

CITY OF OCOEE, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR ENDED SEPTEMBER 30, 2018

City of Ocoee, Florida
Financial Report
For The Year Ended September 30, 2018

Prepared by: City of Ocoee Finance Department

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Mayor
Rusty Johnson

Commissioners
Larry Brinson, Sr.
District 1

Rosemary Wilsen
District 2

Richard Firstner
District 3

George Oliver III
District 4

City Manager
Robert D. Frank

April 29, 2019

To the Honorable Mayor and City Commission and Citizens of the City of Ocoee,
Florida:

**The Comprehensive Annual Financial Report (CAFR) of the City of Ocoee,
Florida**

for the year ended September 30, 2018 is submitted herewith pursuant to Article III, Section 11 of the City Charter, Florida Statutes Chapter 11, Section 45, and Chapter 10.550 of the Rules of the Auditor General of the State of Florida. State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America, and that they be audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants.

The Annual Financial Report was compiled by the staff of the Finance Department. Management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Ocoee has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Ocoee's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City of Ocoee's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. We encourage readers to consider information provided in the Management Discussion and Analysis (p. 3-13) in conjunction with the information provided in this Transmittal.

The City of Ocoee's financial statements have been audited by McDirmit, Davis, & Company, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Ocoee for the fiscal year ended September 30, 2018 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Ocoee's financial statements for the fiscal year ended September 30, 2018, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

City of Ocoee • 150 N Lakeshore Drive • Ocoee, Florida 34761
Phone: (407) 905-3100 • www.occoee.org



Mayor
Rusly Johnson

Commissioners
Larry Brinson, Sr.
District 1

Rosemary Wilsen
District 2

Richard Firstner
District 3

George Oliver III
District 4

City Manager
Robert D. Frank

Profile of the Government

The City of Ocoee is a municipal corporation of the State of Florida operating under a commission/manager form of government. Located in Central Florida, approximately 14 miles west of Orlando, the City of Ocoee encompasses approximately 17 square miles. Ocoee is home to approximately 47,000 residents.

Ocoee is conveniently situated along several of central Florida's major highways, such as Florida's Turnpike, SR 408, SR 50, and SR 429. Over the next several years the northern leg of SR 429 will be extended north to intersect with Interstate 4 near Sanford to form a major by-pass route west of Orlando. Downtown Orlando, including many tourist attractions and major employers, is an easy 15 minute drive from central Ocoee. Residents and visitors to Ocoee are within a days' drive from four major cruise ports, several international and regional airports, and Florida's award winning beaches. Contributing to Ocoee's appeal as a livable workable city are its many recreational opportunities, excellent schools, major hospital and county operated public library.

The City is empowered to levy a property tax on real estate and personal properties within its city limits. The City commission, comprised of the Mayor and four commissioners, is the governing body of the City. The City Manager is appointed by the commission and is responsible for implementing policies adopted by the commission and managing employees and the daily operations of the city government. The financial reporting entity, the City of Ocoee, includes all funds of the primary government and activity for the Community Redevelopment Agency (CRA). The CRA was created in 2006 and is reported as a special revenue fund. Additional information can be found in Note 1 of the notes to the basic financial statements.

The fiscal operating year for the City is October 1st through September 30th. The City Manager submits an annual budget to the city commission by the first day of August for the ensuing year. Public hearings are held as required by the Truth In Millage Act (TRIM) prior to adoption of the millage rate and budget by the commission. Budgetary control over expenditures is at the department level. Commission approval is required to adjust the bottom line of a department. A budget to actual comparison for the general fund is provided on pages 19-20.

The provision of services such as police, fire rescue, municipal water and wastewater services, storm water management, and solid waste collection and disposal is an important aspect of Ocoee's growth management. Ocoee continues to expand and improve its wastewater and water facilities to keep pace with the City's growth, and to meet state concurrency requirements through an aggressive capital improvements program.

Ocoee focused economic development resources on promoting the reconstruction of its downtown area and encouraging light industrial developments within the city. Both development scenarios drive job creation. During the fiscal year, the City approved ± 1,328,443 square feet of Light Industrial / Flex Office space in proximity of SR 429 and the City's Downtown.

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Factors affecting Financial Condition

Mayor

Rusty Johnson

Commissioners

Larry Brinson, Sr.
District 1

Rosemary Wilsen
District 2

Richard Firstner
District 3

George Oliver III
District 4

City Manager

Robert D. Frank

Local economy. The City is primarily a residential and retail area with a moderate amount of light industry and commercial business. The City's total assessed valuation for real and personal property increased 13.6% from the prior year indicating property values are continuing to increase in the City. The City's population has increased 35.8% from that of ten years ago. Local indicators point to a continued trend of growth as the City continues to work with builders, developers and residents for both commercial and residential development. The unemployment rate for Ocoee at September 30, 2018 was 2.5% which was lower than the state's unemployment rate at 3.3% and the national unemployment rate of 3.9%. The City is home to several major employers- Orlando Health Hospital, Super Wal-Mart, Florida Auto Auction, Orange County Public Schools, and Sysco Foods.

Long-term financial planning The City maintained a moderate property tax rate of 5.5 mills during fiscal year 2018 (tax year 2017). The maximum millage rate that can be levied is 10 mills. Projections for budgeted revenues remained conservative, particularly in the fees generated by building/construction areas. An increase in recurring revenues off-set the budgeted millage rate.

The City annually updates and adopts a 5-year Capital Improvements Plan (CIP). The CIP is a multi-year prioritized schedule of improvements that lists each capital improvement by year it is intended to be purchased or commenced; the amount to be spent per year; and, the method of financing such improvement. Each year prior to the annual budget process the CIP is reviewed to ensure incorporation of all necessary capital improvements. The CIP is not a fixed document but a flexible, evolutionary document that may change to reflect changing priorities opportunities, costs, or different financing approaches.

Relevant Financial Policies. The City had no significant or material changes in financial policy and all required debt service payments of principal and interest were met.

Major Initiatives.

The Cities of Ocoee and Winter Garden co-adopted the SR 429 corridor development standards which were in development at the close of FY2017. In addition, the City initiated a study of the SR 438 Silver Star Road corridor with Metro Plan Orlando and a new Bluford Avenue Street from Orlando Avenue to Old Winter Garden Road.

To aid potential developers in visioning the City's improvement goals, the City created an urban design studio which enables staff to provide potential developers a design concept, consistent with other down town expansion, created and approved by City staff.

Fifty West is the City's Redevelopment District, centered on SR 50 between SR 429 to Clark Road. Florida Department of Transportation (FDOT) completed the reconstruction of SR 50 through our City; and, we were awarded a highway beautification grant from FDOT to landscape the medians. The CRA plans to start installing plant materials in late spring or early summer 2019.

In addition to SR 50, the CRA is continues their efforts to "green-up" Fifty West through such projects as landscaping, median beautification and installation of a wellness park around the retention pond off of S. Bluford Ave.



The Fifty West Redevelopment District has seen increasing success since its inception. New businesses are locating to the area while existing establishments are refurbishing the buildings. During 2019 the development at City Center and the Maguire Corners will continue.

In addition to development and redevelopment through the City, over the last several years the City has placed considerable focus on its public safety. This year the fire department began providing Fire-based EMS Transport services to its citizens and visitors. The transport of sick and injured patients by the fire department allows for a more efficient and timely response of resources. It also provides for better continuity of patient care by providing patient transportation by the same paramedics at the emergency scene directly to a hospital emergency room.

Awards and Acknowledgements.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Ocoee for its CAFR for the fiscal year ended September 30, 2017. This was the twenty-eighth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

Mayor
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District 1

Rosemary Wilsen
District 2

Richard Firstner
District 3

George Oliver III
District 4

City Manager
Robert D. Frank

Robert D. Frank, MPA
City Manager

Rebecca Roberts, CPA
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Ocoee
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morrill

Executive Director/CEO

CITY OF OCOEE, FLORIDA
LIST OF PRINCIPAL OFFICIALS

September 30, 2018

ELECTED OFFICIALS

MAYOR	Leon "Rusty" Johnson
COMMISSIONER- District 1	Larry Brinson, Sr.
COMMISSIONER- District 2	Rosemary Wilson
COMMISSIONER- District 3	Richard Firstner
COMMISSIONER- District 4	George Oliver

STAFF

CITY MANAGER	Robert Frank
ASSISTANT CITY MANAGER	Craig Shadrix
CITY CLERK	Melanie Sibbitt
FINANCE DIRECTOR	Rebecca Roberts
POLICE CHIEF	Charles Brown
FIRE CHIEF	John Miller
PUBLIC WORKS DIRECTOR	Steve Krug
CITY ENGINEER	Richard Campanale
HUMAN RESOURCES/RISK MANAGEMENT DIRECTOR	V. Gene Williford
UTILITIES DIRECTOR	Charles Smith
PARKS AND RECREATION DIRECTOR	Mark Johnson
SUPPORT SERVICES DIRECTOR	J. Allison Butler

LEGAL COUNSEL

Scott Cookson, Esq.
Shuffield, Lowman, and Wilson, P.A.

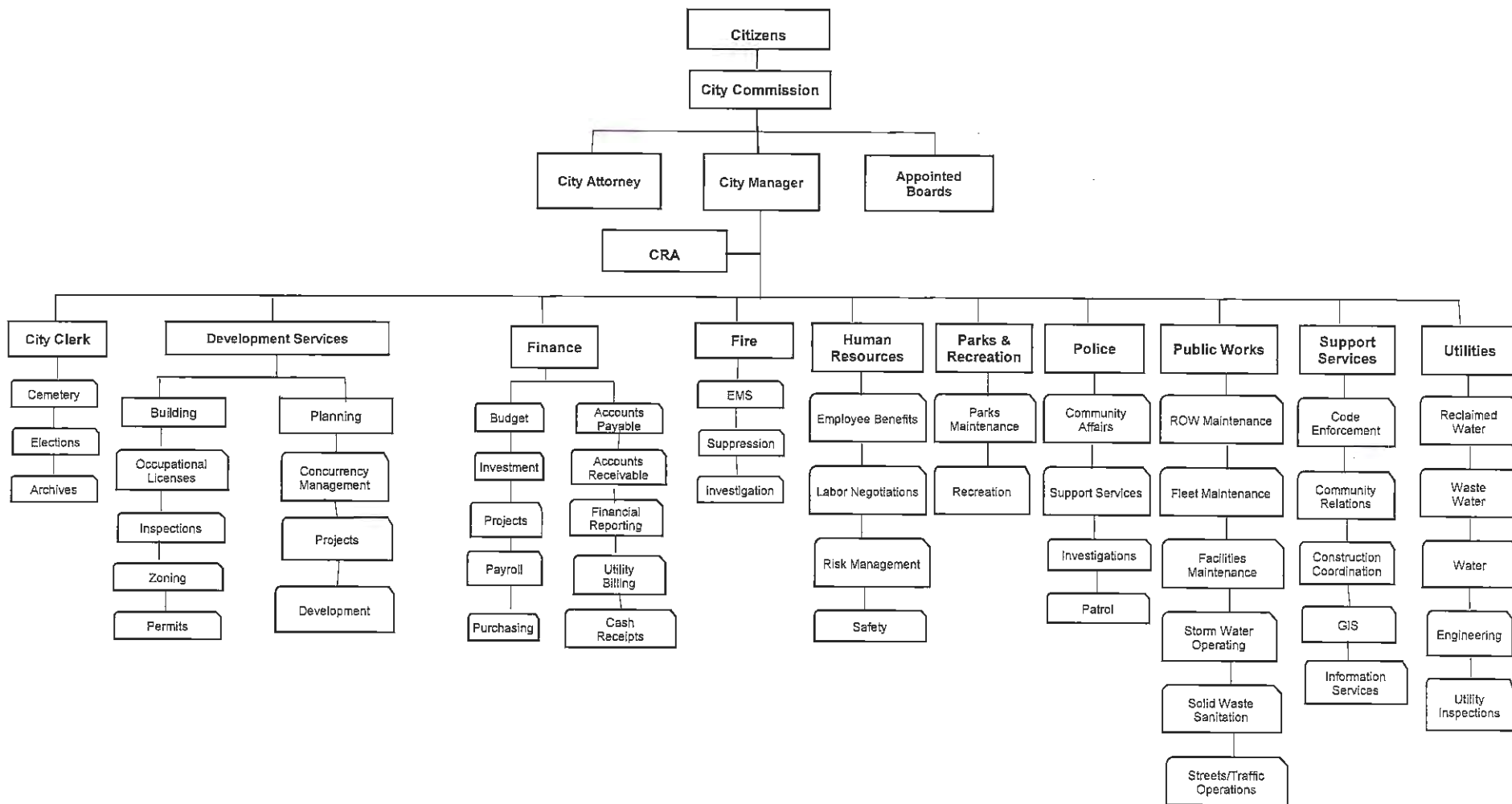
FINANCIAL ADVISOR

Mark Galvin
First Southwest Company

AUDITORS

McDermitt Davis & Company, LLC

City of Ocoee Organizational Chart Fiscal Year 2018



Financial Section

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners
City of Ocoee, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the *City of Ocoee, Florida*, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

City of Ocoee's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness accounting policies used and significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ocoee, Florida, as of September 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund, community redevelopment agency fund and road impact fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter - Change in Accounting Principle

As discussed in Note 1 to the financial statements, in the year ended September 30, 2018, the City adopted the provisions of Governmental Accounting Standards Board Statement ("GASBS") 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. As a result of the implementation of GASBS 75, the City reported a restatement for the change in accounting principle as of October 1, 2017. Our opinions are not modified with respect to this matter.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America, require that the management's discussion and analysis and the pension and other postemployment benefits disclosures on pages 3 through 14 and 69 through 76 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Ocoee, Florida's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole. The introductory section and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated April 29, 2019 on our consideration of the *City of Ocoee, Florida's* internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Ocoee's internal control over financial reporting and compliance.

McDermitt Davis & Company, LLC

Orlando, Florida
April 29, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

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This narrative overview and analysis of the financial activities of the City of Ocoee for the fiscal year ended September 30, 2018 is designed to assist the reader in a) focusing on significant financial issues, b) providing an overview of the City's financial activity, c) identifying changes in the City's financial position, d) identifying any material deviations from the approved budget, and e) identifying individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iii-vi of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Ocoee exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$205,322,424 (*net position*). Of this amount, \$45,888,372 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$14,729,101 or 7.8%.
- As of the close of the current fiscal year, the City of Ocoee's governmental funds reported combined ending fund balances of \$54,894,380. Approximately 26% of this total amount, \$14,185,819 is *available for spending* at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$14,185,819, or 36% of total general fund expenditures.
- The City of Ocoee's total debt decreased by \$3,938,041 (4.57%) during the current fiscal year.

Using this Annual Report

The financial statement's focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the City's accountability.

This discussion and analysis are intended to serve as an introduction to the City of Ocoee's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Ocoee's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City of Ocoee's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Ocoee is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Ocoee that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Ocoee include general government, public safety, physical environment, and culture and recreation. The business-type activities of the City of Ocoee include Water and Wastewater, Solid Waste, and Stormwater.

The government-wide financial statements include only the City of Ocoee itself (known as the *primary government*) and one blended component unit (The City of Ocoee Community Redevelopment Trust Fund). The Water and Wastewater fund, Solid Waste fund, and the Stormwater fund function as departments of the City of Ocoee, and therefore have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 15-16 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Ocoee, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Ocoee can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Ocoee maintains 15 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Road Impact Fund, Community Redevelopment Fund, and 2017 Capital Projects Fund. Data from the other 11 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Ocoee adopts an annual appropriated budget for the General, Enterprise and Impact Fee Special Revenue funds. Budgetary comparison schedules have been provided for the General Fund, Road Impact Fund and Community Redevelopment Agency Fund to demonstrate compliance with the budget on pages 20-23. Budgetary comparison schedules for nonmajor Impact Fee Special Revenue funds are presented on pages 83-85.

The basic governmental fund financial statements can be found on pages 17-23 of this report.

Proprietary Funds

The City of Ocoee maintains two types of proprietary funds: *enterprise and internal service*.

Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Ocoee uses enterprise funds to account for its Water and Wastewater fund, Solid Waste fund, and Stormwater fund. Annual operating budgets are adopted for these funds. *Internal service funds* are an accounting tool used to accumulate and allocate costs internally among various functions. The City utilizes an internal service fund for its health insurance. Because services accounted for in the internal service fund predominately benefit governmental rather than business-type functions, it has been included within the *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Wastewater fund, Solid Waste fund, and for the Stormwater fund.

The basic proprietary fund financial statements can be found on pages 24-28 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of Ocoee's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 29-30 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31-68 of this report.

Required Supplementary Information (RSI)

RSI can be found on pages 69-76 of this report.

Other Information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the RSI. Combining and individual fund statements and schedules can be found on pages 77-87 of this report.

Government-Wide Financial Analysis

Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Ocoee, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$205,322,424 at the close of the most recent fiscal year.

By far the largest portion of the City of Ocoee's net position (67%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Ocoee uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Ocoee's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City of Ocoee's net position (11%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$45,888,372) may be used to meet the government's ongoing obligations to citizens and creditors.

At September 30, 2018, the City of Ocoee is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The following table reflects the condensed Statement of Net Position for the current and prior year. For more detail see the Statement of Net Position on page 15.

Statement of Net Position as of September 30,

	Governmental Activities		Business Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and Other Assets	\$ 69,092,277	\$ 61,286,463	\$ 31,964,337	\$ 28,189,237	\$ 101,056,614	\$ 89,475,700
Restricted Assets	-	-	13,446,824	15,223,434	13,446,824	15,223,434
Capital Assets	116,551,138	112,039,884	69,651,920	67,563,321	186,203,058	179,603,205
Total assets	185,643,415	173,326,347	115,063,081	110,975,992	300,706,496	284,302,339
Deferred Outflows of Resources	1,918,558	1,639,298	524,641	574,975	2,443,199	2,214,273
Current Liabilities	9,876,204	6,417,392	3,274,043	1,560,007	13,150,247	7,977,399
Long Term Liabilities Outstanding	57,171,244	61,117,380	25,078,535	26,649,827	82,249,779	87,767,207
Other Liabilities	-	-	452,420	431,348	452,420	431,348
Total liabilities	67,047,448	67,534,772	28,804,998	28,641,182	95,852,446	96,175,954
Deferred Inflows of Resources	1,500,758	1,101,595	474,067	309,140	1,974,825	1,410,735
Net Position:						
Net Investment in Capital Assets	88,420,850	87,143,185	48,326,212	47,653,248	136,747,062	134,796,433
Restricted	12,679,633	7,737,644	10,007,357	10,461,963	22,686,990	18,199,607
Unrestricted	17,913,284	11,448,449	27,975,088	24,485,434	45,888,372	35,933,883
Total net position	\$ 119,013,767	\$ 106,329,278	\$ 86,308,657	\$ 82,600,645	\$ 205,322,424	\$ 188,929,923

Statement of Activities

The following table reflects the condensed Statement of Activities for the current and prior year. For more detailed information see the Statement of Activities on page 16. Note that total net position increased by \$14,729,101.

Net position for governmental activities increased by \$11,327,155.

The City of Ocoee experienced continued growth in residential and commercial properties resulting in increased revenues of \$9,194,168 or 22.7% over the prior year.

- Property taxes are \$879,503 or 7.5% higher than FY 2017
- Charges for services also grew by \$1,040,099 or 10%
- Expenditures increased by a modest 3% or \$1,144,385 over FY 2017

Net position for Business-Type Activities increased by \$3,401,946 primarily due to an increase in services charges and a reduction in transfers out for debt service.

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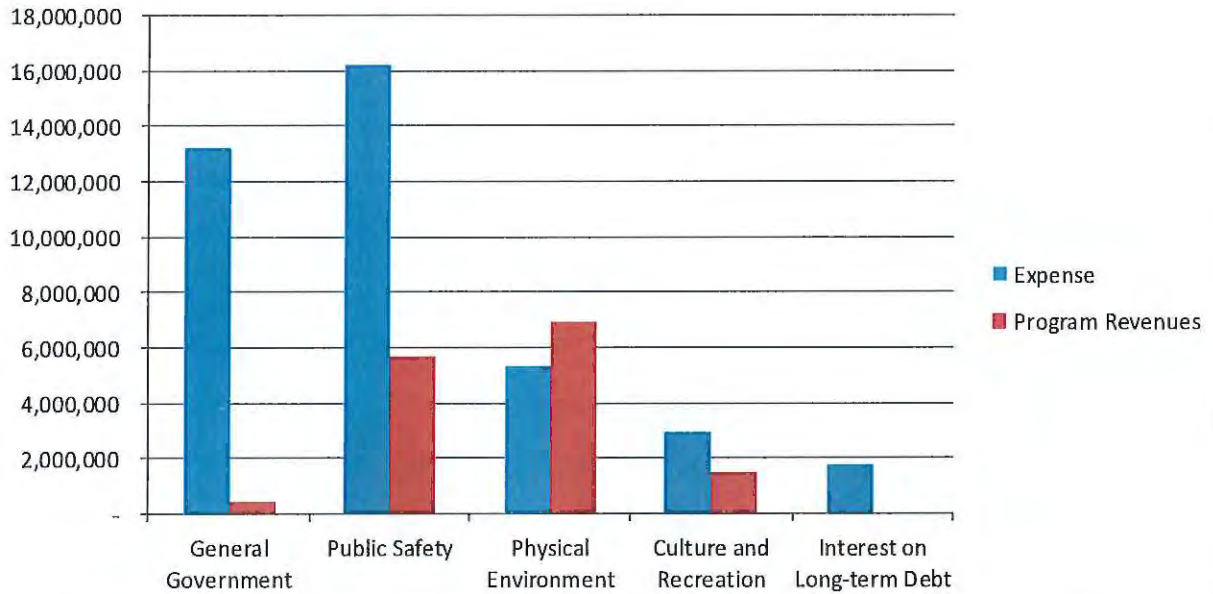
City of Ocoee, Florida
Management's Discussion and Analysis

Changes in Net Position For the Year Ended September 30,

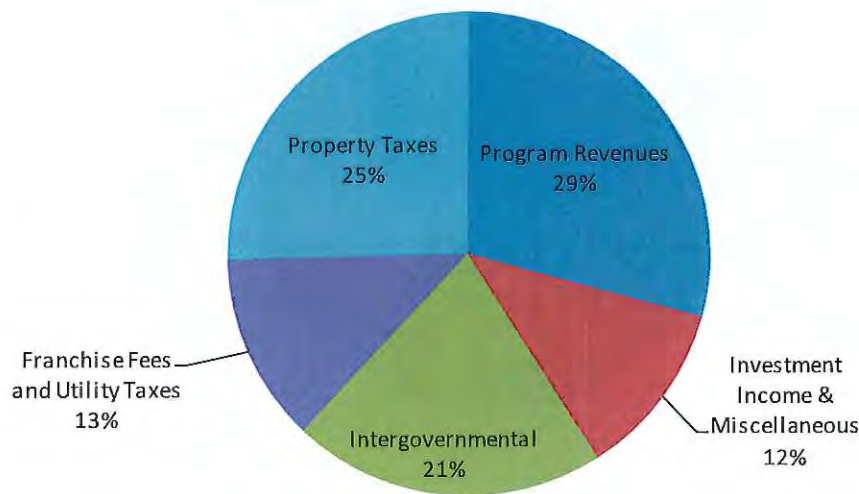
	Governmental Activities		Business Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program Revenues:						
Charges for Services	\$ 11,050,014	\$ 10,010,715	\$ 18,173,216	\$ 17,632,426	\$ 29,223,230	\$ 27,643,141
Operating Grants and Contributions	2,798,378	2,157,004	129,410	1,115,283	2,927,788	3,272,287
Capital Grants and Contributions	662,282	487,181	2,109,731	2,652,962	2,772,013	3,140,143
General Revenues:						
Property Taxes	12,604,617	11,725,114	-	-	12,604,617	11,725,114
Franchise Fees and Utility Taxes	6,277,216	5,886,336	-	-	6,277,216	5,886,336
Intergovernmental	10,458,407	9,667,495	-	-	10,458,407	9,667,495
Other	5,811,010	533,411	273,422	127,519	6,084,432	660,930
Total revenues	49,661,924	40,467,256	20,685,779	21,528,190	70,347,703	61,995,446
Expenses:						
General Government	13,178,601	13,643,788	-	-	13,178,601	13,643,788
Public Safety	16,229,129	15,190,761	-	-	16,229,129	15,190,761
Physical Environment	5,298,461	5,332,183	-	-	5,298,461	5,332,183
Culture and Recreation	2,953,950	2,972,836	-	-	2,953,950	2,972,836
Interest on Long-term Debt	1,777,286	1,153,474	-	-	1,777,286	1,153,474
Water and wastewater	-	-	9,366,129	9,157,504	9,366,129	9,157,504
Solid Waste	-	-	4,064,133	2,809,579	4,064,133	2,809,579
Stormwater	-	-	2,745,162	3,009,574	2,745,162	3,009,574
Total expenses	39,437,427	38,293,042	16,175,424	14,976,657	55,612,851	53,269,699
Increase (Decrease) in Net Position Before Transfers	10,224,497	2,174,214	4,510,355	6,551,533	14,734,852	8,725,747
Transfers	1,108,409	2,669,804	(1,108,409)	(2,669,804)	-	-
Increase (Decrease) in Net Position	11,332,906	4,844,018	3,401,946	3,881,729	14,734,852	8,725,747
Net Position, October 1	106,329,278	101,485,260	82,600,645	78,718,916	188,929,923	180,204,176
Prior Year Restatement	1,357,334	-	306,066	-	1,663,400	-
Net Position, September 30	\$ 119,013,767	\$ 106,329,278	\$ 86,308,657	\$ 82,600,645	\$ 205,328,175	\$ 188,929,923

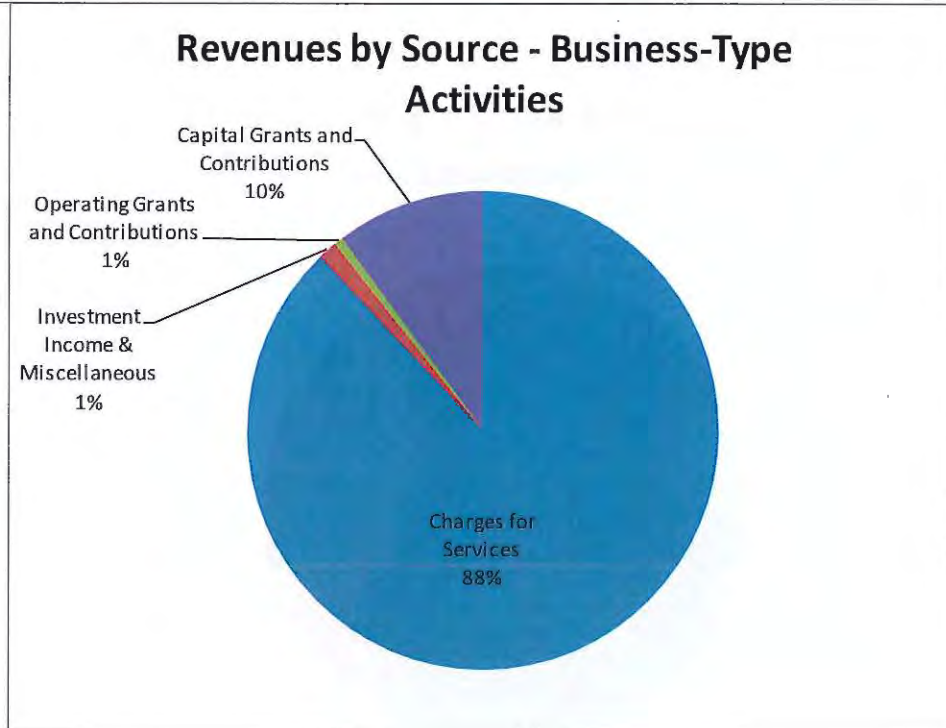
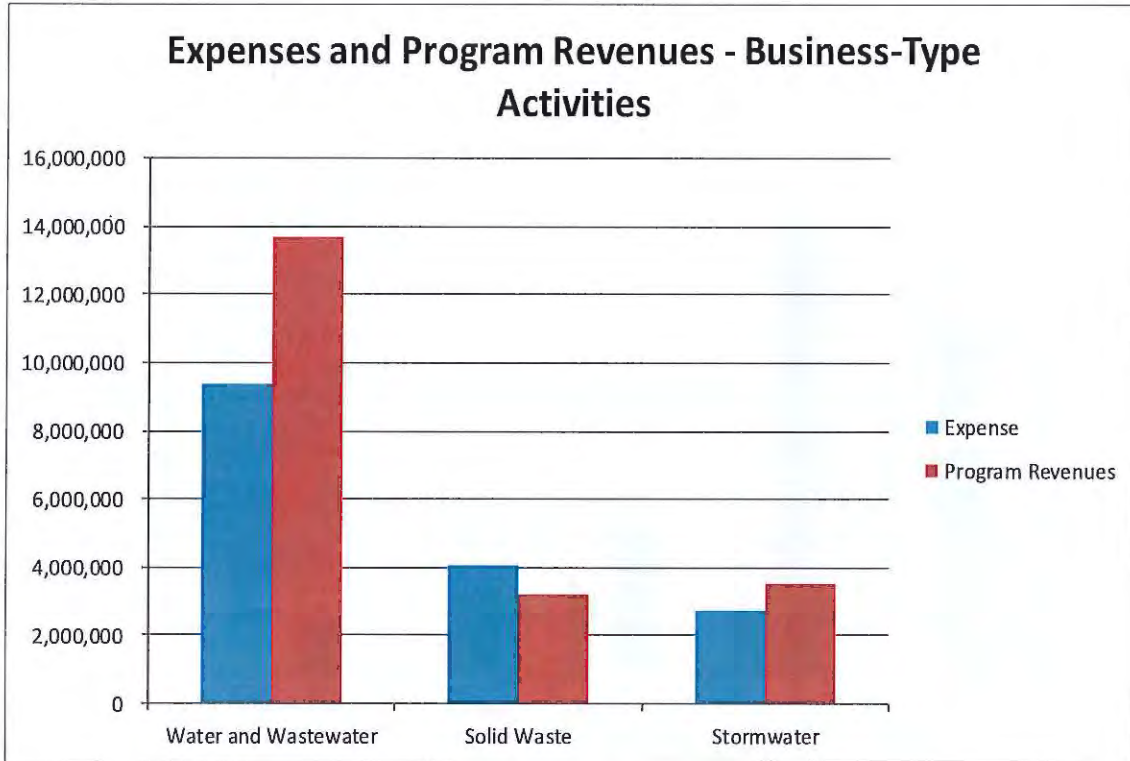
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Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities





Financial Analysis of the Government's Funds

As noted earlier, the City of Ocoee uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City of Ocoee's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Ocoee's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of September 30, 2018, the City of Ocoee's governmental funds reported combined ending fund balances of \$54,894,380 an increase of \$1,912,995 in comparison with the prior year. Approximately 26% or \$14,185,819 of this total amount constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is nonspendable, restricted, committed, or assigned to indicate that it is not available for new spending.

The general fund is the chief operating fund of the City of Ocoee. At the end of the current fiscal year, unassigned fund balance of the general fund was \$14,185,819 while total fund balance reached \$19,453,269. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 36% of total general fund expenditures compared to 36.6% for last year. Total fund balance represents 49.3% of total general fund expenditures compared to 49.1% for last year.

The Community Redevelopment Special Revenue Fund is considered a major fund in order for our external auditors to express an opinion on this fund as required by Florida Statutes chapter 163.387(8). This fund was created in 2006 as a dependent taxing district. The incremental annual increase in tax over the base years is used to fund projects. As of September 30, 2018, the fund balance was \$1,922,471 an increase of \$1,308,594 over the prior year. The CRA continued to focus on operational and planning efforts during the year. Revenues increased due to an overall increase in property values affecting the CRA's proportionate share. The fund balance in the CRA is designated for specific CRA capital improvement projects for FY 2019.

The Road Impact Fund balance increased \$2,548,673 during the year. The increase in fund balance is due to a 46.9% increase in impact fee revenue attributed to continued growth within the City. The fund balance is reserved for future planned road projects.

General Fund's fund balance increased by \$1,617,092, primarily due to an increase in revenues of \$1,482,180 from ad valorem and half cent sales taxes.

The fund balance of the 2017 Capital Projects Fund decreased \$6,262,840 during the current fiscal year. This decrease is due to expenditures on a number of projects in process during the year including the Lakeshore Centre and the Bluford Avenue redevelopment projects.

Proprietary Funds

The City of Ocoee's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Wastewater Fund at the end of the year amounted to \$15,919,042 and unrestricted net position for the Solid Waste and Stormwater Fund amounted to \$311,181 and \$11,246,337 respectively. The total increase in Water and Wastewater Fund was \$3,833,467, decrease in the Solid Waste Fund was \$1,102,065, and the Stormwater Fund increased \$410,776. Other factors concerning the finances of these three funds have already been addressed in the discussion of the City of Ocoee's business-type activities on page 7.

General Fund Budgetary Highlights

Total appropriations and transfers out in the General Fund Budget did not change from the original to final budget; however, the allocation of appropriations did change. There were some adjustments to the original department budgets for the General Fund during the year but the total changes resulted in a net zero change for the General Fund budget.

During the year revenues were more than budgetary estimates by \$2,721,444, due primarily from greater than budgeted ad valorem, electric utility, half-cent sales tax and sponsorship revenues. These increases are directly attributable to the continued growth and development with the City.

During the year expenditures were less than budgetary estimates by \$4,439,512 due primarily to reduced debt service requirements and lower than budgeted salary expense in all operating departments.

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Capital Asset and Debt Administration

Capital Assets

The City of Ocoee's investment in capital assets for its governmental and business type activities as of September 30, 2018 amounts to \$186,203,058 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, and bridges.

Capital asset activity in the City included acquisition of land and, machinery and equipment in support of the downtown redevelopment efforts reflected in the increase in construction in process. Additional information on the City of Ocoee's capital assets can be found in note 7 on pages 47-49 of this report.

**Capital Assets (net of depreciation)
As of September 30, 2018 and September 30, 2017**

	Governmental Activities		Business Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	\$ 23,334,994	\$ 23,324,994	\$ 5,157,406	\$ 5,043,409	\$ 28,492,400	\$ 28,368,403
Buildings	12,434,074	12,991,848	6,280,688	6,815,124	18,714,762	19,806,972
Improvements	12,942,017	13,883,077	33,132,151	35,197,881	46,074,168	49,080,958
Machinery and Equipment	5,398,756	4,359,254	2,866,490	2,130,439	8,265,246	6,489,693
Intangibles	161,383	202,091	7,017	16,103	168,400	218,194
Infrastructure	52,977,744	54,692,754	-	-	52,977,744	54,692,754
Construction in Progress	9,302,170	2,575,866	22,208,168	18,360,365	31,510,338	20,936,231
Total net position	\$ 116,551,138	\$ 112,029,884	\$ 69,651,920	\$ 67,563,321	\$ 186,203,058	\$ 179,593,205

Long-term debt

At the end of the current fiscal year, the City of Ocoee had total bonded debt outstanding of \$58,255,000. All of this debt is secured solely by specified revenue sources (i.e., revenue bonds). The City of Ocoee also has various notes payable and capital lease obligations.

There are no limitations placed on the amount of debt the City may issue either by the City's charter, code of ordinances or by the Florida State Statutes.

Additional information on the City of Ocoee's long-term debt can be found in notes 8 and 9 on pages 49-52 of this report.

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Economic Factors and Next Year's Budgets and Rates

The City experienced an 10.9% increase in growth for assessed property values for the budgeted year 2018. This increase in property values continues with 13.6% growth for budget year 2019. The unemployment rate for Ocoee at September 30, 2018 was 2.5% which was lower than the state's rate of 3.3%. Local indicators again point to increased commercial and residential development activity.

The 2019 budget was approved with a millage of 5.5000 which is lower than the previous year's rate. The total operating budget adopted for fiscal year 2018-2019 is \$71,544,710. This increase of \$3,792,540 from 2018 is attributable to improving recurring revenue performance offset by reductions from non-recurring property disposition revenue.

Requests for Information

This financial report is designed to provide a general overview of the City of Ocoee's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 150 N. Lakeshore Drive, Ocoee, Florida 34761.

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BASIC FINANCIAL STATEMENTS

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City of Ocoee, Florida
Statement of Net Position
September 30, 2018

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and cash equivalents	\$ 46,915,707	\$ 24,043,761	\$ 70,959,468
Investments	20,957,906	5,062,155	26,020,061
Receivables, net	480,342	1,538,761	2,019,103
Inventories	44,228	-	44,228
Due from other governments	629,247	101,422	730,669
Internal balances	(1,125,332)	1,125,332	-
Prepaid costs	991,742	7,865	999,607
Restricted assets:			
Cash and cash equivalents	-	7,698,341	7,698,341
Investments	-	5,748,483	5,748,483
Net Pension Asset	198,437	85,041	283,478
Capital assets			
Capital assets (not being depreciated)	32,637,164	27,365,574	60,002,738
Capital assets (being depreciated net of accumulated depreciation)	83,913,974	42,286,346	126,200,320
Total Assets	<u>185,643,415</u>	<u>115,063,081</u>	<u>300,706,496</u>
Deferred Outflows of Resources			
Deferred Pension and OPEB	1,918,558	221,817	2,140,375
Deferred Charge on Refunding	-	302,824	302,824
	<u>1,918,558</u>	<u>524,641</u>	<u>2,443,199</u>
Liabilities:			
Accounts payable and other current liabilities	5,449,685	1,893,834	7,343,519
Matured bonds and interest payable	1,522,569	1,380,209	2,902,778
Accrued interest payable	18,524	-	18,524
Unearned revenue	2,885,426	-	2,885,426
Customer deposits payable	-	452,420	452,420
Noncurrent liabilities:			
Due within one year	2,371,283	1,388,864	3,760,147
Due in more than one year	54,799,961	23,689,671	78,489,632
Total liabilities	<u>67,047,448</u>	<u>28,804,998</u>	<u>95,852,446</u>
Deferred Inflows of Resources			
Deferred pension earnings	1,500,758	474,067	1,974,825
	<u>1,500,758</u>	<u>474,067</u>	<u>1,974,825</u>
Net Position:			
Net investment in capital assets	88,420,850	48,326,212	136,747,062
Restricted for:			
Debt Service	123,593	-	123,593
Highways and streets	5,364,538	-	5,364,538
Public safety	2,658,625	-	2,658,625
Culture and recreation	2,610,406	-	2,610,406
Capital outlay	-	5,766,083	5,766,083
Renewal and replacement	-	4,241,274	4,241,274
Community Redevelopment	1,922,471	-	1,922,471
Unrestricted	17,919,035	27,975,088	45,894,123
Total net position	<u>\$ 119,019,518</u>	<u>\$ 86,308,657</u>	<u>\$ 205,328,175</u>

City of Ocoee, Florida
Statement of Activities
For the Year Ended September 30, 2018

Functions/Programs:					Net (Expense) Revenue and Changes in Net Position		
	Expenses	Program Revenue			Primary Government		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities:							
General Government	\$ 13,178,601	\$ 423,657	\$ -	\$ -	\$ (12,754,944)	\$ -	\$ (12,754,944)
Public Safety	16,229,129	4,370,274	1,294,273	-	(10,564,582)	-	(10,564,582)
Physical environment	5,298,461	4,746,061	1,504,105	662,282	1,613,987	-	1,613,987
Culture and Recreation	2,953,950	1,510,022	-	-	(1,443,928)	-	(1,443,928)
Interest on Long-term debt	1,777,286	-	-	-	(1,777,286)	-	(1,777,286)
Total governmental activities	39,437,427	11,050,014	2,798,378	662,282	(24,926,753)	-	(24,926,753)
Business-type activities:							
Water and wastewater	9,366,129	11,494,750	70,885	2,109,731	-	4,309,237	4,309,237
Solid Waste	4,064,133	3,165,442	54,981	-	-	(843,710)	(843,710)
Stormwater	2,745,162	3,513,024	3,544	-	-	771,406	771,406
Total business-type activities	16,175,424	18,173,216	129,410	2,109,731	-	4,236,933	4,236,933
Total primary government	\$ 55,612,851	\$ 29,223,230	\$ 2,927,788	\$ 2,772,013	(24,926,753)	4,236,933	(20,689,820)
General Revenues:							
Property taxes					12,604,617	-	12,604,617
Franchise fees and utility taxes					6,277,216	-	6,277,216
Intergovernmental-unrestricted					10,458,407	-	10,458,407
Investment income and miscellaneous					2,079,913	177,636	2,257,549
Gain on sale of capital assets					3,731,097	95,786	3,826,883
Transfers					1,108,409	(1,108,409)	-
Total general revenues and transfers					36,259,659	(834,987)	35,424,672
Change in net position					11,332,906	3,401,946	14,734,852
Net Position, beginning as previously reported					106,329,278	82,600,645	188,929,923
Cumulative effect of change in accounting principle					1,357,334	306,066	1,663,400
Net position, beginning, as restated					107,686,612	82,906,711	190,593,323
Net Position, ending					\$ 119,019,518	\$ 86,308,657	\$ 205,328,175

City of Ocoee, Florida
Balance Sheet - Governmental Funds
September 30, 2018

	General Fund	Road Impact	Community Redevelopment Agency	2017 Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets:						
Cash and cash equivalents	\$ 17,188,468	\$ 7,089,037	\$ 2,110,478	\$ 3,228,840	\$ 10,607,107	\$ 40,223,930
Cash with paying agent	-	-	-	-	-	-
Investments	5,047,688	3,658	-	15,906,560	-	20,957,906
Receivables, net	430,810	8	-	-	9,654	440,472
Inventories, at cost	44,228	-	-	-	-	44,228
Due from other governments	629,247	-	-	-	-	629,247
Due from other funds	2,151,731	350,000	577	421	2,342,393	4,845,122
Prepays	990,081	-	1,661	-	-	991,742
Total assets	\$ 26,482,253	\$ 7,442,703	\$ 2,112,716	\$ 19,135,821	\$ 12,959,154	\$ 68,132,647
Liabilities and Fund Balances:						
Accounts payable	\$ 941,805	\$ -	\$ 43,093	\$ 1,276,642	\$ 155,041	\$ 2,416,581
Accrued liabilities	1,254,452	-	-	-	-	1,254,452
Retainage payable	-	-	-	-	-	-
Deposits payable	1,677,005	-	-	-	-	1,677,005
Due to other funds	2,618,371	-	147,152	-	696,173	3,461,696
Due to other governments	20,538	-	-	-	-	20,538
Matured bonds payable	-	-	-	-	670,000	670,000
Matured interest payable	-	-	-	-	852,569	852,569
Unearned revenue	516,813	2,078,165	-	-	290,448	2,885,426
Total liabilities	7,028,984	2,078,165	190,245	1,276,642	2,664,231	13,238,267
Fund Balances:						
Nonspendable	1,034,309	-	-	-	-	1,034,309
Restricted	-	5,364,538	1,922,471	17,859,179	5,392,624	30,538,812
Assigned	4,233,141	-	-	-	4,902,299	9,135,440
Unassigned	14,191,570	-	-	-	-	14,191,570
Total fund balances	19,459,020	5,364,538	1,922,471	17,859,179	10,294,923	54,900,131
Total liabilities and fund balances	\$ 26,488,004	\$ 7,442,703	\$ 2,112,716	\$ 19,135,821	\$ 12,959,154	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	116,551,138
Internal service funds are used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	4,141,780
Deferred inflows and outflows of resources related to pension earnings are not recognized in governmental funds, however, they are recorded in net position under full accrual accounting	417,800
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(56,991,331)
Net position of governmental activities	\$ 119,019,518

City of Ocoee, Florida
Statement of Revenues, Expenditures and Changes
In Fund Balances - Governmental Funds
For the Year Ended September 30, 2018

	General Fund	Road Impact	Community Redevelopment Agency	2017 Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes:						
Taxes and impact fees	\$ 18,881,833	\$ 2,605,280	\$ 662,282	\$ -	\$ 1,529,607	\$ 23,679,002
Licenses and permits	2,441,876	-	-	-	-	2,441,876
Intergovernmental revenues	13,274,914	-	-	-	-	13,274,914
Charges for services	3,759,290	-	-	-	-	3,759,290
Fines and forfeitures	669,730	-	-	-	26,102	695,832
Investment income	95,456	9,444	2,013	162,136	14,457	283,506
Miscellaneous	434,908	-	1,105,406	-	248,964	1,789,278
Total revenues	<u>39,558,007</u>	<u>2,614,724</u>	<u>1,769,701</u>	<u>162,136</u>	<u>1,819,130</u>	<u>45,923,698</u>
Expenditures:						
Current:						
General government	13,979,281	-	-	198,760	350	14,178,391
Public safety	16,606,300	-	-	-	7,250	16,613,550
Physical environment	2,686,480	240	117,874	363,977	-	3,168,571
Culture and recreation	2,791,252	-	-	561,583	4,500	3,357,335
Debt Service:						
Principal	1,358,592	-	-	-	882,217	2,240,809
Interest and fiscal charges	114,573	-	-	-	1,756,477	1,871,050
Capital Outlay:						
General government	108,821	-	-	92,170	28,917	229,908
Public safety	1,455,183	-	-	-	31,895	1,487,078
Physical environment	113,233	65,811	196,227	4,164,036	274,925	4,814,232
Culture and recreation	232,020	-	-	1,044,450	217,700	1,494,170
Total expenditures	<u>39,445,735</u>	<u>66,051</u>	<u>314,101</u>	<u>6,424,976</u>	<u>3,204,231</u>	<u>49,455,094</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>112,272</u>	<u>2,548,673</u>	<u>1,455,600</u>	<u>(6,262,840)</u>	<u>(1,385,101)</u>	<u>(3,531,396)</u>
Other Financing Sources (Uses):						
Transfers In	1,324,052	-	-	-	4,155,214	5,479,266
Transfers Out	(4,155,214)	-	(147,006)	-	(68,637)	(4,370,857)
Bonds issued	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-
Capital Leases	579,986	-	-	-	-	579,986
Sale of Capital Assets	3,761,747	-	-	-	-	3,761,747
Total Other Financing Sources (Uses)	<u>1,510,571</u>	<u>-</u>	<u>(147,006)</u>	<u>-</u>	<u>4,086,577</u>	<u>5,450,142</u>
Net change in fund balances	<u>1,622,843</u>	<u>2,548,673</u>	<u>1,308,594</u>	<u>(6,262,840)</u>	<u>2,701,476</u>	<u>1,918,746</u>
Fund balances, beginning	<u>17,836,177</u>	<u>2,815,865</u>	<u>613,877</u>	<u>24,122,019</u>	<u>7,593,447</u>	<u>52,981,385</u>
Fund balances, ending	<u>\$ 19,459,020</u>	<u>\$ 5,364,538</u>	<u>\$ 1,922,471</u>	<u>\$ 17,859,179</u>	<u>\$ 10,294,923</u>	<u>\$ 54,900,131</u>

City of Ocoee, Florida
**Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities**
For the Year Ended September 30, 2018

Net Change in Fund Balances - total governmental funds: \$ 1,918,746

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. 4,541,904

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 1,660,823

The net effect of various transactions involving capital assets (i.e. sales, trade-ins, donations and transfers) is to decrease net position (30,650)

Cash pension contributions reported in the funds were more than the calculated pension expense on the statement of activities, and therefore increased net position 1,084,697

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (89,200)

Internal service funds are used by management to charge the costs of certain activities, such health insurance to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities. 2,246,586

Change in net position of governmental activities \$ 11,332,906

City of Ocoee, Florida

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ended September 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 12,702,075	\$ 12,702,075	\$ 12,604,617	\$ (97,458)
Franchise	2,599,130	2,599,130	2,675,962	76,832
Utility	3,311,590	3,311,590	3,601,254	289,664
	<u>18,612,795</u>	<u>18,612,795</u>	<u>18,881,833</u>	<u>269,038</u>
Licenses and permits:				
Building	1,156,245	1,156,245	2,042,769	886,524
Occupational	376,465	376,465	399,107	22,642
	<u>1,532,710</u>	<u>1,532,710</u>	<u>2,441,876</u>	<u>909,166</u>
Intergovernmental revenues:				
Sales tax	6,783,480	6,783,480	7,013,913	230,433
State revenue sharing	1,632,765	1,632,765	2,219,661	586,896
Other state shared revenue	1,024,760	1,024,760	1,964,716	939,956
Other county shared revenue	2,516,435	2,516,435	2,713,213	196,778
	<u>11,957,440</u>	<u>11,957,440</u>	<u>13,911,503</u>	<u>1,954,063</u>
Charges for services:				
Fire contract	550,000	550,000	550,000	-
Program activity fees	492,380	492,380	395,552	(96,828)
Develop. Review	48,775	48,775	95,500	46,725
Miscellaneous	2,237,855	2,237,855	2,218,179	(19,676)
	<u>3,329,010</u>	<u>3,329,010</u>	<u>3,259,231</u>	<u>(69,779)</u>
Fines and forfeitures	1,198,650	1,198,650	669,730	(528,920)
Investment income	24,440	24,440	95,088	70,648
Miscellaneous	130,780	130,780	248,008	117,228
Total revenues	<u>36,785,825</u>	<u>36,785,825</u>	<u>39,507,269</u>	<u>2,721,444</u>

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
General government:				
Legislative	209,145	209,145	172,367	36,778
Executive	938,805	938,805	893,310	45,495
Finance and admin	2,015,020	2,015,020	1,928,754	86,266
Legal	276,500	276,500	137,304	139,196
Community development	848,505	848,505	586,825	261,680
General services	9,757,525	9,757,525	8,912,594	844,931
Building maintenance	2,627,340	2,627,340	2,014,689	612,651
	<u>16,672,840</u>	<u>16,672,840</u>	<u>14,645,843</u>	<u>2,026,997</u>
Public Safety:				
Police	11,177,955	11,177,955	10,236,152	941,803
Fire	7,754,935	7,754,935	7,917,574	(162,639)
Inspections	1,030,955	1,030,955	825,726	205,229
	<u>19,963,845</u>	<u>19,963,845</u>	<u>18,979,452</u>	<u>984,393</u>
Physical environment:				
Public works	3,928,365	3,928,365	2,788,887	1,139,478
Culture and recreation:				
Parks and recreation	2,861,730	2,861,730	2,573,086	288,644
	<u>43,426,780</u>	<u>43,426,780</u>	<u>38,987,268</u>	<u>4,439,512</u>
Total expenditures	<u>43,426,780</u>	<u>43,426,780</u>	<u>38,987,268</u>	<u>4,439,512</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(6,640,955)</u>	<u>(6,640,955)</u>	<u>520,001</u>	<u>7,160,956</u>
Other Financing Sources (Uses)				
Transfers in	3,695,120	3,695,120	1,324,052	(2,371,068)
Transfers out	(4,796,705)	(4,796,705)	(4,155,214)	641,491
Proceeds from sale capital assets	3,781,800	3,781,800	3,761,747	(20,053)
Total other financing sources(uses)	<u>2,680,215</u>	<u>2,680,215</u>	<u>930,585</u>	<u>(1,749,630)</u>
Net change in fund balance	<u>(3,960,740)</u>	<u>(3,960,740)</u>	<u>1,450,586</u>	<u>5,411,326</u>
Fund balance, beginning	<u>16,881,223</u>	<u>16,881,223</u>	<u>16,881,223</u>	<u>-</u>
Fund balance, ending	<u>\$ 12,920,483</u>	<u>\$ 12,920,483</u>	<u>\$ 18,331,809</u>	<u>\$ 5,411,326</u>

City of Ocoee, Florida

Road Impact Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ended September 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes and impact fees	\$ 1,229,815	\$ 1,229,815	\$ 2,605,280	\$ 1,375,465
Investment income	2,500	2,500	9,444	6,944
Total revenues	1,232,315	1,232,315	2,614,724	1,382,409
Expenditures:				
Physical environment				
Roads	23,715	23,715	66,051	(42,336)
Total expenditures	23,715	23,715	66,051	(42,336)
Excess (Deficiency) of Revenues Over Expenditures	1,208,600	1,208,600	2,548,673	1,340,073
Other Financing Sources (Uses)				
Transfers out	(1,208,600)	(1,208,600)	-	1,208,600
Total other financing sources(uses)	(1,208,600)	(1,208,600)	-	1,208,600
Net change in fund balance	-	-	2,548,673	2,548,673
Fund balance, beginning	2,815,865	2,815,865	2,815,865	-
Fund balance, ending	\$ 2,815,865	\$ 2,815,865	\$ 5,364,538	\$ 2,548,673

City of Ocoee, Florida
Community Redevelopment Agency
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Property tax	\$ 663,263	\$ 663,263	\$ 662,282	\$ (981)
Investment income	-	-	2,013	2,013
Miscellaneous	-	-	1,105,406	1,105,406
Total revenues	<u>663,263</u>	<u>663,263</u>	<u>1,769,701</u>	<u>1,106,438</u>
Expenditures:				
Physical environment	1,072,145	1,072,145	314,101	758,044
Total expenditures	<u>1,072,145</u>	<u>1,072,145</u>	<u>314,101</u>	<u>758,044</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(408,882)</u>	<u>(408,882)</u>	<u>1,455,600</u>	<u>1,864,482</u>
Other Financing Sources (Uses)				
Transfers out	(210,000)	(210,000)	(147,006)	62,994
Total other financing sources(uses)	<u>(210,000)</u>	<u>(210,000)</u>	<u>(147,006)</u>	<u>62,994</u>
Net change in fund balance	<u>(618,882)</u>	<u>(618,882)</u>	<u>1,308,594</u>	<u>1,927,476</u>
Fund balance, beginning	<u>613,877</u>	<u>613,877</u>	<u>613,877</u>	<u>-</u>
Fund balance, ending	<u>\$ (5,005)</u>	<u>\$ (5,005)</u>	<u>\$ 1,922,471</u>	<u>\$ 1,927,476</u>

City of Ocoee, Florida
Statement of Net Position
Proprietary Funds
September 30, 2018

	Enterprise Funds				Governmental Activities-
	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total	Internal Service Fund
Assets					
Current assets:					
Cash and cash equivalents	\$ 12,454,272	\$ 934,782	\$ 10,516,688	\$ 23,905,742	\$ 6,691,777
Cash with fiscal agent	-	138,019	-	138,019	-
Investments	3,716,108	-	1,346,047	5,062,155	-
Receivables, net	1,489,092	27,938	21,731	1,538,761	39,870
Due from other governments	50,368	19,867	31,187	101,422	-
Due from other funds	1,210,879	274,919	329,842	1,815,640	-
Prepays	5,753	1,931	181	7,865	-
Total current assets	18,926,472	1,397,456	12,245,676	32,569,604	6,731,647
Noncurrent assets:					
Restricted cash and cash equivalents	7,698,341	-	-	7,698,341	-
Restricted investments	5,748,483	-	-	5,748,483	-
Total restricted assets	13,446,824	-	-	13,446,824	-
Net pension asset	54,280	20,398	10,363	85,041	-
Capital assets:					
Land, buildings and equipment	84,576,220	3,282,826	51,728,718	139,587,764	-
Construction in progress	16,520,419	-	5,687,749	22,208,168	-
Less accumulated depreciation	(52,108,828)	(1,997,630)	(38,037,554)	(92,144,012)	-
Total capital assets (net of depreciation)	48,987,811	1,285,196	19,378,913	69,651,920	-
Total noncurrent assets	62,488,915	1,305,594	19,389,276	83,183,785	-
Total assets	81,415,387	2,703,050	31,634,952	115,753,389	6,731,647
Deferred Outflows of Resources					
Deferred charge on refunding	\$ 302,824	\$ -	\$ -	\$ 302,824	\$ -
Deferred pension and OPEB	151,664	45,638	24,515	221,817	-
	\$ 454,488	\$ 45,638	\$ 24,515	\$ 524,641	\$ -

	Enterprise Funds				Governmental Activities-
	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total	Internal Service Fund
Liabilities					
Current Liabilities:					
Accounts payable	\$ 986,224	\$ 369,428	\$ 412,562	\$ 1,768,214	\$ 65,574
Retainage payable	-	-	-	-	-
Accrued liabilities	86,784	24,167	14,669	125,620	15,535
Compensated absences	32,545	9,373	7,989	49,907	-
Due to other funds	507,728	276,262	404,846	1,188,836	2,010,230
Customer deposits payable	452,420	-	-	452,420	-
Matured notes payable	890,000	-	-	890,000	-
Matured interest payable	490,209	-	-	490,209	-
Capital lease payable	-	423,957	-	423,957	-
Bonds payable	915,000	-	-	915,000	-
Total current liabilities	4,360,910	1,103,187	840,066	6,304,163	2,091,339
Noncurrent Liabilities:					
Compensated Absences	292,901	84,360	71,898	449,159	-
Bonds payable	22,023,199	-	-	22,023,199	-
Capital lease payable	-	593,315	-	593,315	-
Other post employment benefits	402,582	150,841	70,575	623,998	-
Total noncurrent liabilities	22,718,682	828,516	142,473	23,689,671	-
Total liabilities	27,079,592	1,931,703	982,539	29,993,834	2,091,339
Deferred Inflows of Resources					
Deferred pension and OPEB	322,528	99,861	51,678	474,067	-
Net Position					
Net investment in capital assets	28,541,356	405,943	19,378,913	48,326,212	-
Restricted for debt service	-	-	-	-	-
Restricted for capital projects	5,766,083	-	-	5,766,083	-
Restricted for renewal and replacement	4,241,274	-	-	4,241,274	-
Unrestricted	15,919,042	311,181	11,246,337	27,476,560	4,640,308
Total net position	\$ 54,467,755	\$ 717,124	\$ 30,625,250	85,810,129	\$ 4,640,308

The assets and liabilities of certain internal service funds are not included in the fund financial statement, but are included in the business activities of the Statement of Net Position.

Total net position per government-wide financial statements

498,528
\$ 86,308,657

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City of Ocoee, Florida
Statement of Revenues, Expenses and Changes
in Fund Net Position - Proprietary Funds
For the Year Ended September 30, 2018

	Enterprise Funds				Governmental Activities-
	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total	Internal Service Funds
Operating Revenues:					
Charges for services	\$ 11,494,750	\$ 3,165,442	\$ 3,513,024	\$ 18,173,216	\$ 7,258,999
Total operating revenues	<u>11,494,750</u>	<u>3,165,442</u>	<u>3,513,024</u>	<u>18,173,216</u>	<u>7,258,999</u>
Operating Expenses:					
Salaries and benefits	3,010,795	1,093,167	574,244	4,678,206	-
Insurance claims and expenses	-	-	-	-	4,759,774
Materials and supplies	1,048,335	2,307,747	107,221	3,463,303	-
Depreciation and amortization	3,126,436	393,498	1,766,818	5,286,752	-
Other operating expenses	1,486,621	303,638	344,841	2,135,100	-
Total operating expenses	<u>8,672,187</u>	<u>4,098,050</u>	<u>2,793,124</u>	<u>15,563,361</u>	<u>4,759,774</u>
Operating income (loss)	<u>2,822,563</u>	<u>(932,608)</u>	<u>719,900</u>	<u>2,609,855</u>	<u>2,499,225</u>
Nonoperating Revenue (Expenses):					
Investment income (loss)	124,891	9,141	43,604	177,636	7,129
Interest expense	(853,323)	(18,508)	-	(871,831)	-
Grant revenue	70,885	54,981	3,544	129,410	-
Gain (loss) on disposal of capital assets	11,019	61,192	23,575	95,786	-
Total non-operating revenue (expenses)	<u>(646,528)</u>	<u>106,806</u>	<u>70,723</u>	<u>(468,999)</u>	<u>7,129</u>
Income before contributions and transfers	<u>2,176,035</u>	<u>(825,802)</u>	<u>790,623</u>	<u>2,140,856</u>	<u>2,506,354</u>
Capital Contributions:					
Connection fees	485,345	-	-	485,345	-
Developers and others	1,624,386	-	-	1,624,386	-
Transfers in	55,430	-	25,000	80,430	-
Transfers out	(507,729)	(276,263)	(404,847)	(1,188,839)	-
Change in net position	<u>3,833,467</u>	<u>(1,102,065)</u>	<u>410,776</u>	<u>3,142,178</u>	<u>2,506,354</u>
Total net position, beginning	50,436,843	1,745,167	30,179,875		2,133,954
Cummulative effect of change in accounting principle	197,445	74,022	34,599		-
Net position - beginning, as restated	<u>50,634,288</u>	<u>1,819,189</u>	<u>30,214,474</u>		<u>2,133,954</u>
Total net position, ending	<u>\$ 54,467,755</u>	<u>\$ 717,124</u>	<u>\$ 30,625,250</u>		<u>\$ 4,640,308</u>

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of certain internal service funds is reported with Business Activities.

259,768

Change in business-type activities in net position per government-wide financial statements

\$ 3,401,946

City of Ocoee, Florida
Statement of Cash Flow
Proprietary Funds
For The Year Ended September 30, 2018

	Enterprise Funds				Governmental Activities- Internal Service Fund
	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total	
Cash Flows from Operating Activities:					
Receipts from customers	\$ 11,846,654	\$ 3,140,430	\$ 3,630,115	\$ 18,617,199	\$ -
Receipts from internal services provided	-	-	-	-	7,258,388
Payments to suppliers	(1,788,866)	(1,995,106)	(60,305)	(3,844,277)	(5,076,340)
Payments to employees	(3,051,457)	(1,091,460)	(549,483)	(4,692,400)	-
Net cash provided (used) by operating activities	7,006,331	53,864	3,020,327	10,080,522	2,182,048
Cash Flows from Non-Capital Financing Activities:					
Transfers in	55,430	-	25,000	80,430	-
Transfers out	(507,729)	(276,263)	(404,847)	(1,188,839)	-
Decrease in due from other funds	(1,210,879)	(274,919)	(25,000)	(1,510,798)	368,957
Increase (decrease) in due to other funds	503,645	270,708	401,917	1,176,270	1,155,388
Net cash provided (used) by non-capital financing activities	(1,159,533)	(280,474)	(2,930)	(1,442,937)	1,524,345
Cash Flows from Capital and Related Financing Activities:					
Proceeds from sale of capital assets	21,019	79,192	23,575	123,786	-
Grant revenues	71,101	54,981	3,544	129,626	-
Acquisition of capital assets	(4,250,058)	(915,310)	(1,581,343)	(6,746,711)	-
Proceeds from capital leases	-	889,379	-	889,379	-
Principal paid on revenue bonds, notes and leases	-	(455,061)	-	(455,061)	-
Interest paid on revenue bonds, notes and leases	(490,355)	(18,508)	-	(508,863)	-
Connection fees	1,453,091	-	-	1,453,091	-
Net cash provided (used) by capital and related financing activities	(3,195,202)	(365,327)	(1,554,224)	(5,114,753)	-
Cash Flows from Investing Activities:					
Sale (Purchase) of investments	(609,727)	-	990,660	380,933	-
Investment income	124,891	9,141	43,604	177,636	7,129
Net cash provided (used) by investing activities	(484,836)	9,141	1,034,264	558,569	7,129
Net Increase (Decrease) in Cash and Cash Equivalents	2,166,760	(582,796)	2,497,437	4,081,401	3,713,522
Cash and cash equivalents, beginning	17,985,853	1,517,578	8,019,251	27,522,682	2,978,255
Cash and cash equivalents, end	\$ 20,152,613	\$ 934,782	\$ 10,516,688	\$ 31,604,083	\$ 6,691,777
Classified As:					
Cash and cash equivalents	\$ 12,454,272	\$ 934,782	\$ 10,516,688	\$ 23,905,742	\$ 6,691,777
Restricted cash and cash equivalents	7,698,341	-	-	7,698,341	-
Total	\$ 20,152,613	\$ 934,782	\$ 10,516,688	\$ 31,604,083	\$ 6,691,777

	Enterprise Funds				Governmental
	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total	Activities- Internal Service Fund
Reconciliation of Operating Income to Net Cash Provided by Operating Activities					
Operating income (loss)	\$ 2,822,563	\$ (932,608)	\$ 719,900	\$ 2,609,855	\$ 2,499,225
Adjustments Not Affecting Cash:					
Depreciation and amortization	3,126,436	393,498	1,766,818	5,286,752	-
Change in Assets and Liabilities:					
Decrease (increase) in accounts receivable	330,832	(5,604)	132,859	458,087	(611)
Decrease (Increase) in prepaid costs	2,123	257,123	42	259,288	-
Increase (decrease) in accounts payable	895,999	359,156	395,603	1,650,758	(321,945)
Increase (decrease) in accrued liabilities	42,963	10,147	8,338	61,448	5,379
Decrease in retainage payable	(152,032)	-	(3,888)	(155,920)	-
Increase in customer deposits	21,072	-	-	21,072	-
Increase (decrease) in compensated absences	(61,974)	(2,023)	20,477	(43,520)	-
Increase in due from other governments	-	(19,408)	(15,768)	(35,176)	-
Increase in deferred outflows	26,415	8,634	4,885	39,934	-
Increase in deferred inflows	108,594	36,312	20,021	164,927	-
Increase in net pension liability	(160,669)	(52,781)	(29,693)	(243,143)	-
Increase in OPEB obligation	4,009	1,418	733	6,160	-
Total adjustments	1,057,332	592,974	533,609	2,183,915	(317,177)
Net Cash Provided (Used) By Operating Activities	\$ 7,006,331	\$ 53,864	\$ 3,020,327	\$ 10,080,522	\$ 2,182,048
Noncash Capital and Financing Activities:					
Contributed assets	\$ 656,640	\$ -	\$ -	\$ 656,640	\$ -

City of Ocoee, Florida
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2018

	Total Employee Pension Funds
Assets:	
Cash and cash equivalents	\$ 3,451,116
Receivables:	
Employer contributions	-
Plan members contributions	-
Total receivables	<u>-</u>
Investments, at fair value:	
Common funds, equity	62,565,454
Common funds, bonds	22,297,142
Real estate investment trust	7,453,545
Total Investments	<u>92,316,141</u>
Total assets	<u>95,767,257</u>
Liabilities	
Accounts Payable	174,894
Total liabilities	<u>174,894</u>
Net Position:	
Restricted for pensions	<u>\$ 95,592,363</u>

City of Ocoee
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2018

	<u>Total Employee Pension Funds</u>
Additions:	
Contributions:	
Employer	\$ 3,269,664
Plan members	1,281,824
State	<u>636,589</u>
Total contributions	<u>5,188,077</u>
Investment income:	
Interest	2,264,850
Net appreciation (loss) on fair value of investments	<u>5,589,313</u>
Net investment income (loss)	<u>7,854,163</u>
Total additions	<u>13,042,240</u>
Deductions:	
Benefits	4,479,407
Administrative expenses	<u>687,601</u>
Total deductions	<u>5,167,008</u>
Change in net position	7,875,232
Net position, beginning	<u>87,717,131</u>
Net position, ending	<u>\$ 95,592,363</u>

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Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Ocoee, Florida ("the City") is a political subdivision of the state of Florida located in Orange County, and was established by the Laws of Florida 10951 (1925). The legislative branch of the City is comprised of a five-member elected Commission, which is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy; the execution of such policy is the responsibility of the City Manager appointed by the Commission.

In evaluating how to define the government, for financial reporting purposes, the City has considered all potential component units. The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body, and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organizations' resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization. Additionally, the primary government has operational responsibility for the component unit. In applying the above criteria, the City has one blended component unit as follows:

The City of Ocoee created the Community Redevelopment Agency (CRA) in May of 2006. This is a dependent taxing district established in accordance with Chapter 163, Part III, Florida Statutes. Notification to affected taxing agency was done in compliance with Chapter 163.346, Part III, Florida Statutes. The incremental annual increase in tax over the base years will be used to fund projects designed to enhance and improve the described area. The purpose of the CRA is to utilize appropriate private and public resources to eliminate and prevent the development or spread of slum and blighted private areas in designated areas within the City. Areas within the CRA are to be redeveloped as an economically sustainable and attractive mixed-use area offering a high quality local destination in a manner that promotes a positive image for the City.

The Ocoee Community Redevelopment Plan was adopted in Resolution No. 2006-007 by Ocoee City Commission to govern the use of these resources. The CRA is governed by a board of seven - the five members of the Ocoee City Commission and two individuals appointed by the City Commission. One of the appointed individuals is nominated by Orange County. The adoption of Ordinance No. 2006-012 established the Redevelopment Trust Fund to account for all transactions generated by activity in the CRA. The Community Redevelopment Agency serves to renew economic interest and improve commercial diversity and viability to Ocoee's redevelopment area known as 50 West and includes the Stat Road 50 corridor and surrounding area. The City approves the budget, provides funding and performs all accounting functions for the CRA. The CRA's services are provided exclusively to the City. Separate financial statements are not issued for the CRA; they are included on pages 17-20.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements; however, interfund services provided and used are not eliminated. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The government reports the following funds:

Major Governmental Funds

General Fund - the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Road Impact Special Revenue Fund - accounts for road impact fees collected from new developments which are restricted for use for planning, acquisition, expansion and development of improvements to the road system.

Community Redevelopment Agency Special Revenue Fund - was established as a dependent taxing district. The incremental annual increase in tax over the base years will be used to fund projects designed to enhance and improve the described area.

2017 Capital Projects Fund - accounts for the resources to finance the Capital Improvements to the downtown area of the City. Some of the planned projects are City Hall Relocation, Bluford Avenue Reconstruction, Lakeshore Center Expansion, Lakefront Park Improvements, and the reconstruction of various downtown streets.

Nonmajor Governmental Funds

Special Revenue Funds - account for specific revenue sources that are legally restricted or committed to expenditures for specific purposes other than debt service or capital projects.

Debt Service Funds - account for the accumulation of resources for the payment of principal and interest on certain long-term debt.

Capital Projects Funds - account for financial resources segregated for the acquisition or construction of major capital facilities.

Major Proprietary Funds

Water and Wastewater Utility Fund - used to account for the operations of the City's water and wastewater systems, which are financed in a manner similar to private business enterprises, where the costs, including depreciation, of providing services to the general public on an ongoing basis are financed primarily through user charges.

Stormwater Utility Fund - accounts for the operation and maintenance of the City's stormwater system and payment of related debt.

Solid Waste Utility Fund - accounts for the operation and maintenance of the City's solid waste collection and disposal system.

Other Fund Types

Pension Trust Funds - account for activities of police officers, firefighters and general employees' retirement plans which accumulate resources for pension benefit payments to qualified employees.

Internal Services Fund - accounts for insurance activities of the City.

- As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are other charges between the City's water and wastewater function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's Water and Wastewater Utility, Solid Waste, and Stormwater Utility funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The City implemented Governmental Accounting Standards Board (GASB) Statement No. 40, Deposit and Investment Risk Disclosure, for fiscal year 2006. The effect of this statement is the inclusion of new disclosures for deposit and investment risk.

Investments of the City are reported at fair value within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, except for the position in the Florida State Board of Administration's Investment Pool (LGIP). In accordance with state law, the LGIP operates in conformity with all the requirements of the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, the LGIP's qualify as 2a7-like pools and are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. The Florida State Board of Administration is subject to regulatory oversight by the State of Florida, although it is not registered with the SEC. The City's investments consist of investments authorized per the investment policy adopted in accordance with Section 218.415, Florida Statutes.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a non-spendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

All receivables are shown net of an allowance for uncollectibles. The County bills and collects property taxes and remits them to the City. City property tax revenues are recognized when levied to the extent that they result in current receivables.

All property is reassessed according to its fair value on the lien date, or January 1 of each year. Taxes are levied on October 1 of each year. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March are without discount. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. On or around May 31 following the tax year, certificates are sold for all delinquent taxes on real property.

Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These are recorded as expenditures when consumed rather than when purchased.

Restricted assets

Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. Assets so designated are identified as restricted assets on the balance sheet.

Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Total interest expense incurred by business-type activities during the current year was \$871,831. There was no interest capitalized in enterprise fund capital assets in 2018.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant, and equipment of the City are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	10-30
Improvements	20-40
Infrastructure	30-50
Intangible Assets	5-10
Equipment	5-10

Compensated absences

It is the City's policy to permit employees to accumulate earned but unused personal leave benefits. Since the City's policy is to pay accumulated personal leave when employees separate from service, all personal leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. For governmental funds, compensated absences, other post-employment benefits and net pension liability are generally liquidated by the General Fund.

Long-term obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. The deferred charge on refunding and deferred outflows of pension earnings reported in the enterprise and government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item that qualifies for reporting in this category, deferred inflows of pension investment earnings.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net position flow assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund balance flow assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted first before using any of the components of unrestricted fund balance. Further when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Commission is the highest level of decision making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classifications are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The Commission has the responsibility for assigning fund balance. The commission may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New GASB Statements Implemented

In fiscal year 2018, the City implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This Statement replaces the requirements of Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB. Due to the implementation of GASB Statement No. 75, beginning net position of governmental activities, water & wastewater fund, solid waste fund and stormwater fund have been increased as follows:

	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total Proprietary Funds
Net Position, October 1, 2017, previously stated	\$ 50,436,843	\$ 1,745,167	\$ 30,179,875	\$ 82,361,885
Restatement of Net Position Due to Implementation of GASB 75	197,445	74,022	34,599	306,066
Net Position, October 1, 2017, restated	<u>\$ 50,634,288</u>	<u>\$ 1,819,189</u>	<u>\$ 30,214,474</u>	<u>\$ 82,667,951</u>

	Governmental Activities	Business-type Activities	Total
Net Position, October 1, 2017, previously stated	\$ 106,329,278	\$ 82,600,645	\$ 188,929,923
Restatement of Net Position Due to Implementation of GASB 75	1,357,334	306,066	1,663,400
Net Position, October 1, 2017, restated	<u>\$ 107,686,612</u>	<u>\$ 82,906,711</u>	<u>\$ 190,593,323</u>

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NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net position- governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this difference are as follows:

Notes Payable	\$ 4,212,000
Bonds Payable	38,070,000
Premium on Bonds Payable	2,994,949
Capital Leases Payable	1,318,739
Other Post Employment Benefits	2,768,731
Compensated Absences	2,043,833
Net Pension Liability	5,762,992
Net Pension Asset	(198,437)
Accrued Interest Payable	18,524
Net Adjustment to Reduce Fund Balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 56,991,331</u>

Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital Outlay	\$ 9,852,390
Depreciation Expense	<u>(5,310,486)</u>
Net Adjustment to Decrease Net Changes in Fund Balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 4,541,904</u>

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NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Another element of that reconciliation states "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this difference are as follows:

Debt Issued or Incurred:	
Capital leases	\$ (579,986)
Principal Repayment	2,240,809
Net Adjustment to Increase Net Changes in Fund Balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,660,823</u>

Another element of that reconciliation states "Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this difference are as follows:

Compensated Absences	\$ 14,832
Other Post Employment Benefits	(197,796)
Accrued Interest Payable	(11,016)
Amortization of Premium	104,780
Net Adjustment to Decrease Net Changes in Fund Balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (89,200)</u>

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NOTE 3 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General, Community Redevelopment Agency Special Revenue Fund, Impact Fee Special Revenue and Enterprise Funds, except as described below under Budget Basis of Accounting. All annual appropriations lapse at fiscal year end. The City follows these procedures set forth below in establishing the budgetary data reflected in the financial statements.

1. Prior to August 1st, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1st. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayers comments.
3. On or before September 30th of each year, public hearings are completed and the Commission adopts the final budget and establishes the ad valorem tax millage.
4. The City cannot legally exceed the budget; however, the City Manager is authorized to transfer budgeted amounts within departments within any fund. The City Commission must approve revisions that alter the total expenditures of any department. The legal level of budgetary control is the department level.
5. Budgetary comparisons are not presented for Enterprise Funds since not required under generally accepted accounting principles.

NOTE 4 BUDGET BASIS OF ACCOUNTING

The General Fund, Community Redevelopment Agency Special Revenue Fund and Impact Fee Special Revenue Fund budgets are prepared on a budgetary basis, whereby encumbrances are treated as budgeted expenditures in the year of incurrence of the commitment to purchase. In addition, the City includes a portion of the prior year's fund balance represented by unappropriated liquid assets remaining in the fund as budgeted revenue in the succeeding year. The results of operations on a GAAP basis do not recognize the fund balance allocation as revenue as it represents prior periods' excess of revenues over expenditures. Also, the City does not budget for capital outlay expenditures and other financing sources related to the acquisition of assets through capital leases. The City does not budget for the state pension contributions that must be recorded as intergovernmental revenue and public safety expenditures in the General Fund GAAP financial statements.

The City also does not budget for Recreation Programs, Founders Day, Police Fundraiser, Community Events, and Fire Fully Involved, which are consolidated in the General Fund for GAAP purposes, however not included in the budgetary basis of the General Fund.

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NOTE 4 BUDGET BASIS OF ACCOUNTING (CONTINUED)

For the 2018 fiscal year, the following adjustments were necessary to convert General Fund expenditures on the GAAP basis to the budgetary basis:

	<u>Expenditures</u>	<u>Revenues</u>	<u>Other Financing Sources (Uses)</u>
General Fund:			
GAAP Basis	\$ 39,451,486	\$ 39,558,007	\$ 1,510,571
Nonbudgeted State Pension Amounts	636,589	636,589	-
Nonbudgeted Capital Lease Transactions	(579,986)	-	(579,986)
Nonbudgeted Recreation Programs	(46,027)	(41,731)	-
Nonbudgeted Founders Day	(438,235)	(620,627)	-
Nonbudgeted Police Fundraiser	(15,786)	(12,086)	-
Nonbudgeted Community Events	(20,273)	(12,870)	-
Nonbudgeted Fire Fully Involved	(500)	(13)	-
Budgetary Basis	<u>\$ 38,987,268</u>	<u>\$ 39,507,269</u>	<u>\$ 930,585</u>

NOTE 5 DEPOSITS AND INVESTMENTS

Deposits

At year-end, the carrying amount of the City's deposits was \$84,599,465 and the bank balance was \$87,887,948. Cash on hand of \$1,180 and Cash with Fiscal Agent of \$3,326,685 are not on deposit with a financial institution. Fiduciary cash of \$2,577,685 held by the pension funds is not in the City's bank accounts. All bank deposits were covered by Federal Depository Insurance or held in banks that are members of the State of Florida's Collateral Pool as specified under Florida law. This limits local government deposits to "authorized depositories." The State of Florida Collateral Pool is a multiple financial institution pool with the ability to assess its members for collateral shortfalls if a member institution fails. For this reason, the City considers its deposits insured or collateralized.

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NOTE 5 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

The City's investment policy is governed by State Statutes and City ordinances. The investment policy does not apply to the City's Pension Funds and funds related to the issuance of debt where there are other existing policies or indentures in effect. City ordinance allows investments in any financial institution that is a qualified public depository of the State of Florida as identified by the State Treasurer, in accordance with chapter 280 of the Florida Statutes. Authorized investments are:

1. State Board of Administration Local Government Investment Pool (SBA);
2. Registered investment companies (money market mutual funds);
3. Money Market funds and Certificates of Deposit in state-certified qualified public depositories;
4. U.S. Government Agency Securities and U.S. Treasury Bills, Notes and Bonds;
5. Repurchase agreements

The SBA is not a registrant with the Securities and Exchange Commission (SEC); however, the State of Florida does provide regulatory oversight. The Board has adopted operating procedures consistent with the requirements for a 2a-7 fund for the Florida Prime Fund; therefore, the pool account balance can be used as fair value for the financial reporting.

Investments made by the City of Ocoee at September 30, 2018 are summarized below. Defined benefit pension plan investments, other than \$62,565,454 in mutual funds investing in equity securities, are included below.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity (Years)</u>
Florida Prime	\$ 246,933	AAAm	33 days
Certificates of Deposit	3,408,725	Not rated	1.35 years
Money Market	1,103,811	Not rated	N/A
Florida Investment Trust	19,164,530	AA+	120 days
Pension Plan Investments:			
Fixed Income Securities	222,971,742	A-AAA	8.1 years
Real Estate and Misc. Assets	7,453,545	Not Rated	
	<u>\$ 254,349,286</u>		

NOTE 5 DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk

The City's investment policy limits credit risk by restricting authorized investments to those described above. The policy requires that investments in U.S. Government Agency Securities be guaranteed by the full faith of the U.S. Government. Also, term repurchase agreements must be collateralized by U.S. Treasury securities and overnight (sweep) repurchase agreements must be collateralized by the full faith or general faith and credit obligations of the U.S. Government or U.S. Government Agency Securities. Securities of registered investment companies must be limited to U.S. Government obligations and to repurchase agreements fully collateralized by such U.S. Government obligations.

Custodial Credit Risk

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires that bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2018, all of the City's bank deposits were in qualified public depositories.

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments of collateral securities that are in the possession of an outside party. At September 30, 2018, none of the investments listed are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Concentration of Credit Risk

The policy has no limitations on portfolio composition.

Interest Rate Risk

The policy limits investment in U.S. Government Agency Securities, Treasury Bills, Notes and Bonds to a maximum maturity of five years. The maximum length to maturity for Certificates of Deposit is three years.

Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The City uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. GASB 72, Fair Value Measurement and Application provides guidance for determining fair value of investments for financial reporting purposes. It has a 3 level hierarchy based on the valuation inputs used to measure the assets fair value. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active, such as the net asset value of a fund portfolio, whereby the underlying assets are valued based on quoted prices or market-corroborated inputs. Level 3 is the least reliable, and uses significant unobservable inputs that uses the best information available under the circumstances, which includes the City's own data in measuring unobservable inputs.

NOTE 5 DEPOSITS AND INVESTMENTS (CONTINUED)

The City has the following recurring fair value measurements as of September 30, 2018:

	9/30/2018	Fair Value Measurements Using		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
General Investments				
Florida Investment Trust	\$ 19,164,530	\$ -	\$ 19,164,530	\$ -
General Employees' Pension				
Equities				
Common stock	\$ 7,986,010	\$ 7,688,687	\$ 297,323	\$ -
Mutual funds	19,394,200	19,394,200	-	-
Unit investment trusts	3,460,294	-	-	3,460,294
Fixed Income				
Mutual funds	1,656,499	-	1,656,499	-
Asset backed securities	2,437,698	-	2,437,698	-
Collateralized mortgage obligations	270,427	-	270,427	-
US government bonds	722,092	-	722,092	-
Corporate bonds	3,456,818	-	3,456,818	-
Foreign bonds	561,339	-	561,339	-
Total	\$ 39,945,377	\$ 27,082,887	\$ 9,402,196	\$ 3,460,294
Police Officers' and Firefighters' Pension				
Equities				
Common stock	\$ 15,147,724	\$ 15,147,724	\$ -	\$ -
Mutual funds	20,037,520	20,037,520	-	-
Unit investment trusts	3,993,251	-	-	3,993,251
Fixed Income				
Mutual funds	2,042,706	-	2,042,706	-
US government bonds	7,054,336	-	7,054,336	-
Corporate bonds	4,095,227	-	4,095,227	-
Total	\$ 52,370,764	\$ 35,185,244	\$ 13,192,269	\$ 3,993,251

NOTE 6 RECEIVABLES

Receivables as of year end for the City's individual major funds and nonmajor and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>Accounts Receivable</u>	<u>Less Allowance for Uncollectible Accounts</u>	<u>Total</u>
General fund	\$ 565,810	\$ (135,000)	\$ 430,810
Road impact	8	-	8
Water and wastewater utility fund	1,615,024	(125,932)	1,489,092
Solid waste fund	29,619	(1,681)	27,938
Stormwater fund	23,287	(1,556)	21,731
Internal service fund	39,870	-	39,870
Other governmental funds	9,654	-	9,654
Total	<u>\$ 2,283,272</u>	<u>\$ (264,169)</u>	<u>\$ 2,019,103</u>

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NOTE 7 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 23,334,994	\$ -	\$ -	\$ 23,334,994
Construction in progress	2,575,866	7,121,685	(395,381)	9,302,170
Total capital assets, not being depreciated	<u>25,910,860</u>	<u>7,121,685</u>	<u>(395,381)</u>	<u>32,637,164</u>
Capital assets, being depreciated:				
Buildings	19,511,272	-	-	19,511,272
Improvements	22,047,009	450,021	-	22,497,030
Machinery and equipment	14,573,188	2,274,893	(542,379)	16,305,702
Intangibles	874,393	14,996	-	889,389
Infrastructure	95,397,769	386,176	-	95,783,945
Total capital assets, being depreciated	<u>152,403,631</u>	<u>3,126,086</u>	<u>(542,379)</u>	<u>154,987,338</u>
Less accumulated depreciation for:				
Buildings	(6,519,424)	(557,774)	-	(7,077,198)
Improvements	(8,163,932)	(1,391,081)	-	(9,555,013)
Machinery and equipment	(10,213,934)	(1,204,741)	511,729	(10,906,946)
Intangibles	(672,302)	(55,704)	-	(728,006)
Infrastructure	(40,705,015)	(2,101,186)	-	(42,806,201)
Total accumulated depreciation	<u>(66,274,607)</u>	<u>(5,310,486)</u>	<u>511,729</u>	<u>(71,073,364)</u>
Total capital assets, being depreciated, net	<u>86,129,024</u>	<u>(2,184,400)</u>	<u>(30,650)</u>	<u>83,913,974</u>
Governmental activities capital assets, net	<u>\$ 112,039,884</u>	<u>\$ 4,937,285</u>	<u>\$ (426,031)</u>	<u>\$ 116,551,138</u>

NOTE 7 CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 5,043,409	\$ 123,997	\$ (10,000)	\$ 5,157,406
Construction in progress	18,360,365	4,554,991	(707,188)	22,208,168
Total capital assets, not being depreciated	<u>23,403,774</u>	<u>4,678,988</u>	<u>(717,188)</u>	<u>27,365,574</u>
Capital assets, being depreciated:				
Buildings	20,220,421	-	-	20,220,421
Improvements	102,404,053	1,812,810	-	104,216,863
Machinery and equipment	8,632,707	1,618,741	(458,078)	9,793,370
Intangibles	199,704	-	-	199,704
Total capital assets, being depreciated	<u>131,456,885</u>	<u>3,431,551</u>	<u>(458,078)</u>	<u>134,430,358</u>
Less accumulated depreciation for:				
Buildings	(13,405,297)	(534,436)	-	(13,939,733)
Improvements	(67,206,172)	(3,878,540)	-	(71,084,712)
Machinery and equipment	(6,502,268)	(864,690)	440,078	(6,926,880)
Intangibles	(183,601)	(9,086)	-	(192,687)
Total accumulated depreciation	<u>(87,297,338)</u>	<u>(5,286,752)</u>	<u>440,078</u>	<u>(92,144,012)</u>
Total capital assets, being depreciated, net	<u>44,159,547</u>	<u>(1,855,201)</u>	<u>(18,000)</u>	<u>42,286,346</u>
Business-type activities capital assets, net	<u>\$ 67,563,321</u>	<u>\$ 2,823,787</u>	<u>\$ (735,188)</u>	<u>\$ 69,651,920</u>

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NOTE 7 CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General government	\$ 803,180
Public safety	1,223,444
Physical environment	2,746,127
Culture and recreation	537,735
Total depreciation expense, governmental activities	\$ 5,310,486
Business-type Activities:	
Water and wastewater	\$ 3,126,436
Solid waste	393,498
Stormwater	1,766,818
Total depreciation expense, business-type activities	\$ 5,286,752

NOTE 8 LEASES

Capital Leases

The City has entered into lease agreements as lessee for financing the acquisition of vehicles, trucks, data processing, communications and office equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Assets		
Machinery & equipment	\$ 2,625,300	\$ 1,795,680
Less: Accumulated depreciation	(631,991)	(573,012)
Total	\$ 1,993,309	\$ 1,222,668

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NOTE 8 LEASES (CONTINUED)

Amortization of equipment leased and capital leases is included in depreciation expense. The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2018 were as follows:

<u>Year Ending September 30</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2019	\$ 692,120	\$ 441,862
2020	453,901	325,726
2021	200,282	227,941
2022	6,523	54,262
Total Minimum Lease Payments	1,352,826	1,049,791
Less: Amount representing interest	(34,087)	(32,519)
	<u><u>\$ 1,318,739</u></u>	<u><u>\$ 1,017,272</u></u>

NOTE 9 LONG-TERM DEBT

Notes Payable

The Governmental Activities Notes payable are secured by a covenant to budget and appropriate, not a pledge of specific revenues.

The City has notes payable for governmental. Outstanding notes payable at year end are as follows:

Governmental Activities

Capital Improvement Note, Series 2009 - payable in annual principal installments start 10/1/10 through 10/1/2024 and interest paid semi-annually at a variable rate equal to 67% of the sum of LIBOR plus 2.6%, with a floor of 2.1%	\$ 2,405,000
Non-Ad Valorem Refunding Revenue Note, Series 2012 - payable in annual principal installments start 2/1/2013 through 2/1/2023 and interest paid semi-annually at 2.10%	1,807,000
	<u><u>\$ 4,212,000</u></u>

Annual debt service requirements to maturity for notes payable are as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2019	\$ 706,000	\$ 84,819
2020	729,000	69,909
2021	751,000	54,527
2022	778,000	38,682
2023	803,000	22,239
2024 - 2028	445,000	9,345
	<u><u>\$ 4,212,000</u></u>	<u><u>\$ 279,521</u></u>

NOTE 9 LONG-TERM DEBT (CONTINUED)

Bonds Payable

The 2016 Water and Sewer System Refunding Revenue Bonds are secured by net revenue of the water and sewer system. Total principal and interest remaining to be paid is \$29,286,888. For the fiscal year, principal and interest paid on this series was \$1,870,419 and total pledged revenue was \$3,432,799.

The 2017 Capital Improvement Revenue and Refunding Bonds are secured the half cent sales tax revenues, public services tax revenues, and the communications services tax revenues. Total principal and interest paid on this series was \$2,375,138 and total pledged revenue was \$11,685,595.

The City has bonds payable for both governmental and business-type activities. Outstanding bonds payable at year end are as follows:

Governmental Activities

Capital Improvement Revenue and Refunding Bonds, Series 2017 - payable in annual principal installments through 10/1/2046 and interest paid semi-annually at rates from 3.00% to 5.00% \$ 38,070,000

Business-Type Activities

Water and Sewer System Revenue and Refunding Bonds, Series 2016 - payable in annual principal installments through 10/1/2036 and interest paid semi-annually at rates from 2.00% to 5.00% \$ 20,185,000

Annual debt service requirements to maturity for notes payable are as follows:

Year Ending September 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2019	\$ 685,000	\$ 1,685,038	\$ 915,000	\$ 953,719
2020	710,000	1,657,638	945,000	926,269
2021	745,000	1,629,238	980,000	888,469
2022	770,000	1,599,438	1,015,000	849,269
2023	810,000	1,560,938	1,075,000	798,519
2024 - 2028	4,695,000	7,155,938	6,145,000	3,135,344
2029 - 2033	5,980,000	5,859,938	7,760,000	1,449,594
2034 - 2038	7,640,000	4,206,438	1,350,000	100,706
2039 - 2043	9,425,000	2,424,938	-	-
2044 - 2047	6,610,000	502,125	-	-
	<u>\$ 38,070,000</u>	<u>\$ 28,281,667</u>	<u>\$ 20,185,000</u>	<u>\$ 9,101,889</u>

NOTE 9 LONG-TERM DEBT (CONTINUED)

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2018 was as follows:

	Beginning Balance, as restated	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Capital improvement notes payable	\$ 4,890,000	\$ -	\$ (678,000)	\$ 4,212,000	\$ 706,000
Bonds Payable	38,740,000	-	(670,000)	38,070,000	685,000
Premium on bonds issued	3,099,729	-	(104,780)	2,994,949	-
Capital lease	1,631,562	579,986	(892,809)	1,318,739	775,883
Compensated absences	2,058,665	191,068	(205,900)	2,043,833	204,400
Net pension liability	6,668,019	-	(905,027)	5,762,992	-
Other post employment benefits	2,739,986	28,745	-	2,768,731	-
Governmental activity long-term liabilities	\$ 59,827,961	\$ 799,799	\$ (3,456,516)	\$ 57,171,244	\$ 2,371,283
Business-type Activities:					
Bonds payable	\$ 21,075,000	\$ -	\$ (890,000)	\$ 20,185,000	\$ 915,000
Premium on bonds issued	2,906,154	-	(152,955)	2,753,199	-
Capital lease	1,059,395	412,938	(455,845)	1,016,488	423,957
Compensated absences	542,586	10,739	(54,259)	499,066	49,907
Net pension liability	158,102	-	(158,102)	-	-
Other post employment benefits	617,838	6,160	-	623,998	-
Business-type activity long-term liabilities	\$ 26,359,075	\$ 429,837	\$ (1,711,161)	\$ 25,077,751	\$ 1,388,864

For governmental funds, compensated absences, other post-employment benefits and net pension liability are generally liquidated by the General Fund.

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NOTE 10 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2018 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Community Redevelopment Agency	General Fund	\$ 577
Nonmajor Governmental	General Fund	2,342,393
General Fund	Community Redevelopment Agency	147,152
General Fund	Water and Wastewater Fund	507,728
General Fund	Solid Waste Fund	251,262
General Fund	Stormwater Fund	349,416
General Fund	Internal Service Fund	200,000
General Fund	Nonmajor Governmental	696,173
Road Impact	Internal Service Fund	350,000
2017 Capital Projects Fund	General Fund	421
Water and Wastewater Fund	General Fund	61
Water and Wastewater Fund	Stormwater Fund	55,430
Water and Wastewater Fund	Internal Service Fund	1,155,388
Solid Waste Fund	General Fund	274,919
Stormwater Fund	Solid Waste Fund	25,000
Stormwater Fund	Internal Service Fund	304,842
Total		\$ 6,660,762

Interfund balances represent reimbursements for a portion of salaries, purchases paid from an incorrect funds and transfer for debt service payment.

Interfund transfers for the year ended September 30, 2018 consisted of the following:

	<u>Transfers In</u>				<u>Total</u>
	<u>General Fund</u>	<u>Water and Wastewater Fund</u>	<u>Stormwater Fund</u>	<u>Nonmajor Governmental</u>	
Transfer Out:					
General fund	\$ -	\$ -	\$ -	\$ 4,155,214	\$ 4,155,214
Community redevelopment agency	147,006	-	-	-	147,006
Water and wastewater fund	507,729	-	-	-	507,729
Solid waste fund	251,263	-	25,000	-	276,263
Stormwater fund	349,417	55,430	-	-	404,847
Nonmajor governmental	68,637	-	-	-	68,637
Total	\$ 1,324,052	\$ 55,430	\$ 25,000	\$ 4,155,214	\$ 5,559,696

Transfers are used to move revenues from the fund that statute or budget requires collecting them to the fund that they are required to be expended from. Transfers are also used to a) accumulate required interest and principal debt payments for timely remittance, b) move administrative fees from the enterprise funds to the general fund, and c) move funds for purchases of computers based upon a replacement schedule.

NOTE 11 RETIREMENT PLANS

Defined Benefit Plan and Trust

The City maintains two separate single-employer defined benefit pension plans for police officers and firefighters and all other full-time employees who are included as part of the City's reporting entity in Pension Trust Funds. The plans do not issue stand-alone financial reports. Each plan provides retirement and death benefits to plan members and beneficiaries. In addition, the police and firefighters plan provides disability benefits to Plan members. Florida Statutes, Chapter 175 and 185 establish minimum benefit provisions. The City of Ocoee Commission appoints two boards of trustees, two trustees are elected by the employees and a fifth member is selected by the four trustees to administer the pension trust funds. This board of trustees may not amend any provisions of the pension plan without the approval of the City Commission.

Contributions from the State received under Florida State Statutes 175 and 185 amounted to \$636,589 in 2018 and were recorded as revenue and expenditures in the general fund. The amounts legally required at September 30, 2018 to be reserved for general employees and police and fire pension funds are \$40,785,441 and \$54,806,922 respectively.

Summary of Significant Accounting Principles

The Plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. All Plan investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments without an established market are reported at estimated fair value.

Individual Pension Fund Statements

The pension plans do not issue stand-alone financial reports. Individual statements of net position and changes in pension fund net position for the two pension plans included in the City of Ocoee fiduciary funds are as follows:

**Individual Statements of Fiduciary Net Position
September 30, 2018**

	<u>General Employees Pension</u>	<u>Police and Fire Pension</u>
Assets:		
Cash and cash equivalents	\$ 900,863	\$ 2,550,253
Investments, at fair value:		
Common funds - equity	27,380,210	35,185,244
Real estate investment trust	3,460,294	3,993,251
Common funds - bonds	9,104,873	13,192,269
Total Investments	<u>39,945,377</u>	<u>52,370,764</u>
Total assets	<u>40,846,240</u>	<u>54,921,017</u>
Liabilities:		
Accounts Payable	60,799	114,095
Total liabilities	<u>60,799</u>	<u>114,095</u>
Net Position:		
Restricted for pensions	<u>\$ 40,785,441</u>	<u>\$ 54,806,922</u>

NOTE 11 RETIREMENT PLANS (CONTINUED)

**Individual Statements of Changes in Fiduciary Net Position
For the Year Ended September 30, 2018**

	<u>General Employees Pension</u>	<u>Police and Fire Pension</u>
Additions:		
Contributions:		
Employer	\$ 972,371	\$ 2,297,293
Plan members	664,833	616,991
State	-	636,589
Total contributions	<u>1,637,204</u>	<u>3,550,873</u>
Investment income:		
Interest	881,138	1,383,712
Net appreciation on fair value of investments	2,924,609	2,664,704
Net investment income	<u>3,805,747</u>	<u>4,048,416</u>
Total additions	<u>5,442,951</u>	<u>7,599,289</u>
Deductions:		
Benefits	1,669,331	2,810,076
Administrative expenses	245,499	442,102
Total deductions	<u>1,914,830</u>	<u>3,252,178</u>
Change in net position	3,528,121	4,347,111
Net position, beginning	37,257,320	50,459,811
Net position, ending	<u>\$ 40,785,441</u>	<u>\$ 54,806,922</u>

General Employees' Pension

Summary of Significant Accounting Policies

Method used to value investments - Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Plan Description

Plan Administration - the General Employees' Pension is administered by a Board of Trustees comprised of two City Commission appointees, two members of the Plan elected by the membership, and a fifth member elected by the other four members, and appointed by City Commission.

Plan Membership - At September 30, 2018 plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	97
Inactive plan members entitled to but not yet receiving benefits	75
Active plan members	192
	<u>364</u>

NOTE 11 RETIREMENT PLANS (CONTINUED)

Benefits Provided - The plan provides retirement, termination and death benefits.

Normal Retirement - Date: Attainment of Age 60. The Mayor and Commissioners have a 9 year Credited Service requirement in addition to the attainment of Age 60. Members (excluding the Mayor and Commissioners) hired after September 17, 2012, achieve normal retirement eligibility upon the attainment of age 62, with the completion of 7 years of credited service

Benefit: 3% of average final compensation for each year of credited service, limited to 81% of average final compensation. For members (including Mayor and Commissioners) hired or elected after September 17, 2012, the benefit is 2.25% of average final compensation for each year of credited service, limited to 70% of average final compensation.

Early Retirement - Eligibility: Age 50 and 5 years of credited service. The Mayor and Commissioners have a 9 year service requirement. Members (excluding the Mayor and Commissioners) hired after September 17, 2012, achieve early retirement eligibility upon the attainment of age 50 with the completion of 7 years of credited service. Accrued benefits are actuarially reduced.

Vesting - Members are 100% vested after 5 years of credited service. The Mayor and Commissioners have a 9 year requirement for vesting eligibility. Members (excluding the Mayor and Commissioners) hired after September 17, 2012 achieve 100% vesting eligibility upon the completion of 7 years of credited service. Members will receive the vested portion of their accrued benefit payable at the otherwise early (reduced) or normal (unreduced) retirement date.

Pre-Retirement Death Benefits - Vested: monthly accrued benefit payable to designated beneficiary for 10 years. *Nonvested:* refund of accumulated contributions without interest.

Contributions - Member contributions are 7.4% of salary. The Mayor and Commissioners are non-contributory participants. City contributions are the remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, over 30 years.

Net Pension Liability - The City's net pension liability was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined as of that date. The components of the net pension liability on September 30, 2018 were as follows:

Total pension liability	\$ 40,494,661
Plan fiduciary net position	(40,778,139) *
Sponsor's net pension liability	<u>\$ (283,478)</u>
Plan fiduciary net position as a percentage of Total pension liability	100.70%

* includes accrued investment income net of prepaid city contributions not included in the fund.

NOTE 11 RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of October 1, 2017 updated to September 30, 2018 using the following actuarial assumptions:

Inflation	2.50%
Salary increases	4% - 5%
Discount rate	7.75%
Investment rate of return	7.75%

Mortality rates were based on the RP2000 Fully Generational with Scale BB, with white collar and annuitant adjustments for healthy lives. Mortality rates for disabled lives were based on the RP2000 without projection.

The actuarial assumptions used in the October 1, 2017 valuation were based on the results of an actuarial experience study performed on July 25, 2014.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic equity	45.0%	7.50%
International equity	15.0%	8.50%
Broad market fixed income	25.0%	2.50%
Global fixed income	5.0%	3.50%
Real estate	10.0%	4.50%
Total	<u>100.0%</u>	

Discount rate - The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 11 RETIREMENT PLANS (CONTINUED)

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at September 30, 2017	\$ 37,823,982	\$ 37,268,072	\$ 555,910
Changes for a Year:			
Service Cost	1,211,261	-	1,211,261
Interest	2,960,746	-	2,960,746
Differences between expected and actual experience	162,806	-	162,806
Contributions-employer	-	972,370	(972,370)
Contributions-employee	-	664,834	(664,834)
Net investment income	-	3,637,465	(3,637,465)
Benefit payments, including refunds of employee contributions	(1,664,134)	(1,664,134)	-
Administrative Expense	-	(100,468)	100,468
Net Changes	<u>2,670,679</u>	<u>3,510,067</u>	<u>(839,388)</u>
Balances at September 30, 2018	<u>\$ 40,494,661</u>	<u>\$ 40,778,139</u>	<u>\$ (283,478)</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

	1% Decrease	Current Discount Rate	1% Increase
	6.75%	7.75%	8.75%
Net pension liability	\$ 4,337,533	\$ (283,478)	\$ (4,177,767)

Deferred outflows and inflows of resources

For the year ended September 30, 2018, the City will recognize a pension expense of \$715,153. On September 30, 2018 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 200,316	\$ 285,747
Changes of assumptions	484,516	-
Net difference between projected and actual earnings on pension plan investments	-	1,149,954
	<u>\$ 684,832</u>	<u>\$ 1,435,701</u>

NOTE 11 RETIREMENT PLANS (CONTINUED)

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:		
2019	\$	52,869
2020		(237,163)
2021		(448,311)
2022		(118,264)
2023		-
Thereafter		-

Concentrations - The Plan did not hold investments in any one organization that represents 5 percent or more of the Pension Plan's fiduciary net position.

Rate of return - For the year ended September 30, 2018 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.79 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program (DROP) - members are eligible following satisfaction of normal retirement requirements (age 60). For members hired after September 17, 2012, the eligibility for DROP participation is the attainment of age 62 and the completion of 10 years of credited service. Participation is not more than 84 months from age 60. For members hired after September 17, 2012, the DROP participation period shall not exceed 60 months from the first date of normal retirement eligibility. Earnings accrue at a fixed annual rate of 3%, credited quarterly. The DROP balance as of September 30, 2018 is \$301,028.

Police Officers' and Firefighters' Pension

Summary of Significant Accounting Policies

Method used to value investments - Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Plan Description

Plan Administration - The Plan is administered by a Board of Trustees comprised of two City Commission appointees, two members of the Plan elected by the membership, and a fifth member elected by the other four members, and appointed by City Commission.

Plan Membership - At September 30, 2018 plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	63
Inactive plan members entitled to but not yet receiving benefits	26
Active plan members	116
	<u>205</u>

Benefits Provided - The plans provide retirement, termination, disability and death benefits.

NOTE 11 RETIREMENT PLANS (CONTINUED)

Normal Retirement - Date: Earlier of age 55 and 10 years of credited service, or 25 years of credited service, regardless of age.

Benefit: 3.5% of average final compensation times credited service. For firefighters hired after September 30, 2015 and Police Officers hired after May 16, 2017, the benefit accrual rate is 3.25% for each year of Credited Service. Maximum benefit for members hired before October 1, 2012, 100% of average final compensation. For member hired after September 30, 2012, 91% of average final compensation. For members hired under the 3.25% benefit accrual rate, the maximum benefit is 81.25% of average final compensation.

Early Retirement - Eligibility: Age 45 and 5 years of credited service. Accrued benefits are reduced 3% per year to age 50 and actuarially reduced from age 50 to age 45.

Vesting - Members are 100% vested after 5 years of credited service. For firefighters hired after September 30, 2015 and police officers hired after May 16, 2017, 100% vesting occurs after the completion of 7 years of credited service. Members will receive the vested portion of their accrued benefit payable at the otherwise early or normal retirement date.

Disability - For service incurred, covered from date of employment. For non-service incurred- 10 years of credited service. Benefit is accrued to date of disability but not less than 42% of average final compensation (service incurred). Additionally, the benefit cannot exceed a percentage of average final compensation as outlined above under maximum benefit.

Pre-Retirement Death Benefits - Vested: monthly accrued benefit payable to designated beneficiary for 10 years. *Nonvested:* refund of accumulated contributions without interest.

Supplement Benefit (Police only) - Initial crediting pursuant to a mutual consent agreement between the City and PBA, \$193,674 from the excess state monies reserve is allocated to eligible police officers. Annual crediting of 50% of annual Chapter 185 premium tax revenues received by the City in excess of \$223,377 shall be allocated based on a method to be determined. Investment earnings on the eligible share accounts shall be credited or debited annually, based on the Plan's net-of-fees investment performance for the immediately preceding plan year. Expenses are allocated annually in proportion to individual share account balances as a percentage of total plan assets.

Contributions - Member contributions are 8% of salary. The City contributions are the remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, as provided in Chapter 112, Florida Statutes.

NOTE 11 RETIREMENT PLANS (CONTINUED)

Net Pension Liability - The City's net pension liability was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined as of that date. The components of the net pension liability on September 30, 2018 were as follows:

Total pension liability	\$ 60,949,229
Plan fiduciary net position	(55,186,937) *
Sponsor's net pension liability	<u>\$ 5,762,292</u>
Plan fiduciary net position as a percentage of Total pension liability	90.55%

* includes accrued investment income net of prepaid city contributions not included in the funds

Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of October 1, 2017 updated to September 30, 2018 using the following actuarial assumptions applied to all measurement periods.

Inflation	2.50%
Salary increases	service based
Discount rate	7.85%
Investment rate of return	7.85%

Mortality rates were based on the RP-2000 Generational Scale BB. Disabled lives. This assumption is believed to accommodate expected mortality improvements.

The actuarial assumptions used in the October 1, 2017 valuation were based on the results of an actuarial experience study dated October 30, 2015.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic equity	45.0%	7.50%
International equity	15.0%	8.50%
Broad market fixed income	25.0%	2.50%
Global bond	5.0%	3.50%
Real estate	10.0%	4.50%
Total	<u>100.0%</u>	

NOTE 11 RETIREMENT PLANS (CONTINUED)

Discount rate - The discount rate used to measure the total pension liability was 7.85%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at September 30, 2017	\$ 56,945,613	\$ 50,675,403	\$ 6,270,210
Changes for a Year:			
Service Cost	1,597,646	-	1,597,646
Interest	4,514,299	-	4,514,299
Share plan allocation	58,503	-	58,503
Differences between expected and actual experience	304,104	-	304,104
Changes of assumptions	329,525	-	329,525
Contributions-employer	-	2,297,923	(2,297,923)
Contributions-state	-	636,589	(636,589)
Contributions-employee	-	616,991	(616,991)
Net investment income	-	3,892,569	(3,892,569)
Benefit payments, including refunds of employee contributions	(2,800,461)	(2,800,461)	-
Administrative expense	-	(132,147)	132,147
Net Changes	<u>4,003,616</u>	<u>4,511,464</u>	<u>(507,848)</u>
Balances at September 30, 2018	<u>\$ 60,949,229</u>	<u>\$ 55,186,867</u>	<u>\$ 5,762,362</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

	1% Decrease	Current Discount Rate	1% Increase
	6.85%	7.85%	8.85%
Net pension liability	\$ 13,039,284	\$ 5,762,292	\$ (288,137)

NOTE 11 RETIREMENT PLANS (CONTINUED)

Deferred outflows and inflows of resources

For the year ended September 30, 2018, the City will recognize a pension expense of \$2,031,897. On September 30, 2018 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 557,216	\$ 187,288
Changes of assumptions	800,015	-
Net difference between projected and actual earnings on pension plan investments	-	131,478
	<u>\$ 1,357,231</u>	<u>\$ 318,766</u>

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	
2019	\$ 578,397
2020	20,050
2021	46,501
2022	287,912
2023	105,605
Thereafter	-

Concentrations - The Plan did not hold investments in any one organization that represents 5 percent or more of the Pension Plan's fiduciary net position.

Rate of return - For the year ended September 30, 2018 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 7.74 percent.

Deferred Retirement Option Program (DROP) Police and Fire - members are eligible within 12 months following satisfaction of normal retirement requirements. Participation is not more than 60 months. Rate of return: at election of member (may change once during DROP period) either: 1) actual net rate of investment return (total return net of brokerage commissions, transaction costs, and management fees), or 2) 6.5%. Earnings are credited each fiscal quarter (2% for members entering the DROP after September 30, 2012). Additionally, members entering the DROP after September 30, 2012 cannot choose the Plan return option for investment crediting. The DROP balance as of September 30, 2018 is \$2,179,131.

NOTE 12 OTHER POST EMPLOYMENT BENEFITS

In accordance with Florida Statutes Section 112.0801, the City makes continued group health insurance through the City's current provider available to retirees and eligible dependents provided certain service requirements and normal age retirement requirements have been met. This benefit has no cost to the City, other than the implicit cost of including retirees in the group calculation. All premiums are paid by the retiree. The City has fifteen retirees currently receiving benefits. The City has chosen pay-as-you-go funding, but is recording the liability in the government wide financial statements. This plan does not issue stand-alone financial statements.

NOTE 12 OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Plan Description - The City of Ocoee's Retiree Health Care Plan (Plan) is a single-employer defined benefit postemployment health care plan that covers eligible retired employees of the City. The Plan, which is administered by the City, allows employees who retire and meet eligibility requirements under one of the City's retirement plans to continue medical and life insurance coverage as a participant in the City's plan. For purposes of applying Paragraph 4 under Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the Plan does not meet the requirements for an OPEB plan administered through a trust.

Employees Covered by Benefit terms - At September 30, 2017, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	72
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	321
	<u>393</u>

Benefits Provided - A retired employee and his or her spouse and eligible dependents are eligible to continue health insurance identical to active employees if they meet the eligibility for retirement under the applicable retirement plan. The retiree is responsible for paying the entire monthly premium for health coverage and that of any covered spouse or eligible dependents. Medicare coverage is assumed to become primary upon attainment of age 65.

Eligible retirees may also elect \$10,000 in life insurance coverage. The retiree is responsible for paying the entire monthly premium for coverage.

Summary of Actuarial Methods & Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

NOTE 12 OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

The total OPEB liability was determined by an actuarial valuation as of September 30, 2017 using the following actuarial assumptions:

Inflation	2.50%
Salary increases	Varies by service
Discount rate	3.64%
Initial trend rate	8.50%
Ultimate trend rate	4.00%
Years to ultimate	55

All mortality rates were based on the RP-2000 mortality tables. All mortality rates are those outlined in Milliman's July 1, 2017 Florida Retirement System (FRS) valuation report.

Discount Rate - Given the City's decision not to fund the program, all future benefit payments were discounted using a high-quality municipal bond rate of 3.64%. The high-quality municipal bond rate was based on the week closest but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve. The 20-Bond Index is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

Below are the details regarding the Total OPEB liability for the measurement period from October 1, 2017 to September 30, 2018.

	Increases and (Decreases) in Total OPEB Liability
Balances at September 30, 2017	<u>\$ 3,357,824</u>
Changes for a Year:	
Service Cost	265,605
Interest	109,613
Differences between expected and actual experience	-
Changes of assumptions	(257,084)
Benefit payments	(83,229)
Other changes	-
Net Changes	<u>34,905</u>
Balances at September 30, 2018	<u><u>\$ 3,392,729</u></u>

The following represents the Total OPEB liability of the City, as well as what the City's Total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease <u>2.64%</u>	Current Discount Rate <u>3.64%</u>	1% Increase <u>4.64%</u>
Net pension liability	\$ 3,854,354	\$ 3,392,729	\$ 3,008,170

NOTE 12 OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

The following represents the Total OPEB liability of the City, as well as what the City's Total OPEB liability would be if it were calculated using healthcare cost trend rates that is one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease 3.0% - 7.5%	Healthcare Cost Trend Rates 4.0% - 8.5%	1% Increase 5.0% - 9.5%
Net pension liability	\$ 3,078,276	\$ 3,392,729	\$ 3,765,714

For the year ended September 30, 2018 the City will recognize OPEB expense of \$338,492.

On September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	220,358
Employer contributions subsequent to the measurement date	98,312	-
	<u>\$ 98,312</u>	<u>\$ 220,358</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended September 30:	
2019	\$ (36,726)
2020	\$ (36,726)
2021	\$ (36,726)
2022	\$ (36,726)
2023	\$ (36,726)
Thereafter	\$ (36,728)

NOTE 13 DEFERRED COMPENSATION PLAN

The City offers its employees three deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans are administered by Great West, ICMA Retirement Corporation, Principal Group and Hartford. The plans permit participants to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Because the Plan Assets are held in trust for the exclusive benefit of plan participants and their beneficiaries, the Plan is not accounted for in the City's fund financials.

NOTE 14 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; and natural disasters. Risk of loss from above is transferred by the City to various commercial insurers through the purchase of insurance. There have been no significant reductions in insurance coverage from the prior year, and settlements have not exceeded insurance coverage during the past three years.

The City became self-insured for employee health insurance effective November 1, 2007. As permitted by GASB Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, the City accounts for its self-insured assets, liabilities, net position and activities in an internal service fund.

The general, water and wastewater, solid waste, and stormwater funds participate in the program and make payments to the internal service fund based on the number of employees in each fund.

The City's health internal service fund covers claims up to \$100,000 per individual event and related claims. The City purchased excess stop loss coverage with an aggregate limit of \$1,000,000 per policy period.

The claims liability of \$65,574 represents claims processed through December 2018 which were applicable to the current fiscal year and any additional claims are deemed to be immaterial. Changes to the claims liability are as follows for the years ended September 30:

	<u>2018</u>	<u>2017</u>
Claims liability, beginning of year	\$ 387,519	\$ 450,635
Incurred claims	4,759,774	4,367,613
Payments on claims	(5,081,719)	(4,430,729)
Claims liability, end of year	<u>\$ 65,574</u>	<u>\$ 387,519</u>

The City also became self-insured for workers' compensation effective October 1, 2007. The City covers events up to \$600,000 even if more than one employee is involved in the event. The City has purchased excess stop loss coverage with an aggregate limit of \$1,000,000 per event. The City also has an aggregate retention limit of \$1,364,543 for all claims, and when this aggregate is reached, then the excess stop loss coverage up to \$1,000,000 in excess of the aggregate covers claims.

Worker's compensation claims are paid from each fund as incurred and, therefore, is not included in the internal service fund. Also, actuarial probabilities are not needed since no claims are pending at September 30, 2018.

NOTE 15 CONTINGENT LIABILITIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government and the State of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the City.

NOTE 16 FUND BALANCE

At September 30, 2018, the City's governmental fund balances were as follows:

	General Fund	Road Impact	Community Redevelopment Agency	2017 Capital Projects Fund	Other Governmental Funds	Total
Nonspendable						
Inventory and prepaids	\$ 1,034,309	\$ -	\$ -	\$ -	\$ -	\$ 1,034,309
Spendable						
Restricted for:						
Debt service	-	-	-	-	123,593	123,593
Community redevelopment	-	-	1,922,471	-	-	1,922,471
Highways and streets	-	5,364,538	-	-	-	5,364,538
Fire	-	-	-	-	1,564,060	1,564,060
Police	-	-	-	-	1,094,565	1,094,565
Culture and recreation	-	-	-	-	2,610,406	2,610,406
Capital projects	-	-	-	17,859,179	-	17,859,179
Assigned to:						
Subsequent year expenditures	4,012,397	-	-	-	-	4,012,397
Transportation improvements	-	-	-	-	-	-
Capital projects	220,744	-	-	-	4,902,299	5,123,043
Unassigned	14,185,819	-	-	-	-	14,185,819
Total fund balance	\$ 19,453,269	\$ 5,364,538	\$ 1,922,471	\$ 17,859,179	\$ 10,294,923	\$ 54,894,380

NOTE 17 COMMITMENTS

At September 30, 2018, the City had entered into contracts for construction in the amount of \$10,724,113.

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REQUIRED SUPPLEMENTARY INFORMATION

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Retiree Continuation Insurance Plan

Schedule of Changes in the City's Total OPEB Liability and Related Ratios

Last Ten Fiscal Years*

	<u>9/30/2018</u>
Total OPEB Liability	-
Service cost	\$ 265,605
Interest	109,613
Differences between expected and actual experience	-
Changes of assumptions	(257,084)
Benefit Payments	(83,229)
Other changes	-
Net change in total OPEB liability	<u>34,905</u>
Total OPEB liability, beginning	<u>3,357,824</u>
Total OPEB liability, ending	<u><u>\$ 3,392,729</u></u>

Plan fiduciary net position as a percentage of total OPEB liability	0.00%
Covered payroll*	\$ 16,884,918
Net OPEB liability as a percentage of covered payroll	20.09%

*FY 2018 Covered Payroll, projected based on actual FY 2017 Covered Payroll.

Changes of assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

FY2018	3.64%
FY2017	3.06%

*Only 1 year of data available; additional years' information will be displayed as it becomes available.

City of Ocoee, Florida
Schedule of Changes in the City's Net Pension Liability and Related Ratios
General Employees
Last 10 Fiscal Years*

	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Total Pension Liability					
Service cost	\$ 1,211,261	\$ 1,143,018	\$ 1,134,150	\$ 1,130,748	\$ 1,099,915
Interest	2,960,746	2,805,205	2,555,534	2,440,626	2,265,121
Differences between expected and actual experience	162,806	(316,002)	175,180	(480,737)	-
Changes of assumptions	-	-	1,211,288	-	-
Benefit payments, including refunds of employee contributions	(1,664,134)	(1,722,831)	(2,004,076)	(1,218,647)	(1,043,921)
Net change in total pension liability	2,670,679	1,909,390	3,072,076	1,871,990	2,321,115
Total pension liability, beginning	37,823,982	35,914,592	32,842,516	30,970,526	28,649,411
Total pension liability, ending (a)	<u>\$ 40,494,661</u>	<u>\$ 37,823,982</u>	<u>\$ 35,914,592</u>	<u>\$ 32,842,516</u>	<u>\$ 30,970,526</u>
Plan Fiduciary Net Position					
Contributions, employer	972,370	860,420	934,082	1,077,570	1,629,738
Contributions, employee	664,834	631,835	633,073	603,922	588,154
Net investment income	3,637,465	3,929,617	2,745,277	454,266	2,447,920
Benefit payments, including refunds of employee contributions	(1,664,134)	(1,722,831)	(2,004,076)	(1,218,647)	(1,043,921)
Administrative expense	(100,468)	(70,099)	(86,300)	(89,735)	(60,184)
Net change in plan fiduciary net position	3,510,067	3,628,942	2,222,056	827,376	3,561,707
Plan fiduciary net position, beginning	37,268,072	33,639,130	31,417,074	30,589,698	27,027,991
Plan fiduciary net position, ending (b)	<u>\$ 40,778,139</u>	<u>\$ 37,268,072</u>	<u>\$ 33,639,130</u>	<u>\$ 31,417,074</u>	<u>\$ 30,589,698</u>
Net pension liability, ending (a) - (b)	<u>\$ (283,478)</u>	<u>\$ 555,910</u>	<u>\$ 2,275,462</u>	<u>\$ 1,425,442</u>	<u>\$ 380,828</u>
Plan fiduciary net position as a percentage of total pension liability	100.70%	98.53%	93.66%	95.66%	98.77%
Covered payroll	\$ 9,025,137	\$ 8,579,221	\$ 8,591,994	\$ 8,671,290	\$ 7,988,910
Net pension liability as a percentage of covered payroll	-3.14%	6.48%	26.48%	16.44%	4.77%

The covered payroll numbers shown are in compliance with GASB 82, except for the 9/30/15 measurement period which includes DROP payroll.

Changes of assumptions:

For measurement date 9/30/2016, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System.

The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

*- only four years of data available

City of Ocoee, Florida
Schedule of Changes in the City's Net Pension Liability and Related Ratios
Police and Firefighters
Last 10 Fiscal Years*

	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Total Pension Liability					
Service cost	\$ 1,597,646	\$ 1,479,035	\$ 1,222,895	\$ 1,245,860	\$ 1,315,099
Interest	4,514,299	4,202,389	3,985,189	3,784,844	3,562,111
Changes in Excess State Money	-	(664,444)	135,836	95,618	94,656
Share plan allocation	58,503	231,069	-	-	-
Differences between expected and actual experience	304,104	455,694	(315,979)	(146,497)	-
Changes of assumptions	329,525	475,896	416,293	-	-
Benefit payments, including refunds of employee contributions	(2,800,461)	(2,559,339)	(2,478,996)	(2,234,870)	(1,812,744)
Net change in total pension liability	4,003,616	3,620,300	2,965,238	2,744,955	3,159,122
Total pension liability, beginning	56,945,613	53,325,313	50,360,075	47,615,120	44,455,998
Total pension liability, ending (a)	<u>\$ 60,949,229</u>	<u>\$ 56,945,613</u>	<u>\$ 53,325,313</u>	<u>\$ 50,360,075</u>	<u>\$ 47,615,120</u>
Plan fiduciary net position					
Contributions, employer	2,297,293	1,813,985	1,762,326	1,726,011	1,943,350
Contributions, state	636,589	564,098	557,160	516,942	515,980
Contributions, employee	616,991	601,901	593,431	584,706	616,402
Net investment income	3,892,569	4,915,076	3,474,586	343,322	3,922,191
Benefit payments, including refunds of employee contributions	(2,800,461)	(2,559,339)	(2,478,996)	(2,234,870)	(1,812,744)
Administrative expense	(132,147)	(80,547)	(100,422)	(93,962)	(81,677)
Net change in plan fiduciary net position	4,510,834	5,255,174	3,808,065	842,149	5,103,502
Plan fiduciary net position, beginning	50,675,403	45,420,229	41,612,164	40,770,015	35,666,513
Plan fiduciary net position, ending (b)	<u>\$ 55,186,237</u>	<u>\$ 50,675,403</u>	<u>\$ 45,420,229</u>	<u>\$ 41,612,164</u>	<u>\$ 40,770,015</u>
Net pension liability, ending (a)- (b)	<u>\$ 5,762,992</u>	<u>\$ 6,270,210</u>	<u>\$ 7,905,084</u>	<u>\$ 8,747,911</u>	<u>\$ 6,845,105</u>
Plan fiduciary net position as a percentage of total pension liability	90.54%	88.99%	85.18%	82.63%	85.62%
Covered payroll	\$ 7,712,391	\$ 7,523,761	\$ 7,417,886	\$ 8,310,219	\$ 7,705,028
Net pension liability as a percentage of covered payroll	74.72%	83.34%	106.57%	105.27%	88.84%

The covered payroll numbers shown are in compliance with GASB 82, except for the 9/30/15 measurement period which includes DROP payroll.

Changes of benefit terms:

For measurement date 9/30/2017, the following plan changes were made:

1. Ordinance 2017-016, adopted and effective May 16, 2017, implemented changes to the benefit accrual rate, maximum benefit, vesting, in addition to the establishment of a Share Plan. An Actuarial Impact Statement dated May 23, 2017 was issued for this amendment.
2. Ordinance 2017-032, adopted and effective December 5, 2017, provided details regarding the Share Plan established with Ordinance 2017-016. A letter of no actuarial impact was submitted for this amendment.

Changes of assumptions:

For measurement date 9/30/2018, amounts reported as changes of assumptions resulted from lowering the investment return from 7.9% to 7.85% (net of fees).

City of Ocoee, Florida
Schedule of Changes in the City's Net Pension Liability and Related Ratios
Police and Firefighters
Last 10 Fiscal Years*

Changes of assumptions:

For measurement date 9/30/2017, as required by Chapter 2015-157, Laws of Florida, the assumed rates of mortality have been changed from those in the July 1, 2015 FRS valuation report to those used in the July 1, 2016 FRS valuation report. Additionally, the investment return assumption has been reduced from 7.95% to 7.90% (net of fees). This assumption will be reduced annually by 5 basis points until it reaches an ultimate rate of 7.75% with the October 1, 2020 actuarial valuation.

For measurement date 9/30/16, amounts reported as changes of assumptions were a result of the Experience Study dated October 30, 2015, the Board has made the following changes:

1. Salary Increases - the assumed rate of individual salary increases was changed from a flat 6.0% each year to a service-based table.
2. Mortality Rates - The assumed rates of mortality were changed to match what is used by the Florida Retirement System (FRS) for special risk participants
3. Retirement Rates - Modified for Normal and Early Retirement, per results of the Experience Study
4. Withdrawal Rates - The assumed rates of turnover changed from an age-based table to a service-based table.

Additionally, the investment return assumption will be reduced below 8.00% with future valuations according to the following schedule:

<u>Valuation Date</u>	<u>Assumption</u>
10/1/2016	7.95%
10/1/2017	7.90%
10/1/2018	7.85%
10/1/2019	7.80%
10/1/2020	7.75%

Furthermore, the inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

*- only five years of data available

City of Ocoee, Florida
Schedule of Contributions - General Employees
 Last 10 Fiscal Years*

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the actuarially determined contributions	Contribution deficiency (excess)	Covered Payroll	Contributions as a percentage of covered payroll
9/30/2018	\$ 971,105	\$ 972,370	\$ (1,265)	\$ 9,025,137	10.77%
9/30/2017	857,922	860,420	(2,498)	8,579,221	10.03%
9/30/2016	921,062	934,082	(13,020)	8,591,994	10.87%
9/30/2015	1,077,570	1,077,570	-	8,671,290	12.43%
9/30/2014	1,629,738	1,629,738	-	7,988,910	20.40%
9/30/2013	1,778,969	1,778,969	-	7,896,000	22.53%

Notes to schedule

Valuation date 10/1/2016

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method Entry Age Normal
 Amortization Method Level Percentage of Pay, Closed
 Remaining Amortization Period 25 years (as of 10/1/2016)

Mortality RP -2000 combined healthy mortality table (sex distinct), projected to the valuation date. The assumed rates of mortality are mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in the July 1, 2016 FRS actuarial valuation report for non-special risk lives.

Interest Rate 7.75% per year, compounded annually, net of investment expenses
 Normal Retirement *Contribution Members Hired Prior to 9/18/2012: age 60. Contribution Members Hired After 9/17/12: Age 62 and completion of 7 years of credited service. Non-Contributory Members: Age 60 and completion of 9 years of credited service. Also any member who has reached normal retirement is assumed to continue employment for one additional year.*

Early Retirement *Contribution Members Hired Prior to 9/18/2012: 8% per year from ages 50 to 59; 5 year service requirement applies. Contribution Members Hired After 9/17/12: 2% per year from ages 50 to 61; 7 year service requirement applies. Non-Contributory Members: 2% per year from ages 50 to 59; 9 year service requirement applies.*

Termination Rates	Credited Service	Termination Probability
	Less than 1 year	15%
	1-10 years	10%
	11 Years and	2%

Salary Increases	Credited Service	Increase
	First 10 years	5%
	Greater than 10 years	4%

Final Year Salary Load	Years of Credited service as of October 1, 2011	Assumption
	less than 1 year	No Load
	1 to 10 years	10%
	10 or more years	20%

Asset Smoothing Methodology The actuarial value of assets is brought forward using the historical four-year geometric average of market value returns (net-of-fees). Over time, this may result in a deminis bias that is above or below the market value of assets.

Payroll Increases 1.96% per year

*- only five years of data available

City of Ocoee, Florida
Schedule of Contributions - Police and Fire
 Last 10 Fiscal Years*

Fiscal Year Ended	Contributions in relation to the				
	Actuarially Determined Contribution	actuarially determined contributions	Contribution deficiency (excess)	Covered Payroll	Contributions as a percentage of covered payroll
9/30/2018	\$ 2,718,618	\$ 2,750,804	\$ (32,186)	\$ 7,712,391	35.67%
9/30/2017	2,235,309	2,246,389	(11,080)	7,523,761	29.86%
9/30/2016	2,171,957	2,183,650	(11,693)	7,417,886	29.44%
9/30/2015	2,147,335	2,147,334	1	8,310,219	25.84%
9/30/2014	2,364,673	2,364,673	-	7,705,028	30.69%
9/30/2013	2,421,668	2,421,668	-	7,414,782	32.66%

Notes to schedule

Valuation date 10/1/2016 (AIS 5/23/17)

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method Entry Age Normal
 Amortization Method Level Percentage of Pay, Closed
 Remaining Amortization Period 26 years (as of 10/1/2016)
 Mortality RP -2000 combined healthy mortality table (sex distinct). Disabled lives are set forward five years. The assumed rates of mortality are mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in the July 1, 2016
 Interest Rate 7.95% per year, compounded annually, net of investment expenses
 Normal Retirement Based on the results of an experience study dated October 30, 2015, the below table reflects the assumed rates of retirement once a member attains normal retirement eligibility with at least 25

Age	Prior Rates	New rates- 25 or more years of credited service
45	100.00%	25.00%
46	100.00%	25.00%
47	100.00%	25.00%
48	100.00%	66.70%
49	100.00%	66.70%
50+	100.00%	100.00%

Early Retirement Additionally 100% assumed retirement upon the completion of at least 27 years of credited 54 are assumed to retire with an immediate subsidized benefit at the rate of 4% per year (except for a 25% assumption at age 50). The new rates were adopted as the result of the October 25, 2015 experience study

Disability Rate See table below. It is assumed that 75% of disablements and active member deaths are service related

Age	Disabled During the Year
20	0.14%
30	0.18%
40	0.30%
50	1.00%

City of Ocoee, Florida
Schedule of Contributions - Police and Fire
 Last 10 Fiscal Years*

Termination Rate According to the table below, based on the October 30, 2015 experience

<u>Credited Service</u>	<u>Assumed</u>
	<u>Termination Rate</u>
Less than 10 years	5.00%
10-14 years	2.00%
15 or more years	0.00%

Salary Increases According to the table below, based on the October 30, 2015 experience

<u>Credited Service</u>	<u>Assumed Salary</u>
	<u>increase</u>
Less than 1 year	13.00%
1-9 years	5.00%
10 or more years	4.50%

Payroll Growth 2.64% per year

Actuarial Asset Method Each year, the prior actuarial value of assets is brought forward utilizing the historical geometric four-year average market value returns net-of-fees. It is possible that over time, this technique will produce an insignificant bias that is above or below market value.

*- only four years of data available

City of Ocoee, Florida
Schedule of Investment Returns
 Last 10 Fiscal Years*

Fiscal Year Ended	General Employees Annual Money-Weighted Rate of Return Net of Investment Expense	Police and Fire Annual Money-Weighted Rate of Return Net of Investment Expense
9/30/2018	9.79%	7.74%
9/30/2017	11.75%	10.90%
9/30/2016	8.82%	8.41%
9/30/2015	1.47%	84.00%
9/30/2014	8.92%	10.95%

*- only five years of data available

NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Governmental Funds

Special Revenue Funds

- Fire Impact** - Accounts for Fire Impact fees collected from new developments which are restricted for acquisition of facilities and equipment determined to be needed to provide fire protection for new development within the City.
- Police Impact** - Accounts for Police Impact fees collected from new developments which are restricted for acquisition of facilities and equipment determined to be needed to provide police protection for new development within the City.
- Recreation Impact** - Accounts for the land and/or money received from owners or developers as a recreational facilities assessment when lands are subdivided within the City. Funds are restricted for the improvement or expansion of City parks.
- Police Trust** - Accounts for the proceeds from property confiscated in police enforcement activities pursuant to F.S. 932.701 (Florida Contraband Forfeiture Act). Funds are restricted for funding police operations.
- Police Training** - Accounts for the revenues received pursuant to F.S. 943.25(8) which imposes a \$2.00 court cost against every person convicted for violation of state penal or criminal statute or convicted of a municipal or county ordinance violation where said offense occurred within the City of Ocoee. Funds are restricted for education and training of law enforcement personnel.

Debt Service Funds

**Capital Improvement Revenue
and Refunding Bonds, Series
2017**

- Accounts for the accumulation of resources and payment of principal and interest payments on the 2017 Capital Improvement Revenue and Refunding Bonds, issued to refund the 2011 Capital Improvement Refunding Note, and the 2012 Transportation Improvement Refunding Note, and finance certain capital improvements.

Capital Projects Funds

Asset Acquisition

- Accounts for resources segregated for computer and other asset acquisitions approved by the commission by not completed at year end.

Capital Projects Reserve

- Accounts for resources segregated for capital projects approved by the commission but not completed at year end.

Transportation Improvements

- Accounts for resources to finance the design, construction, paving and improvement of certain roads and drainage improvements within the City.

**Coca Cola Property
Improvements**

- Accounts for the resources for the development - including infrastructure for the Crown Point area.

City of Ocoee, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2018

	Special Revenue				
	Fire Impact	Police Impact	Recreation Impact	Police Trust	Police Training
Assets:					
Cash and cash equivalents	\$ 1,564,060	\$ 876,491	\$ 2,906,580	\$ 143,857	\$ 74,217
Cash with paying agent	-	-	-	-	-
Receivables, net	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
Prepays	-	-	-	-	-
Total assets	<u>\$ 1,564,060</u>	<u>\$ 876,491</u>	<u>\$ 2,906,580</u>	<u>\$ 143,857</u>	<u>\$ 74,217</u>
Liabilities and Fund Balances:					
Accounts payable	\$ -	\$ -	\$ 46,174	\$ -	\$ -
Retainage payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Matured bonds payable	-	-	-	-	-
Matured interest payable	-	-	-	-	-
Unearned revenue	-	-	250,000	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>296,174</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	1,564,060	876,491	2,610,406	143,857	74,217
Assigned	-	-	-	-	-
Total fund balances	<u>1,564,060</u>	<u>876,491</u>	<u>2,610,406</u>	<u>143,857</u>	<u>74,217</u>
Total liabilities and fund balances	<u>\$ 1,564,060</u>	<u>\$ 876,491</u>	<u>\$ 2,906,580</u>	<u>\$ 143,857</u>	<u>\$ 74,217</u>

City of Ocoee
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2018

	Special Revenue	Debt Service	
	Total Special Revenue Funds	2016 Debt Service	Total Debt Service Funds
Assets:			
Cash and cash equivalents	\$ 5,565,205	\$ -	\$ -
Cash with paying agent	-	-	-
Receivables, net	-	-	-
Due from other governments	-	-	-
Due from other funds	-	2,342,335	2,342,335
Prepays	-	-	-
Total assets	\$ 5,565,205	\$ 2,342,335	\$ 2,342,335
Liabilities and Fund Balances:			
Accounts payable	\$ 46,174	\$ -	\$ -
Retainage payable	-	-	-
Due to other funds	-	696,173	696,173
Matured bonds payable	-	670,000	670,000
Matured interest payable	-	852,569	852,569
Unearned revenue	250,000	-	-
Total liabilities	296,174	2,218,742	2,218,742
Fund Balances:			
Nonspendable	-	-	-
Restricted	5,269,031	123,593	123,593
Assigned	-	-	-
Total fund balances	5,269,031	123,593	123,593
Total liabilities and fund balances	\$ 5,565,205	\$ 2,342,335	\$ 2,342,335

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CITY OF OCOEE, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2018

	Capital Projects					Total-Other Governmental Funds
	Asset Acquisition Fund	Capital Projects Reserve Fund	Transportation Improvements Fund	Coca Cola Property Improv Fund	Total Capital Projects	
Assets:						
Cash and cash equivalents	\$ -	\$ 4,600,039	\$ 441,835	\$ 28	\$ 5,041,902	\$ 10,607,107
Cash with paying agent	-	-	-	-	-	-
Receivables, net	-	8,694	960	-	9,654	9,654
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	58	-	58	2,342,393
Prepays	-	-	-	-	-	-
Total assets	\$ -	\$ 4,608,733	\$ 442,853	\$ 28	\$ 5,051,614	\$ 12,959,154
Liabilities and Fund Balances:						
Accounts payable	\$ -	\$ 108,867	\$ -	\$ -	\$ 108,867	\$ 155,041
Retainage payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	696,173
Matured bonds payable	-	-	-	-	-	670,000
Matured interest payable	-	-	-	-	-	852,569
Unearned revenue	-	40,448	-	-	40,448	290,448
Total liabilities	-	149,315	-	-	149,315	2,664,231
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	5,392,624
Assigned	-	4,459,418	442,853	28	4,902,299	4,902,299
Total fund balances	-	4,459,418	442,853	28	4,902,299	10,294,923
Total liabilities and fund balances	\$ -	\$ 4,608,733	\$ 442,853	\$ 28	\$ 5,051,614	\$ 12,959,154

City of Ocoee, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2018

	Special Revenue Funds				
	Fire Impact	Police Impact	Recreation Impact	Police Trust	Police Training
Revenues:					
Taxes and impact fees	\$ 526,844	\$ 391,243	\$ 611,520	\$ -	\$ -
Intergovernmental revenues	-	-	-	-	-
Fines and forfeitures	-	-	-	17,316	8,786
Investment income	2,061	1,152	4,136	234	114
Miscellaneous	-	-	-	-	570
Total revenues	528,905	392,395	615,656	17,550	9,470
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	7,250	-
Physical environment	-	-	-	-	-
Culture and recreation	-	-	2,250	-	-
Debt Service:					
Principal	-	109,000	103,217	-	-
Interest and fiscal charges	-	23,183	28,156	-	-
Capital Outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Physical environment	-	-	-	-	-
Culture and recreation	-	-	174,336	-	-
Total expenditures	-	132,183	307,959	7,250	-
Excess (Deficiency) of Revenues Over Expenditures	528,905	260,212	307,697	10,300	9,470
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-
Net change in fund balances	528,905	260,212	307,697	10,300	9,470
Fund balances, beginning	1,035,155	616,279	2,302,709	133,557	64,747
Fund balances, ending	\$ 1,564,060	\$ 876,491	\$ 2,610,406	\$ 143,857	\$ 74,217

City of Ocoee, Florida

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Governmental Funds

For the Year Ended September 30, 2018

		Debt Service	
	Total Special Revenue Funds	2016 Debt Service	Total Debt Service Funds
Revenues:			
Taxes and impact fees	\$ 1,529,607	\$ -	\$ -
Intergovernmental revenues	-	-	-
Fines and forfeitures	26,102	-	-
Investment income	7,697	1,291	1,291
Miscellaneous	570	-	-
Total revenues	1,563,976	1,291	1,291
Expenditures:			
Current:			
General government	-	350	350
Public safety	7,250	-	-
Physical environment	-	-	-
Culture and recreation	2,250	-	-
Debt Service:			
Principal	212,217	670,000	670,000
Interest and fiscal charges	51,339	1,705,138	1,705,138
Capital Outlay:			
General government	-	-	-
Public safety	-	-	-
Physical environment	-	-	-
Culture and recreation	174,336	-	-
Total expenditures	447,392	2,375,488	2,375,488
Excess (Deficiency) of Revenues Over Expenditures	1,116,584	(2,374,197)	(2,374,197)
Other Financing Sources (Uses):			
Transfers in	-	2,342,335	2,342,335
Transfers out	-	-	-
Total other financing sources (uses)	-	2,342,335	2,342,335
Net change in fund balances	1,116,584	(31,862)	(31,862)
Fund balances, beginning	4,152,447	155,455	155,455
Fund balances, ending	\$ 5,269,031	\$ 123,593	\$ 123,593

Continued

City of Ocoee, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended September 30, 2018

	Capital Projects					Total-Other Governmental Funds
	Asset Acquisition Fund	Capital Projects Reserve Fund	Transportation Improvements Fund	Coca Cola Property Improv Fund	Total Capital Projects	
Revenues:						
Taxes and impact fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,529,607
Intergovernmental revenues	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	26,102
Investment income	-	4,740	729	-	5,469	14,457
Miscellaneous	-	252,657	-	(4,263)	248,394	248,964
Total revenues	<u>-</u>	<u>257,397</u>	<u>729</u>	<u>(4,263)</u>	<u>253,863</u>	<u>1,819,130</u>
Expenditures:						
Current:						
General government	-	-	-	-	-	350
Public safety	-	-	-	-	-	7,250
Physical environment	-	-	-	-	-	-
Culture and recreation	-	2,250	-	-	2,250	4,500
Debt Service:						
Principal	-	-	-	-	-	882,217
Interest and fiscal charges	-	-	-	-	-	1,756,477
Capital Outlay:						
General government	-	28,917	-	-	28,917	28,917
Public safety	-	31,895	-	-	31,895	31,895
Physical environment	-	274,925	-	-	274,925	274,925
Culture and recreation	-	43,364	-	-	43,364	217,700
Total expenditures	<u>-</u>	<u>381,351</u>	<u>-</u>	<u>-</u>	<u>381,351</u>	<u>3,204,231</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(123,954)</u>	<u>729</u>	<u>(4,263)</u>	<u>(127,488)</u>	<u>(1,385,101)</u>
Other Financing Sources (Uses):						
Transfers in	-	1,812,879	-	-	1,812,879	4,155,214
Transfers out	(68,637)	-	-	-	(68,637)	(68,637)
Total other financing sources(uses)	<u>(68,637)</u>	<u>1,812,879</u>	<u>-</u>	<u>-</u>	<u>1,744,242</u>	<u>4,086,577</u>
Net change in fund balances	<u>(68,637)</u>	<u>1,688,925</u>	<u>729</u>	<u>(4,263)</u>	<u>1,616,754</u>	<u>2,701,476</u>
Fund balances, beginning	<u>68,637</u>	<u>2,770,493</u>	<u>442,124</u>	<u>4,291</u>	<u>3,285,545</u>	<u>7,593,447</u>
Fund balances, ending	<u>\$ -</u>	<u>\$ 4,459,418</u>	<u>\$ 442,853</u>	<u>\$ 28</u>	<u>\$ 4,902,299</u>	<u>\$ 10,294,923</u>

City of Ocoee, Florida

Fire Impact Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the Year Ended September 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes and impact fees	\$ 310,010	\$ 310,010	\$ 526,844	\$ 216,834
Investment income	140	140	2,061	1,921
Total revenues	<u>310,150</u>	<u>310,150</u>	<u>528,905</u>	<u>218,755</u>
Expenditures:				
Current:				
Public Safety:				
Fire	80,150	80,150	-	80,150
Total expenditures	<u>80,150</u>	<u>80,150</u>	<u>-</u>	<u>80,150</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>230,000</u>	<u>230,000</u>	<u>528,905</u>	<u>298,905</u>
Other Financing Sources (Uses)				
Transfers out	(230,000)	(230,000)	-	230,000
Total other financing sources (uses)	<u>(230,000)</u>	<u>(230,000)</u>	<u>-</u>	<u>230,000</u>
Net change in fund balance	-	-	528,905	528,905
Fund balance, beginning	1,035,155	1,035,155	1,035,155	-
Fund balance, ending	<u>\$ 1,035,155</u>	<u>\$ 1,035,155</u>	<u>\$ 1,564,060</u>	<u>\$ 528,905</u>

City of Ocoee, Florida
 Police Impact Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
 For the Year Ended September 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes and impact fees	\$ 251,320	\$ 251,320	\$ 391,243	\$ 139,923
Investment income	40	40	1,152	1,112
Total revenues	<u>251,360</u>	<u>251,360</u>	<u>392,395</u>	<u>141,035</u>
Expenditures:				
Current:				
Public Safety:				
Police	117,360	117,360	-	117,360
Debt Service:				
Principal and Interest	134,000	134,000	132,183	1,817
Total expenditures	<u>251,360</u>	<u>251,360</u>	<u>132,183</u>	<u>119,177</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>260,212</u>	<u>260,212</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>260,212</u>	<u>260,212</u>
Fund balance, beginning	<u>616,279</u>	<u>616,279</u>	<u>616,279</u>	<u>-</u>
Fund balance, ending	<u>\$ 616,279</u>	<u>\$ 616,279</u>	<u>\$ 876,491</u>	<u>\$ 260,212</u>

City of Ocoee, Florida
Recreation Impact Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes and impact fees	\$ 469,930	\$ 469,930	\$ 611,520	\$ 141,590
Investment income	930	930	4,136	3,206
Total revenues	<u>470,860</u>	<u>470,860</u>	<u>615,656</u>	<u>144,796</u>
Expenditures:				
Culture and recreation:				
Parks and recreation	304,860	304,860	176,586	128,274
Debt Service:				
Principal and Interest	121,000	121,000	131,373	(10,373)
Total expenditures	<u>425,860</u>	<u>425,860</u>	<u>307,959</u>	<u>117,901</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>45,000</u>	<u>45,000</u>	<u>307,697</u>	<u>262,697</u>
Other Financing Sources (Uses)				
Transfers out	(45,000)	(45,000)	-	45,000
Total other financing sources (uses)	<u>(45,000)</u>	<u>(45,000)</u>	<u>-</u>	<u>45,000</u>
Net change in fund balance	-	-	307,697	307,697
Fund balance, beginning	<u>2,302,709</u>	<u>2,302,709</u>	<u>2,302,709</u>	<u>-</u>
Fund balance, ending	<u>\$ 2,302,709</u>	<u>\$ 2,302,709</u>	<u>\$ 2,610,406</u>	<u>\$ 307,697</u>

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FIDUCIARY FUNDS

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City of Ocoee, Florida
Combining Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2018

	General Employees Pension	Police and Fire Pension	Total Employee Pension Funds
Assets:			
Cash and cash equivalents	\$ 900,863	\$ 2,550,253	\$ 3,451,116
Investments, at fair value:			
Common funds, equity	27,380,210	35,185,244	62,565,454
Real estate investment trust	3,460,294	3,993,251	7,453,545
Common funds, bonds	9,104,873	13,192,269	22,297,142
Total investments	<u>39,945,377</u>	<u>52,370,764</u>	<u>92,316,141</u>
Total assets	<u>40,846,240</u>	<u>54,921,017</u>	<u>95,767,257</u>
Liabilities			
Accounts payable	60,799	114,095	174,894
Total liabilities	<u>60,799</u>	<u>114,095</u>	<u>174,894</u>
Net Position:			
Restricted for pensions	<u>\$ 40,785,441</u>	<u>\$ 54,806,922</u>	<u>\$ 95,592,363</u>

City of Ocoee, Florida
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2018

	General Employees Pension	Police and Fire Pension	Total Employee Pension Funds
Additions:			
Contributions:			
Employer	\$ 972,371	\$ 2,297,293	\$ 3,269,664
Plan members	664,833	616,991	1,281,824
State	-	636,589	636,589
Total contributions	<u>1,637,204</u>	<u>3,550,873</u>	<u>5,188,077</u>
Investment Income:			
Interest	881,138	1,383,712	2,264,850
Net appreciation (depreciation) on fair value of investments	2,924,609	2,664,704	5,589,313
Net investment income	<u>3,805,747</u>	<u>4,048,416</u>	<u>7,854,163</u>
Total additions	<u>5,442,951</u>	<u>7,599,289</u>	<u>13,042,240</u>
Deductions:			
Benefits	1,669,331	2,810,076	4,479,407
Administrative expenses	245,499	442,102	687,601
Total deductions	<u>1,914,830</u>	<u>3,252,178</u>	<u>5,167,008</u>
Change in net position	3,528,121	4,347,111	7,875,232
Net position, beginning	37,257,320	50,459,811	87,717,131
Net position, ending	<u>\$ 40,785,441</u>	<u>\$ 54,806,922</u>	<u>\$ 95,592,363</u>

STATISTICAL SECTION

This part of the City of Ocoee's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Page
Financial Trends.....	88
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity.....	95
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
Debt Capacity	99
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
Demographic and Economic Information.....	103
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information.....	105
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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City Of Ocoee

Net Position by Component

Last Ten Years
Accrual Based Accounting
(amount expressed in thousands)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Net investment in capital assets	\$ 86,049	\$ 87,258	\$ 86,671	\$ 87,154	\$ 87,432	\$ 87,717	\$ 87,359	\$ 87,677	\$ 87,143	\$ 88,421
Restricted	6,558	6,814	6,909	5,549	4,112	3,560	3,943	4,831	7,737	12,680
Unrestricted	16,080	16,938	14,491	11,810	11,959	9,816	3,661	8,983	11,448	17,919
Total governmental activities net position	\$ 110,687	\$ 111,010	\$ 108,071	\$ 104,512	103,503	101,093	\$ 94,963	\$ 101,491	\$ 106,328	\$ 119,020
Business-type activities										
Net investment in capital assets	\$ 43,489	\$ 42,827	\$ 41,936	\$ 41,155	\$ 41,681	\$ 45,527	\$ 44,515	\$ 44,787	\$ 47,653	\$ 48,326
Restricted	99	98	7,604	7,519	7,583	8,670	9,066	10,001	10,462	10,007
Unrestricted	29,230	29,348	23,385	24,461	24,305	22,110	23,137	23,931	24,485	27,975
Total business-type activities net position	\$ 72,818	\$ 72,273	\$ 72,925	\$ 73,135	\$ 73,549	\$ 76,307	\$ 76,718	\$ 78,719	\$ 82,600	\$ 86,308
Primary government										
Net investment in capital assets	\$ 129,538	\$ 130,085	\$ 128,607	\$ 128,309	\$ 129,093	\$ 133,244	\$ 131,874	\$ 132,464	\$ 134,796	\$ 136,747
Restricted	8,657	6,912	14,513	13,068	11,695	12,231	13,009	14,832	18,199	22,687
Unrestricted	45,310	46,286	37,876	36,271	36,246	31,926	26,798	32,914	35,933	45,894
Total primary government net position	\$ 183,505	\$ 183,283	\$ 180,996	\$ 177,647	\$ 177,034	\$ 177,401	\$ 171,681	\$ 180,210	\$ 188,928	\$ 205,328

City of Ocoee, Florida

Change in Net Position

Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities:										
General Government	9,052,571	9,458,398	9,441,940	9,416,758	9,938,792	10,681,945	12,495,444	13,039,440	13,649,539	13,178,601
Physical Environment	6,512,032	6,469,634	5,943,872	6,504,465	5,555,374	5,218,225	5,476,916	5,105,153	5,332,183	5,298,461
Public Safety	13,253,007	14,684,243	15,197,572	15,541,748	16,076,453	15,926,441	14,919,303	15,174,974	15,190,761	16,229,129
Parks & Recreation	2,728,016	2,664,419	2,480,771	2,666,475	2,737,947	3,035,914	3,197,256	2,944,167	2,972,836	2,953,950
Interest on Long Term Debt	1,559,990	1,588,285	1,511,332	1,402,016	895,124	798,482	746,693	711,401	1,153,474	1,777,286
Total governmental activities	33,105,616	34,864,979	34,575,487	35,531,462	35,203,690	35,661,007	36,835,612	36,975,135	38,299,793	39,437,427
Business-type activities										
Water & Wastewater	8,162,218	7,721,263	7,651,659	8,087,860	8,132,179	8,293,957	9,094,414	10,615,152	9,157,504	9,366,129
Stormwater	2,476,890	2,463,252	2,497,936	2,456,562	2,770,460	2,841,248	2,849,891	2,658,963	3,009,574	2,745,162
Sanitation	2,288,589	2,443,280	2,388,845	2,104,964	2,178,409	2,720,559	2,300,596	2,552,590	2,809,579	4,064,133
Total business-type activities	12,927,697	12,627,795	12,738,440	12,649,386	13,081,048	13,855,764	14,244,901	15,826,705	14,976,657	16,175,424
Total Expenses	46,033,313	47,492,774	47,313,927	48,180,848	48,284,738	49,516,771	51,080,513	52,801,840	53,276,450	55,612,851
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	428,227	445,380	413,648	404,022	404,374	400,175	419,721	410,555	414,888	423,657
Physical Environment	1,318,743	1,826,899	1,491,414	994,221	2,311,995	1,282,450	3,245,152	3,023,769	3,817,488	4,746,061
Public Safety	792,954	1,375,767	1,169,318	1,135,693	1,526,424	2,289,219	3,771,840	3,852,085	4,123,370	4,370,274
Parks & Recreation	722,111	820,505	877,217	849,167	1,162,865	1,021,146	1,239,553	1,212,834	1,654,969	1,510,022
Oper. Grants & Contributions	1,673,987	1,643,592	1,740,436	1,861,636	2,032,482	2,062,887	2,032,603	2,119,977	2,157,004	2,798,378
Capital Grants & Contributions	2,519,260	2,604,902	664,533	1,540,435	1,163,135	219,160	225,719	449,106	487,181	662,282
Total governmental activities	7,455,282	8,717,045	6,356,566	6,785,174	8,601,255	7,275,037	10,934,588	11,068,326	12,654,900	14,510,674
Business-type activities:										
Charges for services:										
Water & Wastewater	7,828,428	7,832,384	8,470,715	8,485,818	8,716,867	9,155,979	9,661,139	10,541,635	11,471,245	11,494,750
Stormwater	2,650,040	3,141,760	3,401,041	3,360,566	3,349,634	3,199,105	2,918,911	2,825,072	3,094,732	3,513,024
Solid Waste	2,635,103	2,727,633	2,750,381	2,810,349	2,875,741	2,925,054	2,991,560	3,021,514	3,066,449	3,165,442
Oper. Grants & Contributions	465,863	-	-	41,304	14,661	11,620	-	248,077	1,115,283	129,410
Capital Grants & Contributions	3,878,433	319,899	1,015,687	500,838	1,395,220	3,469,260	1,718,056	3,890,008	2,652,962	2,109,731
Total business-type activities	17,457,667	14,021,676	15,637,824	15,198,875	16,352,123	18,761,018	17,289,666	20,526,306	21,400,671	20,412,357
Total program revenues	24,913,149	22,738,721	21,994,390	21,984,049	24,953,378	26,036,055	28,224,254	31,594,632	34,055,571	34,923,031

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2017
Net (expense) revenue										
Governmental activities	(25,650,334)	(26,147,934)	(28,218,921)	(28,746,288)	(26,602,435)	(28,385,970)	(25,901,024)	(25,906,809)	(25,643,893)	(24,926,753)
Business-type activities	4,530,170	1,393,881	2,899,384	2,549,489	3,271,075	4,905,254	3,044,765	4,699,601	6,424,014	4,236,933
Total net expense	<u>(21,120,164)</u>	<u>(24,754,053)</u>	<u>(25,319,537)</u>	<u>(26,196,799)</u>	<u>(23,331,360)</u>	<u>(23,480,716)</u>	<u>(22,856,259)</u>	<u>(21,207,208)</u>	<u>(19,219,879)</u>	<u>(20,689,820)</u>
General Revenue (Expenses) and Other Changes in Net Position										
Governmental activities										
Property Taxes	10,856,015	11,188,564	9,715,104	9,643,175	9,325,520	9,192,829	9,884,437	11,060,960	11,725,114	12,604,617
Franchise fees and utility taxes	5,350,413	5,801,550	5,566,196	5,283,990	5,276,556	5,703,266	5,833,539	5,809,857	5,886,336	6,277,216
Intergovernment Revenue	6,476,552	6,660,226	7,030,532	7,328,477	7,780,675	8,276,562	8,789,064	9,350,920	9,667,495	10,458,407
Investment income and misc.	750,242	616,865	557,380	351,594	570,883	412,895	775,716	699,409	476,935	2,079,913
Gain on sale of capital assets	-	-	-	-	-	-	-	2,641,378	56,476	3,731,097
Transfers	1,790,011	2,204,225	2,410,292	2,581,232	2,640,910	2,414,089	2,605,550	2,872,166	2,669,804	1,108,409
Total governmental activities	<u>25,223,233</u>	<u>26,471,430</u>	<u>25,279,504</u>	<u>25,188,468</u>	<u>25,594,544</u>	<u>25,999,641</u>	<u>27,888,306</u>	<u>32,434,700</u>	<u>30,482,160</u>	<u>36,259,659</u>
Business-type activities										
Investment income and misc.	436,388	265,498	163,445	241,393	86,970	266,193	145,188	173,027	127,519	273,422
Transfers	(1,790,011)	(2,204,225)	(2,410,292)	(2,581,232)	(2,640,910)	(2,414,089)	(2,605,550)	(2,872,166)	(2,669,804)	(1,108,409)
Total business-type activities	<u>(1,353,623)</u>	<u>(1,938,727)</u>	<u>(2,246,847)</u>	<u>(2,339,839)</u>	<u>(2,553,940)</u>	<u>(2,147,896)</u>	<u>(2,460,362)</u>	<u>(2,699,139)</u>	<u>(2,542,285)</u>	<u>(834,987)</u>
Total government	<u>23,869,610</u>	<u>24,532,703</u>	<u>23,032,657</u>	<u>22,848,629</u>	<u>23,040,604</u>	<u>23,851,745</u>	<u>25,427,944</u>	<u>29,735,561</u>	<u>27,939,875</u>	<u>35,424,672</u>
Change in Net Position										
Governmental activities	(427,101)	323,496	(2,939,417)	(3,557,820)	(1,007,891)	(2,386,329)	\$ 1,987,282	\$ 6,527,891	\$ 4,838,267	\$ 11,332,906
Business-type activities	3,176,547	(544,846)	652,537	209,650	717,135	2,757,358	564,403	2,000,462	3,881,729	3,401,946
Total change in net position	<u>\$ 2,749,446</u>	<u>\$ (221,350)</u>	<u>\$ (2,286,880)</u>	<u>\$ (3,348,170)</u>	<u>(290,756)</u>	<u>371,029</u>	<u>\$ 2,571,685</u>	<u>\$ 8,528,353</u>	<u>\$ 8,719,996</u>	<u>\$ 14,734,852</u>

City of Ocoee, Florida

Governmental Activities Tax Revenues by Source

Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Property Tax	Franchise Fees	Utility Tax	Half-Cent Sales Tax	Alcoholic Beverage License	County 6 Cent Gas Tax	Total
2009	10,856,015	2,576,792	2,725,162	3,934,436	19,466	1,120,396	21,232,267
2010	11,188,564	2,643,596	3,157,954	3,956,965	9,593	1,115,594	22,072,266
2011	9,715,104	2,481,838	3,084,358	4,391,828	10,278	1,101,513	20,784,919
2012	9,643,175	2,372,389	2,911,601	4,598,067	19,745	1,110,779	20,655,756
2013	9,325,520	2,272,718	3,003,838	4,924,796	2,521	1,158,717	20,688,110
2014	9,192,829	2,461,250	3,242,016	5,314,028	21,206	1,269,929	21,501,258
2015	9,884,436	2,620,151	3,213,389	5,665,490	1,515	1,257,015	22,641,996
2016	11,060,960	2,457,176	3,352,691	6,084,185	9,703	1,373,709	24,338,424
2017	11,181,486	2,440,059	3,446,277	6,359,607	1,075	1,401,038	24,829,542
2018	12,604,617	2,675,962	3,601,254	7,013,913	11,809	1,472,446	27,380,001

City of Ocoee, Florida

Fund Balances of Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)

Pre-GASB 54								
Fiscal Year	2009	2010						
General Fund								
Reserved	\$ 97,062	\$ 106,203						
Unreserved	12,575,887	12,801,901						
Total General Fund	\$ 12,672,949	\$ 12,908,104						
All other Governmental Funds								
Reserved								
Debt Service Funds	\$ 142,131	\$ 143,138						
Unreserved, reported in:								
Capital Projects Funds	3,877,476	3,375,480						
Special Revenue Funds	9,055,499	8,548,713						
Total all other Governmental Funds	\$ 13,075,106	\$ 12,067,331						
		Post GASB 54						
Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018
General Fund								
Non-Spendable	\$ 99,416	\$ 127,412	\$ 121,556	\$ 86,901	\$ 110,379	\$ 135,781	\$ 146,586	\$ 1,034,309
Restricted	-	-	-	-	-	-	-	-
Assigned	3,200,000	4,283,790	3,200,000	2,500,000	2,873,528	3,176,410	4,379,362	4,233,141
Unassigned	9,172,375	7,279,077	7,938,384	7,657,842	9,804,236	12,954,594	13,310,229	14,191,570
Total General Fund	\$ 12,471,791	\$ 11,890,279	\$ 11,259,940	\$ 10,244,743	\$ 12,788,143	\$ 16,266,785	\$ 17,836,177	\$ 19,459,020
All other Governmental Funds								
Non-Spendable	\$ 495	\$ 1,818	\$ 4,700	\$ 3,445	\$ 5,572	\$ -	\$ -	\$ -
Restricted	6,909,134	5,548,030	4,106,828	3,558,497	3,937,663	4,831,346	31,859,663	30,538,812
Assigned	3,845,715	3,198,202	3,523,450	3,024,980	2,363,677	3,554,671	3,285,545	4,902,299
Unassigned	-	-	-	-	-	-	-	-
Total all other Governmental Funds	\$ 10,755,344	\$ 8,748,050	\$ 7,634,978	\$ 6,586,922	\$ 6,306,912	\$ 8,386,017	\$ 35,145,208	\$ 35,441,111

City of Ocoee, Florida

Changes in Fund Balance of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(amounts expressed in thousands)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues										
Taxes and Impact Fees	\$ 17,228	\$ 18,540	\$ 16,524	\$ 15,563	\$ 16,408	\$ 15,704	\$ 18,318	\$ 19,936	\$ 21,898	\$ 23,679
Licenses and Permits	1,123	1,207	1,148	1,041	1,589	1,053	1,964	1,711	2,345	2,442
Intergovernmental	8,151	9,859	9,078	10,118	10,081	10,349	10,822	11,590	11,831	13,275
Charges for services	749	797	852	919	1,056	1,947	3,257	3,292	3,349	3,759
Fines and forfeitures	369	914	709	786	955	1,185	1,081	761	710	695
Contributions	989	850	358	265	188	210	-	-	-	-
Investment earnings	530	299	211	142	34	63	112	82	93	284
Miscellaneous	207	511	343	207	535	288	553	616	382	1,789
Total revenues	<u>29,346</u>	<u>32,977</u>	<u>29,223</u>	<u>29,041</u>	<u>30,846</u>	<u>30,789</u>	<u>36,107</u>	<u>37,968</u>	<u>40,408</u>	<u>45,923</u>
Expenditures										
General government	8,307	8,611	8,323	8,343	9,080	9,559	11,077	12,281	13,298	14,178
Public safety	12,243	13,561	14,161	14,291	15,110	14,937	14,634	14,768	15,413	16,614
Physical environment	3,828	4,248	3,976	3,554	3,260	3,126	2,816	2,354	2,681	3,169
Culture and recreation	2,436	2,276	2,245	2,413	2,462	2,601	2,625	2,459	2,575	3,357
Capital outlay	4,180	4,383	1,805	2,797	2,515	2,515	3,359	2,534	2,915	8,025
Debt service										
Principal	1,347	6,706	1,840	24,730	8,266	2,182	2,517	5,113	20,010	2,241
Interest	1,621	1,588	1,522	1,402	938	802	749	712	1,206	1,871
Other charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>33,952</u>	<u>41,373</u>	<u>33,672</u>	<u>57,530</u>	<u>41,631</u>	<u>35,722</u>	<u>37,777</u>	<u>40,221</u>	<u>58,098</u>	<u>49,455</u>
Excess of revenues over (under) expenditures	(4,616)	(8,396)	(4,449)	(28,489)	(10,785)	(4,923)	(1,670)	(2,233)	(17,690)	(3,532)

City of Ocoee, Florida

Changes in Fund Balance of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(amounts expressed in thousands)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Other financing sources (uses)										
Transfers in	7,210	6,098	6,843	6,337	6,861	5,845	6,089	7,491	48,820	5,479
Transfers out	(5,420)	(3,906)	(4,406)	(3,755)	(4,220)	(3,431)	(3,495)	(4,617)	(46,150)	(4,371)
Bonds	-	-	-	-	-	-	-	-	39,415	-
Premium on bonds issued	-	-	-	-	-	-	-	-	3,143	-
Capital leases	388	391	51	40	310	373	1,185	1,161	732	580
Promissory notes	-	5,000	-	23,022	6,291	-	-	-	-	-
Payments to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	44	40	215	57	-	73	154	3,755	57	3,762
Total other financing sources (uses)	<u>2,222</u>	<u>7,623</u>	<u>2,701</u>	<u>25,701</u>	<u>9,242</u>	<u>2,860</u>	<u>3,933</u>	<u>7,790</u>	<u>46,017</u>	<u>5,450</u>
Net change in fund balances	<u>\$ (2,394)</u>	<u>\$ (773)</u>	<u>\$ (1,748)</u>	<u>\$ (2,788)</u>	<u>\$ (1,543)</u>	<u>\$ (2,063)</u>	<u>\$ 2,263</u>	<u>\$ 5,557</u>	<u>\$ 28,327</u>	<u>\$ 1,918</u>
Debt service as a percentage of noncapital expenditures	11.07%	11.48%	11.71%	10.87%	9.74%	9.87%	10.48%	15.45%	38.54%	10.38%

City of Ocoee, Florida

Changes in Fund Balance of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(amounts expressed in thousands)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues										
Taxes and Impact Fees	\$ 17,228	\$ 18,540	\$ 16,524	\$ 15,563	\$ 16,408	\$ 15,704	\$ 18,318	\$ 19,936	\$ 21,898	\$ 23,679
Licenses and Permits	1,123	1,207	1,148	1,041	1,589	1,053	1,964	1,711	2,345	2,442
Intergovernmental	8,151	9,859	9,078	10,118	10,081	10,349	10,822	11,590	11,831	13,275
Charges for services	749	797	862	919	1,056	1,947	3,257	3,292	3,349	3,759
Fines and forfeitures	369	914	709	786	955	1,185	1,081	761	710	695
Contributions	989	850	358	265	188	210	-	-	-	-
Investment earnings	530	299	211	142	34	63	112	82	93	284
Miscellaneous	207	511	343	207	535	288	553	616	382	1,789
Total revenues	<u>29,346</u>	<u>32,977</u>	<u>29,223</u>	<u>29,041</u>	<u>30,846</u>	<u>30,799</u>	<u>36,107</u>	<u>37,988</u>	<u>40,408</u>	<u>45,923</u>
Expenditures										
General government	8,307	8,511	8,323	8,343	9,080	9,559	11,077	12,281	13,298	14,178
Public safety	12,243	13,561	14,161	14,291	15,110	14,937	14,634	14,768	15,413	16,514
Physical environment	3,828	4,248	3,976	3,554	3,260	3,126	2,816	2,354	2,681	3,169
Culture and recreation	2,436	2,276	2,245	2,413	2,462	2,601	2,625	2,459	2,575	3,357
Capital outlay	4,180	4,383	1,605	2,797	2,515	2,515	3,359	2,534	2,915	8,025
Debt service										
Principal	1,347	6,705	1,840	24,730	8,266	2,182	2,517	5,113	20,010	2,241
Interest	1,621	1,588	1,522	1,402	938	802	749	712	1,206	1,871
Other charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>33,962</u>	<u>41,373</u>	<u>33,672</u>	<u>57,530</u>	<u>41,631</u>	<u>35,722</u>	<u>37,777</u>	<u>40,221</u>	<u>58,098</u>	<u>49,455</u>
Excess of revenues over (under) expenditures	(4,616)	(8,396)	(4,449)	(28,489)	(10,785)	(4,923)	(1,670)	(2,233)	(17,690)	(3,532)

City of Ocoee, Florida

Changes in Fund Balance of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(amounts expressed in thousands)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Other financing sources (uses)										
Transfers in	7,210	6,098	6,843	6,337	6,861	5,845	6,089	7,491	48,820	5,479
Transfers out	(5,420)	(3,906)	(4,408)	(3,755)	(4,220)	(3,431)	(3,495)	(4,617)	(46,150)	(4,371)
Bonds	-	-	-	-	-	-	-	-	39,415	-
Premium on bonds issued	-	-	-	-	-	-	-	-	3,143	-
Capital leases	388	391	51	40	310	373	1,185	1,161	732	580
Promissory notes	-	5,000	-	23,022	6,291	-	-	-	-	-
Payments to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	44	40	215	57	-	73	154	3,755	57	3,762
Total other financing sources (uses)	<u>2,222</u>	<u>7,623</u>	<u>2,701</u>	<u>25,701</u>	<u>9,242</u>	<u>2,860</u>	<u>3,933</u>	<u>7,790</u>	<u>46,017</u>	<u>5,450</u>
Net change in fund balances	<u>\$ (2,394)</u>	<u>\$ (773)</u>	<u>\$ (1,748)</u>	<u>\$ (2,788)</u>	<u>\$ (1,543)</u>	<u>\$ (2,063)</u>	<u>\$ 2,263</u>	<u>\$ 5,557</u>	<u>\$ 28,327</u>	<u>\$ 1,918</u>
Debt service as a percentage of noncapital expenditures	11.07%	11.48%	11.71%	10.87%	9.74%	9.87%	10.48%	15.45%	38.54%	10.38%

City of Ocoee, Florida

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years
(amounts expressed in thousands)

<u>Fiscal Year Ended September 30,</u>	<u>Real Property Assessed</u>	<u>Real Property Estimated Actual</u>	<u>Personal Property Assessed</u>	<u>Personal Property Estimated Actual</u>	<u>Total Assessed</u>	<u>Total Actual</u>	<u>Total Direct Tax Rate</u>
2009	2,225,189	2,230,227	99,980	100,206	2,325,169	2,330,433	4.8252
2010	1,999,092	2,007,273	100,064	100,473	2,099,156	2,107,746	5.4974
2011	1,728,828	1,714,380	93,294	92,514	1,822,122	1,806,894	5.5574
2012	1,623,489	1,618,845	90,255	89,997	1,713,744	1,708,842	5.8460
2013	1,568,859	1,567,379	90,059	89,974	1,658,918	1,657,353	5.8460
2014	1,583,978	1,580,727	92,883	92,692	1,676,861	1,673,419	5.7855
2015	1,722,692	1,717,624	96,001	95,719	1,818,693	1,813,343	5.6371
2016	1,849,132	1,843,511	100,013	99,709	1,949,145	1,943,220	5.9104
2017	1,987,873	1,988,159	94,244	94,258	2,082,117	2,082,417	5.8291
2018	2,204,994	2,200,769	108,619	108,288	2,313,996	2,309,882	5.6546

City of Ocoee, Florida

Property Tax Rates
 Direct and Overlapping¹ Governments
 Last Ten Fiscal Years

Fiscal Year	Overlapping Rates													
	Orange County					School District							St. John's Water Management District	Total Direct & Overlapping Rates
	City of Ocoee Operating Millage	General County Millage	Capital Projects County Millage	Parks County Millage	Total County Millage	Local Required School Millage	Local Discretionary School Millage	Supplemental Discretionary School Millage	Local Capital Improvement School Millage	Total School Millage	Library Operating Millage			
2009	4.8252	4.0441	0.2250	0.1656	4.4347	4.9930	0.4980	0.1590	1.5000	7.1500	0.3748	0.4158	17.2005	
2010	5.4974	4.0441	0.2250	0.1656	4.4347	5.4250	0.7480	0.0000	1.5000	7.6730	0.3748	0.4158	18.3957	
2011	5.5574	4.0441	0.2250	0.1656	4.4347	5.3960	0.7480	0.2500	1.5000	7.8940	0.3748	0.4158	18.6767	
2012	5.8460	4.0441	0.2250	0.1656	4.4347	5.2970	0.7480	1.0000	1.5000	8.5450	0.3748	0.3313	19.5318	
2013	5.8460	4.0441	0.2250	0.1656	4.4347	5.2300	0.7480	1.0000	1.5000	8.4780	0.3748	0.3313	19.4648	
2014	5.7855	4.0441	0.2250	0.1656	4.4347	5.2260	0.7480	1.0000	1.5000	8.4740	0.3748	0.3164	19.3854	
2015	5.6371	4.0441	0.2250	0.1656	4.4347	4.9700	0.7480	1.0000	1.5000	8.2180	0.3748	0.3023	18.9669	
2016	5.9104	4.0441	0.2250	0.1656	4.4347	4.5630	0.7480	1.0000	1.5000	7.8110	0.3748	0.4158	18.9467	
2017	5.6546	4.0441	0.2250	0.1656	4.4347	4.5630	0.7480	1.0000	1.5000	7.8110	0.0375	0.0272	17.9650	
2018	5.5000	4.0441	0.2250	0.1656	4.4347	4.5630	0.7480	1.0000	1.5000	7.8110	0.0375	0.0272	17.8104	

Source: Orange County Tax Collectors Office & Orange County Property Appraiser

¹: Overlapping rates are those of local and county governments that apply to property owners within the City of Ocoee.

City of Ocoee, Florida

Principal Property Taxpayers

September 30, 2018
(amounts expressed in thousands)

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Windermere Owner LLC	\$ 61,715	1	16%			
Mar Casa Mirella LLC	52,671	2	14%			
Oasis at Lake Bennet LLC	44,634	3	12%			
Maguire Park Street Owner LLC	41,721	4	11%			
Advenir At The Oaks LLC	40,779	5	11%			
Arbours at Crown Point LLC	39,568	6	10%			
Duke Energy Florida Inc.	29,345	7	8%			
Manheim Remarketing LP	21,706	8	6%	24,482	3	11%
Suso 4 Good Homes LP	19,900	9	5%			
West Oaks Mall FL LLC	15,085	10	4%	69,798	1	32%
Wal-Mart Stores East Inc	14,479		4%	13,516	7	6%
Good Homes Plaza (E&A) llc				15,500	5	7%
Arden Park Ventures				18,562	4	9%
City National Bank of Florida	-		-	34,318	2	16%
Ocoee LLC	-		-	9,605	8	4%
Oak Forest Partners				14,009	6	6%
Westgate Resort				9,089	9	4%
DDRM West Oaks Towne Ctr				9,036	10	4%
	<u>\$ 381,603</u>		<u>100.00%</u>	<u>\$ 217,915</u>		<u>100%</u>

Source: Orange County Property Appraiser

City of Ocoee, Florida

Property Tax Levies and Collections

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended September 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	11,245	10,852	96.51%	4	10,856	96.54%
2010	11,587	11,167	96.38%	22	11,189	96.57%
2011	10,042	9,683	96.43%	32	9,715	96.74%
2012	9,990	9,631	96.41%	12	9,643	96.53%
2013	9,689	9,324	96.23%	2	9,326	96.25%
2014	9,682	9,315	96.21%	-122	9,193	94.95%
2015	10,222	9,847	96.33%	37	9,884	96.69%
2016	11,174	10,491	93.89%	4	10,495	93.92%
2017	12,139	11,004	90.65%	177	11,181	92.11%
2018	12702	11,989	94.39%	135	12,009	94.54%

City of Ocoee, Florida

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

(dollars in thousands, except per capita)

Fiscal Year Ended September 30,	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	Refunding Revenue Bonds	Notes Payable	Capital Leases	Water Revenue Bonds	Notes Payable	Capital Leases			
2009	25,020	13,100	536	15,180	5,705	281	59,822	6.72%	1,766
2010	24,170	12,635	536	14,715	5,505	35	57,596	6.02%	1,619
2011	23,280	11,925	346	12,500	7,051	155	55,257	6.17%	1,664
2012	0.00 *	33,736	147	12,300	6,696	419	53,298	5.95%	1,605
2013	0.00	31,879	339	12,095	6,360	416	51,089	5.59%	1,513
2014	0.00	29,894	514	0.00	17,931	573	48,912	5.36%	1,233
2015	0.00	27,767	1,309	0.00	17,283	700	47,059	5.15%	1,171
2016	0.00	23,386	1,736	0.00	16,616	830	42,570	4.66%	1,016
2017	41,840 **	4,890	1,632	23,981 **	-	1,059	73,402	5.98%	1,704
2018	41,065	4,212	1,319	22,938	-	1,107	70,641	5.75%	1,640

* Bonds refunded with Notes during the 2012 Fiscal Year.

** Notes refinanced with Bonds during the 2017 Fiscal Year.

Source: City of Ocoee

Metro Orlando Economic Development Commission

US Department of Labor: Bureau of Labor Statistics

City of Ocoee, Florida

Direct and Overlapping Governmental Activities Debt

As of September 30, 2016
(amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Overlapping Debt:			
Orange County Library District	\$ -		\$ -
Orange County School District	\$ -		
Orange County Government	\$ -		
St. John's River Water Management District	\$ -		
Subtotal, overlapping debt	\$ -		
Direct Debt:			
City of Ocoee Debt/All Funds (3)	42,282	-	-
Total direct and overlapping debt	\$ 42,282		\$ -

³ City of Ocoee does not currently have any General Obligation Debt which is being repaid through general property taxes.

City of Ocoee, Florida

LEGAL DEBT MARGIN

September 30, 2018

Assessed Value (FY2016)	\$	<u>2,626,031</u>
Debt Limit 25% of Assessed Value	\$	656,508
Amount of Debt Applicable to Debt Limit:	\$	-
Legal Debt Margin	\$	<u>656,508</u>
Total Bonded Debt	\$	<u>-</u>

Article VIII Section 53 of the City Charter states that the City shall have the power to issue general obligation bonds in an aggregate principal amount of bonds outstanding at any time not in excess of Twenty-Five percent (25%) of the assessed value of the taxable property within the City as shown on the pertinent tax records at the time of the authorization of the general obligation bonds for which the full faith credit of the City is pledged.

City of Ocoee, Florida
Pledged-Revenue Coverage
 Last Ten Fiscal Years

Water/Sewer Revenue Bonds and Notes

Fiscal Year End Sept. 30th	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2009	8,394,464	6,261,698	2,132,766	455,000	1,073,403	1,528,403	1.40
2010	8,386,012	5,715,865	2,670,147	485,000	951,527	1,436,527	1.86
2011	8,730,055	5,962,597	2,767,458	531,000	883,390	1,414,390	1.96
2012	8,922,597	5,860,140	3,062,457	555,000	851,335	1,406,335	2.18
2013	9,149,151	6,172,153	2,976,998	541,000	748,854	1,289,854	2.31
2014	10,456,403	6,041,532	4,414,871	524,000	686,218	1,210,218	3.65
2015	11,252,533	6,785,561	4,466,972	648,000	608,657	1,256,657	3.55
2016	10,614,349	6,966,652	3,647,697	667,000	590,871	1,257,871	2.90
2017	11,537,885	7,361,092	4,176,793	725,000	829,099	1,554,099	2.69
2018	12,104,986	8,672,187	3,432,799	890,000	980,419	1,870,419	1.84

City of Ocoee, Florida

Demographic & Economic Statistics

<u>Fiscal Year</u>	<u>Population</u>	<u>Personal Income (amounts expressed in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Unemploy ment Rate</u>
2009	33,871	890,401	26,288	37.0	9.6
2010	35,579	995,500	27,980	36.0	9.7
2011 ²	36,020	978,015	27,152	33.5	9.3
2012 ³	36,953	995,476	26,939	36.2	5.8
2013 ⁴	37,615	979,870	26,050	36.7	5.0
2014 ⁵	39,679	1,048,755	26,487	35.4	4.4
2015 ⁶	40,171	1,023,275	25,473	35	4.2
2016 ⁵	41,881	1,095,481	26,157	35.8	3.9
2017 ²	43,072	1,228,198	28,515	35.9	2.7
2018 ⁶	47,000	1,310,413	27.88	35.9	2.5

Sources:

- 1 FY 2006 Estimated-Metro Orlando Economic Development Commission
- 2 FY 2011 BEBR Demographics
- 3 FY 2012 Metro Orlando Economic Development Commission
- 4 FY 2013 Estimated-Metro Orlando Economic Development Commission
- 5 FY 2014 City of Ocoee Community Development Department
- 6 City of Ocoee Community Development Department

City of Ocoee, Florida

Principal Employers

Current Year and Ten Years Ago

Employer	<u>2018</u>			Employer	<u>2009</u>		
	Employees	Rank	Percentage of Total City Employment		Employees	Rank	Percentage of Total City Employment
West Oaks Mall	2106	1	35.96%	West Oaks Mall	687	4	12.72%
Health Central Hospital	1972	2	33.67%	Health Central Hospital	1600	1	29.62%
Orange County Schools	746	3	12.74%	Orange County Schools	601	5	11.13%
Westgate Resorts, LTD	606	4	10.35%	Westgate Resorts			
Publix	577	5	9.85%	Publix	459	7	8.50%
Sysco Foods	530	6	9.05%	Sysco Foods	540	6	10.00%
Wal-Mart	503	7	8.59%	Wal-Mart	749	3	13.87%
Manheim Auto Auction	352	8	6.01%	Manheim Auto Auction	819	2	15.16%
City of Ocoee	360	9	6.15%	City of Ocoee	356	8	6.59%
Wayne Automatic	211	10	3.60%	Wayne Automatic	150	9	2.78%
				Dillards	127	10	2.35%
Total	<u>5,857</u>		<u>100.00%</u>	Total	<u>5,401</u>		<u>100.00%</u>

Source: City of Ocoee Planning Department
 2009 Population 34,530
 2018 Population 47,000

City of Ocoee, Florida

City Government Employees by Function
Last Ten Fiscal Years

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Approved Positions										
General Government	68	66	63	62	60	60	59	64	67	68
Public Safety										
Police-Officers	14	15	15	15	16	23	23	22	15	14
Police-Sworn	64	63	65	65	64	57	57	63	73	78
Police-Support	11	11	10	9	9	9	10	11	10	10
Fire Safety										
Firefighters	33	33	33	30	30	30	30	30	30	39
Fire-Officers	16	15	15	19	18	18	18	18	19	20
Fire-inspectors	2	2	2	1	1	2	2	2	1	1
Fire-Civilian	2	3	3	2	2	2	2	2	2	3
Communication Operators	14	0	0	0	0	0	0	0	0	0
Public Works	28	32	32	30	29	29	29	29	31	33
Parks & Recreation	39	39	39	38	39	42	41	44	44	68 *
Utilities Department	35	35	34	34	34	34	34	40	41	42
Stomwater	5	5	5	5	6	6	6	7	7	7
Sanitation	15	15	15	15	15	15	15	15	15	14
Total	346	334	331	325	323	327	326	347	355	397

Source: City of Ocoee Budget

* Includes full and part-time positions

City of Ocoee, Florida

Operating Indicators by Function

Last Ten Fiscal Years

Function	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police										
Employees	117	118	117	118	118	119	125	127	98	93
Auto Accidents	1,004	959	917	877	922	904	1,126	1,150	1,331	1428
Arrests	1,216	1,072	1,337	972	1,074	1,434	1,454	982	1,035	1666
Criminal Investigations	1,365	1,045	1,506	1,050	1,054	1,092	1,050	1,084	985	1012
Total Service Calls	44,888	45,646	46,180	41,017	48,802	49,769	49,938	48,552	67,988	55987
911 Calls Received	9,877	9,494	7,885	8,571	9,783	10,776	14,126	12,279	11,483	8207
Pieces of Evidence Processed	7,512	3,851	3,147	2,385	7,035	5,458	4,005	2,014	4,986	3248
Fire & Life Safety										
Employees	57	57	57	56	55	52	55	54	52	65
Total Permits Issued	118	77	164	139	312	259	199	171	250	329
Construction Inspections	2,240	1,257	747	625	590	568	754	701	551	763
Public Education Programs	96	83	85	79	139	139	285	105	266	228
Emergency Calls Answered/Vehicle	435	272	355	327	270	270	102	153	350	283
Emergency Calls Answered/Fire	813	800	772	798	401	116	106	83	200	183
Emergency Calls Answered/All Other	3,020	3,909	3,087	3,205	3,969	4,813	4,367	5,689	6342	6490
Miles of Streets, Sidewalks & Bike Paths										
Streets - paved	109	114	113.01	114.27	115.28	115.28	115.14	117	117	121.99
Streets - unpaved	0	1	0.76	0.76	0.76	0.76	0.76	1	1	0.7
Streets - brick	2	2	1.54	1.54	1.54	1.54	1.54	2	2	1.99
Sidewalks	177.5	175.4	175.4	175.4	175.4	175.4	175.4	175	175	175
Culture and recreation										
Multi-purpose recreation center	1	1	1	1	1	1	1	1	1	1
Community Center	3	3	3	3	3	3	3	3	3	3
Athletic fields	11	10	11	12	12	12	12	12	12	12
Tennis courts	3	6	6	6	6	6	6	6	6	6
Racquetball courts	1	1	1	1	1	1	1	1	1	1
Shuffleboard courts	1	-	-	-	-	-	-	-	-	-
Passive parks	15	16	16	16	16	15	16	16	16	15
Parks & Recreation City Playgrounds	10	10	10	10	10	9	10	10	10	10

City of Ocoee, Florida

Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Water										
New Connections	177	236	105	122	171	134	180	162	226	427
Number of Customers	12,503	12,908	11,292	11,300	11,314	11,745	13,319	13563	14,164	14683
Miles of water mains	151	151	149.51	153.03	155.04	156.04	159.72	164.5	180	179.16
Daily Average Consumption (gallons)	3.65	3.21	3.67	3.16	3.18	3.15	3.52	3.5	4	4.15
Plant capacity (Gallons)	4.33	4.33	4.66	4.66	4.66	4.88	6.80	6.1	5	2.38
Plant Permitted Daily capacity (MGD)	4.33	4.33	4.66	4.66	10.70	10.70	10.70	10.7	11	10.85
Service connections	12,503	12,908	10,609	11,080	11,314	11,319	11,424	16290	11,709	11,833
Deep wells	6	6	6	6	6	6	6	6	6	6
Fire hydrants	963	1,052	1,056	1,056	1,334	1,334	1,334	1334	1,288	1,261
Sewer System:										
Miles of sanitary sewers	89	89	83.25	86.36	89.38	89.92	90.03	102	107	109.42
Lift stations	54	55	59	59	58	61	64	62	66	65
Daily average treatment (Gallons per day)	1.641	1.536	1.62	1.00	1.83	1.62	1.65	1.65	2	1.77
Plants capacity (MGD)	1.8	1.8	3.0	1.68	3.0	3.0	3.0	3	3	3
Disposal sites	6	3	4	4	4	4	4	4	4	4
General Government										
Personnel actions processed	n/a	n/a	n/a	17	13	15	15	9	29	11
Legal Notices published	103	112	91	86	86	93	201	63	100	118
Occupational Licenses issued	1,731	1,703	1,703	1,798	1,607	1,760	1,835	1582	1555	1456
Accidents & Injuries reviewed	39	36	56	37	39	43	43	43	36	23
Land Use amendments & rezonings	8	25	13	4	7	17	17	3	7	11
License/Permit Reviews	2,934	1,421	913	1,839	2,206	2,625	2,023	2792	3186	4123
Employees paid	412	419	418	413	404	414	413	431	442	468
A/P Checks issued	5,304	3,898	3,751	4,279	4,239	4,422	4,785	4664	4,285	4057
Purchase orders/EPO's processed	672	691	643	615	661	663	680	708	778	704

City of Ocoee, Florida

Capital Assets Statistics by Function

Last Ten Fiscal Years

Function	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Number of Municipal Employees	396	387	379	373	371	414	413	431	442	371
Elections:										
Registered voters	18,963	18,452	17,949	21,296	22,056	23,013	22,950	24,941	25,361	25,663
Votes in Municipal Elections	859	1,286	4,608	3,426	531	-		6,264	14,944	2,119
Police Protection:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol cars	61	70	76	74	76	75	75	79	70	70
Other vehicles	25	33	26	24	26	29	26	26	33	33
Auto Accidents	1,004	959	917	877	922	904	1,126	1,150	1,331	1,428
Arrests	1,216	1,072	1,337	972	1,074	1,434	1,454	952	1,035	1,666
Criminal Investigations	1,365	1,045	1,506	1,050	1,054	1,092	1,050	1,084	985	1,012
Total Service Calls	44,888	45,646	46,180	41,017	48,802	49,769	49,938	48,552	67,988	5,987
911 Calls Received	9,877	9,494	7,885	8,571	9,783	10,776	14,126	12,279	11,483	8,207
Pieces of Evidence Processed	7,512	3,851	3,147	2,385	7,035	5,458	4,005	2,014	4,986	3,248
Fire Protection:										
Stations	3	3	3	4	4	4	4	4	4	4
Recreation:										
Multi-purpose recreation center	1	1	1	1	1	1	1	1	1	1
Community Center	3	3	3	2	3	3	3	3	3	3
Athletic fields	11	10	11	12	12	12	12	12	12	12
Tennis courts	3	6	6	6	6	6	6	6	6	6
Racquetball courts	1	1	1	1	1	1	1	1	1	1
Shuffleboard courts	1	-	-	-	-	-	-	-	-	-
Passive parks	15	16	16	16	16	15	16	16	16	15
City Playgrounds	10	10	10	10	10	9	10	10	10	10

Capital Assets Statistics by Function

Last Ten Fiscal Years

Function	Fiscal Year									
	2009	2010	2010	2012	2013	2014	2015	2016	2017	2018
Miles of Streets, Sidewalks & Bike Paths										
Streets - paved	109.44	112.85	113.01	114.27	115.28	115.28	115.14	117.15	117.00	121.66
Streets - unpaved	0.42	0.76	0.76	0.76	0.76	0.76	0.76	0.75	1.00	0.7
Streets - brick	1.54	1.54	1.54	1.54	1.54	1.54	1.54	1.54	2.00	1.99
Sidewalks	177.46	180.16	175.40	175.40	175.40	175.40	175.40	175.40	175.00	175
Bike paths	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.2
Water										
Miles of water mains	150.78	151.00	149.51	153.03	155.04	156.04	159.72	164.5	180.00	179.16
Daily Average Consumption (MGD)	3.65	3.21	3.67	3.16	3.18	3.15	3.52	3.52	3.67	4.15
Plant capacity Permitted	4.33	4.33	4.66	4.66	4.88	4.88	6.08	6.08	4.88	10.85
Sewer System:										
Miles of sanitary sewers	88.64	88.64	83.25	86.36	89.38	89.92	90.03	102.18	107.47	109.42

City of Ocoee, Florida

Schedule of Revenues by Source and Expense by Type

General Employees Pension Fund
Last Ten Fiscal Years

Year	Revenues by Source		Expenses by Type			City Contribution as a Percent of Payroll
	Investment Income Net	Contributions	Benefits & Refunds	Investment Related Expenses (1)	Admin. Expenses	
2009	893,160	1,707,954	936,450	80,266	52,786	13.4%
2010	1,991,764	1,956,175	910,863	108,584	33,207	15.4%
2011	(164,397)	2,138,622	1,136,431	132,769	51,092	17.2%
2012	2,914,936	2,109,364	1,244,973	140,014	59,424	17.5%
2013	3,142,906	2,425,260	1,101,837	173,577	41,069	22.5%
2014	2,447,920	2,217,892	1,043,921	-	60,184	20.4%
2015	454,266	1,681,492	1,218,647	-	89,735	13.1%
2016	2,736,440	1,556,414	1,939,917	-	70,328	10.7%
2017	4,182,436	1,492,256	1,801,475	-	264,918	10.5%
2018	3,805,747	1,637,204	1,669,331	-	245,499	8.9%

City of Ocoee, Florida

Schedule of Revenues by Source and Expense by Type

Police and Fire Pension Fund
Last Ten Fiscal Years

Year	Revenues by Source		Expenses by Type			City Contribution as a Percent of Payroll
	Investment Income Net	Contributions	Benefits & Refunds	Investment Related Expenses (1)	Admin. Expenses	
2009	984,477	1,562,440	864,828	87,492	45,018	20.8%
2010	2,097,302	2,079,314	984,185	141,998	37,946	19.6%
2011	(107,044)	2,319,644	1,072,077	137,073	16,778	22.2%
2012	4,017,592	2,618,959	1,236,784	190,271	62,361	26.7%
2013	4,387,664	3,063,043	1,714,899	227,152	45,396	32.7%
2014	3,992,191	3,075,732	1,812,744	-	81,667	30.7%
2015	343,322	2,827,659	2,234,870	-	93,962	29.4%
2016	3,465,045	2,901,224	2,473,894	-	62,462	29.3%
2017	5,142,602	2,979,985	2,707,152	-	337,352	32.0%
2018	4,048,416	3,550,873	2,810,076	-	442,102	28.0%

Other Reports

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and City Commissioners
City of Ocoee, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ocoee, Florida (the City), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 29, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Ocoee's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weakness or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Ocoee's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McDiarmid Davis & Company, LLC

Orlando, Florida
April 29, 2019

MANAGEMENT LETTER

Honorable Mayor and City Commission
City of Ocoee, Florida

Report on the Financial Statements

We have audited the financial statements of the City of *Ocoee, Florida*, as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated April 29, 2019.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated April 29, 2019 should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, require that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information has been disclosed in the notes to the financial statements.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the *City of Ocoee, Florida* has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the *City of Ocoee, Florida* did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the *City of Ocoee, Florida's* financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we had the following recommendation:

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the City Commission and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

McDermitt Davis & Company, LLC

Orlando, Florida
April 29, 2019

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

The Honorable Mayor and City Commission
City of Ocoee, Florida

We have examined City of Ocoee's (the City) compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2018. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, City of Ocoee complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

McDirmit Davis & Company, LLC

Orlando, Florida
April 29, 2019

Mayor
Rusty Johnson

City Manager
Robert Frank

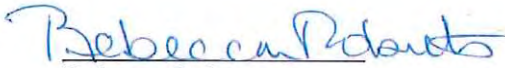


Commissioners
Larry Brinson, Sr., District 1
Rosemary Wilsen, District 2
Richard Firstner, District 3
George Oliver III, District 4

April 24, 2019

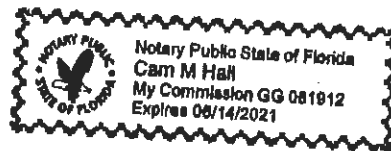
AFFIDAVIT OF IMPACT FEE COMPLIANCE

Impact fee collections, expenditures and accounting are provided for in separate accounting funds and comply with Florida Statute 163.31801.


Rebecca Roberts
Finance Director

Rebecca Roberts is personally known to me.


Cam M. Hall



Sworn before me this April 24 2019.

My Commission expires 6-14-21.

