

CITY OF OCOEE, FLORIDA



COMPREHENSIVE ANNUAL FINANCIAL REPORT



**FISCAL YEAR ENDED
SEPTEMBER 30, 2019**

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City of Ocoee, Florida
Financial Report
For The Year Ended September 30, 2019

Prepared by: City of Ocoee Finance Department

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Introductory Section

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Mayor
Rusty Johnson

Commissioners
Larry Brinson, Sr.
District 1

Rosemary Wilsen
District 2

Richard Firstner
District 3

George Oliver III
District 4

City Manager
Robert D. Frank

May 22, 2020

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

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

Florida

for the year ended September 30, 2019 is submitted herewith pursuant to Article III, Section 11 of the City Charter, Florida Statutes Chapter 11, Section 45, and Chapter 10.550 of the Rules of the Auditor General of the State of Florida. State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America, and that they be audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants.

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

The City of Ocoee's financial statements have been audited by McDirmit, Davis, & Company, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Ocoee for the fiscal year ended September 30, 2019 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Ocoee's financial statements for the fiscal year ended September 30, 2019, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

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



Mayor

Rusty Johnson

Commissioners

Larry Brinson, Sr.
District 1

Rosemary Wilsen
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George Oliver III
District 4

City Manager

Robert D. Frank

Profile of the Government

The City of Ocoee is a municipal corporation of the State of Florida operating under a commission/manager form of government. Located in Central Florida, approximately 14 miles west of Orlando, the City of Ocoee encompasses approximately 17 square miles. Ocoee is home to approximately 47,580 residents.

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

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

The fiscal operating year for the City is October 1st through September 30th. The City Manager submits an annual budget to the city commission by the first day of August for the ensuing year. Public hearings are held as required by the Truth in Millage Act (TRIM) prior to adoption of the millage rate and budget by the commission. Budgetary control over expenditures is at the department level. Commission approval is required to adjust the bottom line of a department. A budget to actual comparison for the general fund is provided on pages 20-21.

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

Ocoee focused economic development resources on promoting the reconstruction of its downtown area and encouraging light industrial developments within the city. Both development scenarios drive job creation. During the fiscal year, the City approved ± 225,000 square feet of commercial space and 720 additional residential units in proximity of SR 429 and the City's Downtown.



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Commissioners

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Robert D. Frank

Factors affecting Financial Condition

Local economy. The City is primarily a residential and retail area with a moderate amount of light industry and commercial business. The City's total assessed valuation for real and personal property increased 29.2% from the prior year indicating property values are continuing to increase in the City. The City's population has increased 40.47% from that of ten years ago. Local indicators point to a continued trend of growth as the City continues to work with builders, developers and residents for both commercial and residential development. The unemployment rate for Ocoee at September 30, 2019 was 2.8% which was lower than the state's unemployment rate at 3.2% and the national unemployment rate of 3.9%. The City is home to several major employers- Orlando Health Hospital, Super Wal-Mart, Florida Auto Auction, Orange County Public Schools, and Sysco Foods.

Long-term financial planning The City maintained a moderate property tax rate of 5.5 mills during fiscal year 2019 (tax year 2018). The maximum millage rate that can be levied is 10 mills. Projections for budgeted revenues remained conservative, particularly in the fees generated by building/construction areas. An increase in recurring revenues off-set the budgeted millage rate.

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

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

Major Initiatives.

Improving transportation is a major focus for the City. Staff initiated a Master Plan that identifies transportation projects and potential funding to implement the projects. During 2018-2019 the City moved forward with several of the projects identified in the Master Plan, including the following:

- Clarke Road Signal Timing Study was completed. The City is in the process of implementing recommendations to reduce wait-times at signalized intersections.
- The City, in partnership with Orange County, completed the design and engineering for improvements to the Fullers Cross Road/Ocoee Apopka Road intersection. Construction is expected to be completed in 2020.
- "Complete Streets" Study for the SR 438 (Silver Star Road) corridor was completed with MetroPlan Orlando.
- A conceptual plan to improve pedestrian and bicycle facilities along Bluford Avenue from Orlando Avenue to Old Winter Garden Road was finalized.
- Design plans were prepared to improve N. Blackwood Avenue to serve as a primary gateway into City Center West Orange.



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Robert D. Frank

To aid potential developers in visioning the City's improvement goals, the City's Urban Design Studio worked with potential developers to prepare design concepts. This activity is leading to the redevelopment of some of our older buildings, as well as, commitments to build new construction consistent with other downtown expansion, created and approved by City staff.

Fifty West is the City's Redevelopment District, centered on SR 50 between SR 429 and Clark Road. During 2019, the CRA continued their efforts to beautify Fifty West through such projects as installing new landscaping in the medians of Old Winter Garden Road and Clarke Road. In addition, the CRA and City finalized the design and got FDOT to approve the construction plans to start installing plant material in the medians of SR 50 between SR 429 and Good Homes Road. Installation is expected to begin in the late Spring of 2020. The CRA recently finalized design plans for the installation of a wellness park around the retention pond off of S. Bluford Avenue. In 2020, the CRA will be seeking grant funds to construct this new urban park.

The Fifty West Redevelopment District has seen increasing success since its inception. New businesses are locating to the area while existing establishments are refurbishing the buildings. In 2019, over 162,000 square feet of new construction was initiated and/or completed within the Redevelopment District.

Awards and Acknowledgements.

The Ocoee CRA was recognized in October 2019 by the Florida Redevelopment Association (FRA) for having the "Best Annual Report for a Small City" in the State of Florida.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Ocoee for its CAFR for the fiscal year ended September 30, 2018. This was the twenty-ninth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

Robert D. Frank, MPA
City Manager

Rebecca Roberts, CPA
Finance Director



Government Finance Officers Association

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

Presented to

**City of Ocoee
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Morrill

Executive Director/CEO

CITY OF OCOEE, FLORIDA

LIST OF PRINCIPAL OFFICIALS

September 30, 2019

ELECTED OFFICIALS

MAYOR

COMMISSIONER- District 1

COMMISSIONER- District 2

COMMISSIONER- District 3

COMMISSIONER- District 4

Leon "Rusty" Johnson

Larry Brinson, Sr.

Rosemary Wilsen

Richard Firstner

George Oliver

STAFF

CITY MANAGER

ASSISTANT CITY MANAGER

CITY CLERK

FINANCE DIRECTOR

POLICE CHIEF

FIRE CHIEF

PUBLIC WORKS DIRECTOR

CITY ENGINEER

HUMAN RESOURCES/RISK MANAGEMENT DIRECTOR

UTILITIES DIRECTOR

PARKS AND RECREATION DIRECTOR

SUPPORT SERVICES DIRECTOR

Robert Frank

Craig Shadrix

Melanie Sibbitt

Rebecca Roberts

Charles Brown

John Miller

Steve Krug

Richard Campanale

V. Gene Williford

Charles Smith

Mark Johnson

J. Allison Butler

LEGAL COUNSEL

Scott Cookson, Esq.

Shuffield, Lowman, and Wilson, P.A.

FINANCIAL ADVISOR

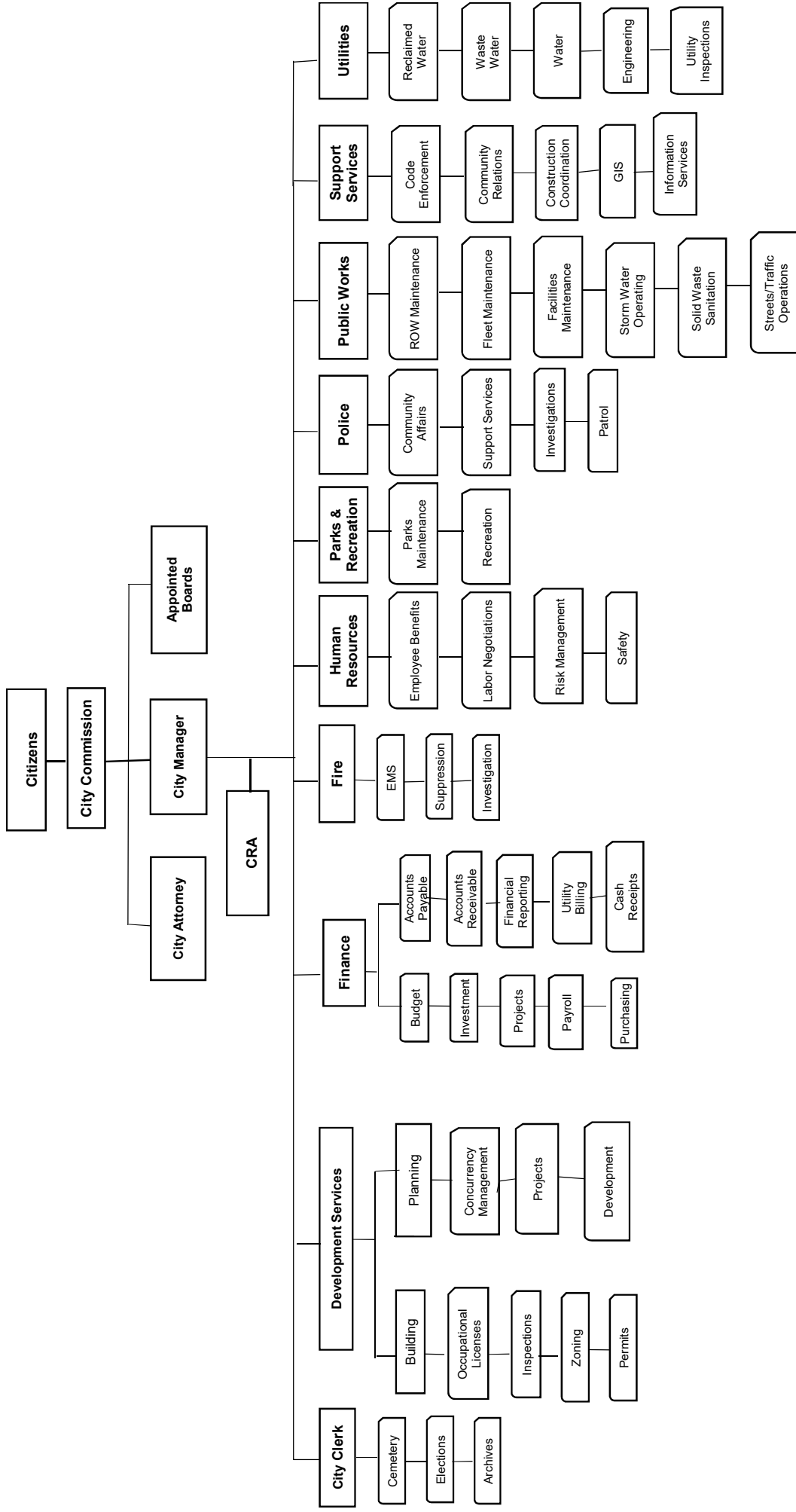
Mark Galvin

Hilltop Securities, Inc.

AUDITORS

McDermitt Davis, LLC

City of Ocoee
 Organizational Chart
 Fiscal Year 2019



Financial Section

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners
City of Ocoee, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the *City of Ocoee, Florida*, as of and for the year ended September 30, 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

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

Auditor Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ocoee, Florida, as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund, community redevelopment agency fund and road impact fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America, require that the management's discussion and analysis and the pension and other postemployment benefits disclosures on pages 3 through 14 and 66 through 73 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Ocoee, Florida's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, statistical section and the Schedule of Expenditures of Federal Awards, as required by the requirements of Title 2 U.S. code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and schedules, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

The introductory section and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 22, 2020 on our consideration of the *City of Ocoee, Florida's* internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Ocoee's internal control over financial reporting and compliance.

McDermitt Davis

Orlando, Florida
May 22, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

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This narrative overview and analysis of the financial activities of the City of Ocoee for the fiscal year ended September 30, 2019 is designed to assist the reader in a) focusing on significant financial issues, b) providing an overview of the City's financial activity, c) identifying changes in the City's financial position, d) identifying any material deviations from the approved budget, and e) identifying individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iii-vi of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Ocoee exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$215,262,038 (*net position*). Of this amount, \$50,135,435 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$9,939,614 or 4.8%.
- As of the close of the current fiscal year, the City of Ocoee's governmental funds reported combined ending fund balances of \$54,878,211. Approximately 31% of this total amount, \$16,776,557 is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$16,780,792, or 39% of total general fund expenditures.
- The City of Ocoee's total debt decreased by \$275,003 (.33%) during the current fiscal year.

Using this Annual Report

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

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

Government-Wide Financial Statements

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

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

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

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

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

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

Fund Financial Statements

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

Governmental Funds

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

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

The City of Ocoee maintains 13 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Road Impact Fund, Community Redevelopment Fund, and 2017 Capital Projects Fund. Data from the other 9 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Ocoee adopts an annual appropriated budget for the General, Enterprise and Impact Fee Special Revenue funds. Budgetary comparison schedules have been provided for the General Fund, Road Impact Fund and Community Redevelopment Agency Fund to demonstrate compliance with the budget on pages 20-23. Budgetary comparison schedules for nonmajor Impact Fee Special Revenue funds are presented on pages 80-82.

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

Proprietary Funds

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

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

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

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

Fiduciary Funds

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

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31-65 of this report.

Required Supplementary Information (RSI)

RSI can be found on pages 66-73 of this report.

Other Information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the RSI. Combining and individual fund statements and schedules can be found on pages 74-84 of this report.

Government-Wide Financial Analysis

Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Ocoee, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$215,262,038 at the close of the most recent fiscal year.

By far the largest portion of the City of Ocoee's net position (64%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Ocoee uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Ocoee's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City of Ocoee's net position (12%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$50,135,435) may be used to meet the government's ongoing obligations to citizens and creditors.

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City of Ocoee, Florida
Management's Discussion and Analysis

At September 30, 2019, the City of Ocoee is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The following table reflects the condensed Statement of Net Position for the current and prior year. For more detail see the Statement of Net Position on page 15.

Statement of Net Position as of September 30,

	Governmental Activities		Business Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and Other Assets	\$ 70,383,833	\$ 69,092,277	\$ 36,128,246	\$ 31,964,337	\$ 106,512,079	\$ 101,056,614
Restricted Assets	-	-	10,810,170	13,446,824	10,810,170	13,446,824
Capital Assets	121,670,687	116,551,138	69,427,404	69,651,920	191,098,091	186,203,058
Total assets	192,054,520	185,643,415	116,365,820	115,063,081	308,420,340	300,706,496
Deferred Outflows of Resources	3,816,441	1,918,558	554,620	524,641	4,371,061	2,443,199
Current Liabilities	10,037,356	9,876,204	2,152,196	3,274,043	12,189,552	13,150,247
Long Term Liabilities						
Outstanding	58,149,216	57,171,244	24,711,869	25,078,535	82,861,085	82,249,779
Other Liabilities	-	-	480,665	452,420	480,665	452,420
Total liabilities	68,186,572	67,047,448	27,344,730	28,804,998	95,531,302	95,852,446
Deferred Inflows of Resources	1,760,854	1,500,758	237,207	474,067	1,998,061	1,974,825
Net Position:						
Net Investment in Capital						
Assets	89,356,276	88,420,850	48,925,160	48,326,212	138,281,436	136,747,062
Restricted	15,455,417	12,679,633	11,389,750	10,007,357	26,845,167	22,686,990
Unrestricted	21,111,842	17,913,284	29,023,593	27,975,088	50,135,435	45,888,372
Total net position	\$ 125,923,535	\$ 119,013,767	\$ 89,338,503	\$ 86,308,657	\$ 215,262,038	\$ 205,322,424

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Statement of Activities

The following table reflects the condensed Statement of Activities for the current and prior year. For more detailed information see the Statement of Activities on page 16. Note that total net position increased by \$9,939,614.

Net position for governmental activities increased by \$6,909,768

The City of Ocoee experienced continued growth in residential and commercial properties contributing to increase in taxes and service charges. Key elements of this increases are:

- Property taxes are \$1,253,974 or 10% higher than FY 2018
- Charges for services also grew by \$1,094,585 or 10%
- Other revenues are lower than FY 2018. In FY 2018, there was recognition of revenue from sale of land.
- Transfers are \$2,537,038 higher than FY 2018.
- Expenditures increased by over FY 2018 due to increases in general government, public safety, and physical environment operations.

Net position for Business Type Activities increased by \$3,029,846 due to increase in services charges and investment income. Expenditures decreased by 5% or 818,263 over FY 2018 primarily due to a decrease in solid waste operations.

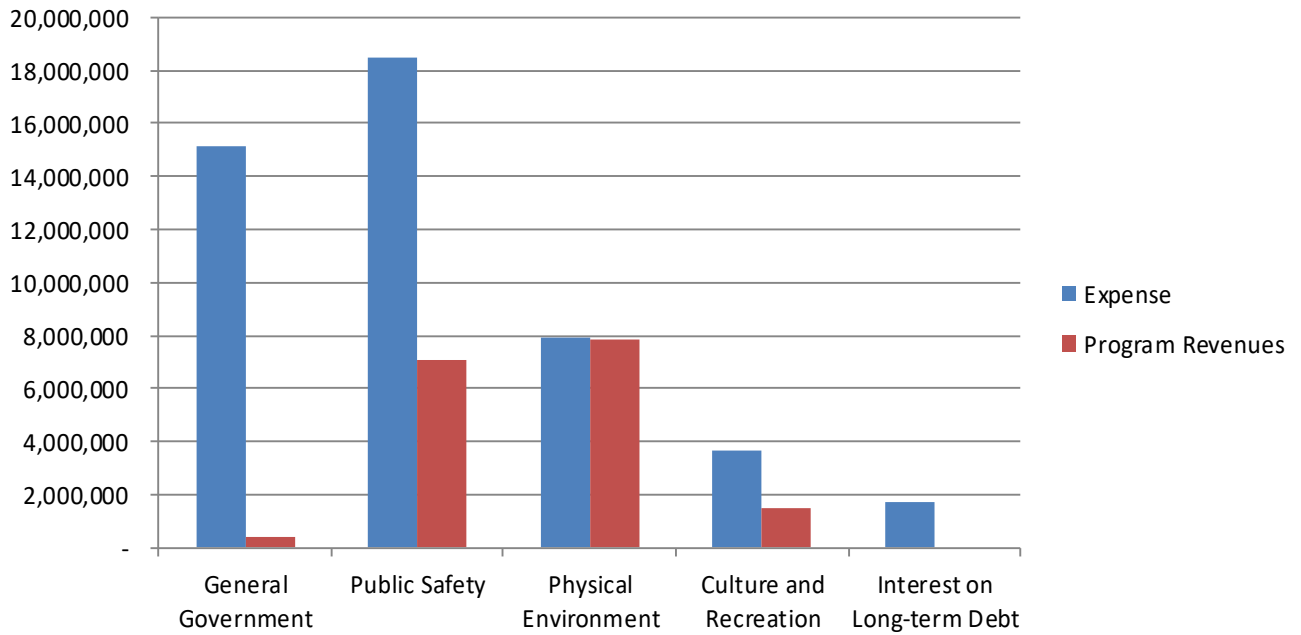
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City of Ocoee, Florida
Management's Discussion and Analysis

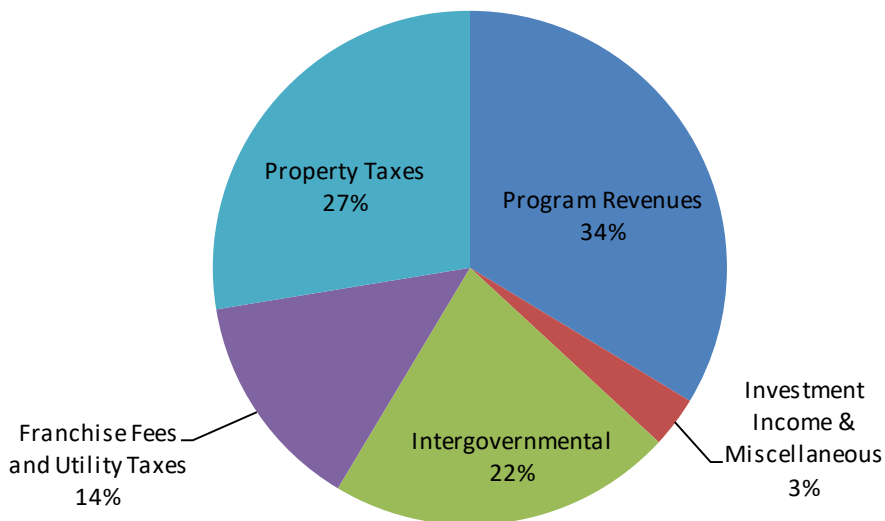
Changes in Net Position For the Year Ended September 30,

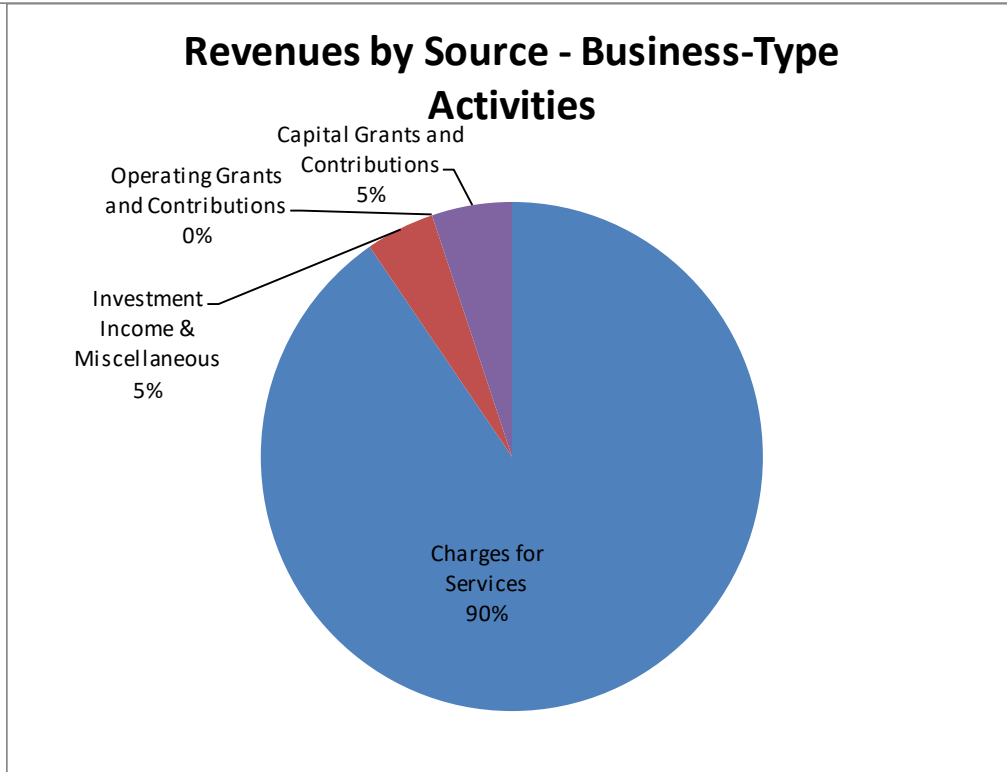
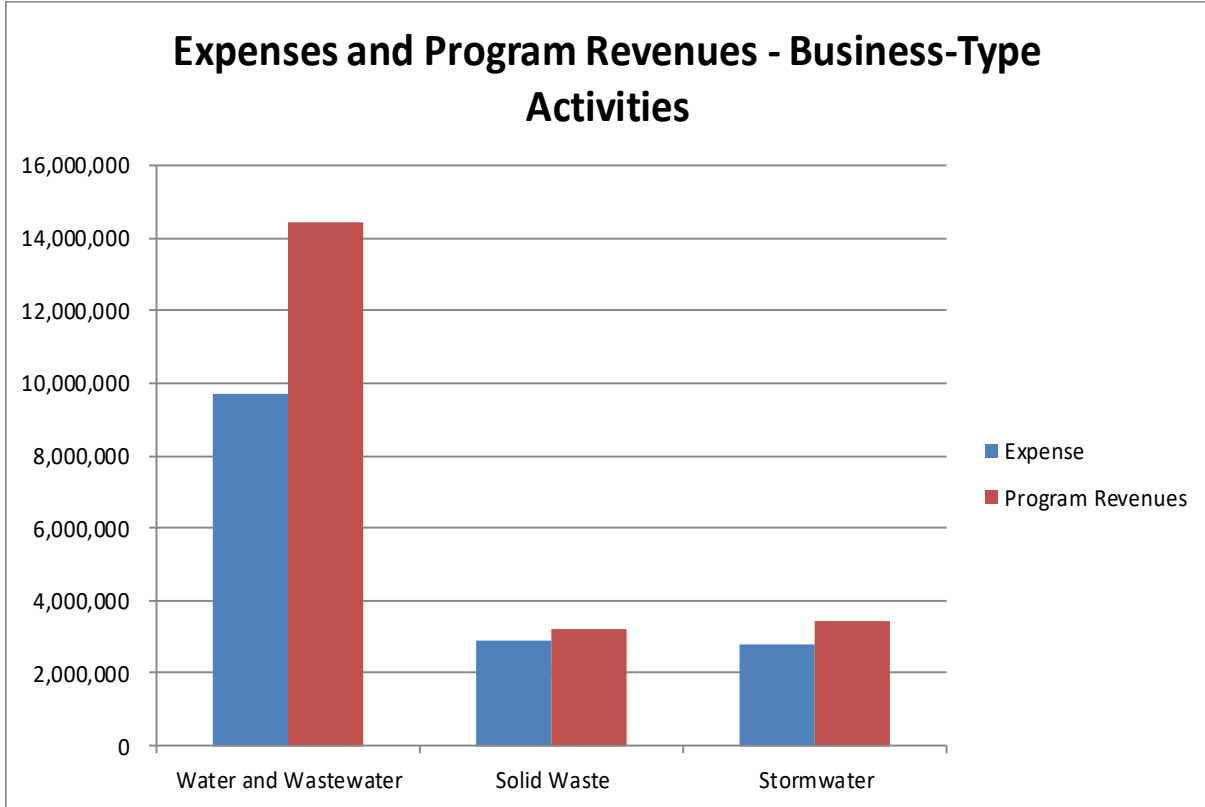
	Governmental Activities		Business Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues:						
Charges for Services	\$ 12,144,599	\$ 11,050,014	\$ 19,920,000	\$ 18,173,216	\$ 32,064,599	\$ 29,223,230
Operating Grants and Contributions	3,501,863	2,798,378	-	58,525	3,501,863	2,856,903
Capital Grants and Contributions	1,256,247	662,282	1,135,134	2,180,616	2,391,381	2,842,898
General Revenues:						
Property Taxes	13,858,591	12,604,617	-	-	13,858,591	12,604,617
Franchise Fees and Utility Taxes	6,946,302	6,277,216	-	-	6,946,302	6,277,216
Intergovernmental	10,906,810	10,458,407	-	-	10,906,810	10,458,407
Other	1,609,475	5,811,010	977,310	273,422	2,586,785	6,084,432
Total revenues	50,223,887	49,661,924	22,032,444	20,685,779	72,256,331	70,347,703
Expenses:						
General Government	15,118,912	13,178,601	-	-	15,118,912	13,178,601
Public Safety	18,486,749	16,234,880	-	-	18,486,749	16,234,880
Physical Environment	7,926,217	5,298,461	-	-	7,926,217	5,298,461
Culture and Recreation	3,676,540	2,953,950	-	-	3,676,540	2,953,950
Interest on Long-term Debt	1,751,138	1,777,286	-	-	1,751,138	1,777,286
Water and wastewater	-	-	9,698,307	9,366,129	9,698,307	9,366,129
Solid Waste	-	-	2,874,263	4,064,133	2,874,263	4,064,133
Stormwater	-	-	2,784,591	2,745,162	2,784,591	2,745,162
Total expenses	46,959,556	39,443,178	15,357,161	16,175,424	62,316,717	55,618,602
Increase (Decrease) in Net Position Before Transfers	3,264,331	10,218,746	6,675,283	4,510,355	9,939,614	14,729,101
Transfers	3,645,437	1,108,409	(3,645,437)	(1,108,409)	-	-
Increase (Decrease) in Net Position	6,909,768	11,327,155	3,029,846	3,401,946	9,939,614	14,729,101
Net Position, October 1	119,013,767	106,329,278	86,308,657	82,600,645	205,322,424	188,929,923
Prior Year Restatement	-	1,357,334	-	306,066	-	1,663,400
Net Position, September 30	\$ 125,923,535	\$ 119,013,767	\$ 89,338,503	\$ 86,308,657	\$ 215,262,038	\$ 205,322,424

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities





Financial Analysis of the Government's Funds

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

Governmental Funds

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

As of September 30, 2019, the City of Ocoee's governmental funds reported combined ending fund balances of \$54,878,211 a decrease of \$16,169 in comparison with the prior year. Approximately 30% or \$16,776,557 of this total amount constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is nonspendable, restricted, committed, or assigned to indicate that it is not available for new spending.

The general fund is the chief operating fund of the City of Ocoee. At the end of the current fiscal year, unassigned fund balance of the general fund was \$16,780,792 while total fund balance reached \$23,478,798. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 39% of total general fund expenditures compared to 36% for last year. Total fund balance represents 54% of total general fund expenditures compared to 49% for last year.

The Community Redevelopment Special Revenue Fund is considered a major fund in order for our external auditors to express an opinion on this fund as required by Florida Statutes chapter 163.387(8). This fund was created in 2006 as a dependent taxing district. The incremental annual increase in tax over the base years is used to fund projects. As of September 30, 2019, the fund balance was \$2,261,379 an increase of \$338,908 over the prior year. The CRA continued to focus on operational and planning efforts during the year. Revenues increased due to an overall increase in property values affecting the CRA's proportionate share. The fund balance in the CRA is designated for specific CRA capital improvement projects for FY 2020.

The Road Impact Fund balance increased \$1,396,487 during the year. The increase in fund balance is due to a decrease in capital improvement expenditures. The fund balance is reserved for future planned road projects.

General Fund's fund balance increased by \$4,025,529, primarily due to an increase in revenues of \$3,328,607 from taxes, licenses, and various state revenues.

The fund balance of the 2017 Capital Projects Fund decreased \$4,639,901 during the current fiscal year. This decrease is due to expenditures on a number of projects in process during the year.

Proprietary Funds

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

Unrestricted net position of the Water and Wastewater Fund at the end of the year amounted to \$18,200,090 and unrestricted net position for the Solid Waste and Stormwater Fund amounted to (\$166,399) and \$10,330,427 respectively. The total increase in Water and Wastewater Fund was \$3,290,193, decrease in the Solid Waste Fund was \$318,421, and the Stormwater Fund decreased \$102,873. Other factors concerning the finances of these three funds have already been addressed in the discussion of the City of Ocoee's business-type activities on page 7.

General Fund Budgetary Highlights

There were some adjustments to the original department budgets for the General Fund during the year and the total changes resulted in a net \$134,388 increase for the General Fund budget.

During the year revenues were more than budgetary estimates by \$2,677,648, due primarily from greater than budgeted electric utility, building permits, half-cent sales tax and various state and county shared revenues. These increases are directly attributable to the continued growth and development with the City.

During the year expenditures were less than budgetary estimates by \$4,379,257 due primarily to lower than budgeted salary and capital expenses in all operating departments.

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Capital Asset and Debt Administration

Capital Assets

The City of Ocoee's investment in capital assets for its governmental and business type activities as of September 30, 2019 amounts to \$191,098,091 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, and bridges.

Capital asset activity in the City included acquisition of land and, machinery and equipment in support of the downtown redevelopment efforts reflected in the increase in construction in process. Additional information on the City of Ocoee's capital assets can be found in note 7 on pages 44-46 of this report.

**Capital Assets (net of depreciation)
As of September 30, 2019 and September 30, 2018**

	Governmental Activities		Business Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 23,817,839	\$ 23,334,994	\$ 5,772,638	\$ 5,157,406	\$ 29,590,477	\$ 28,492,400
Buildings	13,878,267	12,434,074	5,820,707	6,280,688	19,698,974	18,714,762
Improvements	14,148,448	12,942,017	46,374,506	33,132,151	60,522,954	46,074,168
Machinery and Equipment	4,960,309	5,398,756	2,827,239	2,866,490	7,787,548	8,265,246
Intangibles	93,646	161,383	2,993	7,017	96,639	168,400
Infrastructure	51,077,959	52,977,744	-	-	51,077,959	52,977,744
Construction in Progress	13,694,219	9,302,170	8,629,321	22,208,168	22,323,540	31,510,338
Total net position	\$ 121,670,687	\$ 116,551,138	\$ 69,427,404	\$ 69,651,920	\$ 191,098,091	\$ 186,203,058

Long-term debt

At the end of the current fiscal year, the City of Ocoee had total bonded debt outstanding of \$56,655,000. All of this debt is secured solely by specified revenue sources (i.e., revenue bonds). The City of Ocoee also has various notes payable and capital lease obligations.

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

Additional information on the City of Ocoee's long-term debt can be found in notes 8 and 9 on pages 46-49 of this report.

Economic Factors and Next Year's Budgets and Rates

The City experienced an 13.6% increase in growth for assessed property values for the budgeted year 2019. This increase in property values continues with 13.7% growth for budget year 2020. The unemployment rate for Ocoee at September 30, 2019 was 3.2% which was lower than the state's rate of 3.9%.

The 2020 budget was approved with a millage of 5.2500 which is lower than the previous year's rate. The total operating budget adopted for fiscal year 2019-2020 is \$83,314,449. This increase of \$2,939,119 from 2019 is attributable to improving recurring revenue performance.

Requests for Information

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

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BASIC FINANCIAL STATEMENTS

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City of Ocoee, Florida
Statement of Net Position
September 30, 2019

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and cash equivalents	\$ 39,448,664	\$ 18,335,202	\$ 57,783,866
Investments	28,559,650	15,163,957	43,723,607
Receivables, net	2,022,848	1,620,217	3,643,065
Inventories	50,081	-	50,081
Due from other governments	116,096	62,693	178,789
Internal balances	(942,303)	942,303	-
Prepaid costs	1,128,797	3,874	1,132,671
Restricted assets:			
Cash and cash equivalents	-	4,934,857	4,934,857
Investments	-	5,875,313	5,875,313
Capital assets			
Capital assets (not being depreciated)	37,512,058	14,401,959	51,914,017
Capital assets (being depreciated net of accumulated depreciation)	84,158,629	55,025,445	139,184,074
Total Assets	192,054,520	116,365,820	308,420,340
Deferred Outflows of Resources			
Deferred outflows of pension and OPEB earnings	3,816,441	277,510	4,093,951
Deferred Charge on Refunding	-	277,110	277,110
	3,816,441	554,620	4,371,061
Liabilities:			
Accounts payable and other current liabilities	5,389,951	760,337	6,150,288
Matured bonds and interest payable	1,527,519	1,391,859	2,919,378
Accrued interest payable	14,014	-	14,014
Unearned revenue	3,105,872	-	3,105,872
Customer deposits payable	-	480,665	480,665
Noncurrent liabilities:			
Due within one year	2,723,549	1,558,778	4,282,327
Due in more than one year	55,425,667	23,153,091	78,578,758
Total liabilities	68,186,572	27,344,730	95,531,302
Deferred Inflows of Resources			
Deferred inflows of pension and OPEB earnings	1,760,854	237,207	1,998,061
Net Position:			
Net investment in capital assets	89,356,276	48,925,160	138,281,436
Restricted for:			
Debt Service	162,958	1,490,035	1,652,993
Highways and streets	6,761,025	-	6,761,025
Public safety	3,366,202	-	3,366,202
Culture and recreation	2,903,853	-	2,903,853
Capital outlay	-	5,920,479	5,920,479
Renewal and replacement	-	3,979,236	3,979,236
Community Redevelopment	2,261,379	-	2,261,379
Unrestricted	21,111,842	29,023,593	50,135,435
Total net position	\$ 125,923,535	\$ 89,338,503	\$ 215,262,038

City of Ocoee, Florida
Statement of Activities
For the Year Ended September 30, 2019

Functions/Programs:					Net (Expense) Revenue and Changes in Net Position		
	Expenses	Program Revenue		Primary Government		Total	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities		Business-type Activities
Governmental activities:							
General Government	\$ 15,118,912	\$ 433,855	\$ -	\$ -	\$ (14,685,057)	\$ -	\$ (14,685,057)
Public Safety	18,486,749	5,267,762	1,778,058	32,130	(11,408,799)	-	(11,408,799)
Physical environment	7,926,217	4,917,421	1,723,805	1,224,117	(60,874)	-	(60,874)
Culture and Recreation	3,676,540	1,525,561	-	-	(2,150,979)	-	(2,150,979)
Interest on Long-term debt	1,751,138	-	-	-	(1,751,138)	-	(1,751,138)
Total governmental activities	46,959,556	12,144,599	3,501,863	1,256,247	(30,056,847)	-	(30,056,847)
Business-type activities:							
Water and wastewater	9,698,307	13,272,537	-	1,135,134	-	4,709,364	4,709,364
Solid Waste	2,874,263	3,207,790	-	-	-	333,527	333,527
Stormwater	2,784,591	3,439,673	-	-	-	655,082	655,082
Total business-type activities	15,357,161	19,920,000	-	1,135,134	-	5,697,973	5,697,973
Total primary government	\$ 62,316,717	\$ 32,064,599	\$ 3,501,863	\$ 2,391,381	(30,056,847)	5,697,973	(24,358,874)
General Revenues:							
Property taxes					13,858,591	-	13,858,591
Franchise fees and utility taxes					6,946,302	-	6,946,302
Intergovernmental-unrestricted					10,906,810	-	10,906,810
Investment income and miscellaneous					1,574,294	956,028	2,530,322
Gain on sale of capital assets					35,181	21,282	56,463
Transfers					3,645,437	(3,645,437)	-
Total general revenues and transfers					36,966,615	(2,668,127)	34,298,488
Change in net position					6,909,768	3,029,846	9,939,614
Net position, beginning					119,013,767	86,308,657	205,322,424
Net Position, ending					\$ 125,923,535	\$ 89,338,503	\$ 215,262,038

City of Ocoee, Florida
Balance Sheet - Governmental Funds
September 30, 2019

	General Fund	Road Impact	Community Redevelopment Agency	2017 Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets:						
Cash and cash equivalents	\$ 4,260,027	\$ 7,931,667	\$ 2,470,408	\$ 7,426,362	\$ 10,306,437	\$ 32,394,901
Cash with paying agent	-	-	-	-	-	-
Investments	20,467,331	1,008,797	-	6,078,472	1,005,050	28,559,650
Receivables, net	1,972,805	-	-	-	9,655	1,982,460
Inventories, at cost	50,081	-	-	-	-	50,081
Due from other governments	116,096	-	-	-	-	116,096
Due from other funds	347,624	350,000	299	212,755	58	910,736
Prepays	1,128,147	-	650	-	-	1,128,797
Total assets	\$ 28,342,111	\$ 9,290,464	\$ 2,471,357	\$ 13,717,589	\$ 11,321,200	\$ 65,142,721
Liabilities and Fund Balances:						
Accounts payable	\$ 2,226,671	\$ 18,105	\$ 63,201	\$ 497,464	\$ 345,502	\$ 3,150,943
Accrued liabilities	872,856	-	-	-	-	872,856
Deposits payable	1,248,060	-	-	-	-	1,248,060
Due to other funds	7,929	183,169	146,777	847	-	338,722
Due to other governments	20,538	-	-	-	-	20,538
Matured bonds payable	-	-	-	-	685,000	685,000
Matured interest payable	-	-	-	-	842,519	842,519
Unearned revenue	487,259	2,328,165	-	-	290,448	3,105,872
Total liabilities	4,863,313	2,529,439	209,978	498,311	2,163,469	10,264,510
Fund Balances:						
Nonspendable	1,178,228	-	-	-	-	1,178,228
Restricted	-	6,761,025	2,261,379	13,219,278	6,433,013	28,674,695
Assigned	5,519,778	-	-	-	2,728,953	8,248,731
Unassigned	16,780,792	-	-	-	(4,235)	16,776,557
Total fund balances	23,478,798	6,761,025	2,261,379	13,219,278	9,157,731	54,878,211
Total liabilities and fund balances	\$ 28,342,111	\$ 9,290,464	\$ 2,471,357	\$ 13,717,589	\$ 11,321,200	

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	121,266,542
Internal service funds are used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	5,886,425
Deferred inflows and outflows of resources related to pension earnings are not recognized in governmental funds, however, they are recorded in net position under full accrual accounting	2,055,587
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	<u>(58,163,230)</u>
Net position of governmental activities	<u>\$ 125,923,535</u>

City of Ocoee, Florida
Statement of Revenues, Expenditures and Changes
In Fund Balances - Governmental Funds
For the Year Ended September 30, 2019

	General Fund	Road Impact	Community Redevelopment Agency	2017 Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes:						
Taxes and impact fees	\$ 20,804,893	\$ 2,626,553	\$ 1,224,117	\$ -	\$ 1,612,788	\$ 26,268,351
Licenses and permits	2,669,708	-	-	-	-	2,669,708
Intergovernmental revenues	14,452,629	-	-	-	-	14,452,629
Charges for services	4,031,093	-	-	-	-	4,031,093
Fines and forfeitures	1,156,789	-	-	-	35,842	1,192,631
Investment income	626,361	129,463	-	171,912	145,555	1,073,291
Miscellaneous	375,744	-	-	-	-	375,744
Total revenues	44,117,217	2,756,016	1,224,117	171,912	1,794,185	50,063,447
Expenditures:						
Current:						
General government	15,069,342	-	-	13,591	350	15,083,283
Public safety	18,943,846	-	-	-	42,691	18,986,537
Physical environment	2,758,615	-	161,878	6,356	4,263	2,931,112
Culture and recreation	2,945,424	-	-	142,599	-	3,088,023
Debt Service:						
Principal	1,424,294	-	-	-	905,288	2,329,582
Interest and fiscal charges	124,949	-	-	-	1,735,479	1,860,428
Capital Outlay:						
General government	1,022,528	-	-	366,270	1,599,910	2,988,708
Public safety	182,878	-	-	-	218,522	401,400
Physical environment	561,650	470,998	502,434	525,640	1,181,718	3,242,440
Culture and recreation	144,678	-	-	4,645,888	818,339	5,608,905
Total expenditures	43,178,204	470,998	664,312	5,700,344	6,506,560	56,520,418
Excess (Deficiency) of Revenues Over Expenditures	939,013	2,285,018	559,805	(5,528,432)	(4,712,375)	(6,456,971)
Other Financing Sources (Uses):						
Transfers In	3,706,887	-	-	888,531	3,714,143	8,309,561
Transfers Out	(3,415,736)	(888,531)	(220,897)	-	(138,960)	(4,664,124)
Capital Leases	1,745,452	-	-	-	-	1,745,452
Notes issued	1,000,000	-	-	-	-	1,000,000
Sale of Capital Assets	49,913	-	-	-	-	49,913
Total Other Financing Sources (Uses)	3,086,516	(888,531)	(220,897)	888,531	3,575,183	6,440,802
Net change in fund balances	4,025,529	1,396,487	338,908	(4,639,901)	(1,137,192)	(16,169)
Fund balances, beginning	19,453,269	5,364,538	1,922,471	17,859,179	10,294,923	54,894,380
Fund balances, ending	\$ 23,478,798	\$ 6,761,025	\$ 2,261,379	\$ 13,219,278	\$ 9,157,731	\$ 54,878,211

**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 Balances - total governmental funds:	\$	(16,169)
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Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		4,767,969
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(415,870)
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The net effect of various transactions involving capital assets (i.e. sales, trade-ins, donations and transfers) is to decrease net position		(52,564)
--	--	----------

Cash pension contributions reported in the funds were more than the calculated pension expense on the statement of activities, and therefore increased net position		1,085,133
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(203,376)
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Internal service funds are used by management to charge the costs of certain activities, such health insurance to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.		1,744,645
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Change in net position of governmental activities	\$	6,909,768
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General Fund

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

For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 13,953,576	\$ 13,953,576	\$ 13,858,591	\$ (94,985)
Franchise	2,496,000	2,496,000	2,936,228	440,228
Utility	3,313,000	3,313,000	4,010,074	697,074
	<u>19,762,576</u>	<u>19,762,576</u>	<u>20,804,893</u>	<u>1,042,317</u>
Licenses and permits:				
Building	1,486,012	1,486,012	2,242,372	756,360
Occupational	374,953	374,953	427,336	52,383
	<u>1,860,965</u>	<u>1,860,965</u>	<u>2,669,708</u>	<u>808,743</u>
Intergovernmental revenues:				
Sales tax	6,994,150	6,994,150	7,365,056	370,906
State revenue sharing	1,665,420	1,665,420	2,406,845	741,425
Other state shared revenue	1,615,350	1,615,350	954,725	(660,625)
Other county shared revenue	2,590,424	2,590,424	3,016,734	426,310
	<u>12,865,344</u>	<u>12,865,344</u>	<u>13,743,360</u>	<u>878,016</u>
Charges for services:				
Fire contract	600,000	600,000	600,000	-
Program activity fees	540,602	559,990	415,785	(144,205)
Develop. Review	54,825	54,825	47,725	(7,100)
Miscellaneous	2,825,008	2,825,008	2,695,968	(129,040)
	<u>4,020,435</u>	<u>4,039,823</u>	<u>3,759,478</u>	<u>(280,345)</u>
Fines and forfeitures	1,205,075	1,205,075	1,156,789	(48,286)
Investment income	400,000	400,000	623,519	223,519
Miscellaneous	185,636	185,636	239,320	53,684
Total revenues	<u>40,300,031</u>	<u>40,319,419</u>	<u>42,997,067</u>	<u>2,677,648</u>

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
General government:				
Legislative	252,930	256,880	165,628	91,252
Executive	995,437	994,437	906,345	88,092
Finance and admin	2,132,435	2,132,435	2,032,950	99,485
Legal	284,075	284,075	160,192	123,883
Community development	839,625	840,625	752,744	87,881
General services	11,046,543	11,429,693	9,762,257	1,667,436
Building maintenance	2,412,675	2,425,575	1,952,917	472,658
	<u>17,963,720</u>	<u>18,363,720</u>	<u>15,733,033</u>	<u>2,630,687</u>
Public Safety:				
Police	10,626,402	10,626,402	10,654,148	(27,746)
Fire	8,365,444	8,365,444	7,731,868	633,576
Inspections	875,999	875,999	834,912	41,087
	<u>19,867,845</u>	<u>19,867,845</u>	<u>19,220,928</u>	<u>646,917</u>
Physical environment:				
Public works	4,219,585	4,219,585	3,365,945	853,640
Culture and recreation:				
Parks and recreation	2,749,720	2,634,720	2,386,707	248,013
Total expenditures	<u>44,800,870</u>	<u>45,085,870</u>	<u>40,706,613</u>	<u>4,379,257</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,500,839)</u>	<u>(4,766,451)</u>	<u>2,290,454</u>	<u>7,056,905</u>
Other Financing Sources (Uses)				
Transfers in	3,705,623	3,705,623	3,706,887	1,264
Transfers out	(5,051,881)	(4,651,881)	(3,530,736)	1,121,145
Capital leases	1,834,700	1,834,700	1,745,452	(89,248)
Proceeds from sale capital assets	-	-	49,913	49,913
Total other financing sources(uses)	<u>488,442</u>	<u>888,442</u>	<u>1,971,516</u>	<u>1,083,074</u>
Net change in fund balance	<u>(4,012,397)</u>	<u>(3,878,009)</u>	<u>4,261,970</u>	<u>8,139,979</u>
Fund balance, beginning	18,331,809	18,331,809	18,331,809	-
Fund balance, ending	<u>\$ 14,319,412</u>	<u>\$ 14,453,800</u>	<u>\$ 22,593,779</u>	<u>\$ 8,139,979</u>

City of Ocoee, Florida
Road Impact Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes and impact fees	\$ 2,150,800	\$ 2,150,800	\$ 2,626,553	\$ 475,753
Investment income	2,500	2,500	129,463	126,963
Total revenues	2,153,300	2,153,300	2,756,016	602,716
Expenditures:				
Physical environment				
Roads	823,840	823,840	470,998	352,842
Total expenditures	823,840	823,840	470,998	352,842
Excess (Deficiency) of Revenues Over Expenditures	1,329,460	1,329,460	2,285,018	955,558
Other Financing Sources (Uses)				
Transfers out	(1,329,460)	(1,329,460)	(888,531)	440,929
Total other financing sources(uses)	(1,329,460)	(1,329,460)	(888,531)	440,929
Net change in fund balance	-	-	1,396,487	1,396,487
Fund balance, beginning	5,364,538	5,364,538	5,364,538	-
Fund balance, ending	\$ 5,364,538	\$ 5,364,538	\$ 6,761,025	\$ 1,396,487

City of Ocoee, Florida
Community Redevelopment Agency
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Property tax	\$ 1,233,066	\$ 1,233,066	\$ 1,224,117	\$ (8,949)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	1,233,066	1,233,066	1,224,117	(8,949)
Expenditures:				
Physical environment	2,498,448	2,906,588	664,312	2,242,276
Total expenditures	2,498,448	2,906,588	664,312	2,242,276
Excess (Deficiency) of Revenues Over Expenditures	(1,265,382)	(1,673,522)	559,805	2,233,327
Other Financing Sources (Uses)				
Transfers out	(240,000)	(240,000)	(220,897)	19,103
Total other financing sources(uses)	(240,000)	(240,000)	(220,897)	19,103
Net change in fund balance	(1,505,382)	(1,913,522)	338,908	2,252,430
Fund balance, beginning	1,922,471	1,922,471	1,922,471	-
Fund balance, ending	\$ 417,089	\$ 8,949	\$ 2,261,379	\$ 2,252,430

City of Ocoee, Florida
Statement of Net Position
Proprietary Funds
September 30, 2019

	Enterprise Funds				Governmental
	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total	Activities- Internal Service Fund
Assets					
Current assets:					
Cash and cash equivalents	\$ 10,560,661	\$ 247,314	\$ 6,493,025	\$ 17,301,000	\$ 7,053,763
Cash with fiscal agent	-	1,034,202	-	1,034,202	-
Investments	11,280,819	-	3,883,138	15,163,957	-
Receivables, net	1,580,137	20,710	19,370	1,620,217	40,388
Due from other governments	50,368	364	11,961	62,693	-
Due from other funds	61	-	311,932	311,993	-
Prepays	1,943	1,931	-	3,874	-
Total current assets	23,473,989	1,304,521	10,719,426	35,497,936	7,094,151
Noncurrent assets:					
Restricted cash and cash equivalents	4,934,857	-	-	4,934,857	-
Restricted investments	5,875,313	-	-	5,875,313	-
Total restricted assets	10,810,170	-	-	10,810,170	-
Capital assets:					
Land, buildings and equipment	97,724,675	3,216,955	57,042,935	157,984,565	404,145
Construction in progress	5,675,565	-	2,953,756	8,629,321	-
Less accumulated depreciation	(55,194,036)	(2,187,705)	(39,804,741)	(97,186,482)	-
Total capital assets (net of depreciation)	48,206,204	1,029,250	20,191,950	69,427,404	404,145
Total noncurrent assets	59,016,374	1,029,250	20,191,950	80,237,574	404,145
Total assets	82,490,363	2,333,771	30,911,376	115,735,510	7,498,296
Deferred Outflows of Resources					
Deferred charge on refunding	\$ 277,110	\$ -	\$ -	\$ 277,110	\$ -
Deferred pension and OPEB	189,645	56,914	30,951	277,510	-
	<u>\$ 466,755</u>	<u>\$ 56,914</u>	<u>\$ 30,951</u>	<u>\$ 554,620</u>	<u>\$ -</u>

	Enterprise Funds				Governmental Activities-
	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total	Internal Service Fund
Liabilities					
Current Liabilities:					
Accounts payable	\$ 266,791	\$ 139,324	\$ 216,401	\$ 622,516	\$ 83,215
Accrued liabilities	90,053	29,477	18,291	137,821	14,339
Compensated absences	34,062	7,711	6,246	48,019	-
Due to other funds	29,165	-	-	29,165	854,842
Customer deposits payable	480,665	-	-	480,665	-
Matured notes payable	915,000	-	-	915,000	-
Matured interest payable	476,859	-	-	476,859	-
Capital lease payable	-	565,759	-	565,759	-
Bonds payable	945,000	-	-	945,000	-
Total current liabilities	3,237,595	742,271	240,938	4,220,804	952,396
Noncurrent Liabilities:					
Compensated Absences	306,553	69,398	56,211	432,162	-
Bonds payable	20,925,244	-	-	20,925,244	-
Capital lease payable	-	932,591	-	932,591	-
Net pension liability	160,263	43,310	25,936	229,509	-
Other post employment benefits	408,972	152,717	71,896	633,585	-
Total noncurrent liabilities	21,801,032	1,198,016	154,043	23,153,091	-
Total liabilities	25,038,627	1,940,287	394,981	27,373,895	952,396
Deferred Inflows of Resources					
Deferred pension and OPEB	160,543	51,695	24,969	237,207	-
Net Position					
Net investment in capital assets	28,168,108	565,102	20,191,950	48,925,160	404,145
Restricted for debt service	1,490,035	-	-	1,490,035	-
Restricted for capital projects	5,920,479	-	-	5,920,479	-
Restricted for renewal and replacement	3,979,236	-	-	3,979,236	-
Unrestricted	18,200,090	(166,399)	10,330,427	28,364,118	6,141,755
Total net position	\$ 57,757,948	\$ 398,703	\$ 30,522,377	88,679,028	\$ 6,545,900

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

	659,475
Total net position per government-wide financial statements	<u>\$ 89,338,503</u>

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City of Ocoee, Florida
Statement of Revenues, Expenses and Changes
in Fund Net Position - Proprietary Funds
For the Year Ended September 30, 2019

	Enterprise Funds				Governmental Activities-
	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total	Internal Service Funds
Operating Revenues:					
Charges for services	\$ 13,272,537	\$ 3,207,790	\$ 3,439,673	\$ 19,920,000	\$ 8,143,949
Total operating revenues	13,272,537	3,207,790	3,439,673	19,920,000	8,143,949
Operating Expenses:					
Salaries and benefits	3,077,940	1,017,336	574,533	4,669,809	-
Insurance claims and expenses	-	-	-	-	6,363,616
Materials and supplies	1,185,658	1,195,197	103,435	2,484,290	-
Depreciation and amortization	3,134,767	376,974	1,770,684	5,282,425	-
Other operating expenses	1,555,309	296,733	377,391	2,229,433	-
Total operating expenses	8,953,674	2,886,240	2,826,043	14,665,957	6,363,616
Operating income (loss)	4,318,863	321,550	613,630	5,254,043	1,780,333
Nonoperating Revenue (Expenses):					
Investment income (loss)	717,951	34,741	203,336	956,028	125,259
Interest expense	(826,627)	(25,524)	-	(852,151)	-
Grant revenue	136,488	-	-	136,488	-
Gain (loss) on disposal of capital assets	5,079	16,004	199	21,282	-
Total non-operating revenue (expenses)	32,891	25,221	203,535	261,647	125,259
Income before contributions and transfers	4,351,754	346,771	817,165	5,515,690	1,905,592
Capital Contributions:					
Connection fees	714,572	-	-	714,572	-
Developers and others	284,074	-	-	284,074	-
Transfers in	72,369	-	165,553	237,922	-
Transfers out	(2,132,576)	(665,192)	(1,085,591)	(3,883,359)	-
Change in net position	3,290,193	(318,421)	(102,873)	2,868,899	1,905,592
Total net position, beginning	54,467,755	717,124	30,625,250		4,640,308
Total net position, ending	\$ 57,757,948	\$ 398,703	\$ 30,522,377		\$ 6,545,900

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

160,947

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

\$ 3,029,846

City of Ocoee, Florida
Statement of Cash Flow
Proprietary Funds
For The Year Ended September 30, 2019

	Enterprise Funds				Governmental Activities- Internal Service Fund
	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total	
Cash Flows from Operating Activities:					
Receipts from customers	\$ 13,209,737	\$ 3,234,521	\$ 3,461,260	\$ 19,905,518	\$ -
Receipts from internal services provided	-	-	-	-	8,143,431
Payments to suppliers	(3,456,590)	(1,722,034)	(676,806)	(5,855,430)	(6,347,171)
Payments to employees	(3,038,535)	(1,022,508)	(583,866)	(4,644,909)	-
Net cash provided (used) by operating activities	6,714,612	489,979	2,200,588	9,405,179	1,796,260
Cash Flows from Non-Capital Financing Activities:					
Transfers in	72,369	-	165,553	237,922	-
Transfers out	(2,132,576)	(665,192)	(1,085,591)	(3,883,359)	-
Decrease (increase) in due from other funds	1,210,818	274,919	17,910	1,503,647	-
Increase (decrease) in due to other funds	(478,563)	(276,262)	(404,846)	(1,159,671)	(1,155,388)
Net cash provided (used) by non-capital financing activities	(1,327,952)	(666,535)	(1,306,974)	(3,301,461)	(1,155,388)
Cash Flows from Capital and Related Financing Activities:					
Proceeds from sale of capital assets	5,079	32,995	199	38,273	-
Grant revenues	136,488	-	-	136,488	-
Acquisition of capital assets	(2,353,160)	(138,019)	(2,583,721)	(5,074,900)	(404,145)
Proceeds from capital leases	-	138,019	-	138,019	-
Principal paid on revenue bonds, notes and leases	(890,000)	(553,124)	-	(1,443,124)	-
Interest paid on revenue bonds, notes and leases	(967,218)	(25,524)	-	(992,742)	-
Connection fees	998,646	-	-	998,646	-
Net cash provided (used) by capital and related financing activities	(3,070,165)	(545,653)	(2,583,522)	(6,199,340)	(404,145)
Cash Flows from Investing Activities:					
Sale (Purchase) of investments	(7,691,541)	-	(2,537,091)	(10,228,632)	-
Investment income	717,951	34,741	203,336	956,028	125,259
Net cash provided (used) by investing activities	(6,973,590)	34,741	(2,333,755)	(9,272,604)	125,259
Net Increase (Decrease) in Cash and Cash Equivalents	(4,657,095)	(687,468)	(4,023,663)	(9,368,226)	361,986
Cash and cash equivalents, beginning	20,152,613	934,782	10,516,688	31,604,083	6,691,777
Cash and cash equivalents, end	\$ 15,495,518	\$ 247,314	\$ 6,493,025	\$ 22,235,857	\$ 7,053,763
Classified As:					
Cash and cash equivalents	\$ 10,560,661	\$ 247,314	\$ 6,493,025	\$ 17,301,000	\$ 7,053,763
Restricted cash and cash equivalents	4,934,857	-	-	4,934,857	-
Total	\$ 15,495,518	\$ 247,314	\$ 6,493,025	\$ 22,235,857	\$ 7,053,763

	Enterprise Funds				Governmental Activities- Internal Service Fund
	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total	
Reconciliation of Operating Income to Net Cash Provided by Operating Activities					
Operating income (loss)	\$ 4,318,863	\$ 321,550	\$ 613,630	\$ 5,254,043	\$ 1,780,333
Adjustments Not Affecting Cash:					
Depreciation and amortization	3,134,767	376,974	1,770,684	5,282,425	-
Change in Assets and Liabilities:					
Decrease (increase) in accounts receivable	(91,045)	7,228	2,361	(81,456)	(518)
Decrease (increase) in due from other governments	-	19,503	19,226	38,729	-
Decrease (increase) in prepaid costs	3,810	-	181	3,991	-
Decrease (increase) in deferred outflows	(37,981)	(11,276)	(6,436)	(55,693)	-
Increase (decrease) in accounts payable	(719,433)	(230,104)	(196,161)	(1,145,698)	17,641
Increase (decrease) in accrued liabilities	3,269	5,310	3,622	12,201	(1,196)
Increase (decrease) in customer deposits	28,245	-	-	28,245	-
Increase (decrease) in compensated absences	15,169	(16,624)	(17,430)	(18,885)	-
Increase (decrease) in deferred inflows	(161,985)	(48,166)	(26,709)	(236,860)	-
Increase (decrease) in net pension liability	214,543	63,708	36,299	314,550	-
Increase (decrease) in OPEB obligation	6,390	1,876	1,321	9,587	-
Total adjustments	<u>(739,018)</u>	<u>(208,545)</u>	<u>(183,726)</u>	<u>(1,131,289)</u>	<u>15,927</u>
Net Cash Provided (Used) By Operating Activities	<u>\$ 6,714,612</u>	<u>\$ 489,979</u>	<u>\$ 2,200,588</u>	<u>\$ 9,405,179</u>	<u>\$ 1,796,260</u>
Noncash Capital and Financing Activities:					
Contributed assets	\$ -	\$ -	\$ -	\$ -	\$ -

City of Ocoee, Florida
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2019

	<u>Total Employee Pension Funds</u>
Assets:	
Cash and cash equivalents	\$ 3,257,448
Investments, at fair value:	
Common funds, equity	60,942,811
Common funds, bonds	24,092,013
Real estate investment trust	<u>10,575,451</u>
Total Investments	<u>95,610,275</u>
Total assets	<u>98,867,723</u>
Liabilities	
Accounts Payable	<u>-</u>
Total liabilities	<u>-</u>
Net Position:	
Restricted for pensions	<u><u>\$ 98,867,723</u></u>

City of Ocoee
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2019

	<u>Total Employee Pension Funds</u>
Additions:	
Contributions:	
Employer	\$ 4,019,864
Plan members	1,331,728
State	<u>709,269</u>
Total contributions	<u>6,060,861</u>
Investment income:	
Interest	3,115,648
Net appreciation (loss) on fair value of investments	321,447
Less investment expense	<u>(750,839)</u>
Net investment income (loss)	<u>2,686,256</u>
Total additions	<u>8,747,117</u>
Deductions:	
Benefits	5,280,024
Administrative expenses	<u>191,733</u>
Total deductions	<u>5,471,757</u>
Change in net position	3,275,360
Net position, beginning	<u>95,592,363</u>
Net position, ending	<u><u>\$ 98,867,723</u></u>

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Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

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

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

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

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

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

Government-Wide and Fund Financial Statements

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

The government reports the following funds:

Major Governmental Funds

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Nonmajor Governmental Funds

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

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

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

Major Proprietary Funds

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

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

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

Other Fund Types

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

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

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

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

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

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

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deposits and Investments

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

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

Receivables and Payables

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

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

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

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

Inventories and Prepaid Items

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

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

Restricted assets

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital assets

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

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

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

Compensated absences

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

Long-term obligations

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

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

Deferred outflows/inflows of resources

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Net position flow assumptions

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

Fund balance flow assumptions

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

Fund Balance Policies

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

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

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

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New GASB Statements Implemented

In fiscal year 2019, the City implemented GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. This Statement requires additional note disclosures for certain debt issues. There was no effect on beginning balances of the City. The City also implemented GASB Statement No. 89, *Accounting for Interest Cost Incurred before the end of a Construction Period*. This statement eliminates the requirement to capitalize interest on enterprise fund capital projects. There was no effect on beginning balances of the City.

Additionally, the GASB has issued Statement No. 83, *Certain Asset Retirement Obligations* that is effective for this fiscal year. The City had reviewed this statement and determined that this pronouncement has no discernable impact on these financial statements.

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

Notes Payable	\$ 4,456,000
Bonds Payable	37,385,000
Premium on Bonds Payable	2,890,169
Capital Leases Payable	2,175,609
Other Post Employment Benefits	2,814,302
Compensated Absences	2,179,758
Net Pension Liability	6,248,378
Accrued Interest Payable	14,014
Net Adjustment to Reduce Fund Balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 58,163,230</u>

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

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

Capital Outlay	\$ 10,189,874
Depreciation Expense	<u>(5,421,905)</u>
Net Adjustment to Decrease Net Changes in Fund Balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 4,767,969</u>

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Debt Issued or Incurred:	
Capital leases	\$ (1,745,452)
Notes payable	(1,000,000)
Principal Repayment	<u>2,329,582</u>
Net Adjustment to Increase Net Changes in Fund Balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (415,870)</u>

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

Compensated Absences	\$ (135,925)
Other Post Employment Benefits	(176,741)
Accrued Interest Payable	4,510
Amortization of Premium	<u>104,780</u>
Net Adjustment to Decrease Net Changes in Fund Balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (203,376)</u>

NOTE 3 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

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

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

NOTE 4 BUDGETARY BASIS OF ACCOUNTING

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

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

For the 2019 fiscal year, the following adjustments were necessary to convert General Fund expenditures on the GAAP basis to the budgetary basis:

	<u>Expenditures</u>	<u>Revenues</u>	<u>Other Financing Sources (Uses)</u>
General Fund:			
GAAP Basis	\$ 43,178,204	\$ 44,117,217	\$ 3,086,516
Nonbudgeted State Pension Amounts	(709,269)	(709,269)	-
Nonbudgeted Notes payable transactions	(1,000,000)	-	(1,000,000)
Nonbudgeted Recreation Programs	(64,932)	(63,496)	-
Nonbudgeted Founders Day	(678,539)	(315,150)	(115,000)
Nonbudgeted Police Fundraiser	(9,065)	(18,321)	-
Nonbudgeted Community Events	(9,786)	(13,768)	-
Nonbudgeted Fire Fully Involved	-	(146)	-
Budgetary Basis	<u>\$ 40,706,613</u>	<u>\$ 42,997,067</u>	<u>\$ 1,971,516</u>

NOTE 5 DEPOSITS AND INVESTMENTS

Deposits

All bank deposits were covered by Federal Depository Insurance or held in banks that are members of the State of Florida's Collateral Pool as specified under Florida law. This limits local government deposits to "authorized depositories." The State of Florida Collateral Pool is a multiple financial institution pool with the ability to assess its members for collateral shortfalls if a member institution fails. For this reason, the City considers its deposits insured or collateralized.

NOTE 5 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

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

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

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

Investments made by the City of Ocoee at September 30, 2019 are summarized below. Defined benefit pension plan investments, other than \$60,942,811 in mutual funds investing in equity securities, are included below.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity (Years)</u>
Florida Prime	\$ 253,235	AAAm	37 days
Certificates of Deposit	2,342,464	Not rated	0.91 years
Money Market	9,131,120	Not rated	N/A
FLSTAR Government Fund	10,050,503	AAAm	1 day
Florida Investment Trust	27,821,601	AAAF	106 days
Pension Plan Investments:			
Fixed Income Securities	24,092,013	A-AAA	7.1 Years
Real Estate and Misc. Assets	10,575,451	Not Rated	
	<u>\$ 84,266,387</u>		

Credit Risk

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

Custodial Credit Risk

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires that bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2019, all of the City's bank deposits were in qualified public depositories.

NOTE 5 DEPOSITS AND INVESTMENTS (CONTINUED)

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments of collateral securities that are in the possession of an outside party. At September 30, 2019, none of the investments listed are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Concentration of Credit Risk

The policy has no limitations on portfolio composition.

Interest Rate Risk

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

Fair Value

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

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

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NOTE 5 DEPOSITS AND INVESTMENTS (CONTINUED)

The City has the following recurring fair value measurements as of September 30, 2019:

	9/30/2019	Fair Value Measurements Using		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
General Investments				
Florida Investment Trust	\$ 27,821,601	\$ -	\$ 27,821,601	\$ -
General Employees' Pension				
Equities				
Common stock	\$ 7,532,153	\$ 7,219,421	\$ 312,732	\$ -
Mutual funds	18,440,151	18,440,151	-	-
Unit investment trusts	4,694,482	-	-	4,694,482
Fixed Income				
Mutual funds	1,664,917	-	1,664,917	-
Asset backed securities	2,556,757	-	2,556,757	-
Collateralized mortgage obligations	333,072	-	333,072	-
US government bonds	1,207,649	-	1,207,649	-
Corporate bonds	3,480,564	-	3,480,564	-
Foreign bonds	579,306	-	579,306	-
Total	\$ 40,489,051	\$ 25,659,572	\$ 10,134,997	\$ 4,694,482
Police Officers' and Firefighters' Pension				
Equities				
Common stock	\$ 14,906,970	\$ 14,906,970	\$ -	\$ -
Mutual funds	20,063,537	20,063,537	-	-
Unit investment trusts	5,880,969	-	-	5,880,969
Fixed Income				
Mutual funds	2,066,445	-	2,066,445	-
US government bonds	4,903,570	-	4,903,570	-
Corporate bonds	7,299,733	-	7,299,733	-
Total	\$ 55,121,224	\$ 34,970,507	\$ 14,269,748	\$ 5,880,969

NOTE 6 RECEIVABLES

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

	<u>Accounts Receivable</u>	<u>Less Allowance for Uncollectible Accounts</u>	<u>Total</u>
General fund	\$ 2,107,805	\$ (135,000)	\$ 1,972,805
Water and wastewater utility fund	1,706,069	(125,932)	1,580,137
Solid waste fund	22,391	(1,681)	20,710
Stormwater fund	20,926	(1,556)	19,370
Internal service fund	40,388	-	40,388
Other governmental funds	9,655	-	9,655
Total	<u>\$ 3,907,234</u>	<u>\$ (264,169)</u>	<u>\$ 3,643,065</u>

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NOTE 7 CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 23,334,994	\$ 482,845	\$ -	\$ 23,817,839
Construction in progress	9,302,170	6,659,080	(2,267,031)	13,694,219
Total capital assets, not being depreciated	<u>32,637,164</u>	<u>7,141,925</u>	<u>(2,267,031)</u>	<u>37,512,058</u>
Capital assets, being depreciated:				
Buildings	19,511,272	2,023,555	-	21,534,827
Improvements	22,497,030	2,613,474	(12,430)	25,098,074
Machinery and equipment	16,305,702	832,723	(645,501)	16,492,924
Intangibles	889,389	-	-	889,389
Infrastructure	95,783,945	211,540	-	95,995,485
Total capital assets, being depreciated	<u>154,987,338</u>	<u>5,681,292</u>	<u>(657,931)</u>	<u>160,010,699</u>
Less accumulated depreciation for:				
Buildings	(7,077,198)	(579,362)	-	(7,656,560)
Improvements	(9,555,013)	(1,394,613)	-	(10,949,626)
Machinery and equipment	(10,906,946)	(1,268,868)	643,199	(11,532,615)
Intangibles	(728,006)	(67,737)	-	(795,743)
Infrastructure	(42,806,201)	(2,111,325)	-	(44,917,526)
Total accumulated depreciation	<u>(71,073,364)</u>	<u>(5,421,905)</u>	<u>643,199</u>	<u>(75,852,070)</u>
Total capital assets, being depreciated, net	<u>83,913,974</u>	<u>259,387</u>	<u>(14,732)</u>	<u>84,158,629</u>
Governmental activities capital assets, net	<u>\$ 116,551,138</u>	<u>\$ 7,401,312</u>	<u>\$ (2,281,763)</u>	<u>\$ 121,670,687</u>

NOTE 7 CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 5,157,406	\$ 615,232	\$ -	\$ 5,772,638
Construction in progress	22,208,168	3,906,658	(17,485,505)	8,629,321
Total capital assets, not being depreciated	<u>27,365,574</u>	<u>4,521,890</u>	<u>(17,485,505)</u>	<u>14,401,959</u>
Capital assets, being depreciated:				
Buildings	20,220,421	-	-	20,220,421
Improvements	104,216,863	17,225,817	-	121,442,680
Machinery and equipment	9,793,370	812,698	(256,946)	10,349,122
Intangibles	199,704	-	-	199,704
Total capital assets, being depreciated	<u>134,430,358</u>	<u>18,038,515</u>	<u>(256,946)</u>	<u>152,211,927</u>
Less accumulated depreciation for:				
Buildings	(13,939,733)	(459,981)	-	(14,399,714)
Improvements	(71,084,712)	(3,983,462)	-	(75,068,174)
Machinery and equipment	(6,926,880)	(834,958)	239,955	(7,521,883)
Intangibles	(192,687)	(4,024)	-	(196,711)
Total accumulated depreciation	<u>(92,144,012)</u>	<u>(5,282,425)</u>	<u>239,955</u>	<u>(97,186,482)</u>
Total capital assets, being depreciated, net	<u>42,286,346</u>	<u>12,756,090</u>	<u>(16,991)</u>	<u>55,025,445</u>
Business-type activities capital assets, net	<u>\$ 69,651,920</u>	<u>\$ 17,277,980</u>	<u>\$ (17,502,496)</u>	<u>\$ 69,427,404</u>

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NOTE 7 CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:

General government	\$ 860,502
Public safety	1,303,689
Physical environment	2,744,234
Culture and recreation	513,480
Total depreciation expense, governmental activities	\$ 5,421,905

Business-type Activities:

Water and wastewater	\$ 3,134,767
Solid waste	376,974
Stormwater	1,770,684
Total depreciation expense, business-type activities	\$ 5,282,425

NOTE 8 LEASES

Capital Leases

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

The assets acquired through capital leases are as follows:

	Governmental Activities	Business-type Activities
Assets		
Machinery & equipment	\$ 2,330,742	\$ 1,479,961
Less: Accumulated depreciation	(684,437)	(562,369)
Total	\$ 1,646,305	\$ 917,592

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NOTE 8 LEASES (CONTINUED)

Amortization of equipment leased and capital leases is included in depreciation expense. The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2019 were as follows:

<u>Year Ending September 30</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2020	\$ 910,988	\$ 596,556
2021	657,211	498,771
2022	463,610	325,092
2023	228,543	135,415
Total Minimum Lease Payments	2,260,352	1,555,834
Less: Amount representing interest	(84,743)	(57,484)
	<u>\$ 2,175,609</u>	<u>\$ 1,498,350</u>

NOTE 9 LONG-TERM DEBT

Notes Payable - Direct Borrowing

The Governmental Activities Notes payable are secured by a covenant to budget and appropriate, not a pledge of specific revenues. In the event of default, the noteholder may declare all principal and interest immediately due and payable.

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

Governmental Activities

Capital Improvement Note, Series 2009 - payable in annual principal installments start 10/1/10 through 10/1/2024 and interest paid semi-annually at a variable rate equal to 67% of the sum of LIBOR plus 2.6%, with a floor of 2.1%	\$ 2,045,000
Non-Ad Valorem Refunding Revenue Note, Series 2012 - payable in annual principal installments start 2/1/2013 through 2/1/2023 and interest paid semi-annually at 2.10%	1,461,000
Note Payable - payable in 20 quarterly principal installments and quarterly interest payments of \$3,000	950,000
	<u>\$ 4,456,000</u>

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

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2020	\$ 929,000	\$ 81,909
2021	951,000	66,527
2022	978,000	50,682
2023	1,003,000	34,239
2024	595,000	18,345
	<u>\$ 4,456,000</u>	<u>\$ 251,702</u>

NOTE 9 LONG-TERM DEBT (CONTINUED)

Bonds Payable - Public Offering

The 2016 Water and Sewer System Refunding Revenue Bonds are secured by net revenue of the water and sewer system. Total principal and interest remaining to be paid is \$27,418,171. For the fiscal year, principal and interest paid on this series was \$1,868,719 and total pledged revenue was \$6,039,005. In the event of default, the bondholder may exercise all legal remedies to enforce payment.

The 2017 Capital Improvement Revenue and Refunding Bonds are secured the half cent sales tax revenues, public services tax revenues, and the communications services tax revenues. Total principal and interest paid on this series was \$2,370,038 and total pledged revenue was \$12,389,351. In the event of default, the bondholder may exercise all legal remedies to enforce payment.

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

Governmental Activities

Capital Improvement Revenue and Refunding Bonds, Series 2017 - payable in annual principal installments through 10/1/2046 and interest paid semi-annually at rates from 3.00% to 5.00% \$ 37,385,000

Business-Type Activities

Water and Sewer System Revenue and Refunding Bonds, Series 2016 - payable in annual principal installments through 10/1/2036 and interest paid semi-annually at rates from 2.00% to 5.00% \$ 19,270,000

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

Year Ending September 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2020	\$ 710,000	\$ 1,657,638	\$ 945,000	\$ 926,269
2021	745,000	1,629,238	980,000	888,469
2022	770,000	1,599,438	1,015,000	849,269
2023	810,000	1,560,938	1,075,000	798,519
2024	845,000	1,520,438	1,125,000	744,769
2025 - 2029	4,930,000	6,921,188	6,425,000	2,828,094
2030 - 2034	6,285,000	5,560,938	6,790,000	1,061,594
2035 - 2039	8,000,000	3,845,438	915,000	51,188
2040 - 2044	9,800,000	2,047,125	-	-
2045 - 2047	4,490,000	254,250	-	-
	<u>\$ 37,385,000</u>	<u>\$ 26,596,629</u>	<u>\$ 19,270,000</u>	<u>\$ 8,148,171</u>

NOTE 9 LONG-TERM DEBT (CONTINUED)

Changes in 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:					
Notes Payable-Direct Borrowing	\$ 4,212,000	\$ 1,000,000	\$ (756,000)	\$ 4,456,000	\$ 929,000
Bonds Payable	38,070,000	-	(685,000)	37,385,000	710,000
Premium on bonds issued	2,994,949	-	(104,780)	2,890,169	-
Capital lease	1,318,739	1,745,452	(888,582)	2,175,609	866,549
Compensated absences	2,043,833	340,325	(204,400)	2,179,758	218,000
Net pension liability	5,762,992	485,386	-	6,248,378	-
Other post employment benefits	2,768,731	45,571	-	2,814,302	-
Governmental activity long-term liabilities	\$ 57,171,244	\$ 3,616,734	\$ (2,638,762)	\$ 58,149,216	\$ 2,723,549
Business-type Activities:					
Bonds payable	\$ 20,185,000	\$ -	\$ (915,000)	\$ 19,270,000	\$ 945,000
Premium on bonds issued	2,753,199	-	(152,955)	2,600,244	-
Capital lease	1,016,488	1,034,202	(552,340)	1,498,350	565,759
Compensated absences	499,066	48,019	(66,904)	480,181	48,019
Net pension liability	-	229,509	-	229,509	-
Other post employment benefits	623,998	9,587	-	633,585	-
Business-type activity long-term liabilities	\$ 25,077,751	\$ 1,321,317	\$ (1,687,199)	\$ 24,711,869	\$ 1,558,778

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

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NOTE 10 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2019 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Community Redevelopment Agency	General Fund	\$ 299
Nonmajor Governmental	General Fund	58
General Fund	Community Redevelopment Agency	146,777
General Fund	Internal Service Fund	200,000
General Fund	Nonmajor Governmental	847
Road Impact	Internal Service Fund	350,000
2017 Capital Projects Fund	General Fund	421
2017 Capital Projects Fund	Road Impact	183,169
2017 Capital Projects Fund	Water and Wastewater Fund	29,165
Water and Wastewater Fund	General Fund	61
Stormwater Fund	General Fund	7,090
Stormwater Fund	Internal Service Fund	304,842
Total		\$ 1,222,729

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

Interfund transfers for the year ended September 30, 2019 consisted of the following:

	<u>Transfers In</u>					<u>Total</u>
	<u>General Fund</u>	<u>2017 Capital Projects Fund</u>	<u>Water and Wastewater Fund</u>	<u>Stormwater Fund</u>	<u>Nonmajor Governmental</u>	
Transfer Out:						
General fund	\$ -	\$ -	\$ -	\$ 1,593	\$ 3,414,143	\$ 3,415,736
Road impact	-	888,531	-	-	-	888,531
Community redevelopment agency	220,897	-	-	-	-	220,897
Water and wastewater fund	2,132,576	-	-	-	-	2,132,576
Solid waste fund	640,192	-	-	25,000	-	665,192
Stormwater fund	713,222	-	72,369	-	300,000	1,085,591
Nonmajor governmental	-	-	-	138,960	-	138,960
Total	\$ 3,706,887	\$ 888,531	\$ 72,369	\$ 165,553	\$ 3,714,143	\$ 8,547,483

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

NOTE 11 RETIREMENT PLANS

Defined Benefit Plan and Trust

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

Contributions from the State received under Florida State Statutes 175 and 185 amounted to \$709,269 in 2019 and were recorded as revenue and expenditures in the general fund. The amounts legally required at September 30, 2019 to be reserved for general employees and police and fire pension funds are \$41,395,524 and \$57,472,199 respectively.

Summary of Significant Accounting Principles

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

Individual Pension Fund Statements

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

**Individual Statements of Fiduciary Net Position
September 30, 2019**

	General Employees Pension	Police and Fire Pension
Assets:		
Cash and cash equivalents	\$ 906,473	\$ 2,350,975
Investments, at fair value:		
Common funds - equity	25,972,304	34,970,507
Real estate investment trust	4,694,482	5,880,969
Common funds - bonds	9,822,265	14,269,748
Total investments	40,489,051	55,121,224
Total assets	41,395,524	57,472,199
Liabilities:		
Accounts Payable	-	-
Total liabilities	-	-
Net Position:		
Restricted for pensions	\$ 41,395,524	\$ 57,472,199

NOTE 11 RETIREMENT PLANS (CONTINUED)

**Individual Statements of Changes in Fiduciary Net Position
For the Year Ended September 30, 2019**

	<u>General Employees Pension</u>	<u>Police and Fire Pension</u>
Additions:		
Contributions:		
Employer	\$ 959,036	\$ 3,060,828
Plan members	673,662	658,066
State	-	709,269
Total contributions	<u>1,632,698</u>	<u>4,428,163</u>
Investment income:		
Interest	1,116,346	1,999,302
Net appreciation on fair value of investments	259,146	62,301
Less investment expense	<u>(228,063)</u>	<u>(522,776)</u>
Net investment income	<u>1,147,429</u>	<u>1,538,827</u>
Total additions	<u>2,780,127</u>	<u>5,966,990</u>
Deductions:		
Benefits	2,099,531	3,180,493
Administrative expenses	<u>70,513</u>	<u>121,220</u>
Total deductions	<u>2,170,044</u>	<u>3,301,713</u>
Change in net position	610,083	2,665,277
Net position, beginning	<u>40,785,441</u>	<u>54,806,922</u>
Net position, ending	<u>\$ 41,395,524</u>	<u>\$ 57,472,199</u>

General Employees' Pension

Summary of Significant Accounting Policies

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

Plan Description

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

Plan Membership - At September 30, 2019 plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	110
Inactive plan members entitled to but not yet receiving benefits	90
Active plan members	<u>184</u>
	<u>384</u>

NOTE 11 RETIREMENT PLANS (CONTINUED)

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

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

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

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

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

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

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

Net Pension Liability - The City's net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined as of that date. The components of the net pension liability on September 30, 2019 were as follows:

Total pension liability	\$ 42,204,017
Plan fiduciary net position	<u>(41,366,866)</u>
Sponsor's net pension liability	<u>\$ 837,151</u>
Plan fiduciary net position as a percentage of total pension liability	98.02%

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

Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of October 1, 2018 updated to September 30, 2019 using the following actuarial assumptions:

Inflation	2.50%
Salary increases	service based
Discount rate	7.40%
Investment rate of return	7.40%

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

NOTE 11 RETIREMENT PLANS (CONTINUED)

The actuarial assumptions used in the October 1, 2018 valuation were based on the results of an actuarial experience study performed on November 4, 2019.

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

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2019 are summarized in the following table:

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

Discount rate - The discount rate used to measure the total pension liability was 7.4%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	<u>Increase (Decrease)</u>		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at September 30, 2018	\$ 40,494,661	\$ 40,778,139	\$ (283,478)
Changes for a Year:			
Service Cost	1,149,974	-	1,149,974
Interest	3,146,116	-	3,146,116
Differences between expected and actual experience	(362,530)	-	(362,530)
Changes of assumptions	(125,022)	-	(125,022)
Contributions-employer	-	959,036	(959,036)
Contributions-employee	-	673,662	(673,662)
Net investment income	-	1,188,196	(1,188,196)
Benefit payments, including refunds of employee contributions	(2,099,182)	(2,099,182)	-
Administrative Expense	-	(132,985)	132,985
Net Changes	1,709,356	588,727	1,120,629
Balances at September 30, 2019	\$ 42,204,017	\$ 41,366,866	\$ 837,151

NOTE 11 RETIREMENT PLANS (CONTINUED)

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

	1% Decrease	Current Discount	1% Increase
	6.40%	Rate	7.40%
	<u>6.40%</u>	<u>7.40%</u>	<u>7.40%</u>
Net pension liability	\$ 5,730,891	\$ 837,151	\$ (3,280,507)

Deferred outflows and inflows of resources

For the year ended September 30, 2019, the City will recognize a pension expense of \$(19,939). On September 30, 2019 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows of
	of Resources	Resources
	<u>of Resources</u>	<u>Resources</u>
Differences between expected and actual experience	\$ 132,719	\$ 398,299
Changes of assumptions	242,258	93,768
Net difference between projected and actual earnings on pension plan investments	506,789	-
	<u>\$ 881,766</u>	<u>\$ 492,067</u>

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

<u>Year Ended September 30:</u>	
2020	\$ 30,724
2021	(180,424)
2022	149,623
2023	389,776
2024	-
Thereafter	-

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

Rate of return - For the year ended September 30, 2019 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 2.94 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program (DROP) - members are eligible following satisfaction of normal retirement requirements (age 60). For members hired after September 17, 2012, the eligibility for DROP participation is the attainment of age 62 and the completion of 10 years of credited service. Participation is not more than 84 months from age 60. For members hired after September 17, 2012, the DROP participation period shall not exceed 60 months from the first date of normal retirement eligibility. Earnings accrue at a fixed annual rate of 3%, credited quarterly. The DROP balance as of September 30, 2019 is \$383,552.

Police Officers' and Firefighters' Pension

Summary of Significant Accounting Policies

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

NOTE 11 RETIREMENT PLANS (CONTINUED)

Plan Description

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

Plan Membership - At September 30, 2019 plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	69
Inactive plan members entitled to but not yet receiving benefits	26
Active plan members	131
	226
	226

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

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

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

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

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

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

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

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

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

NOTE 11 RETIREMENT PLANS (CONTINUED)

Net Pension Liability - The City's net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined as of that date. The components of the net pension liability on September 30, 2019 were as follows:

Total pension liability	\$ 63,545,542
Plan fiduciary net position	<u>(57,904,806) *</u>
Sponsor's net pension liability	<u>\$ 5,640,736</u>
Plan fiduciary net position as a percentage of total pension liability	91.12%

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

Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of October 1, 2018 updated to September 30, 2019 using the following actuarial assumptions applied to all measurement periods.

Inflation	2.50%
Salary increases	service based
Discount rate	7.80%
Investment rate of return	7.80%

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

The actuarial assumptions used in the October 1, 2018 valuation were based on the results of an actuarial experience study dated October 30, 2015.

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

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2019 are summarized in the following table:

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

NOTE 11 RETIREMENT PLANS (CONTINUED)

Discount rate - The discount rate used to measure the total pension liability was 7.8%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at September 30, 2018	\$ 60,949,229	\$ 55,186,237	\$ 5,762,992
Changes for a Year:			
Service Cost	1,733,023	-	1,733,023
Interest	4,795,870	-	4,795,870
Share plan allocation	79,615	-	79,615
Differences between expected and actual experience	(1,189,010)	-	(1,189,010)
Changes of assumptions	340,308	-	340,308
Changes of benefit terms	(13,236)	-	(13,236)
Contributions-employer	-	3,060,827	(3,060,827)
Contributions-state	-	709,268	(709,268)
Contributions-employee	-	658,066	(658,066)
Net investment income	-	1,559,613	(1,559,613)
Benefit payments, including refunds of employee contributions	(3,150,257)	(3,150,257)	-
Administrative expense	-	(118,948)	118,948
Net Changes	2,596,313	2,718,569	(122,256)
Balances at September 30, 2019	\$ 63,545,542	\$ 57,904,806	\$ 5,640,736

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

	1% Decrease 6.80%	Current Discount Rate 7.80%	1% Increase 8.80%
Net pension liability	\$ 13,152,558	\$ 5,640,736	\$ (605,017)

NOTE 11 RETIREMENT PLANS (CONTINUED)

Deferred outflows and inflows of resources

For the year ended September 30, 2019, the City will recognize pension expense of \$(1,070,791). On September 30, 2019 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 430,583	\$ 1,124,480
Changes of assumptions	888,086	-
Net difference between projected and actual earnings on pension plan investments	<u>1,792,811</u>	<u>-</u>
	<u><u>\$ 3,111,480</u></u>	<u><u>\$ 1,124,480</u></u>

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

Year Ended September 30:	
<u>2020</u>	\$ 462,405
2021	488,856
2022	730,267
2023	547,960
2024	(121,244)
Thereafter	(121,244)

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

Rate of return - For the year ended September 30, 2019 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 2.82 percent.

Deferred Retirement Option Program (DROP) Police and Fire - members are eligible within 12 months following satisfaction of normal retirement requirements. Participation is not more than 60 months. Rate of return: at election of member (may change once during DROP period) either: 1) actual net rate of investment return (total return net of brokerage commissions, transaction costs, and management fees), or 2) 6.5%. Earnings are credited each fiscal quarter (2% for members entering the DROP after September 30, 2012). Additionally, members entering the DROP after September 30, 2012 cannot choose the Plan return option for investment crediting. The DROP balance as of September 30, 2019 is \$2,229,130.

NOTE 11 RETIREMENT PLANS (CONTINUED)

Aggregate Amounts of All Pension Plans

The aggregate amounts for all of the City's defined benefit pension plans at September 30, 2019 are as follows:

	Governmental Activities			
	Net Pension Asset (Liability)	Deferred Inflows	Deferred Outflows	Pension & OPEB Expense
Police and Fire Pension Plan	\$ (5,640,736)	\$ (1,124,480)	\$ 3,111,480	\$ (1,070,791)
General Employees Pension	(607,643)	(321,755)	622,647	(14,342)
OPEB Plan	(2,814,302)	(314,619)	82,314	176,741
	<u>\$ (9,062,681)</u>	<u>\$ (1,760,854)</u>	<u>\$ 3,816,441</u>	<u>\$ (908,392)</u>
	Business-type Activities			
	Net Pension Asset (Liability)	Deferred Inflows	Deferred Outflows	Pension & OPEB Expense
General Employees Pension	\$ (229,508)	\$ (170,312)	\$ 259,119	\$ (5,597)
OPEB Plan	(633,585)	(66,895)	18,391	37,180
	<u>\$ (863,093)</u>	<u>\$ (237,207)</u>	<u>\$ 277,510</u>	<u>\$ 31,583</u>

NOTE 12 OTHER POST EMPLOYMENT BENEFITS

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

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

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

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

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

NOTE 12 OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

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

Summary of Actuarial Methods & Assumptions

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

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

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

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

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

Discount Rate - Given the City's decision not to fund the program, all future benefit payments were discounted using a high-quality municipal bond rate of 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 is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

NOTE 12 OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Below are the details regarding the Total OPEB liability for the measurement period from October 1, 2018 to September 30, 2019.

	Increases and (Decreases) in Total OPEB Liability
Balances at September 30, 2018	<u>\$ 3,392,729</u>
Changes for a Year:	
Service Cost	245,728
Interest	130,806
Differences between expected and actual experience	-
Changes of assumptions	(230,864)
Benefit payments	(90,512)
Other changes	<u>-</u>
Net Changes	<u>55,158</u>
Balances at September 30, 2019	<u><u>\$ 3,447,887</u></u>

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

	1% Decrease 3.18%	Current Discount Rate 4.18%	1% Increase 5.18%
Net OPEB liability	\$ 3,893,976	\$ 3,447,887	\$ 3,073,510

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

	1% Decrease 3.0% - 7.5%	Healthcare Cost Trend Rates 4.0% - 8.5%	1% Increase 5.0% - 9.5%
Net OPEB liability	\$ 3,112,069	\$ 3,447,887	\$ 3,847,141

For the year ended September 30, 2019 the City will recognize OPEB expense of \$213,921.

NOTE 12 OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

On September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	381,515
Employer contributions subsequent to the measurement date	100,706	-
	<u>\$ 100,706</u>	<u>\$ 381,515</u>

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

Year Ended September 30:	
2020	\$ (69,707)
2021	(69,707)
2022	(69,707)
2023	(69,707)
2024	(69,709)
Thereafter	(32,978)

NOTE 13 DEFERRED COMPENSATION PLAN

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

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

NOTE 14 RISK MANAGEMENT

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

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

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

NOTE 14 RISK MANAGEMENT (CONTINUED)

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

The claims liability of \$83,215 represents claims processed through December 2019 which were applicable to the current fiscal year and any additional claims are deemed to be immaterial. Changes to the claims liability are as follows for the years ended September 30:

	<u>2019</u>	<u>2018</u>
Claims liability, beginning of year	\$ 65,574	\$ 387,519
Incurred claims	6,363,616	4,759,774
Payments on claims	<u>(6,345,975)</u>	<u>(5,081,719)</u>
Claims liability, end of year	<u>\$ 83,215</u>	<u>\$ 65,574</u>

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

Worker's compensation claims are paid from each fund as incurred and, therefore, is not included in the internal service fund. Also, actuarial probabilities are not needed since no claims are pending at September 30, 2019.

NOTE 15 CONTINGENT LIABILITIES

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

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

NOTE 16 FUND BALANCE

At September 30, 2019, the City's governmental fund balances were as follows:

	General Fund	Road Impact	Community Redevelopment Agency	2017 Capital Projects Fund	Other Governmental Funds	Total
Nonspendable						
Inventory and prepaids	\$ 1,178,228	\$ -	\$ -	\$ -	\$ -	\$ 1,178,228
Spendable						
Restricted for:						
Debt service	-	-	-	-	162,958	162,958
Community redevelopment	-	-	2,261,379	-	-	2,261,379
Highways and streets	-	6,761,025	-	-	-	6,761,025
Fire	-	-	-	-	2,045,534	2,045,534
Police	-	-	-	-	1,320,668	1,320,668
Culture and recreation	-	-	-	-	2,903,853	2,903,853
Capital projects	-	-	-	13,219,278	-	13,219,278
Assigned to:						
Subsequent year expenditures	3,747,245	-	-	-	-	3,747,245
Capital projects	1,772,533	-	-	-	2,728,953	4,501,486
Unassigned	16,780,792	-	-	-	(4,235)	16,776,557
Total fund balance	<u>\$ 23,478,798</u>	<u>\$ 6,761,025</u>	<u>\$ 2,261,379</u>	<u>\$ 13,219,278</u>	<u>\$ 9,157,731</u>	<u>\$ 54,878,211</u>

NOTE 17 SUBSEQUENT EVENTS

In response to the COVID - 19 pandemic, the City followed the Governors executive safer at home order. These events are ongoing as of the date of these statements and carry a high level of uncertainty. The outcome and ultimate effect on the City cannot be determined at this time. The City continues to evaluate the effects on revenue and potential financial support from FEMA and the CARES Act.

REQUIRED SUPPLEMENTARY INFORMATION

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Retiree Continuation Insurance Plan

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

Last Ten Fiscal Years*

	<u>9/30/2018</u>	<u>9/30/2019</u>
Total OPEB Liability		
Service cost	\$ 265,605	\$ 245,728
Interest	109,613	130,806
Differences between expected and actual experience	-	-
Changes of assumptions	(257,084)	(230,864)
Benefit Payments	(83,229)	(90,512)
Other changes	<u>-</u>	<u>-</u>
Net change in total OPEB liability	34,905	55,158
Total OPEB liability, beginning	<u>3,357,824</u>	<u>3,392,729</u>
Total OPEB liability, ending	<u>\$ 3,392,729</u>	<u>\$ 3,447,887</u>

Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%
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Covered payroll*	\$ 16,884,918	\$ 17,103,823
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Net OPEB liability as a percentage of covered payroll	20.09%	20.16%
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*FY 2019 Covered Payroll, projected based on actual FY 2017 Covered Payroll.

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

FY2019	4.18%
FY2018	3.64%
FY2017	3.06%

*Only 2 years of data available; additional years' information will be displayed as it becomes available.

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

	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Total Pension Liability						
Service cost	\$ 1,149,974	\$ 1,211,261	\$ 1,143,018	\$ 1,134,150	\$ 1,130,748	\$ 1,099,915
Interest	3,146,116	2,960,746	2,805,205	2,555,534	2,440,626	2,265,121
Differences between expected and actual experience	(362,530)	162,806	(316,002)	175,180	(480,737)	-
Changes of assumptions	(125,022)	-	-	1,211,288	-	-
Benefit payments, including refunds of employee contributions	(2,099,182)	(1,664,134)	(1,722,831)	(2,004,076)	(1,218,647)	(1,043,921)
Net change in total pension liability	1,709,356	2,670,679	1,909,390	3,072,076	1,871,990	2,321,115
Total pension liability, beginning	40,494,661	37,823,982	35,914,592	32,842,516	30,970,526	28,649,411
Total pension liability, ending (a)	<u>\$ 42,204,017</u>	<u>\$ 40,494,661</u>	<u>\$ 37,823,982</u>	<u>\$ 35,914,592</u>	<u>\$ 32,842,516</u>	<u>\$ 30,970,526</u>
Plan Fiduciary Net Position						
Contributions, employer	959,036	972,370	860,420	934,082	1,077,570	1,629,738
Contributions, employee	673,662	664,834	631,835	633,073	603,922	588,154
Net investment income	1,188,196	3,637,465	3,929,617	2,745,277	454,266	2,447,920
Benefit payments, including refunds of employee contributions	(2,099,182)	(1,664,134)	(1,722,831)	(2,004,076)	(1,218,647)	(1,043,921)
Administrative expense	(132,985)	(100,468)	(70,099)	(86,300)	(89,735)	(60,184)
Net change in plan fiduciary net position	588,727	3,510,067	3,628,942	2,222,056	827,376	3,561,707
Plan fiduciary net position, beginning	40,778,139	37,268,072	33,639,130	31,417,074	30,589,698	27,027,991
Plan fiduciary net position, ending (b)	<u>\$ 41,366,866</u>	<u>\$ 40,778,139</u>	<u>\$ 37,268,072</u>	<u>\$ 33,639,130</u>	<u>\$ 31,417,074</u>	<u>\$ 30,589,698</u>
Net pension liability, ending (a) - (b)	<u>\$ 837,151</u>	<u>\$ (283,478)</u>	<u>\$ 555,910</u>	<u>\$ 2,275,462</u>	<u>\$ 1,425,442</u>	<u>\$ 380,828</u>
Plan fiduciary net position as a percentage of total pension liability	98.02%	100.70%	98.53%	93.66%	95.66%	98.77%
Covered payroll	\$ 9,144,437	\$ 9,025,137	\$ 8,579,221	\$ 8,591,994	\$ 8,671,290	\$ 7,988,910
Net pension liability as a percentage of covered payroll	9.15%	-3.14%	6.48%	26.48%	16.44%	4.77%

Changes of assumptions:

For measurement date 9/30/2019, resulted from an experience study dated November 9, 2019 the Board approved the following changes:

- Assumed rates of individual salary increases
- Investment return assumption
- Assumed rates of pre-retirement withdrawal
- Assumed rates of retirement

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

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

*- only six years of data available

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

Total Pension Liability	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Service cost	\$ 1,733,023	\$ 1,597,646	\$ 1,479,035	\$ 1,222,895	\$ 1,245,860	\$ 1,315,099
Interest	4,795,870	4,514,299	4,202,389	3,985,189	3,784,844	3,562,111
Changes in Excess State Money	-	-	(664,444)	135,836	95,618	94,656
Share plan allocation	79,615	58,503	231,069	-	-	-
Changes of benefit terms	(13,236)	-	-	-	-	-
Differences between expected and actual experience	(1,189,010)	304,104	455,694	(315,979)	(146,497)	-
Changes of assumptions	340,308	329,525	475,896	416,293	-	-
Benefit payments, including refunds of employee contributions	(3,150,257)	(2,800,461)	(2,559,339)	(2,478,996)	(2,234,870)	(1,812,744)
Net change in total pension liability	2,596,313	4,003,616	3,620,300	2,965,238	2,744,955	3,159,122
Total pension liability, beginning	60,949,229	56,945,613	53,325,313	50,360,075	47,615,120	44,455,998
Total pension liability, ending (a)	<u>\$ 63,545,542</u>	<u>\$ 60,949,229</u>	<u>\$ 56,945,613</u>	<u>\$ 53,325,313</u>	<u>\$ 50,360,075</u>	<u>\$ 47,615,120</u>
Plan fiduciary net position						
Contributions, employer	3,060,827	2,297,293	1,813,985	1,762,326	1,726,011	1,943,350
Contributions, state	709,268	636,589	564,098	557,160	516,942	515,980
Contributions, employee	658,066	616,991	601,901	593,431	584,706	616,402
Net investment income	1,559,613	3,892,569	4,915,076	3,474,566	343,322	3,922,191
Benefit payments, including refunds of employee contributions	(3,150,257)	(2,800,461)	(2,559,339)	(2,478,996)	(2,234,870)	(1,812,744)
Administrative expense	(118,948)	(132,147)	(80,547)	(100,422)	(93,962)	(81,677)
Net change in plan fiduciary net position	2,718,569	4,510,834	5,255,174	3,808,065	842,149	5,103,502
Plan fiduciary net position, beginning	55,186,237	50,675,403	45,420,229	41,612,164	40,770,015	35,666,513
Plan fiduciary net position, ending (b)	<u>\$ 57,904,806</u>	<u>\$ 55,186,237</u>	<u>\$ 50,675,403</u>	<u>\$ 45,420,229</u>	<u>\$ 41,612,164</u>	<u>\$ 40,770,015</u>
Net pension liability, ending (a)-(b)	<u>\$ 5,640,736</u>	<u>\$ 5,762,992</u>	<u>\$ 6,270,210</u>	<u>\$ 7,905,084</u>	<u>\$ 8,747,911</u>	<u>\$ 6,845,105</u>
Plan fiduciary net position as a percentage of total pension liability	91.12%	90.54%	88.99%	85.18%	82.63%	85.62%
Covered payroll	\$ 8,225,822	\$ 7,712,391	\$ 7,523,761	\$ 7,417,886	\$ 8,310,219	\$ 7,705,028
Net pension liability as a percentage of covered payroll	68.57%	74.72%	83.34%	106.57%	105.27%	88.84%

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

Changes of benefit terms:

For measurement date 9/30/19, amounts reported as changes of benefit terms resulted from the provisions of Chapter 112.1816, Florida Statutes. The Statutes state that, effective July 1, 2019, a death or disability (under the Plan's definition of total and permanent disability) for a Firefighter due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer will be treated as duty-related.

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

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

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

Changes of assumptions:

For measurement date 9/30/19, amounts reported as changes of assumptions resulted from lowering the investment return from 7.85% to 7.80% (net of fees).

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

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

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

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

Additionally, the investment return assumption was lowered from 8.0% to 7.95% (net of fees).

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

*- only six years of data available

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

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the actuarially determined contributions	Contribution deficiency (excess)	Covered Payroll	Contributions as a percentage of covered payroll
9/30/2019	\$ 955,594	\$ 959,036	\$ (3,442)	\$ 9,144,437	10.49%
9/30/2018	971,105	972,370	(1,265)	9,025,137	10.77%
9/30/2017	857,922	860,420	(2,498)	8,579,221	10.03%
9/30/2016	921,062	934,082	(13,020)	8,591,994	10.87%
9/30/2015	1,077,570	1,077,570	-	8,671,290	12.43%
9/30/2014	1,629,738	1,629,738	-	7,988,910	20.40%
9/30/2013	1,778,969	1,778,969	-	7,896,000	22.53%

Notes to schedule

Valuation date 10/1/2017

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 Entry Age Normal
 Amortization Method Level Percentage of Pay, Closed
 Remaining Amortization Period 24 years (as of 10/1/2017)
 Mortality RP -2000 combined healthy mortality table (sex distinct), projected to the valuation date. The assumed rates of mortality are mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in the July 1, 2016 FRS actuarial valuation report for non-special risk lives.

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

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

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

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

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

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

Payroll Increases 1.96% per year

*- only seven years of data available

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

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the actuarially determined contributions	Contribution deficiency (excess)	Covered Payroll	Contributions as a percentage of covered payroll
9/30/2019	\$ 3,060,828	\$ 3,535,451	\$ (474,623)	\$ 8,225,822	42.98%
9/30/2018	2,718,618	2,750,804	(32,186)	7,712,391	35.67%
9/30/2017	2,235,309	2,246,389	(11,080)	7,523,761	29.86%
9/30/2016	2,171,957	2,183,650	(11,693)	7,417,886	29.44%
9/30/2015	2,147,335	2,147,334	1	8,310,219	25.84%
9/30/2014	2,364,673	2,364,673	-	7,705,028	30.69%
9/30/2013	2,421,668	2,421,668	-	7,414,782	32.66%

Notes to schedule

Valuation date 10/1/2017

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 Entry Age Normal

Amortization Method Level Percentage of Pay, Closed

Remaining Amortization Period 26 years (as of 10/1/2016)

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

Interest Rate 7.9% per year, compounded annually, net of investment expenses

Normal Retirement Based on the results of an experience study dated October 30, 2015, the below table reflects the assumed rates of retirement once a member attains normal retirement eligibility with at least 25 years of credited service:

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

Early Retirement Additionally 100% assumed retirement upon the completion of at least 27 years of credited service, In conjunction with this valuation, members eligible for early retirement between the ages of 45-54 are assumed to retire with an immediate subsidized benefit at the rate of 4% per year (except for a 25% assumption at age 50). The new rates were adopted as the result of the October 25, 2015 experience study

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

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

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

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

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

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

Payroll Growth 2.64% per year

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

* - only seven years of data available

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

Fiscal Year Ended	General Employees	Police and Fire
	Annual Money-Weighted Rate of Return Net of Investment Expense	Annual Money-Weighted Rate of Return Net of Investment Expense
9/30/2019	2.94%	2.82%
9/30/2018	9.79%	7.74%
9/30/2017	11.75%	10.90%
9/30/2016	8.82%	8.41%
9/30/2015	1.47%	84.00%
9/30/2014	8.92%	10.95%

*- only six years of data available

NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Governmental Funds

Special Revenue Funds

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

Debt Service Funds

Capital Improvement Revenue and Refunding Bonds, Series 2017

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

Capital Projects Funds

Capital Projects Reserve

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

Transportation Improvements

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

Coca Cola Property Improvements

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

City of Ocoee, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019

	Special Revenue				
	Fire Impact	Police Impact	Recreation Impact	Police Trust	Police Training
Assets:					
Cash and cash equivalents	\$ 1,040,484	\$ 1,106,042	\$ 3,302,395	\$ 128,856	\$ 85,770
Investments	1,005,050	-	-	-	-
Receivables, net	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	\$ 2,045,534	\$ 1,106,042	\$ 3,302,395	\$ 128,856	\$ 85,770
Liabilities and Fund Balances:					
Accounts payable	\$ -	\$ -	\$ 148,542	\$ -	\$ -
Matured bonds payable	-	-	-	-	-
Matured interest payable	-	-	-	-	-
Unearned revenue	-	-	250,000	-	-
Total liabilities	-	-	398,542	-	-
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	2,045,534	1,106,042	2,903,853	128,856	85,770
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	2,045,534	1,106,042	2,903,853	128,856	85,770
Total liabilities and fund balances	\$ 2,045,534	\$ 1,106,042	\$ 3,302,395	\$ 128,856	\$ 85,770

City of Ocoee
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019

	Debt Service		
	Total Special Revenue Funds	2017 Debt Service	Total Debt Service Funds
Assets:			
Cash and cash equivalents	\$ 5,663,547	\$ 1,690,477	\$ 1,690,477
Investments	1,005,050	-	-
Receivables, net	-	-	-
Due from other funds	-	-	-
Total assets	\$ 6,668,597	\$ 1,690,477	\$ 1,690,477
Liabilities and Fund Balances:			
Accounts payable	\$ 148,542	\$ -	\$ -
Matured bonds payable	-	685,000	685,000
Matured interest payable	-	842,519	842,519
Unearned revenue	250,000	-	-
Total liabilities	398,542	1,527,519	1,527,519
Fund Balances:			
Nonspendable	-	-	-
Restricted	6,270,055	162,958	162,958
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	6,270,055	162,958	162,958
Total liabilities and fund balances	\$ 6,668,597	\$ 1,690,477	\$ 1,690,477

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CITY OF OCOEE, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2019

	Capital Projects Funds				Total-Other Governmental Funds
	Capital Projects Reserve Fund	Transportation Improvements Fund	Coca Cola Property Improv Fund	Total Capital Projects	
Assets:					
Cash and cash equivalents	\$ 2,510,550	\$ 441,835	\$ 28	\$ 2,952,413	\$ 10,306,437
Investments	-	-	-	-	1,005,050
Receivables, net	8,695	960	-	9,655	9,655
Due from other funds	-	58	-	58	58
Total assets	\$ 2,519,245	\$ 442,853	\$ 28	\$ 2,962,126	\$ 11,321,200
Liabilities and Fund Balances:					
Accounts payable	\$ 192,697	\$ -	4,263	\$ 196,960	\$ 345,502
Matured bonds payable	-	-	-	-	685,000
Matured interest payable	-	-	-	-	842,519
Unearned revenue	40,448	-	-	40,448	290,448
Total liabilities	233,145	-	4,263	237,408	2,163,469
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	6,433,013
Assigned	2,286,100	442,853	-	2,728,953	2,728,953
Unassigned	-	-	(4,235)	(4,235)	(4,235)
Total fund balances	2,286,100	442,853	(4,235)	2,724,718	9,157,731
Total liabilities and fund balances	\$ 2,519,245	\$ 442,853	\$ 28	\$ 2,962,126	\$ 11,321,200

City of Ocoee, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2019

	Special Revenue Funds				
	Fire Impact	Police Impact	Recreation Impact	Police Trust	Police Training
Revenues:					
Taxes and impact fees	\$ 452,371	\$ 346,097	\$ 814,320	\$ -	\$ -
Fines and forfeitures	-	-	-	25,548	10,294
Investment income	29,103	15,281	49,883	2,142	1,259
Total revenues	481,474	361,378	864,203	27,690	11,553
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	42,691	-
Physical environment	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt Service:					
Principal	-	111,000	109,288	-	-
Interest and fiscal charges	-	20,827	29,615	-	-
Capital Outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Physical environment	-	-	-	-	-
Culture and recreation	-	-	431,853	-	-
Total expenditures	-	131,827	570,756	42,691	-
Excess (Deficiency) of Revenues Over Expenditures	481,474	229,551	293,447	(15,001)	11,553
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources(uses)	-	-	-	-	-
Net change in fund balances	481,474	229,551	293,447	(15,001)	11,553
Fund balances, beginning	1,564,060	876,491	2,610,406	143,857	74,217
Fund balances, ending	\$ 2,045,534	\$ 1,106,042	\$ 2,903,853	\$ 128,856	\$ 85,770

City of Ocoee, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended September 30, 2019

		Debt Service	
	Total Special Revenue Funds	2017 Debt Service	Total Debt Service Funds
Revenues:			
Taxes and impact fees	\$ 1,612,788	\$ -	\$ -
Fines and forfeitures	35,842	-	-
Investment income	97,668	6,912	6,912
Total revenues	1,746,298	6,912	6,912
Expenditures:			
Current:			
General government	-	350	350
Public safety	42,691	-	-
Physical environment	-	-	-
Culture and recreation	-	-	-
Debt Service:			
Principal	220,288	685,000	685,000
Interest and fiscal charges	50,442	1,685,037	1,685,037
Capital Outlay:			
General government	-	-	-
Public safety	-	-	-
Physical environment	-	-	-
Culture and recreation	431,853	-	-
Total expenditures	745,274	2,370,387	2,370,387
Excess (Deficiency) of Revenues Over Expenditures	1,001,024	(2,363,475)	(2,363,475)
Other Financing Sources (Uses):			
Transfers in	-	2,402,840	2,402,840
Transfers out	-	-	-
Total other financing sources (uses)	-	2,402,840	2,402,840
Net change in fund balances	1,001,024	39,365	39,365
Fund balances, beginning	5,269,031	123,593	123,593
Fund balances, ending	\$ 6,270,055	\$ 162,958	\$ 162,958

Continued

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Governmental Funds

For the Year Ended September 30, 2019

	<u>Capital Projects Funds</u>				
	Capital Projects Reserve Fund	Transportation Improvements Fund	Coca Cola Property Improv Fund	Total Capital Projects	Total-Other Governmental Funds
Revenues:					
Taxes and impact fees	\$ -	\$ -	\$ -	\$ -	\$ 1,612,788
Fines and forfeitures	-	-	-	-	35,842
Investment income	40,975	-	-	40,975	145,555
Total revenues	40,975	-	-	40,975	1,794,185
Expenditures:					
Current:					
General government	-	-	-	-	350
Public safety	-	-	-	-	42,691
Physical environment	-	-	4,263	4,263	4,263
Culture and recreation	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	905,288
Interest and fiscal charges	-	-	-	-	1,735,479
Capital Outlay:					
General government	1,599,910	-	-	1,599,910	1,599,910
Public safety	218,522	-	-	218,522	218,522
Physical environment	1,181,718	-	-	1,181,718	1,181,718
Culture and recreation	386,486	-	-	386,486	818,339
Total expenditures	3,386,636	-	4,263	3,390,899	6,506,560
Excess (Deficiency) of Revenues Over Expenditures	(3,345,661)	-	(4,263)	(3,349,924)	(4,712,375)
Other Financing Sources (Uses):					
Transfers in	1,311,303	-	-	1,311,303	3,714,143
Transfers out	(138,960)	-	-	(138,960)	(138,960)
Total other financing sources(uses)	1,172,343	-	-	1,172,343	3,575,183
Net change in fund balances	(2,173,318)	-	(4,263)	(2,177,581)	(1,137,192)
Fund balances, beginning	4,459,418	442,853	28	4,902,299	10,294,923
Fund balances, ending	\$ 2,286,100	\$ 442,853	\$ (4,235)	\$ 2,724,718	\$ 9,157,731

City of Ocoee, Florida
Fire Impact Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes and impact fees	\$ 335,286	\$ 335,286	\$ 452,371	\$ 117,085
Investment income	140	140	29,103	28,963
Total revenues	335,426	335,426	481,474	146,048
Expenditures:				
Current:				
Public Safety:				
Fire	85,426	85,426	-	85,426
Total expenditures	85,426	85,426	-	85,426
Excess (Deficiency) of Revenues Over Expenditures	250,000	250,000	481,474	231,474
Other Financing Sources (Uses)				
Transfers out	(250,000)	(250,000)	-	250,000
Total other financing sources (uses)	(250,000)	(250,000)	-	250,000
Net change in fund balance	-	-	481,474	481,474
Fund balance, beginning	1,564,060	1,564,060	1,564,060	-
Fund balance, ending	\$ 1,564,060	\$ 1,564,060	\$ 2,045,534	\$ 481,474

City of Ocoee, Florida
Police Impact Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes and impact fees	\$ 243,347	\$ 214,653	\$ 346,097	\$ 131,444
Investment income	-	-	15,281	15,281
Total revenues	243,347	214,653	361,378	146,725
Expenditures:				
Current:				
Public Safety:				
Police	103,347	74,653	-	74,653
Debt Service:				
Principal and Interest	140,000	140,000	131,827	8,173
Total expenditures	243,347	214,653	131,827	82,826
Excess (Deficiency) of Revenues Over Expenditures	-	-	229,551	229,551
Net change in fund balance	-	-	229,551	229,551
Fund balance, beginning	876,491	876,491	876,491	-
Fund balance, ending	\$ 876,491	\$ 876,491	\$ 1,106,042	\$ 229,551

City of Ocoee, Florida
Recreation Impact Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes and impact fees	\$ 510,120	\$ 510,120	\$ 814,320	\$ 304,200
Investment income	1,000	1,000	49,883	48,883
Total revenues	511,120	511,120	864,203	353,083
Expenditures:				
Culture and recreation:				
Parks and recreation	340,120	340,120	431,853	(91,733)
Debt Service:				
Principal and Interest	121,000	121,000	138,903	(17,903)
Total expenditures	461,120	461,120	570,756	(109,636)
Excess (Deficiency) of Revenues Over Expenditures	50,000	50,000	293,447	243,447
Other Financing Sources (Uses)				
Transfers out	(50,000)	(50,000)	-	50,000
Total other financing sources (uses)	(50,000)	(50,000)	-	50,000
Net change in fund balance	-	-	293,447	293,447
Fund balance, beginning	2,610,406	2,610,406	2,610,406	-
Fund balance, ending	\$ 2,610,406	\$ 2,610,406	\$ 2,903,853	\$ 293,447

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FIDUCIARY FUNDS

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City of Ocoee, Florida
Combining Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2019

	General Employees Pension	Police and Fire Pension	Total Employee Pension Funds
Assets:			
Cash and cash equivalents	\$ 906,473	\$ 2,350,975	\$ 3,257,448
Investments, at fair value:			
Common funds, equity	25,972,304	34,970,507	60,942,811
Real estate investment trust	4,694,482	5,880,969	10,575,451
Common funds, bonds	9,822,265	14,269,748	24,092,013
Total investments	40,489,051	55,121,224	95,610,275
Total assets	41,395,524	57,472,199	98,867,723
Liabilities			
Accounts payable	-	-	-
Total liabilities	-	-	-
Net Position:			
Restricted for pensions	<u>\$ 41,395,524</u>	<u>\$ 57,472,199</u>	<u>\$ 98,867,723</u>

City of Ocoee, Florida
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2019

	General Employees Pension	Police and Fire Pension	Total Employee Pension Funds
Additions:			
Contributions:			
Employer	\$ 959,036	\$ 3,060,828	\$ 4,019,864
Plan members	673,662	658,066	1,331,728
State	-	709,269	709,269
Total contributions	1,632,698	4,428,163	6,060,861
Investment Income:			
Interest	1,116,346	1,999,302	3,115,648
Net appreciation (depreciation) on fair value of investments	259,146	62,301	321,447
Less investment expense	(228,063)	(522,776)	(750,839)
Net investment income	1,147,429	1,538,827	2,686,256
Total additions	2,780,127	5,966,990	8,747,117
Deductions:			
Benefits	2,099,531	3,180,493	5,280,024
Administrative expenses	70,513	121,220	191,733
Total deductions	2,170,044	3,301,713	5,471,757
Change in net position	610,083	2,665,277	3,275,360
Net position, beginning	40,785,441	54,806,922	95,592,363
Net position, ending	\$ 41,395,524	\$ 57,472,199	\$ 98,867,723

STATISTICAL SECTION

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

Contents	Page
Financial Trends	85
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	92
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
Debt Capacity	96
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
Demographic and Economic Information	100
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information	102
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

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

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City Of Ocoee

Net Position by Component

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

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 87,258	\$ 86,671	\$ 87,154	\$ 87,432	\$ 87,717	\$ 87,359	\$ 87,677	\$ 87,143	\$ 88,420	\$ 89,356
Restricted	6,814	6,909	5,549	4,112	3,560	3,943	4,831	7,737	12,679	15,455
Unrestricted	16,938	14,491	11,810	11,959	9,816	3,661	8,983	11,448	17,919	21,112
Total governmental activities net position	<u>\$ 111,010</u>	<u>\$ 108,071</u>	<u>\$ 104,512</u>	<u>103,503</u>	<u>101,093</u>	<u>\$ 94,963</u>	<u>\$ 101,491</u>	<u>\$ 106,328</u>	<u>\$ 119,018</u>	<u>\$ 125,923</u>
Business-type activities										
Net investment in capital assets	\$ 42,827	\$ 41,936	\$ 41,155	\$ 41,661	\$ 45,527	\$ 44,515	\$ 44,787	\$ 47,653	\$ 48,326	\$ 48,925
Restricted	98	7,604	7,519	7,583	8,670	9,066	10,001	10,462	10,007	11,390
Unrestricted	29,348	23,385	24,461	24,305	22,110	23,137	23,931	24,485	27,975	29,024
Total business-type activities net position	<u>\$ 72,273</u>	<u>\$ 72,925</u>	<u>\$ 73,135</u>	<u>\$ 73,549</u>	<u>\$ 76,307</u>	<u>\$ 76,718</u>	<u>\$ 78,719</u>	<u>\$ 82,600</u>	<u>\$ 86,308</u>	<u>\$ 89,339</u>
Primary government										
Net investment in capital assets	\$ 130,085	\$ 128,607	\$ 128,309	\$ 129,093	\$ 133,244	\$ 131,874	\$ 132,464	\$ 134,796	\$ 136,746	\$ 138,281
Restricted	6,912	14,513	13,068	11,695	12,231	13,009	14,832	18,199	22,686	26,845
Unrestricted	46,286	37,876	36,271	36,246	31,926	26,798	32,914	35,933	45,894	50,136
Total primary government net position	<u>\$ 183,283</u>	<u>\$ 180,996</u>	<u>\$ 177,647</u>	<u>\$ 177,034</u>	<u>\$ 177,401</u>	<u>\$ 171,681</u>	<u>\$ 180,210</u>	<u>\$ 188,928</u>	<u>\$ 205,326</u>	<u>\$ 215,262</u>

City of Ocoee, Florida

Change in Net Position

Last Ten Fiscal Years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities:										
General Government	\$ 9,458,398	\$ 9,441,940	\$ 9,416,758	\$ 9,938,792	\$ 10,681,945	\$ 12,495,444	\$ 13,039,440	\$ 13,649,539	\$ 13,178,601	\$ 15,118,912
Physical Environment	6,469,634	5,943,872	6,504,465	5,555,374	5,218,225	5,476,916	5,105,153	5,332,183	5,298,461	7,926,217
Public Safety	14,684,243	15,197,572	15,541,748	16,076,453	15,926,441	14,919,303	15,174,974	15,190,761	16,229,129	18,486,749
Parks & Recreation	2,664,419	2,480,771	2,666,475	2,737,947	3,035,914	3,197,256	2,944,167	2,972,836	2,953,950	3,676,540
Interest on Long Term Debt	1,588,285	1,511,332	1,402,016	895,124	798,482	746,693	711,401	1,153,474	1,777,286	1,751,138
Total governmental activities	34,864,979	34,575,487	35,531,462	35,203,690	35,661,007	36,835,612	36,975,135	38,298,793	39,437,427	46,959,556
Business-type activities:										
Water & Wastewater	7,721,263	7,851,659	8,087,860	8,132,179	8,293,957	9,094,414	10,615,152	9,157,504	9,366,129	9,698,307
Stormwater	2,463,252	2,497,936	2,456,562	2,770,460	2,841,248	2,849,891	2,658,963	3,009,574	2,745,162	2,784,591
Sanitation	2,443,280	2,388,845	2,104,964	2,178,409	2,720,559	2,300,596	2,552,590	2,809,579	4,064,133	2,874,263
Total business-type activities	12,627,795	12,738,440	12,649,386	13,081,048	13,855,764	14,244,901	15,826,705	14,976,657	16,175,424	15,357,161
Total Expenses	47,492,774	47,313,927	48,180,848	48,284,738	49,516,771	51,080,513	52,801,840	53,275,450	55,612,851	62,316,717
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	445,380	413,648	404,022	404,374	400,175	419,721	410,555	414,888	423,657	433,855
Physical Environment	1,826,899	1,491,414	994,221	2,311,995	1,282,450	3,245,152	3,023,769	3,817,488	4,746,061	4,917,421
Public Safety	1,375,767	1,169,318	1,135,693	1,526,424	2,289,219	3,771,840	3,852,085	4,123,370	4,370,274	5,267,762
Parks & Recreation	820,505	877,217	849,167	1,162,865	1,021,146	1,239,553	1,212,834	1,654,969	1,510,022	1,525,561
Oper. Grants & Contributions	1,643,592	1,740,436	1,861,636	2,032,462	2,062,887	2,032,603	2,119,977	2,157,004	2,798,378	3,501,863
Capital Grants & Contributions	2,604,902	664,533	1,540,435	1,163,135	219,160	225,719	449,106	487,181	662,282	1,256,247
Total governmental activities	8,717,045	6,356,566	6,785,174	8,601,255	7,275,037	10,934,588	11,068,326	12,654,900	14,510,674	16,902,709
Business-type activities:										
Charges for services:										
Water & Wastewater	7,832,384	8,470,715	8,485,818	8,716,867	9,155,979	9,661,139	10,541,635	11,471,245	11,494,750	13,272,537
Stormwater	3,141,760	3,401,041	3,360,566	3,349,634	3,199,105	2,918,911	2,825,072	3,094,732	3,513,024	3,439,673
Solid Waste	2,727,633	2,750,381	2,810,349	2,875,741	2,925,054	2,991,560	3,021,514	3,066,449	3,165,442	3,207,790
Oper. Grants & Contributions	-	-	41,304	14,661	11,620	-	248,077	1,115,283	129,410	-
Capital Grants & Contributions	319,899	1,015,687	500,838	1,395,220	3,469,260	1,718,056	3,890,008	2,652,962	2,109,731	1,135,134
Total business-type activities	14,021,676	15,637,824	15,198,875	16,352,123	18,761,018	17,289,666	20,526,306	21,400,671	20,412,357	21,055,134
Total program revenues	22,738,721	21,994,390	21,984,049	24,953,378	26,036,055	28,224,254	31,594,632	34,055,571	34,923,031	37,957,843

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net (expense) revenue										
Governmental activities	(26,147,934)	(28,218,921)	(28,746,288)	(26,602,435)	(28,385,970)	(25,901,024)	(25,906,809)	(25,643,893)	(24,926,753)	(30,056,847)
Business-type activities	1,393,881	2,899,384	2,549,489	3,271,075	4,905,254	3,044,765	4,699,601	6,424,014	4,236,933	5,697,973
Total net expense	<u>(24,754,053)</u>	<u>(25,319,537)</u>	<u>(26,196,799)</u>	<u>(23,331,360)</u>	<u>(23,480,716)</u>	<u>(22,856,259)</u>	<u>(21,207,208)</u>	<u>(19,219,879)</u>	<u>(20,689,820)</u>	<u>(24,358,874)</u>

General Revenue (Expenses) and Other Changes in Net Position

Governmental activities										
Property Taxes	11,188,564	9,715,104	9,643,175	9,325,520	9,192,829	9,884,437	11,060,960	11,725,114	12,604,617	13,858,591
Franchise fees and utility taxes	5,801,550	5,566,196	5,283,990	5,276,556	5,703,266	5,833,539	5,809,867	5,886,336	6,277,216	6,946,302
Intergovernment Revenue	6,660,226	7,030,532	7,328,477	7,780,675	8,276,562	8,789,064	9,350,920	9,667,495	10,458,407	10,906,810
Investment income and misc.	616,865	557,380	351,594	570,883	412,895	775,716	699,409	476,935	2,079,913	1,574,294
Gain on sale of capital assets	-	-	-	-	-	-	2,641,378	56,476	3,731,097	35,181
Transfers	2,204,225	2,410,292	2,581,232	2,640,910	2,414,089	2,605,550	2,872,166	2,669,804	1,108,409	3,645,437
Total governmental activities	<u>26,471,430</u>	<u>25,279,504</u>	<u>25,188,468</u>	<u>25,594,544</u>	<u>25,999,641</u>	<u>27,888,306</u>	<u>32,434,700</u>	<u>30,482,160</u>	<u>36,259,659</u>	<u>36,966,615</u>
Business-type activities										
Investment income and misc.	265,498	163,445	241,393	86,970	266,193	145,188	173,027	127,519	273,422	977,310
Transfers	(2,204,225)	(2,410,292)	(2,581,232)	(2,640,910)	(2,414,089)	(2,605,550)	(2,872,166)	(2,669,804)	(1,108,409)	(3,645,437)
Total business-type activities	<u>(1,938,727)</u>	<u>(2,246,847)</u>	<u>(2,339,839)</u>	<u>(2,553,940)</u>	<u>(2,147,896)</u>	<u>(2,460,362)</u>	<u>(2,699,139)</u>	<u>(2,542,285)</u>	<u>(834,987)</u>	<u>(2,668,127)</u>
Total government	<u>24,532,703</u>	<u>23,032,657</u>	<u>22,848,629</u>	<u>23,040,604</u>	<u>23,851,745</u>	<u>25,427,944</u>	<u>29,735,561</u>	<u>27,939,875</u>	<u>35,424,672</u>	<u>34,298,488</u>

Change in Net Position

Governmental activities	323,496	(2,939,417)	(3,557,820)	(1,007,891)	(2,386,329)	\$ 1,987,282	\$ 6,527,891	\$ 4,838,267	\$ 11,332,906	\$ 6,909,768
Business-type activities	(544,846)	652,537	209,650	717,135	2,757,358	584,403	2,000,462	3,881,729	3,401,946	3,029,846
Total change in net position	<u>\$ (221,350)</u>	<u>\$ (2,286,880)</u>	<u>\$ (3,348,170)</u>	<u>(290,756)</u>	<u>371,029</u>	<u>\$ 2,571,685</u>	<u>\$ 8,528,353</u>	<u>\$ 8,719,996</u>	<u>\$ 14,734,852</u>	<u>\$ 9,939,614</u>

City of Ocoee, Florida

Governmental Activities Tax Revenue by Source

Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Property Tax	Franchise Fees	Utility Tax	Half-Cent Sales Tax	Alcoholic Beverage License	County 6 Cent Gas Tax	Total
2010	\$ 11,188,564	\$ 2,643,596	\$ 3,157,954	\$ 3,956,965	\$ 9,593	\$ 1,115,594	\$ 22,072,266
2011	9,715,104	2,481,838	3,084,358	4,391,828	10,278	1,101,513	20,784,919
2012	9,643,175	2,372,389	2,911,601	4,598,067	19,745	1,110,779	20,655,756
2013	9,325,520	2,272,718	3,003,838	4,924,796	2,521	1,158,717	20,688,110
2014	9,192,829	2,461,250	3,242,016	5,314,028	21,206	1,269,929	21,501,258
2015	9,884,436	2,620,151	3,213,389	5,665,490	1,515	1,257,015	22,641,996
2016	11,060,960	2,457,176	3,352,691	6,084,185	9,703	1,373,709	24,338,424
2017	11,181,486	2,440,059	3,446,277	6,359,607	1,075	1,401,038	24,829,542
2018	12,604,617	2,675,962	3,601,254	7,013,913	11,809	1,472,446	27,380,001
2019	13,858,591	2,936,228	4,010,074	7,365,056	13,393	1,506,713	29,690,055

City of Ocoee, Florida

Fund Balances of Governmental Funds

Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Pre-GASB 54	
	2009	2010
General Fund		
Reserved	\$ 97,062	\$ 106,203
Unreserved	12,575,887	12,801,901
Total General Fund	\$ 12,672,949	\$ 12,908,104

All other Governmental Funds

Reserved		
Debt Service Funds	\$ 142,131	\$ 143,138
Unreserved, reported in:		
Capital Projects Funds	3,877,476	3,375,480
Special Revenue Funds	9,055,499	8,548,713
Total all other Governmental Funds	\$ 13,075,106	\$ 12,067,331

Post GASB 54

Fiscal Year	2012	2013	2014	2015	2016	2017	2018	2019
General Fund								
Non-Spendable	\$ 127,412	\$ 121,556	\$ 86,901	\$ 110,379	\$ 135,781	\$ 146,586	\$ 1,034,309	\$ 1,178,228
Restricted	-	-	-	-	-	-	-	-
Assigned	4,283,790	3,200,000	2,500,000	2,873,528	3,176,410	4,379,362	4,233,141	5,519,778
Unassigned	7,279,077	7,938,384	7,657,842	9,804,236	12,954,594	13,310,229	14,191,570	16,780,792
Total General Fund	\$ 11,690,279	\$ 11,259,940	\$ 10,244,743	\$ 12,788,143	\$ 16,266,785	\$ 17,836,177	\$ 19,459,020	\$ 23,478,798

All other Governmental Funds

Non-Spendable	\$ 1,818	\$ 4,700	\$ 3,445	\$ 5,572	\$ -	\$ -	\$ -	\$ -
Restricted	5,548,030	4,106,828	3,558,497	3,937,663	4,831,346	31,859,663	30,538,812	28,674,695
Assigned	3,198,202	3,523,450	3,024,980	2,363,677	3,554,671	3,285,545	4,902,299	2,728,953
Unassigned	-	-	-	-	-	-	-	(4,235)
Total all other Governmental Funds	\$ 8,748,050	\$ 7,634,978	\$ 6,586,922	\$ 6,306,912	\$ 8,386,017	\$ 35,145,208	\$ 35,441,111	\$ 31,399,413

City of Ocoee, Florida

Changes in Fund Balance of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(amounts expressed in thousands)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Revenues										
Taxes and Impact Fees	\$ 18,540	\$ 16,524	\$ 15,563	\$ 16,408	\$ 15,704	\$ 18,318	\$ 19,936	\$ 21,698	\$ 23,679	\$ 26,268
Licenses and Permits	1,207	1,148	1,041	1,589	1,053	1,964	1,711	2,345	2,442	2,670
Intergovernmental	9,859	9,078	10,118	10,081	10,349	10,822	11,590	11,831	13,275	14,453
Charges for services	797	852	919	1,056	1,947	3,257	3,292	3,349	3,759	4,031
Fines and forfeitures	914	709	786	955	1,185	1,081	761	710	696	1,193
Contributions	850	358	265	188	210	-	-	-	-	-
Investment earnings	299	211	142	34	63	112	82	93	283	1,073
Miscellaneous	511	343	207	535	288	553	616	382	1,789	376
Total revenues	<u>32,977</u>	<u>29,223</u>	<u>29,041</u>	<u>30,846</u>	<u>30,799</u>	<u>36,107</u>	<u>37,988</u>	<u>40,408</u>	<u>45,923</u>	<u>50,064</u>
Expenditures										
General government	8,611	8,323	8,343	9,080	9,559	11,077	12,281	13,298	14,178	15,083
Public safety	13,561	14,161	14,291	15,110	14,937	14,634	14,768	15,413	16,614	18,987
Physical environment	4,248	3,976	3,554	3,260	3,126	2,816	2,354	2,681	3,169	2,931
Culture and recreation	2,276	2,245	2,413	2,462	2,601	2,625	2,459	2,575	3,357	3,088
Capital outlay	4,383	1,605	2,797	2,515	2,515	3,359	2,534	2,915	8,025	12,241
Debt service										
Principal	6,706	1,840	24,730	8,266	2,182	2,517	5,113	20,010	2,241	2,330
Interest	1,588	1,522	1,402	938	802	749	712	1,206	1,871	1,860
Other charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>41,373</u>	<u>33,672</u>	<u>57,530</u>	<u>41,631</u>	<u>35,722</u>	<u>37,777</u>	<u>40,221</u>	<u>58,098</u>	<u>49,455</u>	<u>56,520</u>
Excess of revenues over (under) expenditures	(8,396)	(4,449)	(28,489)	(10,785)	(4,923)	(1,670)	(2,233)	(17,690)	(3,532)	(6,456)

City of Ocoee, Florida

Changes in Fund Balance of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

(amounts expressed in thousands)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Other financing sources (uses)										
Transfers in	6,098	6,843	6,337	6,861	5,845	6,089	7,491	48,820	5,479	8,310
Transfers out	(3,906)	(4,408)	(3,755)	(4,220)	(3,431)	(3,495)	(4,617)	(46,150)	(4,371)	(4,664)
Bonds	-	-	-	-	-	-	-	39,415	-	-
Premium on bonds issued	-	-	-	-	-	-	-	3,143	-	-
Capital leases	391	51	40	310	373	1,185	1,161	732	580	1,745
Promissory notes	5,000	-	23,022	6,291	-	-	-	-	-	1,000
Payments to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	40	215	57	-	73	154	3,755	57	3,762	50
Total other financing sources (uses)	<u>7,623</u>	<u>2,701</u>	<u>25,701</u>	<u>9,242</u>	<u>2,860</u>	<u>3,933</u>	<u>7,790</u>	<u>46,017</u>	<u>5,450</u>	<u>6,441</u>
Net change in fund balances	<u>\$ (773)</u>	<u>\$ (1,748)</u>	<u>\$ (2,788)</u>	<u>\$ (1,543)</u>	<u>\$ (2,063)</u>	<u>\$ 2,263</u>	<u>\$ 5,557</u>	<u>\$ 28,327</u>	<u>\$ 1,918</u>	<u>\$ (15)</u>
Debt service as a percentage of noncapital expenditures	11.48%	11.71%	10.87%	9.74%	9.87%	10.48%	15.45%	38.54%	8.86%	9.04%

City of Ocoee, Florida

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended September 30,	Real Property Assessed	Real Property Estimated Actual	Personal Property Assessed	Personal Property Estimated Actual	Total Assessed	Total Actual	Total Direct Tax Rate
2010	1,999,092	2,007,273	100,064	100,473	2,099,156	2,107,746	5.4974
2011	1,728,828	1,714,380	93,294	92,514	1,822,122	1,806,894	5.5574
2012	1,623,489	1,618,845	90,255	89,997	1,713,744	1,708,842	5.8460
2013	1,568,859	1,567,379	90,059	89,974	1,658,918	1,657,353	5.8460
2014	1,583,978	1,580,727	92,883	92,692	1,676,861	1,673,419	5.7855
2015	1,722,692	1,717,624	96,001	95,719	1,818,693	1,813,343	5.6371
2016	1,849,132	1,843,511	100,013	99,709	1,949,145	1,943,220	5.9104
2017	1,987,873	1,988,159	94,244	94,258	2,082,117	2,082,417	5.8291
2018	2,204,994	2,201,438	108,619	108,444	2,313,613	2,309,882	5.6546
2019	2,510,512	2,507,775	118,415	118,286	2,628,927	2,626,061	5.5000

City of Ocoee, Florida

Property Tax Rates

Direct and Overlapping¹ Governments
Last Ten Fiscal Years

Fiscal Year	City of Ocoee Operating Millage	Orange County				Overlapping Rates							Total Direct & Overlapping Rates
		General County Millage	Capital Projects County Millage	Parks County Millage	Total County Millage	Local Required School Millage	Local Discretionary School Millage	Supplemental Discretionary School Millage	Local Capital Improvement School Millage	Total School Millage	Library Operating Millage	St. John's Water Management District	
2010	5.4974	4.0441	0.2250	0.1656	4.4347	5.4250	0.7480	0.0000	1.5000	7.6730	0.3748	0.4158	18.3957
2011	5.5574	4.0441	0.2250	0.1656	4.4347	5.3960	0.7480	0.2500	1.5000	7.8940	0.3748	0.4158	18.6767
2012	5.8460	4.0441	0.2250	0.1656	4.4347	5.2970	0.7480	1.0000	1.5000	8.5450	0.3748	0.3313	19.5318
2013	5.8460	4.0441	0.2250	0.1656	4.4347	5.2300	0.7480	1.0000	1.5000	8.4780	0.3748	0.3313	19.4648
2014	5.7855	4.0441	0.2250	0.1656	4.4347	5.2260	0.7480	1.0000	1.5000	8.4740	0.3748	0.3164	19.3854
2015	5.6371	4.0441	0.2250	0.1656	4.4347	4.9700	0.7480	1.0000	1.5000	8.2180	0.3748	0.3023	18.9669
2016	5.9104	4.0441	0.2250	0.1656	4.4347	4.5630	0.7480	1.0000	1.5000	7.8110	0.3748	0.4158	18.9467
2017	5.6546	4.0441	0.2250	0.1656	4.4347	4.5630	0.7480	1.0000	1.5000	7.8110	0.0375	0.0272	17.9650
2018	5.5000	4.0441	0.2250	0.1656	4.4347	4.5630	0.7480	1.0000	1.5000	7.8110	0.0375	0.0272	17.8104
2019	5.5000	4.0441	0.2250	0.1656	4.4347	3.8610	0.7480	1.0000	1.5000	7.1090	0.3748	0.2414	17.6599

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

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

City of Ocoee, Florida

Principal Property Taxpayers

September 30, 2019
(amounts expressed in thousands)

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
WINDERMERE OWNER LLC	\$ 67,012	1	2.24%			
MAR CASA MIRELLA LLC	53,203	2	1.78%			
OASIS AT LAKE BENNET LLC	49,097	3	1.64%			
MAGUIRE PARK STREET OWNER LLC	45,534	4	1.52%			
ADVENIR AT THE OAKS LLC	44,857	5	1.50%			
ARBOURS AT CROWN POINT LLC	42,957	6	1.44%			
BCI IV PARK 429 LOGISTICS CENTER LLC	38,056	7	1.27%			
MANHEIM REMARKETING L P	22,741	8	0.76%	18,560	3	0.88%
SUSO 4 GOOD HOMES LP	20,817	9	0.70%			
WEST OAKS MALL TRUST	16,121	10	0.54%	49,972	1	2.38%
CITY NATIONAL BANK				30,909	2	1.47%
OAK FOREST PARTNERS	-		-	13,744	4	0.65%
WALMART STORES EAST INC	-		-	12,432	5	0.59%
GOOD HOMES PLAZA (E&A) LLC				12,381	6	0.59%
ARDEN PARK VENTURES LLC				8,448	7	0.40%
DDRM WEST OAKS TOWNE CENTER LLC				8,311	8	0.40%
ORLANDO PUNIT LLC				8,100	9	0.39%
OCOEE LLC				8,018	10	0.33%
	<u>\$ 400,395</u>		<u>13.39%</u>	<u>\$ 170,875</u>		<u>8.08%</u>

Source: Orange County Property Appraiser

2019 Tax Roll Total Assessed Value 2,989,919

City of Ocoee, Florida

Property Tax Levies and Collections

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended September 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	11,587	11,167	96.38%	22	11,189	96.57%
2011	10,042	9,683	96.43%	32	9,715	96.74%
2012	9,990	9,631	96.41%	12	9,643	96.53%
2013	9,689	9,324	96.23%	2	9,326	96.25%
2014	9,682	9,315	96.21%	-122	9,193	94.95%
2015	10,222	9,847	96.33%	37	9,884	96.69%
2016	11,174	10,491	93.89%	4	10,495	93.92%
2017	12,139	11,004	90.65%	177	11,181	92.11%
2018	13,059	11,989	91.81%	20	12,009	91.96%
2019	14,435	13,085	90.65%	166	13,251	91.80%

City of Ocoee, Florida

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

Fiscal Year Ended September 30,	Governmental Activities			Business-Type Activities			Percentage of		
	Refunding Revenue Bonds	Notes Payable	Capital Leases	Water Revenue Bonds	Notes Payable	Capital Leases	Total Primary Government	Personal Income	Per Capita
2010	24,170	12,635	536	14,715	5,505	35	57,596	6.02%	1,619
2011	23,280	11,925	346	12,500	7,051	155	55,257	6.17%	1,664
2012	- *	33,736	147	12,300	6,696	419	53,298	5.95%	1,605
2013	-	31,879	339	12,095	6,360	416	51,089	5.59%	1,513
2014	-	29,894	514	-	17,931	573	48,912	5.36%	1,233
2015	-	27,767	1,309	-	17,283	700	47,059	5.15%	1,171
2016	-	23,386	1,738	-	16,616	830	42,570	4.66%	1,016
2017	41,840 **	4,890	1,632	23,981 **	-	1,059	73,402	5.98%	1,704
2018	41,065	4,212	1,319	22,938	-	1,016	70,550	5.74%	1,638
2019	40,275	4,456	2,176	21,870	-	1,498	70,275	5.01%	1,477

* Bonds refunded with Notes during the 2012 Fiscal Year.

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

Source: City of Ocoee

Metro Orlando Economic Development Commission

US Department of Labor: Bureau of Labor Statistics

US Department of Census Bureau

City of Ocoee, Florida

Direct and Overlapping Governmental Activities Debt

As of September 30, 2019
(amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Overlapping Debt:			
Orange County Library District	\$ -		\$ -
Orange County School District	-		-
Orange County Government	-		-
St. John's River Water Management District	-		-
Subtotal, overlapping debt	-		-
Direct Debt:			
City of Ocoee Debt/All Funds (3)	46,907	-	-
Total direct and overlapping debt	\$ 46,907		\$ -

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

City of Ocoee, Florida

LEGAL DEBT MARGIN

September 30, 2019

Assessed Value (FY2016)	\$	2,985,508
Debt Limit 25% of Assessed Value	\$	746,377
Amount of Debt Applicable to Debt Limit:	\$	-
Legal Debt Margin	\$	746,377
Total Bonded Debt	\$	-

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

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

Water/Sewer Revenue Bonds and Notes

Fiscal Year End Sept. 30th	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2010	8,386,012	5,715,865	2,670,147	485,000	951,527	1,436,527	1.86
2011	8,730,055	5,962,597	2,767,458	531,000	883,390	1,414,390	1.96
2012	8,922,597	5,860,140	3,062,457	555,000	851,335	1,406,335	2.18
2013	9,149,151	6,172,153	2,976,998	541,000	748,854	1,289,854	2.31
2014	10,456,403	6,041,532	4,414,871	524,000	686,218	1,210,218	3.65
2015	11,252,533	6,785,561	4,466,972	648,000	608,657	1,256,657	3.55
2016	10,614,349	6,966,652	3,647,697	667,000	590,871	1,257,871	2.90
2017	11,537,885	7,361,092	4,176,793	725,000	829,099	1,554,099	2.69
2018	12,104,986	8,672,187	3,432,799	890,000	980,419	1,870,419	1.84
2019	14,705,060	8,953,674	5,751,386	915,000	953,719	1,868,719	3.08

City of Ocoee, Florida

Demographic & Economic Statistics

Fiscal Year		Population	Personal Income (amounts expressed in thousands)	Per Capita Personal Income	Median Age	Unemploy- ment Rate
2010		35,579	995,500	27,980	36.0	9.7
2011	²	36,020	978,015	27,152	33.5	9.3
2012	³	36,953	995,476	26,939	36.2	5.8
2013	⁴	37,615	979,870	26,050	36.7	5.0
2014	⁵	39,679	1,048,755	26,487	35.4	4.4
2015	⁶	40,171	1,023,275	25,473	35	4.2
2016	⁶	41,881	1,095,481	26,157	35.8	3.9
2017	²	43,072	1,228,198	28,515	35.9	2.7
2018	⁶	47,000	1,310,413	27.88	35.9	2.5
2019	⁶	47,580	1,402,611	29.48	36	2.4

Sources:

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

City of Ocoee, Florida

Principal Employers
Current Year and Ten Years Ago

<u>2019</u>				<u>2010</u>			
Employer	Employees	Rank	Percentage of Total City Employment	Employer	Employees	Rank	Percentage of Total City Employment
Health Central Hospital	1800	1	4.18%	Health Central Hospital	1600	1	4.82%
Publix	656	2	1.52%	Orange County Schools	706	2	2.19%
Westgate Resorts, LTD	606	3	1.41%	Westgate Resorts	75	10	4.66%
Orange County Schools	540	4	1.25%	Publix	500	7	1.49%
Sysco Foods	510	5	1.18%	Sysco Foods	540	6	1.82%
Wal-Mart	435	6	1.01%	Wal-Mart	650	5	1.93%
City of Ocoee	377	7	0.88%	Manheim Auto Auction	829	2	2.46%
Manheim Auto Auction	349	8	0.81%	City of Ocoee	350	8	1.04%
Wayne Automatic	249	9	0.58%	West Oaks Mall	800	3	2.38%
Bright Future Electric	189	10	0.44%	Best Buy	117	9	0.35%
Total	<u>5,711</u>		<u>13.26%</u>	Total	<u>6,167</u>		<u>23.14%</u>

Source: City of Ocoee Planning Department
 2010 Population 35,579
 2019 Population 47,580

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City of Ocoee, Florida

City Government Employees by Function
Last Ten Fiscal Years

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Approved Positions										
General Government	66	63	62	60	60	59	64	67	68	72.5
Public Safety										
Police-Officers	15	15	15	16	23	23	22	15	14	12
Police-Sworn	63	65	65	64	57	57	63	73	78	81
Police-Support	11	10	9	9	9	10	11	10	10	13
Fire Safety										
Firefighters	33	33	30	30	30	30	30	30	39	49
Fire-Officers	15	15	19	18	18	18	18	19	20	19
Fire-inspectors	2	2	1	1	2	2	2	1	1	2
Fire-Civilian	3	3	2	2	2	2	2	2	3	2
Communication Operators	0	0	0	0	0	0	0	0	0	0
Public Works	32	32	30	29	29	29	29	31	33	37
Parks & Recreation	39	39	38	39	42	41	44	44	68	71 *
Utilities Department	35	34	34	34	34	34	40	41	42	43
Stomwater	5	5	5	6	6	6	7	7	7	7.5
Sanitation	15	15	15	15	15	15	15	15	14	15.5
Total	334	331	325	323	327	326	347	355	397	424.5

Source: City of Ocoee Budget

* Includes full and part-time positions

City of Ocoee, Florida

Operating Indicators by Function

Last Ten Fiscal Years

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Employees	118	117	118	118	119	125	127	98	93	107
Auto Accidents	959	917	877	922	904	1,126	1,150	1,331	1,428	1,493
Arrests	1,072	1,337	972	1,074	1,434	1,454	982	1,035	1,666	1,018
Criminal Investigations	1,045	1,506	1,050	1,054	1,092	1,050	1,084	985	1,012	703
Total Service Calls	45,646	46,180	41,017	48,802	49,769	49,938	48,552	67,988	55,987	53,804
911 Calls Received	9,494	7,885	8,571	9,783	10,776	14,126	12,279	11,483	8,207	6,874
Pieces of Evidence Processed	3,851	3,147	2,385	7,035	5,458	4,005	2,014	4,986	3,248	3,042
Fire & Life Safety										
Employees	57	57	56	55	52	55	54	52	65	73
Total Permits Issued	77	164	139	312	259	199	171	250	329	147
Construction Inspections	1,257	747	625	590	568	754	701	551	763	579
Public Education Programs	83	85	79	139	139	285	105	266	228	138
Emergency Calls Answered/Vehicle	272	355	327	270	270	102	153	350	283	430
Emergency Calls Answered/Fire	800	772	798	401	116	106	83	200	183	128
Emergency Calls Answered/All Other	3,909	3,087	3,205	3,969	4,813	4,367	5,689	6,342	6,490	5,871
Miles of Streets, Sidewalks & Bike Paths										
Streets - paved	114	113.01	114.27	115.28	115.28	115.14	117.00	117.00	121.99	123.48
Streets - unpaved	1	0.76	0.76	0.76	0.76	0.76	1.00	1.00	0.70	1.64
Streets - brick	2	1.54	1.54	1.54	1.54	1.54	2.00	2.00	1.99	1.58
Sidewalks	175.4	175.4	175.4	175.4	175.4	175.4	175.4	175.0	175.0	175.0
Culture and recreation										
Multi-purpose recreation center	1	1	1	1	1	1	1	1	1	1
Community Center	3	3	3	3	3	3	3	3	3	3
Athletic fields	10	11	12	12	12	12	12	12	12	12
Tennis courts	6	6	6	6	6	6	6	6	6	6
Racquetball courts	1	1	1	1	1	1	1	1	1	1
Shuffleboard courts	-	-	-	-	-	-	-	-	-	-
Passive parks	16	16	16	16	15	16	16	16	15	15
Parks & Recreation Ciity Playgrounds	10	10	10	10	9	10	10	10	10	10

City of Ocoee, Florida

Operating Indicators by Function

Last Ten Fiscal Years

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Water										
New Connections	236	105	122	171	134	180	162	226	427	647
Number of Customers	12,908	11,292	11,300	11,314	11,745	13,319	13,563	14,164	14,683	15,330
Miles of water mains	151	149.51	153.03	155.04	156.04	159.72	164.50	180.00	179.16	182.00
Daily Average Consumption (gallons)	3.21	3.67	3.16	3.18	3.15	3.52	3.50	3.67	4.15	3.52
Plant capacity (Gallons)	4.33	4.66	4.66	4.66	4.88	4.88	4.88	4.88	4.88	4.88
Plant Permitted Daily capacity (MGD)	4.33	4.66	4.66	10.70	10.70	10.70	10.70	10.70	10.70	10.70
Service connections	12,908	10,609	11,080	11,314	11,319	11,424	16,290	11,709	11,833	11,897
Deep wells	6	6	6	6	6	6	6	6	6	6
Fire hydrants	1,052	1,056	1,056	1,334	1,334	1,334	1,334	1,288	1,261	1,226
Sewer System:										
Miles of sanitary sewers	89	83.25	86.36	89.38	89.92	90.03	102.00	107.47	109.42	111.04
Lift stations	55	59	59	58	61	64	62	66	65	65
Daily average treatment (Gallons per day)	1.536	1.62	1.00	1.83	1.62	1.65	1.65	1.7	1.77	1.82
Plants capacity (MGD)	1.8	3.0	1.68	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Disposal sites	3	4	4	4	4	4	4	4	4	4
General Government										
Personnel actions processed	n/a	n/a	17	13	15	15	9	29	11	14
Legal Notices published	112	91	86	86	93	201	63	100	118	131
Occupational Licenses issued	1,703	1,703	1,798	1,607	1,760	1,835	1,582	1,555	1,456	1,925
Accidents & Injuries reviewed	36	56	37	39	43	43	43	36	23	30
Land Use amendments & rezonings	25	13	4	7	17	17	3	7	11	19
License/Permit Reviews	1,421	913	1,839	2,206	2,625	2,023	2,792	3,186	4,123	3,969
Employees paid	419	418	413	404	414	413	431	442	468	462
A/P Checks issued	3,898	3,751	4,279	4,239	4,422	4,785	4,664	4,285	4,057	4,549
Purchase orders/EPO's processed	691	643	615	661	663	680	708	778	704	572

City of Ocoee, Florida

Capital Assets Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Number of Municipal Employees	387	379	373	371	414	413	431	442	371	
Elections:										
Registered voters	18,452	17,949	21,296	22,056	23,013	22,950	24,941	25,361	25,663	6,790
Votes in Municipal Elections	1,286	4,608	3,426	531	-		6,264	14,944	2,119	596
Police Protection:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol cars	70	76	74	76	75	75	79	70	70	75
Other vehicles	33	26	24	26	29	26	26	33	33	31
Auto Accidents	959	917	877	922	904	1,126	1,150	1,331	1,428	1,493
Arrests	1,072	1,337	972	1,074	1,434	1,454	952	1,035	1,666	1,018
Criminal Investigations	1,045	1,506	1,050	1,054	1,092	1,050	1,084	985	1,012	703
Total Service Calls	45,646	46,180	41,017	48,802	49,769	49,938	48,552	67,988	55,987	53,804
911 Calls Received	9,494	7,885	8,571	9,783	10,776	14,126	12,279	11,483	8,207	6,874
Pieces of Evidence Processed	3,851	3,147	2,385	7,035	5,458	4,005	2,014	4,986	3,248	3,042
Fire Protection:										
Stations	3	3	4	4	4	4	4	4	4	4
Recreation:										
Multi-purpose recreation center	1	1	1	1	1	1	1	1	1	1
Community Center	3	3	2	3	3	3	3	3	3	3
Athletic fields	10	11	12	12	12	12	12	12	12	12
Tennis courts	6	6	6	6	6	6	6	6	6	6
Racquetball courts	1	1	1	1	1	1	1	1	1	1
Shuffleboard courts	-	-	-	-	-	-	-	-	-	-
Passive parks	16	16	16	16	15	16	16	16	15	15
City Playgrounds	10	10	10	10	9	10	10	10	10	10

Capital Assets Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Miles of Streets, Sidewalks & Bike Paths										
Streets - paved	112.85	113.01	114.27	115.28	115.28	115.14	117.15	117.00	121.66	123.48
Streets - unpaved	0.76	0.76	0.76	0.76	0.76	0.76	0.75	1.00	0.70	1.64
Streets - brick	1.54	1.54	1.54	1.54	1.54	1.54	1.54	2.00	1.99	1.58
Sidewalks	180.16	175.40	175.40	175.40	175.40	175.40	175.40	175.00	175.00	175.00
Bike paths	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20
Water										
Miles of water mains	151.00	149.51	153.03	155.04	156.04	159.72	164.5	180.00	179.16	182.00
Daily Average Consumption (MGD)	3.21	3.67	3.16	3.18	3.15	3.52	3.52	3.67	4.15	3.52
Plant capacity Permitted	10.70	10.70	10.70	10.70	10.70	10.70	10.70	10.70	10.70	10.70
Sewer System:										
Miles of sanitary sewers	88.64	83.25	86.36	89.38	89.92	90.03	102.18	107.47	109.42	111.04

City of Ocoee, Florida

Schedule of Revenues by Source and Expense by Type

General Employees Pension Fund
Last Ten Fiscal Year

Year	Revenue by Source			Expenses by Type		
	Investment Income Net	Contributions	Benefits & Refunds	Investment Related Expenses (1)	Admin Expenses	City Contribution as a Percent of Payroll
2010	1,991,764	1,956,175	910,863	108,584	33,207	15.4%
2011	(164,397)	2,138,622	1,136,431	132,769	51,092	17.2%
2012	2,914,938	2,109,364	1,244,973	140,014	59,424	17.5%
2013	3,142,906	2,425,260	1,101,837	173,577	41,069	22.5%
2014	2,447,920	2,217,892	1,043,921	-	60,184	20.4%
2015	454,266	1,681,492	1,218,647	-	89,735	13.1%
2016	2,736,440	1,556,414	1,939,917	-	70,328	10.7%
2017	4,182,436	1,492,256	1,801,475	-	264,918	10.5%
2018	3,805,747	1,637,204	1,669,331	-	245,499	8.9%
2019	1,147,429	1,632,698	2,099,531	-	70,513	10.5%

City of Ocoee, Florida

Schedule of Revenues by Sources and Expenses by Type

Police and Fire Pension Fund
Last Ten Fiscal Year

Year	Revenue by Source			Expenses by Type		
	Investment Income Net	Contributions	Benefits & Refunds	Investment Related Expenses (1)	Admin Expenses	City Contribution as a Percent of Payroll
2010	2,097,302	2,079,314	984,185	141,998	37,946	20.80%
2011	(107,044)	2,319,644	1,072,077	137,073	16,778	19.60%
2012	4,017,592	2,618,959	1,236,784	190,271	62,361	22.20%
2013	4,387,664	3,063,043	1,714,899	227,152	45,396	26.70%
2014	3,992,191	3,075,732	1,812,744	-	81,667	32.70%
2015	343,322	2,827,659	2,234,870	-	93,962	30.70%
2016	3,465,045	2,901,224	2,473,894	-	62,462	29.40%
2017	5,142,602	2,979,985	2,707,152	-	337,352	29.30%
2018	4,048,418	3,550,873	2,810,076	-	442,102	32.00%
2019	1,538,827	4,428,163	3,180,493	-	121,220	37.21%

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Other Reports

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

Honorable Mayor and City Commissioners
City of Ocoee, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ocoee, Florida (the City), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 22, 2020.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

McDermitt Davis

Orlando, Florida
May 22, 2020

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Honorable Mayor and City Council
City of Ocoee, Florida

Report on Compliance for Each Major Federal Program

We have audited the *City of Ocoee's* (the City) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2019. The City's major federal program is 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 requirements of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs 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; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes 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 audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

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 major federal program for the year ended September 30, 2019.

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 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 to test and report on internal control over compliance in accordance with the Uniform Guidance, 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, noncompliance with a type of compliance requirement of a federal program 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 noncompliance with a type of compliance requirement of a federal program 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 over compliance with a type of compliance requirement of a federal program 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 were not identified.

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. Accordingly, this report is not suitable for any other purpose.

McDiarmid Davis

Orlando, Florida
May 22, 2020

Schedule of Expenditures of Federal Awards

For the Year Ended September 30, 2019

Award type			
Grantor			
Pass-through grantor	CFDA	Agency or Pass-through	
Grantor program title	Number	Entity Grant Number	Expenditures
Federal Grants			
United States Department of Justice			
COPS Hiring Program	16.710	UMWX0135	\$ 79,511
Edward Byrne Memorial Justice Assistance grant	16.738	2019-JAGC-ORAN-5-N2-076	\$ 10,549
Vest Grant			1,541
Total United States Department of Justice			<u>91,601</u>
Executive Office of the President -Office of National Drug Control Policy			
Seminole County Sheriff Office			
High Intensity Drug Trafficking Areas	95.001	G18CF0008A	<u>10,002</u>
Total Executive Office of the President -Office of National Drug Control Policy			<u>10,002</u>
United States Department of Homeland Security			
Disaster Grants - Hurricane Irma *	97.036	4337	1,329,082
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2016-FH-00366	<u>650,381</u>
Total United States Department of Homeland Security			<u>1,979,463</u>
Total federal awards			<u><u>\$ 2,081,066</u></u>

* Denotes a major program

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the City of Ocoee (the City) under programs of the federal government for the year ended September 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Therefore, amounts reported on the Schedule are based on expenditures incurred as of September 30, 2019, even if grant or loan was received subsequent to that date. Federal expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 PRIOR YEAR EXPENDITURES

The current year schedule includes prior fiscal year expenditures related to Hurricane Irma. Although the expenditures were incurred in prior fiscal years, the funding approvals for the expenditures were obtained in the current fiscal year.

NOTE 4 INDIRECT COST RATE

Indirect cost rate is dictated by its federal contract terms. The 10-percent de Minimis indirect rate as allowed under the Uniform Guidance is not in effect nor is available under its contracts.

Section I - Summary of Independent Auditor's Results:

Financial Statements

Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
• Material weakness identified?	___ Yes	<u> X </u> No
• Significant deficiency identified	___ Yes	<u> X </u> None reported
Noncompliance material to financial Statements noted?	___ Yes	<u> X </u> No

Federal Awards

Type of auditors' report issued on compliance for major federal programs:	Unmodified	
Internal control over major Federal program:		
• Material weakness identified?	___ Yes	<u> X </u> No
• Significant deficiency identified	___ Yes	<u> X </u> None reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	___ Yes	<u> X </u> No

Identification of major Federal Programs	CFDA No. 97.036	Disaster grants - Hurricane Irma
Dollar threshold used to distinguish between type A and type B programs	\$750,000	
Auditee qualified as a low-risk auditee?	<u> X </u> Yes	___ No
Section II – Financial Statement Findings:	None	
Section III – Federal Award Findings and Questioned Costs:	None	
Section IV – Federal Award Summary Schedule of Prior Year Findings:	No Prior Year Findings	

MANAGEMENT LETTER

Honorable Mayor and City Commission
City of Ocoee, Florida

Report on the Financial Statements

We have audited the financial statements of the City of *Ocoee, Florida*, as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated May 22, 2020.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 22, 2020 should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, require that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations in the preceding annual financial report.

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

Additional Matters

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

Purpose of this Letter

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

McDermitt Davis

Orlando, Florida
May 22, 2020



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Orlando, Florida 32803
407-843-5406
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

The Honorable Mayor and City Commission
City of Ocoee, Florida

We have examined City of Ocoee's (the City) compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 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 the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, City of Ocoee complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

McDermitt Davis

Orlando, Florida
May 22, 2020

Mayor
Rusty Johnson

City Manager
Robert Frank



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

May 22, 2020

AFFIDAVIT OF IMPACT FEE COMPLIANCE

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

Rebecca Roberts
Finance Director

Rebecca Roberts is personally known to me.

Cam M. Hall



Sworn before me this May 27, 2020.

My Commission expires 6/14/2021.