

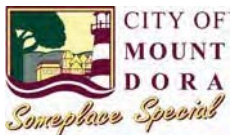
The City of Mount Dora, FL



Comprehensive Annual Financial Report



September 30, 2019



Our Mission



Preserve the quality and unique character of Mount Dora while providing outstanding municipal services to our citizens.

Fiscal Year Ending

INTRODUCTION SECTION

**CITY OF MOUNT DORA, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2019**

**MAYOR/CITY COUNCIL MAYOR
AS OF THE ISSUANCE DATE**
Cathy Hoechst

COUNCIL MEMBERS AS OF THE ISSUANCE DATE
Harmon Massey, Vice-Mayor
Crissy Stile
Cal Rolfson
John Tucker
Pam Burtnett
Marc Crail

MAYOR AS OF THE FISCAL YEAR-END
Nick Girone

COUNCIL MEMBERS AS OF THE FISCAL YEAR-END
Cathy Hoechst, Vice-Mayor
Laurie Tillet
Cal Rolfson
John Tucker
Marc Crail
Harmon Massey

CITY MANAGER
Robin Hayes

INTERIM FINANCE DIRECTOR
Thomas P. Klinker, CPA, CGMA, CGFO, CPFO

PREPARED BY
Finance Department

AUDITORS
Purvis, Gray and Company, LLP

**CITY OF MOUNT DORA, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2019**

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**CITY OF
MOUNT
DORA**

OFFICE OF THE CITY MANAGER

City Hall
510 N. Baker St.
Mount Dora, FL 32757

Office of the City Manager
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Fax: 352-735-4801

Finance Department
352-735-7118
Fax: 352-735-1406

Human Resources
352-735-7106
Fax: 352-735-9457

Planning and Development
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Fax: 352-735-7191

City Hall Annex
900 N. Donnelly St.
Mount Dora, FL 32757

Parks and Recreation
352-735-7183
Fax: 352-735-3681

Public Safety Complex
1300 N. Donnelly St.
Mount Dora, FL 32757

Police Department
352-735-7130
Fax: 352-383-4623

Fire Department
352-735-7140
Fax: 352-383-0881

Public Works Complex
1250 N. Highland St.
Mount Dora, FL 32757
352-735-7151
Alt. Tel: 352-735-7105
Fax: 352-735-1539
Alt. Fax: 352-735-2892

W. T. Bland Public Library
1995 N. Donnelly St.
Mount Dora, FL 32757
352-735-7180
Fax: 352-735-0074

Website:
www.cityofmoundora.com

July 31, 2020

To the Honorable Mayor and Members of City Council

The Comprehensive Annual Financial Report (CAFR) of the City of Mount Dora, Florida, is hereby submitted for the fiscal year ended September 30, 2019. Florida Law (Section 218.39, Florida Statutes) requires that all municipalities “shall have an annual financial audit of its accounts and records completed within 9 months after the end of its fiscal year by an independent certified public accountant”. Other than meeting the nine-month time frame, we believe this report fulfills that requirement.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The information is presented in a manner designed to fairly set forth the financial position and the results of operations of the City, on a government-wide and individual fund basis. All disclosures necessary to enable the reader to gain an understanding of the City’s financial activities have been included.

Purvis Gray & Company, Certified Public Accountants have issued an unmodified (“Clean”) opinion on the City’s financial statements for the year ended September 30, 2019. The independent auditor’s report is located at the front of the financial section of this report.

Management’s Discussion and Analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the City and Government

In 1880, the City was established, and first named Royellou after the children of one of the City’s pioneers. On March 25, 1910, it was incorporated as a town and changed its name to correspond to the adjoining lake and the fact that the City sits on a plateau 184 feet above sea level with the second highest elevation in the state. The town was incorporated as a city on April 23, 1953. The City is located in Central Florida, approximately 25 miles northwest of Orlando. The City consists of over 11 square miles and has the flavor of a small town with hilly terrain, several lakes, a large canopy of oak trees and many historic buildings.

Along with our nationally acclaimed art and crafts festivals, Mount Dora is a vibrant community with much to offer residents and visitors to which we live up to our reputation as “Someplace Special”.

The City of Mount Dora is empowered by the State to levy a property tax on both real and non-residential personal property within its boundaries. It is also empowered by State Statute to extend its corporate limits by annexation, which it has done from time to time. The City has entered into a Joint Planning Agreement with Lake County which defines the future City limits and the type of land uses that will be utilized in areas annexed in the future.

The City Charter provides for a Council/Manager form of government. Policy-making and legislative authority is vested in a City Council consisting of the Mayor, two Council Members elected at large, and four Council Members elected on a district basis. The elected officials are elected every two years for a two-year term on a staggered term and non-partisan basis. The City Council appoints the City Manager, who is responsible for supervising the daily operations and appoints the department heads. The staff is arranged into ten departments: City Clerk, Public Works, Electric, Police, Fire, Leisure Services, Planning and Development, Finance, Information Technology and Human Resources, each run by a professional from the appropriate field. Legal is currently out sourced and reports directly to the City Council, who is charged with the appointment of the contract.

The City provides a full range of services, including police and fire protection, maintenance of roads and sidewalks, construction and maintenance of infrastructure, recreational, library and other cultural activities. Certain utility services are provided through legally-separate enterprise funds, including electric, water and wastewater, sanitation, stormwater and cemetery. These funds are included in the financial statements. The Community Redevelopment Agency (CRA) and the Northeast Community Redevelopment Agency (NECRA) are considered component units and are included in the City’s financial statements as Major Funds.

Local Economic Conditions

Mount Dora is at the eastern border of the growth spreading from the Orlando-Metro (Orange County) area. Due to the proximity of the City to the new expressway connecting Lake County to the Orlando-Metro area, the City is expected to grow. The City has been involved with the approval of housing developments in its Lake County Joint Planning Area (JPA) that will eventually double the effective population of the City once the parkway and the Wolf Creek Branch Innovation District are completed. There will be continued annexations expanding the City limits within the JPA area. In addition to residential growth in Mount Dora, commercial growth along U.S. 441 will include major chain retailers and restaurants that depend on larger populations for their success. The supply of residential housing has increased as well as home prices. Specific economic conditions affecting the City’s financial position are discussed in greater detail in the MD&A in this report.

For the last two years, Lake County’s unemployment numbers have been slightly lower than the State of Florida and the United States. Housing prices have stabilized and are increasing, as well as, the related ad valorem taxes. Vacancies in the downtown area have stabilized and are lower

than levels experienced in other communities. The economic factors that have faced many communities, also have presented a challenge to the City to prepare a balanced budget. Although future revenues will be increasing, there is a need to address various budget items that were delayed or reduced during the recession.

Relevant Financial Policies

During the fiscal year, the City Council adopted a Five-Year Capital Improvement Program outlining the capital improvements for all funds. This is the twelfth straight year that a formal plan has been adopted. This program was written in compliance with the City's Reserve, Debt Management, Capital Asset, and Investment Policies. These policies were written as part of an overall program to outline the City's financial strategy to meet its current and future obligations. The Vehicle Replacement Program is funded annually to fund future vehicle replacements. Approximately 90% of the fleet has been replaced within in the last five years. The City's Debt Management and Investment Policies were updated in 2017. In 2017, the Debt Management Policy was expanded to allow long-term inter-fund borrowing in order to reduce loans from outside sources and interest expense. This Policy provides strict guidelines where inter-fund loans can be made with specific approval by the City Council. All financial policies are reviewed annually for any necessary updates.

Major Initiatives and Accomplishments

While the MD&A section that follows, and other supplementary information contained in this report will provide highlights and review financial performance during the reporting period, the following list of major initiatives and accomplishments, which were completed in fiscal year 2019, is provided as a background to the financial results during 2018-19:

- The issuance of \$21.74 million in Fire Protection Assessment Revenue Bonds for the acquisition and construction of three new stations along with apparatus. These bonds were issued on December 12, 2018.
- The issuance of \$12.16 million in Capital Improvement Revenue Bonds for the acquisition and construction of a municipal public works complex. These bonds were issued on November 30, 2018.
- During fiscal year 2017-18, the City Council authorized the issuance of up to \$4 million for the acquisition and improvements of downtown parking within the CRA district and drew down a total of \$865,000 in debt proceeds. During fiscal year 2018-19, the City made its first land acquisition under this program and began improvements to that property which is located at the corner of 3rd and Baker.
- Construction of the "Apopka Interconnect" reuse water project which is being partially funded by a State of Florida State Revolving loan (a state grant and local funding are also being utilized) at a total estimated cost of \$2.37 million.

-
-
- Construction of improvements to the US 441/State Road 46 Intersection primarily funded by the Florida Department of Transportation together with the City for the relocation and improvements of utilities with a loan in the amount of \$1.98 million.

It is the responsibility of the City Manager to carry out the mandates and enforce the policies of the City Council within the budget established by City Council. In order to fulfill these duties, the Manager has a dedicated staff. These department heads, along with the City Attorney, comprise the management team. The City Manager relies on the expertise of the management team to ensure that the goals and needs of the City are met efficiently and effectively.

Long-term Financial Planning

The City of Mount Dora has developed methodology to manage its long-term financial plan. During the last ten years, the City Council has adopted or revised the Reserve, Debt Management, Purchasing, Investment, Capital Asset Management, Vehicle Replacement and Budget Policies. Annually, the City Council along with the City Manager review the programs, services and the future capital needs of the City in order to meet the future growth and maintain the current level of service and quality of life. The Five-year Capital Improvement Program is then developed to address the priority of the projects and how to fund the projects within the City's available resources. Afterwards, this is incorporated into the budgeting process. Annually, the City Manager develops a work plan in conjunction with the City Council and Department Directors to accomplish the goals of the City. Quarterly reports provide updates on the status of the work plan and capital projects.

In December of 2016 council began to reinvigorate the original visioning plan that was adopted in 2011, with a goal setting workshop and established a Strategic Plan. City Council continues to monitor and update the objective and priorities from the first workshop to ensure continuity and relevance to the Strategic Plan.

In order to ensure adequate funding in the Water/Wastewater Fund the City completed a new Rate study in August 2019 and approved Resolution 2019-116 with a five-year outlook. Rate increases went into effective October 1, 2019 with a smoothing of 3.60% per year for five years. On April 17, 2018 City Council authorized the execution of Resolution 2018-39 for Leidos Engineering to provide comprehensive rate review services for electric.

Financial Reporting Standards

Our initiatives and accomplishments are possible only in an environment where the resources provided by our citizens, and the use of those resources, are carefully measured, documented and monitored at all times. The trust of our citizens to protect the resources they provide and the use of these resources appropriately is a critical component of effective government.

For this reason, the City Charter requires an annual audit of the books, accounts, financial records and transactions of all administrative departments of the City by independent certified public accountants selected by the City Council. The accounting firm of Purvis Gray & Company, CPA's

was selected by the City Council in September 2017, and their report on the basic financial statements is included in the financial section of this report. The audit process includes a thorough examination of the records of the Finance Department, independent verification of transactions, review of bank statements and other original documents, and analysis of account balances and activities.

In addition to the detailed audit performed by an independent auditor, annually the City submits the completed CAFR to the Government Finance Officers Association of the United States and Canada (GFOA) as part of their awards program.

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended September 30, 2018. This was the twenty-fifth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Internal Control System

Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

In developing and evaluating the City's accounting systems, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance by safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial reports for preparing financial statements and maintaining accountability of assets. Additionally, the concept of "reasonable assurance" recognizes that the cost of a control should not exceed the benefits likely to be derived and evaluation of the costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. It is understood, however, that no system of controls can prevent all errors or fraud in all situations. We believe, however, that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of Federal, State and County financial assistance, the government is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by the City's management.

Budget Controls

Budgetary control is a management function and is accomplished through the integration of budgetary and financial accounting. Budgeting is considered to be both a planning and control tool. As a planning tool, the budget is an estimate of proposed expenditures and the proposed means of financing those expenditures for the fiscal year. Budgetary control is accomplished through monthly and annual comparison of actual and estimated expenditures. Other controls to ensure budgetary compliance include purchasing authorization controls, automatic controls imposed by the accounting system, electronic and signature authorizations and other policies and procedures designed to monitor and restrict outlays to only those approved by the budget.

Budgetary controls are set at the fund level allowing budget amendments within each fund to be made by the City Manager, when the change is under \$35,000. Additionally, the amendments must be revenue/expenditure neutral. Any increase in total expenditures within a fund must identify a new, specific revenue source, or reserves, and be approved by City Council. Any changes in the amounts designated as Reserves, Contingencies or in total revenues in a fund require a Budget Amendment passed by the City Council.

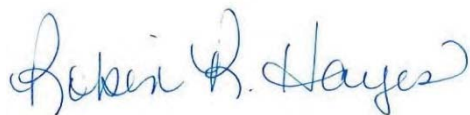
Acknowledgements

The 2018-19 financial report that follows details the financial results of activities and reports an overall improvement in our financial position since the prior year. Continued planning, efficient and cost-effective operations and responsible financial management has positioned the City to meet the challenge of providing appropriate and quality services at the lowest possible cost to current and future citizens.

The preparation of this report could not be accomplished without the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, appreciation is extended to the Mayor and City Council members for their continued commitment to the highest ethical standards in financial reporting and disclosure, and for their support and encouragement for management and staff.

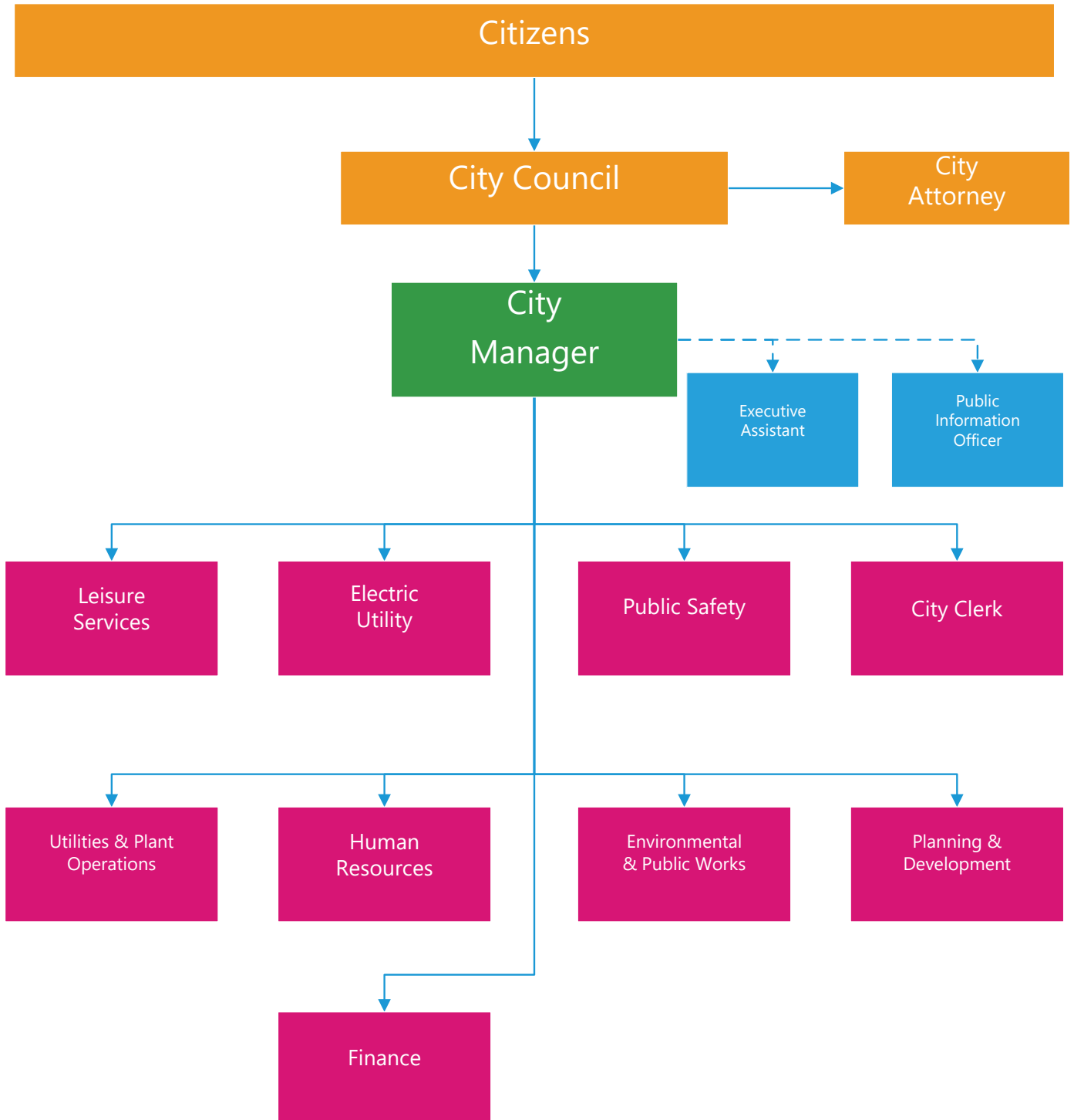
Sincerely,



Robin R. Hayes
City Manager



Jonathan C. McKinney
Finance Director





Government Finance Officers Association

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

Presented to

**City of Mount Dora
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Executive Director/CEO

FINANCIAL SECTION

This Sections contains the following subsections:

**Report Independent Certified Public Accountants
Management's Discussion and Analysis
Basic Financial Statements
Notes to Financial Statements
Required Supplementary Information
Other Supplemental Information
Internal Service Funds Combining Statements**

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the City Council
City of Mount Dora, Florida
Mount Dora, 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 Mount Dora, Florida (the City) as of and for the year ended September 30, 2019, 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

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's 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 the 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 City'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 about the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of 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.

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando

purvisgray.com

*Members of American and Florida Institutes of Certified Public Accountants
An Independent Member of the BDO Alliance USA.*

Honorable Mayor and
Members of the City Council
City of Mount Dora, Florida
Mount Dora, Florida

INDEPENDENT AUDITOR'S REPORT

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 as of September 30, 2019, and the respective changes in financial position and where applicable, cash flows, thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and other postemployment benefits related schedules, and budgetary comparison information, listed on the table of contents, be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by 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 of 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's basic financial statements. The introductory section, the other supplementary information section, and the statistical section are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance (presented in the compliance section) is presented for purposes of additional analysis as required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, and is also not a part of the basic financial statements.

The other supplementary information and the schedule of federal awards and state financial Assistance are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and schedule of federal awards and state financial assistance are fairly stated in all material respects in relation to the financial statements as whole.

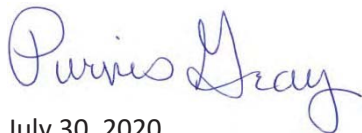
Honorable Mayor and
Members of the City Council
City of Mount Dora, Florida
Mount Dora, Florida

INDEPENDENT AUDITOR'S REPORT

The introductory and statistical section have not been subjected to the auditing procedures applied on 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 July 30, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant 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 results 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 accordance with the City's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Purvis Gray". The signature is written in a cursive style with a large initial "P".

July 30, 2020
Gainesville, Florida

Comprehensive Annual Financial Report, Fiscal Year Ending September 30, 2019

Management's Discussion and Analysis

The readers of the City of Mount Dora's financial statements are provided with this narrative overview and analysis of the financial activities by management. We encourage readers to consider the information presented here in conjunction with additional information in this report.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Mount Dora's basic financial statements prepared in compliance with the pronouncements of the Governmental Accounting Standards Board. The City's basic financial statements are comprised of three separate components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements - The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The Statement of Net Position presents information on all of the City's assets, liabilities and deferred inflows/outflows, with the difference between the two 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 is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recently completed 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 the 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 that are principally supported by taxes and intergovernmental revenues (governmental activities) and 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 include General Government, Police, Fire, Transportation, Planning, Community Redevelopment, Library, Recreation, Facilities and Parks Maintenance. The business-type activities of the City include electric, water and wastewater, sanitation, stormwater and the cemetery operations. The government-wide financial statements can be found on pages 14 through 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, 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 can be divided into three categories: governmental funds, proprietary or business-type 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 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 City'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 maintains eleven individual governmental funds. Information is presented separately in the governmental fund Balance Sheet as well as in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances. The Changes in Fund Balances are for the General Fund, the Community Redevelopment Agency, the Northeast Community Redevelopment Agency, the Public Services Tax Fund, the Discretionary Sales Tax Capital Projects Fund and the Impact Fees Capital Projects Fund, which are shown as major funds (statements on pages 17 through 21). The City has elected to treat the two redevelopment funds as major funds for presentation reasons, although they do not meet all the criteria of a major fund. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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The City adopts an annual appropriated budget for its General, Special Revenue, Debt Service and Capital Projects Funds. Budgetary comparison schedules have been provided for the General Fund and any major Special Revenue Fund to demonstrate compliance with the budget and are presented as required supplemental information. Debt Service, Capital Projects and non-major special revenue budgetary comparison schedules demonstrate compliance with the budget and are presented as other supplemental information.

Proprietary Funds - The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its electric, water and wastewater, sanitation, stormwater and cemetery operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its vehicle replacement and self insurance (health) programs.

Because services accounted for in the internal service funds are charged back to the appropriate fund based on services provided, its activities are already included in the financial statements of the governmental and business-type funds as presented. Individual fund data for the internal service fund is provided in the proprietary fund financial statements.

Proprietary fund financial statements 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 Electric, Water and Wastewater, Sanitation, Stormwater and Cemetery Funds. The five funds are considered major funds by the City. The proprietary fund financial statements can be found on pages 23 through 32 of this report.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support City programs. The accounting practices used for fiduciary funds are much like that used for proprietary funds.

The fiduciary fund financial statements can be found on pages 33 and 34 of this report.

Notes to the Financial Statements - The notes provide additional information that is essential in order to obtain 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 35 through 74 of this report.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparisons and the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 75 through 88 of this report.

The combined statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 89 through 102 of this report.

Economic Factors Affecting Financial Operations

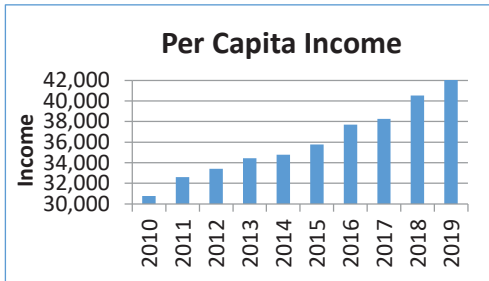
In reviewing the City's financial position and results of operations, it is important to consider the economic environment present during the reporting period as well. This information is important in understanding the context of the financial decisions that have been made.

The City of Mount Dora is located in Lake County bordering U.S. 441, approximately 25 miles northwest of Orlando, Florida. Incorporated as a city in 1910, Mount Dora now encompasses 11.4 square miles of land and waterways and continues to grow in size due to annexation. The City's population has increased from 9,418 in 2000 to 14,928 in 2019 (an average increase of just over three percent annually over that 19 year period), with a seasonal population increase in the winter months. The estimated April 1, 2019 population of 14,928 places Mount Dora as the seventh largest of Lake County's fourteen incorporated municipalities. Due to seasonal and daily visitors, the demand on City services is higher than what a more rural city of the same size would experience. There are a number of development projects which have been approved (or which are in the process of being approved). Once construction commences, we would anticipate that both the size of the city as well as population will grow at a rate faster than currently being experienced.

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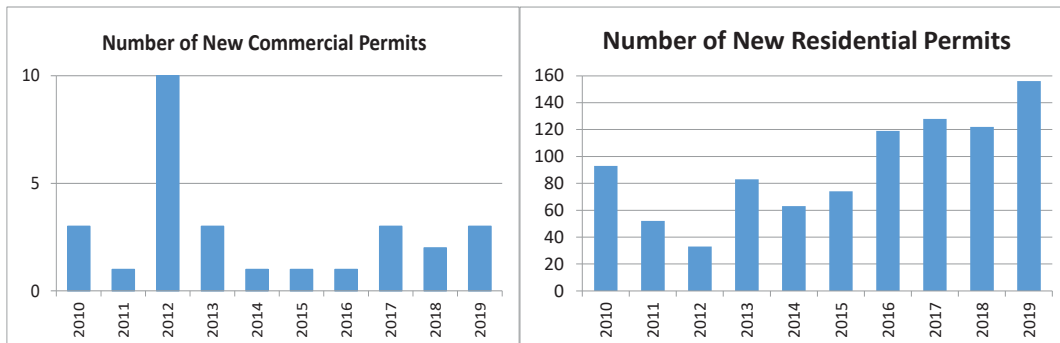
Large-scale population growth, with its increased demand on city services, as well as job growth is eventually expected. Lake County's September 30, 2019 unemployment rate was 2.9%, which remained unchanged from the previous year, and is slightly below the state rate of 3.1%.



The per capita personal income in Lake County for 2019 was \$42,190, compared to \$30,785 in 2010, and is 4.07% higher than last year's \$40,541. Future increases in income in Lake County will rely on the ability of its residents to take advantage of business and employment opportunities related to the Metro-Orlando area. A number of road construction projects, including construction of an expressway between the I-4 corridor in Northern Orange County, through the Wekiva area, to Mount Dora's doorstep at SR 46 as well as improvements to U.S. 441 will make commuting from Mount Dora a more attractive alternative.

Over the past ten years, permit issuance for new residential development fell to a low of 33 permits with an estimated construction cost of \$10,223,426 in fiscal year 2012, and rose to 156 permits with an estimated construction cost of \$30,896,250 in fiscal year 2019, which represents an average increase of over 53% in the number of permits issued over this seven year period (see chart below). The value of residential permits issued has increased by an average amount of just under 29% over the seven years beginning in 2012. Planned developments within the City's service area could increase the population by as much as 50% or more within the next twenty years.

Commercial permits remained constant at 3, for a total value of \$10,117,000. As the graph below illustrates, the number of permits for commercial development has been relatively insignificant since 2009. Commercial construction permit has varied greatly over the past ten years, ranging from a low of 1 permit issued (4 times) to a high of 10 permits issued (in 2012). Similarly, the estimated construction value of commercial projects has varied widely, from a low of \$120,601 in 2016 to a high of \$11,848,730 in 2017.



The previous slowdown in growth has allowed the City time to catch-up on infrastructure projects, but has not provided all of the additional needed capital. Current funds dedicated to capital projects have not been sufficient to continue infrastructure improvements and upgrades without having to borrow. In 2013 and 2014, the City borrowed funds for the CRA and Water & Wastewater Funds to help alleviate the shortage. Much of the future demand for new non-utility services will impact the General Fund and Discretionary Sales Tax Fund. Future major capital projects in the enterprise funds will be in the Water & Wastewater Fund and the Stormwater Fund.

The City's property tax rate of 6.3000 mills levied in fiscal year 2018-19 did not change from the previous year. While the local economy has stabilized, future growth will be dependent on the local housing market and the state's economy.

Condensed Financial Information – Government-Wide

Reviewing the changes in assets, liabilities, and net position during the fiscal period allows the reader to assess the City's current financial position and the results of operations for the last year. The following condensed information includes some of the basic data used to measure the City's progress over the past two years.

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Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets						
Current and Other	\$ 42,636,008	\$ 16,438,225	\$ 33,970,062	\$ 22,583,191	\$ 76,606,070	\$ 39,021,416
Capital	43,529,624	43,317,749	62,451,797	59,498,604	105,981,421	102,816,353
Total Assets	86,165,632	59,755,974	96,421,859	82,081,795	182,587,491	141,837,769
Deferred Outflows	2,242,755	1,685,456	339,768	295,473	2,582,523	1,980,929
Liabilities						
Current and Other	2,445,016	1,913,061	3,367,104	4,062,547	5,812,120	5,975,608
Long-Term Outstanding:						
Due within One Year	2,578,686	2,474,857	1,436,404	1,263,904	4,015,090	3,738,761
Due in More than One Year	43,159,536	20,964,951	27,899,849	18,673,013	71,059,385	39,637,964
Total Liabilities	48,183,238	25,352,869	32,703,357	23,999,464	80,886,595	49,352,333
Deferred Inflows	4,183,862	2,053,557	1,080,746	356,986	5,264,608	2,410,543
Net Position						
Net Investment in						
Capital Assets	38,203,305	36,914,412	46,898,927	44,662,505	85,102,232	81,576,917
Restricted	9,095,455	9,116,325	5,118,454	3,985,588	14,213,909	13,101,913
Unrestricted	(11,257,473)	(11,995,733)	10,960,143	9,372,725	(297,330)	(2,623,008)
Total Net Position	\$ 36,041,287	\$ 34,035,004	\$ 62,977,524	\$ 58,020,818	\$ 99,018,811	\$ 92,055,822

Assets – For the eighth year in a row, the Government-wide Assets increased from the prior year to a total balance at year-end of \$182,587,491. This year's Total Asset increase was \$40,749,722. The Cash and Investments component of Current and Other Assets experienced an overall increase of \$36,104,333, an increase of \$25,365,384 in the governmental activities and \$10,735,949 in the business activities. These increases are almost wholly attributable to the issuance of the \$12,160,000 Capital Improvement Revenue Bonds, Series 2018 on November 30, 2018 and the \$21,740,000 Fire Protection Assessment Revenue Bonds, Series 2018 on December 12, 2018. After subtracting costs legally funded out of the proceeds and adding investment earnings during fiscal year 2018-19, as of September 30, 2019, the remaining proceeds of these two bond issues totaled \$34,376,270 (\$25,268,926 in the governmental activities and \$9,107,345 in the business activities). In addition, the City recognized a receivable from the federal government (FEMA) in fiscal year 2018-19 in the amount of \$1,298,199 which represented reimbursement for a portion of the costs (in the stormwater fund) of improvements associated with the Dogwood Mountain Reserve project. Finally, the "Capital Assets Not Being Depreciated" (which primarily consist of Land and Construction in Progress) in the Business Type Activities (specifically in the Water and Wastewater Fund) increased significantly. Overall, Capital Assets Not Being Depreciated increased by \$2,987,513 from \$9,591,935 in fiscal year 2017-18 to \$12,579,448 in fiscal year 2018-19. Of this amount, \$2,853,770 is attributable to the increase in Construction in Progress in the Water/Wastewater Fund which increased from \$2,234,547 in fiscal year 2017-18 to \$5,088,317 in fiscal year 2018-19.

Liabilities - Total Liabilities in the Governmental Activities rose by \$22,117,114 and in the Business-type Activities by \$9,081,783 largely as a result of the two 2018 bond issues referenced above. In the Governmental Activities, issuance of the \$21,740,000 Fire Assessment Revenue Bonds added \$22,156,420 and the 25% portion of the Capital Improvement Revenue Bonds added an additional \$3,034,671 for a total of \$25,191,091. The remaining 75% of the Capital Improvement Revenue Bonds are accounted for in the Business-type Activities and the total increase in long-term liabilities from these bonds was \$9,104,011. The amounts reported for these two bond issues are net of applicable premiums and/or discounts. In addition, during fiscal year 2018-19, the amount outstanding for the three State Revolving Loan (SRF) Program loans (SRF351440, SRF351450, and SRF351490) all increased by a cumulative total of \$1,583,247. These increases were offset, to some extent, by debt service on debt issues outstanding before September 30, 2018. Finally, in the Business-type Activities, there was a significant reduction in "Unearned Revenue and Deposits" which was largely caused by the recognition, in September of 2019 of water and wastewater impact fees (associated with the Stoneybrooke development in outside the City limits in Orange County) totaling \$877,415. Unearned Revenue and Deposits in the Business-type activities fell by \$787,034 from \$2,099,037 in fiscal year 2017-18 to \$1,312,003 in fiscal year 2018-19.

Net Position - The City Entity-wide assets and deferred outflows exceeded its liabilities and deferred inflow as of September 30, 2018 by \$99,018,811. Total Net Position rose by \$6,962,989 from last year largely as a result of (a) recognition of FEMA revenue of \$1,298,199 in fiscal year 2018-19 (with an offsetting debit to amounts receivable from the federal government) as reimbursement for a portion of the costs (in the stormwater fund) of improvements associated with the Dogwood Mountain Reserve project; (b) the recognition of revenue previously deferred in the water wastewater fund in the amount of \$877,415 which represented water and wastewater impact fees associated with the Stoneybrooke development; and (c) the increase in capital assets (and more specifically land, infrastructure and construction in progress) in fiscal year 2018-19. The total change in capital assets (net of accumulated depreciation) was \$3,165,070 entity wide.

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Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 7,712,917	\$ 6,559,184	\$ 7,457,272	\$ 6,507,203	\$ 15,170,189	\$ 13,066,387
Buildings	20,957,422	20,883,536	19,346,712	19,158,076	40,304,134	40,041,612
Infrastructure	37,633,137	36,691,573	74,874,324	72,231,479	112,507,461	108,923,052
Machinery, Equipment and Materials	12,246,598	11,628,112	4,002,205	3,782,074	16,248,803	15,410,186
Construction in Progress	690,824	285,300	5,122,176	3,084,732	5,813,000	3,370,032
Less: Accumulated Depreciation	(35,711,274)	(32,729,956)	(48,350,892)	(45,264,960)	(84,062,166)	(77,994,916)
Net Capital Assets	\$ 43,529,624	\$ 43,317,749	\$ 62,451,797	\$ 59,498,604	\$ 105,981,421	\$ 102,816,353

Net Capital Assets increased by \$3,165,070 in fiscal year 2018-19 versus \$342,544 in fiscal year 2017-18. Nearly 99% of this net increase occurred in two proprietary funds, the water/wastewater fund and the stormwater fund. In the stormwater fund, as noted previously, work reached substantial completion on the improvements to the Dogwood Mountain Reserve stormwater capital improvements. The net change in capital assets in the stormwater fund totaled \$952,014. In the water/wastewater fund, several major projects were either underway or neared completion during fiscal year 2018-19. Among these projects were the State Road 46 Water and Wastewater Line Extensions, U.S. 441 Water and Wastewater Line Relocations and the Apopka Reuse Water Interconnect Project. Collectively, capital assets in the water/wastewater fund increased by \$2,173,944.

Long-Term Debt Activity

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Bonds and Notes	\$ 28,228,256	\$ 4,414,300	\$ 24,648,945	\$ 14,918,591	\$ 52,877,201	\$ 19,332,891
Capital Leases	1,355,520	1,989,037	-	-	1,355,520	1,989,037
Compensated Absences	1,451,343	1,134,566	326,115	359,240	1,777,458	1,493,806
Net Pension Liability	3,427,230	2,043,616	884,682	472,663	4,311,912	2,516,279
Net OPEB Obligation	11,275,873	13,858,289	3,476,531	4,268,915	14,752,404	18,127,204
Total Debt	\$ 45,738,222	\$ 23,439,808	\$ 29,336,273	\$ 20,019,409	\$ 75,074,495	\$ 43,459,217

Net long-term debt associated with Governmental Activities increased by \$22,298,415 or 95.13% from \$23,439,808 as of September 30, 2018 to \$45,738,223 as of September 30, 2019. As noted above, during fiscal year 2018-19, the City issued two bond issues, both of which affect the total amount of revenue bonds payable. The issuance of the \$21,740,000 Fire Assessment Revenue Bonds added \$22,156,420 and the 25% portion of the Capital Improvement Revenue Bonds added an additional \$3,034,671 for a total of \$25,191,091 added to the Governmental Activities balance of Revenue bonds payable. The remaining 75% of the Capital Improvement Revenue Bonds are accounted for in the Business-type Activities and the total increase in long-term liabilities from these bonds was \$9,104,011. The amounts reported for these two bond issues are net of applicable premiums and/or discounts. In addition, during fiscal year 2018-19, the amount outstanding for the three State Revolving Loan (SRF) Program loans (SRF351440, SRF351450, and SRF351490) all increased by a cumulative total of \$1,583,247. The other three components of Long-term Liabilities experienced a variety of increases and decreases in both the governmental activities as well as the business-type activities, with an overall net decrease of \$1,294,514. Compensated Absences increased by a total of \$283,652 (an increase of \$316,777 in governmental activities and a decrease of \$33,125 in business-type activities). Net Pension Liabilities increased by \$1,795,633 (an increase of \$1,383,614 in governmental activities and an increase of \$412,019 in business-type activities). Net OPEB Obligations decreased by a total of \$3,374,799 (a decrease of \$2,582,415 in governmental activities and a decrease of \$792,384 in business-type activities). More information concerning Long-term Liabilities is included in Note 4 – Long-term Liabilities on page 51-59.

Condensed Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues						
<i>Program Revenues</i>						
Charges for Services	\$ 4,281,588	\$ 1,927,802	\$ 24,208,622	\$ 23,542,025	\$ 28,490,210	\$ 25,469,827
Operating Grants and Contrib.	1,401,810	285,886	-	-	1,401,810	285,886
Capital Grants and Contrib.	819,137	642,631	4,745,999	1,548,597	5,565,136	2,191,228
<i>General Revenues</i>						
Property Taxes	6,613,825	6,123,406	-	-	6,613,825	6,123,406
Public Service Taxes	2,081,078	1,966,452	-	-	2,081,078	1,966,452
Discretionary Sales Surtax	1,379,467	1,367,118	-	-	1,379,467	1,367,118
Local Option Fuel Taxes	265,905	266,310	-	-	265,905	266,310
Local Business Tax	24,138	23,808	-	-	24,138	23,808
Franchise Fees	778,203	750,159	-	-	778,203	750,159
State Shared Revenues	2,937,416	2,620,194	-	-	2,937,416	2,620,194
Investment Earnings (Losses)	707,449	99,318	553,748	161,064	1,261,197	260,382
Miscellaneous	315,278	599,589	331,720	128,590	646,998	728,179
Total Revenues	21,605,294	16,672,673	29,840,089	25,380,276	51,445,383	42,052,949

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Expenses							
General Government	\$ 4,624,635	\$ 3,765,569	\$ -	\$ -	\$ 4,624,635	\$ 3,765,569	
Public Safety	10,703,799	8,599,095	-	-	10,703,799	8,599,095	
Physical Environment	-	-	22,031,083	20,744,571	22,031,083	20,744,571	
Transportation	2,419,628	2,221,672	-	-	2,419,628	2,221,672	
Culture and Recreation	3,851,962	3,283,801	-	-	3,851,962	3,283,801	
Interest on Long-Term Debt	851,287	118,451	-	-	851,287	118,451	
Total Expenses	22,451,311	17,988,588	22,031,083	20,744,571	44,482,394	38,733,159	
Excess (Deficit) Before Transfers	(846,017)	(1,315,915)	7,809,006	4,635,705	6,962,989	3,319,790	
Net Transfers	2,852,300	2,782,250	(2,852,300)	(2,782,250)	-	-	
Increase in Net Position	2,006,283	1,466,335	4,956,706	1,853,455	6,962,989	3,319,790	
Net Position, Beginning of Year	34,035,004	32,568,669	58,020,818	56,167,363	92,055,822	88,736,032	
Net Position, End of Year	\$ 36,041,287	\$ 34,035,004	\$ 62,977,524	\$ 58,020,818	\$ 99,018,811	\$ 92,055,822	

Revenues

The overall Government-wide revenues rose by \$9,392,434 after increasing by \$718,329 in 2018. This is the seventh year in a row that revenues have increased after decreasing by \$1,356,000 in 2012. Among the more significant increases in revenues from fiscal year 2017-18 to fiscal year 2018-19, property tax revenues in the general fund grew by \$490,019 or 8% from \$6,123,406 in fiscal year 2017-18 to \$6,613,825 in fiscal year 2018-19. Since the millage rate remained unchanged for the third consecutive year, it would appear that this increase is attributable to increases in taxable values. In the Building Inspection Fund, building permit rose by \$383,097 or 54.8% from \$699,020 in fiscal year 2017-18 to \$1,082,117 in fiscal year 2018-19. Revenues recognized from FEMA Reimbursements impacted both the governmental activities (general fund) and the business-type activities (stormwater fund). In the general fund, FEMA reimbursement revenues (primarily associated with Hurricane Irma on September 11, 2017) were recognized in fiscal year 2018-19 totaling \$851,412. In fiscal year 2017-18 FEMA Reimbursement Revenue in the general fund totaled only \$42,277, which represents an increase of \$809,135. In the stormwater fund, FEMA reimbursement revenue totaling \$1,298,199 was recognized during fiscal year 2018-19 for the construction of stormwater improvements in the Dogwood Mountain Reserve Subdivision. In the fire assessment fund, two separate revenue sources experienced significant increases. Revenues received from the SAFER Grant (a federal grant utilized to recruit, train and pay firefighters) increased from zero in fiscal year 2017-18 to \$349,099 in fiscal year 2018-19. Also in the fire assessment fund, the special assessment for fire services (which was increased from \$50 to \$219 per equivalent residential unit in fiscal year 2018-19) increased from \$463,815 in fiscal year 2017-18 to \$1,962,675 in fiscal year 2018-19, an increase of \$1,488,860 or 321%. For the fiscal year 2017-18, in the Business-type Activities, an increase in revenues took place in Charges for Services Revenues in the Water and Wastewater Fund which increased by \$573,764 or 5.49% from \$10,451,116 in fiscal year 2017-18 to \$11,024,880 in fiscal year 2018-19. Finally, investment earnings in both the governmental activities and business-type activities experienced an overall increase of \$1,000,815 in fiscal year 2018-19 from \$260,382 in fiscal year 2017-18 to \$1,261,197 in fiscal year 2018-19. The increases in investment earnings were largely the result of the issuance of the \$21,470,000 Fire Protection Assessment Revenue Bonds, Series 2018 on December 12, 2018 and \$12,160,000 Capital Improvement Revenue Bonds, Series 2018 on November 30, 2018. The net investable proceeds from these two bond issues alone added \$34,376,270 to the City's portfolio.

Expenses

During fiscal year 2018-19, total entity-wide expenses rose by \$5,749,235 from \$42,052,949 in fiscal year 2017-18 to \$51,445,383 in fiscal year 2018-19. This compares with an overall increase in expenses of \$1,209,590 last year. Virtually every expense category in both governmental activities and business-type activities experienced an increase in fiscal year 2018-19 over the amount reported in fiscal year 2017-18. In the governmental activities, general government expenses increased by \$859,066 from \$3,765,569 in fiscal year 2017-18 to \$4,624,635 in fiscal year 2018-19. Significant components of the \$859,066 increase included the City Attorney with an increase of \$199,078, Planning and Development/Economic Development which experienced a cumulative increase of \$327,327, and Building Maintenance/Facility Care, which had a cumulative increase of \$166,732. Public Safety expenses consist almost exclusively of Police and Fire Department costs as well as Protective (Building) Inspections and increased by \$2,104,704 from \$8,599,095 in fiscal year 2017-18 to \$10,703,799 in fiscal year 2018-19. In addition to modest increases in the costs of these departments, during fiscal year 2018-19, the City began expending the proceeds from the SAFER Grant utilizing the fire assessment fund (fund 131). Payroll related expenses paid from the 131 fund during fiscal year 2018-19 totaled \$393,275. Culture and Recreation expenses increased by \$568,161 from \$3,283,801 in fiscal year 2017-18 to \$3,851,962 in fiscal year 2018-19. Culture and Recreation expenses include library, parks, recreation, pool, and community building operations among others. Of these functions, the most significant increases occurred in the Recreation Department (\$332,420) and the Parks Department (\$44,846). Interest on Long-term Debt expenses increased in the governmental activities by a total \$732,836 from \$118,451 in fiscal year 2017-18 to \$851,287 in fiscal year 2018-19. This increase was the result of the debt service payments associated with the issuance, early in fiscal year 2018-19, of the

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\$21,470,000 Fire Protection Assessment Revenue Bonds, Series 2018, and the \$12,160,000 Capital Improvement Revenue Bonds, Series 2018. Finally, total physical environment expenses in the business-type activities (which includes the electric, water/wastewater, sanitation, stormwater and cemetery enterprise funds) increased by \$1,286,512 from \$20,744,571 in fiscal year 2017-18 to \$22,031,083 in fiscal year 2018-19. This \$1,286,512 increase was largely the result of two factors; first, increases in the operating expenses of the water/wastewater fund totaled \$1,049,872, and second increases to the non-operating expenses and specifically for interest expense and other debt costs totaled \$574,733. These two items total \$1,624,605 which more than accounts for the overall increase in this category of \$1,286,512.

Significant Conditions Impacting Financial Position

Fiscal year 2018-19 marked the second year that the City property tax (millage) rate was set at 6.3000 mills. Taxable property values have increased for the past six years and in fiscal year 2018-19, they increased by slightly over 8%. The City has levied and collected a special fire assessment fee annually beginning in fiscal year 2015-16. During the budget preparation process for fiscal year 2018-19, in recognition of the need to fully fund major capital improvements for the fire department, the City Council increased the fire assessment fee from \$50 per equivalent residential unit to \$219 per equivalent residential unit. Overall, this resulted in an increase to fire assessment revenue of \$1,488,860 from \$463,815 in fiscal year 2017-18 to \$1,952,675 in fiscal year 2018-19. The City subsequently issued the \$21,470,000 Fire Protection Assessment Revenue Bonds, Series 2018 on December 12, 2018 for the purpose of funding the costs of constructing and equipping three new fire stations. The special fire assessment fee has been pledged for the repayment of this debt. The City continues to develop long-range planning on how to consolidate services or methods to deliver services at a lower cost. We have developed several projects to accomplish this goal, including a joint effort with the surrounding cities on ways that we can work together.

Due to the potential future restructuring of the workforce as personnel depart, the commitment to manage costs, the planning of appropriate rate increases and conservative revenue forecasting, both the governmental and business-type funds of the City are healthy, and are moving forward in a positive direction. Most of the funds have healthy balances and the City is committed to continue to reduce the deficit in the Impact Fees Capital Fund. The City completed an extensive visioning project to help guide the future of the City and the master planning of a future business park. The financial position of the City continues to grow to meet future needs as a result of prudent management strategies implemented during the last decade. The careful assessment of future service demands with the necessary infrastructure to meet those demands, as well as a measured approach to financing decisions, will ensure that this trend continues.

Analysis of Financial Position and Results of Operations - Individual Funds

Governmental Activities

General Fund

General Fund expenditures increased by \$3,845,870 or 31% from the prior year. The largest increase was in general government expenses. This was due to the City no longer allocating general government services between the other general functions. In addition, significant increases in payroll costs were noted due to over time in relation to the hurricanes, as well as increases in health insurance costs. The only categories that were down were Transportation (\$32,611) and Culture and Recreation (\$290,858). Total actual expenditures were \$234,577 less than the amended budget. There were no major budget revisions during the year except for one-time transfer to the CRA Fund. The Transfers In were only \$39,700 greater than the original budget, which was due to recalculation of the PILOT and Return on Investment fees.

Special Revenue Funds

Community Redevelopment Agency Fund

The Community Redevelopment Agency Fund (CRA) was established by City Ordinance, in agreement with Lake County and pursuant to the provisions of Section 163.356, Florida Statutes, and has been extended until 2042. Revenues are comprised of the incremental ad valorem taxes collected on property by the City and other government units in the downtown redevelopment district. In 2019, property taxes collected increased by \$117,513 or 11.60% versus an increase of \$74,231 or 7.91% in fiscal year 2017-18. Operating expenditures, excluding debt service and capital expenditures rose by \$130,561 or 30.46% from \$428,599 in fiscal year 2017-18 to \$559,160 in fiscal year 2018-19. Key components in this increase were \$82,500 in "high wage economic incentive" payments made to Steamroller Studios and \$49,480 to Redevelopment Management Associates, LLC for a "Community Redevelopment Agency Plan Update and Extension of Sunset Services". In 2013, the CRA issued \$2,500,000 in notes to fund a portion of the long anticipated Downtown Streetscape project. The outstanding principal amount remaining on this issue as of September 30, 2019 was \$1,598,000. During fiscal year 2017-18, the City "drew down" \$865,000 out of a maximum of \$4,000,000 loan from CenterState Bank for the purchase and improvement of downtown parking facilities. No additional funds were drawn during fiscal year 2018-19, so as of September 30, 2019, the principal amount remaining on this obligation is \$865,000.

Comprehensive Annual Financial Report, Fiscal Year Ending September 30, 2019

Management's Discussion and Analysis

Northeast Redevelopment Agency Fund

The Northeast Redevelopment Agency Fund was created to account for funds received for redevelopment of the northeast section of the City. Ad valorem taxes and Intergovernmental Revenues (Incremental Ad Valorem Taxes) were up by \$58,220 in fiscal year 2018-19 compared to the prior year's increase of \$33,231. Operating expenditures increased by \$30,791, due in large part to the participation by 7 youth who reside in the Northeast CRA in a Summer 2019 Youth Employment Program at a cost to the CRA of \$23,676. In addition, during fiscal year 2018-19, payroll related expenditures in the Northeast CRA increased by \$30,926 or 25.18% from \$122,813 in fiscal year 2017-18 to \$153,739 in fiscal year 2018-19. Also during fiscal year 2018-19, the Northeast CRA began funding a portion of the debt service associated with the \$12,160,000 Capital Improvement Revenue Bonds, Series 2018. During fiscal year 2018-19, a total of \$20,402 was transferred from the Northeast CRA Fund to the debt service fund for this purpose.

Other Special Revenue Funds

The Protective Inspections Fund was created pursuant to the provisions of Section 553.80(7)(a)(b) to account for permit fees and any fines or investment earnings related to the fees which must be used solely to carry out the local government's responsibilities in enforcing the Florida Building Code. During fiscal year 2018-19 building permit revenues increased by \$383,097 or 54.80% from \$699,020 in fiscal year 2017-18 to \$1,082,117 in fiscal year 2018-19. Total fund revenues increased from \$758,244 in fiscal year 2017-18 to \$1,188,220 in fiscal year 2018-19, an increase of \$429,976 or 56.71%. Total fund expenditures increased by \$76,840 or 11.73% from \$655,303 in fiscal year 2017-18 to \$732,143 in fiscal year 2018-19. The Protective Inspection Fund Net Position grew by \$456,077 in fiscal year 2017-18 compared to an increase in Net Position of \$102,641 in fiscal year 2017-18.

The City is often called "Festival City" and in fiscal year 2014-15 the Special Events Fund was created to track the major festivals and numerous other special events which are held in the City each year. The ultimate intent is to determine how much the City is subsidizing these events (from the general fund). During fiscal year 2018-19, the general fund provided an operating subsidy to the special events fund of \$238,659 which represents a reduction of \$35,134 or 12.83% from the \$273,793 transferred from the general fund in fiscal year 2018-19.

The Law Enforcement Trust Fund was created pursuant to the provisions of Section 932.7055(5) (a), Florida Statutes, to account for the net proceeds from the sale or conversion of forfeited properties. Expenditures payable from this fund are legally restricted to nonrecurring law enforcement obligations. Although legally entitled as a trust fund, this fund is more properly accounted for as a special revenue fund due to the nature of the transactions recorded therein. During fiscal year 2018-19, revenues totaled \$5,143 which represents a reduction of \$5,780 or 52.92% from the \$10,923 received in fiscal year 2017-18. Fund expenditures actually increased by \$6,779 or 301.69% from \$2,247 in fiscal year 2017-18 to \$9,026 in fiscal year 2018-19. Net Position (fund balance) in the Law Enforcement Trust Fund declined by \$3,883 from \$22,733 on October 1, 2018 to \$18,850 on September 30, 2019.

Debt Service Fund

In September 2011, the City Council approved the issuance of the 2011 Public Services Tax Refunding and Revenue Bond with proceeds to fund an escrow to call the then outstanding 2001 Bonds. Revenues pledged for the repayment of the bonds consists of the telecommunication services tax and the public service tax. Inasmuch as the amount of pledged revenues required to fund the debt totals between \$300,000 and \$320,000 annually, we are transferring the required portion out of the telecommunication services tax. During fiscal year 2018-19, the City issued the \$12,160,000 Capital Improvement Revenue Bonds, Series 2018. 25% of the debt service associated with this issue is payable out of the governmental funds and the debt service fund is also being used for this debt service.

Capital Funds

Discretionary Sales Tax Capital Projects Fund

The City of Mount Dora created the Discretionary Sales Tax Fund to account for the proceeds generated from the levy of a one cent discretionary sales surtax levied pursuant to the provisions of Section 212.055, Florida Statutes. The proceeds generated from the "local government infrastructure surtax". Fiscal year 2018-19 proceeds from the infrastructure sales surtax totaled \$1,379,467, which represents an increase of only \$12,349 or 0.90% over the \$1,367,118 received in fiscal year 2017-18. Expenditures fell by \$708,855 or 37.11% from \$1,910,038 in fiscal year 2017-18 to \$1,201,183 in fiscal year 2018-19. Ending fund balance rose by \$210,462 or 8.92% from \$2,358,777 on October 1, 2018 to \$2,569,239 on September 30, 2019.

Comprehensive Annual Financial Report, Fiscal Year Ending September 30, 2019

Management's Discussion and Analysis

Impact Fees Capital Projects Fund

This fund collects impact fees from developers for specific activities and then expends the money on capital projects to address the additional needs created by increased population. The four impact fees that are tracked by this fund are police, fire, library and recreation. The recreation fee is the largest revenue collected with \$439,115 in fiscal year 2018-19 impact fee revenue, with library fees being the second largest with \$233,768 in fiscal year 2018-19 impact fee revenue. The total impact fee revenues received during fiscal year 2018-19 was \$818,715 which represents an increase of \$200,550 or 32.44% over the \$618,165 received in fiscal year 2017-18.

Fire Assessment Fee Fund

The Fire Assessment Fee Fund was created to account for the proceeds from a non-ad valorem per parcel assessment levied against all properties located within the City. When originally enacted in fiscal year 2015-16, the rate was established at \$50 per equivalent residential unit. In fiscal year 2018-19, the City Council raised the rate \$50 to \$219 per equivalent residential unit. As a result, fire assessment fee revenue increased from \$463,815 in fiscal year 2017-18 to \$1,962,675 in fiscal year 2018-19, an increase of \$1,488,860 or 321%. When this fund was originally created in fiscal year 2015-16, the use of the proceeds was limited to the purchase of fire equipment. However, upon identifying the need to construct three new fire stations (and upon issuance of the \$21,740,000 Fire Assessment Revenue Bonds on December 12, 2018), the uses were expanded to include debt service on the new bonds. Upon receipt of the SAFER Grant from the federal government to fund new firefighter positions, the utilization of the proceeds were again expanded to include funding of these positions (at least until the costs are reimbursed by the federal government). For the fiscal year ending September 30, 2019, fund revenue (excluding the \$22,412,673 in debt proceeds) totaled \$2,742,002, an increase of \$2,275,925 or 488.32% over the \$466,077 received in fiscal year 2017-18. Fund expenditures experienced a similar increase, growing from \$480,615 in fiscal year 2017-18 to \$2,594,002 in fiscal year 2018-19 an increase of \$2,113,477 or 439.74%.

Business-Type Activities

Electric Fund

A major portion of the electric rates are structured to recover the wholesale power costs. The City uses a rate structure that adjusts a portion of the customer's bill on a semi-annual basis in order to recover the power costs. During fiscal year 2018-19, overall electricity sales declined by \$73,145 or 0.73% from \$10,013,428 in fiscal year 2017-18 to \$9,940,283 in fiscal year 2017-18. The cost of purchased power similarly fell by \$197,958 or 3.39% from \$5,832,656 in fiscal year 2018-19 to \$5,634,698 in fiscal year 2018-19. Solely as a result of the \$197,958 reduction in the cost of purchased power, total operating expenses in the electric fund fell by \$132,092 or 1.45% from \$9,082,773 in fiscal year 2017-18 to \$8,950,681 in fiscal year 2018-19. In connection with the decommissioning of the Crystal River III Nuclear Power Plant, the City received refunds from the wholesale power supplier's insurance settlements in the amount of \$1,284,500 in fiscal year 2015-16. The insurance settlement was recorded in fiscal year 2015-16 which resulted in a profit of \$1,179,478 for that fiscal year. This recognition methodology was based on the recommendation of our prior auditor. As a consequence, the entire settlement amount of \$1,179,478 was recognized in fiscal year 2015-16 rather than being amortized over a period of months or years. Nevertheless, for the fiscal year ending September 30, 2019, the electric fund is reporting net income of \$349,496. The City's existing Power Sales Agreement with Duke Energy expires on December 31, 2020. Subsequent to September 30, 2019, the City has entered into an agreement with the Orlando Utilities Commission (OUC) for the purchase of power. The rates negotiated with OUC should provide significant cost savings to the City, which intends to pass a portion of the savings on to its customers but also to utilized a portion of the savings to fund future capital needs.

Water & Wastewater Fund

Operating revenues in the Water and Wastewater fund grew by \$573,764 or 5.49% from \$10,451,116 in fiscal year 2017-18 to \$11,024,880 in fiscal year 2018-19. However, operating expenses grew at a much higher rate rising from \$7,831,095 in fiscal year 2017-18 to \$8,880,967 in fiscal year 2018-19, an increase of \$1,049,872 or 13.41%. In addition, given the levels of new debt incurred by the City in the Water and Wastewater Fund in an effort to keep pace with needed capital improvements, there is some concern going forward that operating revenues will keep pace with operating expenses. During fiscal year 2017-18, the City engaged a rate consultant to ensure that we are able to keep pace. In spite of the fact that operating expenses far outpaced operating revenues during fiscal year 2018-19, there was, nevertheless, an increase to net position as of September 30, 2019 of \$2,891,937.

Comprehensive Annual Financial Report, Fiscal Year Ending September 30, 2019

Management's Discussion and Analysis

Other Enterprise Funds

The Sanitation Fund consists chiefly of collecting the fees charged by a third-party hauler. The City adds a fee to offset a maintenance worker's costs as well as billing costs. The Sanitation Fund has experienced modest losses in net position over the past several years as some internal operational costs are not being fully recovered through the revenue stream. During fiscal year 2018-19, operating revenues rose by \$17,670 or 0.89% from \$1,990,391 in fiscal year 2017-18 to \$2,008,061 in fiscal year 2018-19. However, similar to the Water and Wastewater Fund, operating expenses have grown at a much faster rate. Operating expenses totaled \$2,139,906 in fiscal year 2017-18 and grew by \$41,211 or 1.93% to \$2,181,117. Net position also experienced a further degradation, falling by \$154,933 to a negative \$232,854 as of September 30, 2019. The City is in the process of evaluating its sanitation rates in an effort to become more financially viable.

For the past several years operating expenses in the stormwater fund have exceed operating revenues. Fiscal year 2018-19 was no exception. Operating revenues increased by \$38,153 or 3.72% from \$1,027,745 in fiscal year 2017-18 to \$1,062,898 in fiscal year 2018-19. Operating expenses actually experienced a 19.22% reduction from \$1,349,877 in fiscal year 2017-18 to \$1,090,390 in fiscal year 2018-19. Nevertheless, operating expenses still exceeded operating revenues in fiscal year 2018-19 by \$27,492. However, the recognition of capital grants in the stormwater fund as non-operating revenues (intergovernmental revenue) in fiscal year 2018-19 totaling \$1,995,786 (including the recognition of FEMA Reimbursement Revenue totaling \$1,298,199 in connection with the Dogwood Mountain Reserve Subdivision Stormwater Improvements) had the result of increasing net position in the Stormwater Fund by \$1,832,654. When added to the beginning net position (as of October 1, 2018) of \$6,129,231, ending net position in the Stormwater Fund (as of September 30, 2019) totals \$7,961,885.

The Cemetery Fund was created in fiscal year 2007-08 to operate the cemetery in a more businesslike manner. Because of a significant increase in cemetery lot sales during fiscal year 2018-19, operating revenues increased by \$110,155 or 176.69% from \$62,345 in fiscal year 2017-18 to \$172,500 in fiscal year 2018-19. Operating expenses experienced a modest increase of \$12,275 from \$123,700 in fiscal year 2017-18 to \$135,975 in fiscal year 2018-19. Because of the increases in cemetery fees (lot sales), for the first time in several years, it was unnecessary to subsidize the cemetery fund from the general fund.

Original Budget vs. Final Budget

General Fund

Accurate revenue projection is critical to sound budgeting. The amount of resources available for appropriation is the foundation for any budget and should be the basis for decision-making in the budget process. General Fund Revenues of \$16,893,433 exceeded the Amended Budget by \$1,292,433. Due to the uncertainty of potential future revenue streams, the Administration continued to tightly control the operational budget. General Fund Expenditures of \$19,151,891 were \$312,921 less than the amended budget of \$19,464,812 and over the Original Budget of \$18,796,123 by \$355,768. The amount of "net" other financing sources (i.e. interfund transfers in minus interfund transfers out) included in the final budget in the general fund exceeded the actual amount by \$283,038. As a result of operations, the general fund experienced a net decrease in fund balance of \$490,676 and after subtracting this amount from the October 1, 2018 general fund balance of \$3,719,549 results in fund balance as of September 30, 2019 of \$3,228,873.

Requests for Information

This financial report is designed to present users with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions concerning any of the information provided in this report or need additional financial information, please contact the City's Finance Department at 510 N. Baker Street, Mount Dora, Florida 32757. Copies of prior years' report and other financial documents may be viewed on our departmental webpage cityofmountdora.com

BASIC FINANCIAL STATEMENTS

CITY OF MOUNT DORA, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

	Governmental Activities	Business-Type Activities	Total
Assets			
Pooled Cash and Investments	\$ 40,476,138	\$ 29,946,630	\$ 70,422,768
Receivable, Net	548,523	2,715,095	3,263,618
Internal Balances	898,504	(898,504)	-
Due from Other Governments	590,236	1,298,199	1,888,435
Accrued Interest Receivable	6,721	26,453	33,174
Employee Advances	3,371	-	3,371
Inventories and Prepaid Items	112,515	882,189	994,704
Capital Assets:			
Capital Assets Not Being Depreciated	8,403,741	12,579,448	20,983,189
Capital Assets Being Depreciated, Net	35,125,883	49,872,349	84,998,232
Total Assets	<u>86,165,632</u>	<u>96,421,859</u>	<u>182,587,491</u>
Deferred Outflows of Resources			
Deferred Outflow on Interest Rate Swap	-	77,088	77,088
Pension Related Deferred Outflows	1,768,818	116,638	1,885,456
OPEB Related Deferred Outflows	473,937	146,042	619,979
Total Deferred Outflows of Resources	<u>2,242,755</u>	<u>339,768</u>	<u>2,582,523</u>
Liabilities			
Accounts Payable	1,670,318	1,734,928	3,405,246
Accrued Liabilities	542,718	264,156	806,874
Due to Other Governments	137,960	56,017	193,977
Unearned Revenue and Deposits	94,020	1,312,003	1,406,023
Long-Term Liabilities:			
Due Within One Year	2,578,686	1,436,404	4,015,090
Due in More Than One Year	43,159,535	27,899,849	71,059,384
Total Liabilities	<u>48,183,237</u>	<u>32,703,357</u>	<u>80,886,594</u>
Deferred Inflows of Resources			
Pension Related Deferred Inflows	956,678	89,195	1,045,873
OPEB Related Deferred Inflows	3,227,184	991,551	4,218,735
Total Deferred Inflows of Resources	<u>4,183,862</u>	<u>1,080,746</u>	<u>5,264,608</u>
Net Position			
Net Investment in Capital Assets	38,203,305	46,898,927	85,102,232
Restricted for:			
Capital Improvements	3,922,279	4,194,819	8,117,098
Debt Service	-	923,635	923,635
Redevelopment	2,931,172	-	2,931,172
Building Inspections	2,213,935	-	2,213,935
Law Enforcement	18,850	-	18,850
Special Events	9,219	-	9,219
Unrestricted	(11,257,472)	10,960,143	(297,329)
Total Net Position	<u>\$ 36,041,288</u>	<u>\$ 62,977,524</u>	<u>\$ 99,018,812</u>

See accompanying notes.

CITY OF MOUNT DORA, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Function/Program Activities	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General Government	\$ 4,624,635	\$ 242,634	\$ 867,598	\$ -
Public Safety	10,703,799	3,340,793	412,254	146,254
Transportation	2,419,628	-	-	-
Culture and Recreation	3,851,962	698,161	121,958	672,883
Interest on Long-Term Debt	851,287	-	-	-
Total Governmental Activities	22,451,311	4,281,588	1,401,810	819,137
Business-Type Activities				
Electric Utility	9,082,979	9,940,283	-	171,406
Water and Wastewater Utility	9,521,722	11,024,880	-	2,578,807
Sanitation	2,181,117	2,008,061	-	-
Stormwater Utility	1,109,290	1,062,898	-	1,995,786
Cemetery	135,975	172,500	-	-
Total Business-Type Activities	22,031,083	24,208,622	-	4,745,999
Total Primary Government	\$ 44,482,394	\$ 28,490,210	\$ 1,401,810	\$ 5,565,136

General Revenues

Property Taxes
Public Service Taxes
Discretionary Sales Surtax
Local Option Fuel Taxes
Local Business Tax
Franchise Fees
State and County Shared Revenues (Unrestricted)
Investment Earnings (Losses)
Miscellaneous

Net Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position, Beginning of Year

Net Position, End of Year

See accompanying notes.

Net (Expense) Revenue and Changes in Net Position

Primary Government

Governmental Activities	Business-Type Activities	Total
\$ (3,514,403)	\$ -	\$ (3,514,403)
(6,804,498)	-	(6,804,498)
(2,419,628)	-	(2,419,628)
(2,358,960)	-	(2,358,960)
(851,287)	-	(851,287)
<u>(15,948,776)</u>	<u>-</u>	<u>(15,948,776)</u>
-	1,028,710	1,028,710
-	4,081,965	4,081,965
-	(173,056)	(173,056)
-	1,949,394	1,949,394
-	36,525	36,525
<u>-</u>	<u>6,923,538</u>	<u>6,923,538</u>
<u>(15,948,776)</u>	<u>6,923,538</u>	<u>(9,025,238)</u>
6,613,825	-	6,613,825
2,081,078	-	2,081,078
1,379,467	-	1,379,467
265,905	-	265,905
24,138	-	24,138
778,203	-	778,203
2,937,416	-	2,937,416
707,449	553,748	1,261,197
315,278	331,720	646,998
2,852,300	(2,852,300)	-
<u>17,955,059</u>	<u>(1,966,832)</u>	<u>15,988,227</u>
<u>2,006,283</u>	<u>4,956,706</u>	<u>6,962,989</u>
<u>34,035,004</u>	<u>58,020,818</u>	<u>92,055,822</u>
<u>\$ 36,041,287</u>	<u>\$ 62,977,524</u>	<u>\$ 99,018,811</u>

See accompanying notes.

CITY OF MOUNT DORA, FLORIDA
BALANCE SHEET
ALL GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	General Fund	Community Redevelopment Agency Fund	Northeast Redevelopment Agency Fund
Assets			
Pooled Cash and Investments	\$ 1,179,980	\$ 1,317,376	\$ 1,927,115
Receivables (Net)	353,501	211	-
Due from Other Governments	454,153	-	-
Accrued Interest Receivable	2,864	337	754
Employee Advances	3,371	-	-
Inventory and Prepaid Items	80,165	3,936	3,936
Receivables - Non-Current	58,873	-	-
Advances to Other Funds	2,088,504	-	-
Total Assets	<u>4,221,411</u>	<u>1,321,860</u>	<u>1,931,805</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts Payable	344,720	276,191	24,347
Accrued Liabilities	490,719	9,075	5,008
Due to Other Governments	37	-	-
Unearned Revenues and Deposits	94,020	-	-
Advances from Other Funds	-	-	-
Total Liabilities	<u>929,496</u>	<u>285,266</u>	<u>29,355</u>
Deferred Inflows of Resources			
Unavailable Revenues	63,042	-	-
Total Deferred Inflows of Resources	<u>63,042</u>	<u>-</u>	<u>-</u>
Fund Balances			
Non-Spendable:			
Inventory and Prepaid Items	80,165	3,936	3,936
Long-Term Receivables and Interfund - Receivables	2,147,377	-	-
Restricted for:			
Capital Improvements	-	-	-
Redevelopment	-	1,032,658	1,898,514
Building Inspections	-	-	-
Fire Protection	-	-	-
Law Enforcement	-	-	-
Special Events	-	-	-
Assigned for Future Expenditures:			
Debt Service	-	-	-
Unassigned:			
General Fund	1,001,331	-	-
Total Fund Balances	<u>3,228,873</u>	<u>1,036,594</u>	<u>1,902,450</u>
Total Liabilities and Fund Balances	<u>\$ 4,221,411</u>	<u>\$ 1,321,860</u>	<u>\$ 1,931,805</u>

See accompanying notes.

Impact Fees Fund	Discretionary Sales Tax Fund	Fire Assessment Fee Fund	Other Governmental Funds	Total Governmental Funds
\$ 2,650,791	\$ 2,494,322	\$ 22,782,531	\$ 5,510,878	\$ 37,862,993
-	-	116,230	19,708	489,650
-	136,083	-	-	590,236
532	477	296	761	6,021
-	-	-	-	3,371
-	-	-	25	88,062
-	-	-	-	58,873
-	-	-	-	2,088,504
<u>2,651,323</u>	<u>2,630,882</u>	<u>22,899,057</u>	<u>5,531,372</u>	<u>41,187,710</u>
650	61,643	23,425	84,816	815,792
-	-	6,702	31,214	542,718
-	-	-	137,923	137,960
-	-	-	-	94,020
1,190,000	-	-	-	1,190,000
<u>1,190,650</u>	<u>61,643</u>	<u>30,127</u>	<u>253,953</u>	<u>2,780,490</u>
-	-	116,230	-	179,272
-	-	116,230	-	179,272
-	-	-	25	88,062
-	-	-	-	2,147,377
1,460,673	2,569,239	-	2,932,367	6,962,279
-	-	-	-	2,931,172
-	-	-	2,213,935	2,213,935
-	-	22,752,700	-	22,752,700
-	-	-	18,850	18,850
-	-	-	9,219	9,219
-	-	-	103,023	103,023
-	-	-	-	1,001,331
<u>1,460,673</u>	<u>2,569,239</u>	<u>22,752,700</u>	<u>5,277,419</u>	<u>38,227,948</u>
<u>\$ 2,651,323</u>	<u>\$ 2,630,882</u>	<u>\$ 22,899,057</u>	<u>\$ 5,531,372</u>	<u>\$ 41,187,710</u>

See accompanying notes.

CITY OF MOUNT DORA, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

Total Fund Balances of Governmental Funds	\$ 38,227,948
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$79,240,898 and the accumulated depreciation is \$(35,711,274) (includes internal service fund).	43,529,624
The internal service fund is used by management to charge the costs of fleet management, health insurance and other services to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	1,783,772
Deferred outflows and inflows of resources do not affect current financial resources and, therefore, are not reported in the government funds.	
Pension Related Deferred Outflows	1,768,818
OPEB Related Deferred Outflows	473,937
Pension Related Deferred Inflows	(956,678)
OPEB Related Deferred Inflows	(3,227,184)
Certain receivables are not "available" in the current period and, therefore, are not recognized as revenues in the governmental funds.	
Deferred Inflows - Unavailable Revenues	179,272
Long-term liabilities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year-end consist of:	
Bonds Payable	(28,228,256)
Capital Leases Payable	(1,355,520)
Compensated Absences	(1,451,342)
Net Pension Liability	(3,427,230)
Net OPEB Obligation	(11,275,873)
Net Position of Governmental Activities	\$ 36,041,288

See accompanying notes.

CITY OF MOUNT DORA, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	General Fund	Community Redevelopment Agency Fund	Northeast Redevelopment Agency Fund
Revenues			
Taxes	\$ 8,665,496	\$ -	\$ -
Permits, Fees, and Special Assessments	797,458	-	-
Intergovernmental	3,021,130	554,446	229,860
Charges for Service	862,597	-	-
Fines and Forfeitures	46,920	-	-
Impact Fees	-	-	-
Miscellaneous	498,351	26,502	28,325
Interfund Charges	2,936,392	-	-
Total Revenues	<u>16,828,344</u>	<u>580,948</u>	<u>258,185</u>
Expenditures			
General Government	6,200,758	559,160	253,746
Public Safety	8,661,117	-	-
Transportation	1,487,764	-	-
Culture and Recreation	2,429,648	-	-
Capital Outlay	372,604	1,190,669	10,450
Debt Service:			
Principal Payments	-	159,000	-
Interest	-	71,205	-
Bonds Issuance Cost	-	-	-
(Total Expenditures)	<u>(19,151,891)</u>	<u>(1,980,034)</u>	<u>(264,196)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,323,547)</u>	<u>(1,399,086)</u>	<u>(6,011)</u>
Other Financing Sources (Uses)			
Sale of Capital Assets	65,089	-	-
Bonds Issued	-	-	-
Premium on Bonds Issuance	-	-	-
Discount on Bonds Issuance			
Transfers in	2,852,300	576,181	239,076
Transfers (out)	(1,084,518)	-	(20,402)
Total Other Financing Sources (Uses)	<u>1,832,871</u>	<u>576,181</u>	<u>218,674</u>
Net Change in Fund Balances	(490,676)	(822,905)	212,663
Fund Balances (Deficits), Beginning of Year	<u>3,719,549</u>	<u>1,859,499</u>	<u>1,689,787</u>
Fund Balances, End of Year	<u>\$ 3,228,873</u>	<u>\$ 1,036,594</u>	<u>\$ 1,902,450</u>

See accompanying notes.

Impact Fees Fund	Discretionary Sales Tax Fund	Fire Assessment Fee Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 1,379,467	\$ -	\$ 319,450	\$ 10,364,413
-	-	1,952,675	1,082,117	3,832,250
-	-	349,099	-	4,154,535
-	-	-	221,579	1,084,176
-	-	-	4,757	51,677
818,715	-	-	-	818,715
35,279	32,178	440,228	110,872	1,171,735
-	-	-	-	2,936,392
<u>853,994</u>	<u>1,411,645</u>	<u>2,742,002</u>	<u>1,738,775</u>	<u>24,413,893</u>
-	-	-	156,425	7,170,089
-	-	510,281	736,283	9,907,681
-	-	-	-	1,487,764
3,187	-	-	240,794	2,673,629
345,974	933,179	227,559	147,388	3,227,823
-	217,161	1,231,557	284,500	1,892,218
-	50,843	351,792	85,969	559,809
-	-	272,903	46,140	319,043
<u>(349,161)</u>	<u>(1,201,183)</u>	<u>(2,594,092)</u>	<u>(1,697,499)</u>	<u>(27,238,056)</u>
<u>504,833</u>	<u>210,462</u>	<u>147,910</u>	<u>41,276</u>	<u>(2,824,163)</u>
-	-	-	-	65,089
-	-	21,740,000	3,040,000	24,780,000
-	-	672,673	39,877	712,550
-	-	(256,253)	(45,206)	(301,459)
-	-	-	289,663	3,957,220
-	-	-	-	(1,104,920)
<u>-</u>	<u>-</u>	<u>22,156,420</u>	<u>3,324,334</u>	<u>28,108,480</u>
504,833	210,462	22,304,330	3,365,610	25,284,317
<u>955,840</u>	<u>2,358,777</u>	<u>448,370</u>	<u>1,911,809</u>	<u>12,943,631</u>
<u>\$ 1,460,673</u>	<u>\$ 2,569,239</u>	<u>\$ 22,752,700</u>	<u>\$ 5,277,419</u>	<u>\$ 38,227,948</u>

See accompanying notes.

CITY OF MOUNT DORA, 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, 2019

Net Change in Fund Balance - Total Governmental Funds	\$ 25,284,317
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This reconciling item is the amount by which capital purchases of \$3,121,566 differed from depreciation expense of \$2,886,225.	235,341
The issuance of bonds and similar long-term debt provides current financial resources to governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position. Also, governmental funds report the effect of issuance costs, premium, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amounts of the items that make up these differences in treatment of long-term debt and related items are:	
Bond Proceeds	(25,191,091)
Principal Repayments:	
Bonds	1,343,500
Capital Lease	525,408
Amortization of Premium and Discount	33,635
The changes in net pension liability and pension related deferred outflows and inflows of resources result in an adjustment to Pension expense in the statement of activities, but not in the governmental fund statements.	(790,342)
The changes in net OPEB obligation and OPEB related deferred outflows and inflows of resources result in an adjustment to OPEB expense in the statement of activities, but not in the governmental fund statements.	416,134
Certain accrued revenues reported in the Statement of Activities are not considered available current financial resources and, therefore, are not reported as revenue in the governmental funds.	75,789
Some expenses reported in the statement of activities, such as compensated absences and accrued interest, do not require the use of current financial resources and are not reported as expenditures in governmental funds:	
Compensated Absences	(316,776)
The internal service fund is used by management to charge the costs of activities that benefit the entire government. The net (expense) income of the internal service fund is reported with governmental activities.	390,368
Change in Net Position of Governmental Activities	\$ 2,006,283

See accompanying notes.

CITY OF MOUNT DORA, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2019

	Business-Type Activities - Enterprise Funds		
	Electric Utility Fund	Water and Wastewater Fund	Sanitation Fund
Assets			
Current Assets			
Pooled Cash and Investments	\$ 7,565,922	\$ 6,771,071	\$ -
Restricted Cash and Investments:			
Bond Proceeds	4,250,094	4,250,094	-
Customer Deposits	737,135	467,434	107,434
Receivables:			
Customers (Net of Allowance for Uncollectible Accounts)	1,345,689	1,018,706	192,358
Due from Other Governments	-	-	-
Accrued Interest Receivable	22,782	3,186	22
Inventories, at Cost	593,099	289,090	-
Prepaid Items	-	-	-
Total Current Assets	14,514,721	12,799,581	299,814
Non-Current Assets			
Restricted Assets:			
Pooled Cash and Investments:			
Sinking	-	923,635	-
Water Impact Fees	-	1,473,593	-
Wastewater Impact Fees	-	2,721,226	-
Total Restricted Assets	-	5,118,454	-
Account Receivable, Non-Current	-	-	-
Capital Assets:			
Property, Plant and Equipment (Accumulated Depreciation and Amortization)	17,411,943 (10,951,946)	75,185,590 (31,925,295)	75,605 (52,776)
Construction in Progress	33,109	5,088,317	-
Total Capital Assets - Cost Less Depreciation	6,493,106	48,348,612	22,829
Total Non-Current Assets	6,493,106	53,467,066	22,829
Total Assets	21,007,827	66,266,647	322,643
Deferred Outflows			
Deferred Outflow on Interest Rate Swap	-	77,088	-
Pension Related Deferred Outflow	54,431	62,207	-
OPEB Related Deferred Outflow	51,822	78,732	2,530
Total Deferred Outflows	106,253	218,027	2,530

See accompanying notes.

Business-Type Activities - Enterprise Funds			Governmental
Stormwater			Activities -
Utility	Cemetery		Internal
Fund	Fund	Totals	Service
			Funds
\$ 1,111	\$ 70,725	\$ 14,408,829	\$ 2,613,145
607,156	-	9,107,344	-
-	-	1,312,003	-
87,330	-	2,644,083	-
1,298,199	-	1,298,199	-
441	22	26,453	700
-	-	882,189	-
-	-	-	24,453
1,994,237	70,747	29,679,100	2,638,298
-	-	923,635	-
-	-	1,473,593	-
-	-	2,721,226	-
-	-	5,118,454	-
71,012	-	71,012	-
12,901,715	105,659	105,680,512	2,626,382
(5,385,955)	(34,919)	(48,350,891)	(1,479,520)
750	-	5,122,176	-
7,516,510	70,740	62,451,797	1,146,862
7,587,522	70,740	67,641,263	1,146,862
9,581,759	141,487	97,320,363	3,785,160
-	-	77,088	-
-	-	116,638	-
9,578	3,380	146,042	-
9,578	3,380	339,768	-

See accompanying notes.

CITY OF MOUNT DORA, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2019
(Concluded)

	Business-Type Activities - Enterprise Funds		
	Electric Utility Fund	Water and Wastewater Fund	Sanitation Fund
Liabilities and Net Position			
Current Liabilities			
Accounts Payable	\$ 518,365	\$ 527,996	\$ 172,761
Accrued Expenses	50,531	198,196	2,447
Due to Other Governments	52,681	3,336	-
Advances from Other Funds	-	-	192,717
Capital Leases	-	-	-
Bonds and Loans Payable	75,250	988,395	-
OPEB Obligation	56,699	84,237	2,496
Compensated Absences	44,176	146,636	3,528
Customer Deposits	737,135	467,434	107,434
Over Recovery of Power Costs	511,635	-	-
Total Current Liabilities	2,046,472	2,416,230	481,383
Long-Term Liabilities			
Capital Lease Obligation	-	-	-
Bond Payable	4,169,585	18,732,222	-
Fair Market Value of Interest Rate Swap	-	77,088	-
Compensated Absences	26,190	86,935	2,092
OPEB Obligation	1,174,447	1,791,515	58,361
Net Pension Liability	412,842	471,820	-
Total Long-Term Liabilities	5,783,064	21,159,580	60,453
Total Liabilities	7,829,536	23,575,810	541,836
Deferred Inflows of Resources			
Pension Deferred Inflow	41,623	47,572	-
OPEB Deferred Inflow	355,695	532,170	16,191
Total Deferred Inflows of Resources	397,318	579,742	16,191
Net Position			
Net Investment in Capital Assets Restricted for Capital Improvements	6,493,106	32,795,742	22,829
Restricted for Debt Service	-	4,194,819	-
Unrestricted	-	923,635	-
	6,394,120	4,414,926	(255,683)
Total Net Position	\$ 12,887,226	\$ 42,329,122	\$ (232,854)

See accompanying notes.

Business-Type Activities - Enterprise Funds			Governmental Activities -
Stormwater Utility Fund	Cemetery Fund	Totals	Internal Service Funds
\$ 2,953	\$ 1,218	\$ 1,223,293	\$ 854,526
9,991	2,991	264,156	-
-	-	56,017	-
705,787	-	898,504	-
-	-	-	57,436
10,750	-	1,074,395	-
10,704	3,138	157,274	-
6,700	3,695	204,735	-
-	-	1,312,003	-
-	-	511,635	-
746,885	11,042	5,702,012	911,962
-	-	-	407,961
595,655	-	23,497,462	-
-	-	77,088	-
3,972	2,191	121,380	-
216,225	78,709	3,319,257	-
-	-	884,662	-
815,852	80,900	27,899,849	407,961
1,562,737	91,942	33,601,861	1,319,923
-	-	89,195	-
66,715	20,780	991,551	-
66,715	20,780	1,080,746	-
7,516,510	70,740	46,898,927	681,465
-	-	4,194,819	-
-	-	923,635	-
445,375	(38,595)	10,960,143	1,783,772
\$ 7,961,885	\$ 32,145	\$ 62,977,524	\$ 2,465,237

See accompanying notes.

CITY OF MOUNT DORA, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business-Type Activities - Enterprise Funds		
	Electric Utility Fund	Water and Wastewater Fund	Sanitation Fund
Operating Revenues			
Charges for Services	\$ 9,940,283	\$ 11,024,880	\$ 2,008,061
Operating Expenses			
Purchased Power	5,634,698	-	-
Plant Operations	-	2,497,435	-
Distribution and Collection	1,590,836	1,673,830	1,817,956
Administration and General	1,146,968	2,630,200	353,083
Rental Expense	-	-	-
Depreciation and Amortization	578,179	2,079,502	10,078
Total Operating Expenses	(8,950,681)	(8,880,967)	(2,181,117)
Operating Income (Loss)	989,602	2,143,913	(173,056)
Non-Operating Revenues (Expenses)			
Intergovernmental Revenues	-	590,819	-
Investment Earnings	291,155	249,556	-
Interest Expense and Amortization of Debt Related Items	(67,703)	(507,492)	-
Debt Issuance Costs	(64,595)	(133,263)	-
Other Income	298,231	15,366	18,123
Total Non-Operating Revenues (Expenses)	457,088	214,986	18,123
Income (Loss) Before Capital Contributions and Transfers	1,446,690	2,358,899	(154,933)
Capital Contributions and Transfers			
Capital Contributions	171,406	1,987,988	-
Transfers (out)	(1,268,600)	(1,454,950)	-
Net Capital Contributions and Transfers	(1,097,194)	533,038	-
Change in Net Position	349,496	2,891,937	(154,933)
Net Position, Beginning of the Year (as Restated)	12,537,730	39,437,185	(77,921)
Net Position, End of Year	\$ 12,887,226	\$ 42,329,122	\$ (232,854)

See accompanying notes.

Business-Type Activities - Enterprise Funds			Governmental Activities -
Stormwater Utility Fund	Cemetery Fund	Totals	Internal Service Funds
<u>\$ 1,062,898</u>	<u>\$ 172,500</u>	<u>\$ 24,208,622</u>	<u>\$ 3,648,421</u>
-	-	5,634,698	-
-	-	2,497,435	-
-	-	5,082,622	-
616,484	124,189	4,870,924	2,930,026
-	-	-	126,662
473,906	11,786	3,153,451	255,122
<u>(1,090,390)</u>	<u>(135,975)</u>	<u>(21,239,130)</u>	<u>(3,311,810)</u>
<u>(27,492)</u>	<u>36,525</u>	<u>2,969,492</u>	<u>336,611</u>
1,995,786	-	2,586,605	-
12,010	1,027	553,748	31,687
(9,672)	-	(584,867)	(30,519)
(9,228)	-	(207,086)	-
<u>-</u>	<u>-</u>	<u>331,720</u>	<u>52,589</u>
<u>1,988,896</u>	<u>1,027</u>	<u>2,680,120</u>	<u>53,757</u>
1,961,404	37,552	5,649,612	390,368
-	-	2,159,394	-
<u>(128,750)</u>	<u>-</u>	<u>(2,852,300)</u>	<u>-</u>
<u>(128,750)</u>	<u>-</u>	<u>(692,906)</u>	<u>-</u>
1,832,654	37,552	4,956,706	390,368
6,129,231	(5,407)	58,020,818	2,074,869
<u>\$ 7,961,885</u>	<u>\$ 32,145</u>	<u>\$ 62,977,524</u>	<u>\$ 2,465,237</u>

See accompanying notes.

CITY OF MOUNT DORA, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business-Type Activities - Enterprise Funds		
	Electric Utility Fund	Water and Wastewater Fund	Sanitation Fund
Cash Flows from Operating Activities			
Cash Received from Customers, Including			
Cash Deposits	\$ 10,132,546	\$ 10,948,243	\$ 2,036,348
Cash Paid to Suppliers	(6,260,812)	(2,143,329)	(1,849,033)
Cash Paid to Employees for Services	(1,512,067)	(2,290,039)	(73,559)
Cash Paid for Interfund Services	(579,534)	(1,925,217)	(110,519)
Cash Received for Interfund Temporary Loan	-	-	-
Net Cash Provided by (Used in) Operating Activities	1,780,133	4,589,658	3,237
Cash Flows from Non-Capital Financing Activities			
Transfers (out)	(1,268,600)	(1,454,950)	-
Other Non-Operating Receipts	298,234	-	18,123
Net Cash Provided by (Used in) Non-Capital Financing Activities	(970,366)	(1,454,950)	18,123
Cash Flows from Capital and Related Financing Activities			
Capital Contributions/Grants	-	642,181	-
Connection/Impact Fees	171,406	1,110,573	-
Property, Plant and Equipment Acquisitions	(412,899)	(4,253,445)	-
Proceeds from Bonds	4,248,538	5,831,785	-
Principal Payments on Debt	-	(959,348)	-
Debt Issuance Costs	(64,595)	(133,263)	-
Interest Paid	(71,406)	(528,071)	-
Net Cash Provided by (Used in) Capital and Related Financing Activities	3,871,044	1,710,412	-
Cash Flows from Investing Activities			
Net Investment Activity	292,467	254,044	-
Total Cash Flows from Investing Activities	292,467	254,044	-
Net Increase (Decrease) in Cash and Cash Equivalents	4,973,278	5,099,164	21,360
Cash and Cash Equivalents, Beginning of Year	7,579,873	11,507,889	86,074
Cash and Cash Equivalents, End of Year	\$ 12,553,151	\$ 16,607,053	\$ 107,434

See accompanying notes.

Business-Type Activities - Enterprise Funds			Governmental Activities -
Stormwater Utility Fund	Cemetery Fund	Totals	Internal Service Funds
\$ 1,029,560	\$ 172,500	\$ 24,319,197	\$ 3,648,421
(447,123)	(44,038)	(10,744,335)	(2,759,762)
(293,213)	(81,253)	(4,250,131)	-
-	-	(2,615,270)	-
496,865	-	496,865	-
786,089	47,209	7,206,326	888,659
(128,750)	-	(2,852,300)	-
-	-	316,357	52,589
(128,750)	-	(2,535,943)	52,589
776,275	-	1,418,456	-
-	-	1,281,979	-
(1,425,920)	(14,382)	(6,106,646)	(231,655)
606,934	-	10,687,257	-
-	-	(959,348)	(108,110)
(9,228)	-	(207,086)	-
(9,143)	-	(608,620)	(30,519)
(61,082)	(14,382)	5,505,992	(370,284)
12,010	1,053	559,574	32,640
12,010	1,053	559,574	32,640
608,267	33,880	10,735,949	603,604
-	36,845	19,210,681	2,009,541
\$ 608,267	\$ 70,725	\$ 29,946,630	\$ 2,613,145

See accompanying notes.

CITY OF MOUNT DORA, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019
(Concluded)

	Business-Type Activities - Enterprise Funds		
	Electric Utility Fund	Water and Wastewater Fund	Sanitation Fund
<u>Shown in the Financial Statements as</u>			
Pooled Cash and Investments	\$ 7,565,922	\$ 6,771,071	\$ -
Restricted Cash and Investments:			
Bond Proceeds	4,250,094	4,250,094	-
Customer Deposits	737,135	467,434	107,434
Non-Current Restricted Cash :			
Restricted Cash	-	5,118,454	-
Total	\$ 12,553,151	\$ 16,607,053	\$ 107,434
<u>Reconciliation of Operating Income to Net Cash</u>			
<u>Provided by (Used in) Operating Activities</u>			
Operating Income (Loss)	\$ 989,602	\$ 2,143,913	\$ (173,056)
Adjustments to Reconcile Operating Income			
(Loss) to Net Cash Provided by (Used in)			
Operating Activities:			
Depreciation and Amortization	578,179	2,079,502	10,078
Power Costs Recovered in Advance (Returned)	179,005	-	-
Changes in Assets Decrease (Increase) and			
Liabilities Increase (Decrease):			
Accounts Receivable - Net	39,218	(136,147)	17,472
Inventories	21,113	12,019	-
Prepaid Items	-	-	-
Accounts Payable	(96,678)	246,909	(4,549)
Due to/from Other Governments	(46,016)	-	-
Due to/from Other Funds	-	-	144,504
Compensated Absences	(54,948)	27,615	-
Net OPEB Obligation	(285,661)	(424,404)	(12,578)
Net Pension Liability	192,266	219,733	-
Deferred Outflows	(24,596)	(26,478)	210
Deferred Inflows	268,593	387,486	10,341
Customer Deposits	20,056	59,510	10,815
Total Adjustments	790,531	2,445,745	176,293
Net Cash Provided by (Used in) Operating Activities	\$ 1,780,133	\$ 4,589,658	\$ 3,237
<u>Non-Cash Items</u>			
Amortization of Bond Premium	\$ (4,249)	\$ (4,249)	\$ -
Amortization of Bond Discount	545	545	-

See accompanying notes.

Business-Type Activities - Enterprise Funds			Governmental
Stormwater			Activities -
Utility	Cemetery		Internal
Fund	Fund	Totals	Service
			Funds
\$ 1,111	\$ 70,725	\$ 14,408,829	\$ 2,613,145
607,156	-	9,107,344	-
-	-	1,312,003	-
-	-	5,118,454	-
<u>\$ 608,267</u>	<u>\$ 70,725</u>	<u>\$ 29,946,630</u>	<u>\$ 2,613,145</u>
<u>\$ (27,492)</u>	<u>\$ 36,525</u>	<u>\$ 2,969,492</u>	<u>\$ 336,611</u>
473,906	11,786	3,153,451	255,122
-	-	179,005	-
(33,338)	-	(112,795)	-
-	-	33,132	-
-	-	-	53,847
(108,107)	183	37,758	243,079
-	-	(46,016)	-
496,865	-	641,369	-
(7,054)	1,262	(33,125)	-
(53,932)	(15,811)	(792,386)	-
-	-	411,999	-
901	264	(49,699)	-
44,340	13,000	723,760	-
-	-	90,381	-
<u>813,581</u>	<u>10,684</u>	<u>4,236,834</u>	<u>552,048</u>
<u>\$ 786,089</u>	<u>\$ 47,209</u>	<u>\$ 7,206,326</u>	<u>\$ 888,659</u>
\$ (607)	\$ -	\$ (9,105)	\$ -
78		1,168	-

See accompanying notes.

CITY OF MOUNT DORA, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
SEPTEMBER 30, 2019

Assets

Cash and Cash Equivalents	\$ 10,556
Investments:	
Money Market Funds	639,607
Domestic Fixed Income Mutual Funds	10,205,286
Domestic Equities Mutual Funds	18,297,874
International Equities Mutual Funds	4,579,567
Real Estate Investment Trust	4,627,791
Total Cash and Investments	<u>38,360,681</u>
Accrued Interest Receivable	<u>3,683</u>
Total Assets	<u><u>38,364,364</u></u>
 Liabilities - Payables	 <u>12,044</u>
 Net Position	
Restricted for Pensions	<u><u>\$ 38,352,320</u></u>

See accompanying notes.

CITY OF MOUNT DORA, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Additions

Contributions:	
Employee	\$ 353,590
Employer	1,088,409
State of Florida	201,077
Total Contributions	<u>1,643,076</u>
Investment Income:	
Investment Earnings	1,728,919
(Less Investment Management Fees)	<u>(101,616)</u>
Net Investment Income (Loss)	<u>1,627,303</u>
Total Additions	<u><u>3,270,379</u></u>

Deductions

Pension Benefit Payments and Refunds	2,031,555
General and Administrative	<u>93,330</u>
(Total Deductions)	<u><u>(2,124,885)</u></u>

Net Increase	1,145,494
Net Position, Beginning of Year	<u>37,206,826</u>
Net Position, End of Year	<u><u>\$ 38,352,320</u></u>

See accompanying notes.

NOTES TO FINANCIAL STATEMENTS

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Note 1 - Description of Funds and Summary of Significant Accounting Policies

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

Reporting Entity

The City of Mount Dora, Florida is the City's official name. The City was originally incorporated as a town on March 25, 1910, and later incorporated as a city on April 23, 1953, pursuant to Chapter 29302, L.O.F. On September 17, 1991, the City adopted its current Charter by Ordinance Number 91-585.

The City operates under a council-manager form of government and provides the following services, as authorized by its charter: public safety, public works, public utilities, culture, recreation and community development.

In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may or may not be financially accountable and, as such, be included within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board, and: (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

■ **Blended Component Units**

The City established the Community Redevelopment Agency and the Northeast Community Redevelopment Agency as component units of the City. The City Council is the governing body for both agencies.

These agencies are authorized by Florida Statutes and formed by City Ordinance. The Community Redevelopment Agency was created by Ordinance Number 447 passed on June 16, 1987 and the Northeast Community Redevelopment Agency was created by Ordinance Number 546 passed on April 3, 1990. The statutory life of these community redevelopment agencies is thirty years unless extended by ordinance and notification to contributing parties. The City passed Ordinance 2012-05 on May 1, 2012 to extend the CRA for an additional thirty years. The governing bodies are appointed by the City (or its officials) who retains the corporate powers of these agencies. These organizations are reported as blended component units as part of the primary government, since the City is able to impose its will on the organization or there is a potential for specific financial benefits or burdens on the City. Separate financial statements are not issued for either agency.

■ **Related Organization - Not Included in Entity**

The Board of the Mount Dora Health Facilities Authority is appointed by the City Council, but the City's accountability does not extend beyond making these appointments. There was no activity or expenditures this fiscal year. Neither funding nor bonded debt approval is provided by the City Council. This organization is excluded from the reporting entity.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

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 primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. 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, or a given function or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect expenses are allocated automatically and certain indirect costs are included in program expenses reported for individual functions and activities. 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 and proprietary funds. Fiduciary funds are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary 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 revenue 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. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation. 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. Internally-dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

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 receivables collected within sixty days after the year-end to be available and recognizes them as revenues of the current year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, other postemployment benefit expenditures, pension related expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Property taxes, franchise fees, 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 government.

The City operates the following major governmental funds:

■ **Governmental Funds**

Governmental funds are used to account for all or most of a government's general activities. The City operates the following major governmental funds:

- The **General Fund** is 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.
- The **Community Redevelopment Agency Fund** accounts for receipts and disbursements of additional tax monies for the City's Downtown Redevelopment Tax District.
- The **Northeast Redevelopment Agency Fund** accounts for receipts and disbursements of tax proceeds and other revenues to redevelop the northeast section of the City.
- The **Impact Fees Fund** accounts for the receipts and disbursements of impact fees restricted for capital improvements for law enforcement, fire control, recreation, and libraries activities.
- The **Discretionary Sales Tax Fund** accounts for receipts and disbursements of the City's portion of the one percent Local Government Infrastructure Surtax. In November of 2015 this revenue source was renewed and began a new 15 year period beginning January 1, 2018 with a sunset date of December 31, 2032.
- The **Fire Assessment Fee Fund** accounts for receipts and disbursements of the fire assessment fees which are restricted fire protection.

■ **Proprietary Funds**

The Proprietary funds are used to account for a government's ongoing activities, which are similar to those found in the private sector, where the determination of changes in net position is necessary or useful to sound financial administration.

The City reports the following major proprietary funds:

- The **Electric Utility Fund** accounts for the fiscal activity of providing electric services to residential and commercial customers.
- The **Water and Wastewater Fund** accounts for the fiscal activity of providing water and wastewater services to residential and commercial customers within and outside City limits.
- The **Sanitation Fund** accounts for the operations and maintenance of the City's refuse collection and recycling system.

**CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

- The **Stormwater Utility Fund** accounts for the operations and maintenance of the City's stormwater management system.
- The **Cemetery Fund** accounts for the operation and maintenance of the City owned cemetery.
- **Additionally, the City reports the following non-major fund types:**
 - **Special Revenue Funds** account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.
 - ▶ **Building Inspection Fund**—To account for the legally restricted revenues and expenditures related to Building Inspection Program.
 - ▶ **Law Enforcement Trust Fund**—To account for the judicially confiscated forfeitures restricted for law enforcement expenditures.
 - ▶ **Special Event Fund**—To account for revenues and expenditures related to special events conducted by other organizations, City sponsored events, and revenues from ticket sales.
 - **Debt Service Funds** account for the proceeds of general long-term debt and payment of principal and interest payments
 - ▶ **Debt Service Fund**—To account for the accumulation of the resources that are restricted, committed or assigned for the payment of general long-term debt principal and interest, excluding lease payments.
 - **Capital Projects Funds** account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds and trust funds.
 - ▶ **Other Capital Projects Fund**—To account for the intermittent resources that are restricted, committed or assigned for the constructing multi-year, public buildings and renovations.
 - **Internal Service Funds** account for the provision of goods and/or services to other City Departments on a cost reimbursement basis. The City has the following internal service funds.
 - ▶ **Internal Service Fund - Vehicle Replacement Fund**—To account for the accumulation of funds for future vehicle replacements, related depreciation and charges for vehicle purchased under the replacement program, including vehicles purchased via lease purchase.
 - ▶ **Insurance Fund**—To account for the cost of operating a self-funded healthcare coverage program. Such costs are billed to other departments on a break-even basis based upon the estimated individual premiums. These costs include network and claims administration, third-party stop loss insurance premiums, life insurance premiums, as well as the cost of pharmaceutical, hospital, doctor and other medical claims, as well as the cost of operating the City's Employee Health Clinic.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

- **The Pension Trust Fund**—To accounts for the activities of the City’s General Employees’ and Firefighters’ and Police Officers’ Retirement Funds, which accumulate resources for pension benefit payments for qualified retiring employees. They are excluded from the government-wide financial statements because they are fiduciary in nature and do not represent resources available to the government for operations.

Summary of Significant Accounting Policies

Proprietary Funds

Proprietary funds distinguish operating revenues and expenses from non-operating items. The 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 enterprise funds and of the internal service funds are customer charges for sales and services. Operating expenses for enterprise funds and the internal service funds include the cost of services, administrative expenses, and depreciation. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. These non-operating revenues include investment earnings, grants, impact fees, insurance reimbursements, rental income plus the sale of scrap and equipment.

When both restricted and unrestricted resources are available for use, it is the City’s policy to generally use restricted resources first, and then unrestricted resources, as they are needed for their intended purposes; however, this decision is frequently made on a case-by-case basis based upon facts and circumstances. Revenues of the enterprise funds are recognized on the basis of services rendered. Enterprise funds billing cycles that overlap September 30 are prorated based upon the meter-reading dates.

Budgets and Budgetary Accounting

The City’s procedures in preparing and adopting the annual budget, which is adopted on a basis consistent with generally accepted accounting principles, are as follows:

- The City Manager is responsible for preparing a proposed operating budget for the upcoming year prior to September 30 that includes estimated revenues, proposed expenditures, and other financing sources and uses.
- Public hearings are held to obtain taxpayer comments and suggestions. The budget is enacted through passage of a resolution.
- Budgetary controls are set at the fund level allowing budget amendments to be made by City Manager when changes are under \$25,000. The City Manager is authorized to transfer budgeted amounts within any fund or department, but may not revise total fund expenditures without the approval of the City Council. The budgetary data presented is in agreement with the originally adopted budget, as amended by the City Council.
- Formal budgetary integration is employed as a management control device during the year for all funds. Budgets are adopted on a basis consistent with generally accepted accounting principles. For funds with a legally adopted budget (i.e. the governmental fund types), the level at which expenditures may not legally exceed the amount budgeted is the fund level. Appropriations lapse at the end of the year and are re-appropriated in the ensuing year’s budget. Budgets are legally adopted for the governmental fund types and are adopted on a “pro forma” basis for the proprietary funds (enterprise funds and internal service funds).

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Pooled Cash and Investments

Pooled cash and investments include cash on hand, demand deposits with banks, deposits in cash management pools that have the general characteristics of demand deposit accounts, as well as investments. The City's pooled investment account is considered to be cash equivalent since each fund can effectively deposit or withdraw funds at any time without prior notice or penalty.

Each fund utilizing the pooled cash and investments account participates on a dollar-equivalent basis. Interest is distributed quarterly based on average cash balances. The nature of the pooled accounts permits temporary negative cash balances upon overdrawing of cash available in individual funds, which is presented as interfund receivables and payables. The investments of the pension trust funds, bond proceeds, and the electric fund rate stabilization account are held separately from those of other City funds. Investments, including pension funds, are stated at fair value - quoted market price or the best available estimate.

Receivables (Net)

Receivables include amounts due from utility customers, third-party collectors of taxes and miscellaneous sources. Receivables and revenues are reported net of an allowance for uncollectible accounts. Allowances are reported when accounts are proven to be uncollectible. Allowances for uncollectible accounts netted with accounts receivable were \$692 for the General Fund; \$80,237 for the Electric Utility Fund; \$92,037 for the Water & Wastewater Fund; \$15,222 for the Sanitation Fund; and \$6,010 for the Stormwater Utility Fund as of September 30, 2019.

Interfund Receivables and Payables, and Transfers

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" (i.e., the 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."

Transfers are recognized in the accounting period in which the interfund receivable and payable arise. Transfers are made from the enterprise funds to finance operations of the general fund. Transfers are also made from the General Fund to the Community Redevelopment Funds to meet the City's tax increment funding requirements.

Capital Grants and Contributions

Accounts receivable from other governments include amounts due from grantors. Program and capital grants for general capital assets are recorded as receivables and revenues at the time reimbursable costs are incurred. Revenues received in advance of costs being incurred are deferred. Capital grants and other contributions for capital asset additions to the proprietary funds are recorded as non-operating revenues. Contributed assets are recorded in the proprietary funds and in general assets at fair value at the time received.

Inventory

Inventories held by the proprietary funds are carried at cost, determined using the weighted-average cost method. Inventory shown in the general fund consists of janitorial and office supplies held for consumption. General fund inventories are valued at cost, as determined using the weighted-average cost method. Inventory is accounted for by use of the consumption method.

**CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

Prepaid Items

Payments made to vendors for services that will benefit periods beyond September 30 are recorded as prepaid items.

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. Property, plant and equipment with initial, individual costs that equal or exceed \$1,000 and estimated useful lives of over one year are recorded as capital assets. Roads, bridges, and sidewalks are capitalized when their initial or improvement costs equal or exceed \$25,000 and possess estimated useful lives of more than one year. Capital 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. Infrastructure assets acquired prior to October 1, 2003, have been recorded.

Major outlays for capital assets and improvements are capitalized as projects are constructed. During 2019, the City did not capitalize any interest incurred during the construction of capital assets.

Capital asset purchases are recorded as capital outlay expenditures in the fund level governmental funds in the year of acquisition.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful life:

Plant, Buildings and Improvements	25-50 Years
Utility Line Extensions	30-50 Years
Machinery, Equipment and Vehicles	3-25 Years
Meters, Poles and Transformers	10-33 Years
Studies	5 Years

Proprietary fund expenses for repairs and maintenance are expensed when incurred. Additions, major renewals and replacements, which increase the useful lives of the assets, are capitalized.

Compensated Absences

In governmental fund financial statements, the amount of compensated absences associated with employee vacations that are recorded as expenditures represent the amounts paid during the year, plus the amount accrued at year-end that would normally be liquidated with available spendable resources. Only the amount of the compensated absence liability that has matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement) that would normally be liquidated with current expendable available resources in the next fiscal year is recorded in the fund financial statements of governmental funds. In the government-wide financial statements, all governmental fund compensated absences are recorded and split between the current and non-current portions.

In proprietary funds, the amount of compensated absences associated with employee vacations that are recorded as expenses represent the amounts paid during the year and accrued at year-end. The entire liability for compensated absences of these funds is reflected in the respective financial statements split between the current and non-current portions.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

The City's sick leave paid-out policy upon termination varies depending upon whether or not a specific employee is included in a recognized bargaining unit; however, for some employees there is no maximum amount that an employee can accrue. For Police Union employees, there is a 720 hour cap on the amount of sick leave that may be paid out. For Fire Union employees hired after 1/1/96, the sick leave accrual payout is capped at 467 hours, for those employed prior to that date the maximum is 720 hours. General employees who had more than 720 hours prior to 10/1/90 are paid a maximum of 960 hours and all others are paid a maximum of 720 hours. All payouts for sick leave depend upon which bargaining unit (if any) the employee is in and the circumstances of the employee's departure. Sick leave payout of accrued hours is at a rate of 25%, if an employee leaves, or 50%, if they retire. The City accrues 25% of sick leave hours at the employee's current pay rate for financial reporting purposes, except those employees who are vested and have reached retirement age, which the sick leave accruals are computed at 50%.

Each fund is required to liquidate the related liability that becomes current during that fiscal year and was recorded within that fund.

Deferred Inflows and Outflows of Resources

Deferred outflows of resources represent the consumption of net position that is applicable to a future reporting period and will not be recognized as an outflow of resources until that future time. Deferred inflows of resources represent the acquisition of net position that is applicable to a future reporting period and will not be recognized as an inflow of resources until that future time. Deferred outflows have a positive effect on net position, similar to assets, while deferred inflows have a negative effect on net position, similar to liabilities. The City reports deferred outflows of resources related to a derivative associated with the 2006 Utility Bonds, as well as pension and OPEB-related deferred inflows and outflows of resources.

Fund Balance (Deficits)/Net Position Disclosure

In accordance with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies governmental fund balances as follows:

- **Non-Spendable Fund Balance**—Includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal/contractual requirements. Examples are Prepaid Expenses and Inventory.
- **Spendable Fund Balance**—Includes Restricted, Committed, Assigned and Unassigned designations.
 - **Restricted**—Includes fund balance amounts that are limited for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation. Examples would be:
 - ▶ **Community Redevelopment Agency and the Northeast Redevelopment Agency Funds**—As noted under Blended Component Units, these two agencies were established to enhance redevelopment activities in two different sections of the City. The interlocal agreement with the County as well as the State Statutes contains certain restrictions on the expenditures of funds.
 - ▶ **Capital Projects Impact Fees Fund**—The City Council has adopted ordinances that require new developments to pay a fee for their impact on recreation, library, police, and fire services. These fees are accounted for separately and may be used only for additions and extensions to the respective system or debt service on previous qualified projects. The impact fees and interest earned on these funds are recognized as restricted.

**CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

- ▶ **Discretionary Sales Tax Fund**—The City Council has entered into an interlocal agreement with the County and other municipalities to share revenue from a countywide optional one cent sales tax. The proceeds are distributed to various governments based upon an agreed formula. The funds are restricted for infrastructure capital uses as outlined in the agreement.
- ▶ **Building Inspections Fund**—Florida Statutes require that building and fire permit revenue are only to be used for activities related to those operations. In order to comply with those requirements, the City records all revenues and expenditures in this fund that qualify under the Statutes.
- ▶ **Law Enforcement Trust Fund**—This fund was established to receive forfeiture funds, which are restricted by Federal and State Statutes as to their usage.
- ▶ **Debt Service Funds**—These funds were established in accordance with bond covenants for the repayment of outstanding bonds and recording of interest and principal payments.
- **Committed**—includes fund balance amounts that are obligated to a specific purpose which are internally imposed by the government through formal action by ordinances, which is the highest level of City Council. These commitments can only be overturned by a like action. Examples are Encumbrances of Construction and Service Contracts, and specific allocation of funds for particular future activities.
- **Assigned**—includes spendable fund balance amounts that are intended to be used for specific purposes that are considered neither restricted nor committed. It is the City's policy that undesignated excess Fund Balances may be assigned by the City Council, City Manager or Finance Director for specific purposes through the budget process or agenda items as authorized by City Council, which designation may be reversed at any public meeting.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use in the General Fund, it is the City's policy to use unassigned resources first, then assigned, and then committed as needed. When unrestricted resources (committed, assigned, and unassigned) are available for use in any other governmental fund, it is the City's policy to use committed resources first, then assigned, and then unassigned as needed.

The City established a Fund Balance Policy with Resolution No. 2017-138. The policy established the following minimum and maximum reserve balance targets of the City's General Fund and Enterprise Funds. These targets are based on current fiscal year operating expenditures and transfers out less non-recurring capital budgeted for the funds:

Fund	Minimum Percent	Maximum Percent
General	17%	30%
Cemetery	5%	10%
Electric	17%	30%
Water and Wastewater	17%	30%
Sanitation	5%	10%
Stormwater	17%	30%

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

If, at the end of any fiscal year, the actual amount of Unassigned Fund Balance falls below the targeted levels set forth above, a plan is required to be established to achieve the target by adding a designated amount to cover the deficiency over a period not to exceed 5 fiscal years.

- **Net Position**—is utilized in the government-wide and business-type Fund Financial Statements presentations. Net position is categorized as net investment in capital assets, plus restricted and unrestricted net position.
 - **Net Investment in Capital Assets**—is intended to reflect the portion of net position, which are associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less outstanding liquid assets and any associated unamortized costs associated with that debt.
 - **Restricted Net Position**—is liquid assets, which have third-party (statutory, bond covenant or granting agency) limitations on their use. The City typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project.
 - **Unrestricted Net Position**—typically represents unrestricted liquid assets. The City Council has the authority to revisit or alter this designation.

Property Taxes

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. Florida Statutes permit municipalities to levy property taxes at a rate of up to 10 mills (a mill is \$1.00 of taxes per \$1,000.00 of taxable value). The millage rate assessed by the City for the fiscal year ended September 30, 2019, was 6.3000 mills.

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

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

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

On or prior to June 1 of the following tax year, certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear interest at 18% per year or at any lower rate bid by the buyer. The certificate holder may make application for a tax deed on any unredeemed tax certificates at any time for a five-year period beginning two years after the original issue of a tax certificate. Delinquent taxes on personal property bear interest up to 18% per year until the tax is satisfied either by seizure and sale of the property or by the seven-year statute of limitations.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

There were no material delinquent and uncollected property taxes at year-end. The City's tax calendar is as follows:

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

Legal Compliance – Budgets

Budgets and Budgetary Accounting

The annual operating budget serves as legal authorization for expenditures and the proposed means of financing them. The 2018-19 annual operating budgets were prepared for all funds, except Pension Trust Funds.

Budget submissions are completed during the month of April and are due to the City Manager by May 31. A proposed budget is presented to the City Council in July. The City Council conducts a series of budget work sessions during the month of July. During these work sessions, the proposed expenditure budgets are reconciled to the revenue estimates provided by the Director of Finance. The revenue estimates include the amount of ad valorem taxes to be derived from the tax roll certified by the Property Appraiser on or before July 1. Within thirty-five days from that date, the City Council must advise the Property Appraiser of the proposed maximum and rolled back millage rates.

Within eighty days, but not earlier than sixty-five days after the Property Appraiser certifies the tax roll, the City Council is required by state law to conduct a public hearing to adopt tentative millage rate(s) and budget. No sooner than two days and no later than twenty days following the first public hearing, a second public hearing be held to formally adopt the final millage rate(s) and budget.

On-Behalf Payments for Fringe Benefits

The City receives on-behalf payments from the State of Florida to be used for Police Officers' and Firefighters' Retirement Plan Contributions. For the fiscal year ended September 30, 2019, the On-Behalf payments to the City totaled \$111,393 for the Police Officers' Retirement Plan and \$89,684 for the Firefighters' Retirement Plan. Such payments are recorded as intergovernmental revenue and public safety expenditures.

Note 2 - Cash and Investments

Pooled Cash and Investments

The City maintains a cash and investment pool that carries all of the City's general cash and investments. Cash and investments for Pension Trust Funds, unspent bond proceeds, and the electric fund "rate stabilization account" are held separately from the City's general investments. Each fund's portion of the pool is displayed in the accompanying financial statements as "Pooled Cash and Investments." All cash and investments of the pool are considered cash equivalents for the statement of cash flows.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Cash Deposits

As of September 30, 2019, the City's pooled cash deposits were entirely covered by federal depository insurance or by the banking network provided by Chapter 280 of the Florida Statutes. Florida Statutes provide for collateral pooling by banks and savings and loans, and limit local government deposits to "authorized depositories." Therefore, all pooled cash deposits held by banks can be classified as fully insured.

Restricted Cash

Customer deposits, sinking fund, unspent bond proceeds, and unspent impact fees are shown as restricted cash due to the legal limitations imposed on them.

Investments

The City's investment policy allows the City to invest surplus money in instruments as provided by Florida Statute 218.415. Among them are:

- The State Board of Administration of Florida Local Government Surplus Trust Fund.
- Florida regulated or federal banking institutions (provided such deposits are secured by collateral, as required).
- Direct or guaranteed obligations of the United States Government.
- Obligations of the Federal Farm Credit Banks; the Federal Home Loan Mortgage Corporation (including participation certificates), or the Federal Home Loan Bank or its district banks or obligation guaranteed by the Government National Mortgage Association.
- Open or closed-end management-type investment company or investment trust registered under the Investment Company Act of 1940.

The City ordinance authorizes investments for the Pension Trust Funds as follows:

- Annuity and life insurance contracts.
- Time and savings accounts of a National Bank and a State of Florida bank insured by FDIC.
- Obligations of the United States; State and local government bonds (as restricted).
- Corporate stocks and bonds (as restricted).
- Pooled funds including, but not limited to, mutual funds, commingled funds, exchange-traded funds, limited partnerships, and private equity.

Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

City Investments

Type Investment	Fair Value	Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
City Investments by Fair Value Level				
U.S. Government Agencies	\$ 5,053,336	\$ -	\$ 5,053,336	\$ -
U.S. Treasury Notes	5,021,482	-	5,021,482	-
Florida Municipal Investment Trust Fund	4,914,847	-	4,914,847	-
Total City Investments by Fair Value Level	14,989,665	\$ -	\$ 14,989,665	\$ -
City Investments Measured at				
Amortized Cost				
Florida SAFE Stable NAV	34,389,811			
Florida PRIME	94,829			
Certificate of Deposits	750,000			
Money Market Accounts	8,460,378			
Total Investments Measured at Amortized Cost	43,695,018			
Total City Investments	\$ 58,684,683			

The City's investments in government, agencies and corporate fixed income are high-quality bonds that are valued using a matrix pricing model (Level 2). Investments in money market accounts, and non-negotiable certificates of deposit are exempt from the GASB Statement No. 72 fair value hierarchy disclosures per paragraph 69 of GASB 72, and are valued at the City's cost and any accrued interest on these investments. The City's investment in Florida PRIME and Florida SAFE are external investment pools that have adopted operating procedures consistent with the requirements of GASB Statement No. 79 to measure its investments at amortized cost. Therefore, the City's investment in Florida PRIME and Florida SAFE are recorded at amortized cost.

Pension Investments

Type Investment	Fair Value	Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Pension Investments by Fair Value Level				
Domestic Fixed Income Mutual Funds	\$ 10,205,286	\$ 10,205,286	\$ -	\$ -
Domestic Stock Mutual Funds	18,297,874	18,297,874	-	-
International Stock Mutual Funds	4,579,567	4,579,567	-	-
Total Pension Investments by Fair Value Level	33,082,727	\$ 33,082,727	\$ -	\$ -
Pension Investments Measured at				
Net Asset Value (NAV)				
Real Estate Investment Trusts	4,627,791			
Total Investments Measured at NAV	4,627,791			
Pension Investments Measured at				
Amortized Cost				
Money Market Accounts	\$639,607			
Total Investments Measured at	\$639,607			
Amortized Cost	\$639,607			
Total Pension Investments	\$ 38,350,125			

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Investments in domestic and international stocks and mutual funds, which are deemed actively traded, are valued using quoted market prices at current exchange rates (Level 1). Real estate investment trusts are valued based on the net asset value (NAV) and are exempt from the GASB 72 fair value hierarchy. Investments in money market accounts are exempt from the GASB 72 fair value hierarchy disclosures per paragraph 69 of GASB 72, and are valued at amortized cost.

The following is a summary of pooled investments held by the City as of September 30, 2019:

Type	Fair Value	Maturities			
		1 Year or Less	1-5 Years	5-10 Years	10+ Years
U.S. Government Agencies	\$ 5,053,336	\$ 1,248,171	\$ 3,805,165	\$ -	\$ -
U.S. Treasury Notes	5,021,482	1,000,312	4,021,170	-	-
Florida Municipal Investment Trust Fund	4,914,847	1,639,938	3,274,909	-	-
Local Government Surplus Trust Fund	94,829				
FL SAFE Investment Trust Fund	34,389,811				
Money Market Funds	8,460,378				
Certificates of Deposits	<u>750,000</u>				
Total Investments	58,684,683				
Demand Deposits	11,708,335				
Petty Cash	<u>29,750</u>				
Total Cash and Investments	<u>\$ 70,422,768</u>				

The following is a summary of pension investments held by the City as of September 30, 2019:

Type	Fair Value	Maturities			
		1 Year or Less	1-5 Years	5-10 Years	10+ Years
Money Market Accounts	\$ 639,607	\$ 639,607	\$ -	\$ -	\$ -
Domestic fixed income					
Mutual funds	10,205,286	-	9,249,834	955,452	-
Domestic stock mutual funds	18,297,874				
International Stock mutual funds	4,579,567				
Real Estate Investment Trust	<u>4,627,791</u>				
Total Investments	38,350,125				
Cash	<u>10,556</u>				
Total Cash and Investments	<u>\$ 38,360,681</u>				

Interest Rate Risk—To mitigate interest rate risk, the City’s Investment Policy requires that the investment portfolio structure maturities to meet the City’s cash needs for ongoing operations and that operating funds be invested primarily in short-term securities. Of the total Cash and Investments outstanding at year-end, 84% have maturities of one year or less. The City’s policy requires that individual securities have maturities no greater than five years and two months. The Local Government Surplus Funds Trust Fund (Florida Prime) had a weighted average maturity of 86 days as of September 30, 2019. The Florida Municipal Investment Trust 0-2 Year High Quality Bond Fund has 0.86 year weighted average maturity and the 1-3 Year High Quality Bond Fund has 1.69 year weighted average maturity. The Pension Investment Policies do not restrict maturities.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Credit Quality Risk—To mitigate credit risk, the City invests primarily in U.S. Federal Agency obligations and State of Florida Qualified Public Depositories., Florida Municipal Investment Trust 0-2 Year High Quality Bond Fund (\$1,639,938) and the 1-3 Year High Quality Bond Fund (\$3,274,909), which are AAf/S1 and AAf/S2 rated funds. The Local Government Surplus Funds Trust Fund (Florida Prime) is an AAmm money market fund. All Federal Agency Bonds held at year-end had AAA rating. All of these investments meet the criteria under the City's Pooled Investment Policy. Under that policy, the credit risk is mitigated by (1) limiting investments to the safest types of securities; (2) pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which any entity will do business; and (3) diversifying the investment portfolio so that the potential losses on individual securities will be minimized. The Pension Investment Policies restricts bond investments to investment grade quality. The pension funds do not have any direct investments in fixed income securities.

Custodial Risk—To mitigate custodial risk, broker/dealers must meet established capital requirements, as set forth by the Securities Exchange Commission, be registered in the State of Florida, provide proof of registration, complete a broker/dealer questionnaire, certify an understanding of the City's Pooled Investment Policy, and provide a copy of their most recent audit report. The FL SAFE and Florida Municipal Investment Trust separately issued financial statements can be found at flsafe.org and floridaleagueofcities.com. All pension assets are held by a third party.

Concentration of Credit Risk—The City's Investment Policy requires that investments be diversified by security type, maturity and institution. The allocation limits and security types do not apply to the investment of debt proceeds which have been invested in the FL SAFE investment fund. A maximum of 100% of available funds may be invested in United States Government Securities and the State Board of Administration's Local Government Surplus Funds Trust Fund. A maximum of 50% of available funds may be invested in non-negotiable interest bearing time certificates of deposit and money market funds. A maximum of 40% of available funds may be invested in intergovernmental investment pools. The Pension Investment Policies do not restrict individual investment concentrations. The Pension Fund investment policies restrict that not more than 5% of the plan's assets, at the time of purchase, shall be invested in the equities of one company, and restricts the value of bonds issued by any single corporation shall not exceed 3% of the total fund. At September 30, 2019, the three pension plans did not have any direct investments in equities or fixed income investments.

Investments in Entities that Calculate Net Asset Value Per Share

The fair values of investments in the pension trust funds are based on the investments' net asset value (NAV) per share (or its equivalent) of the City's ownership interest in the partners' capital. The real estate funds invest in a diversified real estate equity portfolio consisting primarily of high quality, well-leased real estate properties in multi-family, industrial, office, retail, and hotel sectors. Distributions from each fund will be received as the underlying investments of the funds are liquidated, which is expected to occur between 5 and 10 years. The individual investments that will be sold have not yet been determined. Because it is not probable that any specific individual investment will be sold, the fair value of each individual investment has been determined using the NAV per share (or its equivalent) of the pension trust fund's ownership interest in partners' capital.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Note 3 - Capital Assets

Capital asset activity for the year ended September 30, 2019, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land and Improvements	\$ 6,559,185	\$ 1,153,732	\$ -	\$ 7,712,917
Construction in Progress	285,300	405,524	-	690,824
Total Capital Assets, Not Being Depreciated	6,844,485	1,559,256	-	8,403,741
Capital Assets, Being Depreciated:				
Buildings and Improvements	20,883,536	73,886	-	20,957,422
Infrastructure	36,691,572	941,565	-	37,633,137
Equipment, Furniture, Fixtures, and Vehicles	10,948,062	692,811	(160,028)	11,480,845
Media Collection	680,050	85,703	-	765,753
Total Capital Assets, Being Depreciated	69,203,220	1,793,965	(160,028)	70,837,157
Less Accumulated Depreciation:				
Buildings and Improvements	(11,158,581)	(840,639)	-	(11,999,220)
Infrastructure	(14,914,113)	(1,236,360)	-	(16,150,473)
Equipment	(6,141,888)	(971,949)	160,028	(6,953,809)
Media Collection	(515,374)	(92,398)	-	(607,772)
Total Accumulated Depreciation	(32,729,956)	(3,141,346)	160,028	(35,711,274)
Total Capital Assets Being Depreciated, Net	36,473,264	(1,347,381)	-	35,125,883
Governmental Activities Capital Assets, Net	\$ 43,317,749	\$ 211,875	\$ -	\$ 43,529,624

Depreciation expense was charged to the following functions/programs:

Depreciation Expense – Governmental Activities

General Government and Administration	\$ 358,289
Public Safety	789,487
Transportation	765,285
Culture and Recreation	973,163

Capital Assets Held by the Internal Service

Funds are Charged to the Various Functions:

Based Upon Their Usage of the Assets 255,122

Total Depreciation Expense – Governmental Activities \$ 3,141,346

Capital asset activity for the year ended September 30, 2019, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 6,507,203	\$ 950,069	\$ -	\$ 7,457,272
Construction in Progress	3,084,732	3,455,357	(1,417,913)	5,122,176
Total Capital Assets, Not Being Depreciated	9,591,935	4,405,426	(1,417,913)	12,579,448
Capital Assets, Being Depreciated:				
Buildings	19,158,075	188,637	-	19,346,712
Infrastructure	72,231,480	2,704,663	(61,819)	74,874,324
Equipment	3,782,074	225,831	(5,700)	4,002,205
Total Capital Assets, Being Depreciated	95,171,629	3,119,131	(67,519)	98,223,241
Less Accumulated Depreciation:				
Buildings	(5,652,978)	(487,076)	-	(6,140,054)
Infrastructure	(36,933,902)	(2,459,721)	61,819	(39,331,804)
Equipment	(2,678,080)	(206,654)	5,700	(2,879,034)
Total Accumulated Depreciation	(45,264,960)	(3,153,451)	67,519	(48,350,892)
Total Capital Assets Being Depreciated, Net	49,906,669	(34,320)	-	49,872,349
Business-Type Activities Capital Assets, Net	\$ 59,498,604	\$ 4,371,106	\$ (1,417,913)	\$ 62,451,797

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Depreciation Expense was charged to the following functions/programs:

Depreciation Expense – Business-Type	
Electric Utility	\$ 578,179
Water and Wastewater Utility	2,079,502
Sanitation	10,078
Stormwater Utility	473,906
Cemetery	11,786
Total Depreciation Expense – Business-Type	<u>\$ 3,153,451</u>

Note 4 - Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2019, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental Activities					
Revenue Bonds and Notes:					
Improvement Revenue, Bonds, 2011	\$ 1,792,300	\$ -	\$ (284,500)	\$ 1,507,800	\$ 290,000
CRA Revenue Bond, 2013	1,757,000	-	(159,000)	1,598,000	163,000
Capital Improvement Revenue Note, 2018	865,000	-	-	865,000 *	-
Fire Protection Assessment Revenue Bonds, Series 2018	-	21,740,000	(900,000)	20,840,000	380,000
Premium	-	672,673	(33,301)	639,372	-
Discount	-	(256,253)	2,312	(253,941)	-
Capital Improvement Revenue Bonds, Series 2018	-	3,040,000	-	3,040,000	53,750
Premium	-	39,877	(3,035)	36,842	-
Discount	-	(45,206)	389	(44,817)	-
Total Revenue Bonds and Notes	<u>4,414,300</u>	<u>25,191,091</u>	<u>(1,377,135)</u>	<u>28,228,256</u>	<u>886,750</u>
Capital Leases:					
Body Camera Lease	111,868	-	(36,187)	75,681	37,278
Fire Trucks Lease	331,547	-	(331,547)	-	-
Police Vehicles Lease	972,115	-	(157,674)	814,441	189,604
Enterprise Vehicles Lease	573,507	-	(108,109)	465,398	57,436
Total Capital Leases	<u>1,989,037</u>	<u>-</u>	<u>(633,517)</u>	<u>1,355,520</u>	<u>284,318</u>
Other Liabilities:					
Compensated Absences	1,134,566	1,805,199	(1,488,422)	1,451,343	895,054
Net Pension Liability	2,043,616	1,383,614	-	3,427,230	-
OPEB Obligation	13,858,289	-	(2,582,416)	11,275,873	512,564
Total Other Liabilities	<u>17,036,471</u>	<u>3,188,813</u>	<u>(4,070,838)</u>	<u>16,154,446</u>	<u>1,407,618</u>
Governmental Activity					
Long-Term Liabilities	<u>\$ 23,439,808</u>	<u>\$ 28,379,904</u>	<u>\$ (6,081,490)</u>	<u>\$ 45,738,222</u>	<u>\$ 2,578,686</u>

*The first principal repayment for the Capital Improvement Revenue Note, 2018 is not due until September 30, 2021.

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Business-Type Activities					
Revenue Bonds:					
2006 Serial Bonds	\$ 4,375,000	\$ -	\$ (660,000)	\$ 3,715,000	\$ 690,000
Issuance Discount	(55,362)	-	15,785	(39,577)	-
Fair Value of Interest Swap	82,492	-	(5,404)	77,088	-
2014 Serial Bonds	7,095,000	-	(135,000)	6,960,000	-
Capital Improvement Revenue Bonds, Series 2018	-	9,120,000	-	9,120,000	161,250
Premium on 2018 Bonds	-	119,630	(9,104)	110,526	-
Discount on 2018 Bonds	-	(135,619)	1,168	(134,451)	-
DW351450 SRF Loan	1,938,504	42,583	(92,618)	1,888,469	92,413
WW351440 SRF Loan	1,482,957	143,528	(71,731)	1,554,754	73,227
DW351490 SRF Loan	-	1,397,136	-	1,397,136	57,505
Total Revenue Bonds	<u>14,918,591</u>	<u>10,687,258</u>	<u>(956,904)</u>	<u>24,648,945</u>	<u>1,074,395</u>
Other Liabilities:					
Compensated Absences	359,240	441,951	(475,076)	326,115	204,735
Net Pension Liability	472,663	411,999	-	884,662	-
OPEB Obligation	4,268,915	-	(792,384)	3,476,531	157,274
Total Other Liabilities	<u>5,100,818</u>	<u>853,950</u>	<u>(1,267,460)</u>	<u>4,687,308</u>	<u>362,009</u>
Total Business-Type Activities	<u>\$ 20,019,409</u>	<u>\$ 11,541,208</u>	<u>\$ (2,224,364)</u>	<u>\$ 29,336,253</u>	<u>\$ 1,436,404</u>

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Other Liabilities

Compensated absences and net pension liabilities are generally liquidated with resources from the fund that created the liability. Net Other Post Employment Obligations have been paid by the general and proprietary funds on a pay-as-you go basis, with allocations to the proper fund/department.

Capital Improvement Refunding Revenue Bonds, Series 2011

In 2011, the City issued Capital Improvement Refunding Revenue Bonds, Series 2011, (Series 2011 Bonds) in the amount of \$3,635,400, with a fixed interest rate of 1.95%. The proceeds were used to defease the 2001 Bonds and to pay issuance costs. Management expects that the net present value will provide a savings of over \$650,000 over the life of the new bonds.

The Series 2011 Bonds are payable from a secured lien and pledge of the Florida Communications Services Tax Imposed pursuant to Section 203.01(1)(a)2, Florida Statutes and the public services tax pursuant to Section 166.2331, Florida Statutes. Annual principal and interest on the bonds are expected to require approximately 15.35% of such tax revenue and are payable through 2024. Principal and interest for the current year was \$319,450. Pledged revenues available for debt service totaled \$2,081,078 for the year. At year-end, pledged future revenues totaled \$1,597,141, which was equal to the amount of the remaining principal and interest on the bonds. There was no Federal arbitrage liability on these bonds at year-end.

CRA Redevelopment Revenue Note, Series 2013

In May 2013, the City issued CRA Redevelopment Revenue Note, Series 2013, (Series 2013 Note) in the amount of \$2,500,000, with a fixed interest rate of 2.17%. The proceeds were used to fund the Downtown Streetscape Project and to pay issuance costs.

The Series 2013 Note is payable from a secured lien and pledge of the Community Redevelopment Agency revenues with a secondary pledge of public services tax pursuant to Section 166.2331, Florida Statutes. Annual principal and interest on the bonds are expected to require approximately 17.36% of such tax revenue and are payable through 2028. Pledged revenues available for debt service totaled \$1,130,627 for the year. At year-end, pledged future revenues totaled \$1,767,772, which was equal to the amount of the remaining principal and interest on the bonds. There was no Federal arbitrage liability on these bonds at year-end.

Capital Improvement Revenue Note, Series 2018

In August 2018, the City authorized Series 2018, Capital Improvement Revenue Note in the amount not to exceed \$4,000,000. The proceeds are to be used for financing the acquisition and improvement of surface lot parking projects. The note is a draw-down note. Proceeds of the 2018 Note may be drawn by the City on a monthly basis in minimum amounts of \$100,000 during the initial eighteen months of the 2018 Note. The City made an initial draw of \$865,000 on the date of issuance of the 2018 Note. The first principal payment is due on September 30, 2021, with an estimated final maturity date of September 30, 2028. The interest rate is fixed at 3.58% for the term of the loan.

Capital Improvement Revenue Bonds, Series 2018

In November 2018, the City issued the Capital Improvement Revenue Bonds, Series 2018 in the amount of \$12,160,000. The issuance consists of \$3,935,000 of serial bonds with maturities beginning November 1, 2019 through November 1, 2032 at a fixed interest rate of 4% and \$8,225,000 of term bonds with maturity dates of November 1, 2035, November 1, 2038, November 1, 2043, and November 1, 2048 at a fixed rate of 4.0%. The Series 2018 bonds are payable from Non-Ad Valorem revenues budgeted and

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

appropriated by the City for the purposes of payment of the debt service on the Series 2018 Bonds. The proceeds of the bonds are to be used to construct a public works building and for other municipal capital improvements as approved by the City Council. The Series 2018 Bonds maturing on or before November 1, 2028 are not subject to redemption prior to maturity. The Series 2018 Bonds maturing after November 1, 2028 are subject to redemption prior to their stated dates of maturity at the option of the City in whole or part, from such maturities selected by the City on November 1, 2028 or any date thereafter, at a redemption price equal to 100% of the principal amount and accrued interest to the date fixed for redemption and without premium. The Series 2018 (Term) Bonds maturing on November 1, 2035, 2038, 2043, and 2048 have mandatory redemptions beginning in 2033 and ending in 2043.

Fire Protection Assessment Revenue Bonds, Series 2018

In November 2018, the City issued the Fire Protection Assessment Revenue Bonds, Series 2018 in the amount of \$21,740,000. The issuance consists of \$7,885,000 of serial bonds with maturities beginning May 1, 2019 through May 1, 2033 at fixed interest rates of 2.50% to 5.00% and \$13,855,000 of term bonds with maturity dates of May 1, 2035, May 1, 2038, May 1, 2043, and May 1, 2048 at a fixed rates of 3.75% to 4.00%. The Series 2018 bonds are payable from and secured by a pledge of Fire Protection Special Assessment revenues. The proceeds of the bonds are to be used to construct three new fire station facilities and related capital improvements. The Series 2018 Bonds maturing on or before May 1, 2028 are not subject to redemption prior to maturity. The Series 2018 Bonds maturing after May 1, 2028 are subject to redemption prior to their stated dates of maturity at the option of the City in whole or part, from such maturities selected by the City on May 1, 2028 or any date thereafter, at a redemption price equal to 100% of the principal amount and accrued interest to the date fixed for redemption and without premium. The Series 2018 (Term) Bonds maturing on May 1, 2035, 2038, 2043, and 2048 have mandatory redemptions beginning in 2033 and ending in 2043.

Annual principal and interest on the bonds are expected to require approximately 63.67% of such revenue and are payable through 2048. Principal and interest for the current year was \$1,243,238. At year-end, pledged future revenues totaled \$36,117,038 which was equal to the amount of the remaining principal and interest on the bonds. There was no Federal arbitrage liability due on these bonds at year-end.

Utility Bonds

The series 2006 Bonds were issued January 2006 in the amount of \$9,495,000 at a fixed rate of 3.74% to refund \$9,070,000 of outstanding Series 1998 Bonds, which matured in 2008. The net carrying amount is amount due at maturity, adjusted for issuance costs related to the old debt, as well as the deferred outflow associated with the derivative instrument that is an effective hedge on the new debt. Management expects that the net present value will provide a savings of over \$610,000 over the life of the new bonds.

The Series 2006 Bonds are payable from and secured by a pledge of and prior lien on the revenues derived from operations of the water and wastewater system. Annual principal and interest on the bonds are expected to require approximately 27.36% of such revenue and are payable through 2023. Principal and interest for the current year was \$811,283. At year-end, pledged future revenues totaled \$4,072,638 which was equal to the amount of the remaining principal and interest on the bonds. There was no Federal arbitrage liability due on these bonds at year-end.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

The series 2014 Revenue Bonds were issued July 2014 in the amount of \$7,560,000 at a fixed rate of 2.95% for various water and wastewater projects. The Series 2014 Bonds are payable from and secured by a pledge of and lien on the revenues derived from operations of the water and wastewater system that is in parity with 2006 Bonds. Annual principal and interest on the bonds are expected to require approximately 3.15% of such revenue and are payable through 2029. Principal and interest for the current year was \$347,309. At year-end, pledged future revenues totaled \$8,669,754, which was equal to the amount of the remaining principal and interest on the bonds. There was no Federal arbitrage liability due on these bonds at year-end.

State Revolving Fund Loans – Florida Department of Environmental Protection

Clean Water – WW351440

During 2017, the City authorized a State Revolving Fund Loan (WW351440) to finance construction costs to construct wastewater collection, transmission and reuse transmission facilities as part of the approved U.S. 441/State Route 46 Intersection Utilities Line Location. The final principal amount of the loan is \$1,981,087. Principal and Interest payments are due semiannually beginning on October 15, 2018 and semiannually thereafter on April 15 and October 15 of each year until April 15, 2038. Interest is payable at a rate of 0.80%. Net Water, Sewer, and Reclaimed Water revenues are pledged as collateral for the loan. These pledged revenues are subordinate to the Water and Sewer Refunding Bond, Series 2006 and the Water and Sewer Revenue Note, Series 2014. Annual principal and interest on the loan is expected to require approximately 0.97% of such revenue and are payable through April 15, 2038. At year-end, pledged future revenue totaled \$2,039,396 which was equal to the current amount of principal and interest remaining on the loan.

Drinking Water – DW351450

During 2017, the City authorized a State Revolving Fund Loan (DW351450) to finance construction costs to construct water line improvements as part of the approved State Route 46 Utilities Extension. During the year, the City received the last draw on the loan. The final principal amount of the loan is \$1,591,757. Principal and Interest payments are due semiannually beginning on October 15, 2018 and semiannually thereafter on April 15 and October 15 of each year until April 15, 2037. Interest is payable at a rate of 1.21%. Net Water, Sewer, and Reclaimed Water revenues are pledged as collateral for the loan. These pledged revenues are subordinate to the Water and Sewer Refunding Bond, Series 2006 and the Water and Sewer Revenue Note, Series 2014. Annual principal and interest on the loan is expected to require approximately 0.93% of such revenue and are payable through April 15, 2038. At year-end, pledged future revenue totaled \$1,745,545 which was equal to the amount of principal and interest remaining on the loan.

Drinking Water – DW351490

During 2019, the City received a State Revolving Fund Loan (WW351490) with a maximum loan amount of \$2,371,690 to finance construction costs related to the Mount Dora Apopka Reclaimed Water Interconnect. The City received \$1,397,136 of proceeds during fiscal year 2019 which is the current principal of the loan. Principal and Interest payments are due semiannually beginning on June 15, 2020 and semiannually thereafter on June 15 and December 15 of each year until December 15, 2039. Interest is payable at a rate of 1.06%. Net Water, Sewer, and Reclaimed Water revenues are pledged as collateral for the loan. These pledged revenues are subordinate to the Water and Sewer Refunding Bond, Series 2006 and the Water and Sewer Revenue Note, Series 2014. Annual principal and interest on the bonds are expected to require approximately 0.19% of such revenue and are payable through 2040. At year-end, pledged future revenue totaled \$1,557,577 which was equal to the amount of principal and interest remaining on the loan.

CITY OF MOUNT DORA, FLORIDA
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Derivative Instruments

Simultaneous to the issuance of the Series 2006 Bonds, the City entered into a pay-fixed receive variable interest rate swap, a derivative instrument, in order to fix the rate on the bonds at 3.74%. The bonds carry a variable interest rate that changes monthly based as described below. Because the swap variable rate and all other relevant terms are the same as the bonds, the pay-fix interest rate swap rate does not vary. Accordingly, the derivative instrument is considered effective for financial reporting purposes. The interest rate swap is recorded at fair value as a liability of the Water and Wastewater Fund with a corresponding Deferred Outflow.

The fair value balance and notional amount of the derivative instrument outstanding as of September 30, 2019, classified by type, and the change in fair value of the derivative instrument for the year then ended as reported in the 2019 financial statement is as follows (rounded):

	Changes in Fair Value		Fair Value at September 30, 2019		Notional
	Classification	Amount	Classification	Amount	
Business-Type Activities					
Cash Flow Hedge:					
Pay-Fixed Interest	Deferred				
Rate Swap	Outflow	\$ 5,000	Debt	\$ (77,000)	\$ 4,375,000

The fair value of the interest rate swap was estimated using the estimated price or spread level at which an agent for the City might find liquidity for a round lot transaction within the relevant market. Valuations are based in part upon historical cash and asset information furnished to our agent by third parties.

The City's objective and terms of the hedging derivative instrument as of September 30, 2019, was as follows:

Type:	Pay-fixed Interest Rate Swap – Counterparty Credit Rating: A/A2
Objective:	To Provide a Fix Rate on the Series 2006 Bonds
Original Notional Amount:	\$9,495,000 – Current Notional Amount: \$4,375,000
Date of Agreement:	September 21, 2005 – Effective Date: January 17, 2006
Maturity Date:	October 1, 2023 – Adjustment Period: First of Each Month
Terms:	Pay 3.74% Fixed Rate with the Variable Rate at 63.7% of London Interbank Offered Rate (LIBOR) plus 0.55% and the Variable Rate of the Interest Rate is the Same as the Bonds

Risks

Credit Risk—The agreement is subject to termination if there is a credit event due to merger or bankruptcy of either party. In such event close-out netting provision permits the non-defaulting party to terminate the agreement and pay or receive a single amount.

The fair value of the hedging derivative was negative \$77,088 as of September 30, 2019. This is the maximum liability that the City would have if there was an early termination of the bond agreement.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Interest Rate Risk—The City is exposed to interest rate risk on the hedging instrument. A pay-fix interest rate swap, the amount that may be payable due to early termination, will increase or decrease in direct relationship to the change in the LIBOR rate.

Basis Risk—The City is exposed to basis risk with this pay-fix interest rate swap only if there is an early termination. The amount of risk is dependent on the prevailing current market rate at that time.

Termination Risk—The City may terminate the pay-fix interest rate swap at any time and be subject to pay or receive payment based upon Net Settlement Amount equal to the market value of the derivative.

Rollover Risk—The City has no rollover risk as the derivative instrument has an identical maturity date to that of the outstanding bonds.

The following is a schedule of bonds and notes outstanding at September 30, 2019:

<u>Description of the Bonds</u>	<u>Purpose of the Issue</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rate</u>
Governmental Activities				
Revenue Bonds and Notes:				
Improvement Revenue Refunding Bonds, Series 2011	Refunding	\$ 3,635,400	\$ 1,507,800	1.95%
CRA Revenue Note, Series 2013	Improvements	2,500,000	1,598,000	2.17%
Capital Improvement Revenue Note 2018	Improvements	865,000	865,000	4.00%
Fire Protection Assessment Revenue Bonds, Series 2018	Improvements	21,740,000	20,840,000	0.00%
Capital Improvement Revenue Bonds, Series 2018	Improvements	<u>3,040,000</u>	<u>3,040,000</u>	4.00%
Total Bonds		<u>31,780,400</u>	<u>27,850,800</u>	
Capital Leases:				
Bankcorp Bank	Body Cameras and Equipment	186,555	75,684	N/A
Bancorp	Police Vehicles	972,115	814,441	N/A
Enterprise	City Fleet	<u>639,354</u>	<u>465,398</u>	N/A
Total Governmental Activities		<u>\$ 33,578,424</u>	<u>\$ 29,206,323</u>	
Business-Type Activities				
Revenue Bonds:				
Utility Revenue Bonds, Series 2006	Refunding	\$ 9,495,000	\$ 3,715,000	3.74%
Utility Revenue Bonds, Series 2014	Improvements	7,560,000	6,960,000	2.95%
Capital Improvement Revenue Bonds, Series 2018	Improvements	9,120,000	9,120,000	4.00%
WW351440 SRF Loan	Improvements	1,981,087	1,888,470	1.21%
DW351450 SRF Loan	Improvements	1,591,322	1,554,754	1.21%
DW351490 SRF Loan	Improvements	<u>1,397,136</u>	<u>1,397,136</u>	1.06%
Total Business-Type Activities		<u>\$ 31,144,545</u>	<u>\$ 24,635,360</u>	

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Debt service to maturity on the City's bonded indebtedness, and note payable area as follows:

<u>Year Ending September 30,</u>	<u>Governmental-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2020	\$ 886,750	\$ 1,081,154
2021	1,004,533	1,058,341
2022	1,032,826	1,027,632
2023	1,062,803	995,965
2024	1,098,763	963,277
2025-2029	4,053,876	4,325,565
2030-2034	3,588,750	3,505,538
2035-2039	4,428,750	2,671,575
2040-2044	5,385,000	1,712,150
2045-2048	5,308,749	542,475
Total	<u>\$ 27,850,800</u>	<u>\$ 17,883,672</u>

<u>Year Ending September 30,</u>	<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2020	\$ 1,043,736	\$ 634,345
2021	1,251,950	704,284
2022	1,290,003	663,724
2023	1,331,828	621,753
2024	1,375,678	578,245
2025-2029	7,512,250	2,270,257
2030-2034	3,721,767	1,425,067
2035-2039	2,768,164	1,054,693
2040-2044	1,973,734	673,255
2045-2048	2,366,250	244,425
Total	<u>\$ 24,635,360</u>	<u>\$ 8,870,048</u>

Conduit Debt

Periodically, the City will issue conduit debt to fulfill a public need or purpose. These obligations are not reported as liabilities in the financial statements as the City is not obligated in any manner for repayment of the debt. In April 2017, the City authorized the issuance of \$6,250,000 of conduit bonds under the authority of the Florida Statutes, Part II Chapter 159 for Christian Home and Bible School, Inc., who is solely responsible for the debt, issuance costs and all debt payments. The 2017 bonds issued have a final maturity on May 3, 2027. There was \$5,969,174 outstanding as of September 30, 2019.

Capitalized Lease Obligations

The City entered into three lease agreements as a lessee for financing body cameras and related equipment, police vehicles, and city fleet. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date of the lease.

The assets acquired through the police body cameras and equipment capital lease are as follows:

Asset	
Body Cameras and Equipment	\$ 186,555
(Accumulated Depreciation)	<u>(93,278)</u>
Total	<u>\$ 93,277</u>

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

The body camera and equipment future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2019, were as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>
2020	\$ 39,559
2021	39,559
Total Minimum Lease Payments	79,118
Amounts Representing Interest	(3,438)
Present Value of Minimum Lease Payments	<u>\$ 75,680</u>

The assets acquired through the Bancorp capital lease (police vehicles) are as follows:

Asset	
Vehicles	\$ 975,415
(Accumulated Depreciation)	(290,425)
Total	<u>\$ 684,990</u>

The Bancorp capital lease (police vehicles) future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2019, were as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>
2020	\$ 228,444
2021	228,444
2022	228,444
2023	228,444
Total Minimum Lease Payments	913,776
(Amounts Representing Interest)	(99,335)
Present Value of Minimum Lease Payments	<u>\$ 814,441</u>

The assets acquired through the enterprise capital lease (city fleet) are as follows:

Asset	
Vehicles	\$ 675,682
(Accumulated Depreciation)	(144,789)
Total	<u>\$ 530,893</u>

The enterprise lease future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2019, were as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>
2020	\$ 72,873
2021	118,641
2022	120,880
2023	187,172
Total Minimum Lease Payments	499,566
(Amounts Representing Interest)	(34,168)
Present Value of Minimum Lease Payments	<u>\$ 465,398</u>

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Defeased Debt

There is no outstanding defeased debt.

Note 5 - Interfund Balances and Transfers

Interfund balances at September 30, 2019, are as follows:

<u>Receivable Funds</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Impact Fees Capital Projects Fund	\$ 1,190,000
General Fund	Sanitation Fund	171,357
General Fund	Stormwater Fund	<u>705,787</u>
	Total	<u>\$ 2,067,144</u>

In 2010, the City Council passed Resolution 2010-16, which authorized long-term interfund loans from the General Fund to the Impact Fees Capital Projects Fund. The other interfund payables are temporary advances from the general to the respective funds due to timing differences. The other interfund payables/receivables are expected to be repaid in the next fiscal year.

Interfund transfers during 2018-19 were made as follows:

<u>Fund</u>	<u>Transfers in</u>	<u>Transfers (out)</u>
Major Funds		
General Fund	\$ 2,852,300	\$ 1,084,518
Community Redevelopment Agency Fund	576,181	-
Northeast Redevelopment Agency Fund	239,076	20,402
Electric Utility Fund	-	1,268,600
Water and Wastewater Utility Fund	-	1,454,950
Stormwater Utility Fund	-	128,750
Non-Major Funds		
Debt Service Fund	51,004	-
Special Event Fund	<u>238,659</u>	<u>-</u>
Total	<u>\$ 3,957,220</u>	<u>\$ 3,957,220</u>

The Enterprise Funds transfer money to the General Fund based upon a calculation of the estimated amount of taxes and investment returns that would be expected to be received by the general government, if the utilities were privately owned. The General Fund transferred money to the Special Event Fund to subsidize operations. The General Fund transferred the applicable taxes collected on behalf of the two CRAs.

Note 6 - All Requirements for Electric Service/Purchased Electric Power Cost Agreement

The City has entered into an agreement with Duke Energy, Inc. for the purchase and sale of all requirements for electric service. The agreement expires on December 31, 2020. In March 2020, the Council approved an all-requirements purchase agreement with the Orlando Utilities Commission for the purchase of power for the City's electric utility. The agreement is effective on January 1, 2021 and is set to run until January 1, 2028.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Note 7 - Agreement for Exclusive Right to Collect Refuse

On August 18, 2013, the City Council approved a new agreement with Waste Management, Inc. The agreement grants exclusive rights to Waste Management, Inc. to collect refuse within the City, commenced on October 1, 2013, subject to termination upon default. The contract is for seven years and may be extended for an additional five-year term.

The City continues to bill and collect from sanitation customers. The City retains \$4.26 per month for each customer billed as revenue in the sanitation fund for operational costs. A 10% franchise fee is collected and recognized in the general fund. Waste Management, Inc. has furnished the City with a performance bond in the amount of \$250,000 insuring the faithful performance of the agreement. In addition, a liability policy naming the City as an additional insured in the amount of \$1,000,000 per occurrence and \$1,000,000 in the aggregate has been obtained.

Note 8 - Other Postemployment Benefits

The City provides, through annual City Council appropriation, health and life insurance for 55 retired employees and 10 spouses. The Plan is a single employer plan and postemployment benefits are funded for by the general and enterprise funds on a “pay-as-you-go” basis. Stand alone financial reports are not issued. In addition, the City provides health insurance coverage to terminated employees in accordance with the COBRA law. These COBRA benefits are provided at a limited cost by the City, since the former employees reimburse the City for the full estimated premium allowed by law.

The City contributes either 50% or 100% of the active health insurance premium for certain groups of retirees with at least 10 years of service on September 30, 2003 and who were participating in the City’s group insurance plan. For those employees hired prior to April 15, 2003 with less than 10 years of service on September 30, 2003, the City contributes 2.5% for each year of service toward the retiree premium in the City’s group insurance up to 75% for normal retirees and 50% for early retirees. Pursuant to Section 112.01, Florida Statutes, the City is required to permit participation in the health insurance program by retirees and their eligible dependents, at a cost to the retirees that is no greater than the cost at which coverage is available for active employees. The City also contributes 100% of the active life insurance premium for normal retirees with at least 10 years of service on September 30, 2003 and participating in the City’s group life insurance plan. Life insurance coverage is available up to \$5,000 and may be purchased by the retiree at the active premium rate. The City currently has no plans to fund the Unfunded Actuarial Accrued Liability.

Membership Information

The following table provides a summary of the number of participants in the plan as of October 1, 2018 (the latest valuation date).

Active Participants	204
Retirees, Beneficiaries, and Disabled Members	<u>53</u>
Total Plan Members	<u><u>257</u></u>

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Total OPEB Liability – The City’s Total OPEB Liability was measured as of September 30, 2018. The City’s total OPEB liability as of September 30, 2019 (reporting date) was \$14,752,404.

Changes in the Total OPEB Liability

Total OPEB Liability,	
Beginning of Year, as Restated	\$ 18,127,204
Service Cost	256,327
Interest on Total OPEB Liability	657,078
Difference Between Expected and Actual Experience	(916,708)
Changes of Assumptions and Other Inputs	(2,701,658)
Benefit Payments	(669,839)
Net Change in Total OPEB Liability	(3,374,800)
Total OPEB Obligation, End of Year	<u>\$ 14,752,404</u>

Changes of Assumptions

The changes of assumptions reflect a change in the discount rate from 3.64% for the reporting period ended September 30, 2018, to 4.18% for the reporting period ended September 30, 2019.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following table presents 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 rate:

	1% Decrease 3.18%	Current Discount Rate 4.18%	1% Increase 5.18%
Total OPEB Liability	<u>\$ 17,048,687</u>	<u>\$ 14,752,404</u>	<u>\$ 12,907,886</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following table presents 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 are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease 3.00%-7.00%	Current Healthcare Cost Trend Rate 4.00%-8.00%	1% Increase 5.00%-9.00%
Total OPEB Liability	<u>\$ 12,922,126</u>	<u>\$ 14,752,404</u>	<u>\$ 17,008,538</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended September 30, 2019, the City recognized OPEB expense of \$76,158. At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 763,923
Changes of Assumptions	-	3,454,812
Benefits Paid After Measurement Date	619,979	-
Total	<u>\$ 619,979</u>	<u>\$ 4,218,735</u>

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Of the total amount reported as deferred outflows of resources related to OPEB, \$619,979 resulting from benefits paid subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability in the year ended September 30, 2020. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending September 30,	Amount
2020	\$ (843,747)
2021	(843,747)
2022	(843,747)
2023	(843,747)
2024	(843,747)
Total	<u>\$ 4,218,735</u>

Actuarial Methods and Assumptions

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 the valuation and the historical pattern of sharing benefit costs between the employer and plan members. 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.

Actuarial methods and assumptions include the following:

Actuarial Valuation Date:	October 1, 2018
Measurement Date:	October 1, 2018
Reporting Date:	September 30, 2019
Actuarial Cost Method:	Entry Age Normal Cost
Inflation Rate:	2.50%
Discount Rate:	4.18%
Projected Salary Increases:	5.50%-6.00%
Retirement Age:	Retirement ages follow the pension plan retirement ages as described in Note 11.
Mortality:	All mortality rates were based on the RP-2000 mortality tables.

Changes of Assumptions

The discount rate assumption changed from 3.64% for the reporting period of September 30, 2018, to 4.18% for the reporting period of September 30, 2019. Mortality rates were updated to align with those used in the July 1, 2018, actuarial valuation of the Florida Retirement System (FRS). Health care inflation rates have been updated to reflect recent healthcare trend rate surveys.

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 4.18%. 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 consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Services' Aa2 rating and Standard & Poor's AA.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

COMPONENTS OF OPEB EXPENSE
(For the Year Ended September 30, 2019)

	Total OPEB Liability	Deferred Inflows	Deferred Outflows	OPEB Expense
Beginning Balance	<u>\$ 18,127,204</u>	<u>\$ 1,444,116</u>	<u>\$ 676,339</u>	<u>\$ -</u>
Employer Contributions Made After September 30, 2018	-	-	619,980	-
Total OPEB Liability Factors				
Service Cost	256,327	-	-	256,327
Interest	657,078	-	-	657,078
Changes in Benefit Terms	-	-	-	-
Differences between Expected and Actual Experience with Regard to Economic or Demographic Assumptions	(916,708)	916,708	-	-
Current Year Amortization of Experience Difference	-	(152,785)	-	(152,785)
Change in Assumptions About Future Economic or Demographic Factors or Other Inputs	(2,701,658)	2,701,658	-	-
Current Year Amortization of Change in Assumptions	-	(690,962)	-	(690,962)
Benefit Payments	(669,839)	-	-	-
Net Change	<u>(3,374,800)</u>	<u>2,774,619</u>	<u>619,980</u>	<u>69,658</u>
Pay-As-You-Go Related Costs				
Contributions - Employer	676,339	-	(676,339)	-
Benefit Payments	(669,839)	-	-	-
Administrative Expenses	(6,500)	-	-	6,500
Other	-	-	-	-
Net Change	<u>-</u>	<u>-</u>	<u>(676,339)</u>	<u>6,500</u>
Ending Balance	<u>\$ 14,752,404</u>	<u>\$ 4,218,735</u>	<u>\$ 619,980</u>	<u>\$ 76,158</u>

Notes to Schedule:

The Plan is not funded through a trust; however, certain "Pay-As-You-Go" related costs must still be considered when developing the OPEB expense.

Note 9 - Uncertainties

The City participates in a number of Federal and State programs funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the grantor. The City believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any individual fund or the overall financial position of the City.

Note 10 - Risk Management and Litigation

The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters, which the City carries commercial insurance. The City has effectively managed risks through insurance coverage subject to coverage limits from commercial insurance companies. For each of the past three fiscal years, no losses in excess of the insurance coverage have occurred. There have been no significant reductions in coverage limits from prior years.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Insurance against losses are provided through various commercial carriers for the following:

- General Liability
- Property
- Automobile
- Police Professional
- Fire Legal Liability
- Boiler and Machinery Liability
- Pollution Liability
- Accidental Death and Dismemberment
- Group Health (Partially Self-insured)
- Employee Dishonesty
- Emergency Medical Treatment

In 2010, the City established a limited risk management program to help contain rising health insurance costs. The program consists of purchasing an aggregate stop loss and individual maximum claims reinsurance policies with the City being responsible for the claims not covered by the policies. Premiums are charged to each fund and department based upon the individuals selection of coverage. Then the employees are charged for a portion of individual or family coverage. The premiums collected are then deposited into the internal service fund called Self-Insurance fund. All administrative, networks, insurance and claims costs are charged to the fund. If there were to be a shortage, then the excess would be charged to each fund and department based upon their portioned share.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs) based the estimated claims incurred as of September 30 and offset by any estimated recovery from the excess insurance. The results of the process to estimate the claims liability is not an exact amount as it depends on timing of claims being reported and processed through the system. During the year, the excess individual insurance policy covers claims in excess of \$90,000, while aggregate covers total claims in excess of \$1,000,000.

	September 30, 2019	September 30, 2018
Unpaid Claims, Beginning of Fiscal Year	\$ 566,256	\$ 565,739
Incurred Claims (Including IBNRs)	1,927,486	1,750,986
Claims Payments	<u>(1,927,486)</u>	<u>(1,750,469)</u>
Unpaid Claims, End of Fiscal Year	<u>\$ 566,256</u>	<u>\$ 566,256</u>

Note 11 - Defined-Benefit Pension Plans

Plan Descriptions and Contribution Information

The City maintains three separate single-employer pension defined benefit plans for police officers, firefighters, and general employees that cover substantially all full-time Police and Fire employees and most full-time General Employees hired before 10/1/2010. These plans are maintained as Pension Trust Funds, utilize the accrual basis of accounting and are included as part of the City's reporting entity. State law requires contributions to be determined by actuarial studies at least every three years. The City elects to have actuarial studies conducted annually. Stand-alone financial reports are not issued.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Investments are reported at fair value and are managed by third party money managers. The City's independent custodian and the individual money managers price each instrument (using various third party pricing sources) and reconcile material differences. Investments that do not have an estimated market are reported at estimated fair value. Performance reporting, manager fees and the City's asset valuations are based on the custodian's determination of the fair value.

Membership of each plan consisted of the following at October 1, 2017, the date of the latest actual valuation (rolled forward to a measurement date of September 30, 2018):

	<u>General Employees</u>	<u>Police Officers</u>	<u>Firefighters</u>	<u>Total</u>
Retirees and Beneficiaries receiving Benefits	81	16	15	112
Inactive, Non-Retired (including, members with frozen benefits)	60	11	2	73
Active Plan Members with continuing benefit Accruals	9	32	23	64

■ **General Employees' Retirement Plan**

● **Plan Description**

The General Employees' Retirement Plan (GERP) provides retirement, death and disability benefits to plan members and their beneficiaries. The GERP is a defined-benefit pension plan formed under authority of Florida Statutes, Chapter 112, covering substantially all full-time employees hired before October 1, 2010, who are not classified as full-time sworn police officers or firefighters. It is not subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The City Council has the authority to establish and amend the benefit provisions of the plan. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. On September 21, 2010, the City council passed Ordinance 2010-14, which materially changed the number of employees eligible for the Plan. Only employees with seven years of service and age 55 or older (15 members) as of September 30, 2010 and non-certified employees of the Police Union (8 members) continued to participate in the plan after October 1, 2010. On March 6, 2012 the plan was closed to non-certified employees of the Police Union. All future employees participate in a defined contribution plan. On April 17, 2012 the definition of pensionable earnings was changed to exclude overtime pay earned in excess of 300 hours after March 6, 2012. The Plan is administered by five trustees. The Mayor or City Manager is one trustee, three are elected by the membership and the fifth trustee is selected by a majority of the other four trustees.

● **Contributions**

None are required for members hired prior to October 1, 1985, while 7.14% of pay for additional benefits provided to contributing members (optional for members hired prior to October 1, 1985, and mandatory for all subsequent members). City contributions are required for the remaining amount necessary to fund annual normal costs and amortization of the unfunded actuarial accrued liability.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

- **Investments**

Investment Policy—The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the trustees by a majority vote of its members. It is the policy of the Plan to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan’s investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board’s adopted asset allocation policy as of September 30, 2019:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic Equity	45%
International Equity	15%
Broad Based Fixed Income	20%
Global Fixed Income	5%
TIPS Fixed Income	5%
Real Estate	10%
Total	<u>100%</u>

Concentration of Credit Risk—See Note 2

Rate of Return—For the year ended September 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.92% percent.

- **Police Officers’ Retirement Plan**

- **Plan Description**

The Police Officers’ Retirement Plan (PORP) provides retirement, death and disability benefits to plan members and their beneficiaries. The PORP is a defined-benefit pension plan covering all regular sworn police officers employed by the City. It is not subject to the provisions of ERISA. The PORP is modeled after Florida Statutes, Chapter 185, as amended by City Ordinance. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The Plan is administered by five trustees. The City Council selects two trustees, two are elected by the membership and the fifth trustee is selected by a majority of the other four trustees.

- **Contributions**

Plan members are required to contribute 7.55% of their annual covered salary. The State of Florida collects and remits proceeds from a 1% excise tax levied on insurance premiums within the City limits. The City contributes the proceeds from the State and an additional amount equal to the actuarially-determined amount each year. The State contribution is recognized when received, which was \$105,584 for fiscal year 2019.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

- **Investments**

Investment Policy—The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the trustees by a majority vote of its members. It is the policy of the Plan to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan’s investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board’s adopted asset allocation policy as of September 30, 2019:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic Equity	45%
International Equity	15%
Broad Based Fixed Income	20%
Global Fixed Income	5%
TIPS Fixed Income	5%
Real Estate	10%
Total	<u>100%</u>

Concentration of Credit Risk—See Note 2

Rate of Return—For the year ended September 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.84% percent.

- **Firefighters’ Retirement Plan**

- **Plan Description**

The Firefighters' Retirement Plan (FRP) provides retirement, death and disability benefits to plan members and their beneficiaries. The FRP is a defined-benefit pension plan covering all certified full-time and volunteer firefighters. It is not subject to the provisions of the ERISA. The FRP is modeled after Florida Statutes, Chapter 175, as amended by City Ordinance. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Ordinance 2014-02, adopted on March 18, 2014 increased the retirement options with social security plus lump sum options and allowed purchase of prior military and firefighter service at full calculated actuarial cost. There was no financial impact from these changes. The Plan is administered by five trustees. The City Council selects two trustees, two are elected by the membership and the fifth trustee is selected by a majority of the other four trustees.

- **Contributions**

Plan members are required to contribute 6.99% of their annual covered salary. The State of Florida collects and remits proceeds from a 1% excise tax levied on insurance premiums within the city limits. The City contributes the proceeds from the State and the additional amount equal to the actuarially-determined amount each year. The State contribution is recognized when received, which was \$85,945 for fiscal year 2019.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

● **Investments**

Investment Policy—The pension plan’s policy in regard to the allocation of invested assets is established and may be amended by the trustees by a majority vote of its members. It is the policy of the Plan to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan’s investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board’s adopted asset allocation policy as of September 30, 2019:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic Equity	45%
International Equity	15%
Broad Based Fixed Income	20%
Global Fixed Income	5%
TIPS Fixed Income	5%
Real Estate	10%
Total	<u>100%</u>

Concentration of Credit Risk—See Note 2

Rate of Return—For the year ended September 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 2.08% percent.

Deferred Retirement Option Program (DROP)

For all three plans, when a member reaches normal retirement age, they may elect in writing to participate in the DROP for a maximum of five years. Participants receive a credit equal to the monthly calculated pension amount plus quarterly interest on the average monthly balance. There were no current participants in either the GERP, PORP or FRP.

Other Pension Information

The annual required contribution for the current year was determined as part of the actuarial valuation, as indicated. The assumptions do not include other post-retirement benefits, which are not funded under the pension plans.

Actuarial Valuation, October 1*	<u>2017</u> General Employees’	<u>2017</u> Police Officers’	<u>2017</u> Firefighters’
Actuarial Valuation Method -			
Entry Age Normal (E.A.N.)	E.A.N.	E.A.N.	E.A.N.
Discount Rate	6.50%	7.50%	7.50%
Rate of Return	6.50%	7.50%	7.50%
Projected Salary Increase	6.00%	6.00%-12.5%	5.50%
Inflation Rate	2.50%	2.5%	2.50%
Cost-of-living Adjustment	N/A	N/A	N/A
Mortality Table	RP-2000	RP-2000	RP-2000

*Actuarial valuation date of October 1, 2017, rolled forward to September 30, 2018 (measurement date)

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

As permitted by GASB Statement No. 68, the City elected to use a measurement date to value the net pension liability and related deferred inflows and outflows as of September 30, 2018, one year prior measurement date. The actuarial value of assets was determined using a five-year smoothed market for the all Plans. The excess of the actuarial value of assets over the actuarial accrued liabilities is being amortized using the level dollar method for the GERP and is not applicable for the PORP and FRP. The remaining amortization period at October 1, 2017, is twelve years for the GERP and is closed. For actuarial calculation, administrative expenses are assumed to be the average of actual expenses over the previous two years. Actuarial valuations involve estimates and assumptions about events far in the future and are subject to continual revisions. The actuarial valuations reflect long-term perspective and are designed to reduce short-term volatility. The Aggregate Actuarial Cost Method used by the Police Officers' and Firefighters' Retirement Plans does not identify or separately amortize unfunded actuarial accrued liabilities, information about the funded status and funding progress is presented using the entry age actuarial cost method and the information presented is intended to serve as a surrogate for the funded status and funding progress of the plan. Schedules of funding progress are presented as required supplementary information following these notes.

Net Pension Liability

(As of September 30, 2018 measurement date)

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Firefighters'</u>
Plan's Pension Liability	\$ 19,640,616	\$ 12,717,991	\$ 9,132,628
Plan's Fiduciary Net Position	<u>16,691,741</u>	<u>11,844,840</u>	<u>8,642,761</u>
City's Net Pension Liability	<u>\$ 2,948,875</u>	<u>\$ 873,151</u>	<u>\$ 489,867</u>
Plan's Fiduciary Net Position as Percentage of the Total Pension Liability	<u>84.99%</u>	<u>93.13%</u>	<u>94.64%</u>

Discount Rate

A single discount rate was used to measure the total pension liability. This single discount rate was based upon the expected rate of return on the pension plan investments and applied to all periods to determine the total pension liability. The projection of cash flows used to determine this single discount rate assumed that plan members' contributions will be made at the current rate and the employer contributions will be made equal to the difference between the actuarially determined contribution rates and the member rate. Based upon these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total liability based upon the actuarial valuation dated October 1, 2017, rolled forward to September 30, 2018 (measurement date). In the October 1, 2018 Firefighters' pension valuation, the discount rate was lowered from 7.50% to 7.25%. The assumption change increased the required contribution for the fiscal year ending September 30, 2020, by \$53,734, or 3.15% of covered payroll.

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

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

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
General Employees' Net Pension Liability	\$ 5,038,346	\$ 2,948,875	\$ 1,194,774
	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Police Officers' Net Pension Liability	\$ 2,721,217	\$ 873,151	\$ (656,390)
	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Firefighter's Net Pension Liability	\$ 1,643,956	\$ 489,867	\$ (534,546)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2019, the City reported deferred outflow of resources and deferred inflows of resources to the pension plans from the following sources as follows:

	General Employees'	Police Officers'	Firefighters'	Total
Deferred Outflows				
Difference Between Expected and Actual Experience	\$ -	\$ 303,445	\$ 39,956	\$ 343,401
Contribution to Pension Plan after Measurement Date	388,792	488,869	411,355	1,289,016
Changes of Assumptions or Other Inputs	-	43,931	209,108	253,039
Total	<u>\$ 388,792</u>	<u>\$ 836,245</u>	<u>\$ 660,419</u>	<u>\$ 1,885,456</u>
Deferred Inflows				
Net Difference Between Projected and Actual Earnings on Plan Investments	\$ 297,310	\$ 199,448	\$ 31,575	\$ 528,333
Changes in Assumptions	-	129,767	96,852	226,619
Difference Between Expected and Actual Experience	-	199,363	91,558	290,921
Total	<u>\$ 297,310</u>	<u>\$ 528,578</u>	<u>\$ 219,985</u>	<u>\$ 1,045,873</u>

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Deferred outflows of resources are reported by the City for employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended September 30,</u>	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Firefighters'</u>	<u>Total</u>
2020	56,055	23,514	88,859	168,428
2021	(161,405)	(118,317)	(32,378)	(312,100)
2022	(136,790)	(106,474)	(58,811)	(302,075)
2023	(55,170)	20,075	29,484	(5,611)
2024	-	-	1,925	1,925
Thereafter	-	-	-	-
Total	<u><u>\$ (297,310)</u></u>	<u><u>\$ (181,202)</u></u>	<u><u>\$ 29,079</u></u>	<u><u>\$ (449,433)</u></u>

Pension Expense

For the year ended September 30, 2019, the City recognized total pension expenses of \$2,500,716 as noted in the table below.

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Firefighters'</u>	<u>Total</u>
Pension Expense	<u><u>\$ 1,793,319</u></u>	<u><u>\$ 378,878</u></u>	<u><u>\$ 328,519</u></u>	<u><u>\$ 2,500,716</u></u>

General Officers' Plan

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balances at September 30, 2017	<u>\$ 17,795,091</u>	<u>\$ 16,219,546</u>	<u>\$ 1,575,545</u>
Changes for the Year:			
Service Cost	105,529	-	105,529
Interest	1,299,228	-	1,299,228
Difference Between Expected and Actual Experience of the Total Pension Liability	(168,144)	-	(168,144)
Assumption Changes	1,764,082	-	1,764,082
Contributions - Employer	-	179,015	(179,015)
Contributions - Employee	-	28,063	(28,063)
Net Investment Income	-	1,455,448	(1,455,448)
Benefit Payments, Including Refunds of Contributions	(1,155,170)	(1,155,170)	-
Administrative Expenses	-	(35,161)	35,161
Net Changes	<u>1,845,525</u>	<u>472,195</u>	<u>1,373,330</u>
Balances at September 30, 2018	<u><u>\$ 19,640,616</u></u>	<u><u>\$ 16,691,741</u></u>	<u><u>\$ 2,948,875</u></u>
September 30, 2019			
Total Pension Liability			\$ 19,560,626
Plan Net Position			<u>17,068,359</u>
Net Pension Liability			<u><u>\$ 2,492,267</u></u>

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Police Officers' Plan

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2017	\$ 11,387,795	\$ 10,839,812	\$ 547,983
Changes for the Year:			
Service Cost	479,045	-	479,045
Interest	875,570	-	875,570
Difference Between Expected and Actual Experience of the Total Pension Liability	303,066	-	303,066
Assumption Changes	57,660	-	57,660
Contributions - Employer	-	339,921	(339,921)
Contributions - State	-	105,584	(105,584)
Contributions - Employee	-	167,094	(167,094)
Net Investment Income	-	805,949	(805,949)
Benefit Payments, Including Refunds of Contributions	(385,145)	(385,145)	-
Administrative Expenses	-	(28,375)	28,375
Net Changes	1,330,196	1,005,028	325,168
Balances at September 30, 2018	<u>\$ 12,717,991</u>	<u>\$ 11,844,840</u>	<u>\$ 873,151</u>
September 30, 2019			
Total Pension Liability			\$ 12,992,920
Plan Net Position			12,280,984
Net Pension Liability			<u>\$ 711,936</u>

Firefighters' Plan

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2017	\$ 8,882,386	\$ 8,489,635	\$ 392,751
Changes for the Year:			
Service Cost	302,754	-	302,754
Interest	667,003	-	667,003
Difference Between Expected and Actual Experience of the Total Pension Liability	(84,950)	-	(84,950)
Changes of Assumptions	183,005	-	183,005
Contributions - Employer	-	232,299	(232,299)
Contributions - State	-	85,945	(85,945)
Contributions - Employee	-	106,407	(106,407)
Net Investment Income	-	577,793	(577,793)
Benefit Payments, Including Refunds of Contributions	(817,570)	(817,570)	-
Administrative Expenses	-	(31,748)	31,748
Net Changes	250,242	153,126	97,116
Balances at September 30, 2018	<u>\$ 9,132,628</u>	<u>\$ 8,642,761</u>	<u>\$ 489,867</u>
September 30, 2019			
Total Pension Liability			\$ 10,054,958
Plan Net Position			9,003,176
Net Pension Liability			<u>\$ 1,051,782</u>

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Pension Plan Net Position as of September 30, 2019

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Firefighters'</u>	<u>Total</u>
Assets				
Cash	\$ 10,349	\$ 84	\$ 123	\$ 10,556
Accrued Interest Receivable	1,605	1,289	789	3,683
Investments	<u>17,064,279</u>	<u>12,281,038</u>	<u>9,004,808</u>	<u>38,350,125</u>
Total Assets	<u>17,076,233</u>	<u>12,282,411</u>	<u>9,005,720</u>	<u>38,364,364</u>
Liabilities				
Accounts Payable	<u>7,874</u>	<u>1,625</u>	<u>2,545</u>	<u>12,044</u>
Total Liabilities	<u>7,874</u>	<u>1,625</u>	<u>2,545</u>	<u>12,044</u>
Net Position				
Restricted for Pension Benefits	<u>\$ 17,068,359</u>	<u>\$ 12,280,786</u>	<u>\$ 9,003,175</u>	<u>\$ 38,352,320</u>

Schedule of the Change in Pension Plan Net Position as of September 30, 2019

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Firefighters'</u>	<u>Total</u>
Additions				
Contributions:				
Employer	\$ 388,792	\$ 377,947	\$ 321,670	\$ 1,088,409
Employee	20,761	185,428	147,401	353,590
State of Florida	<u>-</u>	<u>111,393</u>	<u>89,684</u>	<u>201,077</u>
Total Contributions	<u>409,553</u>	<u>674,768</u>	<u>558,755</u>	<u>1,643,076</u>
Investment Earnings:				
Investment Earnings	1,202,990	273,358	252,571	1,728,919
(Less Investment Management Fees)	<u>(49,099)</u>	<u>(21,500)</u>	<u>(31,017)</u>	<u>(101,616)</u>
Net Investment Income	<u>1,153,891</u>	<u>251,858</u>	<u>221,554</u>	<u>1,627,303</u>
Total Additions	<u>1,563,444</u>	<u>926,626</u>	<u>780,309</u>	<u>3,270,379</u>
Deductions				
Pension Benefit Payments	1,183,006	463,369	385,180	2,031,555
General and Administrative	<u>31,974</u>	<u>26,641</u>	<u>34,715</u>	<u>93,330</u>
Total Deductions	<u>1,214,980</u>	<u>490,010</u>	<u>419,895</u>	<u>2,124,885</u>
Net Change	348,464	436,616	360,414	1,145,494
Net Position Restricted for Employees' Pension Benefits				
Beginning of the Year	<u>16,719,895</u>	<u>11,844,170</u>	<u>8,642,761</u>	<u>37,206,826</u>
End of the Year	<u>\$ 17,068,359</u>	<u>\$ 12,280,786</u>	<u>\$ 9,003,175</u>	<u>\$ 38,352,320</u>

CITY OF MOUNT DORA, FLORIDA
NOTES TO FINANCIAL STATEMENTS

Note 12 - Deferred Compensation Program and 401(a)

The City offers its employees a deferred compensation program created in accordance with the Internal Revenue Code (IRC) Section 457 and Florida Statutes. During the year ended September 30, 2019, the City complied with the requirements of subsection (g) of IRC Section 457 and, accordingly, all assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. Pursuant to the provisions of GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, the financial statements do not display deferred compensation balances.

The City also provides a defined contribution plan under the Internal Revenue Code, Section 401(a). The plan provides an employer-paid, pre-tax allowance for the non-union and General Employees Union employees that do not qualify for the Defined Benefit Plan, the City Manager and part-time employees that work over 1000 hours the previous year. The benefit is in replacement of a pension plan for these employees. The City contributes 6% of the employee's base salary and will match the employees' contribution up to another 4%, for a maximum contribution of 10% for an employee. The employee vests in the City's contribution evenly over a five year period. For the year ended September 30, 2019, the City contributed \$739,951.

Note 13 - Construction Commitments

During 2018-19, the City entered into numerous contracts. Below are the significant uncompleted contracts as of September 30, 2019. All expenditures and the related contract retainage (if any) have been recorded in the appropriate funds. The remaining portion of the contracts is as follows:

<u>Fund</u>	<u>Balance</u>	<u>Retainage</u>
CRA Fund	\$ 143,005	\$ 27,552
Water/Wastewater Fund	373,311	257,530

Note 14 - Other Disclosures

Deficit Net Position

The Sanitation Fund had a deficit net position of \$(232,854) as of September 30, 2019.

Note 15 - Subsequent Events

COVID-19 Pandemic

The COVID-19 pandemic has created economic disruptions throughout the country as of the date of this report causing significant declines in the financial markets and economic activity overall. The City expects to experience losses of various local and state shared revenues, declines in user fees, declines in investment values for both the government and in pension plans which could result in increased pension contributions and declines in financial reserves as a result. The ultimate effects of these items are expected to be significant but are not quantifiable at this time.

REQUIRED SUPPLEMENTARY INFORMATION

The following supplemental schedules present trend information regarding the retirement plans for the City's general employees, police officers, firefighters and major fund budgetary comparison schedules. This information is necessary for a fair presentation in conformity with generally accepted accounting principles. The basis for budgetary comparisons shown is same as GAAP.

CITY OF MOUNT DORA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual	Variance
Revenues				
Taxes				
Ad Valorem	\$ 6,674,589	\$ 6,674,589	\$ 6,613,825	\$ (60,764)
Local Option Gas Tax	273,651	273,651	265,905	(7,746)
Utility Taxes	1,762,101	1,762,101	1,761,628	(473)
Local Business Tax	26,200	26,200	24,138	(2,062)
Total Taxes	<u>8,736,541</u>	<u>8,736,541</u>	<u>8,665,496</u>	<u>(71,045)</u>
Permits and Fees				
Franchise Fees:				
Electric	505,725	505,725	518,565	12,840
Gas	46,000	46,000	45,414	(586)
Solid Waste	215,000	215,000	210,084	(4,916)
Other	6,000	6,000	4,140	(1,860)
Site Development Permits	21,000	21,000	17,085	(3,915)
Other Permits	1,150	1,150	2,170	1,020
Total Permits and Fees	<u>794,875</u>	<u>794,875</u>	<u>797,458</u>	<u>2,583</u>
Intergovernmental Revenue				
Federal Grants	441,244	441,244	868,020	426,776
State Grants	10,000	10,000	-	(10,000)
State Revenue Sharing	1,647,905	1,647,905	1,579,762	(68,143)
Local Shared Revenues	564,107	564,107	573,348	9,241
Grants from Other Local Units	-	24,000	-	(24,000)
Total Intergovernmental Revenue	<u>2,663,256</u>	<u>2,687,256</u>	<u>3,021,130</u>	<u>333,874</u>
Charges for Services				
General Government	153,460	223,460	179,688	(43,772)
Public Safety	226,500	226,500	193,827	(32,673)
Culture/Recreation	441,970	398,044	445,391	47,347
Investment Management Fees	39,000	39,000	43,691	4,691
Total Charges for Services	<u>860,930</u>	<u>887,004</u>	<u>862,597</u>	<u>(24,407)</u>
Fines and Forfeitures				
Judgements and Fines	36,000	36,000	29,696	(6,304)
Library Fines	13,500	13,500	13,299	(201)
Code Enforcement Fines	500	500	3,925	3,425
Total Fines and Forfeitures	<u>50,000</u>	<u>50,000</u>	<u>46,920</u>	<u>(3,080)</u>
Miscellaneous Revenue				
Miscellaneous	41,575	41,575	-	(41,575)
Investment Earnings (Losses)	40,000	40,000	49,951	9,951
Rent and Royalties	161,000	179,000	188,469	9,469
Sale of Surplus Property	4,000	4,000	65,089	61,089
Contributions	346,412	349,912	136,917	(212,995)
Other Revenues	94,800	94,800	123,014	28,214
Total Miscellaneous Revenue	<u>687,787</u>	<u>709,287</u>	<u>563,440</u>	<u>(145,847)</u>
Interfund Charges	<u>1,681,037</u>	<u>1,736,037</u>	<u>2,936,392</u>	<u>1,200,355</u>
Total Revenues	<u>15,474,426</u>	<u>15,601,000</u>	<u>16,893,433</u>	<u>1,292,433</u>

CITY OF MOUNT DORA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
(Continued)

	Original Budget	Final Budget	Actual	Variance
Expenditures				
General Government				
Legislative:				
Personal Services	\$ 50,437	\$ 50,437	\$ 50,955	\$ (518)
Operating Expenses	45,380	45,380	42,666	2,714
Capital Outlay	-	-	911	(911)
Total Legislative	95,817	95,817	94,532	1,285
Executive:				
Personal Services	1,151,743	1,151,743	1,303,153	(151,410)
Operating Expenses	148,381	196,381	180,781	15,600
Grants and Aids	10,000	20,000	20,000	-
Total Executive	1,310,124	1,368,124	1,503,934	(135,810)
Finance and Administrative:				
Personal Services	1,333,643	1,430,614	1,458,133	(27,519)
Operating Expenses	524,764	515,764	353,558	162,206
Capital Outlay	25,825	25,825	351	25,474
Total Finance and Administrative	1,884,232	1,972,203	1,812,042	160,161
Legal Counsel:				
Operating Expenses	140,575	208,075	384,747	(176,672)
Total Legal Counsel	140,575	208,075	384,747	(176,672)
Information Technology:				
Personal Services	373,260	373,260	360,427	12,833
Operating Expenses	312,397	312,397	222,092	90,305
Capital Outlay	83,216	88,438	55,762	32,676
Total Information Technology	768,873	774,095	638,281	135,814
Planning and Development:				
Personal Services	464,367	464,367	417,860	46,507
Operating Expenses	309,766	434,766	364,996	69,770
Total Planning and Development	774,133	899,133	782,856	116,277
Other General Government:				
Personal Services	703,139	703,139	736,938	(33,799)
Operating Expenses	440,640	391,360	304,452	86,908
Grants and Aid	505	505	-	505
Capital Outlay	-	-	351	(351)
Total Other General Government	1,144,284	1,095,004	1,041,741	53,263
Total General Government	6,118,038	6,412,451	6,258,133	154,318
Public Safety				
Law Enforcement:				
Personal Services	4,439,134	4,439,134	4,573,547	(134,413)
Operating Expenses	690,174	713,849	923,754	(209,905)
Capital Outlay	69,777	69,777	70,061	(284)
Total Law Enforcement	5,199,085	5,222,760	5,567,362	(344,602)
Fire Control:				
Personal Services	2,695,241	2,695,241	2,826,409	(131,168)
Operating Expenses	329,652	336,937	337,407	(470)
Capital Outlay	6,950	6,950	4,531	2,419
Total Fire Control	3,031,843	3,039,128	3,168,347	(129,219)
Total Public Safety	8,230,928	8,261,888	8,735,709	(473,821)

CITY OF MOUNT DORA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
(Concluded)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Expenditures (Concluded)				
Transportation				
Roads and Streets:				
Personal Services	\$ 743,897	\$ 743,897	\$ 601,264	\$ 142,633
Operating Expenses	564,157	907,529	886,500	21,029
Capital Outlay	250,048	250,048	11,490	238,558
Total Transportation	<u>1,558,102</u>	<u>1,901,474</u>	<u>1,499,254</u>	<u>402,220</u>
Culture and Recreation				
Libraries:				
Personal Services	535,268	535,268	599,359	(64,091)
Operating Expenses	155,445	162,730	124,786	37,944
Capital Outlay	342,152	342,152	121,448	220,704
Total Libraries	<u>1,032,865</u>	<u>1,040,150</u>	<u>845,593</u>	<u>194,557</u>
Parks and Recreation:				
Personal Services	1,078,547	1,078,547	1,027,587	50,960
Operating Expenses	661,543	653,163	677,916	(24,753)
Capital Outlay	76,952	77,991	107,699	(29,708)
Grants and Aids	39,148	39,148	-	39,148
Total Parks and Recreation	<u>1,856,190</u>	<u>1,848,849</u>	<u>1,813,202</u>	<u>35,647</u>
Total Culture and Recreation	<u>2,889,055</u>	<u>2,888,999</u>	<u>2,658,795</u>	<u>230,204</u>
(Total Expenditures)	<u>(18,796,123)</u>	<u>(19,464,812)</u>	<u>(19,151,891)</u>	<u>312,921</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	<u>(3,321,697)</u>	<u>(3,863,812)</u>	<u>(2,258,458)</u>	<u>(1,605,354)</u>
Other Financing Sources				
Transfers in:				
Electric	1,184,350	1,184,350	1,268,600	84,250
Water and Wastewater	1,768,200	1,768,200	1,454,950	(313,250)
Stormwater	141,150	141,150	128,750	(12,400)
Transfers (out):				
Cemetery Fund	(80,463)	(80,463)	-	80,463
Special Event Fund	(96,033)	(96,033)	(238,658)	(142,625)
CRA Fund	(577,405)	(577,405)	(576,181)	1,224
NECRA Fund	(239,277)	(239,277)	(239,076)	201
Debt Service Fund	(73,338)	(49,702)	(30,603)	19,099
Total Other Financing Sources (Uses)	<u>2,027,184</u>	<u>2,050,820</u>	<u>1,767,782</u>	<u>(283,038)</u>
Net Change in Fund Balances	<u>(1,294,513)</u>	<u>(1,812,992)</u>	<u>(490,676)</u>	<u>1,322,316</u>
Fund Balance, Beginning of Year	<u>1,294,513</u>	<u>1,812,992</u>	<u>3,719,549</u>	<u>1,906,557</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,228,873</u>	<u>\$ 3,228,873</u>

CITY OF MOUNT DORA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - COMMUNITY REDEVELOPMENT AGENCY
(INCREMENTAL TAX DISTRICT)
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 513,603	\$ 513,603	\$ 554,446	\$ 40,843
Miscellaneous	3,450	3,450	26,502	23,052
Total Revenues	<u>517,053</u>	<u>517,053</u>	<u>580,948</u>	<u>63,895</u>
Expenditures				
General Government:				
Personal Services	244,806	244,806	272,398	(27,592)
Operating Expenses	310,551	251,280	149,464	101,816
Grants and Aid	123,229	192,500	-	192,500
Allocations	130,000	130,000	137,298	(7,298)
Capital Outlay	1,870,015	1,860,015	1,190,669	669,346
Total General Government	<u>2,678,601</u>	<u>2,678,601</u>	<u>1,749,829</u>	<u>928,772</u>
Debt Service:				
Principal	159,000	159,000	159,000	-
Interest	101,845	101,845	71,205	30,640
Total Debt Service	<u>260,845</u>	<u>260,845</u>	<u>230,205</u>	<u>30,640</u>
(Total Expenditures)	<u>(2,939,446)</u>	<u>(2,939,446)</u>	<u>(1,980,034)</u>	<u>959,412</u>
Excess (Deficiency) of Revenue				
Over (Under) Expenditures	<u>(2,422,393)</u>	<u>(2,422,393)</u>	<u>(1,399,086)</u>	<u>1,023,307</u>
Other Financing Sources (Uses)				
Transfers In	577,405	577,405	576,181	(1,224)
Issuance of Debt	800,000	800,000	-	(800,000)
Total Other Financing Sources (Uses)	<u>1,377,405</u>	<u>1,377,405</u>	<u>576,181</u>	<u>(801,224)</u>
Net Change in Fund Balance	<u>(1,044,988)</u>	<u>(1,044,988)</u>	<u>(822,905)</u>	<u>222,083</u>
Fund Balance, Beginning of Year	<u>1,044,988</u>	<u>1,044,988</u>	<u>1,859,499</u>	<u>814,511</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,036,594</u>	<u>\$ 1,036,594</u>

CITY OF MOUNT DORA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - NORTHEAST REDEVELOPMENT AGENCY
(INCREMENTAL TAX DISTRICT)
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 213,914	\$ 213,914	\$ 229,860	\$ 15,946
Miscellaneous	936,060	936,060	28,325	(907,735)
Total Revenues	<u>1,149,974</u>	<u>1,149,974</u>	<u>258,185</u>	<u>(891,789)</u>
Expenditures				
General Government:				
Personal Services	58,800	58,800	153,739	(94,939)
Operating Expenses	176,343	176,343	66,087	110,256
Grants and Aid	155,000	155,000	-	155,000
Allocations	64,900	64,900	33,920	30,980
Capital Outlay	578,000	578,000	10,450	567,550
Total General Government	<u>1,033,043</u>	<u>1,033,043</u>	<u>264,196</u>	<u>768,847</u>
(Total Expenditures)	<u>(1,033,043)</u>	<u>(1,033,043)</u>	<u>(264,196)</u>	<u>768,847</u>
Excess (Deficiency) of Revenue				
Over (Under) Expenditures	<u>116,931</u>	<u>116,931</u>	<u>(6,011)</u>	<u>(122,942)</u>
Other Financing Sources (Uses)				
Transfers In	239,277	239,277	239,076	(201)
Transfers Out	(26,098)	(26,098)	(20,402)	5,696
Total Other Financing Sources (Uses)	<u>213,179</u>	<u>213,179</u>	<u>218,674</u>	<u>5,495</u>
Net Change in Fund Balance	<u>330,110</u>	<u>330,110</u>	<u>212,663</u>	<u>(117,447)</u>
Fund Balance, Beginning of Year	<u>182,070</u>	<u>182,070</u>	<u>1,689,787</u>	<u>1,507,717</u>
Fund Balance, End of Year	<u>\$ 512,180</u>	<u>\$ 512,180</u>	<u>\$ 1,902,450</u>	<u>\$ 1,390,270</u>

CITY OF MOUNT DORA, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - FIRE ASSESSMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues				
Permits, Fees, and Special Assessments	\$ 1,929,176	\$ 1,929,176	\$ 1,952,675	\$ 23,499
Intergovernmental	-	-	349,099	349,099
Miscellaneous	50	50	440,228	440,178
Total Revenues	<u>1,929,226</u>	<u>1,929,226</u>	<u>2,742,002</u>	<u>812,776</u>
Expenditures				
Public Safety:				
Personal Services	335,265	335,265	393,276	(58,011)
Operating Expenses	-	-	117,005	(117,005)
Capital Outlay	22,279,922	22,279,922	227,559	22,052,363
Total Public Safety	<u>22,615,187</u>	<u>22,615,187</u>	<u>737,840</u>	<u>21,877,347</u>
Debt Service:				
Principal	173,555	173,555	1,231,557	(1,058,002)
Interest	745,449	745,449	351,792	393,657
Debt Issuance Costs	626,997	626,997	(672,673)	1,299,670
Total Debt Service	<u>1,546,001</u>	<u>1,546,001</u>	<u>910,676</u>	<u>635,325</u>
(Total Expenditures)	<u>(24,161,188)</u>	<u>(24,161,188)</u>	<u>(1,648,516)</u>	<u>22,512,672</u>
Excess (Deficiency) of Revenue				
Over (Under) Expenditures	<u>(22,231,962)</u>	<u>(22,231,962)</u>	<u>1,093,486</u>	<u>23,325,448</u>
Other Financing Sources (Uses)				
Issuance of Debt	22,436,497	22,436,497	21,740,000	(696,497)
Total Other Financing Sources (Uses)	<u>22,436,497</u>	<u>22,436,497</u>	<u>21,740,000</u>	<u>(696,497)</u>
Net Change in Fund Balance	204,535	204,535	22,833,486	22,628,951
Fund Balance, Beginning of Year	<u>335,265</u>	<u>335,265</u>	<u>448,370</u>	<u>113,105</u>
Fund Balance, End of Year	<u>\$ 539,800</u>	<u>\$ 539,800</u>	<u>\$ 23,281,856</u>	<u>\$ 22,742,056</u>

CITY OF MOUNT DORA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
GENERAL EMPLOYEES' RETIREMENT PLAN (GERP)
LAST 10 FISCAL YEARS

Description	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015	September 30, 2014	September 30, 2013	September 30, 2012	September 30, 2011	September 30, 2010
Actuarially Determined Contribution	\$ 388,792	\$ 179,015	\$ 179,917	\$ 222,679	\$ 278,366	\$ 400,004	\$ 570,759	\$ 494,966	\$ 526,757	\$ 797,760
Contributions in Relation to the										
Actuarially Determined Contributions	388,792	179,015	179,917	420,000	461,400	585,400	577,401	494,966	526,757	797,760
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ (197,321)	\$ (183,034)	\$ (185,396)	\$ (6,642)	\$ -	\$ -	\$ -
Covered Payroll**	\$ 290,770	\$ 393,039	\$ 551,807	\$ 621,681	\$ 708,855	\$ 668,731	\$ 3,836,623	\$ 4,387,563	\$ 4,181,877	\$ 5,256,191
Contributions as a Percentage of										
Covered Payroll	133.71%	45.55%	32.61%	67.56%	65.09%	87.54%	15.05%	11.28%	12.60%	15.18%

**The Covered Payroll numbers shown are in compliance with GASB Statement No. 82, except for the 9/30/2015 measurement period which includes DROP payroll.

Notes to Schedule

Valuation Date: October 1, 2017

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	Frozen Initial Liability (FIL)
Amortization Method	N/A
Remaining Amortization Method	12 years
Asset Valuation Method	5-year Smoothed Market
Inflation	2.50%
Salary Increases	6.00%, Including Inflation
Investment Rate Return	6.50%
Retirement Age	Experienced Base Table Rates
Mortality	The mortality table is the mortality assumption used by the Florida Retirement System (FRS) for Regular Class members in the actuarial valuation report as of July 1, 2016. The mortality table is the RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for annuitants (for post-retirement mortality) with future improvements in mortality projected for all future years using Scale BB.

CITY OF MOUNT DORA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
POLICE OFFICERS' RETIREMENT PLAN (PORP)
LAST 10 FISCAL YEARS

Description	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015	September 30, 2014	September 30, 2013	September 30, 2012	September 30, 2011	September 30, 2010
Actuarially Determined Contribution	\$ 488,869	\$ 445,505	\$ 537,920	\$ 507,461	\$ 485,936	\$ 457,045	\$ 402,409	\$ 391,607	\$ 328,092	\$ 348,521
Contributions in Relation to the										
Actuarially Determined Contributions	488,869	445,505	553,589	513,275	496,613	459,586	427,051	391,607	328,092	348,521
Contribution Deficiency (Excess)	\$ -	\$ -	\$ (15,669)	\$ (5,814)	\$ (10,677)	\$ (2,541)	\$ (24,642)	\$ -	\$ -	\$ -
Covered Payroll**	\$ 2,456,000	\$ 2,213,166	\$ 2,341,391	\$ 2,094,675	\$ 2,060,571	\$ 1,896,604	\$ 1,938,783	\$ 1,861,356	\$ 1,898,583	\$ 1,961,175
Contributions as a Percentage of										
Covered Payroll	19.91%	20.13%	23.64%	24.50%	24.10%	24.23%	22.03%	21.04%	17.28%	17.77%

**The Covered Payroll numbers shown are in compliance with GASB Statement No. 82, except for the 9/30/2015 measurement period which includes DROP payroll.

Notes to Schedule

Valuation Date: October 1, 2017

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:

Funding Method	Aggregate
Amortization Method	N/A
Remaining Amortization Period	N/A
Asset Valuation Method	5-Year Smoothed Market
Inflation	3.00%
Salary Increases	6.00%-12.5%, Including Inflation
Retirement Age	Experienced-based table of rates that are specific to the type of eligibility condition.
Investment Rate Return	7.50%
Mortality	RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for annuitants (for post-retirement mortality), with future improvements in mortality projected to all future years using Scale BB. These are the same rates used for Special Risk Class members of the Florida Retirement System (FRS) in the July 1, 2016 FRS Valuation.

CITY OF MOUNT DORA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
FIREFIGHTERS' RETIREMENT PLAN (FRP)
LAST 10 FISCAL YEARS

Description	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015	September 30, 2014	September 30, 2013	September 30, 2012	September 30, 2011	September 30, 2010
Actuarially Determined Contribution	\$ 321,188	\$ 310,543	\$ 347,595	\$ 309,802	\$ 286,576	\$ 303,608	\$ 293,565	\$ 290,906	\$ 247,933	\$ 226,573
Contributions in Relation to the										
Actuarially Determined Contributions	411,355	318,244	347,595	309,802	290,937	307,590	351,863	290,906	247,933	226,573
Contribution Deficiency (Excess)	\$ (90,167)	\$ (7,701)	\$ -	\$ -	\$ (4,361)	\$ (3,982)	\$ (58,298)	\$ -	\$ -	\$ -

Covered Payroll**	\$ 2,108,742	\$ 1,522,271	\$ 1,384,549	\$ 1,265,986	\$ 1,265,986	\$ 1,199,985	\$ 1,231,802	\$ 1,335,455	\$ 1,246,793	\$ 1,318,797
Contributions as a Percentage of Covered Payroll	19.51%	20.91%	25.11%	24.47%	22.98%	25.63%	28.56%	21.78%	19.89%	17.18%

**The Covered Payroll numbers shown are in compliance with GASB Statement No. 82, except for the 9/30/2015 measurement period which includes DROP payroll.

Notes to Schedule

Valuation Date: October 1, 2017

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:

Funding Method	Aggregate
Amortization Method	N/A
Remaining Amortization Period	N/A
Asset Valuation Method	5-year Smoothed Market
Inflation	2.50%
Salary Increases	5.50%, Including Inflation
Retirement Age	Experienced-based table of rates that are specific to the type of eligibility condition.
Investment Rate Return	7.50%
Mortality	RP-2000 Combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for annuitants (for post-retirement mortality), with future improvements in mortality projected to all future years using Scale BB. These are the same rates used for Special Risk Class members of the Florida Retirement System (FRS) in the July 1, 2016 FRS Valuation.

CITY OF MOUNT DORA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
ALL RETIREMENT FUNDS
LAST 10 FISCAL YEARS

	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015	September 30, 2014	September 30, 2013	September 30, 2012	September 30, 2011	September 30, 2010
General Employees' Retirement Plan										
Annual Money-Weighted Rate of Return										
Net of Investment Expense	6.92%	9.21%	9.98%	8.30%	0.40%	10.70%	11.20%	18.30%	0.40%	11.20%
Police Officers' Retirement Plan										
Annual Money-Weighted Rate of Return										
Net of Investment Expense	1.84%	7.13%	12.67%	8.20%	0.00%	10.30%	11.30%	17.10%	-0.40%	10.50%
Firefighters' Retirement Plan										
Annual Money-Weighted Rate of Return										
Net of Investment Expense	2.08%	6.67%	11.33%	7.50%	0.70%	10.10%	12.00%	16.90%	-0.20%	11.00%

CITY OF MOUNT DORA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYERS NET PENSION
LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS *

GENERAL EMPLOYEES' RETIREMENT FUND

	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015	September 30, 2014
Total Pension Liability						
Service Cost	\$ 75,671	\$ 105,529	\$ 126,057	\$ 141,576	\$ 154,932	\$ 193,644
Interest on the Total Pension Liability	1,243,111	1,299,228	1,268,701	1,263,567	1,243,451	1,219,220
Difference Between Expected and Actual Experience	(215,766)	(168,144)	(199,580)	(205,694)	32,457	(6,859)
Change in Assumptions	-	1,764,082	342,439	-	-	-
Benefit Payments Including Refunds of Contributions	(1,183,006)	(1,155,170)	(1,061,251)	(1,166,005)	(1,059,709)	(922,619)
Refunds	-	-	(3,703)	-	(72,839)	(33,252)
Net Change in Total Pension Liability	(79,990)	1,845,525	472,663	33,444	298,292	450,134
Total Pension Liability-Beginning	19,640,616	17,795,091	17,322,428	17,288,984	16,990,692	16,540,558
Total Pension Liability-Ending (a)	19,560,626	19,640,616	17,795,091	17,322,428	17,288,984	16,990,692
Plan Fiduciary Net Position						
Employer Contributions	388,792	179,015	179,917	420,000	461,400	585,400
Employee Contributions	20,761	28,063	39,399	44,388	52,452	53,903
Pension Plan Net Investment Income	1,182,044	1,455,448	1,541,678	1,224,944	61,657	1,526,251
Benefit Payments Including Refunds of Contributions	(1,183,006)	(1,155,170)	(1,061,251)	(1,166,005)	(1,059,709)	(922,619)
Refunds	-	-	(3,703)	-	(72,839)	(33,252)
Pension Plan Administrative Expense	(31,973)	(35,161)	(27,494)	(29,551)	(28,902)	(24,962)
Net Change in Plan Fiduciary Net Position	376,618	472,195	668,546	493,776	(585,941)	1,184,721
Plan Fiduciary Net Position-Beginning	16,691,741	16,219,546	15,551,000	15,057,224	15,643,165	14,458,444
Plan Fiduciary Net Position-Ending (b)	17,068,359	16,691,741	16,219,546	15,551,000	15,057,224	15,643,165
Net Pension Liability-Ending (a) – (b)	\$ 2,492,267	\$ 2,948,875	\$ 1,575,545	\$ 1,771,428	\$ 2,231,760	\$ 1,347,527
Plan Fiduciary Net Position as Percentage of Total Pension Liability	87.26%	84.99%	91.15%	89.77%	87.09%	92.07%
Covered Employee Payroll**	\$ 290,770	\$ 393,039	\$ 551,807	\$ 621,681	\$ 734,622	\$ 754,944
Net Pension Liability as a Percentage of Covered Employee Payroll	857.13%	750.28%	285.52%	284.94%	303.80%	178.49%

* GASB Statement No. 67 was adopted for the 2014 fiscal year and the 10-year trend information will be developed from that date forward.

** The payroll-related figures have been updated to reflect the covered payroll as defined under GASB Statement No. 82.

CITY OF MOUNT DORA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYERS NET PENSION
LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS *

POLICE OFFICERS' RETIREMENT FUND

	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015	September 30, 2014
Total Pension Liability						
Service Cost	\$ 479,889	\$ 479,045	\$ 462,042	\$ 468,345	\$ 432,550	\$ 404,540
Interest on the Total Pension Liability	972,465	875,570	847,354	775,324	706,148	651,963
Difference Between Expected and Actual Experience	(714,056)	303,066	(341,762)	106,264	124,722	-
Change in Assumptions	-	57,660	(222,459)	-	-	-
Benefit Payments	(392,547)	(373,957)	(373,957)	(374,611)	(374,061)	(350,054)
Refunds	(70,822)	(11,188)	(12,822)	(5,063)	-	-
Net Change in Total Pension Liability	274,929	1,330,196	358,396	970,259	889,359	706,449
Total Pension Liability-Beginning	12,717,991	11,387,795	11,029,399	10,059,140	9,169,781	8,463,332
Total Pension Liability-Ending (a)	12,992,920	12,717,991	11,387,795	11,029,399	10,059,140	9,169,781
Plan Fiduciary Net Position						
Employer and State Contributions	488,869	445,505	553,589	513,275	496,613	459,586
Employee Contributions	185,428	167,094	176,775	158,148	152,488	133,710
Pension Plan Net Investment Income	551,858	805,949	1,225,804	694,832	2,492	742,881
Benefit Payments	(392,547)	(373,957)	(373,957)	(374,611)	(374,061)	(350,054)
Refunds	(70,822)	(11,188)	(12,822)	(5,063)	-	-
Pension Plan Administrative Expense	(26,642)	(28,375)	(29,350)	(26,063)	(20,253)	(31,111)
Net Change in Plan Fiduciary Net Position	736,144	1,005,028	1,540,039	960,518	257,279	955,012
Plan Fiduciary Net Position-Beginning	11,844,840	10,839,812	9,299,773	8,339,255	8,081,976	7,126,964
Plan Fiduciary Net Position-Ending (b)	12,580,984	11,844,840	10,839,812	9,299,773	8,339,255	8,081,976
Net Pension Liability-Ending (a) – (b)	\$ 411,936	\$ 873,151	\$ 547,983	\$ 1,729,626	\$ 1,719,885	\$ 1,087,805
Plan Fiduciary Net Position as Percentage of Total Pension Liability	96.83%	93.13%	95.19%	84.32%	82.90%	88.14%
Covered Employee Payroll**	\$ 2,456,000	\$ 2,213,166	\$ 2,341,391	\$ 2,094,675	\$ 2,019,709	\$ 1,896,596
Net Pension Liability as a Percentage of Covered Employee Payroll	16.77%	39.45%	23.40%	82.57%	85.16%	57.36%

* GASB Statement No. 67 was adopted for the 2014 fiscal year and the 10-year trend information will be developed from that date forward.

** The payroll-related figures have been updated to reflect the covered payroll as defined under GASB Statement No. 82.

CITY OF MOUNT DORA, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYERS NET PENSION
LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS *

FIREFIGHTERS' RETIREMENT FUND

	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015	September 30, 2014
Total Pension Liability						
Service Cost	\$ 360,520	\$ 302,754	\$ 311,801	\$ 293,973	\$ 270,159	\$ 263,464
Interest on the Total Pension Liability	697,542	667,003	664,349	615,232	562,613	520,739
Difference Between Expected and Actual Experience	(39,555)	(84,950)	(39,883)	46,598	78,871	7,284
Change in Assumptions	289,003	183,005	(166,032)	95,900	87,296	-
Benefit Payments	(373,010)	(729,963)	(393,514)	(250,523)	(252,370)	(272,510)
Refunds	(12,170)	(87,607)	(14,393)	-	(10,795)	(599)
Net Change in Total Pension Liability	922,330	250,242	362,328	801,180	735,774	518,378
Total Pension Liability-Beginning	9,132,628	8,882,386	8,520,058	7,718,878	6,983,104	6,464,726
Total Pension Liability-Ending (a)	10,054,958	9,132,628	8,882,386	8,520,058	7,718,878	6,983,104
Plan Fiduciary Net Position						
Employer and State Contributions	411,355	318,244	347,595	309,802	290,937	307,590
Employee Contributions	147,401	106,407	96,780	93,808	90,519	77,879
Pension Plan Net Investment Income	371,553	577,793	882,635	527,953	48,598	618,300
Benefit Payments	(373,010)	(729,963)	(393,514)	(250,523)	(252,370)	(272,510)
Refunds	(12,170)	(87,607)	(14,393)	-	(10,795)	(599)
Pension Plan Administrative Expense	(34,714)	(31,748)	(26,550)	(24,546)	(19,902)	(29,058)
Net Change in Plan Fiduciary Net Position	510,415	153,126	892,553	656,494	146,987	701,602
Plan Fiduciary Net Position-Beginning	8,642,781	8,489,655	7,597,102	6,940,608	6,793,621	6,092,019
Plan Fiduciary Net Position-Ending (b)	9,153,196	8,642,781	8,489,655	7,597,102	6,940,608	6,793,621
Net Pension Liability-Ending (a) – (b)	\$ 901,762	\$ 489,847	\$ 392,731	\$ 922,956	\$ 778,270	\$ 189,483
Plan Fiduciary Net Position as Percentage of Total Pension Liability	91.03%	94.64%	95.58%	89.17%	89.92%	97.29%
Covered Employee Payroll**	\$ 2,108,742	\$ 1,522,271	\$ 1,384,549	\$ 1,342,031	\$ 1,294,979	\$ 1,199,985
Net Pension Liability as a Percentage of Covered Employee Payroll	42.76%	32.18%	28.37%	68.77%	60.10%	15.79%

* GASB Statement No. 67 was adopted for the 2014 fiscal year and the 10-year trend information will be developed from that date forward.

** The payroll-related figures have been updated to reflect the covered payroll as defined under GASB Statement No. 82.

CITY OF MOUNT DORA, FLORIDA
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2019

Total OPEB Liability	2019	2018
Service Cost	\$ 256,327	\$ 283,485
Interest on the Total OPEB Liability	657,078	597,460
Difference Between Expected and Actual Experience	(916,708)	-
Changes of Assumptions and Other Inputs	(2,701,658)	(1,684,801)
Benefit Payments	(669,839)	(615,944)
Net Change in Total OPEB Liability	(3,374,800)	(1,419,800)
Total OPEB Liability - Beginning	18,127,204	19,547,004
Total OPEB Liability - Ending	\$ 14,752,404	\$ 18,127,204
 Covered Payroll	 \$ 11,883,310	 \$ 10,323,494
 Total OPEB Liability as a Percentage of Covered Payroll	 124.14%	 175.59%

Notes to the Schedule

Covered Employee Payroll - Covered payroll is projected to the fiscal year end based on actual covered payroll as of the valuation date using applicable salary increases assumptions.

Difference Between Expected and Actual Experience - Difference between expected and actual experience reflects the impact of changes to the census data from the prior valuation to the valuation as of October 1, 2018. This table will be built out to include a ten-year history.

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:

Fiscal Year Ending September 30, 2019:	4.18%
Fiscal Year Ending September 30, 2020:	3.64%
Fiscal Year Ending September 30, 2021:	3.06%

OTHER SUPPLEMENTAL INFORMATION

CITY OF MOUNT DORA, FLORIDA
BUDGET TO ACTUAL COMPARISON - MAJOR FUND
IMPACT FEES CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues				
Intergovernmental	\$ 16,000	\$ 16,000	\$ -	\$ (16,000)
Impact Fees:				
Police	55,000	55,000	63,753	8,753
Fire	80,250	80,250	82,079	1,829
Library	180,000	180,000	233,768	53,768
Park	335,000	335,000	439,115	104,115
Investment Earnings	10,050	10,050	35,279	25,229
Total Revenues	676,300	676,300	853,994	177,694
Expenditures				
Culture and Recreation	-	-	3,188	(3,188)
Capital Outlay:				
Fire	61,475	61,475	68,431	(6,956)
Library	87,000	87,000	6,454	80,546
Park	587,464	587,464	271,088	316,376
(Total Expenditures)	(735,939)	(735,939)	(349,161)	386,778
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(59,639)	(59,639)	504,833	564,472
Net Change in Fund Balance	(59,639)	(59,639)	504,833	564,472
Fund Balance, Beginning of Year	563,129	563,129	955,840	392,711
Fund Balance, End of Year	\$ 503,490	\$ 503,490	\$ 1,460,673	\$ 957,183

CITY OF MOUNT DORA, FLORIDA
BUDGET TO ACTUAL COMPARISON - MAJOR FUND
DISCRETIONARY SALES TAX CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues				
Taxes	\$ 1,361,834	\$ 1,361,834	\$ 1,379,467	\$ 17,633
Miscellaneous	5,000	5,000	32,178	27,178
Total Revenues	<u>1,366,834</u>	<u>1,366,834</u>	<u>1,411,645</u>	<u>44,811</u>
Expenditures				
Capital Outlay:				
General Government	464,900	569,900	263,604	306,296
Public Safety	742,331	742,331	171,140	571,191
Transportation	383,000	598,000	478,130	119,870
Culture and Recreation	273,627	273,627	20,305	253,322
Debt Service:				
Principal	36,187	36,187	217,161	(180,974)
Interest	3,372	3,372	50,843	(47,471)
(Total Expenditures)	<u>(1,903,417)</u>	<u>(2,223,417)</u>	<u>(1,201,183)</u>	<u>1,022,234</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(536,583)</u>	<u>(856,583)</u>	<u>210,462</u>	<u>1,067,045</u>
Net Change in Fund Balance	(536,583)	(856,583)	210,462	1,067,045
Fund Balance, Beginning of Year	<u>576,717</u>	<u>896,717</u>	<u>2,358,777</u>	<u>1,462,060</u>
Fund Balance, End of Year	<u>\$ 40,134</u>	<u>\$ 40,134</u>	<u>\$ 2,569,239</u>	<u>\$ 2,529,105</u>

CITY OF MOUNT DORA, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	Special Revenue Funds				Other Capital Projects Funds	Totals
	Building Inspection Fund	Law Enforcement Trust Fund	Special Event Fund	Debt Service Fund		
Assets						
Pooled Cash and Investments	\$ 2,454,560	\$ 18,829	\$ 1,897	\$ 103,076	\$ 2,932,516	\$ 5,510,878
Receivables (Net)	157	-	19,551	-	-	19,708
Accrued Interest Receivable	478	21	-	-	262	761
Inventory and Prepaid Items	25	-	-	-	-	25
Total Assets	2,455,220	18,850	21,448	103,076	2,932,778	5,531,372
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	82,741	-	1,611	53	411	84,816
Accrued Liabilities	20,596	-	10,618	-	-	31,214
Due to Other Governments	137,923	-	-	-	-	137,923
Total Liabilities	241,260	-	12,229	53	411	253,953
Fund Balances						
Non-Spendable:						
Inventory and Prepaid Items	25	-	-	-	-	25
Restricted for:						
Capital Improvements	-	-	-	-	2,932,367	2,932,367
Building Inspections	2,213,935	-	-	-	-	2,213,935
Law Enforcement	-	18,850	-	-	-	18,850
Special Events	-	-	9,219	-	-	9,219
Assigned for:						
Debt Service Funds	-	-	-	103,023	-	103,023
Total Fund Balances	2,213,960	18,850	9,219	103,023	2,932,367	5,277,419
Total Liabilities and Fund Balances	\$ 2,455,220	\$ 18,850	\$ 21,448	\$ 103,076	\$ 2,932,778	\$ 5,531,372

CITY OF MOUNT DORA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	Special Revenue Funds					
	Building Inspection Fund	Law Enforcement Trust Fund	Special Event Fund	Debt Service Fund	Other Capital Projects Funds	Totals
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ 319,450	\$ -	\$ 319,450
Permits and Fees	1,082,117	-	-	-	-	1,082,117
Charges for Services	73,797	-	147,782	-	-	221,579
Fines and Forfeitures	-	4,757	-	-	-	4,757
Miscellaneous	32,306	386	14,500	3,178	60,502	110,872
Total Revenues	1,188,220	5,143	162,282	322,628	60,502	1,738,775
Expenditures						
General Government	-	-	155,054	-	1,371	156,425
Public Safety	730,739	4,950	594	-	-	736,283
Culture and Recreation	-	-	239,133	-	1,661	240,794
Capital Outlay	1,404	4,076	-	-	141,908	147,388
Debit Services:						
Principal	-	-	-	284,500	-	284,500
Interest	-	-	-	85,969	-	85,969
Bond Issuance Costs	-	-	-	-	46,140	46,140
(Total Expenditures)	(732,143)	(9,026)	(394,781)	(370,469)	(191,080)	(1,697,499)
Excess (Deficiency) of Revenues Over (Under) Expenditures	456,077	(3,883)	(232,499)	(47,841)	(130,578)	41,276
Other Financing Sources (Uses)						
Bonds Issued	-	-	-	-	3,040,000	3,040,000
Premium on Bond Issuance	-	-	-	-	39,877	39,877
Discount on Bond Issuance	-	-	-	-	(45,206)	(45,206)
Transfer in (out)	-	-	238,659	51,004	-	289,663
Total Other Financing Sources (Uses)	-	-	238,659	51,004	3,034,671	3,324,334
Net Change in Fund Balances	456,077	(3,883)	6,160	3,163	2,904,093	3,365,610
Fund Balances, Beginning of Year	1,757,883	22,733	3,059	99,860	28,274	1,911,809
Fund Balances, Deficit, End of Year	\$ 2,213,960	\$ 18,850	\$ 9,219	\$ 103,023	\$ 2,932,367	\$ 5,277,419

CITY OF MOUNT DORA, FLORIDA
BUDGET TO ACTUAL COMPARISON - NON-MAJOR FUND
BUILDING INSPECTION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues			
Permits and Fees	\$ 1,100,000	\$ 1,082,117	\$ (17,883)
Charges for Services	32,500	73,797	41,297
Investment Earnings	5,000	32,306	27,306
Total Revenues	<u>1,137,500</u>	<u>1,188,220</u>	<u>50,720</u>
Expenditures			
Public Safety:			
Operating	870,517	730,739	139,778
Capital Outlay	20,527	1,404	19,123
(Total Expenditures)	<u>(891,044)</u>	<u>(732,143)</u>	<u>158,901</u>
Net Change in Fund Balance	246,456	456,077	209,621
Fund Balances, Beginning of Year	<u>-</u>	<u>1,757,883</u>	<u>1,757,883</u>
Fund Balances, End of Year	<u>\$ 246,456</u>	<u>\$ 2,213,960</u>	<u>\$ 1,967,504</u>

CITY OF MOUNT DORA, FLORIDA
BUDGET TO ACTUAL COMPARISON - NON-MAJOR FUND
LAW ENFORCEMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
(Continued)

	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues			
Fines and Forfeitures	\$ -	\$ 4,757	\$ 4,757
Investment Earnings	-	386	386
Total Revenues	<u>-</u>	<u>5,143</u>	<u>5,143</u>
Expenditures			
Public Safety:			
Operating	11,366	4,950	6,416
Capital Outlay	<u>11,367</u>	<u>4,076</u>	<u>7,291</u>
(Total Expenditures)	<u>(22,733)</u>	<u>(9,026)</u>	<u>13,707</u>
Net Change in Fund Balance	(22,733)	(3,883)	18,850
Fund Balances, Beginning of Year	<u>22,733</u>	<u>22,733</u>	<u>-</u>
Fund Balances, End of Year	<u><u>\$ -</u></u>	<u><u>\$ 18,850</u></u>	<u><u>\$ 18,850</u></u>

CITY OF MOUNT DORA, FLORIDA
BUDGET TO ACTUAL COMPARISON - NON-MAJOR FUND
SPECIAL EVENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
(Continued)

	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues			
Charges for Services	\$ 146,790	\$ 147,782	\$ 992
Miscellaneous Income	89,450	14,500	(74,950)
Total Revenues	<u>236,240</u>	<u>162,282</u>	<u>(73,958)</u>
Expenditures			
General Government:			
Personal Services	236,963	155,054	81,909
Public Safety:			
Operating	-	594	(594)
Culture and Recreation:			
Personal Services	126,423	129,713	(3,290)
Operating	187,543	109,420	78,123
(Total Expenditures)	<u>(550,929)</u>	<u>(394,781)</u>	<u>156,148</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(314,689)	(232,499)	82,190
Other Financing Sources (Uses)			
Operating Transfers in	<u>96,033</u>	<u>238,659</u>	<u>142,626</u>
Net Change in Fund Balance	(218,656)	6,160	224,816
Fund Balances, Beginning of Year	<u>218,656</u>	<u>3,059</u>	<u>(215,597)</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ 9,219</u>	<u>\$ 9,219</u>

CITY OF MOUNT DORA, FLORIDA
BUDGET TO ACTUAL COMPARISON - NON-MAJOR FUND
DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
(Continued)

	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues			
Taxes	\$ 319,450	\$ 319,450	\$ -
Investment Earnings	1,000	3,178	2,178
Total Revenues	<u>320,450</u>	<u>322,628</u>	<u>2,178</u>
Expenditures			
Debt Service:			
Principal	284,500	284,500	-
Interest	100,196	85,969	14,227
(Total Expenditures)	<u>(384,696)</u>	<u>(370,469)</u>	<u>14,227</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(64,246)	(47,841)	16,405
Other Financing Sources (Uses)			
Transfers In	65,246	51,004	(14,242)
Net Change in Fund Balance	<u>65,246</u>	<u>51,004</u>	<u>(14,242)</u>
Net Change in Fund Balance	1,000	3,163	2,163
Fund Balances, Beginning of Year	<u>-</u>	<u>99,860</u>	<u>99,860</u>
Fund Balances, End of Year	<u><u>\$ 1,000</u></u>	<u><u>\$ 103,023</u></u>	<u><u>\$ 102,023</u></u>

CITY OF MOUNT DORA, FLORIDA
BUDGET TO ACTUAL COMPARISON - NON-MAJOR FUND
OTHER CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019
(Concluded)

	Final Budget	Actual Amounts	Variance With Final Budget Positive (Negative)
Revenues			
Miscellaneous Income	\$ -	\$ 60,502	\$ 60,502
Total Revenues	<u>-</u>	<u>60,502</u>	<u>60,502</u>
Expenditures			
General Government			
Operating	82,868	1,371	81,497
Capital Outlay	1,148,711	56,643	1,092,068
Culture and Recreation:			
Operating	124,302	1,661	122,641
Capital Outlay	1,723,064	85,259	1,637,805
Transportation:			
Capital Outlay	-	6	(6)
Debt Service:			
Interest	-	-	-
(Total Expenditures)	<u>(3,078,945)</u>	<u>(144,940)</u>	<u>2,934,005</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,078,945)	(84,438)	2,994,507
Other Financing Sources (Uses)			
Issuance of Debt	3,078,945	3,040,000	(38,945)
Total Other Financing Sources (Uses)	<u>3,078,945</u>	<u>3,040,000</u>	<u>(38,945)</u>
Net Change in Fund Balance	-	2,955,562	2,955,562
Fund Balances, Beginning of Year	<u>-</u>	<u>28,274</u>	<u>28,274</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ 2,983,836</u>	<u>\$ 2,983,836</u>

INTERNAL SERVICE FUNDS COMBINING STATEMENTS

CITY OF MOUNT DORA, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2019

	Vehicle Replacement Fund	Self Insurance Fund	Total
Assets			
Current Assets:			
Pooled Cash and Investments	\$ 1,025,257	\$ 1,587,888	\$ 2,613,145
Accrued Interest Receivable	689	11	700
Prepaid Items	24,453	-	24,453
Total Current Assets	<u>1,050,399</u>	<u>1,587,899</u>	<u>2,638,298</u>
Capital Assets:			
Property, Plant and Equipment	2,588,051	38,331	2,626,382
(Accumulated Depreciation and Amortization)	<u>(1,441,189)</u>	<u>(38,331)</u>	<u>(1,479,520)</u>
Total Capital Assets - Cost Less Depreciation	<u>1,146,862</u>	<u>-</u>	<u>1,146,862</u>
Total Assets	<u><u>2,197,261</u></u>	<u><u>1,587,899</u></u>	<u><u>3,785,160</u></u>
Liabilities and Net Position			
Current Liabilities			
Accounts Payable	-	854,526	854,526
Capital Lease Obligation	57,436	-	57,436
Total Current Liabilities	<u>57,436</u>	<u>854,526</u>	<u>911,962</u>
Non-Current Liabilities			
Capital Lease Obligation	407,961	-	407,961
Total Liabilities	<u>407,961</u>	<u>-</u>	<u>407,961</u>
Net Position			
Net Investment in Capital Assets	681,465	-	681,465
Unrestricted	1,050,399	733,373	1,783,772
Total Net Position	<u>1,731,864</u>	<u>733,373</u>	<u>2,465,237</u>
Total Liabilities and Net Position	<u><u>\$ 2,197,261</u></u>	<u><u>\$ 1,587,899</u></u>	<u><u>\$ 3,785,160</u></u>

CITY OF MOUNT DORA, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2019

	Vehicle Replacement Fund	Self Insurance Fund	Total
Operating Revenues			
Charges for Services	\$ 287,789	\$ 3,360,632	\$ 3,648,421
Operating Expenses			
Administration and General	49,045	2,880,981	2,930,026
Rental Expense	126,662	-	126,662
Depreciation and Amortization	255,122	-	255,122
Total Operating Expenses	430,829	2,880,981	3,311,810
Operating Income (Loss)	(143,040)	479,651	336,611
Non-Operating Revenues (Expenses)			
Investment Earnings	15,217	16,470	31,687
Other Income (Loss)	-	52,589	52,589
Interest Expense	(30,519)	-	(30,519)
Total Non-Operating Revenues (Expenses)	(15,302)	69,059	53,757
Change in Net Position	(158,342)	548,710	390,368
Net Position, Beginning of Year	1,890,206	184,663	2,074,869
Net Position, End of Year	\$ 1,731,864	\$ 733,373	\$ 2,465,237

CITY OF MOUNT DORA, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2019

	Vehicle Replacement Fund	Self Insurance Fund	Total
Cash Flows from Operating Activities			
Cash Received from Customers, Including Cash	\$ 287,789	\$ 3,360,632	\$ 3,648,421
Cash Paid to Suppliers	(121,908)	(2,637,854)	(2,759,762)
Total Cash Provided by (Used in) Operating Activities	<u>165,881</u>	<u>722,778</u>	<u>888,659</u>
Cash Flows from Non-Capital Financing Activities			
Other Non-Operating Income	-	52,589	52,589
Total Cash Provided by Non-Capital Financing Activities	<u>-</u>	<u>52,589</u>	<u>52,589</u>
Cash Flows from Capital and Related Financing Activities			
Property, Plant and Equipment Acquisitions	(231,655)	-	(231,655)
Principal Paid on Capital Lease Obligation	(108,110)	-	(108,110)
Interest Paid on Capital Lease Obligation	(30,519)	-	(30,519)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(370,284)</u>	<u>-</u>	<u>(370,284)</u>
Cash Flows from Investing Activities			
Investment Earnings (Loss)	15,688	16,952	32,640
Total Cash Flows from Investing Activities	<u>15,688</u>	<u>16,952</u>	<u>32,640</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(188,715)	792,319	603,604
Cash and Cash Equivalents, Beginning of Year	<u>1,213,972</u>	<u>795,569</u>	<u>2,009,541</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 1,025,257</u></u>	<u><u>\$ 1,587,888</u></u>	<u><u>\$ 2,613,145</u></u>
<u>Shown in the Financial Statements as:</u>			
Pooled Cash and Investments	<u><u>\$ 1,025,257</u></u>	<u><u>\$ 1,587,888</u></u>	<u><u>\$ 2,613,145</u></u>
<u>Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:</u>			
Operating Income (Loss)	<u>\$ (143,040)</u>	<u>\$ 479,651</u>	<u>\$ 336,611</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Depreciation and Amortization	255,122	-	255,122
Changes in Assets Decrease (Increase) and Liabilities Increase (Decrease):			
Prepaid Expenses	53,847		53,847
Accounts Payable	(48)	243,127	243,079
Total Adjustments	<u>308,921</u>	<u>243,127</u>	<u>552,048</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ 165,881</u></u>	<u><u>\$ 722,778</u></u>	<u><u>\$ 888,659</u></u>

FIDUCIARY FUNDS COMBINING STATEMENTS

CITY OF MOUNT DORA, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2019

	General Employees' Retirement Plan	Police Officers' Retirement Plan	Firefighters' Retirement Plan	2019 Totals
Assets				
Cash and Cash Equivalents	\$ 10,349	\$ 84	\$ 123	\$ 10,556
Interest Receivable	1,605	1,289	789	3,683
Investments at Fair Value	17,064,279	12,281,038	9,004,808	38,350,125
Total Assets	<u>17,076,233</u>	<u>12,282,411</u>	<u>9,005,720</u>	<u>38,364,364</u>
Liabilities				
Accounts Payable and Accrued Liabilities	7,874	1,625	2,545	12,044
Total Liabilities	<u>7,874</u>	<u>1,625</u>	<u>2,545</u>	<u>12,044</u>
Total Net Position				
Held in Trust for Pension Benefits	<u>\$ 17,068,359</u>	<u>\$ 12,280,786</u>	<u>\$ 9,003,175</u>	<u>\$ 38,352,320</u>

CITY OF MOUNT DORA, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
SEPTEMBER 30, 2019

	General Employees' Retirement Plan	Police Officers' Retirement Plan	Firefighters' Retirement Plan	2019 Totals
Additions				
Contributions:				
Employer	\$ 388,792	\$ 377,947	\$ 321,670	\$ 1,088,409
Employees	20,761	185,428	147,401	353,590
State of Florida	-	111,393	89,684	201,077
Total Contributions	<u>409,553</u>	<u>674,768</u>	<u>558,755</u>	<u>1,643,076</u>
Investment Earnings:				
Investment Earnings	1,202,990	273,358	252,571	1,728,919
(Less Investment Management Fees)	<u>(49,099)</u>	<u>(21,500)</u>	<u>(31,017)</u>	<u>(101,616)</u>
Net Investment Earnings	<u>1,153,891</u>	<u>251,858</u>	<u>221,554</u>	<u>1,627,303</u>
Total Additions	<u>1,563,444</u>	<u>926,626</u>	<u>780,309</u>	<u>3,270,379</u>
Deductions				
Benefits	1,183,006	463,369	385,180	2,031,555
Administrative Expenses	<u>31,974</u>	<u>26,641</u>	<u>34,715</u>	<u>93,330</u>
Total Deductions	<u>(1,214,980)</u>	<u>(490,010)</u>	<u>(419,895)</u>	<u>(2,124,885)</u>
Change in Net Position	348,464	436,616	360,414	1,145,494
Net Position, Beginning of Year	<u>16,719,895</u>	<u>11,844,170</u>	<u>8,642,761</u>	<u>37,206,826</u>
Net Position, End of Year	<u>\$ 17,068,359</u>	<u>\$ 12,280,786</u>	<u>\$ 9,003,175</u>	<u>\$ 38,352,320</u>

**STATISTICAL SECTION
(UNAUDITED)**

CITY OF MOUNT DORA STATISTICAL SECTION - UNAUDITED

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

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A. Financial Trends

These tables contain trend information to help the reader understand how the City's financial performance has changed over time.

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CITY OF MOUNT DORA
NET POSITION BY COMPONENT

Table A - 1
(accrual basis of accounting)
Last Ten Fiscal Years

	Fiscal Year				
	2019	2018	2017	2016 ⁽²⁾	2015
Governmental Activities					
Net investment in capital assets	\$ 38,203,305	\$ 36,914,412	\$ 38,265,015	\$ 38,465,921	\$ 39,571,544
Restricted	9,095,455	9,116,325	7,126,140	5,238,368	3,241,613
Unrestricted	(11,257,473)	(11,995,733)	636,760	2,027,583	1,710,120
Total governmental activities net position	<u>36,041,287</u>	<u>34,035,004</u>	<u>46,027,915</u>	<u>45,731,872</u>	<u>44,523,277</u>
Business-type activities					
Net investment in capital assets	46,898,927	44,662,505	46,272,293	44,565,914	43,706,330
Restricted	5,118,454	3,985,588	3,387,839	3,541,192	3,374,523
Unrestricted	10,960,143	9,372,725	10,435,533	6,419,413	4,784,058
Total business-type activities net position	<u>62,977,524</u>	<u>58,020,818</u>	<u>60,095,665</u>	<u>54,526,519</u>	<u>51,864,911</u>
Primary government					
Net investment in capital assets	85,102,232	81,576,917	84,537,308	83,031,835	83,277,874
Restricted	14,213,909	13,101,913	10,513,979	8,779,560	6,616,136
Unrestricted	(297,330)	(2,623,008)	11,072,293	8,446,996	6,494,178
Total primary government net position	<u>\$ 99,018,811</u>	<u>\$ 92,055,822</u>	<u>\$ 106,123,580</u>	<u>\$ 100,258,391</u>	<u>\$ 96,388,188</u>
			Fiscal Year		
	2014 ⁽¹⁾	2013 ⁽¹⁾	2012 ⁽¹⁾	2011 ⁽¹⁾	2010 ⁽¹⁾
Governmental Activities					
Net investment in capital assets	\$ 38,938,810	\$ 37,977,455	\$ 37,109,503	\$ 35,388,167	\$ 35,188,792
Restricted	3,675,538	4,446,851	3,895,130	5,132,210	5,975,018
Unrestricted	3,788,034	3,082,453	3,924,583	4,517,329	3,988,383
Total governmental activities net position	<u>46,402,382</u>	<u>45,506,759</u>	<u>44,929,216</u>	<u>45,037,706</u>	<u>45,152,193</u>
Business-type activities					
Net investment in capital assets	41,954,352	36,021,284	32,242,768	30,431,980	30,364,657
Restricted	3,163,254	3,256,639	3,948,652	5,771,202	6,073,074
Unrestricted	3,762,944	7,359,662	9,360,418	8,664,640	7,633,663
Total business-type activities net position	<u>48,880,550</u>	<u>46,637,585</u>	<u>45,551,838</u>	<u>44,867,822</u>	<u>44,071,394</u>
Primary government					
Net investment in capital assets	80,893,162	73,998,739	69,352,271	65,820,147	65,553,449
Restricted	6,838,792	7,703,490	7,843,782	10,903,412	12,048,092
Unrestricted	7,550,978	10,442,115	13,285,001	13,181,969	11,622,046
Total primary government net position	<u>\$ 95,282,932</u>	<u>\$ 92,144,344</u>	<u>\$ 90,481,054</u>	<u>\$ 89,905,528</u>	<u>\$ 89,223,587</u>

⁽¹⁾ Prior years were not restated for GASB Statement Number 68 - Accounting and Financial Reporting for Pensions - See Note 11

⁽²⁾ Prior year adjusted for prior period adjustment

**CITY OF MOUNT DORA
CHANGES IN NET POSITION**

Table A - 2, Part 1A
(*accrual basis of accounting*)
Last Five Fiscal Years*

	Fiscal Year				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Program Revenues					
Governmental activities					
Charges for Services					
General government	\$ 242,634	\$ 99,980	\$ 136,237	\$ 82,736	\$ 76,369
Public safety	3,340,793	1,496,587	1,877,663	1,373,357	854,158
Physical environment	-	-	-	-	-
Transportation	-	-	-	-	-
Culture and recreation	698,161	331,235	405,371	300,502	311,913
Operating Grants and Contributions					
General government	867,598	123,769	86,792	20,896	22,834
Public safety	412,254	-	-	-	-
Physical environment	-	-	-	-	-
Transportation	-	116,117	-	-	-
Culture and recreation	121,958	46,000	-	-	-
Grants and aid	-	-	-	-	-
Capital Grants and Contributions					
General government	-	-	-	-	-
Public safety	146,254	116,439	384,674	174,909	142,861
Physical environment	-	-	-	-	-
Transportation	-	-	-	-	-
Culture and recreation	672,883	526,192	553,569	501,827	300,763
Grants and aid	-	-	-	-	-
Total governmental activities program revenues	<u>6,502,535</u>	<u>2,856,319</u>	<u>3,444,306</u>	<u>2,454,227</u>	<u>1,708,898</u>
Business-type activities					
Charges for services					
Electric Utility	9,940,283	10,013,428	9,382,512	9,931,019	11,224,288
Water and Wastewater Utility	11,024,880	10,451,116	10,351,583	9,187,745	8,645,543
Sanitation	2,008,061	1,990,391	1,972,182	2,296,079	2,268,030
Stormwater Utility	1,062,898	1,024,745	945,199	943,421	938,126
Cemetery	172,500	62,345	61,594	69,282	80,981
Operating grants and contributions					
Electric Utility	-	-	-	-	-
Water and Wastewater Utility	-	-	-	-	-
Sanitation	-	-	-	-	-
Stormwater Utility	-	-	-	-	-
Capital Grants and Contributions					
Electric Utility	171,406	-	-	-	-
Water and Wastewater Utility	2,578,807	1,527,808	2,932,137	2,358,499	1,148,195
Stormwater Utility	1,995,786	20,789	-	-	641,548
Total business-type activities program revenues	<u>28,954,621</u>	<u>25,090,622</u>	<u>25,645,207</u>	<u>24,786,045</u>	<u>24,946,711</u>
Total primary government program revenues	<u>\$ 35,457,156</u>	<u>\$ 27,946,941</u>	<u>\$ 29,089,513</u>	<u>\$ 27,240,272</u>	<u>\$ 26,655,609</u>

CITY OF MOUNT DORA
CHANGES IN NET POSITION

Table A - 2, Part 1B
(accrual basis of accounting)
 Prior Five Fiscal Years*

	Fiscal Year				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Program Revenues					
Governmental activities					
Charges for Services					
General government	\$ 71,126	\$ 69,815	\$ 166,504	\$ 322,883	\$ 181,715
Public safety	939,679	852,862	594,772	630,286	807,850
Physical environment	3,974	3,129	2,300	4,709	4,704
Transportation	-	-	-	-	-
Culture and recreation	183,945	163,442	593,660	419,559	612,157
Operating Grants and Contributions					
General government	-	-	-	-	-
Public safety	6,307	-	-	-	-
Physical environment	37,500	-	-	-	-
Transportation	19,637	21,193	161,939	161,189	161,520
Culture and recreation	-	-	-	-	-
Grants and aid	-	-	-	-	-
Capital Grants and Contributions					
General government	-	-	-	-	-
Public safety	58,151	149,953	107,254	202,063	221,091
Physical environment	-	-	230,825	380,442	85,531
Transportation	340,561	-	-	-	-
Culture and recreation	791,212	813,826	245,459	186,680	341,138
Grants and aid	-	-	-	-	-
Total governmental activities program revenues	<u>2,452,092</u>	<u>2,074,220</u>	<u>2,102,713</u>	<u>2,307,811</u>	<u>2,415,706</u>
Business-type activities					
Charges for services					
Electric utility	10,682,392	10,324,206	10,997,916	12,035,897	12,915,245
Water and Wastewater utility	8,068,351	7,499,207	6,827,438	6,844,702	5,971,629
Sanitation	2,174,190	2,117,927	2,036,994	1,978,335	1,908,373
Stormwater utility	852,208	851,139	842,054	845,683	814,734
Cemetery	60,303	29,391	57,378	47,866	61,305
Operating grants and contributions					
Electric utility	-	-	-	-	-
Water and Wastewater utility	-	3,025	2,000	2,250	2,000
Sanitation	-	-	-	-	-
Stormwater utility	-	-	115,929	-	2,466
Capital Grants and Contributions					
Electric utility	-	29,769	31,508	45,840	-
Water and Wastewater utility	1,901,875	1,294,754	653,726	521,530	971,208
Stormwater utility	117,007	202,331	-	44,485	-
Total business-type activities program revenues	<u>23,856,326</u>	<u>22,351,749</u>	<u>21,564,943</u>	<u>22,366,588</u>	<u>22,646,960</u>
Total primary government program revenues	<u>\$ 26,308,418</u>	<u>\$ 24,425,969</u>	<u>\$ 23,667,656</u>	<u>\$ 24,674,399</u>	<u>\$ 25,062,666</u>

**CITY OF MOUNT DORA
CHANGES IN NET POSITION**

Table A - 2, Part 2A
(accrual basis of accounting)
Last Five Fiscal Years

	Fiscal Year				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenses					
Governmental Activities					
General Government	\$ 4,624,635	\$ 3,765,569	\$ 4,378,473	\$ 2,515,665	\$ 2,487,548
Public Safety	10,703,799	8,599,093	9,141,534	8,459,167	7,917,059
Physical Environment	-	-	-	-	-
Transportation	2,419,628	2,221,672	1,783,024	1,711,706	1,633,927
Culture and Recreation	3,851,962	3,283,801	3,360,990	3,534,111	3,509,701
Interest on long-term debt	851,287	118,451	133,730	114,861	111,527
Total governmental activities expenses	22,451,311	17,988,586	18,797,751	16,335,510	15,659,762
Business-type activities					
Electric	9,082,979	9,082,774	8,783,558	8,790,242	8,839,187
Water / Wastewater	9,521,722	8,048,315	7,008,509	6,915,678	6,961,483
Sanitation	2,181,117	2,139,906	1,953,190	2,310,103	2,222,235
Stormwater	1,109,290	1,349,877	835,402	813,456	807,683
Cemetery	135,975	123,700	145,160	141,672	144,538
Total business-type activities expenses	22,031,083	20,744,572	18,725,819	18,971,151	18,975,126
Total primary government expenses	44,482,394	38,733,158	37,523,570	35,306,661	34,634,888
Net (Expense)/Revenue					
Governmental activities	(15,948,776)	(15,132,269)	(15,941,432)	(12,891,204)	(13,205,535)
Business-type activities	6,923,538	4,346,051	6,364,803	6,674,056	5,810,919
Total primary government net expense	(9,025,238)	(10,786,218)	(9,576,629)	(6,217,148)	(7,394,616)
General revenues and other changes in net position					
Governmental activities					
General revenues					
Property taxes	6,613,825	6,123,406	5,443,802	5,250,124	5,063,514
Public service taxes	2,081,078	1,966,452	2,032,368	1,981,001	1,529,506
Discretionary Sales Surtax	1,379,467	-	-	-	-
Local Option Fuel Taxes	265,905	-	-	-	-
Local Business Tax	24,138	-	-	-	-
Other taxes (1)	-	1,657,236	1,559,177	1,521,904	1,918,442
Franchise fees	778,203	750,159	714,320	721,220	702,324
State and County shared rev. - unrestricted	2,937,416	2,620,194	2,437,309	2,355,149	2,192,121
Investment earnings (losses)	707,449	99,318	111,107	98,226	85,295
Miscellaneous revenue	315,278	599,589	211,955	1,449,531	316,194
Transfers	2,852,300	2,782,250	3,139,450	2,997,250	2,845,050
Total governmental activities	17,955,059	16,598,604	15,649,488	16,374,405	14,652,446
Business-type activities					
Interest earnings (losses)	553,748	161,064	107,508	117,241	117,738
Miscellaneous revenue	331,720	128,590	95,297	28,599	69,365
Transfers	(2,852,300)	(2,782,250)	(3,139,450)	(2,997,250)	(2,845,050)
Total business-type activities	(1,966,832)	(2,492,596)	(2,936,645)	(2,851,410)	(2,657,947)
Total primary government	15,988,227	14,106,008	12,712,843	13,522,995	11,994,499
Change in Net Position					
Governmental activities	2,006,283	1,466,335	(291,944)	3,483,201	1,446,911
Business-type activities	4,956,706	1,853,455	3,428,158	3,822,646	3,152,972
Total primary government: change in net position	\$ 6,962,989	\$ 3,319,790	\$ 3,136,214	\$ 7,305,847	\$ 4,599,883

(1) In the current year, other taxes were broken out to provide more detail

**CITY OF MOUNT DORA
CHANGES IN NET POSITION**

Table A - 2, Part 2
(*accrual basis of accounting*)
Prior Five Fiscal Years

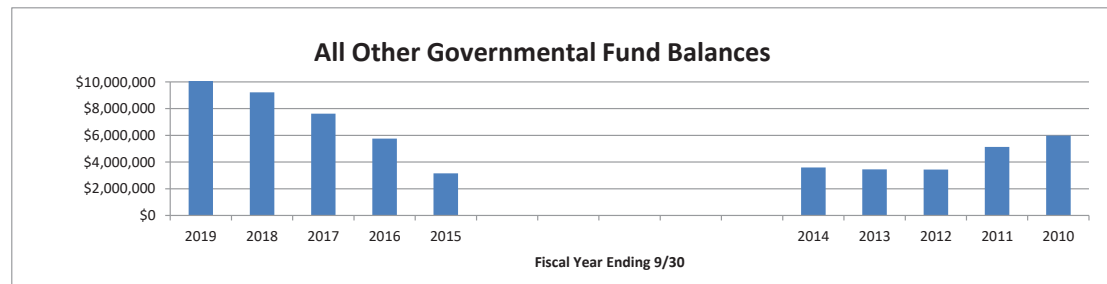
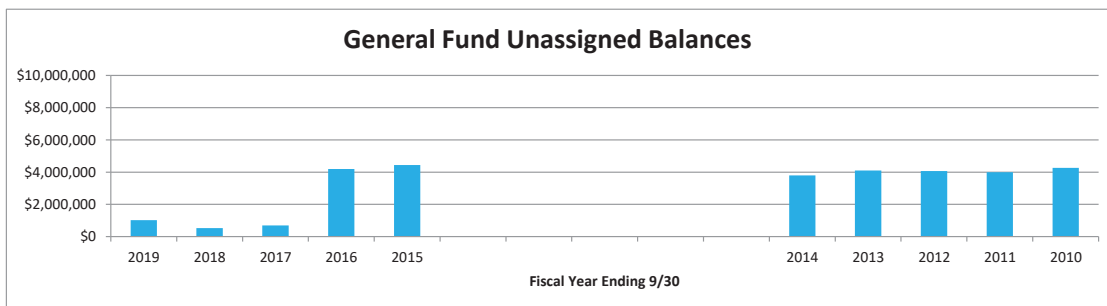
	Fiscal Year				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Expenses					
Governmental Activities					
General Government	\$ 2,493,630	\$ 2,432,163	\$ 2,130,728	\$ 2,287,971	\$ 2,256,811
Public Safety	7,934,780	7,567,046	7,603,665	7,803,814	7,477,581
Physical Environment	-	-	2,316	1,791	2,285
Transportation	1,574,628	1,664,660	1,681,721	1,505,870	1,598,941
Culture and Recreation	3,214,825	2,877,536	2,645,608	2,474,613	2,370,129
Interest on long-term debt	116,189	82,169	102,941	194,133	249,881
Total governmental activities expenses	15,334,052	14,623,574	14,166,979	14,268,192	13,955,628
Business-type activities					
Electric	9,201,878	9,079,195	9,602,536	10,290,807	11,469,781
Water / Wastewater	6,633,938	6,612,703	6,186,750	6,719,473	6,098,546
Sanitation	2,167,724	2,091,761	2,031,374	1,970,385	1,949,096
Stormwater	878,731	988,600	847,512	807,019	708,143
Cemetery	147,258	136,146	144,469	173,149	148,597
Total business-type activities expenses	19,029,529	18,908,405	18,812,641	19,960,833	20,374,163
Total primary government expenses	34,363,581	33,531,979	32,979,620	34,229,025	34,329,791
Net (Expense)/Revenue					
Governmental activities	(13,625,154)	(12,549,354)	(12,092,759)	(12,891,204)	(11,539,922)
Business-type activities	5,917,182	3,443,344	3,539,108	6,674,056	2,272,797
Total primary government net expense	(7,707,972)	(9,106,010)	(8,553,651)	(6,217,148)	(9,267,125)
General revenues and other changes in net position					
Governmental activities					
General revenues					
Property taxes	4,644,345	4,571,110	4,547,594	4,445,380	4,861,132
Public service taxes	1,446,485	1,867,561	1,820,926	1,857,841	1,873,661
Other taxes	1,902,317	1,351,654	910,268	954,811	1,075,927
Franchise fees	661,317	629,953	641,789	671,730	677,432
State and County shared rev. - unrestricted	2,013,460	1,804,701	1,746,271	1,598,248	1,567,623
Investment income	95,934	(45,406)	70,285	118,506	257,595
Miscellaneous revenue	261,675	361,624	45,022	450,978	393,164
Transfers	2,752,050	2,691,300	2,173,621	1,748,400	1,936,850
Total governmental activities	13,777,583	13,232,497	11,955,776	11,845,894	12,643,384
Business-type activities					
Interest earnings	94,334	(49,812)	72,160	107,916	200,198
Miscellaneous revenue	73,884	38,387	33,175	31,157	77,636
Transfers	(2,752,050)	(2,691,300)	(2,173,621)	(1,748,400)	(1,936,850)
Total business-type activities	(2,583,832)	(2,702,725)	(2,068,286)	(1,609,327)	(1,659,016)
Total primary government	11,193,751	10,529,772	9,887,490	10,236,567	10,984,368
Change in Net Position					
Governmental activities	152,429	683,143	(136,983)	(1,045,310)	1,103,462
Business-type activities	3,333,350	740,619	1,470,822	5,064,729	613,781
Total primary government: change in net position	\$ 3,485,779	\$ 1,423,762	\$ 1,333,839	\$ 4,019,419	\$ 1,717,243

CITY OF MOUNT DORA
FUND BALANCES - GOVERNMENTAL FUNDS

Table A - 3
(modified accrual basis of accounting)
 Last Ten Fiscal Years

	Fiscal Year				
	2019	2018	2017	2016	2015
General Fund					
Nonspendable - Inventory, Prepaids, and Receivables	\$ 2,206,182	\$ 1,897,557	\$ 1,730,112	\$ 86,104	\$ 14,960
Assigned for Future Expenditures	-	1,294,513	1,234,144	-	-
Unassigned	1,022,691	527,479	694,909	4,196,476	4,437,623
Total General Fund	3,228,873	3,719,549	3,659,165	4,282,580	4,452,583
All Other Governmental Funds					
Nonspendable- Inventory & Prepaids	7,897	7,897	39,544	7,498	-
Restricted for					
Capital Improvements	6,962,279	3,791,261	3,296,847	3,629,598	1,873,510
Redevelopment	2,931,172	3,541,414	-	-	-
Debt Service	-	-	540,888	621,764	578,253
Building Inspections	2,213,935	1,757,858	1,654,917	969,462	774,021
Fire Protection	22,752,700	-	-	-	-
Law Enforcement	18,850	22,733	14,057	13,795	15,829
Special Events	9,219	3,059	-	-	-
Assigned					
Subsequent Year's Budgets	-	-	1,977,700	562,123	677,600
Capital Improvement	-	-	-	-	-
Building Inspections	-	-	-	-	-
Debt Service	103,023	99,860	97,526	95,067	102,573
Unassigned	-	-	(4,888)	(148,216)	(873,909)
Total all other governmental funds	34,999,075	9,224,082	7,616,591	5,751,091	3,147,877
Total Fund Balances	\$ 38,227,948	\$ 12,943,631	\$ 11,275,756	\$ 10,033,671	\$ 7,600,460

	Fiscal Year				
	2014	2013	2012	2011	2010
General Fund					
Nonspendable- Inventory & Prepaids	\$ 31,073	\$ 36,561	\$ 344,001	\$ 331,602	\$ 55,119
Assigned for Future Expenditures	158,250	-	-	-	-
Unassigned	3,792,396	4,098,436	4,064,399	4,000,305	4,266,521
Total General Fund	3,981,719	4,134,997	4,408,400	4,331,907	4,321,640
All Other Governmental Funds					
Nonspendable- Inventory & Prepaids	-	-	120	659	-
Restricted for					
Capital Improvements	2,560,066	3,089,095	2,640,334	2,802,496	4,151,774
Debt Service	501,027	466,635	414,732	406,374	909,183
Building Inspections	608,353	386,484	283,917	336,403	897,318
Law Enforcement	6,092	5,548	2,194	13,266	12,812
Library Improvements	-	-	-	-	3,931
Assigned					
Subsequent Year's Budgets	-	-	-	-	-
Capital Improvement	585,950	391,877	439,392	1,319,541	-
Building Inspections	-	107,212	-	184,600	-
Debt Service	124,544	-	113,653	68,871	-
Unassigned	(790,504)	(992,741)	(462,536)	-	-
Total all other governmental funds	3,595,528	3,454,110	3,431,806	5,132,210	5,975,018
Total Fund Balances	\$ 7,577,247	\$ 7,589,107	\$ 7,840,206	\$ 9,464,117	\$ 10,296,658



CITY OF MOUNT DORA
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

Table A - 4

(modified accrual basis of accounting)

Last Ten Fiscal Years

	Fiscal Year									
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Program Revenues										
Governmental Activities										
Taxes	\$ 10,364,413	\$ 9,746,944	\$ 9,035,347	\$ 8,753,029	\$ 8,511,462	\$ 7,993,147	\$ 7,790,325	\$ 7,651,220	\$ 7,534,701	\$ 7,959,401
Permits and Fees	3,832,250	1,467,949	1,840,878	1,371,848	1,262,281	1,247,681	1,181,697	939,458	1,038,659	1,183,824
Intergovernmental	4,154,535	2,814,429	2,636,455	2,467,748	2,304,478	2,957,867	2,394,677	2,361,634	2,305,642	2,027,997
Charges for service	1,084,176	726,715	685,474	574,372	617,258	546,271	446,413	447,480	391,044	421,637
Fines and forfeitures	51,677	61,211	47,843	56,842	54,137	65,920	91,093	56,546	71,420	107,353
Impact fees	818,715	1,081,981	1,283,849	1,036,818	354,101	308,960	394,996	183,886	222,067	491,211
Miscellaneous revenue	1,171,735	505,874	424,497	396,024	695,961	299,751	205,288	329,616	524,797	638,443
Interfund Charges	2,936,392	2,852,492	2,364,750	-	-	-	-	-	-	-
Total revenues	24,413,893	19,257,595	18,319,093	14,656,681	13,799,678	13,419,597	12,504,489	11,969,840	12,088,330	12,829,866
Program Expenditures										
Governmental activities										
General government	7,170,089	6,360,293	6,118,729	2,043,490	1,908,439	1,901,031	1,827,389	1,648,091	1,824,705	1,711,285
Public safety	9,907,681	8,613,452	8,118,344	8,005,980	7,663,558	7,555,835	7,348,666	7,050,015	7,359,005	6,964,266
Transportation	1,487,764	1,519,363	1,021,572	983,647	1,009,792	997,831	1,096,255	1,197,185	1,054,922	1,137,263
Culture and recreation	2,673,629	2,439,149	2,371,247	2,626,538	2,637,960	2,278,382	2,050,337	1,873,294	1,852,700	1,802,722
Grants and aid	-	-	110,070	57,155	290,717	327,972	119,344	93,207	59,941	44,899
Capital outlay	3,227,823	2,374,164	2,596,066	842,649	2,944,798	2,590,739	5,175,526	3,573,110	2,132,785	3,148,571
Debt service										
Principal payments	1,892,218	915,207	903,109	539,261	410,300	396,300	253,400	246,800	195,000	2,690,000
Interest	559,809	118,451	133,730	122,000	121,233	135,417	75,971	85,670	240,923	252,833
Other costs	319,043	-	-	-	-	-	-	-	34,690	1,050
Total expenditures	27,238,056	22,340,079	21,372,867	15,220,720	16,986,797	16,183,507	17,946,888	15,767,372	14,754,671	17,752,889
(Deficiency) Excess of Revenues (under) over expenditures	(2,824,163)	(3,082,484)	(3,053,774)	(564,039)	(3,187,119)	(2,763,910)	(5,442,399)	(3,797,532)	(2,666,341)	(4,923,023)
Other financing sources (uses)										
Transfers in	3,957,220	4,612,461	5,468,235	5,684,250	5,013,900	4,684,550	4,600,300	4,393,000	4,336,068	3,827,839
Transfer out	(1,104,920)	(1,850,672)	(2,328,785)	(2,687,000)	(2,168,850)	(1,932,500)	(1,909,000)	(2,219,379)	(2,587,668)	(1,890,989)
Sale of Capital Assets	65,089	151,455	-	-	-	-	-	-	-	-
Issuance of debt/debt proceeds	25,191,091	1,837,115	1,156,409	-	365,282	-	2,500,000	-	3,635,400	-
Payment to Refund Bond Escrow	-	-	-	-	-	-	-	-	(3,550,000)	-
Total other financing sources (uses)	28,108,480	4,750,359	4,295,859	2,997,250	3,210,332	2,752,050	5,191,300	2,173,621	1,833,800	1,936,850
Net change in fund balance	\$ 25,284,317	\$ 1,667,875	\$ 1,242,085	\$ 2,433,211	\$ 23,213	\$ (11,860)	\$ (251,099)	\$ (1,623,911)	\$ (832,541)	\$ (2,986,173)
Debt service as a percentage of non-capital expenditures	11.5%	5.2%	5.5%	4.6%	3.8%	3.9%	2.2%	2.4%	3.3%	17.9%

CITY OF MOUNT DORA
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Table B - 1
Last Ten Fiscal Years

Fiscal Fiscal Year Ending September 30	Taxable Value for Operating Purposes of			Gross Taxable Value	Final Taxable Value	Millage Rate (3)
	Real Property (1)	Personal Property (1)	Centrally Assessed Property (2)			
2019	\$ 1,043,419,892	\$ 45,287,665	\$ 379,019	\$ 1,089,086,576	\$ 1,087,000,621	6.3000
2018	962,774,319	44,382,663	364,524	1,007,521,506	1,006,953,873	6.3000
2017	899,551,477	44,962,477	311,607	944,825,561	940,285,927	5.9970
2016	861,847,155	45,311,719	325,695	907,484,569	906,012,014	5.9970
2015	828,560,497	44,513,187	236,914	873,310,598	872,835,967	5.9970
2014	798,550,995	46,102,058	235,200	844,888,253	846,434,428	5.6667
2013	785,528,309	47,693,338	133,725	833,355,372	833,882,478	5.6667
2012	819,806,223	49,908,031	155,770	869,870,024	869,405,079	5.3891
2011	869,303,640	50,742,218	184,349	920,230,207	919,851,972	5.0190
2010	945,851,029	50,632,664	239,138	996,722,831	994,673,443	5.0190

Source: Lake County Property Appraiser (Forms DR-420 and DR-422)

Notes: ⁽¹⁾ Property in the City is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value and a separate table for assessed and actual data is not presented.

Centrally assessed property consists of railroad and telegraph
⁽²⁾ systems which are assessed by the State of Florida.

⁽³⁾ Millage rates are levied per \$1,000 of taxable value.

**CITY OF MOUNT DORA
DIRECT AND OVERLAPPING PROPERTY TAX RATES**

Table B - 2
(rate per \$1,000 of assessed value)
Last Ten Fiscal Years

Fiscal Year	Direct Rate ⁽¹⁾	Overlapping Rates ⁽²⁾								Total
	City of Mount Dora Operating Millage	Lake County BCC General Fund	Lake County BCC Voted Debt Service	Lake County District School Board (State)	Lake County District School Board (Local)	Lake County Water Authority	Lake County Ambulance Service	North Lake Hospital	St. Johns River Water Mgt District	
2019	6.3000	5.1180	0.1324	4.8550	1.5000	0.4900	0.4629	0.9800	0.2562	20.0945
2018	6.3000	5.1180	0.1524	5.1030	1.5000	0.2554	0.4629	1.0000	0.2724	20.1641
2017	5.9970	5.1180	0.1524	5.3750	1.5000	0.2554	0.4629	1.0000	0.2885	20.1492
2016	5.9970	5.3051	0.1600	5.6970	1.5000	0.2554	0.4629	1.0000	0.3023	20.6797
2015	5.6667	5.3856	0.1600	5.7460	1.5000	0.2554	0.4629	1.0000	0.3164	20.4930
2014	5.6667	4.7309	0.1900	4.9220	2.2480	0.2554	0.3853	1.0000	0.3283	19.7266
2013	5.6667	4.7309	0.1900	5.8200	1.5000	0.2554	0.3853	1.0000	0.3313	19.8796
2012	5.3891	4.7309	0.1101	5.8940	1.5000	0.2405	0.3853	1.0000	0.3313	19.5812
2011	5.0190	4.7309	0.1101	6.0230	1.5000	0.2405	0.3853	1.0000	0.4158	19.4246
2010	5.0190	4.6511	0.1101	6.0320	1.5000	0.2130	0.4651	1.0000	0.4158	19.4061

Source: Lake County Property Appraiser

Notes: ⁽¹⁾ Direct rate is the rate levied by the City of Mount Dora City Council for operating purposes (i.e. the general fund millage).

⁽²⁾ Overlapping rates are those of State, County and other governmental entities that apply to property owners within the City of Mount Dora.

CITY OF MOUNT DORA
PRINCIPAL PROPERTY TAXPAYERS

Table B - 3, Part 1

Last Five Fiscal Years

Taxpayer	Fiscal Year														
	2019			2018			2017			2016			2015		
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value
Magnolia Place Apartments Assoc. LLC	\$ 19,122,715	1	1.76%	\$ 18,349,808	1	1.82%	\$ 17,347,031	1	1.84%	\$ 16,176,809	1	1.79%	\$ 15,270,799	1	1.75%
Veranda Mt.Dora LLC	10,130,743	2	0.93%	8,169,099	4	0.81%	6,768,340	5	0.72%	6,399,439	7	0.71%	6,065,285	7	0.69%
HI-C Investments, Ltd.	10,107,079	3	0.93%	9,953,508	2	0.99%	8,834,978	2	0.94%	8,421,859	2	0.93%	7,853,270	4	0.90%
Waterman Healthcare Care Systems, Inc.	9,560,748	4	0.88%	7,553,233	5	0.75%	7,149,013	4	0.76%	7,415,557	4	0.82%	7,898,704	3	0.90%
Wal-Mart Stores East, Inc.	8,772,358	5	0.81%	8,688,761	3	0.86%	8,411,587	3	0.89%	8,411,860	3	0.93%	8,412,634	2	0.96%
Waterman Communities	7,971,916	6	0.73%	-	-	-	-	-	-	-	-	0.00%	-	-	0.00%
Real Sub LLC	7,526,241	7	0.69%	-	-	-	-	-	-	-	-	0.00%	-	-	0.00%
Main Street Leasing Co.	7,522,743	8	0.69%	7,032,357	7	0.70%	6,387,712	9	0.68%	5,882,905	10	0.65%	5,729,344	9	0.66%
Lowe's Home Centers, Inc.	6,697,972	9	0.62%	6,730,888	8	0.67%	6,429,662	8	-	6,462,577	6	0.71%	6,454,847	5	0.74%
Target Corp.	6,690,279	10	0.62%	6,716,418	9	0.67%	6,189,384	10	0.66%	6,215,522	8	0.69%	6,241,062	6	0.72%
Pine Tree PME Loch Leven LLC	-	-	-	7,162,934	6	0.71%	-	-	0.00%	-	-	-	5,708,553	10	0.65%
Spring Harbor, Ltd.	-	-	-	6,480,792	10	0.64%	6,482,611	7	0.69%	6,156,978	9	0.68%	-	-	0.00%
Lake Care Systems, Inc.	-	-	-	-	-	-	6,736,402	6	0.72%	6,516,939	5	0.72%	5,825,282	8	0.67%
Embarq-Florida Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sprint-Florida, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Taxable Assessed Value Ten Largest Taxpayers	\$ 94,102,794	-	8.66%	\$ 86,837,798	-	8.63%	\$ 80,736,720	-	7.90%	\$ 78,060,445	-	8.62%	\$ 75,459,780	-	8.65%
Total Taxable Assessed Value All Other Taxpayers	\$ 992,897,827	-	91.34%	\$ 919,433,536	-	91.37%	\$ 859,549,207	-	91.41%	\$ 827,951,569	-	91.38%	\$ 797,376,187	-	91.35%
Total Taxable Assessed Value - All Taxpayers	\$ 1,087,000,621	-	100.00%	\$ 1,006,271,334	-	100.00%	\$ 940,285,927	-	100.00%	\$ 906,012,014	-	100.00%	\$ 872,835,967	-	100.00%

Source: Lake County Property Appraiser

CITY OF MOUNT DORA
PRINCIPAL PROPERTY TAXPAYERS
Table B - 3, Part 2
Previous Five Fiscal Years

Taxpayer	2014					2013					2012					2011					2010				
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value			Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value			Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value			Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value			Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value		
Magnolia Place Apartments Assoc. LLC	\$ 10,931,214	1	1.29%			\$ 9,937,467	1	1.19%			\$ 9,764,303	1	1.12%			\$ 8,798,948	4	0.96%			\$ -	-	-	-	-
Veranda Mt Dora LLC	5,297,602	10	0.63%			-	-	0.00%			6,830,759	6	0.79%			9,118,483	2	0.99%			-	-	-	-	-
HI-C Investments, Ltd.	7,854,333	3	0.93%			7,865,037	4	0.94%			7,896,864	4	0.91%			7,753,013	6	0.84%			9,284,797	3	0.93%		
Waterman Healthcare Care Systems, Inc.	8,088,977	2	0.96%			6,502,937	7	0.78%			7,297,260	5	0.84%			8,957,967	3	0.97%			8,182,667	5	0.82%		
Wal-Mart, Inc.	7,718,086	4	0.91%			8,322,822	3	1.00%			8,954,157	2	1.03%			8,487,098	5	0.92%			10,073,416	2	1.01%		
Waterman Communities	-	-	-			-	-	-			-	-	-			-	-	-			-	-	-	-	-
Real Sub LLC	-	-	-			-	-	-			-	-	-			-	-	-			-	-	-	-	-
Main Street Leasing Co.	7,234,540	5	0.85%			5,112,767	10	0.61%			-	-	-			9,302,822	1	1.01%			6,429,796	9	0.65%		
Lowe's Home Centers, Inc.	6,487,762	6	0.77%			8,328,146	2	1.00%			8,377,981	3	0.96%			6,856,298	7	0.75%			11,294,470	1	1.14%		
Target Corp.	6,267,198	7	0.74%			6,804,622	5	0.82%			-	-	-			-	-	-			8,175,594	6	0.82%		
Pine Tree PME Loch Leven LLC	5,725,261	8	0.68%			5,742,459	8	0.69%			5,057,196	9	0.58%			6,300,474	8	0.69%			7,477,526	8	0.75%		
Spring Harbor, Ltd.	5,404,365	9	0.64%			5,516,249	9	0.66%			5,523,099	8	0.64%			-	-	-			5,748,468	10	0.58%		
Lake Care Systems, Inc.	-	-	-			6,531,643	6	0.78%			6,798,078	7	0.78%			5,542,419	10	0.60%			8,266,399	4	0.83%		
Embarq-Florida Inc.	-	-	-			-	-	-			4,843,601	10	0.56%			6,197,095	9	0.67%			-	-	-	-	-
Sprint-Florida, Inc.	-	-	-			-	-	-			-	-	-			-	-	-			7,810,875	7	0.79%		
Total Taxable Assessed Value	\$ 71,009,338		8.39%			\$ 70,664,149		8.47%			\$ 71,343,298		8.21%			\$ 77,314,617		8.41%			\$ 82,744,008		8.32%		
Ten Largest Taxpayers																									
Total Taxable Assessed Value	\$ 775,425,090		91.61%			\$ 763,218,329		91.53%			\$ 797,995,456		91.79%			\$ 841,536,881		91.59%			\$ 911,929,435		91.68%		
All Other Taxpayers																									
Total Taxable Assessed Value - All Taxpayers	\$ 846,434,428		100.00%			\$ 833,882,478		100.00%			\$ 869,338,754		100.00%			\$ 918,851,498		100.00%			\$ 994,673,443		100.00%		

Source: Lake County Property Appraiser

CITY OF MOUNT DORA
PROPERTY TAX LEVIES AND COLLECTIONS

Table B - 4

Last Ten Fiscal Years

Fiscal Year	Millage Rate ⁽¹⁾	Gross Taxable Value ⁽²⁾	Taxes Levied for the Fiscal Year ⁽¹⁾	Collected within the		Collections in Subsequent Years ⁽²⁾	Total Collections to Date	
				Fiscal Year of the Levy	Percentage of Levy		Amount	Percentage of Levy
2019	6.3000	\$ 1,089,086,576	6,861,245	Amount ⁽²⁾	6,607,118	96.30%	6,707	96.39%
2018	6.3000	\$ 1,007,521,506	6,347,385	6,118,382	96.39%	5,024	6,123,406	96.47%
2017	5.9970	\$ 944,825,561	5,666,119	5,436,646	95.95%	7,156	5,443,802	96.08%
2016	5.9970	\$ 907,484,569	5,442,185	5,245,260	96.38%	4,865	5,250,125	96.47%
2015	5.9970	\$ 873,310,598	5,237,244	5,055,376	96.53%	8,137	5,063,513	96.68%
2014	5.6667	\$ 844,888,253	4,787,728	4,641,947	96.96%	2,398	4,644,345	97.01%
2013	5.6667	\$ 833,355,372	4,722,375	4,565,961	96.69%	5,148	4,571,109	96.80%
2012	5.3891	\$ 869,870,024	4,687,817	4,519,313	96.41%	28,281	4,547,594	97.01%
2011	5.0190	\$ 920,230,207	4,618,635	4,430,446	95.93%	14,933	4,445,379	96.25%
2010	5.0190	\$ 996,722,831	5,002,552	4,834,536	96.64%	26,596	4,861,132	97.17%

Source: ⁽¹⁾ Lake County Property Appraiser Form DR-403CC

⁽²⁾ City of Mount Dora Finance Department

CITY OF MOUNT DORA
PRINCIPAL ELECTRICAL CUSTOMERS

Table B - 5 - Part 2

Previous Five Fiscal Years

	Fiscal Year							
	2014		2013		2012		2011	
Electric Customer	Kilowatt Hours	Rank	Kilowatt Hours	Rank	Kilowatt Hours	Rank	Kilowatt Hours	Rank
Mount Dora Christian Academy	1,038,360	6	883,880	7	893,280	6	-	-
Mount Dora High School	2,063,520	1	2,041,920	1	2,108,160	1	2,226,240	1
Mount Dora Middle School	1,651,376	2	1,026,432	5	862,080	7	-	-
Triangle Elementary School	1,179,896	5	1,152,472	3	1,247,268	3	1,268,428	4
City of Mount Dora - Water Dept.	1,437,600	3	1,769,000	2	1,803,200	2	1,544,900	3
Hallmark Nameplate	936,600	7	998,520	6	901,200	5	899,640	6
City of Mount Dora - Wastewater Plant	782,352	10	-	-	-	-	756,240	9
Lakeside Corp of Mount Dora	834,800	8	826,600	8	839,000	10	862,800	7
Avante At Mount Dora	-	-	790,880	9	796,360	9	809,200	8
City of Mount Dora - Police/Fire	-	-	-	-	-	-	-	-
City of Mount Dora - Perc Ponds	834,480	9	784,992	10	764,160	8	708,200	10
National Deaf Academy	1,184,200	4	1,149,240	4	1,171,960	4	1,209,360	5
Publix Super Markets	-	-	-	-	-	-	1,971,480	2
Surgery Center of Mount Dora	-	-	-	-	-	-	-	-
Bravo Supermarket	-	-	-	-	-	-	-	-
Total	11,943,184		11,423,936		11,386,668		12,256,488	
							12,903,403	

Source: City Utility Records

CITY OF MOUNT DORA
PRINCIPAL WATER CUSTOMERS

Table B - 6 - Part 1
Last Five Fiscal Years

	Fiscal Year							
	2019	2018	2017	2016	2015			
Water Customer	Gallons* Rank	Hundred Cubic Feet Rank	Hundred Cubic Feet Rank	Hundred Cubic Feet Rank	Hundred Cubic Feet Rank			
Watermann Communities Inc.	50,051,300 2	45,031,670 2	*	56,221 1	57,658 1			
Lakes of Mount Dora H.O.A.	82,912,000 1	97,968,000 1	*	49,250 2	40,320 2			
Sullivan Ranch H.O.A.	30,487,570 3	15,476,990 3	*	31,616 3	21,356 4			
City of Mount Dora Water Pumps/Wells	-	-	*	31,425 4	33,834 3			
Spring Harbor, Ltd	-	14,963,700 4	*	18,353 5	20,802 5			
Hammock Oaks	12,060,700 5	12,812,900 5	*	15,451 6	15,203 6			
Wal-Mart, Inc.	-	-	*	11,524 7	-			
Southernaire MHC, Inc.	8,706,500 6	6,904,900 7	*	9,224 8	10,196 7			
Mount Dora High School	8,621,720 7	6,753,920 8	*	8,491 9	7,247 10			
Rath Harper & Assoc. (Veranda Apart.)	-	6,570,200 9	*	7,969 10	8,058 8			
Mount Dora Commons	-	-	-	-	7,273 9			
National Deaf Academy	-	-	-	-	-			
Riley's Mobile Home Park	5,431,400 10	5,158,800 10	-	-	-			
City Of Mount Dora Wastewater Plant	-	-	-	-	-			
Lake Care Systems, Inc.	-	-	-	-	-			
Lakeside Corp of Mount Dora	-	-	-	-	-			
Avante At Mount Dora	-	-	-	-	-			
Christian Home and Bible School	12,607,700 4	12,162,200 6	-	-	-			
GC Wen FL, LLC (Wendy's)	5,884,300 8	-	-	-	-			
Kentucky Fried Chicken	5,670,500 9	-	-	-	-			
Total - Hundred Cubic Feet	222,433,690	223,803,280	-	239,524	221,947			

Source: City Utility Records

* City converted to gallon based meters in July, 2017 and there are not records available for entire year usage per customer Starting in FY 2018, usage is reported in gallons

Previous Five Fiscal Years

Source: City Utility Records

CITY OF MOUNT DORA
RATIOS OF OUTSTANDING GENERAL DEBT BY TYPE

Table C - 1
 Last Ten Fiscal Years

Fiscal Year	Governmental Activities										Business-Type Activities				Percent of Personal Income	Per Capita
	Capital Improvement Revenue Bonds (1) (2)	Capital Improvement Refunding Bonds (2)	Capital Improvement Revenue Bonds (3)	Capital Leases	General Notes	Tax Increment		Capital Improvement		Other Notes	Subtotal	Utility Revenue Bonds/Loans (4)	Capital Improvement Revenue Bonds (3)	Total Primary Government		
						Revenue	Note	Revenue	Notes							
2019	20,840,000	1,570,800	3,040,000	1,355,523	-	1,598,000	865,000	-	29,269,323	-	15,515,360	9,120,000	53,904,683	8.56%	3,611	
2018	-	1,792,300	-	1,989,037	-	1,757,000	865,000	-	6,403,337	-	14,918,591	-	21,321,928	3.62%	1,467	
2017	-	2,071,400	-	801,761	-	1,913,000	-	121,769	4,907,930	-	13,203,690	-	18,111,620	3.28%	1,256	
2016	-	2,345,100	-	-	-	2,066,000	-	243,564	4,654,664	-	13,159,409	-	17,814,073	3.39%	1,277	
2015	-	2,613,600	-	-	-	2,215,000	-	365,282	5,193,882	-	13,952,575	-	19,146,457	4.06%	1,454	
2014	-	2,876,900	-	-	-	2,362,000	-	-	5,238,900	-	14,355,000	-	19,593,900	4.35%	1,513	
2013	-	3,135,200	-	-	-	2,500,000	-	-	5,635,200	-	7,345,000	-	12,980,200	2.97%	1,023	
2012	-	3,388,600	-	-	-	-	-	-	3,388,600	-	7,875,000	-	11,263,600	2.69%	897	
2011	-	3,635,400	-	-	-	-	-	-	3,635,400	-	8,385,000	-	12,020,400	2.98%	972	
2010	3,745,000	-	-	-	-	-	-	-	3,745,000	-	8,880,000	-	12,625,000	3.51%	1,080	
2009	3,935,000	-	-	-	2,500,000	-	-	-	6,435,000	-	9,355,000	-	15,790,000	4.51%	1,423	

- (1) Fire Protection Revenue Bonds of \$21,740,000 were issued in November 2018 to finance the construction of new fire stations
 (2) 2011 Capital Improvement Refunding Bonds were issued on September 22, 2011 to refund the 2001 Series.
 (3) Capital Improvement Revenue Bonds Series 2018 were issued in November 2018 in the amount of \$12,160,000.
 The bonds are secured by all available revenues including Ad Valorem Revenues.
 The bonds were allocated between governmental activities (\$3,040,000) and business-type activities (\$9,120,000).
 (4) Additional SRF Loan proceeds of \$1,397,136 during the year

Notes: There are no legal debt limits for Florida Municipalities.
 Details regarding the City's per capita personal income can be found on Table D - 1.
 All debt is shown gross of any premiums, discounts or other adjustments
 Details regarding the City's outstanding debt can be found in the notes to the financial statements.

CITY OF MOUNT DORA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

Table C - 2
As of September 30, 2019

	<u>Debt Outstanding⁽¹⁾</u>	<u>Estimated Percentage Applicable⁽²⁾</u>	<u>Estimated Share of Overlapping Debt</u>
Taxing District			
Other Debt			
Lake County Board of County Commissioners	\$ 16,215,000	4.18%	\$ 677,787
School District of Lake County	4,571,000	4.18%	<u>191,068</u>
Subtotal - overlapping debt			868,855
City direct debt ⁽³⁾			<u>6,403,337</u>
Total Direct and Overlapping Debt			<u><u>\$ 7,272,192</u></u>

⁽¹⁾General Obligation only

⁽²⁾The estimated percentage is based on the city's population to total county population.

⁽³⁾The City has no general obligation debt. Includes Capital Leases. Utility revenue bonds are excluded.

Source: Lake County and Lake County School Board CAFR

CITY OF MOUNT DORA
PLEDGED REVENUE COVERAGE - UTILITY BONDS

Table C - 3
Utility (Water and Wastewater) Revenue Bonds
Last Ten Fiscal Years

Fiscal Year	Operating Revenue (1)	Direct Operating Expenses (2)	Net Available for Debt Service (3)	Debt Service		Coverage
				Principal	Interest	
2019	\$ 11,040,246	\$ 6,801,465	\$ 4,238,781	\$ 959,349	\$ 395,114	3.13
2018	10,540,074	5,891,634	4,648,440	776,000	189,572	4.81
2017	10,432,779	5,061,871	5,370,908	743,000	345,091	4.94
2016	9,259,375	4,785,464	4,473,911	720,000	446,328	3.84
2015	8,733,843	4,975,176	3,758,667	646,000	515,127	3.24
2014	8,138,436	4,961,871	3,176,565	550,000	266,705	3.89
2013	7,494,617	4,846,636	2,647,981	530,000	288,585	3.23
2012	6,871,827	4,426,574	2,445,253	510,000	318,191	2.95
2011	7,065,625	4,848,884	2,216,741	495,000	327,664	2.69
2010	6,152,268	4,317,404	1,834,864	475,000	348,208	2.23

(1) Operating Revenue includes investment earnings and other miscellaneous income.

(2) Direct Operating Expenses exclude depreciation and amortization.

(3) A large portion of Water and Wastewater Impact Fees may be used to pay debt service.
Impact fee funds are not included in the Net Available for Debt Service figure.

CITY OF MOUNT DORA
PLEDGED REVENUE COVERAGE - CAPITAL IMPROVEMENT BONDS

Table C - 4

Capital Improvement Revenue Bonds (1)
Last Ten Fiscal Years

Fiscal Year	Fire Assessments (1)	Utility Taxes	Telecommunication Taxes	Investment Earnings (3)	Available for Debt Service	Debt Service (1)(2)		Coverage
						Principal	Interest	
2019	\$ 1,952,675	\$ 1,586,210	\$ 494,869	\$ 49,951	\$ 4,083,705	\$ 1,184,500	\$ 378,188	2.61
2018	-	1,457,012	509,440	18,520	1,984,972	279,100	40,170	6.22
2017	-	1,451,627	580,741	2,556	2,034,924	273,700	45,671	6.37
2016	-	1,415,482	565,519	2,362	1,983,363	268,500	50,937	6.21
2015	-	1,333,916	584,526	2,084	1,920,526	263,000	56,030	6.02
2014	-	1,297,378	604,939	1,675	1,903,992	258,300	61,136	5.96
2013	-	1,237,566	629,995	(1,658)	1,865,903	253,400	66,235	5.84
2012	-	1,233,933	586,993	432	1,821,358	246,800	72,859	5.70
2011	-	1,327,594	530,247	5,088	1,862,929	195,000	181,198	4.95
2010	-	1,334,238	539,424	8,591	1,882,253	190,000	189,035	4.97

(1) The 2001 Capital Improvement Bonds were refunded on September 22, 2011 by the issuance of the Capital Improvement Revenue Refunding Bonds, Series 2011. The City issued Fire Assessment Capital Improvement Revenue Bonds, Series 2018 in November 2018.

(2) The City issued Capital Improvement Revenue Bonds, Series 2018 (non-Fire Assessment) which are secured by pledges of all available revenues. These are considered general obligation bonds and are not included on this schedule

(3) Investment Earnings (Losses) on funds in the Pledged Revenue Fund.

**CITY OF MOUNT DORA
DEMOGRAPHIC AND ECONOMIC STATISTICS**

Table D - 1
Last Ten Calendar Years

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	Personal Income Inc. (Dec.)	Unemployment Rate (4)
2019	14,928	\$ 629,812,320	\$ 42,190	4.07%	2.8%
2018	14,536	589,303,976	40,541	5.95%	2.9%
2017	14,421	551,833,986	38,266	1.51%	3.4%
2016	13,949	525,849,402	37,698	5.34%	4.8%
2015	13,167	471,194,262	35,786	2.89%	5.1%
2014	12,949	450,392,118	34,782	0.99%	6.3%
2013	12,693	437,172,306	34,442	3.13%	6.9%
2012	12,557	419,378,686	33,398	2.41%	8.9%
2011	12,370	403,410,440	32,612	5.93%	11.2%
2010	11,687	359,784,295	30,785	-2.33%	12.3%

- (1) Bureau of Business and Economic Research, University of Florida.
- (2) The actual per capita personal income for the City is not known. The County's per capita figures are multiplied by the population to determine the total personal income for the City.
- (3) Lake County Office of Economic & Demographic Research
- (4) Per Metro Orlando EDC for Lake County, Florida.
Per September 2018 data

**CITY OF MOUNT DORA
PRINCIPAL EMPLOYERS**

Table D - 2
Latest Year and Ten Years Ago

Employer	2019		
	Number of Employees	Rank	Percent of Total County Employment
Lake County Public Schools	5,838	1	3.71%
Lake County Government	2,059	3	1.31%
Florida Hospital Waterman	1,759	3	1.12%
Central Florida Health	1,700	4	1.08%
Orlando Health South Lake Hospital (1)	1,500	5	0.95%
Leesburg Regional Medical Center	1,484	5	0.94%
Golf Management Solutions	900	7	0.57%
Elite Line Services LLC	785	8	0.50%
Club Exploria LLC	780	9	0.50%
Raney Construction, Inc.	507	10	0.32%

Employer	2010		
	Number of Employees	Rank	Percent of Total County Employment
Lake County Public Schools	5,614	1	4.66%
Lake County Government	1,887	2	1.57%
Central Florida Health	1,900	4	1.58%
Orlando Health South Lake Hospital (1)	595	5	0.49%
Leesburg Regional Medical Center	2,355	3	1.96%
Publix Super Markets, Inc.	1,404	6	1.17%
Villages of Lake-Sumter, Inc.	1,346	7	1.12%
Walmart Stores, Inc.	950	8	0.79%
Winn-Dixie Stores, Inc.	800	9	0.66%
Lester Coggins Trucking, Inc.	550	10	0.46%

Source: 2019 Lake County , FL Comprehensive Annual Financial Report

Note: Figures are for the entire Lake County and not just for the City.

CITY OF MOUNT DORA
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION / PROGRAM

Table E - 1, Part 1
Last Five Fiscal Years

	Fiscal Year				
	2019	2018	2017	2016	2015
General Government					
Administration	8.44	8.25	7.50	7.40	7.25
Finance	23.90	24.50	22.70	21.77	19.17
Planning	4.12	4.12	3.12	3.12	3.26
Building Maintenance	6.00	12.40	11.40	9.10	9.10
Facility Care	5.70	8.15	0.00	0.00	0.00
Public Safety					
Police	53.50	49.58	44.01	44.01	42.72
Police Communications	9.45	9.40	8.88	8.88	8.88
Fire	40.80	28.80	26.40	25.40	25.25
Physical Environment					
Electric	12.22	11.73	11.03	11.35	11.30
Water / Wastewater	33.51	30.17	30.17	29.15	31.10
Sanitation	1.38	1.23	1.23	1.25	1.20
Stormwater	6.08	3.53	3.53	3.15	3.15
Cemetery	2.25	2.35	1.85	1.85	1.85
Transportation					
Roads and Streets	9.23	8.10	8.15	8.18	8.00
Engineering	1.13	0.55	0.90	0.93	0.90
Economic Development					
Economic Development	1.00	0.00	0.00	0.00	0.00
Culture and Recreation					
Library Services	13.00	10.92	9.92	9.84	9.84
Recreation	7.75	8.62	7.70	7.70	7.03
Parks Maintenance	7.20	7.45	6.75	6.75	6.75
Other					
CRA	4.90	4.78	4.20	3.55	3.55
NECRA	2.10	2.10	1.95	1.95	1.95
Protective Inspections	7.38	6.30	4.23	4.23	4.24
Motorpool	0.00	0.00	0.00	0.00	0.35
Total	<u>261.04</u>	<u>243.03</u>	<u>215.62</u>	<u>209.55</u>	<u>206.84</u>

Source: City Finance Department - Annual Budget 18-19

Note: Police Officers and Firefighters shown as 1 FTE even though they work in excess of 2,080 hours per year.

CITY OF MOUNT DORA
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION / PROGRAM

Table E - 1, Part 2
Previous Five Fiscal Years

	Fiscal Year				
	2014	2013	2012	2011	2010
General Government					
Administration	7.10	7.10	5.50	5.50	5.50
Finance	18.80	18.80	18.60	18.60	18.80
Planning	3.26	3.26	3.26	3.26	3.26
Building Maintenance	8.30	8.30	7.70	7.20	9.20
Public Safety					
Police	40.46	40.46	41.46	42.46	42.46
Police Communications	8.63	8.63	8.63	8.63	8.63
Fire	25.25	25.25	25.00	25.00	25.00
Physical Environment					
Electric	11.00	11.05	11.05	11.05	11.05
Water / Wastewater	32.20	31.53	30.30	30.20	29.42
Sanitation	1.23	1.28	1.25	1.25	1.25
Stormwater	4.15	4.15	4.00	3.80	2.80
Cemetery	1.85	1.85	1.85	2.35	2.35
Transportation					
Roads and Streets	8.20	8.75	8.55	8.55	9.55
Engineering	0.85	0.85	0.85	1.15	1.15
Culture and Recreation					
Library Services	9.35	9.35	9.35	9.35	9.13
Recreation	6.36	6.56	5.36	6.26	6.51
Parks Maintenance	7.25	7.25	7.25	7.25	6.25
Other					
CRA	4.00	4.00	4.00	4.00	4.00
NECRA	1.50	1.50	1.50	1.50	1.50
Protective Inspections	4.84	5.24	5.24	7.24	7.24
Motorpool	0.85	1.56	1.56	1.56	1.56
Total	<u>205.43</u>	<u>206.72</u>	<u>202.26</u>	<u>206.16</u>	<u>206.61</u>

Source: City Finance Department - Annual Budget

Note: Police Officers and Firefighters shown as 1 FTE even though they work in excess of 2,080 hours per year.

CITY OF MOUNT DORA
CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM
Table E -2

	Fiscal year				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Schools *					
Elementary	2	2	2	2	2
Junior/Senior High	1	1	1	1	1
Fire					
Stations	2	2	2	2	2
Firefighters	35	23	22	21	21
Response Vehicles	4	4	4	4	4
Parks and Recreation					
Park Acreage	216	216	216	216	216
Sports Fields & Courts Operated	16	16	16	16	16
City Facilities Operated	40	40	40	40	40
Police					
Stations	1	1	1	1	1
Officers **	38	38	35	35	34
Patrol Vehicles	38	38	40	38	35

	Fiscal year				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Schools *					
Elementary	2	2	2	2	2
Junior/Senior High	1	1	1	1	1
Fire					
Stations	2	2	2	2	2
Firefighters	21	22	21	21	21
Response Vehicles	4	4	4	4	5
Parks and Recreation					
Park Acreage	216	216	216	216	216
Sports Fields & Courts Operated	16	16	16	16	16
City Facilities Operated	40	40	40	40	40
Police					
Stations	1	1	1	1	1
Officers **	32	32	32	33	33
Patrol Vehicles	33	34	34	35	35

* Public schools owned and operated by Lake County School Board
** Sworn officers

Information is from Lake County and City Budget

CITY OF MOUNT DORA
OPERATING INDICATORS BY FUNCTION / PROGRAM

		Table E - 3 For Fiscal Years Ending September 30,				
		2019	2018	2017	2016	2015
Water/Wastewater System						
Number of Water Accounts		9,216	9,401	9,191	9,388	8,776
Average Daily Consumption (in Gallons*)		2,481,822	2,292,418	3,085	3,244	3,144
Number of Wastewater Accounts		7,189	6,869	6,652	6,831	6,304
Average Daily Consumption (in Gallons*)		1,695,537	1,778,062	2,332	2,320	2,150
Number of Reclaimed Water Accounts		1,776	1,638	1,562	1,437	1,336
Average Daily Consumption (in Gallons*)		1,606,730	1,516,003	1,980	1,846	1,692
Electric						
Energy Purchased (kWh)		94,100,629	92,214,603	89,968,777	94,373,633	92,269,405
Annual Peak Demand (kW)		23,016	23,079	22,199	23,284	22,174
Avg. Number of Accounts - Total		5,882	5,890	5,851	5,823	5,759
Energy Sales (kWh) - Total		91,242,633	88,640,204	86,948,531	90,205,112	87,912,404
Avg. Monthly Non-demand Consumption (kWh)		1,158	1,015	1,026	1,140	3,102
Planning						
Total Building permits issued		1,452	1,522	1,230	1,262	1,147
Total Value of Construction (Thousands)	\$	62,883	\$ 43,662	\$ 69,665	\$ 36,204	\$ 33,960
Number Planning Docket Items		44	60	37	22	24
Historic Preservation						
Number Historic properties reviewed		51	88	47	32	30
Cost of Improvements made to:						
Historic Commercial Properties	\$	848,309	\$ 386,744	\$ 181,227	\$ 210,218	\$ 192,110
Historic Residential Properties	\$	1,123,147	\$ 623,758	\$ 224,232	\$ 162,100	\$ 165,800
Police						
Physical Arrests (Excl. DUI / DWI)		631	297	645	622	510
Warrant Arrests		21	121	0	0	0
Filed with SAO		90	52	0	0	0
DUI / DWI Arrests		16	18	22	43	17
Emergency Calls		3,254	4,922	4,692	4,128	4,379
Incident Reports		2,136	2,413	2,832	2,692	2,466
Traffic Stops		9,610	9,298	9,649	8,713	8,700
Traffic Tickets		900	1,086	1,656	2,131	2,103
Accident (Crash) Reports		1,103	1,099	1,079	863	570
Fire						
Fire/Rescue Calls		5,306	4,648	7,381	3,492	3,489
Total Number of Inspections		2,063	1,418	1,312	1,811	1,796
Total Number of Building Fire Calls		102	79	96	20	12
Parks and Recreation						
Recreation Programs		101	73	34	32	36
Program Attendance		4,306	4,306	17,877	17,556	16,109
Aquatic Programs		67	29	26	296	289
Aquatic Program Attendance**		6,281	4,582	455	6,987	6,052
**Please note 2018 numbers may have changed drastically due to more accurate way of tracking participation.						
Library						
Registered Borrowers		12,571	15,872	13,855	13,874	12,403
Volumes in Collection		72,436	76,015	78,360	84,305	84,647
Total Annual Circulation		268,306	223,593	199,856	227,095	235,598
Library Visits		315,256	301,585	273,038	329,411	329,614

Information is from the City's internal information

*Water/Wastewater consumption measured in gallons starting FY17-18

CITY OF MOUNT DORA
OPERATING INDICATORS BY FUNCTION / PROGRAM

Table E - 3

	For Fiscal Years Ending September 30,				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Water/Waterwater System					
Number of Water Accounts	8,652	8,369	8,142	8,019	7,935
Average Daily Consumption (in Hcf)	3,242	3,152	3,291	3,850	3,478
Number of Wastewater Accounts	6,154	5,901	5,709	5,537	5,441
Average Daily Consumption (in Hcf)	1,919	1,859	1,866	1,855	1,746
Number of Reclaimed Water Accounts	1,274	1,142	1,425	N/A	N/A
Average Daily Consumption (in Hcf)	1,625	1,527	1,022	N/A	N/A
Electric					
Energy Purchased (kWh)	90,977,383	88,435,395	88,072,494	94,304,554	98,575,322
Annual Peak Demand (kW)	21,765	21,783	20,712	22,987	24,859
Avg. Number of Accounts - Total	5,721	5,706	5,691	5,691	5,685
Energy Sales (kWh) - Total	88,296,418	84,496,597	84,364,970	89,857,216	94,648,835
Average Monthly Consumption (kWh)	2,769	2,650	2,963	2,845	3,000
Planning					
Total Building permits issued	969	956	861	786	951
Total Value of Construction (Thousands)	\$ 34,474	\$ 32,875	\$ 15,182	\$ 25,197	\$ 35,123
Number Planning Docket Items	17	28	29	30	29
Historic Preservation					
Number Historic properties reviewed	19	14	13	11	11
Cost of Improvements made to:					
Historic Commercial Properties	\$ 124,950	\$ 95,862	\$ 68,423	\$ 103,000	\$ 68,720
Historic Residential Properties	\$ 408,925	\$ 148,048	\$ 401,565	\$ 93,175	\$ 342,409
Police					
Physical Arrests (Excl. DUI / DWI)	521	546	1,064	609	660
DUI / DWI Arrests	54	56	60	51	64
Emergency Calls	4,373	4,251	5,336	7,478	5,956
Incident Reports	1,809	1,916	2,128	2,076	2,170
Traffic Stops	6,998	4,790	4,782	5,340	9,750
Traffic Tickets	3,720	2,886	2,930	2,911	2,681
Accident Reports	743	510	494	505	523
Fire					
Fire/Rescue Calls	3,579	3,358	3,339	3,440	3,034
Total Number of Inspections	1,118	757	1,049	836	691
Total Number of Building Fire Calls	19	13	14	6	7
Parks and recreation					
Recreation Programs	27	26	22	20	20
Program Attendance	15,231	14,787	8,807	8,508	8,531
Aquatic Programs	273	0	0	0	0
Aquatic Programs Attendance	5,967	0	0	0	0
Library					
Registered Borrowers	10,100	17,609	17,601	18,351	18,374
Volumes in Collection	84,464	85,360	83,839	84,907	81,025
Total Annual Circulation	238,496	250,597	2,225,068	286,672	318,903
Library Visits	326,693	251,080	227,246	286,413	327,774

Information is from City internal information

**ADDITIONAL ELEMENTS OF REPORT PREPARED IN
ACCORDANCE WITH THE PROVISIONS OF *GOVERNMENT
AUDITING STANDARDS, UNIFORM GUIDANCE, AND THE
RULES OF THE AUDITOR GENERAL, STATE OF FLORIDA***

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2019
CITY OF MOUNT DORA, FLORIDA**

	<u>Grant/Contract Number</u>	<u>CFDA/ CSFA Number</u>	<u>Expenses</u>
<u>Federal Awards</u>			
U.S. Department of Housing and Urban Development			
Passed Through Florida Department Economic Opportunity Community Development Block Grant(CDGB)	17DB-OL-06-45-02-N15	14.228	\$ 711,775
Total U.S. Department of Housing and Urban Development			<u>711,775</u>
U.S. Department of Homeland Security			
Passed Through Federal Emergency Management Agency (FEMA)			
Hurricane Irma			
Project 1531 - Dogwood Mountain Reserve	F#1531	97.036	1,229,872
Project 8259 - Debris	F#1318	97.036	279,051
Project 1187 - Debris	F#1187	97.036	142,633
Project 2206 - Emergency Protective Measures	F#2206	97.036	298,109
Subtotal - 97.036			<u>1,949,665</u>
Direct:			
Staffing for Adequate Fire and Emergency Response	EMW-2017-FH-00518	97.083	458,735
Total U.S. Department of Homeland Security			<u>2,408,400</u>
Total Expenditures of Federal Awards			<u><u>3,120,175</u></u>
<u>State Financial Assistance</u>			
Florida Department of Environmental Protection			
Small Community Wastewater Treatment Grants	SG039	37.075	90,975
Clean Water State Revolving Fund Construction Loan Agreement	WW351490	37.076	1,817,930
Passed through from St Johns River Water Management District:			
Florida Springs Grant Program		37.052	249,922
Total Florida Department of Environmental Protection			<u>2,158,827</u>
Florida Department of Transportation			
Economic Development Transportation Fund			<u>2,166</u>
Total Expenditures of State Financial Assistance			<u><u>2,160,993</u></u>
Total Expenditures of Federal Awards and State Financial Assistance			<u><u>\$ 5,281,168</u></u>

**CITY OF MOUNT DORA, FLORIDA
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance includes the state award activity of the City of Mount Dora, Florida, and is presented on the modified accrual basis of accounting.

During the year ended September 30, 2019, FEMA approved approximately \$1,949,665 of eligible expenditures that were incurred in a prior year and are included in the accompanying schedule of expenditures of federal awards and state financial assistance

The City did not elect to use the 10% de minimis indirect cost rate in Section 200.44, Indirect (F&A) Costs, of the Uniform Guidance.

**CITY OF MOUNT DORA, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL AWARDS AND STATE PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Summary of Auditor's Results

1. The independent auditor's report expresses an unmodified opinion on the financial statements of the City of Mount Dora, Florida (the City).
2. A material weakness was identified during the audit of the financial statements as reported in the 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*.
3. There were no instances of non-compliance identified during the audit of the financial statements reported in the 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*.
4. The audit disclosed a significant deficiency in internal control over major federal programs or state projects as reported in the report on compliance for each major federal program and state project and report on internal control over compliance required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*.
5. The report on compliance for the major federal programs and state projects expresses an unmodified opinion.
6. The audit disclosed no findings that are required to be reported in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*.
7. The programs tested as major federal program and state financial assistance projects included:

Federal Programs	<u>CFDA No.</u>
Disaster Grant – Public Assistance – FEMA	97.036
State Projects	<u>CSFA No.</u>
Clean Water State Revolving Fund Construction Loan	37.076

8. The threshold for distinguishing Type A and B programs was \$750,000 for federal programs and \$647,648 for state projects.
9. The City did not qualify as a low risk auditee for federal grant programs.

Findings and Questioned Costs for Major Federal Programs and State Projects

The audit disclosed no findings for major federal programs and state projects to be reported under the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*.

**CITY OF MOUNT DORA, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2019**

Status of Prior Audit Findings

There were no prior year findings required to be reported in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*.

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE
AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Honorable Mayor and Members of the City Council
City of Mount Dora, Florida
Mount Dora, Florida

Report on Compliance for Each Major Federal Award and State Project

We have audited the City of Mount Dora, Florida's (the City's) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs and state projects for the year ended September 30, 2019. The City's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the Federal and State statutes, regulations, and the terms and conditions of its Federal awards and State projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major Federal programs and State projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, *Rules of the Auditor General*. Those standards, the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program or State project occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program and State project. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal program and State projects for the year ended September 30, 2019.

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Honorable Mayor and Members of the City Council
City of Mount Dora, Florida
Mount Dora, Florida

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE
AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program or State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and State project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a Federal program or State project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a Federal program or State project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a deficiency in internal control over compliance, described below as item 2019-01 that we consider to be a significant deficiency.

2019-01 – Preparation of the Schedule of Expenditures of Federal Awards and State Financial Assistance

Condition—As noted in the Uniform Guidance, Section 200.5109(b) the auditee must prepare a schedule of Federal Awards for the period covered by the auditee's financial statements which must include the total Federal Awards expended as determined in accordance with Section 200.502. During the review of the SEFASFA, we noted material differences between the City's provided numbers and the appropriate amounts to be reported on the SEFASFA. We noted an additional \$1,049,962 (CFDA 97.036) and \$109,636 (97.083) of expenditures that were required to be reported on the schedule. We also noted three projects with a total amount of \$140,921 (CFDA 97.036) which were obligated in the prior year and should have not been included on the current year SEFASFA.

Honorable Mayor and Members of the City Council
City of Mount Dora, Florida
Mount Dora, Florida

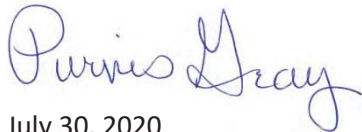
**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE
AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Effect—The auditee is responsible for the accuracy of the SEFASFA. If we had not identified the errors, the SEFASFA submitted would not have been accurately presented in accordance with the Uniform Guidance.

Recommendation—We recommend that management reviews their policies and procedures over the preparation of the SEFASFA and adjust accordingly. See management’s response and corrective action plan on page 138.

Purpose

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Purvis Gray". The signature is written in a cursive style with a large, looped "P" and a long, sweeping "G".

July 30, 2020
Gainesville, Florida

Management's Response and Corrective Plan for Single Audit Finding

RE: 2019-01 – Preparation of the Schedule of Expenditures of Federal Awards and State Financial Assistance

Response – The City does not dispute the fact there may have been “reconciling differences” between the initial and final versions of the Schedule of Expenditures of Federal Awards and State Financial Assistance (SEFASFA), nevertheless, the final version which appears in this audit report is materially accurate. It appears as though, in part possibly as a result of government guidance relative to when revenues are to be included on the SEFASFA, that “timing” differences occurred for each of the three items referenced by our auditors (two of which were for the same CFDA Number).

CFDA (Catalog of Federal Domestic Assistance) Number 97.036 refers to “Disaster Grants - Public Assistance (Presidentially Declared Disasters)”, which is funding provided by the Federal Emergency Management Agency. Since this CFDA Number was referenced twice, a brief discussion of each instance is in order:

- A. Regarding the \$1,049,962 that was “required to be reported on the schedule”, this item apparently pertains to the reimbursement for stormwater improvements in the Dogwood Mountain Reserve Subdivision. The amount obligated for this project was ultimately \$1,298,198.50, but there was some question about when we would be receiving the funding (we still have not received anything 10 months after fiscal year end) and the amount to be received (as evidenced by the differences above). This item was discussed with the auditors both during and after their audit fieldwork and it wasn't until several months after fiscal year 2018-19 end that the decision was made to “recognize” \$1,298,198.50 as revenue (and presumably add the item to the SEFASFA).
- B. The \$140,921 noted by our auditors as having been “obligated in the prior year and should have not been included on the current year SEFASFA”, this apparently relates to reimbursement to the City for costs associated with Hurricane Irma (on September 11, 2017). While it is regrettable that this amount was erroneously included on our 2018-19 SEFASFA, it should be noted that the amounts in question were not received by the City until October 3, 2019 (in fiscal year 2019-20).

CFDA (Catalog of Federal Domestic Assistance) Number 97.083 refers to the “Staffing for Adequate Fire and Emergency Response (SAFER) Act. The City received SAFER Act funding, beginning in fiscal year 2017-18 for the purpose of providing increased firefighter staffing. The “reconciling differences” referenced in the “Condition” above appeared to have occurred because funding (\$140,921) obligated in a prior year but perhaps not received until the year being audited (fiscal year 2018-19) was included in the SEFASFA in the year it was received.

In each of the three instances noted by our auditors, it appears there were “reconciling differences” between the fiscal period in which the revenues (and associated expenditures) were recognized for financial reporting purposes in accordance generally accepted accounting principles and the fiscal period in which, pursuant to government guidance, the funding was required to be included on the SEFASFA.

In the future, it is hoped that if there is a “reconciling difference” as described above, our auditors would work with City Staff to resolve those differences before they rise to the point of being a reportable condition. It is called a “single audit” for a reason (because it is performed by auditors who are no doubt much better versed on what needs to be included in the SEFASFA). The circumstances enumerated in the condition above, while possibly accurate from the standpoint of governmental regulations, are not

necessarily “intuitive” from a financial accounting standpoint. In this case, guidance from the auditors during the process would have been much more effective than a “recommendation” (to which we now must respond) afterwards.

So, as to our auditor’s recommendation that “management reviews their policies and procedures over the preparation of the SEFASFA and adjust accordingly”, the City will engage in this review of policies and procedures, hopefully in consultation and communication with our auditors.

For additional questions or to seek any further information concerning this response, please contact:

John McKinney
Finance Director
City of Mount Dora
510 North Baker Street
Mount Dora, Florida 32757

Telephone Number: (352)735-7118
Facsimile Number: (352)735-1406

**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
Members of the City Council
City of Mount Dora, Florida
Mount Dora, Florida

We have audited, in accordance with the 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 Mount Dora, Florida (the City) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report there on dated July 30, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2017-03 that we consider to be a material weakness.

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City of Mount Dora, Florida
Mount Dora, Florida

**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**

2017-03 – Financial Close and Reporting

Condition—During our audit, we identified several areas that required material adjusting journal entries including a correction to the accrued payroll of approximately \$300,000, an unrecorded payable for \$464,000, and the recording of capital leases of approximately \$1.1 million. In addition, we noted numerous other clean up type entries of smaller amounts.

Criteria—The City should have sufficient processes and procedures in place and operating effectively to provide reasonable assurance the City's accounting records are complete and accurate prior to commencement of the annual audit.

Effect—The lack of an effective financial close and reporting process increases the risk that material misstatements will not be detected in a timely manner. It also results in delays in performing and completing the audit.

Recommendation—We recommend management review the financial reporting and closing process and sufficiency of staffing in the finance function.

2019 Update—At the commencement of final fieldwork, we noted that the working trial balance had significant areas still needing the required year-end closing entries. This resulted in a delay of the completion of the audit. In addition, we noted several material audit adjustments including adjustments of \$150,000 and \$300,000 to correct cash and investment earnings in the Fire and Police pension funds due to an accounting error. We recommend that the City continue to improve upon the financial close and reporting and audit preparedness processes.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grant agreements, and contracts, non-compliance 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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the City in a separate letter dated July 30, 2020.

City of Mt. Dora, Florida's Response to Findings

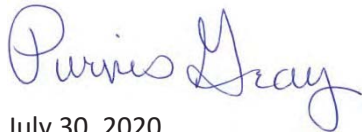
The City's response to the findings identified in our audit is described in the accompanying management response letter. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Honorable Mayor and
Members of the City Council
City of Mount Dora, Florida
Mount Dora, Florida

**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***

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.

A handwritten signature in blue ink that reads "Purvis Gray". The signature is written in a cursive, flowing style.

July 30, 2020
Gainesville, Florida

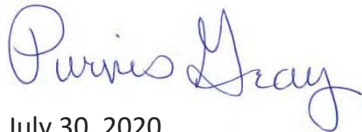
**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES**

Honorable Mayor and
Members of the City Council
City of Mount Dora, Florida
Mount Dora, Florida

We have examined the City of Mount Dora, Florida's (the City) compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2019. 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, 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, the City complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2019.



July 30, 2020
Gainesville, Florida

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**CITY OF
MOUNT
DORA**

OFFICE OF THE CITY MANAGER

City Hall
510 N. Baker St.
Mount Dora, FL 32757

Office of the City Manager
352-735-7126
Fax: 352-735-4801

Finance Department
352-735-7118
Fax: 352-735-1406

Human Resources
352-735-7106
Fax: 352-735-9457

Planning and Development
352-735-7112
Fax: 352-735-7191

City Hall Annex
900 N. Donnelly St.
Mount Dora, FL 32757

Parks and Recreation
352-735-7183
Fax: 352-735-3681

Public Safety Complex
1300 N. Donnelly St.
Mount Dora, FL 32757

Police Department
352-735-7130
Fax: 352-383-4623

Fire Department
352-735-7140
Fax: 352-383-0881

Public Works Complex
1250 N. Highland St.
Mount Dora, FL 32757
352-735-7151
Alt. Tel: 352-735-7105
Fax: 352-735-1539
Alt. Fax: 352-735-2892

W. T. Bland Public Library
1995 N. Donnelly St.
Mount Dora, FL 32757
352-735-7180
Fax: 352-735-0074

Website:
www.cityofmoundora.com

July 30, 2020

The City of Mount Dora, Florida has complied with Section 163.31801 of Florida Statutes regarding accounting and reporting of impact fee collections and expenditures.

Robin R. Hayes
City Manager

Jonathan C. McKinney
Finance Director

**STATE OF FLORIDA
COUNTY OF LAKE**

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Robin R. Hayes and Jonathan C. McKinney, whom I know personally and whom executed the foregoing instrument and acknowledged before me that they executed the same.

WITNESS my hand and official seal in the County and State last aforesaid this 30th day of July 30, 2020



(Seal/Stamp)
(Commission Expiration Date)

Notary Public
State of Florida at Large

MANAGEMENT LETTER

Honorable Mayor and
Members of the City Council
City of Mount Dora, Florida
Mount Dora, Florida

Report on the Financial Statements

We have audited the basic financial statements of the City of Mount Dora, Florida (the City) as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated July 30, 2020.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; 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 also issued our 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*; Independent Auditor's Report on Compliance for Each State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs, and our Independent Accountant'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 July 30, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. The prior year findings and recommendations have been carried forward as findings 2017-03 (reported as a material weakness in the report on internal control over financial reporting and compliance), and 2017-05 (reported below).

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. The legal authority is disclosed in the notes to the financial statements.

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando

purvisgray.com

*Members of American and Florida Institutes of Certified Public Accountants
An Independent Member of the BDO Alliance USA.*

Honorable Mayor and
Members of the City Council
City of Mount Dora, Florida
Mount Dora, Florida

MANAGEMENT LETTER

Financial Condition and Management

Sections 10.554(1)(i)5.a., and 10.556(7), *Rules of the Auditor General*, require that we report the results of our determination as to whether or not the City 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 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. It is management's responsibility to monitor the City'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 recommendations:

2017-05 – Physical Inventory

Condition—During our testing we noted that the electric, water/sewer, and general government inventory reports provided did not materially agree to the City's general ledger. After further investigation, the City determined that a large portion of the difference was due to an error in the software that provides the inventory reports. Management contacted their software vendor and was able to obtain an inventory report that was within a reasonable amount.

Recommendation—We recommend that the City perform and properly document a physical inventory count as of each year ending September 30. In addition, we recommend that the City's finance department periodically reviews and reconciles the inventory reports to the general ledger in order to catch any discrepancies in a timely manner.

2019 Update—The City has made progress in monitoring and reconciling the inventory system to the general ledger; however, the original differences remain. We recommend that the City continues to investigate these differences and make the required adjustments in order for the inventory system and general ledger to be in agreement.

Annual Financial Report

Sections 10.554(1)(i)5.b., and 10.556(7), *Rules of the Auditor General*, require that we report the results of our determination as to whether the annual financial report for the City for the fiscal year ended September 30, 2019, filed with the Florida Department of Financial Services, pursuant to Section 218.32(1)(1), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2019. In connection with our audit, we determined that these two reports were in agreement.

Honorable Mayor and
Members of the City Council
City of Mount Dora, Florida
Mount Dora, Florida

MANAGEMENT LETTER

Special District Component Units

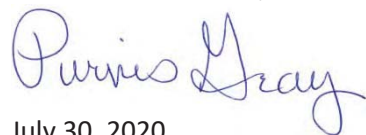
Section 10.554(1)(i)5.d, *Rules of the Auditor General*, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Other Matters

Section 10.554(1)(i)3, *Rules of the Auditor General*, requires that we address non-compliance 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 statement 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 Mayor, City Council, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.



July 30, 2020
Gainesville, Florida



CITY OF MOUNT DORA

OFFICE OF THE CITY MANAGER

City Hall
510 N. Baker St.
Mount Dora, FL 32757

Office of the City Manager
352-735-7126
Fax: 352-383-4801

Customer Service
352-735-7105
Fax: 352-735-2892

Finance Department
352-735-7118
Fax: 352-735-1406

Human Resources
352-735-7106
Fax: 352-735-9457

Planning and Development
352-735-7112
Fax: 352-735-7191

City Hall Annex
900 N. Donnelly St.
Mount Dora, FL 32757

Parks and Recreation
352-735-7183
Fax: 352-735-3681

Public Safety Complex
1300 N. Donnelly St.
Mount Dora, FL 32757

Police Department
352-735-7130
Fax: 352-383-4623

Fire Department
352-735-7140
Fax: 352-383-0881

Public Works Complex
1250 N. Highland St.
Mount Dora, FL 32757
352-735-7151
Fax: 352-735-1539

W. T. Bland Public Library
1995 N. Donnelly St.
Mount Dora, FL 32757
352-735-7180
Fax: 352-735-0074

Website:
www.cityofmountdora.com

July 28, 2020

Ms. Sherill F. Norman, CPA
Auditor General
State of Florida
Post Office Box 1735
Tallahassee, Florida 32302

Dear Ms. Norman:

Thank you for the opportunity to respond to the recommendations made by our independent auditors, Purvis Gray & Company, in connection with their audit of the City of Mount Dora for the fiscal year ending September 30, 2018. This response is offered pursuant to the provisions of Section 218.39(6), Florida Statutes which provide for "The officer's written statement of explanation or rebuttal concerning the auditor's findings, including corrective action to be taken". In order to make the process more efficient, I will begin by restating the recommendation in full, followed by our response.

Audit Report Finding Number 2017 – 03, Financial Close and Reporting

Condition—During our audit, we identified several areas that required material adjusting journal entries including a correction to the accrued payroll of approximately \$300,000, an unrecorded payable for \$464,000, and the recording of capital leases of approximately \$1.1 million. In addition, we noted numerous other clean up type entries of smaller amounts.

Criteria – The City should have sufficient processes and procedures in place and operating effectively to provide reasonable assurance the City's accounting records are complete and accurate prior to commencement of the annual audit.

Effect – The lack of an effective financial close and reporting process increases the risk that material misstatements will not be detected in a timely manner. It also results in delays in performing and completing the audit.

Recommendation – We recommend management review the financial reporting and closing process and sufficiency of staffing in the finance function.

2019 Update—At the commencement of final fieldwork, we noted that the working trial balance had significant areas still needing the required year-end closing entries. This resulted in a delay of the completion of the audit. In addition, we noted several

material audit adjustments including adjustments of \$150,000 and \$300,000 to correct cash and investment earnings in the Fire and Police pension funds due to an accounting error. We recommend that the City continue to improve upon the financial close and reporting and audit preparedness processes.

Response to 2017-03: The “Condition” underpinning our auditor’s recommendation on this item references “material adjusting journal entries including a correction to the accrued payroll of approximately \$300,000, an unrecorded payable for \$464,000, and the recording of capital leases of approximately \$1.1 million.” It must be noted that the entry for the accrued payroll entry of approximately \$300,000 was for the pay period ending October 1, 2017. The accrual entry in that instance was incorrectly applied by recording 13 of the 14 days in that pay period in fiscal year 2017-18 and one day in fiscal year 2016-17. In actuality, the reverse should have occurred. Regarding the “unrecorded payable for \$464,000”, that item related to a payment to Carr & Collier, Inc. in the amount of \$464,547.97 which occurred on October 13, 2017 (City of Mount Dora Check Number 2288) for utility construction work performed on the SR 46 Utility Extension. This amount should have been accrued in fiscal year 2016-17, but was originally recorded as an increase to capital assets in the water and wastewater fund in fiscal year 2017-18. The correcting entries simply recorded a liability in fiscal year 2016-17 with an offsetting increase to the capital asset in fiscal year 2016-17. The “material audit adjustments including adjustments of \$150,000 and \$300,000 to correct cash and investment earnings in the Fire and Police pension funds” referenced in the 2019 Update above were transactions occurring on July 18, 2019 for \$300,000 in the police officers pension plan and on July 1, 2019 for \$150,000 in the firefighter’s pension plan. The transactions indicated that they were “wire paid to Trust Wire Clearing for investment in the fixed income fund”. We do not “control” the “cash accounts” used for these pension funds. Based on this description, the “error” that was made is certainly understandable. Nevertheless, when our auditors were in our offices for their “final fieldwork” in late January of 2020, they questioned these transactions. On January 23, 2020, we were asked about the two transactions in question. On January 24, 2020, correcting journal entries were prepared and entered concerning those two amounts. Because of concern that the pension fund actuaries were preparing their analysis based on inaccurate information (because of these two entries), we reached out to them and had them review these two items in the context of the impact on the required funding level. Our staff is certainly not infallible, but in this instance an error of omission occurred. But, it was our belief that once advised, we did everything possible to reduce the impact on the City. Additionally, there is no doubt that City staff has been hard pressed to be prepared for completion of the audit process. Nevertheless, I believe that the level of effort and completeness exhibited by our Finance Staff has been exemplary and has improved considerably over the last three audits. I also believe that we will never achieve a 100% error free environment and that is one of the “checks and balances” provided by the external audit process. However, by repeating this same “condition” over the past three audits, I don’t believe our auditors have properly compensated the City for the improvements which have occurred over this period. Nonetheless, regarding our auditors’ recommendation relative to the “sufficiency of staffing in the finance function”, as in all governments, the “reallocation” of resources is a difficult discussion which cannot take place in a vacuum. The staffing in the Finance Department while inexperienced, have certainly exhibited a willingness to learn. All of the items reported in the condition statement should be

cured as a more seasoned finance “team” develops and as our auditors are aware, the Finance Director’s position was filled (again) subsequent to fiscal year end (in February of 2020) and the interim finance director has agreed to stay on (again) in order to insure a “seamless transition”.

Audit Report Finding Number 2017 – 05, Physical Inventory

Condition – During our testing we noted that the electric, water/sewer, and general government inventory reports provided did not materially agree to the City’s general ledger. After further investigation, the City determined that a large portion of the difference was due to an error in the software that provides the inventory reports. Management contacted their software vendor and were able to obtain an inventory report that was within a reasonable amount.

Recommendation – We recommend that the City perform and properly document a physical inventory count as of each year ending September 30. In addition, we recommend that the City’s finance department periodically reviews and reconciles the inventory reports to the general ledger in order to catch any discrepancies in a timely manner.

2019 Update—The City has made progress in monitoring and reconciling the inventory system to the general ledger; however, the original differences remain. We recommend that the City continues to investigate these differences and make the required adjustments in order for the inventory system and general ledger to be in agreement.

Response to 2017-05: As noted previously (in our responses to our auditor’s management letter comments in conjunction with the financial statements for the fiscal years ending September 30, 2017 and September 30, 2018) City staff has invested (and continues to invest) significant resources to resolve this issue. City staff originally recognized that an issue relating to inventory might exist in the Summer of 2017 (before our current external auditors were engaged) following the departure of the previous Purchasing Manager and Warehouse Technician. At that point, it was assumed that the issue involved reconciling the physical inventory to the inventory balance reported in the general ledger (specifically in the general, electric, and water and wastewater funds). In order to ensure that an accurate physical inventory record was created, the City engaged the services of temporary employees to perform the September 30, 2017 physical inventory. Regrettably, the “product” generated as a result of the efforts of our temporary employees proved to be somewhat substandard and was not adequate to resolve the issue. In an effort to compensate for the inadequacy of the September 30, 2017 physical inventory, two complete physical inventories were completed by the “new” warehouse staff during fiscal year 2017-18, one on or about March 31, 2018, and a second one at fiscal year-end, September 30, 2018. We subsequently discovered that the issue was not simply a reconciliation of the book value of inventory to the physical inventory, but rather the issue arose largely as a result of difficulties with the “interface” between the inventory balance generated by our inventory software system and the inventory balance generated in the general ledger software system. We believe this issue began at some point before September 30, 2017 and may have continued until March of 2018 when supplemental software training was

provided to our warehouse staff. We further believe that the “interface” between the general ledger system and the inventory system is now operating properly. After communicating with the software provider (and engaging their services at the City’s cost to attempt to reconcile each of the differences) and a team dedicated to resolving this issue, City staff was able to identify and correct a portion of the variance noted by our Auditors. We are continuing our efforts at reconciling the differences in the general fund, electric fund, and the water and wastewater fund. We have identified a couple of potential causes for the discrepancies and will be following up on those. As reported previously, during fiscal year 2018-19, the Purchasing Manager (who supervises the warehouse function) and her staff relocated to the Warehouse in order to provide increased oversight for the warehouse function. Also, on September 30, 2019, another complete inventory was performed. In addition, the City recently added a new warehouse supervisor position to the warehouse staff. Additional secure access requiring badge access and video surveillance to monitor after-hours access has also been implemented.

As always, should you have any questions or require any additional information, please contact me.

Sincerely,

A handwritten signature in blue ink that reads "Robin R. Hayes". The signature is fluid and cursive, with the first name "Robin" and last name "Hayes" clearly legible.

Robin R. Hayes
City Manager
City of Mount Dora, Florida