<u>104,453,953</u>	<u>11,470,392</u>	<u>49,355,160</u>	<u>165,279,505</u>
Retained Earnings/Fund Balance at End of Year	<u>\$112,540,495</u>	<u>\$14,266,983</u>	<u>\$49,761,833</u>	<u>\$176,569,311</u>

See accompanying notes to financial statements.

CITY OF OCALA, FLORIDA

COMBINED STATEMENT OF CASH FLOWS

ALL PROPRIETARY FUND TYPES

Year Ended September 30, 1994

	<u>Proprietary Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Internal Service</u>	
Increase (Decrease) in Cash and Cash Equivalents:			
Cash Flows From Operating Activities:			
Cash received from customers	\$ 95,002,441	\$ -	\$ 95,002,441
Cash received from employees	-	1,036,459	1,036,459
Cash paid to suppliers for goods and services	(55,993,745)	(5,063,667)	(61,057,412)
Cash paid to employees for services	(8,240,618)	(2,535,986)	(10,776,604)
Cash received from other funds	-	11,844,717	11,844,717
Cash paid for insurance claims	-	(2,373,987)	(2,373,987)
Net cash provided by operating activities	<u>30,768,078</u>	<u>2,907,536</u>	<u>33,675,614</u>
Cash Flows From Non-Capital Financing Activities:			
Operating transfers in	746,790	8,977	755,767
Operating transfers out	(13,472,206)	(210,557)	(13,682,763)
Grant expenses	(343,659)	-	(343,659)
Net cash used in non-capital financing activities	<u>(13,069,075)</u>	<u>(201,580)</u>	<u>(13,270,655)</u>
Cash Flows From Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(15,905,425)	(1,830,815)	(17,736,240)
Principal paid on bonds and notes payable	(9,390,000)	(247,401)	(9,637,401)
Interest paid on bonds and notes payable	(6,049,818)	(18,144)	(6,067,962)
Principal paid on loans from other funds	(91,059)	-	(91,059)
Interest paid on loans from other funds	(24,775)	-	(24,775)
Principal received on loans to other funds	63,328	25,017	88,345
Interest received on loans to other funds	20,308	2,554	22,862
Proceeds of loans from other funds	15,000	-	15,000
Loans to other funds	(97,838)	-	(97,838)
Contributions received from other governments, developers and customers	<u>1,598,598</u>	<u>-</u>	<u>1,598,598</u>
Net cash used in capital and related financing activities	<u>(29,861,681)</u>	<u>(2,068,789)</u>	<u>(31,930,470)</u>
Cash Flows From Investing Activities:			
Purchase of investments	(3,107,770)	-	(3,107,770)
Proceeds from sales and maturities of investments	7,337,611	-	7,337,611
Interest received	<u>3,215,074</u>	<u>366,240</u>	<u>3,581,314</u>
Net cash provided by investing activities	<u>7,444,915</u>	<u>366,240</u>	<u>7,811,155</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(4,717,763)	1,003,407	(3,714,356)
Cash and Cash Equivalents, beginning of year	<u>47,032,820</u>	<u>8,789,746</u>	<u>55,822,566</u>
Cash and Cash Equivalents, end of year	<u>\$ 42,315,057</u>	<u>\$ 9,793,153</u>	<u>\$ 52,108,210</u>

Continued

See accompanying notes to financial statements.

CITY OF OCALA, FLORIDA

COMBINED STATEMENT OF CASH FLOWS - CONTINUED

ALL PROPRIETARY FUND TYPES

Year Ended September 30, 1994

	<u>Proprietary Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Internal Service</u>	
Reconciliation of Cash and Cash Equivalents to Balance Sheet:			
Total unrestricted cash and investments per the balance sheet	\$ 8,262,327	\$ 9,793,153	\$ 18,055,480
Total restricted cash and investments per the balance sheet	<u>62,030,648</u>	<u>-</u>	<u>62,030,648</u>
Total cash and investments	70,292,975	9,793,153	80,086,128
Less: Investments not meeting the definition of cash equivalents	<u>(27,977,918)</u>	<u>-</u>	<u>(27,977,918)</u>
Cash and Cash Equivalents, end of year	<u>\$ 42,315,057</u>	<u>\$ 9,793,153</u>	<u>\$ 52,108,210</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income	\$ 22,444,047	\$ 2,632,946	\$ 25,076,993
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	6,271,681	617,060	6,888,741
Loss on fixed asset disposal	201,173	235	201,408
(Increase) decrease in assets:			
Accounts and notes receivable	(244,229)	(14,141)	(258,370)
Accrued unbilled revenue	214,516	-	214,516
Due from other funds	37,078	-	37,078
Inventories	156,344	(3,514)	152,830
Due from other governments	69,590	5,226	74,816
Other current assets	(10,618)	(49,190)	(59,808)
Increase (decrease) in liabilities:			
Accounts payable	1,273,333	40,085	1,313,418
Claims payable	-	(375,179)	(375,179)
Compensated absences payable	319,671	70,753	390,424
Due (to) other funds	(272,808)	-	(272,808)
Customer deposits	66,155	-	66,155
Deferred revenue	40,501	(16,745)	23,756
Decommissioning costs	<u>201,644</u>	<u>-</u>	<u>201,644</u>
Net Cash Provided By Operating Activities	<u>\$ 30,768,078</u>	<u>\$ 2,907,536</u>	<u>\$ 33,675,614</u>

See accompanying notes to financial statements.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 1994

1. Reporting Entity and Description of Funds:

A. Reporting Entity

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

In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may or may not be financially accountable and, as such, be includable within the City's financial statements. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, the City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Management determined that the Community Redevelopment Agency is the only organization that should be included in the City's financial statements as a component unit. This was the only effect of adopting GASB No. 14 in the current fiscal year. Opening fund balance has not been restated as the effect of adoption is immaterial.

1. Blended Component Unit:

Community Redevelopment Agency (CRA) - The City Council serves as the CRA Board. Although legally separate, the CRA is appropriately blended as a governmental fund type component unit into the primary government. Separate financial statements for the CRA are not presently developed.

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

2. Related Organization:

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

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

1. Reporting Entity and Description of Funds - Continued:

B. Description of Funds

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

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

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

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

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

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

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

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

1. Reporting Entity and Description of Funds - Continued:

B. Description of Funds - Continued

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

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

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

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

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

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

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

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

2. Summary of Significant Accounting Policies:

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

A. Basis of Accounting

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

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

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

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

B. Annual Budgets

An annual budget is prepared for all governmental and proprietary funds except for one special revenue fund (SHIP Local Housing Assistance), one capital project fund (Capital Improvement Construction Fund), one expendable trust fund (Pension Medical Reserve Fund), the agency fund, and all debt service funds. Some portions of the City's General Fund and special revenue funds which are related to grants, financially non-measurable trial programs, special assessments and other similar activities are not formally budgeted. These activities are monitored by the appropriate City personnel. The budget amounts presented in the accompanying financial statements for the governmental funds are as originally adopted, or as legally amended, by the City Council during the year ended September 30, 1994.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

2. Summary of Significant Accounting Policies - Continued:

B. Annual Budgets - Continued

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any budget amendments that alter the total expenditures of any fund must be approved by the City Council. During 1994, the City Council approved various supplemental budget appropriations to provide for unanticipated requirements of the period. Budget appropriations may not be legally exceeded on a fund basis. Appropriations lapse at the end of each fiscal year. The budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are treated as expenditures. Accordingly, budgetary comparisons presented for the governmental funds in the accompanying financial statements are on this non-GAAP budgetary basis. In addition, certain activities accounted for within the governmental funds are not formally budgeted by the City. Therefore, both revenues and expenditures associated with those activities have also been treated as adjustments to convert actual revenues and expenditures of the governmental funds to a budgetary basis in order that the budgetary comparisons reflect only those activities for which legally adopted budgets are prepared.

C. Equity in Pooled Cash and Investments

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

D. Cash Flows

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

E. Investments

Investments, except those of the Pension Trust Funds, are stated at cost, which together with the accrued interest receivable approximates market. Investments of the Pension Trust and Agency Funds consisting of bonds, common stocks, debentures 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.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

2. Summary of Significant Accounting Policies - Continued:

G. Property, Plant and Equipment

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

Proprietary Funds - Property, plant and equipment of the proprietary funds acquired subsequent to 1977 are carried at historical cost. Those acquired in 1977 and prior years are recorded at estimated historical cost if historical cost is not available. Contributed assets are recorded at their estimated fair market value on the date donated. The City used appraisals and other estimation techniques (indices) to estimate, when necessary, the original historical cost of the units of property, plant and equipment. Since the development of detail property records, all additions to property, plant and equipment of proprietary funds have been recorded at cost with retirements recorded using the established actual or estimated historical cost (net of accumulated depreciation).

Depreciation is provided on all exhaustible assets of proprietary funds on the straight-line method over the following estimated useful lives:

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

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

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

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

2. Summary of Significant Accounting Policies - Continued:

G. Property, Plant and Equipment - Continued

Capitalization of Interest - In accordance with FASB Statement No. 62, the Electric System and Water and Sewer System enterprise funds capitalize net interest costs on funds borrowed to finance the construction of fixed assets. For the year ended September 30, 1994, capitalization of net interest costs was as follows:

	<u>Electric System</u>	<u>Water and Sewer System</u>
Interest expense	\$ 693,757	\$1,358,684
Amortization of bond issuance costs	66,205	36,597
Interest income	<u>(328,015)</u>	<u>(332,606)</u>
Increase in construction in progress	<u>\$ 431,947</u>	<u>\$1,062,675</u>

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

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

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

H. Accrued Revenue

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

I. Property Taxes

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

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

2. Summary of Significant Accounting Policies - Continued:

I. Property Taxes - Continued

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, 1994 was \$5.0264 per \$1,000 of assessed property value.

J. Interfund Payables and Receivables

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

K. Compensated Absences

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

The above accounting conforms to GASB Statement No. 16 which was adopted by the City during the current fiscal year. There has been no restatement of fund equity because the adoption of the new accounting standard had an immaterial effect.

L. Self-Insurance Claims

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

M. Pension Costs

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

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

2. Summary of Significant Accounting Policies - Continued:

N. Reserves of Retained Earnings and Fund Balance

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

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

O. Grants and Contributions

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

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

2. Summary of Significant Accounting Policies - Continued:

P. Bond Discounts and Issuance Costs

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

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

Q. Administrative Fees

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

R. 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.

S. Total Columns on Combined Statements - Overview

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

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

3. Budget Reconciliation:

A. Budgetary Basis Reconciliation

Since the accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, entity and timing differences in the excess of revenues and other sources of financial resources over expenditures and other uses of financial resources for the year ended September 30, 1994 is presented below:

	<u>Governmental Fund Types</u>			<u>Expendable Trust</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Project</u>	
Excess (deficiency) of revenues and other sources of financial resources over expenditures and other uses of financial resources (budgetary basis)	\$1,783,799	\$2,305,041	\$(3,505,240)	\$ 6,161
Adjustments:				
Encumbrances	177,105	474,706	2,322,116	-
Encumbrances of non- formally budgeted activities	(13,123)	-	-	-
Non-formally budgeted activities	<u>(9,237)</u>	<u>70</u>	<u>5,913,552</u>	<u>118,263</u>
Excess (deficiency) of revenues and other sources of financial resources over expenditures and other uses of financial resources (GAAP basis)	<u>\$1,938,544</u>	<u>\$2,779,817</u>	<u>\$ 4,730,428</u>	<u>\$124,424</u>

B. Excess of Expenditures Over Appropriations

For the year ended September 30, 1994, no expenditures exceeded the budget at the fund level.

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

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

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

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

A. Cash

At September 30, 1994, the carrying amount of the City's deposits was \$635,772. These deposits consisted of interest bearing and non-interest bearing demand accounts and certificates of deposit, which were entirely insured by federal depository insurance or by collateral held by the City's agent pursuant to the Public Depository Security Act of the State of Florida. This Act requires that the City maintain deposits only in "qualified public depositories". All qualified public depositories must deposit with the State Treasurer eligible collateral in such amounts as required by the Act. In addition, qualified public depositories are required under the Act to assume mutual responsibility against loss caused by the default or insolvency of other qualified public depositories of the same type. Should a default or insolvency occur, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City.

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

B. Investments

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

Cash Management Funds are mutual funds administered by Barnett Banks Trust Company. Investments held in these funds consist of U.S. Government and other short-term obligations. These short-term investments are stated at cost, which approximates market. Investment income is recognized as earned and is allocated to participants of the funds based on their equity participation.

The Local Government Surplus Funds Trust Fund is an investment pool administered by the Florida State Board of Administration. Investments held in the 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.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

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

B. Investments - Continued

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

	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Carrying Value</u>	<u>Market Value</u>
U.S. Government securities	\$ -	\$7,100,743	\$ 67,788,402	\$ 74,889,145	\$ 73,750,719
Common stocks and debentures	-	-	<u>48,171,745</u>	<u>48,171,745</u>	<u>48,003,686</u>
	<u>\$ -</u>	<u>\$7,100,743</u>	<u>\$115,960,147</u>	123,060,890	121,754,405
Cash Management Funds				8,546,958	8,546,958
Local Government Surplus Funds Trust Fund				29,251,593	29,251,593
Deferred Compensation Investments				<u>3,932,667</u>	<u>3,932,667</u>
Total investments				<u>\$164,792,108</u>	<u>\$163,485,623</u>

The pension trust funds hold approximately 39% of the investments in Category 3.

The types of investments and their levels of risk exposure as of September 30, 1994 were typical of those items during the fiscal year then ended.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

5. Due From (To) Other Funds:

The following summarizes the interfund receivables and payables of the various funds of the City at September 30, 1994:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Current Unrestricted Interfund Receivable/Payable:		
General Fund	\$ 532	\$ -
Special Revenue Funds:		
Stormwater Utility	77,365	-
Enterprise Funds:		
Electric System Revenue	-	840,916
Water and Sewer	512,824	-
Sanitation	250,727	-
Florida Emergency Training Facility	-	532
	<u>763,551</u>	<u>841,448</u>
Total Current Unrestricted Interfund Receivable/Payable	<u>841,448</u>	<u>841,448</u>
Restricted Interfund Receivable/Payable:		
Trust and Agency Funds:		
Pension Trust Funds:		
Employees' Retirement Fund	-	135
Firefighters' Supplemental Pension	135	-
	<u>135</u>	<u>135</u>
Total Restricted Interfund Receivable/Payable	<u>135</u>	<u>135</u>
Total Interfund Receivable/Payable	<u>\$ 841,583</u>	<u>\$ 841,583</u>

6. Interfund Transactions:

On November 10, 1987, the City Council approved a loan from the Electric System 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, 1994, \$222,000 of the balance is outstanding, with \$166,500 classified as long-term. Interfund interest recognized on this loan in fiscal year 1994 was \$10,423.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

6. Interfund Transactions - Continued:

On February 14, 1989, the City Council authorized a loan from the Electric System Revenue Fund to the Airport Fund of \$345,000 for the City's portion of the costs of the airport operations center. On March 14, 1989, the amount of this loan, which bears interest at a fluctuating rate based on the State Board of Administration interest rate, was reduced to \$292,000. The loan, which was made in September, 1989, is to be repaid over a fifteen-year period. At September 30, 1994, \$259,024 of the loan balance is outstanding, with \$250,463 classified as long-term. Interfund interest recognized on this loan in fiscal year 1994 was \$9,885.

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, 1994, \$49,492 of the loan balance is outstanding, with \$46,523 classified as long-term. Interfund interest recognized on this loan in fiscal year 1994 was \$1,913.

On April 20, 1993, the City Council approved a loan of \$79,775 from the Fleet Management Fund to the Municipal Golf Course Fund for the purchase of new gas golf carts. This interfund loan, which was actually made in September, 1993, bears interest at a variable interest rate set by the City's Finance Director and is to be repaid over a three-year period beginning in fiscal year 1994. At September 30, 1994, \$54,758 of the loan is outstanding, with \$28,198 classified as long-term. Interfund interest recognized on this loan in fiscal year 1994 was \$2,554.

On June 29, 1993, the City Council approved a loan from the Electric System Revenue Fund to the Airport Fund to cover the Airport's portion of the debt service payments for various improvements during fiscal years 1994 through 1998. The first portion of the loan was made in fiscal year 1994 in the amount of \$15,000. 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 and is to be repaid during fiscal years 1999 through 2007. At September 30, 1994, \$15,000 of the loan is outstanding and is classified as long-term. There was no interfund interest recognized on this loan in fiscal year 1994.

On September 27, 1994, the City Council approved a loan of \$82,838 from the Electric System Revenue Fund to the Off-Street Parking Fund for the purchase of an additional parking lot. This loan, which bears interest at 6%, is to be repaid over a ten-year period. At September 30, 1994, \$82,838 of the loan balance is outstanding, with \$76,603 classified as long-term. There was no interfund interest recognized on this loan in fiscal year 1994.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

6. Interfund Transactions - Continued:

The following summarizes the interfund loans receivable and payable of the various funds of the City at September 30, 1994:

<u>Fund</u>	<u>Loans Receivable</u>	<u>Loans Payable</u>
Current Unrestricted Interfund Loans Receivable/Payable:		
General Fund	\$ 2,969	\$ -
Special Revenue Funds:		
Off-Street Parking	-	6,235
Enterprise Funds:		
Electric System Revenue	70,296	-
Municipal Golf Course	-	82,060
Fort King Tennis Court	-	2,969
Ocala Municipal Airport	-	8,561
	<u>70,296</u>	<u>93,590</u>
Internal Service Funds:		
Fleet Management	26,560	-
Total current unrestricted interfund loans receivable/payable	<u>99,825</u>	<u>99,825</u>
Interfund Loans Receivable/Payable After One Year:		
General Fund	46,523	-
Special Revenue Funds:		
Off-Street Parking	-	76,603
Enterprise Funds:		
Electric System Revenue	508,566	-
Municipal Golf Course	-	194,698
Fort King Tennis Court	-	46,523
Ocala Municipal Airport	-	265,463
	<u>508,566</u>	<u>506,684</u>
Internal Service Funds:		
Fleet Management	28,198	-
Total interfund loans receivable/ payable after one year	<u>583,287</u>	<u>583,287</u>
Total Interfund Loans Receivable/Payable	<u>\$683,112</u>	<u>\$683,112</u>

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

7. Property, Plant and Equipment:

Property, plant and equipment of the proprietary fund types at September 30, 1994 is summarized as follows:

	<u>Enterprise Funds</u>	<u>Internal Service Funds</u>
Buildings	\$ 5,452,422	\$ 6,144,342
Extensions and improvements other than buildings	163,215,128	1,297,281
Crystal River Unit No. 3	13,298,180	-
Fixtures, vehicles and equipment	<u>9,025,330</u>	<u>4,181,641</u>
	190,991,060	11,623,264
Less accumulated depreciation	<u>(59,160,756)</u>	<u>(4,023,688)</u>
	131,830,304	7,599,576
Land	14,050,596	630,193
Construction in progress	<u>19,524,018</u>	<u>610</u>
	<u>\$165,404,918</u>	<u>\$ 8,230,379</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.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

8. Pension Plans:

The City maintains a single-employer, defined benefit pension plan which covers substantially all of the City's full-time employees (General Plan), a single-employer defined benefit pension plan which covers all of its full-time certified law enforcement officers (Supplemental Police Officers' Plan) and a single-employer defined benefit pension plan which covers all of its full-time certified firefighters (Supplemental Firefighters' Plan).

A. Plan Description and Provisions

General Plan - The General Plan is a noncontributory defined benefit pension plan covering substantially all full-time employees of the City. The amount of the covered payroll for the year ended September 30, 1994 was \$24,594,032. The City's entire payroll was \$25,515,344.

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

Supplemental Police Officers' Plan - The Supplemental Police Officers' Plan is a contributory defined benefit pension plan covering any person employed full-time in the Ocala Police Department who is certified as a law enforcement officer in compliance with the provisions of Chapter 943.14 of the Florida Statutes. The Plan supplements the General Plan which covers all qualified employees of the City. Florida Statutes Chapter 185 allows contributions to the Plan by the State of Florida. The amount of the covered payroll for the year ended September 30, 1994 was \$3,902,600.

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

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

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

8. Pension Plans - Continued:

A. Plan Descriptions and Provisions - Continued

Supplemental Firefighters' Plan - The Supplemental Firefighters' Plan is a contributory defined benefit pension plan covering any person employed full-time in the Ocala Fire Department who is certified as a firefighter as a condition of employment in accordance with the provisions of Section 633.35 of the Florida Statutes. The Plan supplements the General Plan which covers all qualified employees of the City. Florida Statutes Chapter 175 allows contributions to the Plan by the State of Florida. The amount of the covered payroll for the year ended September 30, 1994 was \$3,114,561.

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

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

Participation - At September 30, 1994, 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 employees entitled to benefits not yet receiving them	<u>243</u>	<u>20</u>	<u>20</u>
Current employees:			
Vested	346	58	43
Nonvested	<u>627</u>	<u>72</u>	<u>62</u>
Total	<u>973</u>	<u>130</u>	<u>105</u>

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

8. Pension Plans - Continued:

B. Investments

The three aforementioned plans pooled their investments through March, 1994. Interest and dividend income, gains and losses on sale of investments and appreciation or depreciation in fair market value of investments were allocated among the three plans monthly based upon the fund balances of the respective funds at the beginning of each month. In April, 1994, the investments of the General Plan were separated from those of the other two plans. The investments of the two Supplemental Plans are pooled. Interest and dividend income, gains and losses on sale of investments and appreciation or depreciation in fair market value of investments are allocated to the two Supplemental Plans monthly based upon the investment balances of the respective funds at the beginning of each month.

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

C. Funding Status and Progress

The amounts shown below as "pension benefit obligation" are a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any step-rate benefits, 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 each Plan.

The pension benefit obligation was determined as part of an actuarial valuation at October 1, 1994 for the General, Police Officers' and Firefighters' Plans. 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, (c) no postretirement benefit increases and (d) no merit rate increases.

There were no current year changes in actuarial assumptions for the General, Police Officers' and Firefighters' Plans that would affect the pension benefit obligation.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

8. Pension Plans - Continued:

C. Funding Status and Progress - Continued

Total assets in excess (unfunded) of the pension benefit obligation of each of the three Plans at October 1, 1994 are summarized as follows:

	<u>October 1, 1994</u>			<u>Total</u>
	<u>General Plan</u>	<u>Police Officers' Plan</u>	<u>Fire- fighters' Plan</u>	
Pension Benefit Obligation:				
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$11,195,800	\$ 841,200	\$ 2,104,300	\$14,141,300
Current employees:				
Accumulated employee contributions including allocated investment earnings and state financed - vested	498,200	337,200	1,362,500	2,197,900
Employer-financed vested	16,935,300	4,433,900	2,116,900	23,486,100
Employer-financed nonvested	<u>3,347,900</u>	<u>885,400</u>	<u>589,800</u>	<u>4,823,100</u>
Total pension benefit obligation	31,977,200	6,497,700	6,173,500	44,648,400
Net Assets Available for Benefits, at market	<u>37,787,700</u>	<u>7,064,800</u>	<u>4,909,300</u>	<u>49,761,800</u>
Assets in Excess of (Unfunded) Pension Benefit Obligation	<u>\$ 5,810,500</u>	<u>\$ 567,100</u>	<u>\$ (1,264,200)</u>	<u>\$ 5,113,400</u>

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

8. Pension Plans - Continued:

D. Contributions Required and Contribution Made

The plans' funding policies provide 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 the General Plan is determined using the frozen entry age actuarial funding method. Based upon the October 1, 1994 actuarial valuation, the unfunded frozen actuarial accrued liability for the General Plan is \$3,308,442. The funding period for the unfunded actuarial accrued liability is 30 to 40 years. For the Police Officers' Plan and Firefighters' Plan, the contribution rate for normal cost is determined using the aggregate actuarial funding method which does not produce a past service liability that is amortized over a fixed number of years. Instead, the value of all projected benefits in excess of current assets is paid off over the future working years of the covered employees. Therefore, this method automatically funds the remaining value of benefits while there are still active members.

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 the 1994 fiscal year determined through an actuarial valuation performed as of October 1, 1993 was \$1,515,350 (6.21% of current covered payroll). The pension contribution requirement represents funding for normal cost \$1,083,913 (4.4% of covered payroll), amortization of the unfunded actuarial accrued liability \$335,908 (1.4% of covered payroll), and administrative expenses \$37,251. Actual employer contributions amounted to \$1,524,830 (6.2% of current covered payroll). Because of timing, there is a one-year lapse in the funding of the contribution requirements for the General Plan.

The contribution requirement for the Supplemental Police Officers' Plan for the 1994 fiscal year determined through an actuarial valuation performed as of October 1, 1993 was \$351,994 (9.2% of current covered payroll). The pension contribution requirement represents funding for normal cost \$340,894 (8.9% of covered payroll), and administrative expenses \$11,100. Actual employee contributions totalled \$78,052 (2.0% of current covered payroll) and actual state contributions amounted to \$287,427 (7.4% of current covered payroll).

The contribution requirement for the Supplemental Firefighters' Plan for the 1994 fiscal year determined through an actuarial valuation performed as of October 1, 1993 was \$414,365 (13.6% of current covered payroll). The pension contribution requirement represents funding for normal cost \$404,723 (13.3% of covered payroll), and administrative expenses \$9,642. Actual employee contributions totalled \$262,246 (8.42% of current covered payroll) and actual state contributions amounted to \$190,802 (6.1% of current covered payroll).

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

8. Pension Plans - Continued:

E. Trend Information

The required three-year trend disclosure is as follows:

	<u>1994</u>	<u>1993</u>	<u>1992</u>
Net assets available for benefits as a percentage of the pension benefit obligation:			
General Plan	118.17 %	126.95 %	118.73 %
Supplemental Police Officers' Plan	108.73 %	117.13 %	110.38 %
Supplemental Firefighters' Plan	79.52 %	87.34 %	85.49 %
Employer contributions as a percentage of annual covered payroll:			
General Plan	6.2 %	6.2 %	6.3 %
Assets in excess of (unfunded) pension obligation as a percentage of the employer's annual covered payroll:			
General Plan	23.63 %	32.72 %	21.97 %
Supplemental Police Officers' Plan	14.53 %	26.03 %	14.34 %
Supplemental Firefighters' Plan	(40.59) %	(22.79) %	(23.14) %

Historical Trend Information - Historical trend information is presented to help users assess the Plan's funding status on a going-concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other public employee retirement systems. Historical trend information is presented as required supplementary information in the Statistical Section of the Comprehensive Annual Financial Report.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

9. Proprietary Funds - Long-Term Debt:

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

Fiscal Year Ended September 30,	<u>Series 1988</u>	<u>Series 1989B</u>	<u>Series 1992A</u>	<u>Series 1992B</u>	Total Principal Due
	Water and Sewer Refunding Revenue Bonds	Electric System Revenue Refunding Bonds	Utility Systems Subordinate Refunding Revenue Bonds	Utility Systems Subordinate Refunding Revenue Bonds	
1995	\$ 245,000	\$ 1,435,000	\$ 1,190,000	\$ 2,065,000	\$ 4,935,000
1996	260,000	1,530,000	1,255,000	2,160,000	5,205,000
1997	280,000	1,630,000	1,305,000	2,270,000	5,485,000
1998	295,000	1,745,000	1,375,000	2,385,000	5,800,000
1999	320,000	1,740,000	1,440,000	1,365,000	4,865,000
2000-2016	<u>11,005,000</u>	<u>-</u>	<u>43,485,000</u>	<u>10,235,000</u>	<u>64,725,000</u>
Total long-term debt	12,405,000	8,080,000	50,050,000	20,480,000	91,015,000
Less:					
Current portion	245,000	1,435,000	1,190,000	2,065,000	4,935,000
Unamortized discount	<u>103,577</u>	<u>24,711</u>	<u>1,404,333</u>	<u>563,399</u>	<u>2,096,020</u>
Total long-term portion	<u>\$12,056,423</u>	<u>\$ 6,620,289</u>	<u>\$47,455,667</u>	<u>\$17,851,601</u>	<u>\$ 83,983,980</u>
Interest rate	<u>6.30-7.875%</u>	<u>6.40-6.90%</u>	<u>4.50-6.50%</u>	<u>4.50-6.25%</u>	

Water and Sewer Refunding Revenue Bonds, Series 1988 - The Water and Sewer Refunding Revenue Bonds, Series 1988, were issued in July, 1988, and consisted of \$2,145,000 serial bonds maturing from October 1, 1993 through 2000 and \$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 proceeds of this issue were used to advance refund the Water and Sewer Refunding Revenue Bonds, Series 1985B.

Major Debt Provisions - The major provisions of the resolution authorizing the issuance of the Water and Sewer Refunding Revenue Bonds, Series 1988, are as follows:

- 1) The debt obligation and related interest are collateralized by a pledge of the net revenues of the Water and Sewer system.
- 2) The City will establish and maintain rates which will provide net revenues in each bond year sufficient to pay 100% of the debt service requirement and 100% of all reserve or other payments, including the cost of operation and maintenance of the system.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

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

- 3) The City will deposit into the Operation and Maintenance Fund, on or before the 25th day of each month, an amount necessary to make the balance equal to one-fourth of the budgeted cost of operation and maintenance expenses for the current fiscal year.
- 4) The City shall deposit into the Sinking Fund, on or before the 25th day of each month, an amount equal to one-sixth of the next semi-annual interest payment and one-twelfth of the next annual principal amount.
- 5) The City will deposit into the Water renewal and replacement fund, on or before the 25th day of each month, one-twelfth of an amount not less than five percent of the gross revenues of the system for the preceding fiscal year.
- 6) The City will allocate to the Sewer renewal and replacement fund on a monthly basis, an amount sufficient to pay at least one-twelfth of the annual amount required by the Florida Administrative Code Section 17.50-17(2) to be on deposit.

Electric System Revenue Refunding Bonds, Series 1989B - The Electric System Revenue Refunding Bonds, Series 1989B, were issued in October, 1989, and consisted of \$13,000,000 serial bonds maturing from October 1, 1990 through 1998. The proceeds of this issue were used to advance refund the Power System Revenue Bonds, Series 1977, and the Power Supply Revenue Refunding Bonds, Series 1988.

Major Debt Provisions - The major provisions of the resolution authorizing the issuance of the Electric System Revenue Refunding Bonds, Series 1989B, are as followed:

- 1) The debt obligation and related interest are collateralized by a pledge of the net revenues of the Electric system.
- 2) The City will establish and maintain rates which will provide pledged revenues in each fiscal year equal to 100% of the costs of operation and maintenance of the Electric System, the required reserve amounts, debt service on all outstanding obligations which are junior and subordinate to the bonds, and 125% of the debt service requirement on the bonds and parity debt service components.
- 3) The City will deposit into the Operation and Maintenance Fund, on or before the 25th day of each month, amounts necessary for the cost of operation and maintenance for the next ensuing month.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

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

- 4) The City shall deposit into the Sinking Fund, on or before the 25th day of each month, an amount equal to one-sixth of the next semi-annual interest payment and one-twelfth of the next annual principal amount.
- 5) The City will deposit into the Electric Renewal and Replacement Fund, on or before the 25th day of each month, one-twelfth of an amount not less than five percent of the gross revenues of the system for the preceding fiscal year.

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

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

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

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

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

Enterprise Funds - Continued - Following is a schedule of debt service requirements to maturity for all outstanding bonded debt of the City's enterprise funds as of September 30, 1994:

Fiscal Year Ended September 30,	<u>Series 1988</u>	<u>Series 1989B</u>	<u>Series 1992A</u>	<u>Series 1992B</u>	Total Principal and Interest Due
	Water and Sewer Refunding Revenue Bonds	Electric System Revenue Refunding Bonds	Utility Systems Subordinate Refunding Revenue Bonds	Utility Systems Subordinate Refunding Revenue Bonds	
1995	\$ 1,182,825	\$ 1,929,065	\$ 4,207,878	\$ 3,155,012	\$ 10,474,780
1996	1,181,658	1,928,038	4,216,296	3,152,250	10,478,242
1997	1,183,828	1,923,325	4,203,865	3,154,200	10,465,218
1998	1,179,418	1,924,390	4,205,490	3,150,440	10,459,738
1999	1,183,348	1,800,030	4,195,860	2,031,576	9,210,814
2000	1,175,583	-	4,199,280	629,720	6,004,583
2001	1,180,901	-	4,194,890	629,720	6,005,511
2002	1,173,265	-	4,192,903	629,720	5,995,888
2003	1,177,574	-	4,188,455	2,390,270	7,756,299
2004	1,174,406	-	4,176,202	2,382,260	7,732,868
2005	1,173,759	-	4,180,931	2,381,225	7,735,915
2006	1,175,253	-	4,168,888	2,376,094	7,720,235
2007	1,168,887	-	4,167,450	2,366,719	7,703,056
2008	1,169,471	-	4,161,750	-	5,331,221
2009	1,165,812	-	4,153,437	-	5,319,249
2010	1,162,656	-	4,154,400	-	5,317,056
2011	1,160,365	-	4,143,988	-	5,304,353
2012	1,158,546	-	4,140,625	-	5,299,171
2013	1,156,806	-	4,138,750	-	5,295,556
2014	1,154,750	-	4,124,375	-	5,279,125
2015	1,147,180	-	4,121,719	-	5,268,899
2016	1,148,509	-	4,114,687	-	5,263,196
Total	<u>\$25,734,800</u>	<u>\$ 9,504,848</u>	<u>\$91,752,119</u>	<u>\$28,429,206</u>	<u>\$155,420,973</u>

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

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

Internal Service Fund Notes Payable - The City has entered into installment purchase contracts bearing interest at 7.62%, 7.94% and 11.15%. These obligations are collateralized by computer hardware and software.

Future payments required are as follows:

Fiscal Year Ending <u>September 30,</u>	Total Principal <u>Due</u>
1995	\$ 79,793
Less: Current portion	<u>79,793</u>
Total long-term portion	<u>\$ -</u>

Following is a schedule of debt service requirements to maturity:

Fiscal Year Ending <u>September 30,</u>	Total Principal and Interest <u>Due</u>
1995	<u>\$ 81,197</u>

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

Asset capitalized	\$ 54,605
Less accumulated amortization	<u>(16,837)</u>
Net book value of asset	<u>\$ 37,768</u>

Amortization of the capital lease for the year amounted to \$5,461.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

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

The following is a schedule by years of future minimum lease payments under capital leases, together with the present value of the net minimum lease payments, as of September 30, 1994:

<u>Year Ending</u> <u>September 30,</u>	
1995	\$ 13,603
1996	1,134
Total minimum lease payments	<u>14,737</u>
Less amount representing interest	<u>(746)</u>
Present value of net minimum lease payments	13,991
Less: Current portion	<u>(12,866)</u>
Total long-term portion	<u>\$ 1,125</u>

10. General Long-Term Debt:

The following is a summary of changes in the City's general long-term debt for the year ended September 30, 1994:

	<u>Balance at</u> <u>October 1,</u> <u>1993</u>	<u>General</u> <u>Long-Term</u> <u>Debt</u> <u>Additions</u>	<u>General</u> <u>Long-Term</u> <u>Debt</u> <u>Retired</u>	<u>Debt</u> <u>Service</u> <u>Funds</u> <u>Operations</u>	<u>Balance at</u> <u>September 30,</u> <u>1994</u>
Amounts Available in Debt Service Funds	\$ 5,655,224	\$ -	\$ -	\$ (353,268)	\$ 5,301,956
Amount to be Provided:					
Term bonds	9,460,000	-	(7,035,000)	-	2,425,000
Term certificates	-	12,320,000	-	-	12,320,000
Serial bonds	11,942,511	-	(4,910,000)	2,199,697	9,232,208
Revenue certificates	3,877,265	6,045,000	(920,000)	(1,846,429)	7,155,836
Capital leases	8,544	-	(8,544)	-	-
Compensated absences payable	-	402,788	-	-	402,788
	<u>25,288,320</u>	<u>18,767,788</u>	<u>(12,873,544)</u>	<u>353,268</u>	<u>31,535,832</u>
Total Amount Available and to be Provided	<u>\$30,943,544</u>	<u>\$18,767,788</u>	<u>\$(12,873,544)</u>	<u>\$ -</u>	<u>\$36,837,788</u>
General Long-Term Debt Payable:					
Term bonds	\$ 9,460,000	\$ -	\$ (7,035,000)	\$ -	\$ 2,425,000
Term certificates	-	12,320,000	-	-	12,320,000
Serial bonds	16,205,000	-	(4,910,000)	-	11,295,000
Revenue certificates	5,270,000	6,045,000	(920,000)	-	10,395,000
Capital leases	8,544	-	(8,544)	-	-
Compensated absences payable	-	402,788	-	-	402,788
Total General Long-Term Debt Payable	<u>\$30,943,544</u>	<u>\$18,767,788</u>	<u>\$(12,873,544)</u>	<u>\$ -</u>	<u>\$36,837,788</u>

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

10. General Long-Term Debt - Continued:

General long-term debt matures as follows:

Fiscal Year Ended September 30,	Capital Improvement Revenue Refunding Certificates Series 1988	Optional Gas Tax Refunding Revenue Bonds Series 1992	Capital Improvement Refunding Revenue Certificates Series 1993	Total Principal Due
1995	\$ 980,000	\$ 595,000	\$ -	\$ 1,575,000
1996	1,050,000	615,000	-	1,665,000
1997	1,120,000	635,000	-	1,755,000
1998	1,200,000	660,000	-	1,860,000
1999	-	690,000	-	690,000
2000-2019	-	10,525,000	18,365,000	28,890,000
	<u>\$ 4,350,000</u>	<u>\$13,720,000</u>	<u>\$18,365,000</u>	<u>\$36,435,000</u>
Interest rate	<u>6.80-7.15%</u>	<u>3.40-6.0%</u>	<u>3.90-5.25%</u>	

The City's charter limits the aggregate amount of general obligation bonds outstanding to twenty percent (20%) of the assessed valuation of the taxable real and personal property in the City. At September 30, 1994, there was no general obligation debt outstanding.

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. The proceeds of this issue were used to advance refund the Capital Improvement Revenue Certificates, Series 1986, and to finance certain capital projects of the City. The bonds are collateralized by a lien upon and pledge of certain non-ad valorem revenues of the City.

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

Capital Improvement Refunding Revenue Certificates - In December, 1993, the City Council authorized the issuance of not exceeding \$18,500,000 Capital Improvement Refunding Revenue Certificates, Series 1993. The certificates were issued in the amount of \$18,365,000 during December, 1993. The proceeds of this issue were used to refund the \$10,835,000 outstanding balance of the Capital Improvement Refunding Revenue Bonds, Series 1986, and to finance certain capital improvements in the City. The refunding reduces the City's total debt service payments over the next 25 years by approximately \$768,000 and realizes an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$591,000. These certificates are collateralized by a lien upon and a pledge of certain non-ad valorem revenues of the City.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

10. General Long-Term Debt - Continued:

Capital Lease Obligations - Equipment under capital lease included in the General Fixed Asset Account Group at September 30, 1994 consists of the following:

<u>Equipment</u>	<u>Amount Capitalized</u>
Street Striper	<u>\$ 18,557</u>

The final payment on this capital lease was made in fiscal year 1994.

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

<u>Fiscal Year Ended September 30,</u>	<u>Capital Improvement Revenue Refunding Certificates Series 1988</u>	<u>Optional Gas Tax Refunding Revenue Bonds Series 1992</u>	<u>Capital Improvement Refunding Revenue Certificates Series 1993</u>	<u>Total Principal and Interest Due</u>
1995	\$1,283,290	\$ 1,310,762	\$ 898,062	\$ 3,492,114
1996	1,286,650	1,309,578	898,062	3,494,290
1997	1,284,200	1,305,489	898,062	3,487,751
1998	1,285,800	1,302,953	898,062	3,486,815
1999	-	1,302,476	898,062	2,200,538
2000	-	1,303,395	1,322,719	2,632,877
2001	-	1,296,018	1,322,702	2,627,720
2002	-	1,300,565	1,327,765	2,628,330
2003	-	1,296,265	1,332,528	2,628,793
2004	-	1,298,245	1,330,848	2,629,093
2005	-	1,296,887	1,327,518	2,624,405
2006	-	1,291,988	1,332,258	2,624,246
2007	-	1,292,812	1,325,283	2,618,095
2008	-	1,289,800	1,326,538	2,615,338
2009	-	1,285,250	1,325,733	2,610,983
2010	-	1,287,500	1,323,148	2,610,648
2011	-	-	1,322,719	1,322,719
2012	-	-	1,324,131	1,324,131
2013	-	-	1,844,400	1,844,400
2014	-	-	1,837,869	1,837,869
2015	-	-	1,839,500	1,839,500
2016	-	-	1,839,125	1,839,125
2017	-	-	1,835,000	1,835,000
2018	-	-	1,832,000	1,832,000
2019	-	-	1,834,750	1,834,750
	<u>\$5,139,940</u>	<u>\$20,768,983</u>	<u>\$34,612,607</u>	<u>\$60,521,530</u>

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

10. General Long-Term Debt - Continued:

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

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

11. Prior Year Defeasance of Debt:

The City has defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At September 30, 1994, \$156,830,000 of bonds outstanding are considered defeased, as follows:

Governmental Funds:

Capital Improvement Refunding Revenue	
Bonds, Series 1986	\$ 10,835,000
Optional Gas Tax Revenue Bonds, Series 1989	<u>12,550,000</u>
	<u>23,385,000</u>

Enterprise Funds:

Electric System Revenue:	
Power Supply Revenue Bonds, Series 1977	8,020,000
Power Supply Refunding Revenue Bonds, Series 1988	7,655,000
Electric System Revenue Bonds, Series 1989A	25,240,000
Water and Sewer:	
Water and Sewer Refunding Revenue Bonds, Series 1983	7,620,000
Water and Sewer Refunding Revenue Bonds, Series 1985A	34,935,000
Water and Sewer Refunding Revenue Bonds, Series 1985B	10,775,000
Water and Sewer Refunding Revenue Bonds, Series 1986	<u>39,200,000</u>
	<u>133,445,000</u>
	<u>\$156,830,000</u>

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

12. Financial Segment Information of Enterprise Funds:

Each of the City's enterprise operations is accounted for within a separate fund. Over 93% of the combined assets, revenues, and expenses of the enterprise funds are attributable to utility funds used to account for the transactions of the City's electric and bulk power, water and sewer, and sanitation systems. Other enterprise funds are used to account for the operations of golf, tennis, trailer park and airport facilities provided for the benefit of the general public. Following is a summary of significant financial information of the enterprise funds:

	<u>Electric System Revenue</u>	<u>Water and Sewer</u>	<u>Sanitation</u>	<u>Other</u>	<u>Total</u>
Current Assets	\$ 16,570,967	\$ 4,546,297	\$ 388,094	\$ 655,765	\$ 22,161,123
Current Liabilities	<u>8,528,255</u>	<u>332,823</u>	<u>355,974</u>	<u>282,012</u>	<u>9,499,064</u>
Working Capital	<u>\$ 8,042,712</u>	<u>\$ 4,213,474</u>	<u>\$ 32,120</u>	<u>\$ 373,753</u>	<u>\$ 12,662,059</u>
Property, Plant and Equipment:					
Additions	<u>\$ 10,214,733</u>	<u>\$ 6,482,958</u>	<u>\$ 105,021</u>	<u>\$ 495,826</u>	<u>\$ 17,298,538</u>
Deletions	<u>\$ 677,058</u>	<u>\$ 10,084</u>	<u>\$ 279,375</u>	<u>\$ 16,139</u>	<u>\$ 982,656</u>
Total Property, Plant and Equipment, net	<u>\$ 68,072,832</u>	<u>\$ 80,824,381</u>	<u>\$1,231,653</u>	<u>\$15,276,052</u>	<u>\$165,404,918</u>
Restricted Assets	<u>\$ 32,290,774</u>	<u>\$ 30,179,716</u>	<u>\$ -</u>	<u>\$ 532,997</u>	<u>\$ 63,003,487</u>
Total Assets	<u>\$117,697,189</u>	<u>\$116,066,231</u>	<u>\$1,619,747</u>	<u>\$16,464,814</u>	<u>\$251,847,981</u>
Liabilities Payable from Restricted Assets	<u>\$ 7,346,374</u>	<u>\$ 4,101,737</u>	<u>\$ -</u>	<u>\$ 532,997</u>	<u>\$ 11,981,108</u>
Bonds and Other Long-Term Liabilities	<u>\$ 24,471,890</u>	<u>\$ 59,512,090</u>	<u>\$ -</u>	<u>\$ 506,684</u>	<u>\$ 84,490,664</u>
Total Fund Equity	<u>\$ 77,350,670</u>	<u>\$ 52,119,581</u>	<u>\$1,263,773</u>	<u>\$15,143,121</u>	<u>\$145,877,145</u>
Total Operating Revenues	\$ 74,476,148	\$ 12,183,104	\$ 5,706,176	\$ 2,429,928	\$ 94,795,356
Operating Expenses (less depreciation and amortization)	52,977,935	5,427,555	5,604,071	2,070,067	66,079,628
Depreciation and amortization	<u>3,457,209</u>	<u>1,989,978</u>	<u>276,126</u>	<u>548,368</u>	<u>6,271,681</u>
Operating Income (Loss)	18,041,004	4,765,571	(174,021)	(188,507)	22,444,047
Operating Transfers From Other Funds	17,341	175,519	30,936	522,994	746,790
Operating Transfers (To) Other Funds	(12,485,761)	(354,238)	(232,031)	(400,176)	(13,472,206)
Interest Income	1,255,538	1,237,560	10,842	43,094	2,547,034
Interest Expense	(1,179,177)	(2,631,512)	-	(24,775)	(3,835,464)
Other Non-Operating Revenue	51,360	-	56,751	20,479	128,590
Other Non-Operating Expense	<u>(385,000)</u>	<u>-</u>	<u>(56,751)</u>	<u>(30,498)</u>	<u>(472,249)</u>
Net Income (Loss)	<u>\$ 5,315,305</u>	<u>\$ 3,192,900</u>	<u>\$ (364,274)</u>	<u>\$ (57,389)</u>	<u>\$ 8,086,542</u>
Capital Contributions	<u>\$ 352,792</u>	<u>\$ 971,291</u>	<u>\$ -</u>	<u>\$ 313,669</u>	<u>\$ 1,637,752</u>

Interfund loans payable and long-term debt of individual enterprise funds are presented in Notes 5, 6 and 9.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

13. Reserved Retained Earnings:

The following is a reconciliation of the reserved retained earnings to the net restricted assets of enterprise funds as of September 31, 1994:

Total Restricted Assets	\$ 63,003,487
Less:	
Restricted assets set aside for construction under bond indentures	(23,814,636)
Liabilities payable from restricted assets	(11,981,108)
Add:	
Liabilities payable from restricted assets set aside for construction under bond indentures	<u>2,456,510</u>
Total reserved retained earnings	<u>\$ 29,664,253</u>

14. Operating Deficits and Fund Deficits:

A. 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, 1994 which are included in the accompanying combined financial statements:

<u>Proprietary Funds</u>	<u>Net Loss</u>
Enterprise Funds:	
Sanitation	\$ 364,274
Municipal Golf Course	27,763
Ocala Municipal Airport	168,135
<u>Governmental Funds</u>	<u>Deficiency</u>
Special Revenue Funds:	
Occupational License	\$ 12,952
Off-Street Parking	88,639
Downtown Development	7,208
Debt Service Funds:	
Improvement Bonds	2,173,180
1988 Improvement Certificates	590
Optional Gas Tax Bonds	26,517
Capital Project Funds:	
Optional Gas Tax Construction	1,139,925

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

14. Operating Deficits and Fund Deficits - Continued:

B. The following fund has a deficit fund balance at September 30, 1994:

	<u>Deficiency</u>
Off-Street Parking Fund	<u>\$ 68,445</u>

The deficit is the result of obtaining an additional parking lot funded by an interfund loan. Future revenues from this lot will pay the debt service requirements as well as increase the fund balance of this fund.

15. Contributed Capital:

During the year ended September 30, 1994, contributed equity increased as follows:

	Contributed Capital October 1, 1993	Contributions From			Contributed Capital September 30, 1994
		Other Governments	Developers	Customers	
Enterprise Funds:					
Airport	\$ 8,767,677	\$ 145,396	\$ -	\$ -	\$ 8,913,073
Golf	3,853,439	-	-	-	3,853,439
Sanitation	8,515	-	-	-	8,515
Water and Sewer	13,977,724	67,808	903,483	-	14,949,015
Electric	5,090,075	-	-	352,792	5,442,867
Florida Emergency Training Facility	<u>1,468</u>	<u>168,273</u>	<u>-</u>	<u>-</u>	<u>169,741</u>
Total Enterprise Funds	<u>\$31,698,898</u>	<u>\$ 381,477</u>	<u>\$ 903,483</u>	<u>\$352,792</u>	<u>\$33,336,650</u>
Internal Service Funds:					
Internal Service	\$ 1,293,863	\$ -	\$ -	\$ -	\$ 1,293,863
Self Insurance	<u>20,401</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,401</u>
Total Internal Service Funds	<u>\$ 1,314,264</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,314,264</u>

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

16. Deferred Compensation Plan:

The City has a deferred compensation plan, created in accordance with Internal Revenue Code Section 457, in which all employees are eligible to participate. Deferred compensation amounts withheld from participating employees' pay are not taxable as current income until withdrawn from the plan. Annual contributions by a participant may not exceed the lesser of \$7,500 or 33 1/3% of includable compensation.

As required under Internal Revenue Code Section 457, all amounts of compensation deferred, all property or rights to property purchased with amounts deferred, and any income earned or gains on property remain assets of the City subject to the claims of its general creditors. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred account for each participant. The City has the duty of due care that would be required of an ordinary prudent investor.

At September 30, 1994, the market and carrying value of the deferred compensation investments in the City's Agency Fund was \$3,932,667.

17. Risk Management:

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

The City has general liability insurance with a \$100,000 retention per claimant and \$200,000 retention per occurrence with limits of \$1,000,000. The City has workers' compensation insurance with a \$250,000 deductible per occurrence with limits of \$5,000,000. The disability income replacement, dental programs and auto liability programs are fully self-insured. The City's employee health insurance program was fully self-insured through February, 1994, after which it is fully insured except for the prescription program which is fully self-insured.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

17. Risk Management - Continued:

All departments of the City participate in the program. Payments are made by various funds to the Self Insurance Fund based on past experience of the amounts needed to pay current year claims. For the year ended September 30, 1994, the City obtained actuarially determined estimates of the total claims loss reserves for all self-insurance risks. The claims liability of \$2,379,654 reported in the Fund at September 30, 1994 is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Fund's claim liability amount during the past four fiscal years is as follows:

	<u>Beginning-of- Fiscal-Year-Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Balance at Fiscal Year End</u>
1990-1991	\$1,006,663	\$2,585,632	\$2,337,168	\$1,255,127
1991-1992	1,255,127	4,228,590	2,678,431	2,805,286
1992-1993	2,805,286	3,229,012	3,279,465	2,754,833
1993-1994	2,754,833	1,998,808	2,373,987	2,379,654

18. 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.

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

Other Commitments - Outstanding commitments of governmental funds are presented in the accompanying combined financial statements as reserves of fund balance. The outstanding commitments of the Internal Service and Enterprise Funds as of September 30, 1994 were \$146,423 and \$9,247,822, respectively. These commitments, which are not recorded in the financial statements, are evidenced by signed purchase orders and contracts which were entered into prior to September 30, 1994.

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year Ended September 30, 1994

18. Commitments and Contingencies - Continued:

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

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

19. Subsequent Event:

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

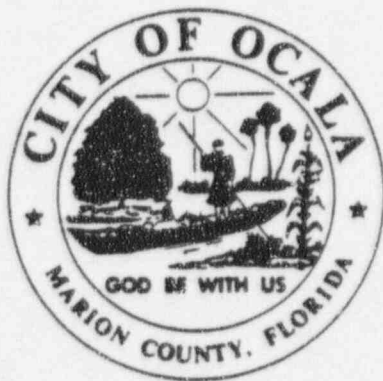
INDIVIDUAL FUND AND COMBINING STATEMENTS — BY FUND TYPE

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

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

INDIVIDUAL FUND AND COMBINING STATEMENTS

BY FUND TYPE



CITY OF OCALA, FLORIDA

SPECIAL REVENUE FUNDS

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

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

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.

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.

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

CITY OF OCALA, FLORIDA

COMBINING BALANCE SHEET

SPECIAL REVENUE FUNDS

September 30, 1994

<u>ASSETS</u>	<u>Occupational License</u>	<u>Central Florida Regional Library</u>
Cash and investments	\$293,065	\$ 75,535
Equity in pooled cash and investment fund	-	120,717
Accrued interest receivable	-	1,051
Accounts and notes receivable	20	10
Due from other funds	-	-
Due from other governments	-	215,500
Total Assets	<u>\$293,085</u>	<u>\$412,813</u>
 <u>LIABILITIES AND FUND BALANCES</u> 		
Liabilities:		
Accounts payable	\$ -	\$ 27,656
Compensated absences payable	-	18,979
Deferred revenue	210,242	32,565
Interfund loans payable within one year	-	-
Interfund loans payable after one year	-	-
Total liabilities	<u>210,242</u>	<u>79,200</u>
Fund Balance:		
Reserved for encumbrances	-	51,301
Reserved for specified projects	82,843	282,312
Total reserved fund balance	<u>82,843</u>	<u>333,613</u>
Total Liabilities and Fund Balance	<u>\$293,085</u>	<u>\$412,813</u>

<u>Off-Street Parking</u>	<u>Downtown Develop- ment</u>	<u>Local Gasoline Tax</u>	<u>Stormwater Utility</u>	<u>SHIP Local Housing Assistance</u>	<u>Total</u>
\$ 50	\$ 50	\$ -	\$ -	\$ -	\$ 368,700
17,966	50,572	6,779,834	3,732,792	37,225	10,739,106
50	361	46,637	24,885	325	73,309
30	-	-	-	-	60
-	-	-	77,365	-	77,365
-	-	351,684	4,301	79	571,564
<u>\$ 18,096</u>	<u>\$ 50,983</u>	<u>\$7,178,155</u>	<u>\$3,839,343</u>	<u>\$ 37,629</u>	<u>\$11,830,104</u>
\$ 795	\$ 6,938	\$ 32,151	\$ 20,188	\$ -	\$ 87,728
678	903	-	12,480	-	33,040
2,230	-	99,600	-	37,629	382,266
6,235	-	-	-	-	6,235
76,603	-	-	-	-	76,603
<u>86,541</u>	<u>7,841</u>	<u>131,751</u>	<u>32,668</u>	<u>37,629</u>	<u>585,872</u>
-	1,050	318,554	103,801	-	474,706
(68,445)	42,092	6,727,850	3,702,874	-	10,769,526
(68,445)	43,142	7,046,404	3,806,675	-	11,244,232
<u>\$ 18,096</u>	<u>\$ 50,983</u>	<u>\$7,178,155</u>	<u>\$3,839,343</u>	<u>\$ 37,629</u>	<u>\$11,830,104</u>

CITY OF OCALA, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE

SPECIAL REVENUE FUNDS

Year Ended September 30, 1994

	<u>Occupational Licenses</u>	<u>Central Florida Regional Library</u>	<u>Off-Street Parking</u>
Revenues:			
Property taxes	\$ -	\$ -	\$ -
Other intergovernmental revenues	-	1,155,830	-
Parking meters and facilities	-	-	61,195
Licenses and permits	374,936	-	-
Fines and forfeitures	-	28,790	16,673
Charges for services	-	-	-
Interest	11,572	5,007	911
Gifts	-	6,086	-
Other	540	6,731	-
Total revenues	<u>387,048</u>	<u>1,202,444</u>	<u>78,779</u>
Expenditures:			
Current:			
General government and administration	-	-	-
Public works	-	-	-
Culture and recreation	-	1,428,588	-
Other	-	-	64,580
Capital outlay	-	59,083	82,838
Debt service:			
Principal payments	-	-	-
Interest	-	-	-
Total expenditures	<u>-</u>	<u>1,487,671</u>	<u>147,418</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>387,048</u>	<u>(285,227)</u>	<u>(68,639)</u>
Other Financing Sources (Uses):			
Transfers from other funds	-	380,000	-
Transfers (to) other funds	(400,000)	-	(20,000)
Total other financing sources (uses)	<u>(400,000)</u>	<u>380,000</u>	<u>(20,000)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	(12,952)	94,773	(88,639)
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(12,952)	94,773	(88,639)
Fund Balance (Deficit):			
Beginning of year	<u>95,795</u>	<u>238,840</u>	<u>20,194</u>
End of year	<u>\$ 82,843</u>	<u>\$ 333,613</u>	<u>\$ (68,445)</u>

<u>Downtown Development</u>	<u>Gasoline Tax</u>	<u>Stormwater Utility</u>	<u>SHIP Local Housing Assistance</u>	<u>Total</u>
\$ 46,235	\$ -	\$ -	\$ -	\$ 46,235
-	3,577,881	3,612	86,476	4,823,799
-	-	-	-	61,195
-	-	-	-	374,936
-	-	-	-	45,463
-	-	1,632,326	-	1,632,326
2,598	364,353	138,800	2,710	525,951
-	-	-	-	6,086
722	270	-	-	8,263
<u>49,555</u>	<u>3,942,504</u>	<u>1,774,738</u>	<u>89,186</u>	<u>7,524,254</u>
73,815	-	-	89,186	163,001
-	212,478	805,300	-	1,017,778
-	-	-	-	1,428,588
-	-	-	-	64,580
1,650	351,672	96,553	-	591,796
-	8,544	-	-	8,544
-	721	-	-	721
<u>75,465</u>	<u>573,415</u>	<u>901,853</u>	<u>89,186</u>	<u>3,275,008</u>
<u>(25,910)</u>	<u>3,369,089</u>	<u>872,885</u>	<u>-</u>	<u>4,249,246</u>
20,000	70,402	-	-	470,402
<u>(1,298)</u>	<u>(1,518,533)</u>	<u>-</u>	<u>-</u>	<u>(1,939,831)</u>
<u>18,702</u>	<u>(1,448,131)</u>	<u>-</u>	<u>-</u>	<u>(1,469,429)</u>
(7,208)	1,920,958	872,885	-	2,779,817
-	-	-	-	-
(7,208)	1,920,958	872,885	-	2,779,817
50,350	5,125,446	2,933,790	-	8,464,415
<u>\$ 43,142</u>	<u>\$ 7,046,404</u>	<u>\$3,806,675</u>	<u>\$ -</u>	<u>\$11,244,232</u>

CITY OF OCALA, FLORIDA

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

SPECIAL REVENUE FUNDS

Year Ended September 30, 1994

	<u>Occupational Licenses</u>	<u>Central Florida Regional Library</u>	<u>Off-Street Parking</u>
Revenues:			
Property taxes	\$ -	\$ -	\$ -
Other intergovernmental revenues	-	1,155,830	-
Parking meters and facilities	-	-	61,195
Licenses and permits	374,936	-	-
Fines and forfeitures	-	28,790	15,673
Charges for services	-	-	-
Interest	11,572	5,007	911
Gifts	-	6,086	-
Other	540	6,731	-
Total revenues	<u>387,048</u>	<u>1,202,444</u>	<u>78,779</u>
Expenditures:			
Current:			
General government and administration	-	-	-
Public works	-	-	-
Culture and recreation	-	1,428,588	-
Other	-	-	64,580
Capital outlay	-	59,083	82,838
Debt service:			
Principal payments	-	-	-
Interest	-	-	-
Total expenditures	<u>-</u>	<u>1,487,671</u>	<u>147,418</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>387,048</u>	<u>(285,227)</u>	<u>(68,639)</u>
Other Financing Sources (Uses):			
Transfers from other funds	-	380,000	-
Transfers (to) other funds	(400,000)	-	(20,000)
Total other financing sources (uses)	<u>(400,000)</u>	<u>380,000</u>	<u>(20,000)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	(12,952)	94,773	(88,639)
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(12,952)	94,773	(88,639)
Fund Balance (Deficit):			
Beginning of year	<u>95,795</u>	<u>238,840</u>	<u>20,194</u>
End of year	<u>\$ 82,843</u>	<u>\$ 333,613</u>	<u>\$ (68,445)</u>

<u>Actual</u>					Adjustments to a Budgetary Basis	Total Actual on a Budgetary Basis
Downtown Develop- ment	Gasoline Tax	Stormwater Utility	SHIP Local Housing Assistance	Total		
\$ 46,235	\$ -	\$ -	\$ -	\$ 46,235	\$ -	\$ 46,235
-	3,577,881	3,612	86,476	4,823,799	(86,476)	4,737,323
-	-	-	-	61,195	-	61,195
-	-	-	-	374,936	-	374,936
-	-	-	-	45,463	-	45,463
-	-	1,632,326	-	1,632,326	-	1,632,326
2,598	364,353	138,800	2,710	525,951	(2,780)	523,171
-	-	-	-	6,086	-	6,086
722	270	-	-	8,263	-	8,263
<u>49,555</u>	<u>3,942,504</u>	<u>1,774,738</u>	<u>89,186</u>	<u>7,524,254</u>	<u>(89,256)</u>	<u>7,434,998</u>
73,815	-	-	89,186	163,001	(88,136)	74,865
-	212,478	805,300	-	1,017,778	117,881	1,135,659
-	-	-	-	1,428,588	51,301	1,479,889
-	-	-	-	64,580	-	64,580
1,650	351,672	96,553	-	591,796	304,474	896,270
-	8,544	-	-	8,544	-	8,544
-	721	-	-	721	-	721
<u>75,465</u>	<u>573,415</u>	<u>901,853</u>	<u>89,186</u>	<u>3,275,008</u>	<u>385,520</u>	<u>3,660,528</u>
(25,910)	3,369,089	872,885	-	4,249,246	(474,776)	3,774,470
20,000	70,402	-	-	470,402	-	470,402
(1,298)	(1,518,533)	-	-	(1,939,831)	-	(1,939,831)
<u>18,702</u>	<u>(1,448,131)</u>	<u>-</u>	<u>-</u>	<u>(1,469,429)</u>	<u>-</u>	<u>(1,469,429)</u>
(7,208)	1,920,958	872,885	-	2,779,817	(474,776)	2,305,041
-	-	-	-	-	-	-
(7,208)	1,920,958	872,885	-	2,779,817	<u>\$(474,776)</u>	<u>\$ 2,305,041</u>
50,350	5,125,446	2,933,790	-	8,464,415	-	-
<u>\$ 43,142</u>	<u>\$ 7,046,404</u>	<u>\$3,806,675</u>	<u>\$ -</u>	<u>\$11,244,232</u>		

Continued

CITY OF OCALA, FLORIDA

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

SPECIAL REVENUE FUNDS

Year Ended September 30, 1994

	Total Actual on a Budgetary Basis	Occupational Licenses	Final Central Florida Regional Library
Revenues:			
Property taxes	\$ 46,235	\$ -	\$ -
Other intergovernmental revenues	4,737,323	-	1,155,853
Parking meters and facilities	61,195	-	-
Licenses and permits	374,936	377,000	-
Fines and forfeitures	45,463	-	28,500
Charges for services	1,632,326	-	-
Interest	523,171	15,000	2,200
Gifts	6,086	-	4,000
Other	8,263	800	5,800
Total revenues	<u>7,434,998</u>	<u>392,800</u>	<u>1,196,353</u>
Expenditures:			
Current:			
General government and administration	74,865	-	-
Public works	1,135,659	-	-
Culture and recreation	1,479,889	-	1,532,728
Other	64,580	-	-
Capital outlay	896,270	-	59,083
Debt service:			
Principal payments	8,544	-	-
Interest	721	-	-
Total expenditures	<u>3,660,528</u>	<u>-</u>	<u>1,591,811</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>3,774,470</u>	<u>392,800</u>	<u>(395,458)</u>
Other Financing Sources (Uses):			
Transfers from other funds	470,402	-	380,000
Transfers (to) other funds	<u>(1,939,831)</u>	<u>(400,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,469,429)</u>	<u>(400,000)</u>	<u>380,000</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	2,305,041	(7,200)	(15,458)
Fund Balance Allocation	<u>-</u>	<u>7,200</u>	<u>15,458</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>\$ 2,305,041</u>	<u>\$ -</u>	<u>\$ -</u>

Budget

Off-Street Parking	Downtown Development	Gasoline Tax	Stormwater Utility	Total	Variance Favorable (Unfavorable)
\$ -	\$ 48,250	\$ -	\$ -	\$ 48,250	\$ (2,015)
-	-	2,117,569	196,407	3,469,829	1,267,494
66,000	-	-	-	66,000	(4,805)
-	-	-	-	377,000	(2,064)
21,000	-	-	-	49,500	(4,037)
-	-	-	1,590,000	1,590,000	42,326
1,400	3,000	235,000	137,000	393,600	129,571
-	-	-	-	4,000	2,086
-	253	-	-	6,853	1,410
<u>88,400</u>	<u>51,503</u>	<u>2,352,569</u>	<u>1,923,407</u>	<u>6,005,032</u>	<u>1,429,966</u>
-	75,375	-	-	75,375	510
-	-	236,632	986,823	1,223,455	87,796
-	-	-	-	1,532,728	52,839
68,354	-	-	-	68,354	3,774
82,838	1,650	852,778	231,735	1,228,084	331,814
-	-	8,544	-	8,544	-
-	-	721	-	721	-
<u>151,192</u>	<u>77,025</u>	<u>1,098,675</u>	<u>1,218,558</u>	<u>4,137,261</u>	<u>476,733</u>
<u>(62,792)</u>	<u>(25,522)</u>	<u>1,253,894</u>	<u>704,849</u>	<u>1,867,771</u>	<u>1,906,699</u>
-	20,000	72,000	-	472,000	(1,598)
<u>(20,000)</u>	<u>(1,298)</u>	<u>(2,048,953)</u>	<u>-</u>	<u>(2,470,251)</u>	<u>530,420</u>
<u>(20,000)</u>	<u>18,702</u>	<u>(1,976,953)</u>	<u>-</u>	<u>(1,998,251)</u>	<u>528,822</u>
(82,792)	(6,820)	(723,059)	704,849	(130,480)	2,435,521
<u>82,792</u>	<u>6,820</u>	<u>723,059</u>	<u>(704,849)</u>	<u>130,480</u>	<u>(130,480)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,305,041</u>



CITY OF OCALA, FLORIDA

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

SPECIAL REVENUE FUNDS

Year Ended September 30, 1994

	<u>OCCUPATIONAL LICENSES FUND</u>		
	<u>Actual</u>	<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Licenses and permits	\$ 374,936	\$ 377,000	\$ (2,064)
Interest	11,572	15,000	(3,428)
Other	540	800	(260)
Total revenues	<u>387,048</u>	<u>392,800</u>	<u>(5,752)</u>
Other Financing (Uses):			
Transfers (to) other funds	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>
(Deficiency) of Revenues Over Other Uses Before Fund Balance Allocation	(12,952)	(7,200)	(5,752)
Fund Balance Allocation	<u>-</u>	<u>7,200</u>	<u>(7,200)</u>
(Deficiency) of Revenues Over Other Uses	(12,952)	<u>\$ -</u>	<u>\$ (12,952)</u>
Fund Balance:			
Beginning of year	<u>95,795</u>		
End of year	<u>\$ 82,843</u>		

Continued

CITY OF OCALA, FLORIDA

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

SPECIAL REVENUE FUNDS

Year Ended September 30, 1994

	CENTRAL FLORIDA REGIONAL		
	Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis
Revenues:			
Intergovernmental revenues	\$1,155,830	\$ -	\$1,155,830
Fines and forfeitures	28,790	-	28,790
Interest	5,007	(70)	4,937
Gifts	6,086	-	6,086
Other	6,731	-	6,731
Total revenues	<u>1,202,444</u>	<u>(70)</u>	<u>1,202,374</u>
Expenditures:			
Current - Culture and recreation	1,428,588	51,301	1,479,889
Capital outlay	59,083	-	59,083
Total expenditures	<u>1,487,671</u>	<u>51,301</u>	<u>1,538,972</u>
(Deficiency) of Revenues Over Expenditures	(285,227)	(51,371)	(336,598)
Other Financing Sources:			
Transfers from other funds	<u>380,000</u>	-	<u>380,000</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	94,773	(51,371)	43,402
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	94,773	<u>\$(51,371)</u>	<u>\$ 43,402</u>
Fund Balance:			
Beginning of year	<u>238,840</u>		
End of year	<u>\$ 333,613</u>		

LIBRARY FUND

<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$1,155,853	\$ (23)
28,500	290
2,200	2,737
4,000	2,086
5,800	931
<u>1,196,353</u>	<u>6,021</u>
1,532,728	52,839
59,083	-
<u>1,591,811</u>	<u>52,839</u>
(395,458)	58,860
<u>380,000</u>	<u>-</u>
(15,458)	58,860
<u>15,458</u>	<u>(15,458)</u>
<u>\$ -</u>	<u>\$ 43,402</u>

Continued



CITY OF OCALA, FLORIDA

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

SPECIAL REVENUE FUNDS

Year Ended September 30, 1994

	<u>OFF-STREET PARKING FUND</u>		
	<u>Actual</u>	<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Parking meters and facilities	\$ 61,195	\$ 66,000	\$ (4,805)
Fines and forfeitures	16,673	21,000	(4,327)
Interest	911	1,400	(489)
Total revenues	<u>78,779</u>	<u>88,400</u>	<u>(9,621)</u>
Expenditures:			
Current - Other	64,580	68,354	3,774
Capital outlay	82,838	82,838	-
Total expenditures	<u>147,418</u>	<u>151,192</u>	<u>3,774</u>
(Deficiency) of Revenues Over Expenditures	(68,639)	(62,792)	(5,847)
Other Financing (Uses):			
Transfers (to) other funds	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
(Deficiency) of Revenues Over Expenditures and Other Uses Before Fund Balance Allocation	(88,639)	(82,792)	(5,847)
Fund Balance Allocation	<u>-</u>	<u>82,792</u>	<u>(82,792)</u>
(Deficiency) of Revenues Over Expenditures and Other Uses	(88,639)	<u>\$ -</u>	<u>\$ (88,639)</u>
Fund Balance (Deficit):			
Beginning of year	<u>20,194</u>		
End of year	<u>\$ (68,445)</u>		

Continued

CITY OF OCALA, FLORIDA

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

SPECIAL REVENUE FUNDS

Year Ended September 30, 1994

	<u>DOWNTOWN DEVELOPMENT</u>		
	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>
Revenues:			
Property taxes	\$ 46,235	\$ -	\$ 46,235
Interest	2,598	-	2,598
Other	722	-	722
Total revenues	<u>49,555</u>	<u>-</u>	<u>49,555</u>
Expenditures:			
Current - General government and administration	73,815	1,050	74,865
Capital outlay	<u>1,650</u>	<u>-</u>	<u>1,650</u>
Total expenditures	<u>75,465</u>	<u>1,050</u>	<u>76,515</u>
(Deficiency) of Revenues Over Expenditures	<u>(25,910)</u>	<u>(1,050)</u>	<u>(26,960)</u>
Other Financing Sources (Uses):			
Transfers from other funds	20,000	-	20,000
Transfers (to) other funds	<u>(1,298)</u>	<u>-</u>	<u>(1,298)</u>
Total other financing sources (uses)	<u>18,702</u>	<u>-</u>	<u>18,702</u>
(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	(7,208)	(1,050)	(8,258)
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(7,208)	<u>\$ (1,050)</u>	<u>\$ (8,258)</u>
Fund Balance:			
Beginning of year	<u>50,350</u>		
End of year	<u>\$ 43,142</u>		

<u>FUND</u>	
<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 48,250	\$ (2,015)
3,000	(402)
253	469
<u>51,503</u>	<u>(1,948)</u>
75,375	510
1,650	-
<u>77,025</u>	<u>510</u>
<u>(25,522)</u>	<u>(1,438)</u>
20,000	-
(1,298)	-
<u>18,702</u>	<u>-</u>
(6,820)	(1,438)
<u>6,820</u>	<u>(6,820)</u>
<u>\$ -</u>	<u>\$ (8,258)</u>

Continued

CITY OF OCALA, FLORIDA

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

SPECIAL REVENUE FUNDS

Year Ended September 30, 1994

	<u>LOCAL GASOLINE TAX</u>		
	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>
Revenues:			
Intergovernmental revenues	\$ 3,577,881	\$ -	\$ 3,577,881
Interest	364,353	-	364,353
Other	270	-	270
Total revenues	<u>3,942,504</u>	<u>-</u>	<u>3,942,504</u>
Expenditures:			
Current - Public works	212,478	14,080	226,558
Capital outlay	351,672	304,474	656,146
Debt Service:			
Principal payments	8,544	-	8,544
Interest	721	-	721
Total expenditures	<u>573,415</u>	<u>318,554</u>	<u>891,969</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>3,369,089</u>	<u>(318,554)</u>	<u>3,050,535</u>
Other Financing Sources (Uses):			
Transfers from other funds	70,402	-	70,402
Transfers (to) other funds	<u>(1,518,533)</u>	<u>-</u>	<u>(1,518,533)</u>
Total other financing sources (uses)	<u>(1,448,131)</u>	<u>-</u>	<u>(1,448,131)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Uses Before Fund Balance Allocation	1,920,958	(318,554)	1,602,404
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Uses	1,920,958	<u>\$ (318,554)</u>	<u>\$ 1,602,404</u>
Fund Balance:			
Beginning of year	<u>5,125,446</u>		
End of year	<u>\$ 7,046,404</u>		

<u>FUND</u>	
<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 2,117,569	\$ 1,460,312
235,000	129,353
-	270
<u>2,352,569</u>	<u>1,589,935</u>
236,632	10,074
852,778	196,632
8,544	-
721	-
<u>1,098,675</u>	<u>206,706</u>
<u>1,253,894</u>	<u>1,796,641</u>
72,000	(1,598)
(2,048,953)	530,420
<u>(1,976,953)</u>	<u>528,822</u>
(723,059)	2,325,463
<u>723,059</u>	<u>(723,059)</u>
<u>\$ -</u>	<u>\$ 1,602,404</u>

Continued

CITY OF OCALA, FLORIDA

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

SPECIAL REVENUE FUNDS

Year Ended September 30, 1994

	<u>STORMWATER UTILITY</u>		
	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>
Revenues:			
Intergovernmental revenues	\$ 3,612	\$ -	\$ 3,612
Charges for services	1,632,326	-	1,632,326
Interest	138,800	-	138,800
Total revenues	<u>1,774,738</u>	<u>-</u>	<u>1,774,738</u>
Expenditures:			
Current - Public works	805,300	103,801	909,101
Capital outlay	96,553	-	96,553
Total expenditures	<u>901,853</u>	<u>103,801</u>	<u>1,005,654</u>
Excess (Deficiency) of Revenues Over Expenditures Before Fund Balance Allocation	872,885	(103,801)	769,084
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Uses	872,885	<u>\$(103,801)</u>	<u>\$ 769,084</u>
Fund Balance:			
Beginning of year	<u>2,933,790</u>		
End of year	<u>\$3,806,675</u>		

<u>FUND</u>	
<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 196,407	\$ (192,795)
1,590,000	42,326
<u>137,000</u>	<u>1,800</u>
<u>1,923,407</u>	<u>(148,669)</u>
986,823	77,722
<u>231,735</u>	<u>135,182</u>
<u>1,218,558</u>	<u>212,904</u>
704,849	64,235
<u>(704,849)</u>	<u>704,849</u>
<u>\$ -</u>	<u>\$ 769,084</u>

Continued

CITY OF OCALA, FLORIDA

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

SPECIAL REVENUE FUNDS

Year Ended September 30, 1994

	<u>SHIP LOCAL HOUSING ASSISTANCE FUND</u>		
	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>
Revenues:			
Intergovernmental revenues	\$ 86,476	\$ (86,476)	\$ -
Interest	2,710	(2,710)	-
Total revenues	<u>89,186</u>	<u>(89,186)</u>	<u>-</u>
Expenditures:			
Current - General government and administration	<u>89,186</u>	<u>(89,186)</u>	<u>-</u>
Total expenditures	<u>89,186</u>	<u>(89,186)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	-	-	-
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	-	<u>\$ -</u>	<u>\$ -</u>
Fund Balance:			
Beginning of year	<u>-</u>		
End of year	<u>\$ -</u>		

CITY OF OCALA, FLORIDA

DEBT SERVICE FUNDS

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

Improvement Bonds - This fund is used for the payment of principal, interest and related costs of the Capital Improvement Refunding Revenue Bonds, Series 1986.

1988 Improvement Certificates - This fund is used for the payment of principal, interest and related costs of the Capital Improvement Revenue Refunding Certificates, Series 1988.

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

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, and of the Optional Gas Tax Refunding Revenue Bonds, Series 1992.

CITY OF OCALA, FLORIDA

COMBINING BALANCE SHEET

DEBT SERVICE FUNDS

September 30, 1994

<u>ASSETS</u>	<u>Improvement Bonds</u>	1988 <u>Improvement Certificates</u>
Restricted equity in pooled cash and investment fund	\$ -	\$1,383,256
Restricted accrued interest receivable	-	8,889
Total Restricted Assets	<u>\$ -</u>	<u>\$1,392,145</u>
<u>FUND BALANCES</u>		
Fund Balance:		
Reserved for debt service	\$ -	<u>\$1,392,145</u>
Total Fund Balances	<u>\$ -</u>	<u>\$1,392,145</u>

<u>1993 Improvement Certificates</u>	<u>Optional Gas Tax Bonds</u>	<u>Total</u>
\$1,834,919	\$2,049,398	\$5,267,573
<u>12,100</u>	<u>13,394</u>	<u>34,383</u>
<u>\$1,847,019</u>	<u>\$2,062,792</u>	<u>\$5,301,956</u>

<u>\$1,847,019</u>	<u>\$2,062,792</u>	<u>\$5,301,956</u>
<u>\$1,847,019</u>	<u>\$2,062,792</u>	<u>\$5,301,956</u>

CITY OF OCALA, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

DEBT SERVICE FUNDS

Year Ended September 30, 1994

	<u>Improvement Bonds</u>	1988 <u>Improvement Certificates</u>
Revenues:		
Interest	\$ 11,539	\$ 56,912
Expenditures:		
Debt Service:		
Bond principal payments	490,000	920,000
Bond interest and paying agents' fees	<u>580,725</u>	<u>366,642</u>
Total expenditures	<u>1,070,725</u>	<u>1,286,642</u>
(Excess) of Expenditures Over Revenues	<u>(1,059,186)</u>	<u>(1,229,730)</u>
Other Financing Sources (Uses):		
Proceeds from refunding bonds	11,749,269	-
Payment to refunding bonds escrow agent	(11,885,054)	-
Transfers from other funds	321,617	1,283,880
Transfers (to) other funds	<u>(1,299,826)</u>	<u>(54,740)</u>
Total other financing sources (uses)	<u>(1,113,994)</u>	<u>1,229,140</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(2,173,180)	(590)
Fund Balance:		
Beginning of year	<u>2,173,180</u>	<u>1,392,735</u>
End of year	<u>\$ -</u>	<u>\$ 1,392,145</u>

<u>1993 Improvement Certificates</u>	<u>Optional Gas Tax Bonds</u>	<u>Total</u>
\$ <u>56,963</u>	\$ <u>78,425</u>	\$ <u>203,839</u>
-	620,000	2,030,000
<u>229,370</u>	<u>742,426</u>	<u>1,919,163</u>
<u>229,370</u>	<u>1,362,426</u>	<u>3,949,163</u>
<u>(172,407)</u>	<u>(1,284,001)</u>	<u>(3,745,324)</u>
-	-	11,749,269
-	-	(11,885,054)
2,074,030	1,327,886	5,007,413
<u>(54,604)</u>	<u>(70,402)</u>	<u>(1,479,572)</u>
<u>2,019,426</u>	<u>1,257,484</u>	<u>3,392,056</u>
1,847,019	(26,517)	(353,268)
-	<u>2,089,309</u>	<u>5,655,224</u>
<u>\$ 1,847,019</u>	<u>\$ 2,062,792</u>	<u>\$ 5,301,956</u>



CITY OF OCALA, FLORIDA

CAPITAL PROJECT FUNDS

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

Capital Improvement Construction Fund - The Capital Improvement Construction 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 N.E. 14th Street project.

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

CITY OF OCALA, FLORIDA

COMBINING BALANCE SHEET

CAPITAL PROJECT FUNDS

September 30, 1994

<u>ASSETS</u>	<u>Capital Improvement Construction</u>	<u>Optional Gas Tax Construction</u>
Cash and investments	\$ -	\$ -
Equity in pooled cash and investment fund	361,253	-
Accrued interest receivable	2,435	-
Accounts and notes receivable	-	140,220
Due from other governments	<u>-</u>	<u>405,153</u>
Total Assets	<u>\$ 363,688</u>	<u>\$ 545,373</u>
 <u>LIABILITIES AND FUND BALANCES</u> 		
Current Liabilities:		
Accounts payable	<u>\$ -</u>	<u>\$ 362,113</u>
Fund Balance:		
Reserved for encumbrances	-	1,182,079
Unreserved and undesignated (deficit)	<u>363,688</u>	<u>(998,819)</u>
Total fund balance	<u>363,688</u>	<u>183,260</u>
Total Liabilities and Fund Balance	<u>\$ 363,688</u>	<u>\$ 545,373</u>

<u>Capital Improvement Fund</u>	<u>Total</u>
\$5,790,418	\$5,790,418
66,158	427,411
64,845	67,280
-	140,220
<u>-</u>	<u>405,153</u>
<u>\$5,921,421</u>	<u>\$6,830,482</u>

<u>\$ 65,834</u>	<u>\$ 427,947</u>
1,140,037	2,322,116
<u>4,715,550</u>	<u>4,080,419</u>
<u>5,855,587</u>	<u>6,402,535</u>
<u>\$5,921,421</u>	<u>\$6,830,482</u>

CITY OF OCALA, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE

CAPITAL PROJECT FUNDS

Year Ended September 30, 1994

	<u>Capital Improvement Construction</u>	<u>Optional Gas Tax Construction</u>	<u>Capital Improvement Fund</u>
Revenues:			
Other intergovernmental revenues	\$ -	\$ 1,432,018	\$ -
Interest	<u>14,971</u>	<u>-</u>	<u>148,582</u>
Total revenues	<u>14,971</u>	<u>1,432,018</u>	<u>148,582</u>
Expenditures:			
Current:			
Public safety	-	-	1,800
Public works	205	271,011	-
Culture and recreation	-	-	3,857
Capital outlay	<u>-</u>	<u>2,491,579</u>	<u>-</u>
Total expenditures	<u>205</u>	<u>2,762,590</u>	<u>5,657</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>14,766</u>	<u>(1,330,572)</u>	<u>142,925</u>
Other Financing Sources (Uses):			
Proceeds from long-term borrowing	-	-	6,102,730
Debt issuance costs	-	-	(94,732)
Transfers from other funds	-	190,647	1,288,775
Transfers (to) other funds	<u>-</u>	<u>-</u>	<u>(1,584,111)</u>
Total other financing sources (uses)	<u>-</u>	<u>190,647</u>	<u>5,712,662</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	14,766	(1,139,925)	5,855,587
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	14,766	(1,139,925)	5,855,587
Fund Balance at Beginning of Year	<u>348,922</u>	<u>1,323,185</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 363,688</u>	<u>\$ 183,260</u>	<u>\$ 5,855,587</u>

Total

\$ 1,432,018
163,553
1,595,571

1,800
271,216
3,857
2,491,579
2,768,452

(1,172,881)

6,102,730
(94,732)
1,479,422
(1,584,111)
5,903,309

4,730,428

-

4,730,428

1,672,107

\$ 6,402,535

CITY OF OCALA, FLORIDA

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

CAPITAL PROJECT FUNDS

Year Ended September 30, 1994

	<u>Capital Improvement Construction</u>	<u>Optional Gas Tax Construction</u>	<u>Capital Improvement Fund</u>
Revenues:			
Other intergovernmental revenues	\$ -	\$ 1,432,018	\$ -
Interest	<u>14,971</u>	<u>-</u>	<u>148,582</u>
Total revenues	<u>14,971</u>	<u>1,432,018</u>	<u>148,582</u>
Expenditures:			
Current:			
Public safety	-	-	1,800
Public works	205	271,011	-
Culture and recreation	-	-	3,857
Capital outlay	<u>-</u>	<u>2,491,579</u>	<u>-</u>
Total expenditures	<u>205</u>	<u>2,762,590</u>	<u>5,657</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>14,766</u>	<u>(1,330,572)</u>	<u>142,925</u>
Other Financing Sources (Uses):			
Proceeds from long-term borrowing	-	-	6,102,730
Debt issuance costs	-	-	(94,732)
Transfers from other funds	-	190,647	1,288,775
Transfers (to) other funds	<u>-</u>	<u>-</u>	<u>(1,584,111)</u>
Total other financing sources (uses)	<u>-</u>	<u>190,647</u>	<u>5,712,662</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	14,766	(1,139,925)	5,855,587
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	14,766	(1,139,925)	5,855,587
Fund Balance at Beginning of Year	<u>348,922</u>	<u>1,323,185</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 363,688</u>	<u>\$ 183,260</u>	<u>\$ 5,855,587</u>

<u>ACTUAL</u>				
<u>Total</u>	<u>Adjustments to a Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>	<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 1,432,018	\$ -	\$ 1,432,018	\$ 2,313,255	\$ (881,237)
163,553	(14,971)	148,582	186,500	(37,918)
<u>1,595,571</u>	<u>(14,971)</u>	<u>1,580,600</u>	<u>2,499,755</u>	<u>(919,155)</u>
1,800	-	1,800	46,430	44,630
271,216	18,744	289,960	244,583	(45,377)
3,857	40,284	44,141	49,141	5,000
<u>2,491,579</u>	<u>2,262,883</u>	<u>4,754,462</u>	<u>5,656,126</u>	<u>901,664</u>
<u>2,768,452</u>	<u>2,321,911</u>	<u>5,090,363</u>	<u>5,996,280</u>	<u>905,917</u>
<u>(1,172,881)</u>	<u>(2,336,882)</u>	<u>(3,509,763)</u>	<u>(3,496,525)</u>	<u>(13,238)</u>
6,102,730	(6,102,730)	-	-	-
(94,732)	94,732	-	-	-
1,479,422	(1,288,775)	190,647	721,067	(530,420)
<u>(1,584,111)</u>	<u>1,397,987</u>	<u>(186,124)</u>	<u>(186,124)</u>	<u>-</u>
<u>5,903,309</u>	<u>(5,898,786)</u>	<u>4,523</u>	<u>534,943</u>	<u>(530,420)</u>
4,730,428	(8,235,668)	(3,505,240)	(2,961,582)	(543,658)
-	-	-	2,961,582	(2,961,582)
4,730,428	<u>\$(8,235,668)</u>	<u>\$(3,505,240)</u>	<u>\$ -</u>	<u>\$(3,505,240)</u>
<u>1,672,107</u>				
<u>\$ 6,402,535</u>				



CITY OF OCALA, FLORIDA

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

CAPITAL PROJECT FUNDS

Year Ended September 30, 1994

	<u>CAPITAL IMPROVEMENT CONSTRUCTION FUND</u>		
	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>
Revenues:			
Interest	\$ 14,971	\$ (14,971)	\$ -
Total revenues	<u>14,971</u>	<u>(14,971)</u>	<u>-</u>
Expenditures:			
Current - Public works	205	(205)	-
Total expenditures	<u>205</u>	<u>(205)</u>	<u>-</u>
Excess of Revenues Over Expenditures Before Fund Balance Allocation	14,766	(14,766)	-
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	14,766	<u>\$ (14,766)</u>	<u>\$ -</u>
Fund Balance:			
Beginning of year	<u>348,922</u>		
End of year	<u>\$ 363,688</u>		

Continued

CITY OF OCALA, FLORIDA

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

CAPITAL PROJECT FUNDS

Year Ended September 30, 1994

	<u>OPTIONAL GAS TAX CONSTRUCTION</u>		
	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>
Revenues:			
Other intergovernmental revenues	\$ 1,432,018	\$ -	\$ 1,432,018
Interest	-	-	-
Total revenues	<u>1,432,018</u>	<u>-</u>	<u>1,432,018</u>
Expenditures:			
Current - Public works	271,011	18,949	289,960
Capital outlay	<u>2,491,579</u>	<u>1,163,130</u>	<u>3,654,709</u>
Total expenditures	<u>2,762,590</u>	<u>1,182,079</u>	<u>3,944,669</u>
(Deficiency) of Revenues Over Expenditures	(1,330,572)	(1,182,079)	(2,512,651)
Other Financing Sources:			
Transfers from other funds	<u>190,647</u>	-	<u>190,647</u>
(Deficiency) of Revenues and Other Sources Over Expenditures Before Fund Balance Allocation	(1,139,925)	(1,182,079)	(2,322,004)
Fund Balance Allocation	<u>-</u>	<u>-</u>	<u>-</u>
(Deficiency) of Revenues and Other Sources Over Expenditures	(1,139,925)	<u>\$(1,182,079)</u>	<u>\$(2,322,004)</u>
Fund Balance:			
Beginning of year	<u>1,323,185</u>		
End of year	<u>\$ 183,260</u>		

<u>FUND</u>	
<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 2,313,255	\$ (881,237)
36,000	(36,000)
<u>2,349,255</u>	<u>(917,237)</u>
244,583	(45,377)
<u>4,521,043</u>	<u>866,334</u>
<u>4,765,626</u>	<u>820,957</u>
(2,416,371)	(96,280)
<u>721,067</u>	<u>(530,420)</u>
(1,695,304)	(626,700)
<u>1,695,304</u>	<u>(1,695,304)</u>
<u>\$ -</u>	<u>\$ (2,322,004)</u>

Continued

CITY OF OCALA, FLORIDA

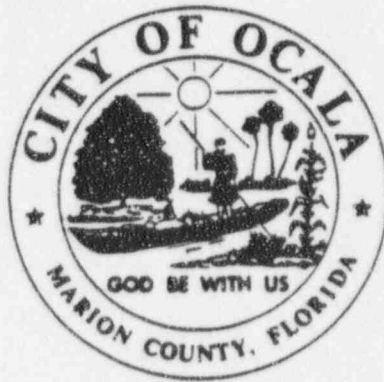
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - CONTINUED

CAPITAL PROJECT FUNDS

Year Ended September 30, 1994

	<u>CAPITAL IMPROVEMENT</u>		
	<u>Actual</u>	<u>Adjustments to Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>
Revenues:			
Interest	\$ 148,582	\$ -	\$ 148,582
Total revenues	<u>148,582</u>	<u>-</u>	<u>148,582</u>
Expenditures:			
Current:			
Public safety	1,800	-	1,800
Culture and recreation	3,857	40,284	44,141
Capital outlay	-	1,099,753	1,099,753
Total expenditures	<u>5,657</u>	<u>1,140,037</u>	<u>1,145,694</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>142,925</u>	<u>(1,140,037)</u>	<u>(997,112)</u>
Other Financing Sources (Uses):			
Proceeds from long-term borrowing	6,102,730	(6,102,730)	-
Debt issuance costs	(94,732)	94,732	-
Transfers from other funds	1,288,775	(1,288,775)	-
Transfers (to) other funds	<u>(1,584,111)</u>	<u>1,397,987</u>	<u>(186,124)</u>
Total other financing sources (uses)	<u>5,712,662</u>	<u>(5,898,786)</u>	<u>(186,124)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses Before Fund Balance Allocation	5,855,587	(7,038,823)	(1,183,236)
Fund Balance Allocation	-	-	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	5,855,587	<u>\$(7,038,823)</u>	<u>\$(1,183,236)</u>
Fund Balance:			
Beginning of year	-		
End of year	<u>\$ 5,855,587</u>		

<u>FUND</u>	
<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 150,500	\$ (1,918)
<u>150,500</u>	<u>(1,918)</u>
46,430	44,630
49,141	5,000
<u>1,135,083</u>	<u>35,330</u>
<u>1,230,654</u>	<u>84,960</u>
<u>(1,080,154)</u>	<u>83,042</u>
-	-
-	-
-	-
<u>(186,124)</u>	<u>-</u>
<u>(186,124)</u>	<u>-</u>
(1,266,278)	83,042
<u>1,266,278</u>	<u>(1,266,278)</u>
<u>\$ -</u>	<u>\$ (1,183,236)</u>



CITY OF OCALA, FLORIDA

ENTERPRISE FUNDS

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

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

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

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

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

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

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

Ocala Municipal Airport (Jim Taylor Field) Fund - This fund accounts for the construction, operation and maintenance of the City's airport.

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

CITY OF OCALA, FLORIDA

COMBINING BALANCE SHEET

ENTERPRISE FUNDS

September 30, 1994

<u>ASSETS</u>	<u>Electric System Revenue</u>	<u>Water and Sewer</u>	<u>Sanitation</u>
Current Assets:			
Cash and investments	\$ 2,125	\$ 450	\$ -
Equity in pooled cash and investment fund	3,864,583	3,740,896	95,720
Accrued interest receivable	24,485	24,295	1,089
Accounts and notes receivable	6,029,972	105,280	120
Accrued unbilled revenues	4,354,498	-	-
Due from other funds	-	512,824	250,727
Interfund loans receivable	70,296	-	-
Inventories	2,058,453	80,023	-
Due from other governments	11,519	16,372	40,438
Other current assets	155,036	66,157	-
Total current assets	<u>16,570,967</u>	<u>4,546,297</u>	<u>388,094</u>
Restricted Assets:			
Cash and investments	14,592,632	18,494,330	-
Equity in pooled cash and investment fund	17,481,593	11,069,820	-
Accrued interest receivable	215,235	406,161	-
Due from other governments	-	68,673	-
Other	1,314	140,732	-
Total restricted assets	<u>32,290,774</u>	<u>30,179,716</u>	<u>-</u>
Interfund Loans Receivable After One Year	508,566	-	-
Property, Plant and Equipment, net	68,072,832	80,824,381	1,231,653
Issuance Costs on Long-Term Debt	254,050	515,837	-
Total Assets	<u>\$117,697,189</u>	<u>\$116,066,231</u>	<u>\$1,619,747</u>

<u>Municipal Golf Course</u>	<u>Fort King Tennis Court</u>	<u>Municipal Trailer Park</u>	<u>Ocala Municipal Airport</u>	<u>Florida Emergency Training Facility</u>	<u>Total</u>
\$ 1,938	\$ 50	\$ 100	\$ 8,715	\$ -	\$ 13,378
449,187	10,081	68,473	20,009	-	8,248,949
3,125	61	428	87	-	53,570
940	0	-	25,934	2,000	6,164,337
-	-	-	-	-	4,354,498
-	-	-	-	-	763,551
-	-	-	-	-	70,296
58,152	-	-	-	-	2,196,628
362	-	-	304	-	68,995
2,708	-	-	3,020	-	226,921
<u>516,412</u>	<u>10,283</u>	<u>69,001</u>	<u>58,069</u>	<u>2,000</u>	<u>22,161,123</u>
-	-	-	-	-	33,086,962
-	-	-	15,904	376,369	28,943,686
-	-	-	-	2,525	623,921
-	-	-	20,321	117,878	206,872
-	-	-	-	-	142,046
-	-	-	<u>36,225</u>	<u>496,772</u>	<u>63,003,487</u>
-	-	-	-	-	508,566
5,191,465	94,578	42,691	9,656,573	290,745	165,404,918
-	-	-	-	-	769,887
<u>\$5,707,877</u>	<u>\$104,861</u>	<u>\$111,692</u>	<u>\$9,750,867</u>	<u>\$789,517</u>	<u>\$251,847,981</u>

Continued

CITY OF OCALA, FLORIDA

COMBINING BALANCE SHEET - CONTINUED

ENTERPRISE FUNDS

September 30, 1994

<u>LIABILITIES AND FUND EQUITY</u>	<u>Electric System Revenue</u>	<u>Water and Sewer</u>	<u>Sanitation</u>
Current Liabilities:			
Accounts payable	\$ 4,301,209	\$ 192,366	\$ 236,065
Compensated absences payable	348,725	140,457	119,909
Accrued interest payable	3,547	-	-
Due to other funds	840,916	-	-
Customer deposits	3,033,858	-	-
Deferred revenue	-	-	-
Interfund loans payable	-	-	-
Total current liabilities	<u>8,528,255</u>	<u>332,823</u>	<u>355,974</u>
Liabilities Payable from Restricted Assets:			
Accounts payable	1,789,848	411,758	-
Accrued interest payable	838,230	1,995,098	-
Deferred revenue	-	259,881	-
Revenue bonds payable within one year	3,500,000	1,435,000	-
Decommissioning costs	1,218,296	-	-
Total liabilities payable from restricted assets	<u>7,346,374</u>	<u>4,101,737</u>	<u>-</u>
Interfund Loans Payable After One Year	<u>-</u>	<u>-</u>	<u>-</u>
Revenue Bonds and Notes Payable After One Year	<u>24,471,890</u>	<u>59,512,090</u>	<u>-</u>
Total liabilities	<u>40,346,519</u>	<u>63,946,650</u>	<u>355,974</u>
Fund Equity:			
Contributed equity	<u>5,442,867</u>	<u>14,949,015</u>	<u>8,515</u>
Retained earnings:			
Reserved for debt service	-	8,929,494	-
Reserved for renewal and replacement	15,982,966	4,751,793	-
Total reserved retained earnings	<u>15,982,966</u>	<u>13,681,287</u>	<u>-</u>
Unreserved	55,924,837	23,489,279	1,255,258
Total retained earnings	<u>71,907,803</u>	<u>37,170,566</u>	<u>1,255,258</u>
Total fund equity	<u>77,350,670</u>	<u>52,119,581</u>	<u>1,263,773</u>
Total Liabilities and Fund Equity	<u>\$117,697,189</u>	<u>\$116,066,231</u>	<u>\$1,619,747</u>

<u>Municipal Golf Course</u>	<u>Fort King Tennis Court</u>	<u>Municipal Trailer Park</u>	<u>Ocala Municipal Airport</u>	<u>Florida Emergency Training Facility</u>	<u>Total</u>
\$ 66,630	\$ 1,719	\$ 7,240	\$ 15,938	\$ -	\$ 4,821,167
47,563	824	974	1,795	-	660,247
-	-	-	-	-	3,547
-	-	-	-	532	841,448
-	-	-	-	-	3,033,858
41,988	-	-	3,219	-	45,207
82,060	2,969	-	8,561	-	93,590
<u>238,241</u>	<u>5,512</u>	<u>8,214</u>	<u>29,513</u>	<u>532</u>	<u>9,499,064</u>
-	-	-	28,241	982	2,230,829
-	-	-	-	-	2,833,328
-	-	-	7,984	495,790	763,655
-	-	-	-	-	4,935,000
-	-	-	-	-	1,218,296
-	-	-	36,225	496,772	1,981,108
<u>194,698</u>	<u>46,523</u>	<u>-</u>	<u>265,463</u>	<u>-</u>	<u>506,684</u>
-	-	-	-	-	83,983,980
<u>432,939</u>	<u>52,035</u>	<u>8,214</u>	<u>331,201</u>	<u>497,304</u>	<u>105,270,836</u>
<u>3,853,439</u>	<u>-</u>	<u>-</u>	<u>8,913,073</u>	<u>169,741</u>	<u>33,336,650</u>
-	-	-	-	-	8,929,494
-	-	-	-	-	20,734,759
-	-	-	-	-	29,664,253
<u>1,421,499</u>	<u>52,826</u>	<u>103,478</u>	<u>506,593</u>	<u>122,472</u>	<u>82,876,242</u>
<u>1,421,499</u>	<u>52,826</u>	<u>103,478</u>	<u>506,593</u>	<u>122,472</u>	<u>112,540,495</u>
<u>5,274,938</u>	<u>52,826</u>	<u>103,478</u>	<u>9,419,666</u>	<u>292,213</u>	<u>145,877,145</u>
<u>\$5,707,877</u>	<u>\$104,861</u>	<u>\$111,692</u>	<u>\$9,750,867</u>	<u>\$789,517</u>	<u>\$251,847,981</u>

CITY OF OCALA, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

ENTERPRISE FUNDS

Year Ended September 30, 1994

	<u>Electric System Revenue</u>	<u>Water and Sewer</u>	<u>Sanitation</u>
Operating Revenues:			
Sale of electricity	\$ 72,758,508	\$ -	\$ -
Sale of water	-	3,627,960	-
Sewer and sanitation service charges	-	8,216,381	5,698,080
Fees and rentals	-	-	-
Commissions	-	-	-
Other	<u>1,717,640</u>	<u>338,760</u>	<u>8,096</u>
Total operating revenues	<u>74,476,148</u>	<u>12,183,104</u>	<u>5,706,176</u>
Operating Expenses:			
Purchase of electricity	41,370,148	-	-
Distribution	5,907,588	488,944	-
Operation and maintenance	2,080,059	-	5,286,381
Water and sewer treatment	-	2,338,173	-
Sewer collection	-	1,068,989	-
Administration	1,858,958	1,291,322	317,690
Depreciation and amortization	3,457,209	1,989,978	276,126
Other	<u>1,761,182</u>	<u>240,127</u>	<u>-</u>
Total operating expenses	<u>56,435,144</u>	<u>7,417,533</u>	<u>5,880,197</u>
Operating Income (Loss)	<u>18,041,004</u>	<u>4,765,571</u>	<u>(174,021)</u>
Non-Operating Revenues (Expenses):			
Interest income	1,255,538	1,237,560	10,842
Interest expense	(1,179,177)	(2,631,512)	-
Other non-operating revenue	51,360	-	56,751
Other non-operating expense	<u>(385,000)</u>	<u>-</u>	<u>(56,751)</u>
Total non-operating revenues (expenses)	<u>(257,279)</u>	<u>(1,393,952)</u>	<u>10,842</u>
Income (Loss) Before Operating Transfers	<u>17,783,725</u>	<u>3,371,619</u>	<u>(163,179)</u>
Operating Transfers:			
From other funds	17,341	175,519	30,936
(To) other funds	<u>(12,485,761)</u>	<u>(354,238)</u>	<u>(232,031)</u>
Total operating transfers	<u>(12,468,420)</u>	<u>(178,719)</u>	<u>(201,095)</u>
Net Income (Loss)	5,315,305	3,192,900	(364,274)
Retained Earnings, beginning of year	<u>66,592,498</u>	<u>33,977,666</u>	<u>1,619,532</u>
Retained Earnings, end of year	<u>\$ 71,907,803</u>	<u>\$ 37,170,566</u>	<u>\$1,255,258</u>

<u>Municipal Golf Course</u>	<u>Fort King Tennis Court</u>	<u>Municipal Trailer Park</u>	<u>Ocala Municipal Airport</u>	<u>Florida Emergency Training Facility</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,758,508
-	-	-	-	-	3,627,960
-	-	-	-	-	13,914,461
1,769,103	64,963	85,853	176,892	-	2,096,811
14,567	-	-	51,160	-	65,727
254,531	99	260	8,729	3,771	2,331,889
<u>2,038,201</u>	<u>65,062</u>	<u>86,113</u>	<u>236,781</u>	<u>3,771</u>	<u>94,795,356</u>
-	-	-	-	-	41,370,148
-	-	-	-	-	6,396,532
1,598,654	58,067	62,312	132,822	-	9,218,295
-	-	-	-	-	2,338,173
-	-	-	-	-	1,068,989
72,832	-	-	-	5,087	3,545,889
258,063	5,267	293	284,317	428	6,271,681
135,475	-	-	4,818	-	2,141,602
<u>2,065,024</u>	<u>63,334</u>	<u>62,605</u>	<u>421,957</u>	<u>5,515</u>	<u>72,351,309</u>
<u>(26,823)</u>	<u>1,728</u>	<u>23,508</u>	<u>(185,176)</u>	<u>(1,744)</u>	<u>22,444,047</u>
18,280	667	2,232	118	21,797	2,547,034
(12,977)	(1,913)	-	(9,885)	-	(3,835,464)
-	-	-	2,549	17,930	128,590
-	-	-	(3,070)	(27,428)	(472,249)
<u>5,303</u>	<u>(1,246)</u>	<u>2,232</u>	<u>(10,288)</u>	<u>12,299</u>	<u>(1,632,089)</u>
<u>(21,520)</u>	<u>482</u>	<u>25,740</u>	<u>(195,464)</u>	<u>10,555</u>	<u>20,811,958</u>
209,696	-	192	207,072	106,034	746,790
(215,939)	-	(4,494)	(179,743)	-	(13,472,206)
<u>(6,243)</u>	<u>-</u>	<u>(4,302)</u>	<u>27,329</u>	<u>106,034</u>	<u>(12,725,416)</u>
(27,763)	482	21,438	(168,135)	116,589	8,086,542
<u>1,449,262</u>	<u>52,344</u>	<u>82,040</u>	<u>674,728</u>	<u>5,883</u>	<u>104,453,953</u>
<u>\$1,421,499</u>	<u>\$ 52,826</u>	<u>\$103,478</u>	<u>\$ 506,593</u>	<u>\$122,472</u>	<u>\$112,540,495</u>

CITY OF OCALA, FLORIDA

COMBINING STATEMENT OF CASH FLOWS

ENTERPRISE FUNDS

Year Ended September 30, 1994

	<u>Electric System Revenue</u>	<u>Water and Sewer</u>	<u>Sanitation</u>
Cash Flows From Operating Activities:			
Cash received from customers	\$ 74,587,694	\$ 12,271,066	\$ 5,717,370
Cash paid to suppliers for goods and services	(47,957,353)	(3,029,566)	(3,667,383)
Cash paid to employees for services	<u>(3,163,484)</u>	<u>(2,195,905)</u>	<u>(1,836,588)</u>
Net cash provided by (used in) operating activities	<u>23,466,857</u>	<u>7,045,595</u>	<u>213,399</u>
Cash Flows From Non-Capital Financing Activities:			
Operating transfers in	17,341	175,519	30,936
Operating transfers out	(12,485,761)	(354,238)	(232,031)
Grant expenses	<u>(333,640)</u>	<u>-</u>	<u>-</u>
Net cash provided by (used in) non-capital financial activities	<u>(12,802,060)</u>	<u>(178,719)</u>	<u>(201,095)</u>
Cash Flows From Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(9,848,973)	(5,456,877)	(105,020)
Principal paid on bonds	(8,195,000)	(1,195,000)	-
Interest paid on bonds	(2,036,675)	(4,013,143)	-
Principal paid on loans from other funds	-	-	-
Interest paid on loans from other funds	-	-	-
Principal received on loans to other funds	63,328	-	-
Interest received on loans to other funds	20,308	-	-
Proceeds of loans from other funds	-	-	-
Loans to other funds	(97,838)	-	-
Contributions received from other governments and developers	<u>352,792</u>	<u>943,161</u>	<u>-</u>
Net cash provided by (used in) capital and related financing activities	<u>(19,742,058)</u>	<u>(9,721,859)</u>	<u>(105,020)</u>
Cash Flows From Investing Activities:			
Purchase of investments	(107,770)	(3,000,000)	-
Proceeds from sales and maturities of investments	4,478,329	2,859,282	-
Interest received	<u>1,592,237</u>	<u>1,570,079</u>	<u>10,603</u>
Net cash provided by investing activities	<u>5,962,796</u>	<u>1,429,361</u>	<u>10,603</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(3,114,465)	(1,425,622)	(82,113)
Cash and Cash Equivalents, beginning of year	<u>24,979,352</u>	<u>20,829,246</u>	<u>177,833</u>
Cash and Cash Equivalents, end of year	<u>\$ 21,864,887</u>	<u>\$ 19,403,624</u>	<u>\$ 95,720</u>

<u>Municipal Golf Course</u>	<u>Fort King Tennis Court</u>	<u>Municipal Trailer Park</u>	<u>Ocala Municipal Airport</u>	<u>Florida Emergency Training Facility</u>	<u>Total</u>
\$2,032,517	\$ 64,986	\$ 86,113	\$ 242,195	\$ 500	\$ 95,002,441
(975,732)	(24,497)	(20,315)	(314,150)	(4,749)	(55,993,745)
<u>(944,888)</u>	<u>(33,341)</u>	<u>(33,917)</u>	<u>(32,495)</u>	<u>-</u>	<u>(8,240,618)</u>
<u>111,897</u>	<u>7,148</u>	<u>31,881</u>	<u>(104,450)</u>	<u>(4,249)</u>	<u>30,768,078</u>
209,696	-	192	207,072	106,034	746,790
(215,939)	-	(4,494)	(179,743)	-	(13,472,206)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(521)</u>	<u>(9,498)</u>	<u>(343,659)</u>
<u>(6,243)</u>	<u>-</u>	<u>(4,302)</u>	<u>26,808</u>	<u>96,536</u>	<u>(13,069,075)</u>
(15,465)	-	(5,947)	(185,199)	(287,944)	(15,905,425)
-	-	-	-	-	(9,390,000)
-	-	-	-	-	(6,049,818)
(80,517)	(2,714)	-	(7,828)	-	(91,059)
(12,977)	(1,913)	-	(9,885)	-	(24,775)
-	-	-	-	-	63,328
-	-	-	-	-	20,308
-	-	-	15,000	-	15,000
-	-	-	-	-	(97,838)
<u>-</u>	<u>-</u>	<u>-</u>	<u>301,575</u>	<u>1,070</u>	<u>1,598,598</u>
<u>(108,959)</u>	<u>(4,627)</u>	<u>(5,947)</u>	<u>113,663</u>	<u>(286,874)</u>	<u>(29,861,681)</u>
-	-	-	-	-	(3,107,770)
-	-	-	-	-	7,337,611
<u>17,131</u>	<u>648</u>	<u>2,051</u>	<u>69</u>	<u>22,256</u>	<u>3,215,074</u>
<u>17,131</u>	<u>648</u>	<u>2,051</u>	<u>69</u>	<u>22,256</u>	<u>7,444,915</u>
13,826	3,169	23,683	36,090	(172,331)	(4,717,763)
<u>437,299</u>	<u>6,962</u>	<u>44,890</u>	<u>8,538</u>	<u>548,700</u>	<u>47,032,820</u>
<u>\$ 451,125</u>	<u>\$ 10,131</u>	<u>\$ 68,573</u>	<u>\$ 44,628</u>	<u>\$ 376,369</u>	<u>\$ 42,315,057</u>

Continued

CITY OF OCALA, FLORIDA

COMBINING STATEMENT OF CASH FLOWS - CONTINUED

ENTERPRISE FUNDS

Year Ended September 30, 1994

	<u>Electric System Revenue</u>	<u>Water and Sewer</u>	<u>Sanitation</u>
Reconciliation of Cash and Cash Equivalents to Balance Sheet:			
Total unrestricted cash and investments per the balance sheet	\$ 3,866,708	\$ 3,741,346	\$ 95,720
Total restricted cash and investments per the balance sheet	<u>32,074,225</u>	<u>29,564,150</u>	<u>-</u>
Total cash and investments	35,940,933	33,305,496	95,720
Less: Investments not meeting the definition of cash equivalents	<u>(14,076,046)</u>	<u>(13,901,872)</u>	<u>-</u>
Cash and Cash Equivalents, end of year	<u>\$ 21,864,887</u>	<u>\$ 19,403,624</u>	<u>\$ 95,720</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Operating income (loss)	\$ 18,041,004	\$ 4,765,571	\$ (174,021)
Adjustments to reconcile operating income (loss) to cash provided from operating activities:			
Depreciation and amortization	3,457,209	1,989,978	276,126
(Gain) loss on fixed asset disposal	195,676	981	233
(Increase) decrease in assets:			
Accounts and notes receivable	(224,953)	(24,745)	(120)
Accrued unbilled revenue	214,516	-	-
Due from other funds	-	39,709	(2,631)
Inventories	148,070	6,850	-
Due from other governments	55,828	179	13,945
Other current assets	(6,892)	(509)	-
Increase (decrease) in liabilities:			
Accounts payable	1,197,360	150,829	30,986
Compensated absences payable	160,499	68,678	68,881
Due (to) other funds	(39,259)	-	-
Customer deposits	66,155	-	-
Deferred revenue	-	48,074	-
Decommissioning costs	<u>201,644</u>	<u>-</u>	<u>-</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 23,466,857</u>	<u>\$ 7,045,595</u>	<u>\$ 213,399</u>

<u>Municipal Golf Course</u>	<u>Fort King Tennis Court</u>	<u>Municipal Trailer Park</u>	<u>Ocala Municipal Airport</u>	<u>Florida Emergency Training Facility</u>	<u>Total</u>
\$ 451,125	\$ 10,131	\$ 68,573	\$ 28,724	\$ -	\$ 8,262,327
-	-	-	15,904	376,369	62,030,648
<u>451,125</u>	<u>10,131</u>	<u>68,573</u>	<u>44,628</u>	<u>376,369</u>	<u>70,292,975</u>
-	-	-	-	-	(27,977,918)
<u>\$ 451,125</u>	<u>\$ 10,131</u>	<u>\$ 68,573</u>	<u>\$ 44,628</u>	<u>\$376,369</u>	<u>\$ 42,315,057</u>
\$ (26,823)	\$ 1,728	\$ 23,508	\$ (185,176)	\$ (1,744)	\$ 22,444,047
258,063	5,267	293	284,317	428	6,271,681
2,628	-	1,655	1,271	(1,271)	201,173
278	(76)	-	7,387	(2,000)	(244,229)
-	-	-	-	-	214,516
-	-	-	-	-	37,078
1,424	-	-	-	-	156,344
629	-	-	(991)	-	69,590
(197)	-	-	(3,020)	-	(10,618)
(137,172)	(385)	6,142	25,767	(194)	1,273,333
19,658	614	283	1,058	-	319,671
-	-	-	(234,081)	532	(272,808)
-	-	-	-	-	66,155
(6,591)	-	-	(982)	-	40,501
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>201,644</u>
<u>\$ 111,897</u>	<u>\$ 7,148</u>	<u>\$ 31,881</u>	<u>\$ (104,450)</u>	<u>\$ (4,249)</u>	<u>\$ 30,768,078</u>



CITY OF OCALA, FLORIDA

INTERNAL SERVICE FUNDS

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

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

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

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

CITY OF OCALA, FLORIDA

COMBINING BALANCE SHEET

INTERNAL SERVICE FUNDS

September 30, 1994

<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	848,629	6,051,734	2,892,290	9,792,653
Accrued interest receivable	4,623	41,734	15,816	62,173
Accounts receivable	9,871	236	19,056	29,163
Interfund loans receivable	-	26,560	-	26,560
Inventories	73,566	71,583	-	145,149
Due from other governments	1,938	15,294	-	17,232
Other current assets	6,643	1,208	88,345	96,196
Total current assets	<u>945,420</u>	<u>6,208,549</u>	<u>3,015,057</u>	<u>10,169,626</u>
Interfund Loans Receivable After One Year	-	28,198	-	28,198
Property, Plant and Equipment, net	<u>6,366,972</u>	<u>1,822,854</u>	<u>40,553</u>	<u>8,230,379</u>
Total Assets	<u>\$7,312,392</u>	<u>\$8,059,601</u>	<u>\$3,056,210</u>	<u>\$18,428,203</u>
<u>LIABILITIES AND FUND EQUITY</u>				
Current Liabilities:				
Accounts payable	\$ 49,082	\$ 60,235	\$ 131,790	\$ 241,107
Claims payable	-	-	2,379,654	2,379,654
Compensated absences payable	80,218	52,193	-	132,411
Notes payable within one year	92,659	-	-	92,659
Total current liabilities	<u>221,959</u>	<u>112,428</u>	<u>2,511,444</u>	<u>2,845,831</u>
Notes payable after one year	<u>1,125</u>	<u>-</u>	<u>-</u>	<u>1,125</u>
Total liabilities	<u>223,084</u>	<u>112,428</u>	<u>2,511,444</u>	<u>2,846,956</u>
Fund Equity:				
Contributed equity	1,293,863	-	20,401	1,314,264
Unreserved retained earnings	5,795,445	7,947,173	524,365	14,266,983
Total fund equity	<u>7,089,308</u>	<u>7,947,173</u>	<u>544,766</u>	<u>15,581,247</u>
Total Liabilities and Fund Equity	<u>\$7,312,392</u>	<u>\$8,059,601</u>	<u>\$3,056,210</u>	<u>\$18,428,203</u>

CITY OF OCALA, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS

INTERNAL SERVICE FUNDS

Year Ended September 30, 1994

	<u>Internal Service</u>	<u>Fleet Management</u>	<u>Self- Insurance</u>	<u>Total</u>
Operating Revenues:				
Fees and rentals	\$3,650,586	\$4,072,952	\$ 593,185	\$ 8,316,723
Employer insurance contributions	-	-	3,175,096	3,175,096
Employee insurance contributions	-	-	1,036,459	1,036,459
Other	44	103,461	275,097	378,602
Total operating revenues	<u>3,650,630</u>	<u>4,176,413</u>	<u>5,079,837</u>	<u>12,906,880</u>
Operating Expenses:				
Fleet management	-	2,863,855	-	2,863,855
Purchasing and warehousing	763,651	-	-	763,651
Management information system and central services	815,549	-	-	815,549
Building maintenance	822,640	-	-	822,540
Insurance, admin and other	-	-	4,207,383	4,207,383
Depreciation and amortization	471,617	137,809	7,634	617,060
Other	183,796	-	-	183,796
Total operating expenses	<u>3,057,253</u>	<u>3,001,664</u>	<u>4,215,017</u>	<u>10,273,934</u>
Operating Income	<u>593,377</u>	<u>1,174,749</u>	<u>864,820</u>	<u>2,632,946</u>
Non-Operating Revenues (Expenses):				
Interest income	22,976	261,255	99,138	383,369
Interest expense	(18,144)	-	-	(18,144)
Total non-operating revenues (expenses)	<u>4,832</u>	<u>261,255</u>	<u>99,138</u>	<u>365,225</u>
Income Before Operating Transfers	<u>598,209</u>	<u>1,436,004</u>	<u>963,958</u>	<u>2,998,171</u>
Operating Transfers:				
From other funds	8,753	224	-	8,977
(To) other funds	(205,293)	(5,264)	-	(210,557)
Total operating transfers	<u>(196,540)</u>	<u>(5,040)</u>	<u>-</u>	<u>(201,580)</u>
Net Income	401,669	1,430,964	963,958	2,796,591
Retained Earnings, beginning of year	<u>5,393,776</u>	<u>6,516,209</u>	<u>(439,593)</u>	<u>11,470,392</u>
Retained Earnings, end of year	<u>\$5,795,445</u>	<u>\$7,947,173</u>	<u>\$ 524,365</u>	<u>\$14,266,983</u>

CITY OF OCALA, FLORIDA

COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

Year Ended September 30, 1994

	<u>Internal Service</u>	<u>Fleet Management</u>	<u>Self- Insurance</u>	<u>Total</u>
Cash Flows From Operating Activities:				
Cash received from employees	\$ -	\$ -	\$ 1,036,459	\$ 1,036,459
Cash paid to suppliers for goods and services	(1,218,616)	(1,938,867)	(1,906,184)	(5,063,667)
Cash paid to employees for services	(1,299,143)	(902,271)	(334,572)	(2,535,986)
Cash received from other funds	3,655,516	4,175,624	4,013,577	11,844,717
Cash paid for insurance claims	-	-	(2,373,987)	(2,373,987)
Net cash provided by operating activities	<u>1,137,757</u>	<u>1,334,486</u>	<u>435,293</u>	<u>2,907,536</u>
Cash Flows From Non-Capital Financing Activities:				
Operating transfers in	8,753	224	-	8,977
Operating transfers out	(205,293)	(5,264)	-	(210,557)
Net cash used in non-capital financing activities	<u>(196,540)</u>	<u>(5,040)</u>	<u>-</u>	<u>(201,580)</u>
Cash Flows From Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(264,988)	(1,538,171)	(27,656)	(1,830,815)
Principal paid on notes payable	(247,401)	-	-	(247,401)
Interest paid on notes payable	(18,144)	-	-	(18,144)
Principal received on loans to other funds	-	25,017	-	25,017
Interest received on loans to other funds	-	2,554	-	2,554
Net cash used in capital and related financing activities	<u>(530,533)</u>	<u>(1,510,600)</u>	<u>(27,656)</u>	<u>(2,068,789)</u>
Cash Flows From Investing Activities:				
Interest received	22,016	248,957	95,267	366,240
Net cash provided by investing activities	<u>22,016</u>	<u>248,957</u>	<u>95,267</u>	<u>366,240</u>
Net Increase in Cash and Cash Equivalents	432,700	67,803	502,904	1,003,407
Cash and Cash Equivalents, beginning of year	<u>416,079</u>	<u>5,984,131</u>	<u>2,389,536</u>	<u>8,789,746</u>
Cash and Cash Equivalents, end of year	<u>\$ 848,779</u>	<u>\$ 6,051,934</u>	<u>\$ 2,892,440</u>	<u>\$ 9,793,153</u>

Continued

CITY OF OCALA, FLORIDA

COMBINING STATEMENT OF CASH FLOWS - CONTINUED

INTERNAL SERVICE FUNDS

Year Ended September 30, 1994

	<u>Internal Service</u>	<u>Fleet Management</u>	<u>Self- Insurance</u>	<u>Total</u>
Reconciliation of Operating Income to Cash Provided by Operating Activities:				
Operating income	\$ 593,377	\$ 1,174,749	\$ 864,820	\$ 2,632,946
Adjustment to reconcile operating income to cash flows provided by operating activities:				
Depreciation	471,617	137,809	7,634	617,060
(Gain) loss on disposal of property, plant and equipment	(44)	279	-	235
(Increase) decrease in assets:				
Accounts receivable	4,796	119	(19,056)	(14,141)
Inventories	10,832	(14,346)	-	(3,514)
Due from other governments	134	(908)	6,000	5,226
Other current assets	19,125	(723)	(67,592)	(49,190)
Increase (decrease) in liabilities:				
Accounts payable	(5,350)	10,024	35,411	40,085
Claims payable	-	-	(375,179)	(375,179)
Compensated absences payable	43,270	27,483	-	70,753
Deferred revenue	-	-	(16,745)	(16,745)
Net Cash Provided by Operating Activities	<u>\$ 1,137,757</u>	<u>\$ 1,334,486</u>	<u>\$ 435,293</u>	<u>\$ 2,907,536</u>



CITY OF OCALA, FLORIDA

TRUST AND AGENCY FUNDS

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.

Expendable Trust Funds

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

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

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.

Agency Fund

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

CITY OF OCALA, FLORIDA
COMBINING BALANCE SHEET
 TRUST AND AGENCY FUNDS
 September 30, 1994

	Expendable Trust	
<u>ASSETS</u>	Pension Medical Reserve	Community Redevelopment Trust Fund
Restricted Assets:		
Cash and investments	\$1,248,055	\$ -
Equity in pooled cash and investment fund	-	108,608
Accrued interest and dividends receivable	-	737
Due from other funds	-	-
Total Restricted Assets	\$1,248,055	\$109,345
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities Payable from Restricted Assets:		
Accounts payable	\$ -	\$ 129
Due to other funds	-	-
Deferred compensation	-	-
Total liabilities	-	129
Fund Balance:		
Reserved for retirement benefits	1,248,055	-
Reserved for specified projects	-	109,216
Total fund balance	1,248,055	109,216
Total Liabilities and Fund Balance	\$1,248,055	\$109,345

<u>Pension Trust Funds</u>			<u>Agency Fund</u>	
<u>Employees' Retirement Fund</u>	<u>Firefighters' Supplemental Pension</u>	<u>Police Officers' Supplemental Pension</u>	<u>Deferred Compensation</u>	<u>Total</u>
\$37,508,889	\$4,870,107	\$7,008,518	\$3,932,667	\$54,568,236
-	-	-	-	108,608
300,118	43,576	62,711	-	407,142
-	135	-	-	135
<u>\$37,809,007</u>	<u>\$4,913,818</u>	<u>\$7,071,229</u>	<u>\$3,932,667</u>	<u>\$55,084,121</u>
\$ 21,148	\$ 4,544	\$ 6,394	\$ -	\$ 32,215
135	-	-	-	135
-	-	-	3,932,667	3,932,667
<u>21,283</u>	<u>4,544</u>	<u>6,394</u>	<u>3,932,667</u>	<u>3,965,017</u>
37,787,724	4,909,274	7,064,835	-	51,009,888
-	-	-	-	109,216
<u>37,787,724</u>	<u>4,909,274</u>	<u>7,064,835</u>	<u>-</u>	<u>51,119,104</u>
<u>\$37,809,007</u>	<u>\$4,913,818</u>	<u>\$7,071,229</u>	<u>\$3,932,667</u>	<u>\$55,084,121</u>

CITY OF OCALA, FLORIDA

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

EXPENDABLE TRUST FUNDS

Year Ended September 30, 1994

	<u>Pension Medical Reserve</u>	<u>Community Redevelopment</u>
Revenues:		
Property taxes	\$ -	\$ 11,267
Interest	44,477	4,670
Other	73,786	-
Total revenues	<u>118,263</u>	<u>15,937</u>
Expenditures:		
Current:		
General government and administrative	-	20,240
Total expenditures	<u>-</u>	<u>20,240</u>
Excess (Deficiency) of Revenues Over Expenditures	118,263	(4,303)
Other Financing Sources:		
Transfers from other funds	-	10,464
Excess (Deficiency) of Revenues and Other Sources Over Expenditures Before Fund Balances Allocation	118,263	6,161
Fund Balance Allocation	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	118,263	6,161
Fund Balance, beginning of year	<u>1,129,792</u>	<u>103,055</u>
Fund Balance, end of year	<u>\$1,248,055</u>	<u>\$109,216</u>

<u>Total Actual</u>	<u>Adjustments to a Budgetary Basis</u>	<u>Actual on a Budgetary Basis</u>	<u>Final Budget</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 11,267	\$ -	\$ 11,267	\$ 11,267	\$ -
49,147	(44,477)	4,670	5,300	(630)
<u>73,786</u>	<u>(73,786)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>134,200</u>	<u>(118,263)</u>	<u>15,937</u>	<u>16,567</u>	<u>(630)</u>
<u>20,240</u>	<u>-</u>	<u>20,240</u>	<u>29,812</u>	<u>9,572</u>
<u>20,240</u>	<u>-</u>	<u>20,240</u>	<u>29,812</u>	<u>9,572</u>
113,960	(118,263)	(4,303)	(13,245)	8,942
<u>10,464</u>	<u>-</u>	<u>10,464</u>	<u>10,464</u>	<u>-</u>
124,424	(118,263)	6,161	(2,781)	8,942
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,781</u>	<u>(2,781)</u>
124,424	<u>\$ (118,263)</u>	<u>\$ 6,161</u>	<u>\$ -</u>	<u>\$ 6,161</u>
<u>1,232,847</u>				
<u>\$1,357,271</u>				

CITY OF OCALA, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE

PENSION TRUST FUNDS

Year Ended September 30, 1994

	<u>Employees'</u> <u>Retirement</u> <u>Fund</u>	<u>Firefighters'</u> <u>Supplemental</u> <u>Pension</u>	<u>Police</u> <u>Officers'</u> <u>Supplemental</u> <u>Pension</u>	<u>Total</u>
Operating Revenues:				
City and state contributions	\$ 1,524,830	\$ 190,802	\$ 287,427	\$ 2,003,059
Employee contributions	-	262,246	78,052	340,298
Income on investments	1,491,910	201,037	288,388	1,981,335
Net depreciation in fair market value of investments	<u>(1,159,897)</u>	<u>(179,312)</u>	<u>(258,046)</u>	<u>(1,597,255)</u>
Total operating revenues	<u>1,856,843</u>	<u>474,773</u>	<u>395,821</u>	<u>2,727,437</u>
Operating Expenses:				
Pension payments	1,185,894	301,252	161,426	1,648,572
Administration	231,281	84,663	59,309	375,253
Loss on sale of investments	<u>245,773</u>	<u>21,056</u>	<u>30,110</u>	<u>296,939</u>
Total operating expenses	<u>1,662,948</u>	<u>406,971</u>	<u>250,845</u>	<u>2,320,764</u>
Net Income	193,895	67,802	144,976	406,673
Fund Balance, beginning of year	<u>37,593,829</u>	<u>4,841,472</u>	<u>6,919,859</u>	<u>49,355,160</u>
Fund Balance, end of year	<u>\$37,787,724</u>	<u>\$4,909,274</u>	<u>\$7,064,835</u>	<u>\$49,761,833</u>

CITY OF OCALA, FLORIDA

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUND

Year Ended September 30, 1994

DEFERRED COMPENSATION FUND

Investments	<u>\$3,932,667</u>
Deferred Compensation Payable, beginning of year	\$3,360,418
Add: Employee contributions	590,958
Income on investments	153,445
Less: Withdrawals and terminations	(164,992)
Administration fees	<u>(7,162)</u>
Total Deferred Compensation Payable, end of year	<u>\$3,932,667</u>



GENERAL FIXED ASSET ACCOUNT GROUP

CITY OF OCALA, FLORIDA

SCHEDULE OF GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY

September 30, 1994

<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	118,997	16,025	8,360	94,612
Finance	15,854	-	433	15,421
Purchasing	1,465	-	-	1,465
Personnel and safety	32,303	-	1,233	31,070
Planning	652,248	165,236	321,473	165,539
Building inspection	168,772	-	-	168,772
Total general government and administration	<u>992,950</u>	<u>181,261</u>	<u>331,499</u>	<u>480,190</u>
Public Safety:				
Police protection	2,801,301	-	90,309	2,710,992
Fire protection	3,574,774	32,290	1,201,383	2,341,101
Total public safety	<u>6,376,075</u>	<u>32,290</u>	<u>1,291,692</u>	<u>5,052,093</u>
Public Works:				
Flood control	528,955	1,063	2,000	525,892
Engineering	1,037,871	458,746	197,334	381,791
Highway and street construction	1,205,739	-	9,100	1,196,639
Total public works	<u>2,772,565</u>	<u>459,809</u>	<u>208,434</u>	<u>2,104,322</u>
Culture and Recreation:				
Library	491,823	-	117,055	374,768
Recreation	1,707,340	774	1,068,065	638,501
Total culture and recreation	<u>2,199,163</u>	<u>774</u>	<u>1,185,120</u>	<u>1,013,269</u>
Nondepartmental	<u>5,655,355</u>	<u>2,854,688</u>	<u>2,779,863</u>	<u>20,804</u>
Total General Fixed Assets Allocated to Functions	17,996,108	<u>\$3,528,822</u>	<u>\$5,796,608</u>	<u>\$8,670,678</u>
Construction in Progress	<u>17,583</u>			
Total General Fixed Assets	<u>\$18,013,691</u>			

CITY OF OCALA, FLORIDA

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS BY FUNCTION AND ACTIVITY

Year Ended September 30, 1994

<u>Function and Activity</u>	<u>General Fixed Assets September 30, 1993</u>	<u>Additions</u>	<u>Deletions</u>	<u>General Fixed Assets September 30, 1994</u>
General Government and Administration:				
Legislative	\$ 3,311	\$ -	\$ -	\$ 3,311
Executive	117,323	2,943	1,269	118,997
Finance	14,623	2,278	1,047	15,854
Purchasing	1,465	-	-	1,465
Personnel and safety	32,303	-	-	32,303
Planning	652,684	2,417	2,853	652,248
Building inspection	175,172	-	6,400	168,772
Total general government and administration	<u>996,881</u>	<u>7,638</u>	<u>11,569</u>	<u>992,950</u>
Public Safety:				
Police protection	2,647,683	265,447	111,829	2,801,301
Fire protection	3,558,315	33,099	16,640	3,574,774
Total public safety	<u>6,205,998</u>	<u>298,546</u>	<u>128,469</u>	<u>6,376,075</u>
Public Works:				
Flood control	511,407	52,951	35,403	528,955
Engineering	1,039,913	28,166	30,208	1,037,871
Highway and street construction	1,200,969	6,956	2,186	1,205,739
Total public works	<u>2,752,289</u>	<u>88,073</u>	<u>67,797</u>	<u>2,772,565</u>
Culture and Recreation:				
Library	444,468	59,084	11,729	491,823
Recreation	1,672,358	64,183	29,201	1,707,340
Total culture and recreation	<u>2,116,826</u>	<u>123,267</u>	<u>40,930</u>	<u>2,199,163</u>
Nondepartmental	<u>5,560,464</u>	<u>95,316</u>	<u>425</u>	<u>5,655,355</u>
Construction in Progress	<u>-</u>	<u>17,583</u>	<u>-</u>	<u>17,583</u>
Total General Fixed Assets	<u>\$17,632,458</u>	<u>\$ 630,423</u>	<u>\$ 249,190</u>	<u>\$18,013,691</u>



STATISTICAL SECTION

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

STATISTICAL SECTION

CITY OF OCALA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
HISTORICAL TREND INFORMATION FOR PENSION TRUST FUNDS
COMPARATIVE SUMMARY OF REVENUES BY SOURCE AND EXPENSES BY TYPE

Revenues By Source
(in thousands)

<u>Fiscal Year Ended September 30,</u>	<u>Employee Contributions</u>	<u>City Contributions</u>	<u>As a Percentage of Covered Payroll</u>	<u>State Contributions</u>	<u>Investment Income</u>	<u>Total</u>
General Plan:						
1994	\$ -	\$1,525	6.20%	\$ -	\$ 332	\$ 1,857
1993	-	1,501	6.20	-	4,148	5,649
1992	-	1,503	6.30	-	3,672	5,175
1991	-	1,157	5.20	-	5,979	7,136
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
Supplemental Police Officers' Plan:						
1994	\$ 78	\$ -	- %	\$288	\$ 30	\$ 396
1993	76	-	-	286	757	1,119
1992	73	-	-	271	660	1,004
1991	35	-	-	280	1,048	1,363
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
Supplemental Firefighters' Plan:						
1994	\$262	\$ -	- %	\$191	\$ 22	\$ 475
1993	256	-	-	172	530	958
1992	256	-	-	172	458	886
1991	233	-	-	163	712	1,108
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

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>
1994	\$1,186	\$ -	\$231	\$ 246	\$ 1,663
1993	1,040	-	240	-	1,280
1992	915	-	213	-	1,128
1991	812	1	207	-	1,020
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
1994	\$ 162	\$ 8	\$ 51	\$ 30	\$ 251
1993	163	5	55	-	190
1992	148	1	41	-	190
1991	148	2	55	-	205
1990	116	5	45	\$95	1,161
1989	95	1	40	-	136
1988	78	-	50	-	128
1987	70	-	30	-	100
1986	86	-	39	-	125
1985	41	-	20	-	61
1994	\$ 301	\$ 44	\$ 41	\$ 21	\$ 407
1993	234	28	38	-	300
1992	204	16	31	-	251
1991	184	30	43	-	257
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

CITY OF OCALA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
HISTORICAL TREND INFORMATION FOR PENSION TRUST FUNDS
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)
					Assets in Excess of Pension Benefit Obligation (Unfunded Pension Benefit Obligation)
					(1) - (2)
General Plan:					
1994	\$37,788	\$31,977	118.2%		\$ 5,811
1993	37,594	29,613	127.0		7,981
1992	33,225	27,984	118.7		5,241
1991	29,178	25,595	114.0		3,583
1990	23,063	23,011	100.2		52
1989	27,264	19,473	140.0		7,791
1988	21,889	16,013	136.7		5,876
1987	19,268	13,740	140.2		5,528
1986	16,002	10,658	150.1		5,344
1985	12,355	10,905	113.3		1,450
Supplemental Police Officers' Plan:					
1994	\$ 7,065	\$ 6,498	108.7%		\$ 567
1993	6,920	5,908	117.0		1,012
1990	4,047	4,072	99.4		(25)
1987	3,205	2,324	137.9		881
Supplemental Firefighters' Plan:					
1994	\$ 4,909	\$ 6,173	79.5%		\$(1,264)
1993	4,841	5,543	87.3		(702)
1990	2,698	3,728	72.4		(1,030)
1987	2,031	1,869	108.7		162

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.

(5) Annual Covered Payroll	(6) Assets in Excess of Pension Benefit Obligation (Unfunded Pension Benefit Obligation) as a Percentage of Covered Payroll <u>(4) / (5)</u>
\$ 24,594	23.6 %
24,394	32.7
23,850	21.9
23,440	15.3
21,772	.2
19,167	40.6
17,239	34.1
15,636	35.4
13,856	38.6
12,543	11.6
\$ 3,903	14.5 %
3,888	26.0
3,329	(.8)
2,501	35.2
\$ 3,115	(40.6) %
3,080	(22.8)
2,620	(39.3)
1,756	9.2

CITY OF OCALA, FLORIDA

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

LAST TEN FISCAL YEARS

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>
Property taxes	\$ 2,258,689	\$ 2,921,415	\$ 4,413,746	\$ 5,073,641
Other taxes	705,331	717,980	710,945	763,823
Intergovernmental revenues	5,215,617	5,868,213	6,342,097	6,829,455
Licenses and permits	628,624	706,762	677,805	673,596
Fines and forfeitures	543,685	474,764	532,498	710,301
Charges for services and off-street parking	209,369	240,735	245,690	223,742
Transfers from other funds	9,252,428	10,203,401	10,928,043	11,532,925
Bond and note proceeds	-	13,041,330	-	7,542,626
Interest income	428,183	522,787	756,439	889,965
Miscellaneous	<u>1,001,957</u>	<u>1,064,125</u>	<u>1,571,289</u>	<u>1,067,093</u>
Total	<u>\$20,243,883</u>	<u>\$35,761,512</u>	<u>\$26,178,552</u>	<u>\$35,307,167</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>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>
\$ 6,161,242	\$ 6,505,843	\$ 7,091,592	\$ 7,149,471	\$ 7,270,662	\$ 7,575,276
786,021	801,394	825,622	884,258	1,409,034	1,502,077
7,041,160	6,982,067	7,489,550	6,989,818	7,360,769	9,214,202
690,456	736,411	651,013	631,461	604,787	763,066
740,603	734,132	812,701	967,438	873,112	891,455
1,348,168	1,497,702	1,479,127	1,897,707	2,025,300	2,246,292
14,277,023	14,321,507	15,609,360	16,694,506	17,411,663	17,944,570
-	-	-	42,922	14,143,855	11,749,269
1,567,581	1,545,540	1,394,582	1,048,948	780,108	1,130,987
112,908	261,093	178,115	286,064	277,420	271,518
<u>\$32,725,162</u>	<u>\$33,385,689</u>	<u>\$35,531,662</u>	<u>\$36,592,593</u>	<u>\$52,156,710</u>	<u>\$53,288,712</u>

CITY OF OCALA, FLORIDA

GENERAL GOVERNMENTAL EXPENDITURES AND OTHER USES BY FUNCTION (1)

LAST TEN FISCAL YEARS

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>
General government and administration	\$ 1,750,550	\$ 2,180,146	\$ 2,398,717	\$ 2,462,279
Public safety	6,130,072	6,836,255	7,529,924	8,030,705
Public works	2,289,859	2,470,282	2,690,444	2,707,074
Culture and recreation	2,278,015	2,420,806	2,806,405	2,728,031
Nondepartmental	883,597	998,914	1,259,245	1,973,860
Debt service	1,337,651	8,546,374	2,153,331	6,011,761
Capital outlay	1,502,593	1,740,251	2,537,305	2,501,826
Transfers to other funds	2,723,972	4,803,525	3,865,642	4,176,731
Miscellaneous	<u>267,924</u>	<u>762,977</u>	<u>329,074</u>	<u>666,543</u>
Total	<u>\$19,164,233</u>	<u>\$30,759,530</u>	<u>\$25,570,087</u>	<u>\$31,258,810</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>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>
\$ 2,872,897	\$ 3,168,947	\$ 3,469,028	\$ 3,339,215	\$ 3,388,158	\$ 3,570,594
9,519,499	10,759,495	11,677,768	12,438,951	12,621,517	13,296,158
3,435,091	3,466,758	3,655,998	3,915,990	3,933,610	4,242,507
2,998,445	3,376,898	3,508,653	3,740,232	3,771,641	3,826,126
330,614	389,988	474,371	381,785	428,063	151,883
2,485,187	3,619,989	3,949,011	3,941,987	16,791,576	15,843,482
1,979,521	4,834,530	4,122,771	4,174,687	2,262,339	1,939,122
3,477,913	3,764,846	4,242,111	4,900,835	5,015,385	4,923,349
665,631	871,121	829,112	805,283	2,250,678	1,130,298
<u>\$27,764,798</u>	<u>\$34,252,572</u>	<u>\$35,928,823</u>	<u>\$37,638,965</u>	<u>\$50,462,967</u>	<u>\$48,923,619</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>
1985	\$ 721,342,613	3.15	\$2,274,596	\$2,142,364
1986	807,763,046	3.65	2,962,022	2,758,410
1987	971,042,837	4.65	4,527,718	4,199,267
1988	1,096,194,648	4.65	5,112,811	4,765,369
1989	1,235,655,356	5.08	6,287,092	5,662,203
1990	1,310,033,579	5.08	6,667,187	5,956,404
1991	1,399,122,711	5.17	7,244,086	6,592,981
1992	1,426,577,239	5.14	7,340,847	6,677,841
1993	1,501,855,447	4.92	7,402,331	6,837,706
1994	1,514,377,939	5.03	7,623,382	7,136,533

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>
\$ 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
7,043,228	97.2	651,105
7,101,641	96.7	663,006
7,223,752	97.6	564,625
7,529,041	98.8	486,849

CITY OF OCALA, FLORIDA

PROPERTY TAX RATES AND LEVIES - DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

Millage Rates

<u>Fiscal Year</u>	<u>City</u>	<u>County</u>	<u>School</u>	<u>Water Management Districts</u>	<u>Total</u>
1985	3.15	2.45	7.07	.33	13.00
1986	3.65	3.21	7.10	.32	14.28
1987	4.65	3.59	7.70	.32	16.26
1988	4.65	3.83	7.70	.33	16.51
1989	5.08	4.35	7.88	.36	17.67
1990	5.08	4.98	7.93	.35	18.34
1991	5.17	5.66	9.21	.36	20.40
1992	5.14	6.04	9.29	.36	20.83
1993	4.92	6.05	9.41	.36	20.74
1994	5.03	6.10	9.58	.47	21.18

Tax Levies

<u>Fiscal Year</u>	<u>City (1)</u>	<u>County (2)</u>	<u>School (2)</u>	<u>Districts (2)</u>	<u>Total</u>
1985	\$2,269,344	\$1,729,709	\$ 4,996,388	\$230,758	\$ 9,226,199
1986	2,950,758	2,592,919	5,735,118	258,484	11,537,279
1987	4,518,262	3,486,044	7,477,030	310,734	15,792,070
1988	5,100,594	4,198,426	8,440,699	361,744	18,101,463
1989	6,277,129	5,375,101	9,736,964	444,836	21,834,030
1990	6,654,971	6,523,967	10,388,566	458,512	24,026,016
1991	7,233,464	7,919,035	12,885,920	503,684	28,542,103
1992	7,328,327	8,616,527	13,250,505	510,715	29,706,074
1993	7,389,129	9,086,225	14,132,460	540,668	31,148,482
1994	7,611,869	9,237,705	14,507,741	711,758	32,069,073

(1) Does not include penalties under Section 193.072 of the Florida Statutes.

(2) The tax levies for overlapping governments reflect each government's millage applied to the total assessed valuation within the City's corporate boundaries.

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

<u>Fiscal Year</u>	<u>New Liens Assessed</u>	<u>Collections and Adjustments</u>	<u>Total Outstanding Assessments (1)</u>
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
1991	-	97,955	411,446
1992	-	164,554	246,902
1993	13,679	68,822	191,759
1994	-	59,140	132,619

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

CITY OF OCALA, FLORIDA

COMPUTATION OF LEGAL DEBT MARGIN

September 30, 1994

Assessed Value (100% at market as of January 1, 1994)	<u>\$1,514,377,939</u>
Debt Limit: 20% of Assessed Value	\$ 302,875,588
Amount of General Obligation Debt Outstanding	<u> -</u>
Legal Debt Margin	<u>\$ 302,875,588</u>

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

CITY OF OCALA, FLORIDA

SCHEDULE OF ELECTRIC SYSTEM REVENUE AND REVENUE REFUNDING BONDS,
SERIES 1977, 1983, 1988, 1989A AND 1989B COVERAGE

LAST TEN FISCAL YEARS

Year	Net Revenue Available for Debt Service (1)	Debt Service Requirements (2)(3)(4)(5)(6)			Coverage
		Principal	Interest	Total	
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	20,319,802	1,435,000	1,698,359	3,133,359	6.48
1991	22,421,756	1,845,000	2,748,830	4,593,830	4.88
1992	21,664,962	1,965,000	2,633,056	4,598,056	4.71
1993	21,524,640	1,260,000	663,780	1,923,780	11.19
1994	23,081,766	1,345,000	582,353	1,927,353	11.98

(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 A1975	<u>10,000,000</u>
	<u>\$19,250,000</u>

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.

Continued

CITY OF OCALA, FLORIDA

SCHEDULE OF ELECTRIC SYSTEM REVENUE AND REVENUE REFUNDING BONDS,
SERIES 1977, 1983, 1988, 1989A AND 1989B COVERAGE - CONTINUED

- (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 from 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 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.
- (6) In March, 1992, the City issued the \$28,435,000 Utility Systems Subordinate Refunding Revenue Bonds, Series 1992B, for the purpose of refunding the outstanding Electric System Revenue Bonds, Series 1989A. The refunded bonds are no longer considered outstanding debt of the City since an escrow account was created for them; and, therefore, all debt service requirements subsequent to 1992 will be excluded from the determination of debt service coverage. Since the Series 1992B Bonds, as well as the Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A, are payable from a lien upon the surplus revenues of the City's Water and Sewer System and the City's Electric System, the debt service coverage for those two issues is shown in a separate schedule for 1993 and subsequent years.

CITY OF OCALA, FLORIDA

SCHEDULE OF WATER AND SEWER REVENUE AND REFUNDING 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			Coverage
		Principal	Interest	Total	
1985	\$4,505,928	\$240,000	\$ 959,002	\$1,199,002	3.76
1986	6,762,243	- (3)	1,893,489 (3)	1,893,489	3.50
1987	5,690,844	245,000 (3)	4,129,150 (3)	4,374,150	1.30
1988	8,047,236	165,000 (4)	4,118,735 (4)	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
1991	7,383,205	555,000	3,971,896	4,526,896	1.63
1992	8,076,099	640,000	3,930,831	4,570,831	1.77
1993	8,426,555	- (5)	948,311 (5)	948,311	8.89
1994	8,177,122	45,000	946,928	991,928	8.24

(1) Represents gross operating revenues less gross operating expenses, excluding amortization and depreciation, of the water and sewer system. Additional pledge 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 for years prior to 1990).

(2) The 1979-2 Anticipation Notes matured on July 1, 1983 and the related principal was secured by the \$11,200,000 Water and Sewer Refunding Revenue Bonds, Series 1983, which were issued in June, 1983. Proceeds from the sale of the 1983 Bonds were used to advance refund the 1968 Water and Sewer Revenue Bonds (remaining principal after July 1, 1983 maturity is excluded from debt service requirement 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.

Continued

CITY OF OCALA, FLORIDA

SCHEDULE OF WATER AND SEWER REVENUE AND REFUNDING BONDS, SERIES 1968,
1983, 1985A, 1985B, 1986 AND 1988, AND ANTICIPATION NOTES COVERAGE - CONTINUED

LAST TEN FISCAL YEARS

- (3) 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.
- (4) 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 and the first principal payment occurred in October, 1993.
- (5) In March, 1992, the City issued the \$51,880,000 Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A, primarily for the purpose of refunding the outstanding Water and Sewer Revenue Bonds, Series 1985A and Water and Sewer Refunding Revenue Bonds, Series 1986. The refunded bonds are no longer considered outstanding debt of the City since an escrow account was created for them; and, therefore, all debt service requirements subsequent to 1992 will be excluded from the determination of debt service coverage. Since the Series 1992A Bonds, as well as the Utility Systems Subordinate Refunding Revenue Bonds, Series 1992B, are payable from a lien upon the surplus revenues of the City's Water and Sewer System and the City's Electric System, the debt service coverage for these two issues is shown in a separate schedule for 1993 and subsequent years.

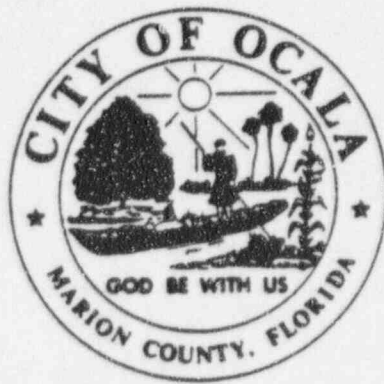
CITY OF OCALA, FLORIDA

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

LAST TEN FISCAL YEARS

<u>Year</u>	Net Revenue Available for Debt Service (1)	<u>Debt Service Requirements</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
1993	\$26,685,205	\$1,785,000	\$4,814,527	\$6,599,527	4.04
1994	28,339,607	3,140,000	4,520,538	7,660,538	3.70

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



CITY OF OCALA, FLORIDA

SCHEDULE OF REFUNDING AND IMPROVEMENT EXCISE TAX BONDS,
SERIES 1965 AND 1972, COVERAGE

LAST TEN FISCAL YEARS

Year	<u>Pledged Revenues</u>		Total Revenue Available for Debt Service	<u>Debt Service Requirements (1)(2)</u>			
	<u>Occupational License</u>	<u>Cigarette Tax</u>		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Coverage</u>
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
1991	386,804	392,594	779,398	325,000	41,980	366,980	2.12
1992	380,567	383,621	764,188	330,000	24,430	354,430	2.16
1993	365,591	409,788	775,379	190,000	7,600	197,600	3.92
1994	-	-	-	-	-	-	-

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

(2) The final maturity of the Refunding and Improvement Excise Tax Bonds, Series 1992 was in fiscal year 1993.

CITY OF OCALA, FLORIDA

SCHEDULE OF CAPITAL IMPROVEMENT REVENUE AND REFUNDING REVENUE BONDS,
SERIES 1982 AND 1986, AND CAPITAL IMPROVEMENT REVENUE, REVENUE REFUNDING
AND REFUNDING REVENUE CERTIFICATES, SERIES 1986, 1988 AND 1993 COVERAGE

LAST TEN FISCAL YEARS

Year	Pledged Revenues				
	Local Government Half-Cent Sales Tax	Franchise Fees	Occupational License Tax (1)	Guaranteed Entitlement (2)	Mobile Home Licenses
1985	\$1,346,284	\$298,084	\$328,964	\$643,622	\$32,116
1986	1,414,157	275,654	340,013	643,622	31,857
1987	1,539,964	292,968	362,960	643,622	28,696
1988	1,833,635	314,227	349,663	643,622	27,015
1989	1,858,812	333,517	376,590	643,622	28,903
1990	1,875,964	344,210	386,809	643,622	26,375
1991	1,735,149	392,588	386,804	643,622	24,768
1992	1,662,566	458,619	380,567	643,622	25,231
1993	1,764,593	488,574	365,591	643,622	16,025
1994	1,997,084	542,026	367,467	643,622	15,457

- (1) Subject to a prior lien on 1965 and 1972 Refunding and Improvement Excise Tax Bonds through fiscal year 1993.
- (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 on October 1, 1987. This issue places a senior lien on the pledged revenues. The outstanding portion of this issue was refunded in December, 1993 by the Capital Improvement Refunding Revenue Certificates, Series 1993. Since an escrow account was established for the redemption of this issue, the 1986 bonds will not be included in the debt service requirements for 1994.

Court Fines and Forfeitures	Total Revenue Available for Debt Service	Debt Service Requirements (3) (4) (5) (6) (7)			Coverage
		Principal	Interest	Total	
\$428,958	\$3,078,028	\$ 155,000	\$ 680,065	\$ 835,065	3.69
388,082	3,093,385	160,000	669,430	829,430	3.73
427,981	3,296,191	900,000	851,101	1,751,101	1.88
595,245	3,763,407	1,195,000	1,184,385	2,379,385	1.58
607,365	3,845,809	575,000	1,236,591	1,811,591	2.12
612,535	3,889,515	810,000	1,372,694	2,182,694	1.78
701,281	3,884,212	865,000	1,324,897	2,189,897	1.77
787,389	3,957,994	930,000	1,271,543	2,201,543	1.80
732,964	4,011,369	1,145,000	1,212,244	2,357,244	1.70
735,266	4,300,922	1,410,000	1,058,229	2,468,229	1.74

- (5) The Capital Improvement Revenue Certificates, Series 1986 were sold in July, 1986. The first interest payment was on October 1, 1986, and the first principal payment was on April 1, 1987. This issue constitutes a junior or subordinate lien on the pledged revenues. The outstanding portion of this issue was advance refunded in August, 1988 by the Capital Improvement Revenue Refunding Certificates, Series 1988. Since an escrow account was established for the redemption of this issue, the 1986 certificates will not be included in the debt service requirements after 1988.
- (6) The Capital Improvement Revenue Refunding Certificates, Series 1988 were sold in August, 1988. The first principal and interest payments were made on April 1, 1989. This issue constitutes a junior or subordinate lien on the pledged revenues until the senior debt, the Capital Improvement Refunding Revenue Bonds, Series 1986, was refunded in December, 1993.
- (7) The Capital Improvement Refunding Revenue Certificates, Series 1993 were sold in December, 1993. The first interest payment was made on April 1, 1994, and the first principal payment will be made on October 1, 1999. This issue is on a parity with the Capital Improvement Revenue Refunding Certificates, Series 1988.

CITY OF OCALA, FLORIDA

SCHEDULE OF OPTIONAL GAS TAX REVENUE BONDS, SERIES 1989, AND
OPTIONAL GAS TAX REFUNDING REVENUE BONDS, SERIES 1992 COVERAGE

LAST TEN FISCAL YEARS

<u>Year</u>	<u>Pledged Revenue - Six-Cent Optional Gas Tax</u>	<u>Debt Service Requirements (1) (2)</u>			<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
1990	1,745,142	-	1,005,255	1,005,255	1.74
1991	1,829,804	350,000	994,405	1,344,405	1.36
1992	1,945,252	370,000	971,900	1,341,900	1.45
1993	2,060,097	395,000	851,586	1,246,586	1.65
1994	2,065,100	620,000	734,403	1,354,403	1.52

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

CITY OF OCALA, FLORIDA

COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION DEBT (2)

September 30, 1994

<u>Governmental Unit</u>	<u>Bonds Outstanding</u>	<u>Applicable to City of Ocala</u>	
		<u>Percent (1)</u>	<u>Amount</u>
Marion County			
Limited Ad Valorem Refunding Tax Bonds, Series 1994	<u>\$10,820,000</u>	30.36%	\$ 3,284,952
School District of Marion County			
General Obligation Bonds, Series 1990	11,220,000		
General Obligation Refunding Bonds, Series 1992	21,865,000		
General Obligation Partial Refunding Bonds, Series 1993	<u>14,600,000</u>		
	<u>47,685,000</u>	<u>30.36</u>	<u>14,477,166</u>
Total Overlapping Debt	<u>\$58,505,000</u>	<u>30.36%</u>	<u>\$17,762,118</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, 1994.

CITY OF OCALA, FLORIDA

MISCELLANEOUS STATISTICAL DATA

September 30, 1994

Date of Incorporation	February 4, 1869
City Charter Adopted	January 28, 1885
Form of Government	Council/Manager
Area of City	34.99 square miles
Miles of Streets, Sidewalks and Bikepaths:	
Streets - Paved	277.59 miles
Streets - Unpaved	40.40 miles
Sidewalks (2)	66.50 miles
Bikepaths	20.23 miles
Miles of Sewers:	
Storm	59.4 miles
Sanitary	277.82 miles
Force Main	51.09 miles
Life Stations	83
Building Permits (October 1993 - September 1994) (1):	
Permits Issued	4,655
Permit Value	\$57,792,002
Fire Protection:	
Stations	5
Employees - Sworn	106
Employees - Civilian	9
Fire and rescue response time (minutes)	3
Police Protection:	
Stations	3
Employees - Sworn	135
Employees - Reserve	13
Employees - Civilian	65
Vehicular Patrol Units - Marked Vehicles	82
- Motorcycles	6
- Other Vehicles	47
Recreation:	
Activity areas	101
Land area (acres)	468
Activity centers	6
Pools	2

(1) Includes plumbing, gas, electrical, water, heating, air conditioning, refrigeration, ventilation and building permits, the latter of which is exclusive of moving and sign permits.

(2) Includes 11.66 miles of sidewalks installed by the Florida Department of Transportation but located inside the City limits.

CITY OF OCALA, FLORIDA

DEMOGRAPHIC STATISTICS

<u>YEAR</u>	<u>POPULATION (1)</u>	
	<u>CITY OF OCALA</u>	<u>MARION COUNTY</u>
1985	41,150	157,853
1986	41,946	166,606
1987	42,742	176,102
1988	43,538	186,605
1989	44,334	196,749
1990	42,045	194,833
1991	41,918	200,314
1992	41,863	206,642
1993	42,400	213,328
1994	42,920	219,200

Sources: The Bureau of Business and Economic Research - University of Florida, Gainesville (years 1985 through 1990) and the City of Ocala Comprehensive Plan - Planning Department (years 1991 through 1994).

<u>YEAR</u>	<u>POPULATION PROJECTIONS *</u>	
	<u>MARION COUNTY</u>	<u>STATE OF FLORIDA</u>
1995	223,800	14,109,700
2000	255,300	15,449,000
2005	285,900	16,742,100
2010	316,200	18,008,400
2020	376,900	20,520,800

Source: Bureau of Business and Economic Research - University of Florida, Gainesville. Figures for years subsequent to year 2020 are unavailable.

<u>YEAR</u>	<u>% POPULATION BY AGE GROUP *</u>	
	<u>MARION COUNTY</u>	<u>STATE OF FLORIDA</u>
0-14	19.0	19.2
15-44	36.3	41.8
45-64	22.0	20.5
65 +	22.7	18.5

Source: 1994 Florida Statistical Abstract, Bureau of Business and Economic Research, University of Florida.

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

(1) On April 1, 1993, Ocala ranked 40th in population size among Florida cities; Marion County ranked 17th in population among Florida counties; and Marion County ranked 30th in population density among Florida counties.

CITY OF OCALA, FLORIDA

LIST OF TEN LARGEST TAXPAYERS

1993 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. K-Mart Corp.	Distribution Center	\$ 46,790,561	3.09%	\$ 236,000
2. United Telephone of Florida	Telephone Communications	44,990,868	2.97	227,000
3. Paddock Mall Associates	Regional Shopping Center	23,936,890	1.58	121,000
4. Marion Community Hospital	General Hospital Care	17,106,565	1.13	86,200
5. Paddock Park Apartments	Apartment Complex	13,343,071	.88	67,000
6. Clairson International Corp.	Manufacturing	11,136,558	.74	56,000
7. C.C. Ocala Joint Venture	Local Shopping Center	10,112,522	.67	51,000
8. Wal-Mart	Local Shopping Center	8,248,285	.54	42,000
9. Sears, Roebuck & Co.	Department Store	7,685,617	.51	39,000
10. Ocala Mall Assoc., Ltd.	Local Shopping Center	7,587,719	.50	38,000
Total Assessed Value		190,938,656	12.61	963,200
Other Taxpayers		1,323,439,283	87.39	6,648,669
Total Assessed Value		<u>\$1,514,377,939</u>	<u>100.00%</u>	<u>\$7,611,869</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, 1994

<u>Company</u>	<u>Policy #</u>	<u>Type of Coverage</u>	<u>Deductible Self Retention</u>	<u>Limit of Coverage</u>
City of Ocala	Self-Insured	Workers' Compensation	-	Statutory
Hartford	ETB-102113	Police and Firefighters accidental death and dismemberment	-	\$ 25,000
Hartford	ETB-102113	Fresh Pursuit	-	\$ 25,000
Hartford	ETB-102113	Police and Firefighters intentional death and dismemberment	-	\$ 75,000
Shenandoah Life	07-0009629	Employee Life, AD and D	-	Various as specified in policy
City of Ocala	Self-Insured	Disability Income Replacement	-	60% of income
Commerce & Industry	6058013	All risk property	\$ 10,000	As specified in policy
American Eagle Group	47984-02	Airport Liability	-	\$5,000,000 per occurrence
Florida League	FML 116	General Liability	\$100,000 per person \$200,000 per occurrence	\$1,000,000 per occurrence
"	"	Public Officials, EMT, Employer Practices Liability	\$100,000 per person \$200,000 per occurrence	\$1,000,000 per occurrence
"	"	Fire legal	\$100,000 per occurrence	\$1,000,000
Hunt Insurance Group, Inc.	94-050-94	Law Enforcement Liability	\$100,000 per claim	\$1,100,000 per person \$1,200,000 per occurrence
City of Ocala	Self-Insured	Auto Liability	-	-

Continued

CITY OF OCALA, FLORIDA

SCHEDULE OF INSURANCE IN FORCE - CONTINUED

September 30, 1994

<u>Company</u>	<u>Policy #</u>	<u>Type of Coverage</u>	<u>Deductible Self Retention</u>	<u>Limit of Coverage</u>
City of Ocala	Self-Insured	Auto Physical Damage	-	Actual cash value
Florida Municipal Liability Self-Insurers Program	FMIT 425	Auto Physical Damage, Fire Dept. Vehicles	\$ 3,000	Replacement cost of vehicle
NorthBrook	CA0493402	Leased Autos	\$ 500	\$100/300/50
Blue Cross/Blue Shield of Florida	15920	Employee Health Coverage	Fully insured	Various as specified in policy
City of Ocala	Self-Insured	Prescription Program	Fully self-insured	-
City of Ocala	Self-Insured	Dental	Fully self-insured	\$1,000 per person/per year
City of Ocala	Self-Insured	Blanket Honesty Bond	Fully self-insured	-
Interstate Fire & Casualty	LQA1000178	Legal Liquor Liability	-	\$ 300,000
Hartford Steam Boiler	BMI-AT-9429840-05	Boiler/Machinery (transformers)	\$5,000 or per formula	\$5,000,000
Peerless Insurance	#SM64908	Bond, Over-weight charge (landfill)	-	\$ 10,000

Surety Bonds Required by Ordinance

	<u>Amount</u>
City Manager - Scotty J. Andrews State Automobile Mutual Insurance Company - #78059	\$95,000
Finance Director - Glen L. Baker 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)(4)</u>	<u>Savings and Loan Association (3)(4)</u>
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
1991	70	30,114,989	83	5,716,862	1,409,328	800,513
1992	65	24,020,610	68	5,366,231	1,418,489	723,894
1993	35	9,475,119	96	8,105,884	1,422,021	711,342
1994	70	38,309,231	112	10,159,393	2,074,371	85,726

- (1) Obtained from records maintained by the City of Ocala Building, Zoning and Licensing Department.
- (2) Obtained by Citizens First Bank of Ocala for 1984, Barnett Bank of Marion County, N.A. for 1985, the Florida Bankers Association for 1986 through 1992, and Barnett Bank for 1993 and 1994. Figures shown are for Marion County and represent total bank deposits at September 30 for the years 1985 through 1994.
- (3) Obtained by Mid-State Federal Savings and Loan Association for 1985, the Federal Home Loan Bank for the years 1986 through 1991, the U.S. Savings and Loan League for 1992, and Barnett Bank for 1993 and 1994. Figures shown are for Marion County and represent total savings and loan association deposits at March 31 for 1985 and 1986, at June 30 for 1987, 1988 and 1992, and at September 30 for 1989 through 1991, 1993 and 1994.
- (4) The swing in deposits from savings and loan associations to banks represents the purchase/merger of Mid-State Federal Savings and Loan Association by AmSouth Bank and of California Federal Savings and Loan Association by NationsBank.

CITY OF OCALA, FLORIDA

LIST OF OFFICERS' SALARIES

September 30, 1994

City Manager	\$ 83,033
Assistant City Manager	72,630
Building Official	59,783
City Clerk	38,387
City Engineer	62,759
Downtown Development Manager	30,832
Electric Utility Director	72,630
Finance Director	56,813
Fire Chief	52,226
Acting Fleet Management Director	31,331
Golf Director	41,504
Human Resources Director	49,209
Internal Auditor	44,280
Management Information System Director	53,846
Planning Director	48,581
Police Chief	67,274
Public Works Director	53,206
Purchasing Director	50,268
Recreation and Parks Director	45,779
Regional Library Director	39,292
Risk Manager	30,832
Water and Sewer Director	53,405

CITY OF OCALA, FLORIDA

SUMMARY OF DEBT SERVICE REQUIREMENTS TO MATURITY

ALL BONDED DEBT

1995-2019

Fiscal Year	Capital Improvement Refunding Revenue Certificates and Revenue Refunding Certificates	Electric System Refunding Revenue Bonds	Water and Sewer Refunding Revenue Bonds	Utility Systems Subordinate Refunding Revenue Bonds Series 1992A	Utility Systems Subordinate Refunding Revenue Bonds Series 1992B	Optional Gas Tax Refunding Revenue Bonds	Total Principal and Interest
1995	\$ 2,181,352	\$ 1,929,065	\$ 1,182,825	\$ 4,207,878	\$ 3,155,012	\$ 1,310,762	\$ 13,966,894
1996	2,184,712	1,928,038	1,181,658	4,216,296	3,152,250	1,309,578	13,972,532
1997	2,182,262	1,923,325	1,183,828	4,203,865	3,154,200	1,305,489	13,952,969
1998	2,183,862	1,924,390	1,179,418	4,205,490	3,150,440	1,302,953	13,946,553
1999	898,062	1,800,030	1,183,348	4,195,860	2,031,576	1,302,476	11,411,352
2000	1,329,482	-	1,175,533	4,199,280	629,720	1,303,395	8,637,460
2001	1,331,702	-	1,180,901	4,194,890	629,720	1,296,018	8,633,231
2002	1,327,765	-	1,173,265	4,192,903	629,720	1,300,565	8,624,218
2003	1,332,528	-	1,177,574	4,188,455	2,390,270	1,296,265	10,385,092
2004	1,330,848	-	1,174,406	4,176,202	2,382,260	1,298,245	10,361,961
2005	1,327,518	-	1,173,759	4,180,931	2,381,225	1,296,887	10,360,320
2006	1,332,258	-	1,175,253	4,168,888	2,376,094	1,291,988	10,344,481
2007	1,325,283	-	1,168,887	4,167,450	2,366,719	1,292,812	10,321,151
2008	1,326,538	-	1,169,471	4,161,750	-	1,288,800	7,946,559
2009	1,325,733	-	1,135,812	4,153,437	-	1,285,250	7,930,232
2010	1,323,148	-	1,162,656	4,154,400	-	1,287,500	7,927,704
2011	1,322,719	-	1,160,365	4,143,988	-	-	6,627,072
2012	1,324,131	-	1,158,546	4,140,625	-	-	6,623,302
2013	1,844,400	-	1,156,806	4,138,750	-	-	7,139,956
2014	1,837,869	-	1,154,750	4,124,375	-	-	7,116,994
2015	1,839,500	-	1,147,180	4,121,719	-	-	7,108,399
2016	1,839,125	-	1,148,509	4,114,687	-	-	7,102,321
2017	1,835,000	-	-	-	-	-	1,835,000
2018	1,832,000	-	-	-	-	-	1,832,000
2019	1,834,750	-	-	-	-	-	1,834,750
Total	<u>\$39,752,547</u>	<u>\$9,504,848</u>	<u>\$ 25,734,800</u>	<u>\$91,752,119</u>	<u>\$28,429,206</u>	<u>\$20,768,983</u>	<u>\$215,942,503</u>

CITY OF OCALA, FLORIDA

STATEMENT OF BONDED DEBT AND INTEREST

CAPITAL IMPROVEMENT REVENUE REFUNDING CERTIFICATES, SERIES 1988

September 30, 1994

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, 1994, \$3,155,000 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>
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>\$4,350,000</u>	<u>\$ 394,970</u>	<u>\$ 394,970</u>	<u>\$5,139,940</u>

Continued

CITY OF OCALA, FLORIDA

STATEMENT OF BONDED DEBT AND INTEREST - CONTINUED

CAPITAL IMPROVEMENT REFUNDING REVENUE CERTIFICATES, SERIES 1993

September 30, 1994

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

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

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

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due 10-1</u>	<u>Interest Due 10-1</u>	<u>Interest Due 4-1</u>	<u>Total</u>
1995	-	\$ -	\$ 449,031	\$ 449,031	\$ 898,062
1996	-	-	449,031	449,031	898,062
1997	-	-	449,031	449,031	898,062
1998	-	-	449,031	449,031	898,062
1999	-	-	449,031	449,031	898,062
2000	3.90%	440,000	449,031	440,451	1,329,482
2001	4.00	460,000	440,451	431,251	1,331,702
2002	4.10	475,000	431,251	421,514	1,327,765
2003	4.20	500,000	421,514	411,014	1,332,528
2004	4.30	520,000	411,014	399,834	1,330,848
2005	4.50	540,000	399,834	387,684	1,327,518
2006	4.60	570,000	387,684	374,574	1,332,258
2007	4.70	590,000	374,574	360,709	1,325,283
2008	4.80	620,000	360,709	345,829	1,326,538
2009	4.90	650,000	345,829	329,904	1,325,733
2010	4.90	680,000	329,904	313,244	1,323,148
2011	5.25	715,000	313,244	294,475	1,322,719
2012	5.25	755,000	294,475	274,656	1,324,131
2013	5.25	1,330,000	274,656	239,744	1,844,400
2014	5.25	1,395,000	239,744	203,125	1,837,869
2015	5.00	1,470,000	203,125	166,375	1,839,500
2016	5.00	1,545,000	166,375	127,750	1,839,125
2017	5.00	1,620,000	127,750	87,250	1,835,000
2018	5.00	1,700,000	87,250	44,750	1,832,000
2019	5.00	1,790,000	44,750	-	1,834,750
Total		<u>\$18,365,000</u>	<u>\$8,348,319</u>	<u>\$7,899,288</u>	<u>\$34,612,607</u>

Continued

CITY OF OCALA, FLORIDA

STATEMENT OF BONDED DEBT AND INTEREST - CONTINUED

ELECTRIC SYSTEM REVENUE REFUNDING BONDS, SERIES 1989B

September 30, 1994

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. As of September 30, 1994, \$4,920,000 of these bonds have been retired. The schedule below shows the actual maturities and the debt service requirements for the outstanding 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>
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	1,740,000	60,030	-	1,800,030
Total		<u>\$ 8,080,000</u>	<u>\$ 847,420</u>	<u>\$ 577,428</u>	<u>\$ 9,504,848</u>

Continued

CITY OF OCALA, FLORIDA

STATEMENT OF BONDED DEBT AND INTEREST - CONTINUED

WATER AND SEWER REFUNDING REVENUE BONDS, SERIES 1988

September 30, 1994

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. As of September 30, 1994, \$45,000 of these bonds have been retired. The schedule below shows the actual maturities for the serial bonds and the debt service requirements for the term bonds. The bonds are fully registered and were issued in denominations of \$5,000 or any integral multiple thereof. The paying agent and registrar is Citizens and Southern Trust Company (Georgia), National Association in Atlanta, Georgia.

The payment of principal and interest on the Series 1988 bonds is secured by a lien on the net revenues derived from the operation of the water and sewer system; however, the lien on the pledged revenues for the Series 1988 bonds is junior and subordinate to the Series 1985A and Series 1986 bonds.

Proceeds of this issue were used primarily to advance refund the Water and Sewer Refunding Revenue Bonds, Series 1985B.

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due 10-1</u>	<u>Interest Due 10-1</u>	<u>Interest Due 4-1</u>	<u>Total</u>
1995	6.300%	\$ 245,000	\$ 472,771	\$ 465,054	\$ 1,182,825
1996	6.500	260,000	465,054	456,604	1,181,658
1997	6.700	280,000	456,604	447,224	1,183,828
1998	6.800	295,000	447,224	437,194	1,179,418
1999	6.900	320,000	437,194	426,154	1,183,348
2000	7.000	335,000	426,154	414,429	1,175,583
2001	7.100	365,000	414,429	401,472	1,180,901
2002	7.625	385,000	401,471	386,794	1,173,265
2003	7.625	420,000	386,793	370,781	1,177,574
2004	7.625	450,000	370,781	353,625	1,174,406
2005	7.625	485,000	353,625	335,134	1,173,759
2006	7.625	525,000	335,134	315,119	1,175,253
2007	7.625	560,000	315,118	293,769	1,168,887
2008	7.625	605,000	293,768	270,703	1,169,471
2009	7.875	650,000	270,703	245,109	1,165,812
2010	7.875	700,000	245,109	217,547	1,162,656
2011	7.875	755,000	217,546	187,819	1,160,365
2012	7.875	815,000	187,818	155,728	1,158,546
2013	7.875	880,000	155,728	121,078	1,156,806
2014	7.875	950,000	121,078	83,672	1,154,750
2015	7.875	1,020,000	83,671	43,509	1,147,180
2016	7.875	1,105,000	43,509	-	1,148,509
Total		<u>\$12,405,000</u>	<u>\$6,901,282</u>	<u>\$6,428,518</u>	<u>\$25,734,800</u>

Continued

CITY OF OCALA, FLORIDA

STATEMENT OF BONDED DEBT AND INTEREST - CONTINUED

OPTIONAL GAS TAX REFUNDING REVENUE BONDS, SERIES 1992

September 30, 1994

The Optional Gas Tax Refunding Revenue Bonds, Series 1992, dated December 10, 1992, bear interest at 2.75-6.0%, payable semi-annually on June 1 and December 1. The bonds, which are fully registered and were issued in denominations of \$5,000 or any integral multiple thereof, consists of \$11,915,000 of serial bonds and \$2,425,000 of term bonds. As of September 30, 1994, \$620,000 of these bonds have been retired. The principal of and premium, if any, are payable upon presentation and surrender to the paying agent, NationsBank of Georgia, National Association, Atlanta, Georgia.

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

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

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due 12-1</u>	<u>Interest Due 12-1</u>	<u>Interest Due 6-1</u>	<u>Total</u>
1995	3.40 %	\$ 595,000	\$ 362,939	\$ 352,823	\$ 1,310,762
1996	3.60	615,000	352,824	341,754	1,309,578
1997	4.10	635,000	341,753	328,736	1,305,489
1998	4.40	660,000	328,736	314,217	1,302,953
1999	4.625	690,000	314,216	298,260	1,302,476
2000	5.00	725,000	298,260	280,135	1,303,395
2001	5.10	755,000	280,135	260,883	1,296,018
2002	5.30	800,000	260,882	239,683	1,300,565
2003	5.50	840,000	239,682	216,583	1,296,265
2004	5.60	890,000	216,582	191,663	1,298,245
2005	5.625	940,000	191,662	165,225	1,296,887
2006	5.75	990,000	165,225	136,763	1,291,988
2007	5.85	1,050,000	136,762	106,050	1,292,812
2008	6.00	1,110,000	106,050	72,750	1,288,800
2009	6.00	1,175,000	72,750	37,500	1,285,250
2010	6.00	<u>1,250,000</u>	<u>37,500</u>	<u>-</u>	<u>1,287,500</u>
Total		<u>\$13,720,000</u>	<u>\$3,705,958</u>	<u>\$3,343,025</u>	<u>\$20,768,983</u>

Continued

CITY OF OCALA, FLORIDA

STATEMENT OF BONDED DEBT AND INTEREST - CONTINUED

UTILITY SYSTEMS SUBORDINATE REFUNDING REVENUE BONDS, SERIES 1992A

September 30, 1994

The Utility Systems Subordinate Refunding Revenue Bonds, Series 1992A, dated March 15, 1992, bear interest at 3.25-6.50%, payable semi-annually on April 1 and October 1. The bonds are fully registered and were issued in denominations of \$5,000 or any integral multiple thereof. As of September 30, 1994, \$1,830,000 of the total issue of \$51,880,000 have been retired. The principal of and premium, if any, are payable upon presentation and surrender to the paying agent, Nations Bank of Georgia, National Association, Atlanta, Georgia.

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

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

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due 10-1</u>	<u>Interest Due 10-1</u>	<u>Interest Due 4-1</u>	<u>Total</u>
1995	4.50%	\$ 1,190,000	\$ 1,522,327	\$ 1,495,551	\$ 4,207,878
1996	4.75	1,255,000	1,495,551	1,465,745	4,216,296
1997	5.00	1,305,000	1,465,745	1,433,120	4,203,865
1998	5.20	1,375,000	1,433,120	1,397,370	4,205,490
1999	5.40	1,440,000	1,397,370	1,358,490	4,195,860
2000	5.60	1,525,000	1,358,490	1,315,790	4,199,280
2001	5.80	1,610,000	1,315,790	1,269,100	4,194,890
2002	5.90	1,705,000	1,269,100	1,218,803	4,192,903
2003	6.00	1,805,000	1,218,802	1,164,653	4,188,455
2004	6.10	1,905,000	1,164,652	1,106,550	4,176,202
2005	6.125	2,030,000	1,106,550	1,044,381	4,180,931
2006	6.50	2,150,000	1,044,382	974,506	4,168,888
2007	6.25	2,290,000	974,506	902,944	4,167,450
2008	6.50	2,435,000	902,944	823,806	4,161,750
2009	6.50	2,590,000	823,806	739,631	4,153,437
2010	6.50	2,765,000	739,631	649,769	4,154,400
2011	6.50	2,940,000	649,769	554,219	4,143,988
2012	6.25	3,130,000	554,219	456,406	4,140,625
2013	6.25	3,330,000	456,406	352,344	4,138,750
2014	6.25	3,530,000	352,344	242,031	4,124,375
2015	6.25	3,755,000	242,032	124,687	4,121,719
2016	6.25	3,990,000	124,687	-	4,114,687
Total		<u>\$50,050,000</u>	<u>\$21,612,223</u>	<u>\$20,089,896</u>	<u>\$91,752,119</u>

Continued

CITY OF OCALA, FLORIDA

STATEMENT OF BONDED DEBT AND INTEREST - CONTINUED

UTILITY SYSTEMS SUBORDINATE REFUNDING REVENUE BONDS, SERIES 1992B

September 30, 1994

The Utility Systems Subordinate Refunding Revenue Bonds, Series 1992B, dated March 15, 1992, bear interest at 3.25-6.25%, payable semi-annually on April 1 and October 1. The bonds are fully registered and were issued in denominations of \$5,000 or any integral multiple thereof. As of September 30, 1994, \$7,955,000 of the total issue of \$28,435,000 have been retired. The principal of and premium, if any, are payable upon presentation and surrender to the paying agent, Nations Bank of Georgia, National Association, Atlanta, Georgia.

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

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

<u>Fiscal Year</u>	<u>Interest Rate</u>	<u>Principal Due 10-1</u>	<u>Interest Due 10-1</u>	<u>Interest Due 4-1</u>	<u>Total</u>
1995	4.50%	\$ 2,065,000	\$ 568,237	\$ 521,775	\$ 3,155,012
1996	4.75	2,160,000	521,774	470,476	3,152,250
1997	5.00	2,270,000	470,475	413,725	3,154,200
1998	5.20	2,385,000	413,725	351,715	3,150,440
1999	5.40	1,365,000	351,716	314,860	2,031,576
2000	-	-	314,860	314,860	629,720
2001	-	-	314,860	314,860	629,720
2002	-	-	314,860	314,860	629,720
2003	6.00	1,815,000	314,860	260,410	2,390,270
2004	6.10	1,920,000	260,410	201,850	2,382,260
2005	6.125	2,040,000	201,850	139,375	2,381,225
2006	6.25	2,165,000	139,375	71,719	2,376,094
2007	6.25	<u>2,295,000</u>	<u>71,719</u>	<u>-</u>	<u>2,366,719</u>
Total		<u>\$20,480,000</u>	<u>\$4,258,721</u>	<u>\$ 3,690,485</u>	<u>\$28,429,206</u>

Continued

CITY OF OCALA, FLORIDA

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

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

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

<u>Fiscal</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
1991	301,023.12	142,728.85	2,235,309.44
1992	301,023.12	111,185.27	2,647,517.83
1993	301,023.00	116,575.01	3,065,115.84
1994	301,023.00	133,077.65	3,499,216.49