



Apopka, Florida

# Comprehensive Annual Financial Report

Fiscal Year Ended September 30, 2020



## **COVER PHOTO:**

The Lake Apopka Wildlife Drive is a one-way 11 mile drive that begins at Lust Road and ends on Jones Road. This drive is widely known for its bird population and various wildlife. The drive is open on Fridays, Saturdays, Sundays, and federal holidays. It adjoins the City's Bird Park.

For more information visit [www.sjrwmd.com/lands/recreation](http://www.sjrwmd.com/lands/recreation).

**CITY OF APOPKA, FLORIDA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2020**

Prepared by:  
Department of Finance

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**CITY OF APOPKA, FLORIDA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

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# **Introductory Section**

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**120 E. Main St. · APOPKA, FLORIDA 32703-5346  
PHONE (407) 703-1700**

June 29, 2021

To the Honorable Mayor Bryan Nelson,  
Members of the City Council,  
and the Citizens of the City of Apopka, Florida

The Finance Department is pleased to submit the Comprehensive Annual Financial Report for the City of Apopka, Florida, (the “City”) for the fiscal year ended September 30, 2020. This report is in accordance with the requirements of the City Charter, Florida Statutes, and Rules of the Florida Auditor General. The Comprehensive Annual Financial Report is published to provide the City Council, City staff, citizens, bondholders, and other interested parties with detailed information concerning the financial condition and activities of the City.

This report reflects management’s representations concerning the finances of the City. Ultimately, management is responsible for the completeness and reliability of the information presented in this report. To provide a reasonable basis for these representations, City management has established a comprehensive internal control framework designed to protect the City’s assets from loss, theft, or misuse, and to compile sufficient and reliable information for the preparation of the City’s financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City’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, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

The City’s financial statements have been audited by Mauldin & Jenkins, LLC CPAs & Advisors, 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 for the fiscal year ended September 30, 2020, 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 auditors concluded that there was a reasonable basis for rendering an unmodified opinion that the City’s financial statements for the fiscal year ended September 30, 2020, are fairly presented in conformity with GAAP. The independent auditor’s report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis of the September 30, 2020, financial statements to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditor.

## **Profile of the City**

The City of Apopka, incorporated in 1882, is located in northwest Orange County within the Orlando Metropolitan Area. The City is the second largest municipality in Orange County and continues to be one of the County's fastest growing municipalities. The City currently occupies a land area of 35.549 square miles and has a population of 53,632. The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

The City operates under the strong-mayor form of government. Policy-making and legislative authority are vested in a City Council consisting of the Mayor and four council members. The City Council is responsible for establishing policy, passing ordinances and resolutions, adopting the budget, appointing committees, plus other duties. The Mayor is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the government, and for appointing the City Administrator. The City Council is elected on a non-partisan basis. City Council members serve four-year staggered terms, with two council members elected every two years. The Mayor is elected to serve a four-year term. The Mayor and City Council members are elected at large.

The City provides a full range of services, including police and fire protection; the construction and maintenance of streets, sidewalks and other infrastructure; engineering; planning and community development; code enforcement; recreational activities and cultural events; and administration and support services. In addition, the City operates enterprise funds for water, wastewater, reclaimed water and sanitation services, as well as the fuel sales at the municipal airport.

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriations to the City Administrator, who then uses these requests as the basis for developing a proposed budget. The Mayor presents the proposed millage rate and budget to the City Council during workshops held during the month of July. The City Council is required to hold two public hearings on the millage rate and budget in September and to adopt a millage rate and final budget by no later than September 30th, which is the close of the City's fiscal year.

The appropriated budget is prepared by fund, department or division, and function, thus establishing budgetary control at the individual fund level. Transfer of appropriated funds may be made within personnel services, operating expenses, or capital outlay after conferring with the Finance Director. Transfer of funds between personnel services, operating expenses or capital outlay must be authorized by the City Administrator. Transfers between funds or departments require the approval of the Mayor or his/her designee. Budget revisions that alter the total revenues, expenses or reserves of any fund must be approved by the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an annual budget has been adopted. The General Fund is presented as part of the basic financial statements. For other governmental funds, this comparison is presented in the combining and individual fund statements and schedules.

## Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the perspective of the specific environment within which the City operates.

**Local economy.** The City has been experiencing an economic upturn consistent with other areas of the county. The local economy strongly benefits from its proximity to Orlando and related employment opportunities. The 2020 unemployment rate for Orange County was 9.8%.

The City's standards for services are considered excellent and its tax rates compare favorably to other areas. A stable growth rate for many recurring revenue sources, combined with an abundance of developable land and a stable local building industry, provide continued expansion of the City's revenue base.

Currently, the City has approximately 3,173 residential platted lots available for construction which includes single family and townhome products. There are numerous builders and developers who are in the process of developing those lots or in the process of developing them in the near future.

Industrial warehousing has expanded tremendously in Apopka due to our ideal location. Apopka is considered the gateway to central Florida as evidenced by the amount of development in this sector. With access to SR 429, SR 451, SR 414, US 441 and rail, Apopka had over 900,000 sq. ft. of warehousing completed in 2020 and over 9 million sq. ft. planned. Amazon, Goya and Coke all call Apopka home.

On December 31, 2019, the first case of what would become the COVID-19 virus was reported in China. Since then the virus has spread across the globe and has been declared a global pandemic by the World Health Organization. The effects of COVID-19 pandemic appear to be altering the behavior of businesses and people in a manner that have negative impacts on global and local economies. The unemployment rate has fluctuated since the spring of 2020 due to the economic crisis caused by the COVID-19 pandemic. The Florida State Department of Economic Opportunity reported Orange County's unemployment rate was 23.2% in May 2020.

**Debt Administration.** Any impact to the City as a result of the COVID-19 pandemic is not anticipated to affect the timely payment of principal and interest of all outstanding City obligations. Since fiscal year 2018 the City has reduced the General Fund outstanding debt by \$6.2 million or 45%.

**Long-term financial planning and major initiatives.** The City maintains a five-year Capital Improvement Program (CIP) which serves as its planning document to ensure that its facilities, equipment, and infrastructure are well maintained and operating in peak condition. In addition to the CIP, the City has master plans identifying the present and future capital expansion needs of various facilities and systems with funding levels necessary to meet those capital needs. Currently, the City maintains master plans for water, wastewater, reclaimed water, drainage, recreation, and traffic circulation. These plans are periodically reviewed and updated.

The Apopka Water Reclamation Facility Expansion is fully completed, with the East Wastewater Treatment Plant in full operation, as of June 2019. The West Plant has been taken offline due to a lack of demand. The total cost of the Apopka Water Reclamation Facility Expansion was \$65 million dollars. This cost includes the design, permitting, pre-construction CMAR services, construction of phase I and II, and construction management. The new Wastewater Treatment Plant (East) provides full Biological Nutrient Removal (BNR) technology, which enables the City to comply with the State of Florida Department of Environmental Protection's (FDEP) stringent requirements to remove total

nitrogen from the wastewater and improve the quality of reclaimed water for distribution throughout the City's utility service area within the Wekiva River Basin Protection Area. The cost of the West Plant was \$11 million, of which the City received a \$3 million grant from St. John's River Water Management District for the nutrient removal treatment improvement. Completion of this project will also satisfy the consent order agreement requirements between the City and the State of Florida DEP, and bring the City into full compliance with its DEP operating permits.

The City has an agreement with St. John's River Water Management District (the District) to design, permit, and construct a reclaimed water storage and aquifer recharge facility at the Golden Gem property to accommodate future growth. This facility is currently under construction and when fully completed it will have a reclaimed water storage capacity of 350 million gallons. The excavation of the facility was completed in March 2021 and it was completely lined in May 2021.

Downtown redevelopment is being coordinated through the Community Redevelopment Agency (CRA). Current projects include the design and construction of about two miles for the Downtown Apopka Trail. The trail is a 10-12-foot wide asphalt paved trail for pedestrians, bicycles and recreation that will be located on 6th Street, 5th Street, Michael Gladden Boulevard, Central Avenue, and Hawthorne Avenue. The multi-modal trail will be getting new landscape and lighting as well. The Station Street project area just west of the VFW/Community Center is being coordinated for a mixed-use project for up to 50 residential units, 30,000 square feet retail, event space and parking. There is also a demolition program that removes dilapidated residential and non-residential structures. This helps with the rebuilding of residential and economic opportunity for the CRA district. There is also a budgeted item for updating wayfinding signage.

The CRA completed the renovation of the 5th Street Parking lot that included a complete resurfacing of the entire site, landscape islands with new palm trees and Zoysia grass, accessible ramps to properties to the east and west. The parking lot is in the center of the downtown and renovation has been a catalyst for bringing at least four new businesses downtown since its completion.

The CRA also has six separate assistance programs to help renovate the CRA and downtown including business programs for façade renovation, building code, impact fee, building permits as well as residential programs for impact fee and renovations.

The Apopka City Center is a 34.7-acre mixed use development located on the south side of Main Street/US 441 and McGee Avenue. In 2016, the City signed a sale-and-purchase agreement with Taurus Southern Investments, LLC, to develop a 34.7-acre mixed use project. The development agreement for the project required the City to fund the construction of roadway improvements to Main Street/US 441, SR 436, McGee Avenue, and E 6th Street to support the traffic generated by this large development. The interchange redevelopment work included three new traffic signals, pedestrian signals and upgraded crosswalks for higher visibility, sidewalks and roadway widening and upgrades which were fully completed in April 2020. A new traffic signal was installed at Main St. and McGee Ave. to help regulate traffic flow into and out of the development. Taurus is working with developers for the apartment site at the southeast corner of 6th Street and Alabama Ave. High quality landscaping was installed along McGee Avenue and E 6th Street, creating an attractive area for pedestrians. Oak and Elm trees line both streets and palm trees accented by LED up lighting were placed in the new median on McGee Avenue. The City partnered with Taurus to install a fountain in the new McGee Avenue roundabout. The roundabout has 15' high jets and color changing LED lights, providing a beautiful entryway to the hotel and future development at City Center. The Highland Manor remains open and has benefited from having a hotel next door.

**Relevant financial policies.** The City has established a comprehensive set of financial policies which it uses to achieve and maintain a long-term stable and positive financial condition. Specifically, it provides guidelines for planning and directing the financial affairs of the City. A part of this policy requires the City to annually review its utility rates to ensure that sufficient revenues are generated to cover operating expenses, meet the legal restrictions of all applicable bond covenants, and provide for an adequate level of working capital.

## Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Apopka for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2019. This was the thirty-seventh consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report that satisfies both GAAP and applicable program requirements.

A Certificate of Achievement is valid for a period of one year only. However, we believe that our current Comprehensive Annual Financial Report 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.

## Acknowledgements

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to its preparation. Also, appreciation is expressed to all employees throughout the City, particularly those employees who were instrumental in the successful completion of this report.

We would like to especially thank the Mayor and the City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Edward D. Bass II, CPA, CGFO  
City Administrator



Gladymir Ortega, MBA  
Finance Director

CITY OF APOPKA

**PRINCIPAL CITY OFFICIALS**

FISCAL YEAR ENDED 2020

**ELECTED OFFICIALS**

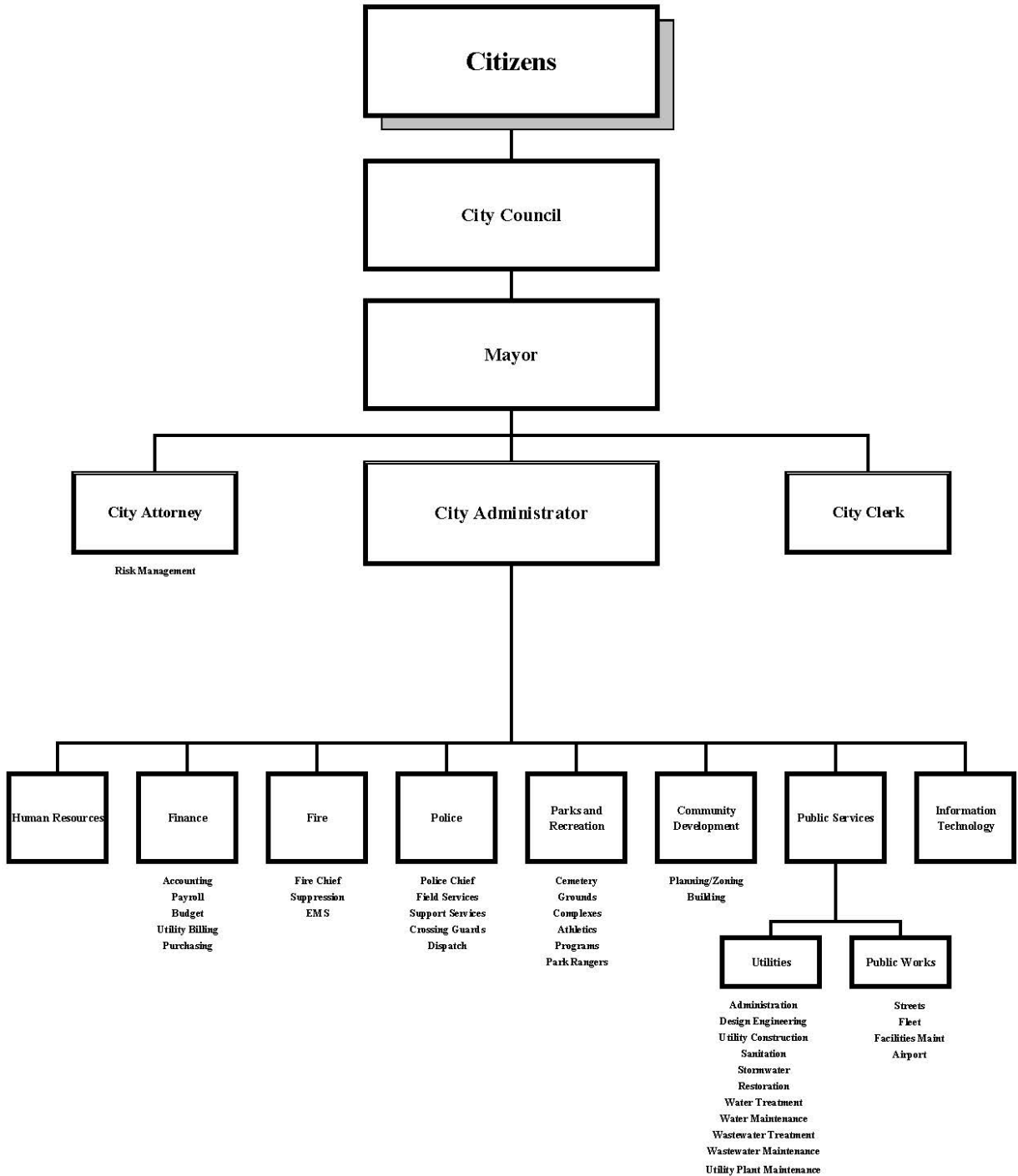
Mayor	Bryan Nelson
Vice-Mayor	Doug Bankson
Commissioner	Alexander Smith
Commissioner	Alice Nolan
Commissioner	Kyle Becker

**ADMINISTRATIVE OFFICIALS**

City Administrator	Edward Bass, CPA, CGFO
City Attorney	Michael Rodriguez
City Clerk	Linda F. Goff
Finance Director	Jamie Roberson, CGFO
Police Chief	Michael McKinley
Fire Chief	Sean Wylam
Community Development Director	James K. Hitt
Acting Human Resources Director	Jill Ross
Information Technology Director	Robert E. Hippler
Public Services Director	Jeff Weatherford
Parks and Recreation Director	Brian Forman



**CITY OF AOPKA  
ORGANIZATIONAL CHART**





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Apopka  
Florida**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

September 30, 2019

*Christopher P. Morill*

Executive Director/CEO

# **Financial Section**

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## INDEPENDENT AUDITOR'S REPORT

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Honorable Mayor and Members of  
the City Council,  
City of Apopka, 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 Apopka, Florida** (the "City"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the Community Redevelopment Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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**Other Matters*****Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 17, schedules of net pension liability and related ratios, schedules of contributions, schedule of pension investment returns, and schedule of the City's total OPEB liability and related ratios on pages 62 through 69 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 of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Apopka, Florida's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of state financial assistance is presented for purposes of additional analysis as required by Section 215.97, *Florida Statutes*, and is also not a required part of the basic financial statements of the City.

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

The introductory 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.

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**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's 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 the City's internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Bradenton, Florida  
June 29, 2021

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## Management's Discussion and Analysis

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As management of the City of Apopka, Florida, (the "City"), we offer the readers a narrative overview and analysis of the City's financial activities for the fiscal year ended September 30, 2020. This discussion and analysis is designed to: (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position, (d) identify any material deviations from the financial plan (the approved budget), and (e) to identify individual fund issues and/or concerns.

As with other sections of this financial report, the information contained within the management's discussion and analysis (MD&A) should be considered only a part of a greater whole. The reader of this statement should take time to read and evaluate all sections of this report, including the letter of transmittal, the City's basic financial statements, and the required supplementary information (RSI).

### HIGHLIGHTS

#### Financial Highlights

- The City's net position increased (decreased) during the year as follows:

<b>Net Position</b>					
<b>Fiscal Year 2020</b>					
<u>Governmental</u>	<u>Business-Type</u>		<u>Fiscal Year</u>	<u>Increase</u>	<u>%</u>
<u>Activities</u>	<u>Activities</u>	<u>Total</u>	<u>2019</u>	<u>(Decrease)</u>	<u>Change</u>
\$92,049,833	\$152,099,483	\$244,149,316	\$227,746,678	\$16,402,638	7.20%

- The City's revenues, excluding transfers, increased (decreased) during the year as follows:

<b>Fiscal Year 2020</b>					
<u>Governmental</u>	<u>Business-Type</u>		<u>Fiscal Year</u>	<u>Increase</u>	<u>%</u>
<u>Activities</u>	<u>Activities</u>	<u>Total</u>	<u>2019</u>	<u>(Decrease)</u>	<u>Change</u>
\$53,613,590	\$ 45,884,542	\$ 99,498,132	\$ 94,990,782	\$ 4,507,350	4.75%

- The City's expenses, excluding transfers, increased (decreased) during the year as follows:

<b>Expenditures</b>					
<b>Fiscal Year 2020</b>					
<u>Governmental</u>	<u>Business-Type</u>		<u>Fiscal Year</u>	<u>Increase</u>	<u>%</u>
<u>Activities</u>	<u>Activities</u>	<u>Total</u>	<u>2019</u>	<u>(Decrease)</u>	<u>Change</u>
\$53,647,214	\$ 29,448,280	\$ 83,095,494	\$ 77,241,450	\$ 5,854,044	7.58%

#### City Highlights

A description of accomplishments for the current year and projects planned for the coming fiscal year can be found in the letter of transmittal.

### USING THIS ANNUAL REPORT

The primary focus of local government's financial statements historically has been to summarize fund type information. The focus, as a result of GASB Statement No. 34, is on both the City as a whole (government-wide) and the major individual funds. Both perspectives (government-wide and major fund) allow the user to have a greater understanding, allow a broader comparison of relevant data, enhance the readability of the financial statements, and enhance the accountability of the City's management.

### Understanding and Overview of the Basic Financial Statements

The City's basic financial statements are comprised of three parts: (1) the government-wide financial statements, (2) the fund financial statements, and (3) the notes to the financial statements. The remainder of the financial statements is comprised of the following parts: (1) the RSI consisting of Pension Trust Fund Schedules, (2) Combining and Individual Fund Statements and Schedules, (3) the Statistical Section consisting of selected financial and demographic information, generally presented on a multi-year basis, and (4) the Single Audit and Other Reports Section consisting of supplemental reports pertaining to federal and state Single Audit requirements.

The MD&A is intended to serve as an introduction to the basic financial statements and RSI. The MD&A represents management's examination and analysis of the City's financial condition and financial performance as a whole. Summary financial statement data, key financial and operational indicators used in the strategic plan, budget, and other management tools were used for this analysis.

The basic financial statements now include two kinds of statements. The first type of statement consists of government-wide financial statements. The government-wide financial statements provide both short- and long-term financial information about the City's overall financial status. The government-wide financial statements are presented by its governmental activities and its business-type activities. The government-wide financial statements report information about the City using full accrual accounting methods and economic resources focus, as utilized by similar business activities in the private sector. Likewise, all revenues and expenses received during the year, regardless of when cash is received or paid, are reported. The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide financial statements. The second type of statements consist of the governmental fund statements which tell how the general government accounts for all current financial resources in servicing the community, what was financed in the short-term, as well as what remains for future spending. Proprietary fund statements offer short- and long-term financial information about the activities the government operates like a business, such as the Utility System which includes Water, Wastewater and Reuse, the Sanitation operations, and Airport Fuel. Fiduciary fund statements are used to account for assets held by the government in a trustee capacity. Currently, there are three pension trust funds, which consist of the General Employee's, Police Officer's, and Firefighter's Retirement Trust Funds.

### Government-Wide Financial Statements

The government-wide financial statements are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The government-wide financial statements consist of a statement of net position and a statement of activities. Both statements represent an overview of the City as a whole, separating its operations between governmental and business-type activities. All information is presented utilizing the economic resources measurement focus and accrual basis of accounting. This method better matches revenues and expenses to the period in which the revenue is earned and the expense is attributed. Fiduciary funds, such as pension trust funds, are excluded from these government-wide financial statements because they represent money and funds legally set aside for use by the employee groups they benefit. Their assets and income do not flow through these statements, nor are the liabilities for which taxpayers may ultimately be responsible for.

The statement of net position presents information on all of the City's assets and liabilities, and deferred inflows/outflows of resources at the end of its fiscal year, with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the City's financial position is improving or deteriorating. Net position increases when revenues exceed expenses. Increases to assets without a corresponding increase to liabilities results in increased net position, which indicates an improved financial condition. The focus of the statement of net position (the "Unrestricted Net Position") is designed to be similar to a bottom line for the City in its governmental and business-type activities. This statement, for the first time, combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations.

The statement of activities presents the results of the City's operations over the course of the fiscal year and information as to how the City's net position is reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (ex., delinquent taxes). The statement of activities is focused on both the gross and net cost of various activities (governmental and business-type) which are provided by the government's general tax and other revenues. This is intended to summarize and simplify the user's analysis of cost of various governmental services and the local taxing effort necessary to sustain each of those activities.

## Management's Discussion and Analysis – (Continued)

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The governmental activities reflects the City's basic services, including general government, public safety, transportation, environmental, and recreation. Property Taxes, Franchise Fees, Utility Taxes, Licenses and Permits, Intergovernmental Revenues and Fines and Forfeitures finance the majority of these services.

The business-type activities reflect private sector type operations (Water, Wastewater, Reclaimed Water, Sanitation and Airport Fuel operations), where the fee for service typically covers all or most of the cost of operations, including depreciation.

### **Fund Financial Statements**

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is now on major funds, rather than fund types. Funds are established for various purposes and the fund financial statements allow the demonstration of sources and uses of funds and/or budgeting compliance.

The governmental funds presentation is presented on a current financial resources basis. This is the manner in which the financial plan (the budget) is typically developed. The City adopts an annual appropriations budget for each of its governmental funds in accordance with State Statutes and the City Charter.

Because the focus of governmental funds are more narrow 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.

The City maintains twelve individual governmental funds. The General fund is considered a major fund and is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances. The Community Redevelopment Agency Fund is also presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances. Data from the other ten governmental funds are combined into a single aggregated presentation. Individual fund data for each of the non-major governmental funds is in the Combining and Individual Fund Statements and Schedules.

### **Infrastructure Assets**

Historically, a government's largest group of assets (infrastructure - roads, sidewalks and bridges, etc.) have not been reported nor depreciated in government financial statements. Governmental capital assets, particularly infrastructure assets, have only been accounted for using the current financial resources method and have not been expensed annually through depreciation or accounted for otherwise.

The governmental-wide statement of net position requires that these assets be valued and reported within the Governmental column. Additionally, the government must elect to either: (a) depreciate these assets over their estimated useful lives, or (b) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. If the government develops the asset management system (the modified approach) which periodically (at least every third year), by category, measures and demonstrates its maintenance of locally established levels of service standards, the government may record its cost of maintenance in lieu of depreciation. The City has elected to depreciate these assets over their estimated useful lives.

### **Proprietary Funds**

The City maintains three proprietary funds, all of which are enterprise funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent is that the costs of providing goods or services to the general public on a continuing basis should be financed or recovered through user charges. Currently, the City enterprise funds account for its water, wastewater, reclaimed water, sanitation operations and airport fuel. The water, wastewater and reclaimed water enterprise fund is collectively referred to as the Utility Systems Fund, while the Sanitation Fund and the Airport Fuel Fund are the other enterprise funds.

The City adopts an annual appropriations budget for each of its enterprise funds in accordance with State Statutes and the City Charter.

### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government and are separately reported in the statements of fiduciary net position and changes in fiduciary net position. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. Rather, the City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

### **Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the Government-wide and fund financial statements. The notes present information about the City's significant accounting policies, account balances and activities, material risks, obligations, commitments, contingencies, and subsequent events, if any.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain RSI concerning the City's budgetary compliance and the City's progress in funding its obligation to provide pension benefits to its employees.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the RSI.

### **Government-Wide Financial Analysis of the City as a Whole**

**Net Position** - As noted previously, net position may serve over time as a useful indicator of a government's financial position. This year, the City's assets exceeded liabilities by \$244,149,316 on September 30, 2020.

Approximately 100% of the City's net position reflect its investment in capital assets (land, equipment, buildings, improvements other than buildings, machinery and equipment, and infrastructure), less any related debt still outstanding used to acquire those assets. The City uses these capital assets to provide services to its citizens; so, consequently, these assets are not available for future spending. Although the City'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 liquidated to pay for these liabilities.

Net position of the City's governmental activities increased by \$6,207,829 and totaled \$92,049,833 at the end of the fiscal year. Of this amount, the majority is either restricted as to the purposes it can be used for or is invested in capital assets (land, buildings and equipment). Consequently, unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraint established by debt covenants, enabling legislation, or other legal requirements, totaled (\$6,193,196) at the end of 2020. This negative balance is a result of the impact of reporting the City's pension and OPEB expense and related liability. See Notes 7 and 8 of the Financial Statements for further details.

Net position of the City's business-type activities increased by \$10,194,809, and totaled \$152,099,483 at the end of the fiscal year. Of this amount, approximately 78.6% is either restricted as to the purposes it can be used for or is invested in capital assets (land, buildings and equipment). Consequently, unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraint established by debt covenants, enabling legislation, or other legal requirements, totaled \$32,494,285 at the end of 2020.

Beginning net position for both governmental and business-type activities was restated as of October 1, 2019. See footnote 12.

## Management's Discussion and Analysis – (Continued)

The following table reflects a summary of Net Position compared to prior year:

### STATEMENT OF NET POSITION As of September 30

	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	43,020,343	\$38,504,157	46,370,346	\$35,552,505	\$89,390,689	\$74,056,662
Capital assets	102,710,422	102,217,640	193,072,929	183,156,917	295,783,351	285,374,557
Total assets	<u>145,730,765</u>	<u>140,721,797</u>	<u>239,443,275</u>	<u>218,709,422</u>	<u>385,174,040</u>	<u>359,431,219</u>
Total deferred outflows of resources	10,875,619	12,489,391	1,752,033	1,164,163	12,627,652	13,653,554
Current and other liabilities	9,771,363	9,746,713	7,105,240	7,262,093	16,876,603	17,008,806
Long-term liabilities outstanding	47,618,850	54,312,464	80,612,467	70,694,668	128,231,317	125,007,132
Total liabilities	<u>57,390,213</u>	<u>64,059,177</u>	<u>87,717,707</u>	<u>77,956,761</u>	<u>145,107,920</u>	<u>142,015,938</u>
Total deferred inflows of resources	7,166,338	5,614,567	1,378,118	481,460	8,544,456	6,096,027
Net position:						
Net investment in capital assets	95,134,678	91,827,298	119,123,757	115,386,750	214,258,435	207,214,048
Restricted	3,108,351	3,310,865	481,441	481,441	3,589,792	3,792,306
Unrestricted	(6,193,196)	(11,600,719)	32,494,285	25,567,173	26,301,089	13,966,454
Total net position	<u><b>\$92,049,833</b></u>	<u><b>\$83,537,444</b></u>	<u><b>\$152,099,483</b></u>	<u><b>\$141,435,364</b></u>	<u><b>\$244,149,316</b></u>	<u><b>\$224,972,808</b></u>

**Changes in Net Position** - While the statement of net position shows a snapshot of the City's financial position at the end of the fiscal year, the statement of changes in net position provides answers as to the nature and source of those changes. On September 30, 2020, the City's combined net position totaled \$244,149,316 which is an increase of \$19,176,508 over last year's reported \$224,972,808. During this same period, the City's total revenues increased by \$4,507,350 to a total of \$99,498,132.

## Management's Discussion and Analysis – (Continued)

The following schedule compares the revenues and expenses for the current and previous fiscal year:

### CHANGES IN NET POSITION

As of September 30

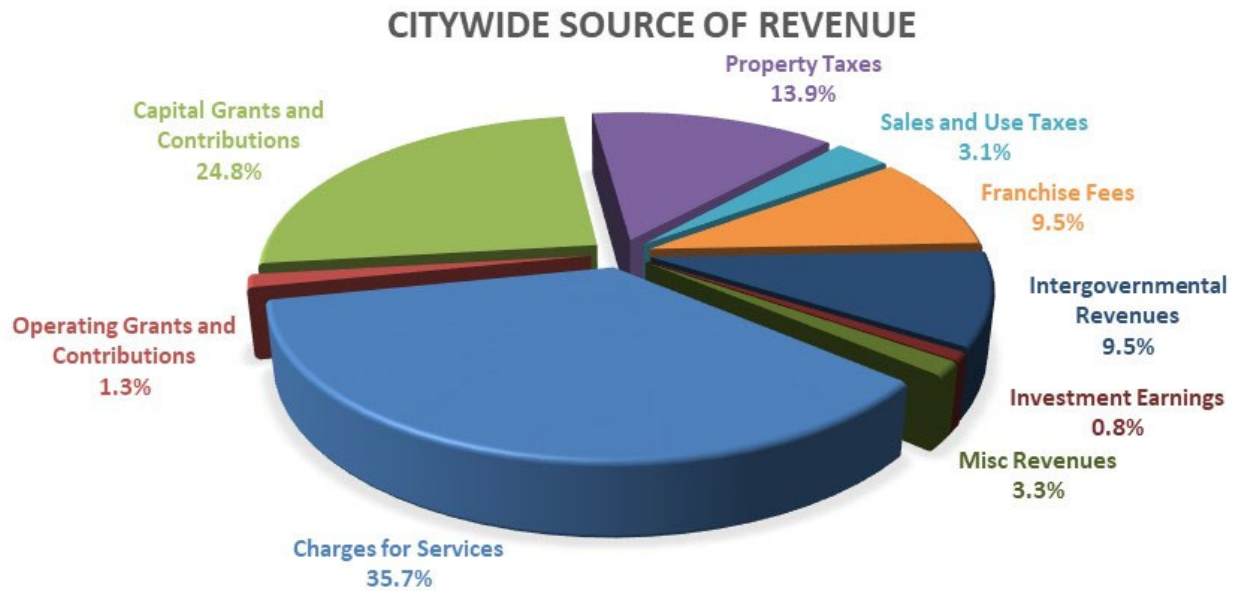
	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	9,212,775	\$9,617,190	26,335,584	\$22,666,621	\$35,548,359	\$32,283,811
Operating grants and contributions	1,279,043	2,092,443	-	-	1,279,043	2,092,443
Capital grants and contributions	5,657,298	7,129,053	19,029,137	14,219,066	24,686,435	21,348,119
General revenues:					-	-
Property taxes	13,796,237	12,440,816	-	-	13,796,237	12,440,816
Fuel taxes	1,593,561	1,788,078	-	-	1,593,561	1,788,078
Communication services taxes	1,490,091	1,886,153	-	-	1,490,091	1,886,153
½ Cent sales tax	6,911,384	8,509,531	-	-	6,911,384	8,509,531
State shared revenues	2,526,691	2,701,551	-	-	2,526,691	2,701,551
Franchise fees and utility taxes	9,341,262	7,709,410	75,070	71,550	9,416,332	7,780,960
Sale of capital assets	22,224	680,677	-	-	22,224	680,677
Unrestricted investment earnings	403,569	536,145	423,699	440,657	827,268	976,802
Miscellaneous revenues	1,379,455	410,689	21,052	2,091,152	1,400,507	2,501,841
Total revenues	<u>53,613,590</u>	<u>55,501,736</u>	<u>45,884,542</u>	<u>39,489,046</u>	<u>99,498,132</u>	<u>94,990,782</u>
Expenses:						
General government	7,260,763	9,050,051	-	-	7,260,763	9,050,051
Public safety	33,237,246	35,025,328	-	-	33,237,246	35,025,328
Physical environment	247,148	414,286	-	-	247,148	414,286
Transportation	8,664,378	7,469,837	-	-	8,664,378	7,469,837
Economic environment	69,110	27,826	-	-	69,110	27,826
Culture and recreation	3,858,925	4,408,527	-	-	3,858,925	4,408,527
Interest on long-term debt	309,644	297,136	-	-	309,644	297,136
Utility system	-	-	23,805,465	16,384,968	23,805,465	16,384,968
Sanitation	-	-	5,229,012	3,794,914	5,229,012	3,794,914
Airport fuel	-	-	413,803	368,577	413,803	368,577
Total expenses	<u>53,647,214</u>	<u>56,692,991</u>	<u>29,448,280</u>	<u>20,548,459</u>	<u>83,095,494</u>	<u>77,241,450</u>
Increase (decrease) in net position before transfers	(33,624)	(1,191,255)	16,436,262	18,940,587	16,402,638	17,749,332
Transfers	6,241,453	6,922,237	(6,241,453)	(6,922,237)	-	-
Increase (decrease) in net position	6,207,829	5,730,982	10,194,809	12,018,350	16,402,638	17,749,332
Net position— beginning, restated	85,842,004	77,806,462	141,904,674	129,417,014	227,746,678	207,223,476
Net position – September 30	<u><b>\$92,049,833</b></u>	<u><b>\$83,537,444</b></u>	<u><b>\$152,099,483</b></u>	<u><b>\$141,435,364</b></u>	<u><b>\$244,149,316</b></u>	<u><b>\$224,972,808</b></u>

## Management's Discussion and Analysis – (Continued)

The following is a summary of source of revenue for the City:

### Citywide Source of Revenue

	Fiscal Year 2020		Fiscal Year 2019	
	Revenues	% Of Total	Revenues	% Of Total
Charges for Services	\$ 35,548,359	35.7%	\$ 32,283,811	34.0%
Operating Grants and Contributions	1,279,043	1.3%	2,092,443	2.2%
Capital Grants and Contributions	24,686,435	24.8%	21,348,119	22.5%
Property Taxes	13,796,237	13.9%	12,440,816	13.1%
Sales and Use Taxes	3,083,652	3.1%	3,674,231	3.9%
Franchise Fees	9,416,332	9.5%	7,780,960	8.2%
Intergovernmental Revenues	9,438,075	9.5%	11,211,082	11.8%
Investment Earnings	827,268	0.8%	976,802	1.0%
Misc Revenues	1,422,731	1.4%	3,182,518	3.5%
<b>Total Revenues</b>	<b>\$ 99,498,132</b>	<b>100.0%</b>	<b>\$ 94,990,782</b>	<b>100.0%</b>



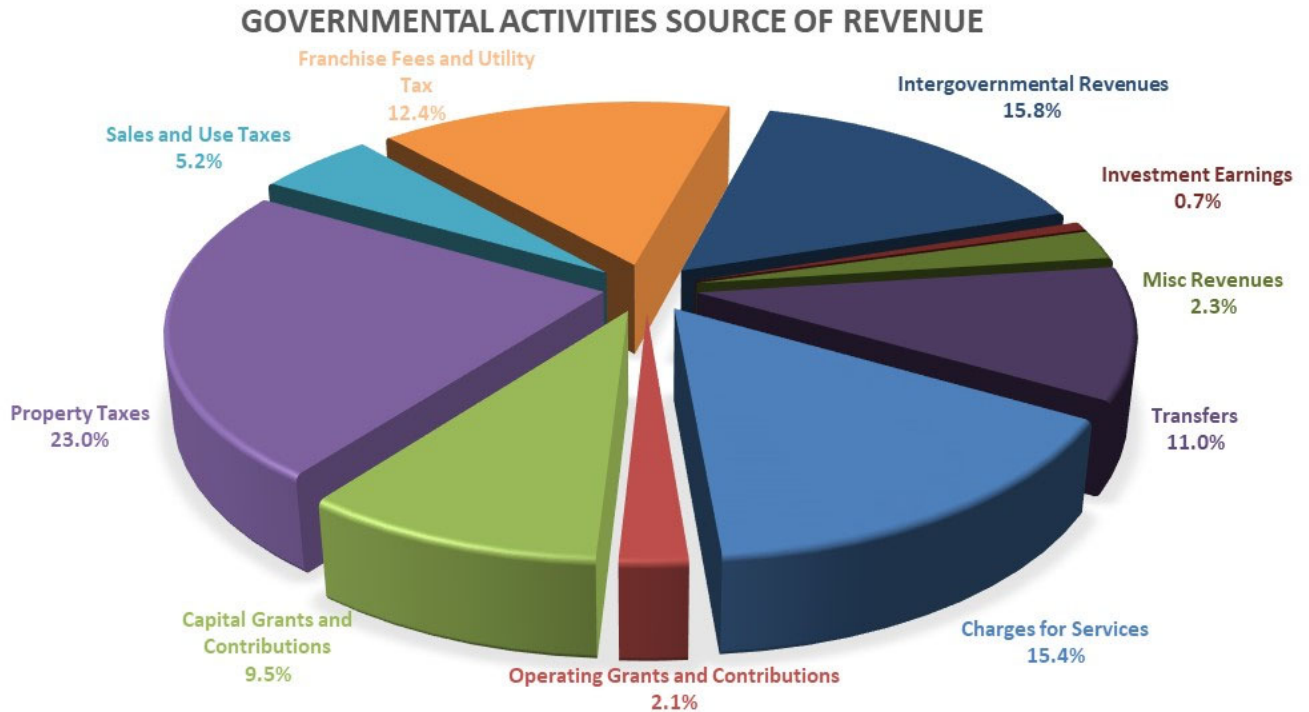
## Management's Discussion and Analysis – (Continued)

**Governmental Activities** - Governmental activities increased the City's net position by \$6,207,829.

The following is a summary of the City's Revenues by Source – Governmental Activities:

	Fiscal Year 2020		Fiscal Year 2019	
	Revenues	% Of Total	Revenues	% Of Total
Charges for Services	\$ 9,212,775	15.4%	\$ 9,617,190	15.4%
Operating Grants and Contributions	1,279,043	2.1%	2,092,443	3.4%
Capital Grants and Contributions	5,657,298	9.5%	7,129,053	11.4%
Property Taxes	13,796,237	23.0%	12,440,816	19.9%
Sales and Use Taxes	3,083,652	5.2%	3,674,231	5.9%
Franchise Fees and Utility Tax	9,341,262	15.6%	7,709,410	12.4%
Intergovernmental Revenues	9,438,075	15.8%	11,211,082	18.0%
Investment Earnings	403,569	0.7%	536,145	0.9%
Misc Revenues	1,401,679	2.3%	1,091,366	1.8%
Transfers	6,241,453	10.3%	6,922,237	11.1%
<b>Total Revenues</b>	<b>\$ 59,855,043</b>	<b>100.0%</b>	<b>\$ 62,423,973</b>	<b>100.0%</b>

### Revenues by Source – Governmental Activities





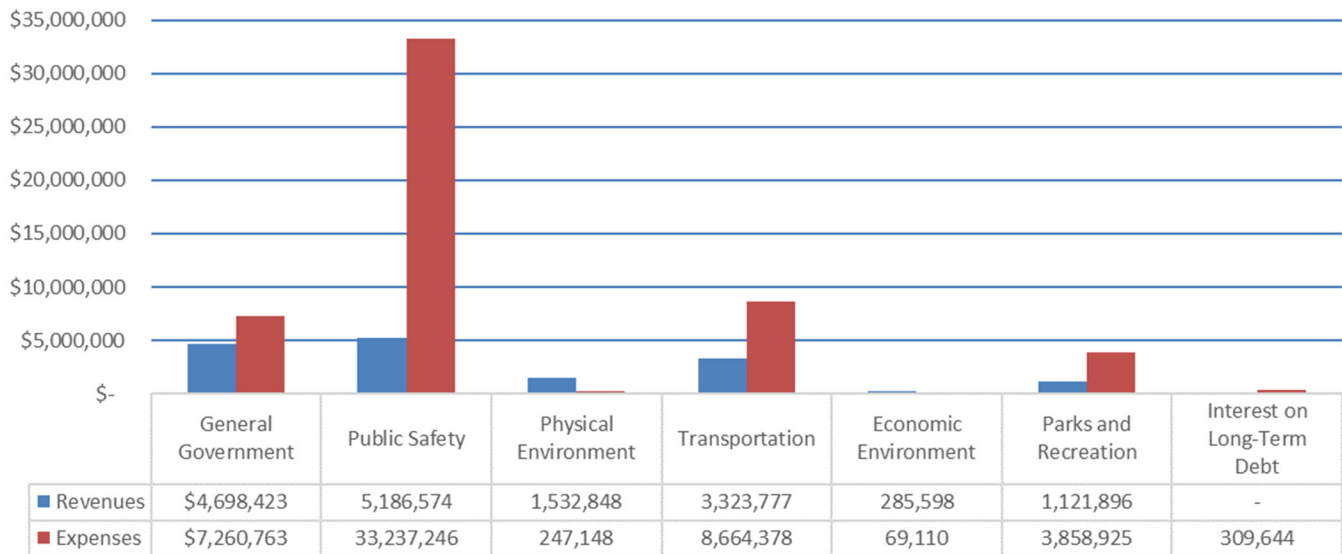
## Management’s Discussion and Analysis – (Continued)

The following is a summary of the City’s Program Expenses and Revenues – Governmental Activities:

### Program Expenses and Program Revenues - Governmental Activities

	Fiscal Year 2020		Fiscal Year 2020	
	Revenues	% of Total	Expenses	% of Total
General Government	\$ 4,698,423	29.1%	\$ 7,260,763	13.5%
Public Safety	5,186,574	32.1%	33,237,246	62.0%
Physical Environment	1,532,848	9.5%	247,148	0.5%
Transportation	3,323,777	20.6%	8,664,378	16.2%
Economic Environment	285,598	1.8%	69,110	0.1%
Parks and Recreation	1,121,896	7.0%	3,858,925	7.2%
Interest on Long-Term Debt	-	0.0%	309,644	0.6%
<b>Totals</b>	<b>\$ 16,149,116</b>	<b>100.0%</b>	<b>\$ 53,647,214</b>	<b>100.0%</b>

### Program Revenues and Program Expenses - Governmental Activities



A comparison of the City’s functional program revenues and costs of providing governmental-type services to its citizens is useful in identifying the capabilities of producing revenues sufficient to operate its programs.

Operating expenses of the governmental-type activities decreased \$3,045,777 in 2020 to \$53,647,214 as compared to \$56,692,991 in 2019. The City has remained constant in its efforts to maintain and control costs.

An individual comparison of the City’s functional program revenues and costs of providing program services to its citizens is useful in identifying the programs, and the extent to which each is dependent on taxes and other non-exchange revenues to subsidize their program operations.

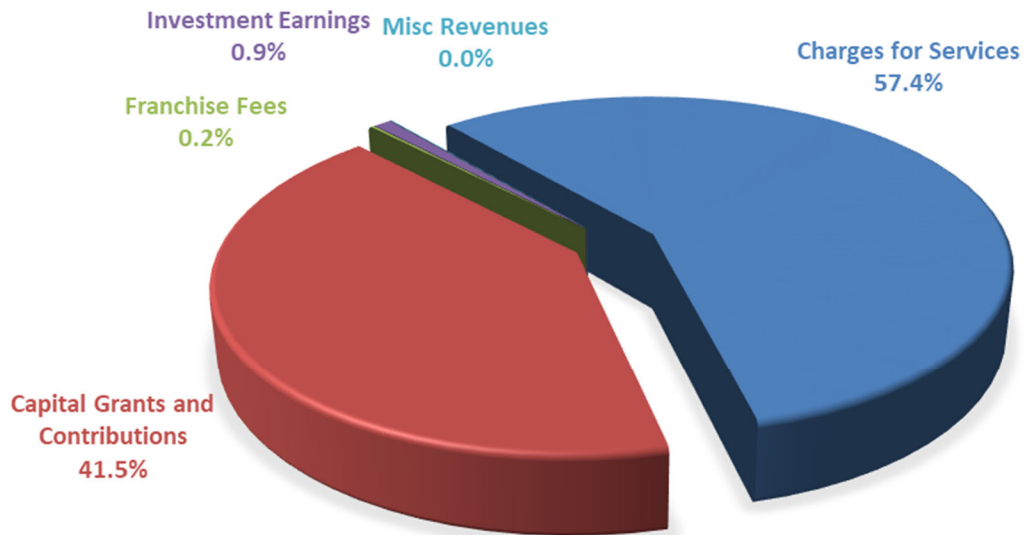
## Management's Discussion and Analysis – (Continued)

The following is a summary of the City's Revenues by Source – Business-type Activities:

### Revenues by Source - Business-Type Activities

	Fiscal Year 2020		Fiscal Year 2019	
	Revenues	% Of Total	Revenues	% Of Total
Charges for Services	\$ 26,335,584	57.4%	\$ 22,666,621	57.4%
Capital Grants and Contributions	19,029,137	41.5%	14,219,066	36.0%
Franchise Fees	75,070	0.2%	71,550	0.2%
Investment Earnings	423,699	0.9%	440,657	1.1%
Misc Revenues	21,052	0.0%	2,091,152	5.3%
<b>Total Revenues</b>	<b>\$ 45,884,542</b>	<b>100.0%</b>	<b>\$ 39,489,046</b>	<b>100.0%</b>

### BUSINESS-TYPE ACTIVITIES SOURCE OF REVENUE



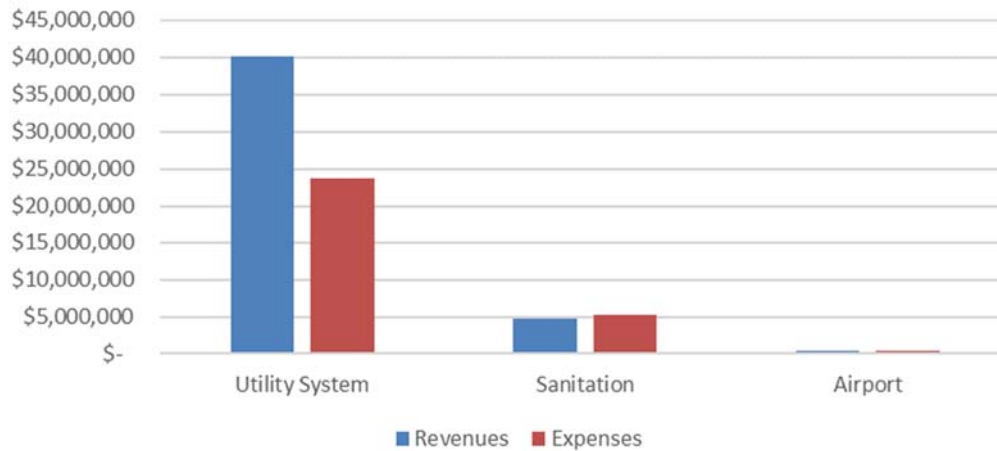
The primary sources of revenues for business-type activities are through charges for services, capital grants, and contributions which are useful in identifying how revenues are generated to operate its programs.

## Management’s Discussion and Analysis – (Continued)

The following is a summary of the City’s Expenses and Program Revenues – Business-Type Activities:

### Program Expenses and Program Revenues - Business-Type Activities

	<u>Fiscal Year 2020</u> <u>Revenues</u>	<u>% of</u> <u>Total</u>	<u>Fiscal Year 2020</u> <u>Expenses</u>	<u>% of</u> <u>Total</u>
Utility System	\$ 40,111,481	88.4%	\$ 23,805,465	80.8%
Sanitation	4,783,457	10.5%	5,229,012	17.8%
Airport	469,783	1.0%	413,803	1.4%
<b>Totals</b>	<b><u>\$ 45,364,721</u></b>	<b><u>100.0%</u></b>	<b><u>\$ 29,448,280</u></b>	<b><u>100.0%</u></b>



A comparison of the City’s functional program revenues and costs of providing business-type services to its customers is useful in identifying the capabilities of producing revenues sufficient to operate its programs.

Expenses of the business-type activities, excluding transfers, increased in 2020 to \$29,448,280 as compared to \$20,548,459 in 2019. The significant portion of this increase is related to the completion of the new wastewater treatment plant.

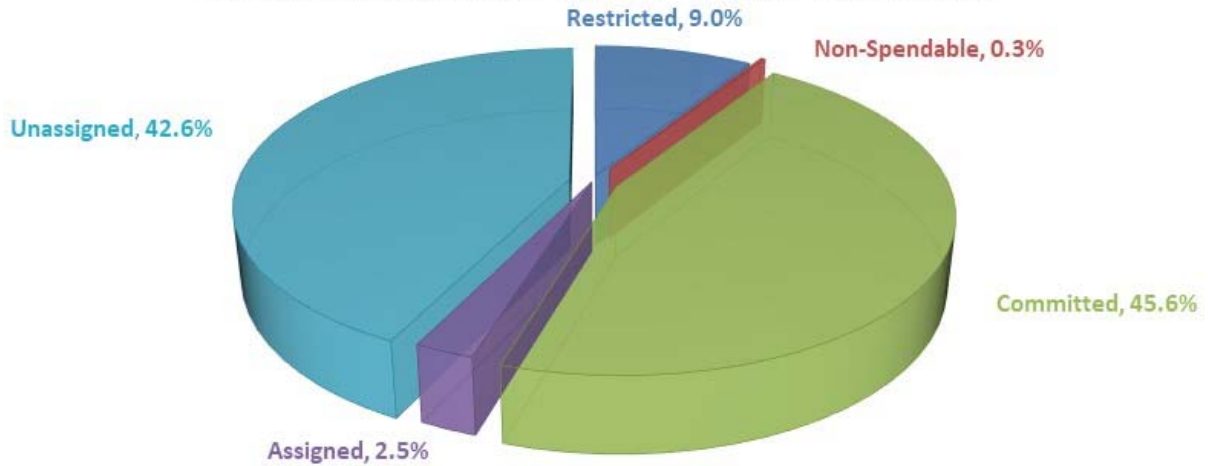
### Financial Analysis of the City’s Funds

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

**Governmental Funds** - The focus of the City’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’s financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

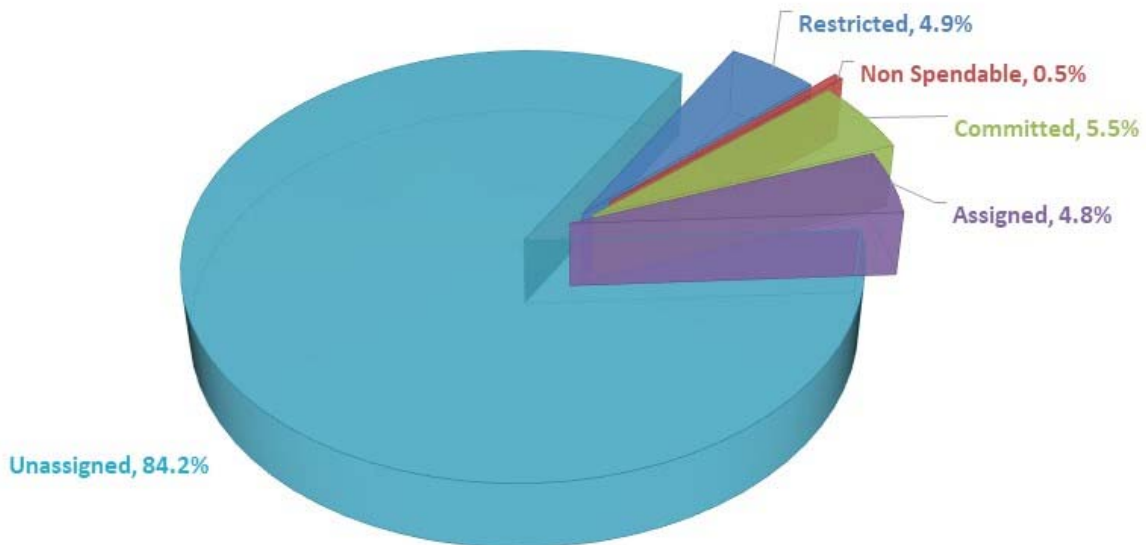
As the City completed the current fiscal year, its governmental funds reported a combined fund balance of \$34,538,913, which was \$1,382,171 more than the \$33,156,742 reported last year. Non-spendable fund balance related to inventory was .3% totaling \$92,466. Of the total fund balance, \$3,108,351 or 9.0% is restricted for specific purposes by bond ordinance, action of law, accounting standard requirements, or other factors outside of the City management. In addition, the City Council has at various times committed certain funds for specific purposes. Committed monies differ from restricted monies in that management can easily change the use for the funds whereas for restricted monies, an outside influence requires the restriction and those amounts cannot be easily changed without violating a bond provision, aspect of law, or accounting standard. At the end of fiscal year 2020, 45.6% or \$15,754,467 of the fund balance was committed. Another 2.5% or \$855,809 of this amount is assigned to indicate that it is not available for new spending unless management designates it as unassigned. Approximately 42.6% or \$14,727,820 of the combined fund balance constitutes unassigned fund balance, which is available for spending at the government’s discretion.

### GOVERNMENTAL FUNDS - FUND BALANCE



The General Fund is the chief operating fund of the City. As of September 30, 2020, the unassigned fund balance in the General Fund totaled \$14,948,265. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance to total fund expenditures excluding transfers. Unassigned fund balance represents approximately 31.7% of total General Fund expenditures of \$47,111,418. Total net position in the General Fund increased by \$1,234,949 during the current fiscal year.

### GENERAL FUND - FUND BALANCE ALLOCATION



The significant changes in the General Fund’s fund balance is related to the decrease in revenues over budget of \$2,009,370 and the decrease in budgeted expenditures of \$5,588,130. The decrease in revenue was mainly due to the reduction in sales tax revenues directly attributed to the COVID-19 pandemic. The decrease in expenditures is primarily due to the delay of capital projects that were carried over to fiscal year 2021 along with the cancellation of several recreational activities due to the COVID-19 pandemic. Under new leadership new procedures and processes were implemented to better manage and account for spending.

Management believes an operating reserve equal to three months operating expenses in the General Fund should be maintained. At September 30, 2020, the operating reserve calculates to \$11,777,855 and the unassigned fund balance exceeds this reserve amount by \$3,170,410.

## Management's Discussion and Analysis – (Continued)

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

Unrestricted net position in all proprietary funds at the end of the current fiscal year, as shown on the Proprietary Fund statements, amounted to \$32,494,285 compared to \$25,567,173 in the prior year, which is an increase of \$6,927,112 over the prior year. A significant portion of this unrestricted net position in the Proprietary Funds is related to impact fee related capital projects.

### Budgetary Highlights

The budget is revised throughout the year to recognize projects carried over from the previous year, grant awards received during the year, and to adjust budgets to reflect actual circumstances. Normally, budget adjustments are typically minor in nature. Overall budgetary control is achieved through continuous review by the Department Directors and the Finance Director.

The Mayor of Apopka is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total revenues, reserves, or expenditures of any fund must be approved by a majority vote on the City Council. During the fiscal year, various budget adjustments were performed and the budgeted amounts shown on the financial statements are as originally adopted and further adjusted.

### Variances in General Fund Revenues compared to Final Budget

General Fund revenues in the current year were \$2,009,370 less than budgeted due mainly to the reduction in sales tax revenues directly attributed to the COVID-19 pandemic.

### Variances in General Fund Expenditures compared to Final Budget

General Fund expenditures in the current year were \$5,588,130 less than budgeted primarily due to the delay of capital projects that were carried over to fiscal year 2021 along with the cancellation of several recreational activities due to the COVID-19 pandemic. A portion of this excess will be used to cover carryover purchase orders and capital expenditures into the next fiscal year.

### Capital Assets and Debt Administration

**Capital Assets** - On September 30, 2020, the City's investment in capital assets for its governmental and business-type activities totaled \$295,783,351. This investment in capital assets, net of depreciation, for all activities is reflected on September 30, 2020 as follows:

	<b>Capital Assets</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Land	\$ 27,639,895	\$ 2,975,818	\$ 30,615,713
Buildings	16,354,369	85,393,161	101,747,530
Improvements	110,343,458	161,644,463	271,987,921
Machinery and Equipment	28,726,845	13,698,908	42,425,753
Automotive Equipment	14,633,995	9,047,962	23,681,957
Construction in Progress	662,119	1,515,670	2,177,789
Intangibles	513,609	-	513,609
Total Capital Assets	198,874,290	274,275,982	473,150,272
Less: Accumulated Depreciation	(96,163,868)	(81,203,053)	(177,366,921)
<b>Total Capital Assets - Net</b>	<b>\$ 102,710,422</b>	<b>\$ 193,072,929</b>	<b>\$ 295,783,351</b>

Additional information on the City's capital assets can be found in Note 5 to the financial statements.

## Management's Discussion and Analysis – (Continued)

**Long-Term Debt** - At year-end, the City owed \$20,420,744 in principal for notes, capital leases and bonds outstanding. The City has one note secured by Recreation Impact Fees and no notes secured by ad-valorem taxes. All of the remaining notes are secured by non-ad-valorem tax revenues. Additionally, the City has a State of Florida Revolving Loan Outstanding for the design and construction of a new waste water treatment plant with an outstanding principal of \$60,496,577.

More detailed information about the City's long-term debt is presented in Note 6 to the financial statements.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Many factors are considered each year by the City Council in its efforts to establish an operating budget, to evaluate its personnel needs, and to develop uniform user fees that are fair, reasonable, and adequately recover costs. Some of the major factors considered in this process are the local economy, labor force, unemployment rates, and inflation rates.

- The more recent estimates available for unemployment data in Apopka, Orange County, and the state of Florida are compiled by the Orange County Economic Development Department. Their estimated unemployment rates are as follows:

	<u>Apopka</u>	<u>Orange County</u>	<u>State of Florida</u>
September 2020	5.5%	9.8%	7.9%
September 2019	4.0%	4.3%	2.7%
Percentage Change	-1.5%	-5.5%	-5.2%

- For 2020, the U.S. Census Bureau estimated the City's population at approximately 53,632.
- Inflationary trends for Orange County compare favorably to those trends experienced at the state and national levels.
- The economy is showing continued signs of improvement, as revenues appear to be stabilizing and increasing in some areas, and are expected to improve over the long run.
- With respect to non-homestead property, Amendment 1 limits (caps) the annual increase in assessed value for non-homestead property (businesses, industrial property, rental property, second homes, etc.) to ten percent (10%), except for school district taxes. The Amendment also provides a \$25,000 exemption for tangible personal property.

### **REQUEST FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to the Finance Director, City of Apopka, Florida, 120 E Main Street, Apopka, Florida 32703.

# **Basic Financial Statements**

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**CITY OF AOPKA, FLORIDA**

**STATEMENT OF NET POSITION  
SEPTEMBER 30, 2020**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 36,404,570	\$ 39,301,308	\$ 75,705,878
Investments	89,186	89,186	178,372
Accounts receivable, net	4,325,828	4,283,412	8,609,240
Due from other governments	2,108,293	19,358	2,127,651
Prepaid items	2,517	-	2,517
Inventory	89,949	999,713	1,089,662
Restricted cash and cash equivalents	-	1,677,369	1,677,369
Capital assets			
Non-depreciable	28,302,014	4,491,488	32,793,502
Depreciable, net	74,408,408	188,581,441	262,989,849
<b>Total assets</b>	<b>145,730,765</b>	<b>239,443,275</b>	<b>385,174,040</b>
<b>Deferred Outflows of Resources</b>			
Deferred outflows - debt refunding	-	108,507	108,507
Deferred outflows - pensions	8,204,750	887,477	9,092,227
Deferred outflows - OPEB	2,670,869	756,049	3,426,918
Total deferred outflows of resources	<b>10,875,619</b>	<b>1,752,033</b>	<b>12,627,652</b>
<b>Liabilities</b>			
Accounts payable	2,746,895	1,153,857	3,900,752
Accrued liabilities	1,019,803	433,797	1,453,600
Due to other governments	1,233,252	-	1,233,252
Customer deposits payable	-	1,195,928	1,195,928
Unearned revenue	213,691	142,904	356,595
Deposits	34,394	-	34,394
Noncurrent liabilities			
Due within one year	4,523,328	4,178,754	8,702,082
Due in more than one year	47,618,850	80,612,467	128,231,317
Total liabilities	<b>57,390,213</b>	<b>87,717,707</b>	<b>145,107,920</b>
<b>Deferred Inflows of Resources</b>			
Deferred inflows - pensions	5,158,106	809,643	5,967,749
Deferred inflows - OPEB	2,008,232	568,475	2,576,707
Total deferred inflows of resources	<b>7,166,338</b>	<b>1,378,118</b>	<b>8,544,456</b>
<b>Net position</b>			
Net investment in capital assets	95,134,678	119,123,757	214,258,435
Restricted for			
Capital projects	832,049	281,441	1,113,490
Renewal, replacements and improvements	-	200,000	200,000
Street improvements	1,838,361	-	1,838,361
Law enforcement	395,141	-	395,141
Fire	21,517	-	21,517
Culture and recreation	21,283	-	21,283
Unrestricted	(6,193,196)	32,494,285	26,301,089
Total net position	<b>\$ 92,049,833</b>	<b>\$ 152,099,483</b>	<b>\$ 244,149,316</b>

The accompanying notes to financial statements are an integral part of this statement.

**CITY OF APOPKA, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Functions/programs</b>							
<b>Governmental activities</b>							
General government	\$ 7,260,763	\$ 4,698,423	\$ -	\$ -	\$ (2,562,340)	\$ -	\$ (2,562,340)
Public safety	33,237,246	2,800,778	809,636	1,576,160	(28,050,672)	-	(28,050,672)
Physical environment	247,148	799,580	140,528	592,740	1,285,700	-	1,285,700
Transportation	8,664,378	599,426	24,593	2,699,758	(5,340,601)	-	(5,340,601)
Economic environment	69,110	-	285,598	-	216,488	-	216,488
Culture/recreation	3,858,925	314,568	18,688	788,640	(2,737,029)	-	(2,737,029)
Interest on long-term debt	309,644	-	-	-	(309,644)	-	(309,644)
<b>Total governmental activities</b>	<b>53,647,214</b>	<b>9,212,775</b>	<b>1,279,043</b>	<b>5,657,298</b>	<b>(37,498,098)</b>	<b>-</b>	<b>(37,498,098)</b>
<b>Business-type activities</b>							
Water	10,677,195	12,644,108	-	13,054,321	-	15,021,234	15,021,234
Sewer	13,128,270	8,438,236	-	5,974,816	-	1,284,782	1,284,782
Sanitation	5,229,012	4,783,457	-	-	-	(445,555)	(445,555)
Airport fuel	413,803	469,783	-	-	-	55,980	55,980
Total business-type activities	29,448,280	26,335,584	-	19,029,137	-	15,916,441	15,916,441
<b>Total primary government</b>	<b>\$ 83,095,494</b>	<b>\$ 35,548,359</b>	<b>\$ 1,279,043</b>	<b>\$ 24,686,435</b>	<b>(37,498,098)</b>	<b>15,916,441</b>	<b>(21,581,657)</b>
<b>General revenues</b>							
Property taxes					13,796,237	-	13,796,237
Gas taxes					1,593,561	-	1,593,561
Utility tax					5,580,619	-	5,580,619
Communication services tax					1,490,091	-	1,490,091
1/2 cent sales taxes					6,911,384	-	6,911,384
Unrestricted state shared revenues					2,526,691	-	2,526,691
Franchise fees					3,760,643	75,070	3,835,713
Investment earnings					403,569	423,699	827,268
Miscellaneous					1,379,455	-	1,379,455
Gain on sale of capital asset					22,224	21,052	43,276
<b>Transfers</b>					<b>6,241,453</b>	<b>(6,241,453)</b>	<b>-</b>
Total general revenues and transfers					43,705,927	(5,721,632)	37,984,295
<b>Change in net position</b>							
<b>Net position, beginning of year, as restated</b>					<b>6,207,829</b>	<b>10,194,809</b>	<b>16,402,638</b>
<b>Net position, end of year</b>					<b>\$ 92,049,833</b>	<b>\$ 152,099,483</b>	<b>\$ 244,149,316</b>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF APOPKA, FLORIDA

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2020**

	General Fund	Community Redevelopment Agency	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 18,516,093	\$ 2,498,118	\$ 15,390,359	\$ 36,404,570
Investments	89,186	-	-	89,186
Accounts receivable, net	4,246,647	-	79,181	4,325,828
Due from other funds	195,069	-	-	195,069
Due from other governments	1,912,485	-	195,808	2,108,293
Inventory	89,949	-	-	89,949
Prepaid items	2,517	-	-	2,517
Total assets	<u>\$ 25,051,946</u>	<u>\$ 2,498,118</u>	<u>\$ 15,665,348</u>	<u>\$ 43,215,412</u>
<b>Liabilities, deferred inflows of resources, and fund balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 1,590,948	\$ 30,983	\$ 1,124,964	\$ 2,746,895
Accrued liabilities	922,860	-	15,778	938,638
Due to other governments	1,233,252	-	-	1,233,252
Deposits	30,604	-	3,790	34,394
Unearned revenue	213,691	-	-	213,691
Due to other funds	-	-	195,069	195,069
Total liabilities	<u>3,991,355</u>	<u>30,983</u>	<u>1,339,601</u>	<u>5,361,939</u>
<b>Deferred inflows of resources</b>				
Unavailable revenue	<u>3,304,061</u>	<u>-</u>	<u>10,499</u>	<u>3,314,560</u>
<b>Fund balances</b>				
<b>Nonspendable</b>				
Inventory	89,949	-	-	89,949
Prepaid items	2,517	-	-	2,517
<b>Restricted</b>				
Street improvements	-	-	1,838,361	1,838,361
Law enforcement	-	-	395,141	395,141
Fire	21,517	-	-	21,517
Culture and recreation	21,283	-	-	21,283
Capital projects	832,049	-	-	832,049
<b>Committed</b>				
Transportation improvements	-	-	5,806,379	5,806,379
Recreation improvements	-	-	1,086,206	1,086,206
Stormwater improvements	-	-	1,801,105	1,801,105
Community redevelopment	-	2,467,135	-	2,467,135
Law enforcement	-	-	457,818	457,818
Impact fees	-	-	3,150,683	3,150,683
Storage retention	384,346	-	-	384,346
Tree bank	600,795	-	-	600,795
<b>Assigned</b>				
Culture and recreation	555,809	-	-	555,809
Insurance	300,000	-	-	300,000
Unassigned	14,948,265	-	(220,445)	14,727,820
Total fund balances	<u>17,756,530</u>	<u>2,467,135</u>	<u>14,315,248</u>	<u>34,538,913</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 25,051,946</u>	<u>\$ 2,498,118</u>	<u>\$ 15,665,348</u>	<u>\$ 43,215,412</u>

The accompanying notes to financial statements are an integral part of this statement.

**CITY OF APOPKA, FLORIDA**

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2020**

<b>Total Fund Balances, Total Governmental Funds</b>		<b>\$ 34,538,913</b>
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	\$ 198,874,290	
Accumulated depreciation	<u>(96,163,868)</u>	102,710,422
Other long-term assets are not available to pay for current-period expenditures, and therefore, are unavailable in the funds.		
		3,314,560
Deferred outflows and deferred inflows are not expected to be liquidated with expendable available financial resources and, therefore are not reported in the funds		
Deferred outflows - OPEB	2,670,869	
Deferred inflows - OPEB	(2,008,232)	
Deferred outflows - pensions	8,204,750	
Deferred inflows - pensions	<u>(5,158,106)</u>	3,709,281
Certain liabilities are not due and payable in the current period and are therefore not reported in the funds.		
Accrued interest payable	(81,165)	
Notes payable	(5,376,230)	
Capital lease payable	(2,199,514)	
Compensated absences	(2,212,812)	
Net pension liability	(23,109,125)	
OPEB payable	<u>(19,244,497)</u>	<u>(52,223,343)</u>
Net position of governmental activities		<u>\$ 92,049,833</u>

The accompanying notes to financial statements are an integral part of this statement.

**CITY OF AOPKA, FLORIDA**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>General Fund</u>	<u>Community Redevelopment Agency</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Taxes	\$ 20,160,432	\$ 260,798	\$ 1,541,716	\$ 21,962,946
Licenses and permits	7,637,427	-	-	7,637,427
Intergovernmental revenues	10,551,123	285,598	614,235	11,450,956
Charges for services	3,589,696	-	1,087,366	4,677,062
Fines and forfeitures	364,764	-	25,952	390,716
Investment earnings	224,652	25,619	153,298	403,569
Special assessments	-	-	64,999	64,999
Impact fees	-	-	4,953,668	4,953,668
Miscellaneous revenues	508,589	-	127,971	636,560
Total revenues	<u>43,036,683</u>	<u>572,015</u>	<u>8,569,205</u>	<u>52,177,903</u>
<b>Expenditures</b>				
Current				
General government	8,373,974	-	248	8,374,222
Public safety	28,614,078	-	452,573	29,066,651
Physical environment	136,220	-	150,868	287,088
Transportation	1,305,542	-	5,786,606	7,092,148
Economic environment	-	69,110	-	69,110
Culture/recreation	3,669,255	-	-	3,669,255
Debt service				
Principal retirement	2,710,908	-	-	2,710,908
Interest	228,479	-	-	228,479
Capital outlay	2,072,962	430,582	3,058,004	5,561,548
Total expenditures	<u>47,111,418</u>	<u>499,692</u>	<u>9,448,299</u>	<u>57,059,409</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(4,074,735)</u>	<u>72,323</u>	<u>(879,094)</u>	<u>(4,881,506)</u>
<b>Other financing sources (uses)</b>				
Proceeds from the sale of capital assets	22,224	-	-	22,224
Transfers in	6,409,058	-	1,121,598	7,530,656
Transfers out	(1,121,598)	-	(167,605)	(1,289,203)
Total other financing sources, net	<u>5,309,684</u>	<u>-</u>	<u>953,993</u>	<u>6,263,677</u>
<b>Change in fund balances</b>	1,234,949	72,323	74,899	1,382,171
<b>Fund balances, beginning of year, as restated</b>	<u>16,521,581</u>	<u>2,394,812</u>	<u>14,240,349</u>	<u>33,156,742</u>
<b>Fund balances, end of year</b>	<u>\$ 17,756,530</u>	<u>\$ 2,467,135</u>	<u>\$ 14,315,248</u>	<u>\$ 34,538,913</u>

The accompanying notes to financial statements are an integral part of this statement.

**CITY OF AOPKA, FLORIDA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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<b>Net Change in Fund Balances – Total Governmental Funds</b>	<b>\$ 1,382,171</b>
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is depreciated over their estimated useful lives.

Capital outlay	\$ 5,561,547	
Less current year depreciation	<u>(5,068,765)</u>	492,782

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 issuance costs, premiums, 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 those differences in the treatment of long-term debt and related items.

Repayment of principal of long-term debt	2,710,908
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	1,413,463
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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.

Pension expense	526,322	
Change in total OPEB liability	(67,568)	
Change in accrued interest	(81,165)	
Change in compensated absences	<u>(169,084)</u>	<u>208,505</u>

<b>Change in net position of governmental activities</b>	<b>\$ <u>6,207,829</u></b>
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The accompanying notes to financial statements are an integral part of this statement.

CITY OF AOPKA, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - GENERAL FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 19,293,514	\$ 19,293,514	\$ 20,160,432	\$ 866,918
Licenses and permits	6,411,750	6,411,750	7,637,427	1,225,677
Intergovernmental revenues	12,539,632	12,773,260	10,551,123	(2,222,137)
Charges for services	3,851,682	3,863,682	3,589,696	(273,986)
Fines and forfeitures	550,300	550,300	364,764	(185,536)
Investment earnings	125,000	125,000	224,652	99,652
Miscellaneous revenues	526,100	2,028,547	508,589	(1,519,958)
Total revenues	<u>\$ 43,297,978</u>	<u>\$ 45,046,053</u>	<u>\$ 43,036,683</u>	<u>\$ (2,009,370)</u>
<b>Expenditures</b>				
Current				
General government	9,094,898	9,285,748	8,373,974	911,774
Public safety	29,543,333	29,476,909	28,614,078	862,831
Physical environment	177,388	177,388	136,220	41,168
Transportation	1,303,091	1,377,166	1,305,542	71,624
Culture and recreation	4,650,246	5,334,617	3,669,255	1,665,362
Debt service				
Principal retirement	2,712,908	2,712,908	2,710,908	2,000
Interest	229,828	229,828	228,479	1,349
Capital outlay	1,881,630	4,104,984	2,072,962	2,032,022
Total expenditures	<u>49,593,322</u>	<u>52,699,548</u>	<u>47,111,418</u>	<u>5,588,130</u>
<b>Deficiency of revenues under expenditures</b>	<u>(6,295,344)</u>	<u>(7,653,495)</u>	<u>(4,074,735)</u>	<u>3,578,760</u>
<b>Other financing sources (uses)</b>				
Proceeds from the sale of capital assets	50,000	50,000	22,224	(27,776)
Transfers in	7,089,842	7,089,842	6,409,058	(680,784)
Transfers out	(844,498)	(1,121,598)	(1,121,598)	-
Total other financing sources, net	<u>6,295,344</u>	<u>6,018,244</u>	<u>5,309,684</u>	<u>(708,560)</u>
<b>Change in fund balances</b>	-	(1,635,251)	1,234,949	2,870,200
<b>Fund balances, beginning of year,</b> as restated	<u>16,521,581</u>	<u>16,521,581</u>	<u>16,521,581</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 16,521,581</u>	<u>\$ 14,886,330</u>	<u>\$ 17,756,530</u>	<u>\$ 2,870,200</u>

The accompanying notes to financial statements are an integral part of this statement.

**CITY OF APOPKA, FLORIDA**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES  
BUDGET AND ACTUAL - COMMUNITY REDEVELOPMENT (CRA)  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes	\$ 166,700	\$ 166,700	\$ 260,798	\$ 94,098
Intergovernmental	194,300	194,300	285,598	91,298
Investment earnings	10,000	10,000	25,619	15,619
Miscellaneous revenues	1,868,547	1,990,047	-	(1,990,047)
Total revenues	<u>2,239,547</u>	<u>2,361,047</u>	<u>572,015</u>	<u>(1,789,032)</u>
<b>Expenditures</b>				
Current				
Economic environment	621,300	448,197	69,110	379,087
Capital outlay	1,618,247	1,913,247	430,582	1,482,665
Total expenditures	<u>2,239,547</u>	<u>2,361,444</u>	<u>499,692</u>	<u>1,861,752</u>
<b>Change in fund balance</b>	-	(397)	72,323	72,720
<b>Fund balance, beginning of year</b>	<u>2,394,812</u>	<u>2,394,812</u>	<u>2,394,812</u>	-
<b>Fund balance, end of year</b>	<u>\$ 2,394,812</u>	<u>\$ 2,394,415</u>	<u>\$ 2,467,135</u>	<u>\$ 72,720</u>

The accompanying notes to financial statements are an integral part of this statement.



**CITY OF AOPKA, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2020**

	Major		Nonmajor	Total
	Utility System	Sanitation	Airport Fuel	
<b>Assets</b>				
Current assets				
Cash and cash equivalents	\$ 38,894,503	\$ 301,246	\$ 105,559	\$ 39,301,308
Restricted cash and cash equivalents				
Customer utility deposits	1,195,928	-	-	1,195,928
Renewal, replacements and improvements	200,000	-	-	200,000
Capital improvements	281,441	-	-	281,441
Accounts receivable, net	3,428,250	854,488	674	4,283,412
Due from other governments	11,284	8,074		19,358
Investments	89,186	-	-	89,186
Inventory	976,200	-	23,513	999,713
Total current assets	<u>45,076,792</u>	<u>1,163,808</u>	<u>129,746</u>	<u>46,370,346</u>
Noncurrent assets				
Capital assets, non-depreciable	4,421,488	70,000	-	4,491,488
Capital assets, net	185,660,615	2,846,257	74,569	188,581,441
Total noncurrent assets	<u>190,082,103</u>	<u>2,916,257</u>	<u>74,569</u>	<u>193,072,929</u>
<b>Total assets</b>	<u>235,158,895</u>	<u>4,080,065</u>	<u>204,315</u>	<u>239,443,275</u>
<b>Deferred Outflows of Resources</b>				
Deferred outflows - debt refunding	108,507	-		108,507
Deferred outflows - pensions	715,170	172,307	-	887,477
Deferred outflows - OPEB	617,807	138,242	-	756,049
Total deferred outflows of resources	<u>1,441,484</u>	<u>310,549</u>	<u>-</u>	<u>1,752,033</u>
<b>Liabilities</b>				
Current liabilities				
Accounts payable	1,006,719	146,617	521	1,153,857
Current portion of bonds payable	860,000	-	-	860,000
Current portion of notes payable	2,980,054	-	-	2,980,054
Accrued liabilities	402,450	31,347	-	433,797
Compensated absences	276,036	62,664	-	338,700
Unearned revenue	142,904	-	-	142,904
Customer deposits payable	1,195,928	-	-	1,195,928
Total current liabilities	<u>6,864,091</u>	<u>240,628</u>	<u>521</u>	<u>7,105,240</u>
Noncurrent liabilities				
Compensated absences	69,007	15,666	-	84,673
Bonds payable, net of current portion	12,701,102	-	-	12,701,102
Notes payable, net of current portion	57,516,523	-	-	57,516,523
Net pension liability	3,918,491	944,090	-	4,862,581
Total OPEB liability	4,451,505	996,083	-	5,447,588
Total non-current liabilities	<u>78,656,628</u>	<u>1,955,839</u>	<u>-</u>	<u>80,612,467</u>
Total liabilities	<u>85,520,719</u>	<u>2,196,467</u>	<u>521</u>	<u>87,717,707</u>
<b>Deferred Inflows of Resources</b>				
Deferred inflows - pension	652,447	157,196	-	809,643
Deferred inflows - OPEB	464,530	103,945	-	568,475
Total deferred inflows of resources	<u>1,116,977</u>	<u>261,141</u>	<u>-</u>	<u>1,378,118</u>
<b>Net position</b>				
Net investment in capital assets	116,132,931	2,916,257	74,569	119,123,757
Restricted for				
Capital improvements	281,441	-	-	281,441
Renewal, replacements and improvements	200,000	-	-	200,000
Unrestricted	33,348,311	(983,251)	129,225	32,494,285
Total net position	<u>\$ 149,962,683</u>	<u>\$ 1,933,006</u>	<u>\$ 203,794</u>	<u>\$ 152,099,483</u>

The accompanying notes to financial statements are an integral part of this statement.

**CITY OF AOPKA, FLORIDA**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Major		Nonmajor	Total
	Utility System	Sanitation	Airport Fuel	
<b>Operating revenues</b>				
Charges for services				
Water sales	\$ 7,746,450	\$ -	\$ -	\$ 7,746,450
Sewer sales	7,582,162	-	-	7,582,162
Reclaimed water sales	4,041,584	-	-	4,041,584
Sanitation fees	-	4,672,787	-	4,672,787
Fuel sales	-	-	437,221	437,221
Miscellaneous revenues	1,712,148	110,670	32,562	1,855,380
Total operating revenues	<u>21,082,344</u>	<u>4,783,457</u>	<u>469,783</u>	<u>26,335,584</u>
<b>Operating expenses</b>				
Utility administration	1,121,717	-	-	1,121,717
Water plant operations	1,531,510	-	-	1,531,510
Wastewater treatment plant operations	5,113,793	-	-	5,113,793
Utility construction operations	967,076	-	-	967,076
Water maintenance	3,018,650	-	-	3,018,650
Utility billing	1,168,112	-	-	1,168,112
Wastewater maintenance	1,887,442	-	-	1,887,442
Operating charges	-	4,847,334	-	4,847,334
Fueling operations	-	-	413,803	413,803
Utility restoration	182,121	-	-	182,121
Design engineering	985,639	-	-	985,639
Depreciation	5,560,753	381,678	-	5,942,431
Total operating expenses	<u>21,536,813</u>	<u>5,229,012</u>	<u>413,803</u>	<u>27,179,628</u>
<b>Operating income (loss)</b>	<u>(454,469)</u>	<u>(445,555)</u>	<u>55,980</u>	<u>(844,044)</u>
<b>Nonoperating revenues (expenses)</b>				
Investment earnings	419,722	2,894	1,083	423,699
Franchise fees	-	75,070	-	75,070
Gain on disposal of capital assets	-	21,052	-	21,052
Interest expense	(2,268,652)	-	-	(2,268,652)
Total nonoperating revenues (expenses), net	<u>(1,848,930)</u>	<u>99,016</u>	<u>1,083</u>	<u>(1,748,831)</u>
Income (loss) before transfers and contributions	(2,303,399)	(346,539)	57,063	(2,592,875)
<b>Capital contributions</b>	19,029,137	-	-	19,029,137
<b>Transfers out</b>	<u>(6,241,453)</u>	<u>-</u>	<u>-</u>	<u>(6,241,453)</u>
<b>Change in net position</b>	10,484,285	(346,539)	57,063	10,194,809
<b>Total net position, beginning of year, as restated</b>	139,478,398	2,279,545	146,731	141,904,674
<b>Total net position, end of year</b>	<u>\$ 149,962,683</u>	<u>\$ 1,933,006</u>	<u>\$ 203,794</u>	<u>\$ 152,099,483</u>

The accompanying notes to financial statements are an integral part of this statement.

**CITY OF AOPKA, FLORIDA**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Major		Nonmajor	Total
	Utility System	Sanitation	Airport Fuel	
<b>Cash flows from operating activities</b>				
Cash received from customers	\$ 20,210,269	\$ 4,680,862	\$ 469,109	\$ 25,360,240
Cash paid to suppliers for goods and services	(8,042,961)	(2,184,717)	(414,244)	(10,641,922)
Cash paid to employees for services and benefits	(6,010,136)	(1,461,857)	-	(7,471,993)
Net cash provided by operating activities	6,157,172	1,034,288	54,865	7,246,325
<b>Cash flows from noncapital financing activities</b>				
Transfer to other funds	(6,241,453)	(144,323)	-	(6,385,776)
Franchise fees	-	75,070	-	75,070
Net cash used by noncapital financing activities	(6,241,453)	(69,253)	-	(6,310,706)
<b>Cash flows from capital and related financing activities</b>				
Acquisition and construction of capital assets	(3,358,905)	(687,735)	(74,569)	(4,121,209)
Cash received from sale of capital assets	-	21,052	-	21,052
Principal paid on bonds payable	(835,000)	-	-	(835,000)
Proceeds from note issuance	9,912,832	-	-	9,912,832
Principal paid on notes payable	(1,909,864)	-	-	(1,909,864)
Interest paid	(2,461,357)	-	-	(2,461,357)
Capital contributions - impact fees	7,042,435	-	-	7,042,435
Capital contributions - grants	249,468	-	-	249,468
Net cash provided by (used in) capital and related financing activities	8,639,609	(666,683)	(74,569)	7,898,357
<b>Cash flows from investing activities</b>				
Sale of investments	(89,186)	-	-	(89,186)
Interest received	419,722	2,894	1,083	423,699
Net cash provided by investing activities	330,536	2,894	1,083	334,513
<b>Net change in cash and cash equivalents</b>	8,885,864	301,246	(18,621)	9,168,489
<b>Cash and cash equivalents, beginning of year</b>	31,686,008	-	124,180	31,810,188
<b>Cash and cash equivalents, end of year</b>	\$ 40,571,872	\$ 301,246	\$ 105,559	\$ 40,978,677
<b>Cash and cash equivalents classified as</b>				
Cash and cash equivalents	\$ 38,894,503	\$ 301,246	\$ 105,559	\$ 39,301,308
Restricted cash and cash equivalents				
Customer utility deposits	1,195,928	-	-	1,195,928
Renewal, replacements and improvements	200,000	-	-	200,000
Capital improvements	281,441	-	-	281,441
Total cash and cash equivalents	\$ 40,571,872	\$ 301,246	\$ 105,559	\$ 40,978,677

(Continued)

The accompanying notes to financial statements are an integral part of this statement.

**CITY OF APOPKA, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Major		Nonmajor	Total
	Utility System	Sanitation	Airport Fuel	
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>				
Operating income (loss)	\$ (454,469)	\$ (445,555)	\$ 55,980	\$ (844,044)
Adjustment to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	5,560,753	381,678	-	5,942,431
Change in operating assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	(874,194)	(221,555)	(674)	(1,096,423)
Due from other governments	(5,447)	118,960	-	113,513
Prepays	630	-	-	630
Inventory	(433,648)	-	85	(433,563)
Deferred outflows - pension	(343,677)	(106,750)	-	(450,427)
Deferred outflows - OPEB	(99,678)	(46,807)	-	(146,485)
Increase (decrease) in liabilities:				
Accounts payable	(1,600,121)	26,171	(526)	(1,574,476)
Accrued liabilities	39,561	12,378	-	51,939
Compensated absences payable	(7,862)	17,844	-	9,982
Customer deposits	8,083	-	-	8,083
Unearned revenue	(517)	-	-	(517)
Deferred inflows - pension	524,171	134,559	-	658,730
Deferred inflows - OPEB	183,565	54,363	-	237,928
Net pension liability	2,460,460	686,791	-	3,147,251
Total OPEB liability	1,199,562	422,211	-	1,621,773
Net cash provided by operating activities	<u>\$ 6,157,172</u>	<u>\$ 1,034,288</u>	<u>\$ 54,865</u>	<u>\$ 7,246,325</u>
<b>Noncash investing, capital, and financing activities</b>				
Capital asset contributions from developers	\$ 11,737,234	\$ -	\$ -	\$ 11,737,234
Amortization of deferred items	(109,432)	-	-	(109,432)
	<u>\$ 11,627,802</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,627,802</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF AOPKA, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND  
SEPTEMBER 30, 2020

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	<u>Pension Trust Fund</u>
<b>Assets</b>	
Contributions receivable	\$ 979,485
Investments, at fair value	
Stable value	10,405,357
U.S. stocks	53,790,591
International stocks	84,671,562
U.S. bonds	20,089,955
Total investments	<u>168,957,465</u>
 Total assets	 <u>\$ 169,936,950</u>
 <b>Net Position</b>	
Restricted for pension benefits	<u>\$ 169,936,950</u>
 Total liabilities and net position	 <u>\$ 169,936,950</u>

The accompanying notes to financial statements are an integral part of this statement.

**CITY OF AOPKA, FLORIDA**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<b>Pension Trust Fund</b>
<b>Additions</b>	
Contributions	
Employer	\$ 5,318,542
State	839,451
Members	2,164,151
Total contributions	8,322,144
Investment income	
Interest, dividends and other income	2,465,773
Net change in fair value of investments	3,725,992
Gain on sale of investments	8,702,247
Net investment income	14,894,012
Total additions	23,216,156
<b>Deductions</b>	
Pension benefits	8,834,364
Termination payments	784,480
Administrative expenses	255,015
Total deductions	9,873,859
Change in net position	13,342,297
<b>Net position, restricted for pension benefits</b>	
Beginning of year	156,594,653
End of year	\$ 169,936,950

The accompanying notes to financial statements are an integral part of this statement.

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Apopka (the “City”) is a political subdivision of the State of Florida located in Orange County. The legislative branch of the City is a four-member, City-wide elected Council and a City-wide elected Mayor. The Mayor and the City Council are governed by the City Charter and by state and local laws and regulations. The Mayor and City Council are responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Mayor.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (“GAAP”) as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City’s accounting policies follows.

**A. The Reporting Entity**

The City is a municipal corporation with a five-member Council, including the Mayor, who acts as the presiding officer of the Council. The City provides a full range of municipal services, including: police and fire protection, public works activities, parks and recreation, planning and development, and general administrative services. In addition, the City operates a water, sewer and reuse utility, and also a sanitation enterprise.

The accompanying financial statements present the City’s primary government. The reporting entity for the City includes all functions of government for which the Mayor and City Council are considered to be financially accountable. Based upon the application of the criteria as set forth in GASB Statement Number 61, *The Financial Reporting Entity: Omnibus—An Amendment of GASB Statements No. 14 and No. 34*, there are no potential component units or related organizations of the City.

**B. Government-wide and Fund Financial Statements**

The basic financial statements consist of the government-wide financial statements and fund financial statements. Both sets of statements distinguish between the governmental and business-type activities of the City.

Government-wide financial statements include a statement of net position and a statement of activities. These statements report on the government as a whole, both the primary government and its component units, and provide a consolidated financial picture of the government. As part of the consolidation process, inter-fund activities are eliminated to avoid distorted financial results. Fiduciary funds of the government are also eliminated from this presentation since these resources are not available for general government funding purposes. The statement of net position reports all financial and capital resources of the City’s governmental and business-type activities. It is presented in a net position format (assets plus deferred outflows of resources less liabilities and deferred inflows of resources equal net position) and shown with three components: net investment in capital assets, restricted net position, and unrestricted net position. The statement of activities reports functional categories of programs provided by the City and demonstrate how and to what degree those programs are supported by specific revenue.

Program revenues are classified into three categories: charges for services, operating grants and contributions, and capital grants and contributions. Charges for services refer to direct recovery from customers for services rendered. Grants and contributions refer to revenues restricted for specific programs whose use may be restricted further to operational or capital items. The general revenues section displays revenues collected that help support all functions of our government and contributes to the change in net position for the fiscal year.

The fund financial statements follow additional and detailed information about the City’s operations for the major funds individually and nonmajor funds in the aggregate for government, proprietary and fiduciary funds. A reconciliation is provided that converts the results of governmental fund accounting to the government-wide presentations. The preparation of financial statements in conformity with GAAP, as applicable to governmental units, requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from these estimates.

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements, as well as the fund financial statements for the proprietary funds and the fiduciary funds, are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period in which they are earned and expenses are recognized in the period incurred. Operating revenues shown for proprietary operations generally result from producing or providing goods and services, such as water, sewer, reuse, and sanitation services. Operating expenses for these operations include all costs related to providing the service or product. These costs include salaries, supplies, travel, contract services, depreciation, administrative expenses or other expenses directly related to costs of services. All other revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be 60 days.

Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated sick pay and accumulated vacation pay, which are not recorded as expenditures; (2) prepaid insurance and similar items, which are reported only on the balance sheet and do not affect expenditures; and (3) principal and interest on long-term debt, which are recognized when due. Budgets for governmental funds are also prepared on the modified accrual basis.

Licenses and permits, charges for services, and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash, because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

The following are reported as major governmental funds:

*General Fund* – The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not required either legally or by GAAP to be accounted for in other funds are accounted for in the General Fund.

*Community Redevelopment (CRA) Fund* – The CRA Fund is used to account for the restricted incremental ad-valorem tax revenues and expenditures for designated redevelopment areas within the City.

The following are reported as major enterprise funds:

*Utility System Fund* – The Utility System Fund accounts for the operation of the City's potable water, reuse, and wastewater services to residents and businesses.

*Sanitation Fund* – The Sanitation Fund accounts for the operation of the City's waste and refuse management services to residents and businesses.

The City also reported the following fund types:

*Special Revenue Funds (Nonmajor)* – Special Revenue Funds account for specific revenue sources that are restricted or committed by law or administrative action to expenditures for specific purposes.

*Proprietary Fund (Nonmajor)* – The Airport Fuel Fund accounts for the operations of the City's airport fuel services to residents and businesses.

*Pension Trust Funds* – The Pension Trust Funds account for the activities of the general employees', police officers' and firefighters' pension plans.



**CITY OF AOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation – continued**

As a general rule, the effect of inter-fund activities has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu-of-taxes and other charges between the government’s business-type functions 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.

**D. Cash, Cash Equivalents, and Investments**

1. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased.

2. Deposits

The City’s deposits consist of demand accounts (interest and non-interest bearing). The deposits of the Pension Trust Funds are held separately from those of other City funds.

At year-end, the carrying amount of the City’s governmental and business-type activities cash and cash equivalents deposits was \$77,383,247 and the depository balances were \$78,616,978. Of that balance, \$78,616,978 is covered by federal depository insurance or by collateral pursuant to the Public Depository Security Act of the State of Florida with the ability to assess member institutions to provide protection. Accordingly, all of the City’s cash deposits are considered to be fully insured.

3. Investments

	<b>Fair Value</b>	<b>Weighted Average Maturity (Years)</b>
Pension Trust Fund Investments:		
Stable Value	\$ 10,405,357	4.8
U.S. Bonds	53,790,591	10.7
U.S. Equities	84,671,562	N/A
International Equities	20,089,955	N/A
Total Investments	\$ 168,957,465	

*Interest Rate Risk* – Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment’s fair value. The City’s mutual bond funds, at the Florida Municipal Investment Trust, have weighted average maturities of one-and-one-half years (1-3 year bond fund) and less than one-and-one-half years. The City’s investment/portfolio policy applies to all funds of the City except for its Pension Trust Funds. Interest rate risk is managed by limiting maturity terms to one year or less on bank certificates of deposit and to five years or less on U.S. Treasury Bills, Notes, and Bonds. Further, management limits concentrations of types of investments not to exceed from 15% to 25% at any one time.

*Credit Ratings for Florida Municipal Investment Trust Investments –*

**Credit Risk for FMIT Funds**

<b><u>Fixed Income Funds:</u></b>	<b><u>Fitch Rating</u></b>
1-3 Year High Quality Bond Fund	AAA
Intermediate Year High Quality Bond Fund	AAA

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Cash, Cash Equivalents, and Investments – continued**

*Credit Ratings for Pension Trust Fund Investments –*

All of the investments of the Pension Trust Funds are held by the Prudential Retirement Insurance and Annuity Company (“PRIAC”) in a diversified asset portfolio.

PRIAC has received the following independent credit ratings from the major rating agencies:

Moody's	Aa3
Standard & Poor's	AA-
A.M. Best	A+
Fitch	AA-

*Credit Risk* – Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to meet its obligations. The City's investment policy limits the maximum percentage that may be invested in any one entity or instrument at any one time. In addition, the City limits its investments to those authorized by Florida Statutes, and City Ordinances and Resolutions. The following is a current list of authorized securities for investment. Revisions to the authorized list of securities may change from time to time by City Council action. The City is permitted to invest in pools that, in turn, invest in items the City may not purchase directly.

The City is authorized under Florida Statutes to invest in the following:

- a. State Board of Administration Local Government Surplus Funds Investment Pool, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Chapter 163.01, *Florida Statutes*.
- b. Money Market Funds registered with the Securities Exchange Commission and having the highest credit quality rating from a nationally recognized rating agency placed only with financial institutions qualifying as a public depository, as provided for in Chapter 280, *Florida Statutes*.
- c. Savings accounts in state-certified, qualified public depositories, as defined in Chapter 280.02, *Florida Statutes*.
- d. Insured or fully collateralized Certificates of Deposit of banks
  - The bank must be a registered public funds depository in the state of Florida
  - Maturities must be one year or less
- e. U.S. Treasury Bills, Notes and Bonds
  - Maturity dates must be within five years or less
- f. Full faith or general faith and credit obligations of U.S. Government Agencies
  - Maximum maturity shall be five years or less
  - Maximum portfolio mix shall not exceed 25% for these instruments, inclusive of all types

The City is further authorized under Ordinance and/or Resolution to invest in the following:

- g. Repurchase agreements collateralized by U.S. Treasury Securities and Market-to-Market
  - Purchased only from authorized dealers, as provided for in this policy
  - Any authorized institution with which the City transacts repurchase agreements must have on file a fully executed copy of the City's Master Repurchase Agreements
  - Maximum portfolio mix shall not exceed 25% at any one time

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Cash, Cash Equivalents, and Investments – continued**

- h. Securities of, or other interests in, any open-end or closed-end management-type investment company or investment trust registered under the Investment Company Act of 1940, U.S.C. ss. 80a-14 et seq., as amended from time to time, provided the portfolio of such investment company or investment trust is limited to U.S. Government obligations and to repurchase agreements fully collateralized by such U.S. Government obligations and provided such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian (i.e., Mutual Funds). - Portfolio mix shall not exceed 15% at any one time.
- i. The City will invest all checking account balances in accordance with the bank contract then in effect.
- j. The City will not hold or purchase any form of derivatives. A “derivative” is defined as a financial instrument, the value of which depends on, or is derived from the value of one or more underlying assets or index or asset values. The use of reverse repurchase agreements or other forms of leverage is likewise prohibited.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in possession of any outside party. Financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business are prequalified in accordance with the City’s investment policy.

Assets of the General Employees’ Pension Trust Fund, Police Officers’ Pension Trust Fund and Firefighters’ Pension Trust Fund may be invested in accordance with Florida Statutes, as previously described, or held in bonds, stocks, commingled funds administered by National or State Banks, or other evidence of indebtedness issued or guaranteed by a corporation under the laws of the United States, provided the corporation is traded on a nationally recognized exchange and meets certain rating criteria. Investments may also include annuity and life insurance contracts of life insurance companies.

*Fair Value of Investments* – Investments are stated at fair value with the exception of investments in State Board of Administration’s Local Government Surplus Funds Trust Fund (SBA – an external 2a7-like fund). Such investments are stated at amortized cost, which approximates fair value, and are not rated as to credit quality.

The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The level in fair value hierarchy within which a fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

- i. U.S. and International Stocks are valued using quoted prices in an active market for identical assets (Level 1 inputs).
- ii. U.S. Bonds are valued using quoted prices in an active market for identical assets (Level 1 inputs).
- iii. Fixed Income Bonds are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features and ratings. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices (Level 2).

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

4. Deferred Compensation Plan

The City maintains an Employee Deferred Compensation Plan as a benefit to employees. Investments in the Deferred Compensation Plan are held separately from those of other City funds. As prescribed by the plan documents, the plan administrator is authorized to invest plan assets in obligations of the U.S. Government and various mutual and money market funds, which are held by the plan administrator and not in the City's name. At September 30, 2020 and during the year, Deferred Compensation Plan assets were invested in various mutual funds under a custodial account. The City has no fiduciary responsibility for these accounts.

**E. Budgets and Budgetary Accounting**

The following procedures are used to establish the budgetary data reflected in the financial statements:

1. The Mayor submits a proposed operating budget to the City Council for the fiscal year beginning October 1.
2. Public hearings are held to obtain taxpayers' comments.
3. Prior to October 1, the budget is legally enacted through passage of a resolution.
4. Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for the General Fund and the Special Revenue Funds. The budgets adopted for the Enterprise Funds are to comply with bond covenants. The Pension Trust Fund is not budgeted.
5. Budgets for the governmental fund types are adopted on a basis consistent with GAAP. Budgets for proprietary fund types are adopted on a non-GAAP basis to reflect budget versus actual information related to "operations and maintenance," as defined in bond covenants.
6. The Mayor is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total revenues, reserves, or expenditures of any fund must be approved by a majority vote of the City Council. Budgeted amounts shown in the financial statements are as originally adopted and as further amended.
7. Appropriations are authorized by resolutions generally at the fund level. These are the legal levels of budgetary control. Administrative control is maintained through the establishment of more detailed line-item budgets.
8. Appropriations lapse at the close of the fiscal year.

**F. Receivables**

Property Taxes

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State of Florida regulating tax assessments are also designed to assure a consistent property valuation method statewide. State Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The City's current millage rate is 4.0376 mills.

All real and tangible personal property taxes are due and payable on the levy date of November 1 (levy date) of each year or as soon thereafter as the assessment roll is certified by the Orange County Property Appraiser. Orange County mails to each property owner on the assessment roll a notice of the taxes due, and the County also collects the taxes for the City. Taxes may be paid upon receipt of such notice from the County, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible property become delinquent on April 1 (the lien date) of the year following the year in which taxes were assessed. Procedures for collecting delinquent taxes, including applicable tax certificate sales, are provided for by the Laws of Florida.

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Accounts Receivable

Utility System Enterprise Fund operating revenues are generally recognized on the basis of cycle billings rendered monthly. Revenues for services delivered during the last month of the fiscal year that have not been read by September 30 are accrued based on meter readings for the applicable consumption taken at the beginning of October and billed in October.

**G. Inventories**

Inventories of the General Fund are stated at cost (determined on the “weighted average” method), and the Utility System Enterprise Fund inventories are stated at the lower of cost or market (determined on the “weighted average” method). Inventories are accounted for by the consumption method, wherein inventories are charged as expenditures/expenses when used. Inventories of the General Fund consist of fuel and motor vehicle parts and supplies. Inventories of the Utility System Fund primarily consist of meters, meter boxes, pipes and maintenance supplies held for use in maintaining and expanding the system. Obsolete and unusable items have been reduced to estimated salvage values.

**H. Prepaid Items**

Prepays represent payments made to vendors for services that will benefit beyond September 30, 2020. These payments are recorded as expenditures or expenses when consumed, rather than when purchased.

**I. Restricted Assets**

The uses of certain assets in both governmental and business-type activities are restricted by specific provisions of bond resolutions and/or other agreements. Assets so designated are identified as restricted assets on the balance sheet.

**J. Capital Assets**

Capital assets, which include property, plant, equipment, intangible assets and infrastructure assets (e.g., roads, bridges, curbs and gutters, streets and sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Additions to capital assets are recorded at cost at the time of purchase. Gifts or contributions are recorded at acquisition value at the time received. The City’s thresholds for capitalization for individual capital assets is \$1,000, and for capital projects is \$10,000.

Depreciation has been provided using the straight-line method. The estimated useful lives of the various classes of depreciable capital assets are as follows:

<u>Assets</u>	<u>Years</u>
Water and Sewer Systems	20 - 50
Buildings and Improvements	5 - 50
Machinery and Equipment	3 - 25
Automotive Equipment	2 - 20
Public Domain Infrastructure	5 - 50
Intangibles	5 - 7

**K. Impact Fees – Proprietary Funds (Business-Type Activities)**

The City’s water, sewer, and reuse capital facility fee ordinance requires restriction of all monies collected as impact fees. These fees represent a capacity charge for the proportionate share of the cost of expanding, oversizing, separating or constructing new additions to the Water, Wastewater and Reuse Systems. The City is obligated to expend these funds only to provide expanded capacity to the system and is permitted to pay applicable debt service on one or more series of bonds for the purposes, as described in Note 6. Impact Fees are recorded as capital contributions upon receipt.

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**L. Amortization of Premiums and Discounts**

Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Amortization of premiums is computed by the outstanding principal method over the life of the debt and is recorded as either a reduction of the debt or as income. Amortization of discounts on debt is determined by the outstanding principal method and is recorded as interest expense each year over the life of the debt.

**M. Compensated Absences**

The City grants hours of paid time off to all of its full-time employees, which they are eligible to use after six months of continuous employment. The City has set annual maximum hours of accrual per year and maximum hours payable based on the employee's length of service with the City. The annual maximum accruals and payables have set increases at each five year anniversary of the employee's qualifying hire date. The annual maximum accruals and payables are increased for those employees who work on the basis of a 24-hour shift.

As of January 1, 2011, the City "froze" all employee sick leave balances that were based on the City's prior sick leave ordinance. Those frozen balances are payable to the employee only upon their termination of employment with the City with the maximum amount set at \$6,000. The City's sick leave ordinance requires that an employee must have ten or more years of service to receive any payout of their accumulated sick leave upon termination of employment. The maximum payout under the current ordinance is \$6,000. Employees who work on the basis of a 24-hour shift may accumulate their hours of sick pay at an increased rate.

A more detailed narrative of the City's policy on Paid Time Off ("PTO") can be found in the City's Personnel Rules and Regulations.

The City records compensated absences in its Governmental Fund Types as an expenditure when the amount is for reimbursable unused PTO (vacation or sick leave) payable to employees who have terminated their employment as of the end of the fiscal year. Compensated absences are accrued when incurred in the government-wide and proprietary funds financial statements.

**N. Net Pension Liability**

In the government-wide and proprietary statements, net pension liability represents the present value of projected benefit payments to be provided through the single-employer, defined-benefit pension plans to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension plans, pension expense, information about the fiduciary net position, and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The City allocated the net pension liability, deferred outflows for pensions, deferred inflows for pensions, and pension expense to funds and functions/activities based on their respective contributions made to the pension plans during the measurement year.

**O. Deferred Outflows of Resources / Deferred Inflows of Resources**

In addition to assets and liabilities, the City reports the financial statement elements of deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expenditure or expense) until that applicable time. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that applicable time.

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**O. Deferred Outflows of Resources / Deferred Inflows of Resources - continued**

The City reports three items that qualify as deferred outflows of resources on its government-wide and proprietary statements of net position. The deferred amount on refunding resulted from a debt refinancing whereby the reacquisition price of the refunding debt instruments exceeded their net carrying amount. This deferred amount on refunding will be systematically charged to interest expense over the life of the refunding debt. The deferred outflows for pensions are an aggregate of items related to pensions, as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The deferred outflows for pensions will be recognized as pension expense or a reduction of the net pension liability in future reporting years. The deferred outflows for OPEB are an aggregate of items related to OPEB, as calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for OPEB*. The deferred outflows for OPEB will be recognized as OPEB expense or a reduction of the net OPEB liability in future reporting years.

The City reports two items that qualify as deferred inflows of resources on its government-wide and proprietary statements of net position. The deferred inflows for pension are an aggregate of items related to pensions as calculated under the same principles as deferred outflows for pensions, and will be recognized as a reduction to pension expense in future reporting years. The deferred inflows for Other Post-Employment Benefits (“OPEB”) are an aggregate of items as calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for OPEB*. The deferred inflows related to OPEB will be recognized as a reduction to OPEB expense in future reporting years.

The City also reports deferred inflows of resources on applicable governmental fund statements that represent revenues which are measurable but not available in accordance with the modified accrual basis of accounting. These deferred inflows will be recognized as revenue in the fiscal year they are earned and become available. The majority of these deferred inflows of resources represent intergovernmental receipts and reimbursements, and a deferred inflow for a settlement arrangement with Duke Energy earned but not received during the modified accrual availability period.

**P. Fund Equity**

Fund balance is reported in the following five components:

Nonspendable – includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual requirements. This would include inventories, deposits, prepaid items, and long-term notes receivable.

Spendable Fund Balance

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by third parties (creditors, grantors, contributors) or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that can be used only for specific purposes that are internally imposed by ordinance action by the Mayor and City Council in a formal meeting. Commitments may only be changed by establishing, modifying, or rescinding an ordinance. Contractual obligations are included to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual obligations.

Assigned – includes fund balance amounts that are intended and have been assigned, to be used for specific purposes that are neither considered restricted nor committed. These constraints are imposed internally. These constraints are established by the Mayor and City Council. The Mayor and City Council delegated the authority to assign fund balances to the City’s Chief Administrative Officer. In the General Fund, assigned amounts represent intended uses established by the Mayor and City Council, or the City’s Chief Administrative Officer.

Unassigned – includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for other governmental funds besides the General Fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

When both restricted and unrestricted (committed, assigned, and unassigned) fund resources are available for use, it is the City’s policy to generally use restricted resources first, and then unrestricted resources. When unrestricted resources are available for use, it is the City’s policy to use committed resources first, then assigned, and then unassigned as they are needed.

**Q. Grants**

Grants received or used for purposes normally financed through governmental fund types are accounted for within the City’s existing governmental funds. Revenues received or used from grants for governmental fund types are recognized as intergovernmental revenues when they become susceptible to accrual, that is, both measurable and available (modified accrual basis). Unrestricted grants, entitlements or shared revenues received in proprietary funds are reported as non- operating revenues.

**R. New Accounting Pronouncement**

GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The effective dates of certain provisions contained in the following pronouncements are postponed by one year: Statement No. 84, *Fiduciary Activities*, Statement No. 90, *Majority Equity Interests*, Statement No. 91, *Conduit Debt Obligations*, Statement No. 92, *Omnibus 2020*, Statement No. 93, *Replacement of Interbank Offered Rate*. The effective date of the following pronouncement is postponed by 18 months: Statement No. 87, *Leases*. The impact to the City’s financial reporting was not significant.

**NOTE 2 – RECEIVABLES**

The following is a detail listing of accounts receivable by type and fund at September 30, 2020:

<u>Description</u>	<u>General</u>	<u>Special Revenue</u>	<u>Enterprise</u>	<u>Total</u>
Receivables:				
Utility accounts billed	\$ 106,641	\$ 66,323	\$ 3,137,809	\$3,310,773
Utility accounts billed - non current	-	-	352,862	352,862
Utility unbilled receivables	44,179	-	1,123,715	1,167,894
Other:				
Settlement - Duke Energy	3,304,061	-	-	3,304,061
Taxes - Franchise and Utility	712,304	-	-	712,304
Miscellaneous	79,462	12,858	335,789	428,109
Gross receivables	4,246,647	79,181	4,950,175	9,276,003
Less: Allowance for uncollectibles	-	-	(666,763)	(666,763)
Net total receivables	<u>\$ 4,246,647</u>	<u>\$ 79,181</u>	<u>\$ 4,283,412</u>	<u>\$8,609,240</u>



**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 3 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Individual fund interfund receivables and payables at September 30, 2020 consist of the following:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 195,069	\$ -
Special Revenue:		
Grants (nonmajor)	-	190,450
Special Assessment (nonmajor)	-	4,619
Total Interfund Balances	<u>\$ 195,069</u>	<u>\$ 195,069</u>

The interfund receivables and payables related to funding cash deficits at year-end.

Interfund transfers for the fiscal year ended September 30, 2020 consist of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 6,409,058	\$ 1,121,598
Enterprise Funds:		
Utility System	-	6,241,453
Special Revenue:		
Streets Improvement Fund (nonmajor)	736,098	-
Transportation Impact Fees (nonmajor)	-	68,300
Recreation Impact Fees (nonmajor)	-	2,000
Fire Impact Fees (nonmajor)	-	5,000
Police Impact Fees (nonmajor)	-	5,000
Stormwater (nonmajor)	-	61,805
Grants (nonmajor)	385,500	-
Special Assessment (nonmajor)	-	25,500
Total Interfund Transfers	<u>\$ 7,530,656</u>	<u>\$ 7,530,656</u>

Transfers are used to: (1) move revenues from the Enterprise Funds and the Special Revenue Funds to the General Fund to assist in financing the costs of the general government of the City in accordance with budgetary authorizations, and (2) to move amounts to finance shared projects whose expenditures are budgeted and recorded in another fund.

**NOTE 4 – RESTRICTED ASSETS – ENTERPRISE FUND (UTILITY SYSTEM)**

The use of certain Utility System Fund assets is restricted by specific provisions of the bond resolution authorizing the issuance of the \$18,065,000 Utility Refunding Revenue Bonds, Series 2012. In addition, the City restricts funds available for repayment of deposits, as well as funds required by ordinance to be placed in special construction accounts (repair and maintenance escrow accounts). Restricted assets at September 30, 2020 are as follows:

Customer utility deposits	\$ 1,195,928
Renewal, replacement and improvement	200,000
Capital improvements	281,441
Total restricted assets	<u>\$ 1,677,369</u>

**CITY OF APOPKA, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 5 – CAPITAL ASSETS**

	<b>Balance October 1</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Balance September 30</b>
<b>Governmental Activities</b>					
Capital assets, not being depreciated					
Land	\$ 27,296,572	\$ 343,323	\$ -	\$ -	\$ 27,639,895
Construction in progress	2,693,017	2,658,423	-	(4,689,321)	662,119
Total capital assets, not being depreciated	<u>29,989,589</u>	<u>3,001,746</u>	<u>-</u>	<u>(4,689,321)</u>	<u>28,302,014</u>
Capital assets, being depreciated					
Buildings	16,271,723	82,646	-	-	16,354,369
Improvements other than buildings	104,745,236	1,912,933	-	3,685,289	110,343,458
Machinery and equipment	28,194,157	532,688	-	-	28,726,845
Automotive equipment	13,807,603	-	(177,640)	1,004,032	14,633,995
Intangibles	482,075	31,534	-	-	513,609
Total capital assets, being depreciated	<u>163,500,794</u>	<u>2,559,801</u>	<u>(177,640)</u>	<u>4,689,321</u>	<u>170,572,276</u>
Less accumulated depreciation for					
Buildings	(6,436,246)	(348,763)	-	-	(6,785,009)
Improvements other than buildings	(54,720,105)	(2,590,646)	-	-	(57,310,751)
Machinery and equipment	(20,100,645)	(1,337,378)	-	-	(21,438,023)
Automotive equipment	(9,919,616)	(757,270)	177,640	-	(10,499,246)
Intangibles	(96,131)	(34,708)	-	-	(130,839)
Total accumulated depreciation	<u>(91,272,743)</u>	<u>(5,068,765)</u>	<u>177,640</u>	<u>-</u>	<u>(96,163,868)</u>
Total capital assets, being depreciated, net	<u>72,228,051</u>	<u>(2,508,964)</u>	<u>-</u>	<u>4,689,321</u>	<u>74,408,408</u>
Governmental activities capital assets, net	<u>\$ 102,217,640</u>	<u>\$ 492,782</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102,710,422</u>
	<b>Balance October 1</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Balance September 30</b>
<b>Business-type Activities</b>					
Capital assets, not being depreciated					
Land	\$ 2,975,818	\$ -	\$ -	\$ -	\$ 2,975,818
Construction in progress	63,233,216	2,141,255	-	(63,858,801)	1,515,670
Total capital assets, not being depreciated	<u>66,209,034</u>	<u>2,141,255</u>	<u>-</u>	<u>(63,858,801)</u>	<u>4,491,488</u>
Capital assets, being depreciated					
Buildings	21,530,530	3,830	-	63,858,801	85,393,161
Improvements other than buildings	149,559,126	12,085,337	-	-	161,644,463
Machinery and equipment	12,070,887	1,628,021	-	-	13,698,908
Automotive equipment	9,252,529	-	-	(204,567)	9,047,962
Total capital assets, being depreciated	<u>192,413,072</u>	<u>13,717,188</u>	<u>-</u>	<u>63,654,234</u>	<u>269,784,494</u>
Less accumulated depreciation for					
Buildings	(16,038,630)	(1,853,929)	-	-	(17,892,559)
Improvements other than buildings	(44,194,530)	(2,803,625)	-	-	(46,998,155)
Machinery and equipment	(9,325,147)	(766,261)	-	-	(10,091,408)
Automotive equipment	(5,906,882)	(518,616)	-	204,567	(6,220,931)
Total accumulated depreciation	<u>(75,465,189)</u>	<u>(5,942,431)</u>	<u>-</u>	<u>204,567</u>	<u>(81,203,053)</u>
Total capital assets, being depreciated, net	<u>116,947,883</u>	<u>7,774,757</u>	<u>-</u>	<u>63,858,801</u>	<u>188,581,441</u>
Business-type activities capital assets, net	<u>\$ 183,156,917</u>	<u>\$ 9,916,012</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 193,072,929</u>

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 5 – CAPITAL ASSETS (CONTINUED)**

Depreciation expense was charged to the functions of the City as follows:

<b>Governmental Activities</b>	
General government	\$ 426,484
Public safety	1,776,262
Transportation	2,049,234
Culture and recreation	816,785
Total depreciation expense, governmental activities	\$ 5,068,765
<b>Business-type activities</b>	
Utility system	\$ 5,560,753
Sanitation system	381,678
Total depreciation expense, business-type activities	\$ 5,942,431

**NOTE 6 – LONG-TERM LIABILITIES**

The following is a summary of long-term liabilities transactions of the City for the year ended September 30, 2020:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Governmental activities</b>					
Revenue notes (direct placement)	\$ 7,669,156	\$ -	\$ (2,292,926)	\$ 5,376,230	\$ 2,347,977
Capital lease	2,617,496	-	(417,982)	2,199,514	405,101
Total OPEB liability	19,970,754	253,540	(979,797)	19,244,497	-
Net pension liability	26,007,165	19,806,269	(22,704,309)	23,109,125	-
Compensated absences	2,043,728	2,179,981	(2,010,897)	2,212,812	1,770,250
Total governmental activities	\$ 58,308,299	\$ 22,239,790	\$ (28,405,911)	\$ 52,142,178	\$ 4,523,328
<b>Business-type activities</b>					
Utility revenue bonds	\$ 13,680,000	\$ -	\$ (835,000)	\$ 12,845,000	\$ 860,000
Unamortized bond premium	834,577	-	(118,475)	716,102	-
SRF loan (direct borrowing)	52,493,609	9,912,832	(1,909,864)	60,496,577	2,980,054
Total OPEB liability	3,825,815	2,281,864	(660,092)	5,447,587	-
Net pension liability	1,715,330	3,654,550	(507,298)	4,862,582	-
Compensated absences	413,392	376,847	(366,866)	423,373	338,700
Total business-type activities	\$ 72,962,723	\$ 16,226,093	\$ (4,397,595)	\$ 84,791,221	\$ 4,178,754

For the governmental activities, claims and judgments, other postemployment benefits, and compensated absences are generally liquidated by the General Fund. The net pension liability will be liquidated through employer contributions by the funds where the current employees charge payroll costs. The unamortized bond premium beginning balance above has been adjusted to reflect corrections to the balance as of September 30, 2019.

**New Debt Issuances**

The City also entered into a loan agreement with the Florida Environmental Protection Agency - State Revolving Fund for the City's treatment facilities project. The maximum amount of the loan is \$66,403,959, including capitalized interest. A final repayment schedule will be established upon project completion. Current draws for the loan totaled \$9,912,832 in the fiscal year.

The City's Long-Term Debt is segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

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**NOTE 6 – LONG-TERM LIABILITIES (CONTINUED)**

**Governmental Activities (Direct Placement)**

Note payable to Bank of America, N.A., collateralized by pledge of recreational impact fees, due in annual principal installments ranging from \$565,000 to \$610,000, plus interest at 3.90% through March 1, 2022. This debt is serviced by the General Fund. Note principal and interest payments are pledged by the Recreational Impact Fees. The principal of and interest on the note shall be payable only from the pledged revenues. In any event of default, the bank has the right to declare the principal due and payable. \$ 1,195,000

Note payable to Branch Banking and Trust Company (Special Obligation Improvement Revenue Note, Series 2013A), payable from the Non-Ad-Valorem Revenues of the City. Interest is due semiannually at 1.8%, and principal installments are due annually ranging from \$113,926 to \$120,189 through March 1, 2023. The proceeds of this note were used to purchase two new fire trucks. This note is serviced by the General Fund. Failure to make scheduled principal and interest payments in a timely manner constitutes a default of note agreements. In any event of default, the bank or trustee has the right to enforce any and all rights under the laws of the State of Florida. 354,230

Note payable to Hancock Bank (Special Obligation Improvement Revenue Note, Series 2015), payable from the Non-Ad-Valorem Revenues of the City. Interest is due semiannually at 1.67% and principal installments are due annually ranging from \$90,000 to \$93,000 through March 1, 2022. This note is serviced by the General Fund. In any event of default, the bank or trustees may either protect and enforce any and all rights under the State of Florida laws and may enforce and compel the performance of all duties required the loan agreement. However, upon the occurrence of an event of default, the bank shall in no event have the right to declare the entire amount of the outstanding Series 2015 note and all accrued interest thereon to be immediately due and payable. Any amount not paid within 15 days of default shall bear interest at the default rate of 6%. 185,000

Note payable to Hancock Bank (Special Obligation Improvement Revenue Note, Series 2016), payable from the Non-Ad-Valorem Revenues of the City. Interest is due semiannually at 1.34% and principal installments are due annually ranging from \$378,000 to \$383,000 through March 1, 2021. This note is serviced by the General Fund. In any event of default, the bank or trustees may either protect and enforce any and all rights under the State of Florida laws and may enforce and compel the performance of all duties required the loan agreement. However, upon the occurrence of an event of default, the bank shall in no event have the right to declare the entire amount of the outstanding Series 2016 note and all accrued interest thereon to be immediately due and payable. Any amount not paid within 15 days of default shall bear interest at the default rate of 6%. 383,000

Note payable to Hancock Bank (Special Obligation Improvement Revenue Note, Series 2014), payable from the Non-Ad-Valorem Revenues of the City. Interest is due semiannually at 1.92% and principal installments are due annually ranging from \$127,000 to \$137,000 through March 1, 2024. This note is serviced by the General Fund. In any event of default, the bank or trustees may either protect and enforce any and all rights under the State of Florida laws and may enforce and compel the performance of all duties required the loan agreement. However, upon the occurrence of an event of default, the bank shall in no event have the right to declare the entire amount of the outstanding Series 2014 note and all accrued interest thereon to be immediately due and payable. Any amount not paid within 15 days of default shall bear interest at the default rate of 5%. 532,000

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

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**NOTE 6 – LONG-TERM LIABILITIES (CONTINUED)**

**Governmental Activities (Direct Placement)**

Note payable to Zion Bank (Capital Improvement Revenue Note, Series 2017), payable from the Non-Ad-Valorem Revenues of the City. Interest is due semiannually at 1.87% and principal installments are due annually ranging from \$240,000 to \$250,000 through August 1, 2022. This note is serviced by the General Fund. In any event of default, the note shall bear interest at the default rate of 4% and all payments made on the note during any such period shall be applied first to interest and then to principal. The City shall reimburse the holder and its agents for all reasonable legal and collection costs to exercise its remedies or collect its payments in the case of an event of default. 989,000

Note payable to Zion Bank (Capital Improvement Revenue Note, Series 2018), payable from the Non-Ad-Valorem Revenues of the City. Interest is due semiannually at 2.90% and principal installments are due annually ranging from \$127,000 to \$277,000 through June 1, 2025. This note is serviced by the General Fund. In any event of default, the note shall bear interest at the default rate of 4% and all payments made on the note during any such period shall be applied first to interest and then to principal. The City shall reimburse the holder and its agents for all reasonable legal and collection costs to exercise its remedies or collect its payments in the case of an event of default. 1,738,000

Total governmental activities debt \$ 5,376,230

**Business-type Activities**

Utility System Refunding Revenue Bonds, Series 2012, due in annual installments ranging from \$835,000 to \$1,300,000, plus interest ranging from 2.00% to 5.00%, on various maturities. The Series 2012 Bonds are secured by a pledge and are payable solely from the Pledged Revenues consisting of: (i) the Net Revenues of the System, (ii) the Sewer System Development Charges, (iii) the Water System Development Charges, (iv) the Reuse System Development Charges, and (v) the monies on deposit in various funds and accounts created pursuant to the Series 2012 Bond Resolution, with the exception of the Rebate Fund. Pledged revenues of the water, reuse, and wastewater system for 2019 amounted to \$30,171,429. This debt is serviced by the Utility System Fund. \$ 12,845,000

Add: Unamortized premium 716,102

**Business-type Activities (Direct Borrowing)**

Loan payable to Florida Water Pollution Control Financing Corporation, payable from the Gross Revenues derived yearly from the operation of the Water and Sewer Systems after payment of the Operation and Maintenance Expense and satisfaction of all yearly payments of the Utility System Refunding Revenue Bonds, Series 2012. Interest is due semiannually at 0.685% and principal installments are due semiannually beginning October 15, 2017. This note is serviced by the Utility System Fund. 1,235,143

Loan payable to Florida Water Pollution Control Financing Corporation, payable from the Gross Revenues derived yearly from the operation of the Water and Sewer Systems after payment of the Operation and Maintenance Expense and satisfaction of all yearly payments of the Utility System Refunding Revenue Bonds, Series 2012. Interest is due semiannually at 0.355% and principal installments are due semiannually beginning September 15, 2019. This note is serviced by the Utility System Fund. 59,261,434

Total business-type activities debt \$ 74,057,679

**CITY OF APOPKA, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 6 – LONG-TERM LIABILITIES (CONTINUED)**

The debt service required payments to maturity on the City’s outstanding revenue bonds and notes at September 30, 2020 is as follows:

Fiscal Year	Governmental Activities			Business-type Activities			Business-type Activities		
	Revenue Notes - Direct Placement			Utility Revenue Bonds			SRF Loans - Direct Borrowing		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 2,347,977	\$ 128,500	\$ 2,476,477	\$ 860,000	\$ 464,200	\$ 1,324,200	\$ 2,980,054	\$ 452,202	\$ 3,432,256
2022	1,781,064	73,065	1,854,129	885,000	433,600	1,318,600	3,002,647	429,610	3,432,257
2023	592,189	27,373	619,562	920,000	402,100	1,322,100	3,025,416	406,840	3,432,256
2024	392,000	14,495	406,495	950,000	364,550	1,314,550	3,048,364	383,892	3,432,256
2025	263,000	5,713	268,713	995,000	315,925	1,310,925	3,071,493	360,764	3,432,257
2026-2030	-	-	-	5,675,000	901,675	6,576,675	15,710,797	1,450,486	17,161,283
2031-2035	-	-	-	2,560,000	77,400	2,637,400	16,316,888	844,395	17,161,283
2036-2039	-	-	-	-	-	-	13,340,918	221,791	13,562,709
	<u>\$ 5,376,230</u>	<u>\$ 249,146</u>	<u>\$ 5,625,376</u>	<u>\$ 12,845,000</u>	<u>\$ 2,959,450</u>	<u>\$ 15,804,450</u>	<u>\$ 60,496,577</u>	<u>\$ 4,549,980</u>	<u>\$ 65,046,557</u>

**Capital Lease Obligations**

The City has entered into several leases detailed below that qualify as capital leases for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date. In fiscal year 2020, the City has five capital lease agreements outstanding. The five capital leases are related to new financial software, new gurneys for the City’s Public Safety Division and various operating equipment for City operations. The future minimum lease obligations are as follows:

Fiscal Year	Governmental Activities		
	Principal	Interest	Total
2021	\$ 405,101	\$ 36,985	\$ 442,086
2022	355,776	31,990	387,766
2023	277,166	26,902	304,068
2024	282,349	21,719	304,068
2025	287,629	16,440	304,069
2026-2027	591,493	16,643	608,136
	<u>\$ 2,199,514</u>	<u>\$ 150,679</u>	<u>\$ 2,350,193</u>

**Operating Lease Obligations**

The City entered into an agreement with Motorola for them to provide services for the upgrade of the City’s emergency radio system. The future minimum lease obligations are as follows:

Year	Lease Payments
2021	\$ 261,340
2022	261,340
2023	261,340
2024	261,340
2025	261,340
	<u>\$ 1,306,700</u>

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

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**NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS**

The City maintains a single-employer, defined-benefit pension plan which covers substantially all of the City's full-time employees (General Employees' Retirement Plan), a single-employer, defined-benefit plan which covers all of its full-time certified police officers (Municipal Police Officers' Retirement Plan), and a single-employer, defined-benefit plan which covers all of its full-time certified firefighters (Municipal Firefighters' Retirement Plan). Each of the retirement plans is administered by its Board of Trustees, subject, however, and, in any event, to the authority and power of the Apopka City Council. Each plan's assets may be used only for the payment of plan administrative costs and benefits to the members of that plan, in accordance with the terms of the plan. Benefits and refunds of contributions to the members of the applicable plan are recognized at the date they become due and payable specific to the terms of the plan. None of the aforementioned retirement plans issues a stand-alone financial report, nor are they included in the report of a Public Employee Retirement System, or any other entity.

**A. Plan Description and Membership**

1. *General Employees' Retirement Plan*

The General Employees' Retirement Plan ("Plan") was established on October 16, 1976 for all regular, full-time employees not covered by the Municipal Police Officers' Retirement Plan or the Municipal Firefighters' Retirement Plan.

All full-time employees who have attained the age of 57 and five years of credited service are entitled to annual benefits of 2.75% of the average of the five final years of salary, times years of credited service, subject to a maximum of 100% of average final compensation in the form of a life annuity, ceasing upon death. Early retirement is available for employees attaining the age of 47 with ten years of service. The early retirement benefit is in the form of a life annuity (options available). A delayed retirement may be elected where the employee remains actively employed and benefits continue to accrue after the normal retirement date. In the event of pre-retirement death and the employee is eligible for normal or early retirement, a beneficiary is eligible to receive a benefit as if the member retired on the date of death. If the employee is not eligible for the normal or early retirement at the time of pre-retirement death, the Plan provides for a refund of any employee contributions. Participation in the Deferred Retirement Option Plan ("DROP") may not exceed 96 months. Each participant in the DROP has an account credited with benefits not received and investment earnings. The DROP balance as of September 30, 2020 is \$641,056.

Vesting in the Plan is as follows:

- with less than ten years of service, a refund of accumulated contributions.
- with ten years or more of continuous service, an accrued pension payable at either early or normal retirement age, or a refund of employee contributions.

2. *Municipal Police Officers' Retirement Plan*

The Municipal Police Officers' Retirement Plan ("Plan") was established to conform to provisions of the State Statutes of the State of Florida for all full-time sworn police officers.

Employees attaining the age of 45 who have completed ten or more years of credited service, or 20 years of credited service regardless of age, are entitled to monthly benefits of 3.6% of their average final compensation times years of credited service for the first ten years of credited service and 4% for each year in excess of ten years. Average final compensation is the average salary for the best three of the five last years immediately preceding retirement or termination. The Plan permits early retirement at the completion of ten years of contributed service and attaining the age of 40 years. Participation in DROP may not exceed 96 months. Each participant in the DROP has an account credited with benefits not received and investment earnings. The DROP balance as of September 30, 2020 is \$891,271.

Active employees who retire disabled with a disability that occurred in the line of duty shall receive the greater of 42% of average final compensation or 3.6% per month of average final compensation multiplied by years of credited service. For a non-service incurred disability, a member with 10 years of credited service shall be eligible.

**CITY OF AOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**A. Plan Description and Membership - continued**

Disability benefits are paid for ten years certain or life or until recovery from disability. If an active police officer dies before retirement eligibility, their beneficiary receives a refund of the police officer's contributions to the Plan. If the officer dies prior to retirement but has at least ten years of credited service, their beneficiary is entitled to either early or normal retirement benefits. Minimum disability benefits resulting from an intentional act of violence assumes 20 years of credited service. Retirees on or after March 1, 1998 receive a lump-sum payment of \$500 following five years of benefit payments and an additional \$500 payment on each five year anniversary.

If an employee terminates their employment with the police department and is not eligible for the other benefits under the Plan, the employee is entitled to the following:

- with less than ten years of continuous service, a refund of accumulated contributions.
- with ten or more years of continuous service, the pension accrued to the date of termination, payable commencing at their 45<sup>th</sup> birthday.

3. *The Municipal Firefighters' Retirement Plan*

The Municipal Firefighters' Retirement Plan ("Plan") was established to conform to provisions of the State of Florida for all sworn full-time firefighters. All of the City's full-time firefighters participate in the Plan. Employees attaining the age of 55 who have completed ten or more credited years of service or with 22 years of credited service are entitled to annual benefits at a rate of 3.0% of their average compensation for the first 10 years of service, 3.5% of their average compensation for credited service in excess of 10 years but not in excess of 20 years, and 4% of their average compensation in excess of 20 years. The Plan permits early retirement at the completion of ten years of credited service and attaining the age of 50 years. Participation in DROP may not exceed 96 months. Each participant in the DROP has an account credited with benefits not received and investment earnings. The DROP balance as of September 30, 2020 is \$2,302,163.

Active employees who retired disabled with disability that occurred in the line of duty shall receive the greater of monthly benefits of 3.6% of their average final compensation times years of credited service but not less than 42% of average final compensation. For non-service incurred disability, a member with ten years of credited service shall receive the greater of 2.5% of average final compensation or the accrued benefit actuarially reduced but not less than 25% of average final compensation. Disability benefits are paid for ten years certain or life or until recovery from disability that can be provided by the single-sum value of the deferred monthly retirement income beginning a normal retirement date, which has accrued to their date of disability.

If an active firefighter dies before retirement eligibility, their beneficiary receives a refund of the firefighter's contributions to the Plan. If a firefighter dies prior to retirement but has at least ten years of credited service, their beneficiary is entitled to early or normal retirement benefits for ten years.

If an employee terminates their employment with the fire department and is not eligible for any other benefits under the Plan, the employee is entitled to the following:

- with less than ten years of continuous service, a refund of accumulated member contributions.
- with ten or more years of continuous service, the pension accrued to the date of termination, payable commencing at their 55<sup>th</sup> birthday.

Plan membership for all three City retirement plans as of September 30, 2020 was as follows:

	<b>General Employees'</b>	<b>Police Officers'</b>	<b>Fire Fighters'</b>	<b>Total</b>
Inactive plan members or beneficiaries currently receiving benefits	145	64	19	228
Inactive plan members entitled to but not yet receiving benefits	78	6	45	129
Active plan members	<u>220</u>	<u>95</u>	<u>101</u>	<u>416</u>
Total	<u>443</u>	<u>165</u>	<u>165</u>	<u>773</u>



**CITY OF AOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**B. Pension Plan Investments**

The Plans' investment policy is described in Note 1. The following table presents the adopted asset allocation policy as of September 30, 2020 for all plans:

<b>Asset Class</b>	<b>Target Allocation</b>
Large Cap Equity	32%
Small Cap Equity	9%
Mid Cap Equity	7%
International Equity	12%
Fixed Income	32%
Stable Value	8%
Total	100%

For the year ended September 30, 2020, the annual money-weighted rate of return on the Plans' investments, net of pension investment expense, was 9.60% for the General Employees plan and the Firefighters' Plan and 9.50% for the Police Officers' plan. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The total pension liability was determined by an actuarial valuation as of October 1, 2019 using the following actuarial assumptions applied to all measurement periods:

	<b>General Employees'</b>	<b>Police Officers'</b>	<b>Fire Fighters'</b>
Inflation	2.25%	2.25%	2.25%
Salary increases	5.50%	5.50%	5.50%
Discount rate	7.00%	7.00%	7.00%
Investment rate of return	7.00%	7.00%	7.00%

Mortality rates were based on the Pub-2010 Generational projected with Scale MP-2018. Disabled lives are based on the Pub-2010 Non-Safety Disabled Table projected with Scale MP-2018.

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 expended 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 all of the plans' target asset allocations as of September 30, 2020 are summarized as follows:

<b>Asset Class</b>	<b>Long-Term Expected Real Rate of Return</b>
Large Cap Equity	7.75%
Small Cap Equity	8.75%
Mid Cap Equity	8.50%
International Equity	7.25%
Fixed Income	4.40%
Real Estate	6.85%
Stable Value	4.45%

**CITY OF AOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**B. Pension Plan Investments – continued**

The discount rate used to measure the total pension liability was 7.00%. This single rate of return has been determined by projecting all future benefit payments of the covered group on a closed-group basis and discounting them at the long-term expected rate of return on plan assets if the pension plans' fiduciary net position is projected to be greater than or equal to the benefit payments that are projected to be made in that period. For any future period where the pension plans' fiduciary net position is projected to be less than the benefit payments that are projected to be made in that period, those future benefit payments are discounted at an index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA or higher.

The following tables present the sensitivity of the net pension liability to changes in the discount rate:

<b>City's Net Pension Liability</b>	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
	<b>6.00%</b>	<b>7.00%</b>	<b>8.00%</b>
General Employees'	\$ 18,547,205	\$ 9,932,591	\$ 2,826,118
Police Officers'	17,281,521	7,831,468	990,565
Firefighters'	18,356,800	10,207,648	4,140,599
Total:	<u>\$ 54,185,526</u>	<u>\$ 27,971,707</u>	<u>\$ 7,957,282</u>

**C. Contribution Requirements**

The Board of Trustees of each plan establishes and may amend the contribution requirements of plan members and the City.

1. *General Employees' Retirement Plan*

Contributions are established by local ordinance. Employees are required to contribute 4.9% of their annual salary to the plan. The City is required to contribute the amount necessary to meet normal (current year's) costs and to fund the actuarial accrued (past service) liability, if any, over 30 years, adjusted for interest according to the timing of the contributions. The City/State contributed \$2,311,235 for the year ended September 30, 2020.

2. *Municipal Police Officers' Retirement Plan*

Contributions are established by local ordinance and include a 2% premium tax on all casualty insurance policies issued in the City limits. Employees are required to contribute 9% of their annual salary to the plan. The City is required to contribute an actuarially determined rate that includes the state contribution; the current rate is 38.02% of annual covered payroll, subject to a minimum of 4%. Any unfunded accrued liability is amortized over no more than 30 years. The City/State contributed \$2,403,937 for the year ended September 30, 2020.

3. *Municipal Firefighters' Retirement Plan*

Contributions are established by local ordinance and include a 1.85% excise tax from policyholders on all premiums collected on property fire insurance covering property within the City limits. Employees are required to contribute 9.3% of their salary to the plan. The City is required to contribute an actuarially determined rate that includes the state contribution; the current rate is 23.78% of annual covered payroll, subject to a minimum of 4%. The City/State contributed \$1,635,728 for the year ended September 30, 2020.

**CITY OF AOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

Municipalities that have established pension plans complying with the provisions of Chapters 175 and 185, *Florida Statutes*, and that have enacted appropriate tax legislation are eligible to receive revenues generated from excise taxes on gross receipts of certain insurance premiums from policyholders covering property within the City limits. These are the Firefighters' Pension Fund Excise Tax imposed on the gross receipts of property insurance policy premiums and the Police Officers' Pension Fund Excise Tax imposed on the gross receipts of casualty insurance policy premiums. These revenues, receipted in the City's General Fund and expended as Public Safety activity, are \$294,800 and \$462,900, respectively, for the year ended September 30, 2020.

Insurance premium excise tax revenues collected in the 1997 calendar year represent an initial "frozen" state contribution. Until plan benefits are improved for the police officers' and firefighters' retirement plans, the City's (the sponsor) contributions are determined based upon the lesser of: (1) the actual state contributions received in the plan year, or (2) the "frozen" state contribution amounts. State contributions received in any plan year in excess of the applicable "frozen" state contribution amounts are segregated from plan assets to be used exclusively to fund benefit improvements. These excess state contributions are accumulated in reserve balances titled "Excess State Monies Reserve." There were no applicable "frozen" amounts for the City's plans for the year ended September 30, 2020.

**D. Actuarial Methods and Significant Assumptions**

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Firefighters'</u>
Contribution rates:			
Employer	19.35%	38.02%	23.78%
Employee	4.90%	9.00%	9.30%
Valuation date	10/1/2019	10/1/2019	10/1/2019
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method	Changes of assumptions and differences between assumptions and actual experience are recognized over the average of the remaining service lives of all employees that are provided with benefits through the plan. Differences between expected earnings on plan investments and actual investment earnings are recognized over a five-year period. Changes in benefit terms are recognized immediately.		
Actuarial asset valuation method	Contract value with a market value adjustment factor for guaranteed deposit account assets and at market value for separate accounts.		
Actuarial assumptions:			
Investment rate of return	7.00%	7.00%	7.00%
Projected salary increases	5.50%	5.50%	5.50%
(includes inflation at)	2.25%	2.25%	2.25%

The most recent assumption analysis for all three plans was performed in 2009 for Disability Rates and Salary and in 2013 for Salary and Payroll Growth. The most recent assumption analysis for Police Retirement rates was performed in 2018.

**CITY OF AOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**E. Net Pension Liability and Pension Expense**

The following table presents the change in the Net Pension Liability of the City's three pension plans as of the measurement date at September 30, 2020:

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Fire Fighters'</u>
<b>Total pension liability</b>			
Service Cost	\$ 2,289,545	\$ 2,547,757	\$ 2,035,748
Interest	4,426,029	4,482,173	3,663,033
Differences between expected and actual experience and changes in assumptions	106,957	118,953	1,209,603
Changes in actuarial assumptions	419,780	957,218	953,557
Benefit payments, including refunds	<u>(4,023,879)</u>	<u>(3,127,512)</u>	<u>(2,467,452)</u>
Net change in total pension liability	3,218,432	4,978,589	5,394,489
<b>Total pension liability - beginning</b>	<u>65,206,896</u>	<u>65,568,350</u>	<u>53,541,902</u>
<b>Total pension liability - ending</b>	<u><u>\$ 68,425,328</u></u>	<u><u>\$ 70,546,939</u></u>	<u><u>\$ 58,936,391</u></u>
<b>Plan fiduciary net position</b>			
Contributions - City	\$ 2,233,098	\$ 2,192,134	\$ 1,732,761
Contributions - Employees	627,418	626,155	910,578
Net investment income	5,185,346	5,448,082	4,260,584
Benefit payments, including refunds	(4,023,879)	(3,127,512)	(2,467,452)
Administrative expense	<u>(66,788)</u>	<u>(86,258)</u>	<u>(101,969)</u>
Net change in plan fiduciary net position	3,955,195	5,052,601	4,334,502
<b>Plan fiduciary net position - beginning</b>	<u>54,537,542</u>	<u>57,662,870</u>	<u>44,394,241</u>
<b>Plan fiduciary net position - ending</b>	<u><u>\$ 58,492,737</u></u>	<u><u>\$ 62,715,471</u></u>	<u><u>\$ 48,728,743</u></u>
City's net pension liability	\$ 9,932,591	\$ 7,831,468	\$ 10,207,648
Plan fiduciary net position as a percentage of net pension liability	85.48%	88.90%	82.68%

As of September 30, 2020, the City's total net pension liability amounted to \$27,971,707 for all three defined-benefit pension plans. For the year ended September 30, 2020, the City recognized pension expense of \$3,117,114 related to the General Employees' Retirement Plan, \$3,074,465 related to the Police Officers' Retirement Plan, and \$3,059,579 related to the Firefighters' Retirement Plan.

**F. Deferred Outflows and Deferred Inflows of Resources**

At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	General Employees'		Police Officers'		Firefighters'		Totals	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 1,739,703	\$ -	\$ 2,675,392	\$ 1,170,642	\$ 2,824,382	\$ 227,558	\$ 7,239,477	\$ 1,398,200
Experience differences	73,110	446,000	307,992	821,484	1,471,648	-	1,852,750	1,267,484
Net difference between projected and actual earnings on investments	-	1,207,824	-	1,162,495	-	931,746	-	3,302,065
<b>Total</b>	<u><u>\$ 1,812,813</u></u>	<u><u>\$ 1,653,824</u></u>	<u><u>\$ 2,983,384</u></u>	<u><u>\$ 3,154,621</u></u>	<u><u>\$ 4,296,030</u></u>	<u><u>\$ 1,159,304</u></u>	<u><u>\$ 9,092,227</u></u>	<u><u>\$ 5,967,749</u></u>

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

**F. Deferred Outflows and Deferred Inflows of Resources - continued**

The remaining amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense, as follows:

Year ended September 30,	<b>General Employees'</b>	<b>Police Officers'</b>	<b>Fire Fighters'</b>	<b>Totals</b>
2021	\$ 58,479	\$ (193,760)	\$ 615,559	\$ 480,278
2022	77,239	(258,362)	557,583	376,460
2023	305,280	280,477	946,628	1,532,385
2024	(282,009)	408	510,442	228,841
2025	-	-	506,514	506,514
Total	<u>\$ 158,989</u>	<u>\$ (171,237)</u>	<u>\$ 3,136,726</u>	<u>\$ 3,124,478</u>

**G. Combining Fiduciary Statements**

The Combining Statement of Fiduciary Net Position at September 30, 2020 is as follows:

	<b>General Employees'</b>	<b>Police Officers'</b>	<b>Fire Fighters'</b>	<b>Total</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 2,909,480	\$ 4,835,102	\$ 2,660,775	\$ 10,405,357
Investments at fair value	55,529,661	57,326,834	45,695,613	158,552,108
Contributions receivable	53,596	553,534	372,355	979,485
Total assets	<u>58,492,737</u>	<u>62,715,470</u>	<u>48,728,743</u>	<u>169,936,950</u>
Total Net Position	<u>\$58,492,737</u>	<u>\$62,715,470</u>	<u>\$48,728,743</u>	<u>\$169,936,950</u>

**CITY OF AOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)**

The combining statement of changes in fiduciary net position at September 30, 2020 is as follows:

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Fire Fighters'</u>	<u>Total</u>
<b>Additions</b>				
Contributions:				
Employer contributions	\$ 2,233,098	\$ 1,683,115	\$ 1,402,329	\$ 5,318,542
State contributions	-	509,019	330,432	839,451
Member contributions	627,418	626,155	910,578	2,164,151
Total contributions	<u>2,860,516</u>	<u>2,818,289</u>	<u>2,643,339</u>	<u>8,322,144</u>
Investment income:				
Interest, dividends and other	857,961	904,524	703,288	2,465,773
Net appreciation (depreciation) in fair value of investments	1,200,417	1,353,184	1,172,391	3,725,992
Gains on sales of investments	3,126,968	3,190,374	2,384,905	8,702,247
Net investment income	<u>5,185,346</u>	<u>5,448,082</u>	<u>4,260,584</u>	<u>14,894,012</u>
Total additions	<u>8,045,862</u>	<u>8,266,371</u>	<u>6,903,923</u>	<u>23,216,156</u>
<b>Deductions</b>				
Benefit payments	3,656,666	3,062,760	2,114,938	8,834,364
Termination payments	367,213	64,753	352,514	784,480
Administrative expenses	66,788	86,258	101,969	255,015
Total deductions	<u>4,090,667</u>	<u>3,213,771</u>	<u>2,569,421</u>	<u>9,873,859</u>
Change in net position	<u>3,955,195</u>	<u>5,052,600</u>	<u>4,334,502</u>	<u>13,342,297</u>
Net position restricted for pension benefits				
Beginning of year	54,537,542	57,662,870	44,394,241	156,594,653
End of year	<u>\$58,492,737</u>	<u>\$62,715,470</u>	<u>\$48,728,743</u>	<u>\$169,936,950</u>

**NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (“OPEB”)**

The City’s defined benefit OPEB plan provides OPEB for all general and public safety employees of the City. The plan is a single-employer defined benefit OPEB plan administered by the City. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS Statement 75.

Eligibility

A participant is eligible to receive certain other post-employment benefits upon retirement under one of the three City sponsored pension plans. To be eligible for retiree benefits, the participant does not need to be covered under the City’s medical plan immediately prior to retirement. Participants under the following City-sponsored pension plans are eligible to retire under the following criteria:

City of Apopka Municipal Firefighters’ Retirement:

- Normal Retirement: Age 55 with 10 years of service or 22 years of service at any age
- Early Retirement: Age 50 and the completion of 10 years of service

City of Apopka Municipal General Employees’ Retirement:

- Normal Retirement: Age 57 with 5 years of service
- Early Retirement: Age 47 and the completion of 10 years of service

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) (CONTINUED)**

City of Apopka Municipal Police Officers’ Retirement:

Normal Retirement: Age 45 with 10 years of service or 20 years of service at any age

Early Retirement: Age 40 and the completion of 10 years of service

Participants in all three pension plans have the option of entering the DROP program for up to 8 years, after meeting Normal Retirement Criteria.

Life insurance is available to retirees in the amount of \$30,000. Coverage amounts are reduced to \$19,500 at age 65, \$15,000 at age 70, and \$7,500 at age 75.

OPEB Coverage

OPEB Coverage is available for the lifetime of the retiree (except for the Health Insurance Premium Subsidy, as outlined below), so long as the required premiums are paid. OPEB Coverage is also available to spouses of retirees who are currently receiving benefits, but at a higher rate. OPEB Coverage is not available to surviving spouses of deceased retirees.

Health Insurance Subsidy/Reduced Retiree Contribution

Employees of the City retiring with more than 25 years of service are eligible to have the premiums for Medical coverage paid for by the City until Medicare eligibility. Time spent in the DROP option of the retirement plan is counted towards the 25-year goal. Premiums for dependent coverage are not eligible to be paid for by the City.

Effective January 1, 2011, newly hired employees are not eligible for the health insurance program subsidy.

Currently, the City’s OPEB benefits are unfunded. That is, there is no separate trust fund or equivalent arrangement into which the City would make contributions to advance-fund the obligation. Therefore, the ultimate subsidies which are provided over time are financed directly by general assets of the City. The City had an actuarial valuation for the OPEB to measure the current year’s subsidies, project these subsidies for decades into the future, and make an allocation of that cost to different years.

Membership of each plan consist of the following as of September 30, 2019, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	126
Active plan members	<u>438</u>
Total	<u><u>564</u></u>

Actuarial Methods and Assumptions

The following table summarizes the actuarial methods and assumptions as of the latest actuarial valuation date:

Valuation date	October 1, 2018
Measurement date	September 30, 2020
Actuarial cost method	Entry Age Normal
Amortization method	Experience/assumptions gains and losses starting on 10/1/16
Remaining amortization period	11 years closed
Actuarial assumptions:	
Discount rate	2.21%
Projected salary increases	3.50%
Inflation rate	2.50%

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (“OPEB”) (CONTINUED)**

Demographic assumptions for various defined-benefit pension plans under which employees of the City are covered are listed below:

In the descriptions below:

“Fire” refers to City of Apopka Municipal Firefighters’ Retirement Plan

“General” refers to City of Apopka Municipal General Employees’ Retirement Plan “Police” refers to the City of Apopka Municipal Police Officers’ Retirement Plan

In the most current valuation (dated September 30, 2019), the actuarial assumptions used for the calculation of cost and liabilities are as follows:

1. Mortality Rates: Pub-2010 base table scaled generationally using MP-189

2. Withdrawal Rates: Sample rates of withdrawal for employees:

<u>Age</u>	<u>General</u>	<u>Police &amp; Fire</u>
20	38.60%	6.00%
30	19.40%	5.00%
40	7.30%	2.60%
50	2.70%	0.80%
60	1.20%	0.20%

3. Disability Rates: Sample rates of disability for employees:

<u>Age</u>	<u>General</u>	<u>Police &amp; Fire</u>
20	0.07%	0.09%
30	0.11%	0.12%
40	0.19%	0.21%
50	0.51%	0.54%
60	1.70%	2.70%

4. Plan Participation: The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 60% of all pre-65 employees and 6% of all post-65 employees, and their dependents, who are eligible for early retiree benefits will participate in the retiree medical plan. 100% of pre-65 employees who are eligible for the subsidy are assumed to participate in the medical plan. This assumes that a one-time irrevocable election to participate is made at retirement.

5. Health Care Cost Trend Rate:

The health care cost trend assumptions are used to project the cost of health care in future years. The following annual trends are based on the current HCA Consulting trend study, and are applied on a select and ultimate basis. Select trends are reduced 0.5% each year until reaching the ultimate trend rate.

<u>Expense Type</u>	<u>Select</u>	<u>Ultimate</u>
Pre-medicare medical and Rx benefits	6.50%	4.50%
Medicare benefits	5.50%	4.50%
Stop loss fees	6.50%	4.50%
Administrative fees	4.50%	4.50%



**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) (CONTINUED)**

Total OPEB Liability

The City’s total OPEB liability of \$24,692,084 was measured as of September 30, 2020 and was determined by an actuarial valuation as of September 30, 2018.

Changes in Total OPEB Liability

	<b>Total OPEB Liability</b>
Balances at September 30, 2019	\$ 23,796,569
Changes for the year:	
Service cost	1,863,901
Interest	671,503
Differences between expected and actual experience	-
Changes of assumptions	(807,869)
Changes of benefit terms	-
Contributions - employer	-
Benefit payments	(832,020)
Net changes	895,515
Balances at September 30, 2020	\$ 24,692,084

Changes in assumptions reflect a change in the discount rate from 2.66% for the fiscal year ended September 30, 2019 to 2.21% for the fiscal year ended September 30, 2020.

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

The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate of 2.21%.

	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
Total OPEB liability	\$ 21,922,000	\$ 24,692,084	\$ 27,975,000

**Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates**

The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using health care cost trend rates that are 1% lower or 1% higher than the current health care cost trend rates.

	1% Decrease (5.50%)	Healthcare Cost Trend Rates (6.50%)	1% Increase (7.50%)
Total OPEB liability	\$ 29,831,000	\$ 24,692,084	\$ 20,578,000

**CITY OF APOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (“OPEB”) (CONTINUED)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources**

OPEB expense for the fiscal year ended September 30, 2020 was \$2,612,802. On September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 337,137	\$ -
Change of assumptions	3,089,781	2,576,707
	<u>\$ 3,426,918</u>	<u>\$ 2,576,707</u>

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

Fiscal Year Ending September 30:	Amount
2021	\$ 77,398
2022	77,398
2023	77,398
2024	77,398
2025	77,398
Thereafter	463,221

**NOTE 9 – RISK MANAGEMENT**

The City is exposed to risk of loss related: to torts, theft of, damage to or destruction of assets; errors and omissions, injuries to employees, and natural disasters. The City purchases commercial insurance for all types of claims with nominal deductible amounts. The following is a summary of the City’s significant insurance coverage and limitations:

<b><u>Type of Coverage</u></b>	<b><u>Coverage</u></b>	<b><u>Limitations</u></b>
Property	\$102,423,047	Buildings and Personal Property
	Included	Electrical data processing
	\$50,000,000	Flood
	Included	Radio equipment
	Included	Valuable papers
	Included	A/R, per location to a maximum of \$250,000
	\$50,000,000	Boiler and Machinery
Automobile	\$100,000,000	Business income with extra expense
	\$2,000,000	Liability combined single limit, per occurrence
	Statutory	Personal Injury protection
	Excluded	Uninsured/Underinsured motorists bodily injury liability
	Included	Hired and Non-Owned Physical damage
Crime	Included	Hired and Non-Owned Auto Liability
	\$500,000	Employee Dishonesty
	\$500,000	Money & Securities inside and outside
	\$500,000	Forgery or Alteration

**CITY OF AOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 9 – RISK MANAGEMENT (CONTINUED)**

<u>Type of Coverage</u>	<u>Coverage</u>	<u>Limitations</u>
General Liability	\$2,000,000	Combined single limits, per occurrence Includes premises and products & completed construction
Sexual Harassment	Included	Total policy limit
Public Entity Employment Practices Liability	\$2,000,000	Per occurrence
Cyber Liability	\$1,000,000	Per member
	\$5,000,000	Per pool aggregate
Treasurer Bond	\$100,000	Per person
Public Officials Errors and Omissions Liability	\$2,000,000	Each occurrence
	\$2,000,000	Sexual harassment
Law Enforcement Officers Liability	\$2,000,000	Each occurrence
Statutory Death Benefit (Police, Fire, General)	Statutory	Per covered person
Fiduciary Responsibility	\$1,000,000	For all claims
Pollution Liability	\$1,000,000	Each occurrence and aggregate
Underground Storage Tank Pollution Liability	\$1,000,000	Each incident and policy aggregate
Employee Benefits Liability	\$2,000,000	Each Occurrence
Workers Compensation	Statutory	
Employers' Liability	\$2,000,000	Each accident, disease, aggregate by disease
Business Travel Accident	Varies	Varies
Firefighter Cancer	Statutory	
Underground Storage Tank Pollution Liability	\$1,000,000	Each incident and policy aggregate
Employee Benefits Liability	\$2,000,000	Each occurrence
Umbrella Liability	\$3,000,000	Each occurrence excess \$2,000,000 underlying CGL, Law Enforcement, Auto, E&O, Employee Benefits Liability
Workers' Compensation	Statutory	
Employers' Liability	\$3,000,000	Each accident, disease, aggregate by disease
Business Travel Accident	Varies	Varies

There have been no significant reductions in insurance coverage during fiscal year 2019-2020. Settled claims have not exceeded the commercial excess coverage in any of the past three years.

**NOTE 10 – FUND DEFICITS**

Fund deficits in individual funds are as follows at September 30, 2020:

The Grants Fund had a deficit ending fund balance at September 30, 2020. This deficit will be remedied in future periods from receipts from intergovernmental revenues and transfers.

The Special Assessment Fund had a deficit ending fund balance at September 30, 2020. This deficit will be remedied in future periods from special assessment receipts and additional transfers from the General Fund for project overruns.

**NOTE 11 – COMMITMENTS AND CONTINGENCIES**

Intergovernmental Grants

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

**CITY OF AOPKA, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**NOTE 11 – COMMITMENTS AND CONTINGENCIES (CONTINUED)**

Construction Commitments

As of September 30, 2020, there were uncompleted construction contracts as follows:

	<b>Contract Amount</b>	<b>Outstanding Balance</b>
Governmental Activities	\$ 855,000	\$ 416,243
Business-Type Activities	6,566,428	5,039,711
Total	<u>\$ 7,421,428</u>	<u>\$ 5,455,954</u>

**NOTE 12 – RESTATEMENTS**

The City has determined that a restatement to beginning net position and fund balance as noted below was required to reflect the correction of errors in the September 30, 2019 financial report. The restatements were required to properly reflect accounts receivables for various revenue streams, cash balances, and the amortization of debt premiums using the effective interest method. The restatements are as follows:

Net position, Governmental Activities, previously reported	\$ 83,537,444
Restatement to record year end utility tax revenues	1,100,598
Restatement to correct errors in cash reconciliations	262,610
Restatement to record year end sales tax revenues	941,352
Beginning net position, Governmental Activities, as restated	<u>\$ 85,842,004</u>
Net position, Business-type Activities, previously reported	\$ 141,435,364
Restatement of amortization using effective interest method	469,310
Beginning net position, Business-type Activities, as restated	<u>\$ 141,904,674</u>
Net position, General Fund, previously reported	\$ 15,472,837
Restatement to record year end sales tax revenues	786,134
Restatement to correct errors in cash reconciliations	262,610
Beginning fund balance, General Fund, as restated	<u>\$ 16,521,581</u>
Net position, Streets Improvement Fund, previously reported	\$ 2,124,922
Restatement to record year end sales tax revenues	155,218
Beginning fund balance, Streets Improvement Fund, as restated	<u>\$ 2,280,140</u>
Net position, Utility System Fund, previously reported	\$ 139,009,088
Restatement of amortization using effective interest method	469,310
Beginning fund balance, Utility System Fund, as restated	<u>\$ 139,478,398</u>

**NOTE 13 – SUBSEQUENT EVENTS**

The City has evaluated subsequent events through June 29, 2021, the date the financial statements were issued.

**Required  
Supplementary  
Information**

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CITY OF AOPKA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
AND RELATED RATIOS - GENERAL EMPLOYEES' PENSION

	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
<b>Total pension liability</b>							
Service cost	\$ 2,289,545	\$ 2,113,188	\$ 2,055,827	\$ 1,775,984	\$ 1,724,102	\$ 1,629,195	\$ 1,564,998
Interest on total pension liability	4,426,029	4,286,621	4,084,632	3,996,514	3,768,999	3,517,510	3,294,972
Differences between expected and actual experience and change in assumptions	526,737	1,458,372	(127,556)	561,919	144,541	458,032	(54,827)
Benefit payments, including refunds of employee contributions	(4,023,879)	(3,493,077)	(2,969,739)	(3,149,175)	(2,461,778)	(2,094,964)	(1,663,848)
<b>Net change in total pension liability</b>	<u>3,218,432</u>	<u>4,365,104</u>	<u>3,043,164</u>	<u>3,185,242</u>	<u>3,175,864</u>	<u>3,509,773</u>	<u>3,141,295</u>
<b>Total pension liability - beginning</b>	<u>65,206,896</u>	<u>60,841,792</u>	<u>57,798,628</u>	<u>54,613,386</u>	<u>51,437,522</u>	<u>47,927,749</u>	<u>44,786,454</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 68,425,328</u>	<u>\$ 65,206,896</u>	<u>\$ 60,841,792</u>	<u>\$ 57,798,628</u>	<u>\$ 54,613,386</u>	<u>\$ 51,437,522</u>	<u>\$ 47,927,749</u>
<b>Plan fiduciary net position</b>							
Contributions - City	\$ 2,233,098	\$ 2,311,235	\$ 2,141,587	\$ 2,081,290	\$ 1,777,353	\$ 1,665,895	\$ 1,837,620
Contributions - employee	627,418	638,379	620,925	576,071	531,041	512,745	535,334
Net investment income	5,185,346	1,914,581	4,198,683	5,610,806	3,337,768	287,819	3,364,185
Benefit payments, including refunds of member contributions	(4,023,879)	(3,493,077)	(2,969,739)	(3,149,175)	(2,461,778)	(2,094,964)	(1,663,848)
Administrative expenses	(66,788)	(61,798)	(37,175)	(39,716)	(41,665)	(48,635)	(31,939)
<b>Net change in plan fiduciary net position</b>	<u>3,955,195</u>	<u>1,309,320</u>	<u>3,954,281</u>	<u>5,079,276</u>	<u>3,142,719</u>	<u>322,860</u>	<u>4,041,352</u>
<b>Plan fiduciary net position - beginning</b>	<u>54,537,542</u>	<u>53,228,222</u>	<u>49,273,941</u>	<u>44,194,665</u>	<u>41,051,946</u>	<u>40,729,086</u>	<u>36,687,734</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 58,492,737</u>	<u>\$ 54,537,542</u>	<u>\$ 53,228,222</u>	<u>\$ 49,273,941</u>	<u>\$ 44,194,665</u>	<u>\$ 41,051,946</u>	<u>\$ 40,729,086</u>
<b>City's net pension liability - ending (a) - (b)</b>	<u>\$ 9,932,591</u>	<u>\$ 10,669,354</u>	<u>\$ 7,613,570</u>	<u>\$ 8,524,687</u>	<u>\$ 10,418,721</u>	<u>\$ 10,385,576</u>	<u>\$ 7,198,663</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	85.48%	83.64%	87.49%	85.25%	80.92%	79.81%	84.98%
<b>Covered payroll</b>	\$ 11,720,005	\$ 11,946,517	\$ 11,637,290	\$ 11,041,275	\$ 10,237,967	\$ 9,772,660	\$ 9,817,067
<b>City's net pension liability as a percentage of covered payroll</b>	84.75%	89.31%	65.42%	77.21%	101.77%	106.27%	73.33%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

The accompanying notes to financial statements are an integral part of this statement.

CITY OF AOPKA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
AND RELATED RATIOS - POLICE OFFICERS' PENSION

	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
<b>Total pension liability</b>							
Service cost	\$ 2,547,757	\$ 2,619,329	\$ 2,717,587	\$ 2,422,832	\$ 2,157,662	\$ 1,934,067	\$ 1,885,080
Interest on total pension liability	4,482,173	4,243,435	4,022,868	3,809,955	3,487,029	3,044,711	2,787,119
Change in excess state money	-	-	-	-	-	80,666	61,888
Changes of benefit terms	-	-	-	-	-	1,166,703	-
Differences between expected and actual experience and change in assumptions	1,076,171	1,303,288	(1,487,919)	504,898	1,030,680	1,160,806	146,571
Benefit payments, including refunds of employee contributions	(3,127,512)	(2,216,893)	(2,203,819)	(1,975,939)	(2,183,366)	(1,386,946)	(1,403,290)
<b>Net change in total pension liability</b>	<u>4,978,589</u>	<u>5,949,159</u>	<u>3,048,717</u>	<u>4,761,746</u>	<u>4,492,005</u>	<u>6,000,007</u>	<u>3,477,368</u>
<b>Total pension liability - beginning</b>	<u>65,568,350</u>	<u>59,619,191</u>	<u>56,570,474</u>	<u>51,808,728</u>	<u>47,316,723</u>	<u>41,316,716</u>	<u>37,839,348</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 70,546,939</u>	<u>\$ 65,568,350</u>	<u>\$ 59,619,191</u>	<u>\$ 56,570,474</u>	<u>\$ 51,808,728</u>	<u>\$ 47,316,723</u>	<u>\$ 41,316,716</u>
<b>Plan fiduciary net position</b>							
Contributions - City	\$ 1,683,115	\$ 2,403,937	\$ 2,232,206	\$ 2,191,388	\$ 1,864,064	\$ 1,902,126	\$ 1,856,270
Contributions - state	509,019	-	-	-	-	80,666	61,888
Contributions - employee	626,155	729,422	705,904	613,880	640,046	431,461	399,320
Net investment income	5,448,082	2,038,402	4,217,439	5,565,273	3,235,121	267,550	3,179,742
Benefit payments, including refunds of member contributions	(3,127,512)	(2,216,893)	(2,203,819)	(1,975,939)	(2,183,366)	(1,386,946)	(1,403,290)
Administrative expenses	(86,258)	(60,451)	(38,944)	(39,142)	(37,054)	(55,891)	(31,542)
<b>Net change in plan fiduciary net position</b>	<u>5,052,601</u>	<u>2,894,417</u>	<u>4,912,786</u>	<u>6,355,460</u>	<u>3,518,811</u>	<u>1,238,966</u>	<u>4,062,388</u>
<b>Plan fiduciary net position - beginning</b>	<u>57,662,870</u>	<u>54,768,453</u>	<u>49,855,667</u>	<u>43,500,207</u>	<u>39,981,396</u>	<u>38,742,430</u>	<u>34,680,042</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 62,715,471</u>	<u>\$ 57,662,870</u>	<u>\$ 54,768,453</u>	<u>\$ 49,855,667</u>	<u>\$ 43,500,207</u>	<u>\$ 39,981,396</u>	<u>\$ 38,742,430</u>
<b>City's net pension liability - ending (a) - (b)</b>	<u>\$ 7,831,468</u>	<u>\$ 7,905,480</u>	<u>\$ 4,850,738</u>	<u>\$ 6,714,807</u>	<u>\$ 8,308,521</u>	<u>\$ 7,335,327</u>	<u>\$ 2,574,286</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	88.90%	87.94%	91.86%	88.13%	83.96%	84.50%	93.77%
<b>Covered payroll</b>	\$ 6,278,157	\$ 6,323,063	\$ 6,811,815	\$ 6,167,707	\$ 6,232,611	\$ 5,592,025	\$ 5,463,618
<b>City's net pension liability as a percentage of covered payroll</b>	124.74%	125.03%	71.21%	108.87%	133.31%	131.17%	47.12%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

The accompanying notes to financial statements are an integral part of this statement.



CITY OF AOPKA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
AND RELATED RATIOS - FIREFIGHTERS' PENSION

	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
<b>Total pension liability</b>							
Service cost	\$ 2,035,748	\$ 1,811,047	\$ 1,729,741	\$ 1,438,974	\$ 1,269,608	\$ 993,460	\$ 1,107,888
Interest on total pension liability	3,663,033	3,455,155	3,162,573	2,940,396	2,699,641	2,396,529	2,284,005
Change in excess state money	-	-	-	-	-	102,251	115,677
Changes of benefit terms	-	-	-	-	-	1,449,756	-
Differences between expected and actual experience and change in assumptions	2,163,160	1,671,508	723,304	941,126	541,295	670,993	(461,117)
Benefit payments, including refunds of employee contributions	(2,467,452)	(2,070,017)	(1,106,825)	(1,157,613)	(1,225,547)	(1,728,061)	(1,294,371)
<b>Net change in total pension liability</b>	<b>5,394,489</b>	<b>4,867,693</b>	<b>4,508,793</b>	<b>4,162,883</b>	<b>3,284,997</b>	<b>3,884,928</b>	<b>1,752,082</b>
<b>Total pension liability - beginning</b>	<b>53,541,902</b>	<b>48,674,209</b>	<b>44,165,416</b>	<b>40,002,533</b>	<b>36,717,536</b>	<b>32,832,608</b>	<b>31,080,526</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 58,936,391</b>	<b>\$ 53,541,902</b>	<b>\$ 48,674,209</b>	<b>\$ 44,165,416</b>	<b>\$ 40,002,533</b>	<b>\$ 36,717,536</b>	<b>\$ 32,832,608</b>
<b>Plan fiduciary net position</b>							
Contributions - employer	\$ 1,402,329	\$ 1,635,728	\$ 1,481,416	\$ 1,272,669	\$ 936,800	\$ 1,043,401	\$ 1,097,949
Contributions - state	330,432	-	-	-	-	102,251	115,677
Contributions - employee	910,578	802,599	631,691	650,530	505,327	454,232	527,346
Net investment income (loss)	4,260,584	1,571,343	3,253,596	4,279,794	2,479,649	212,672	2,517,705
Benefit payments, including refunds of member contributions	(2,467,452)	(2,070,017)	(1,106,825)	(1,157,613)	(1,225,547)	(1,728,061)	(1,294,371)
Administrative expenses	(101,969)	(57,040)	(36,310)	(36,316)	(35,109)	(60,040)	(28,402)
<b>Net change in plan fiduciary net position</b>	<b>4,334,502</b>	<b>1,882,613</b>	<b>4,223,568</b>	<b>5,009,064</b>	<b>2,661,120</b>	<b>24,455</b>	<b>2,935,904</b>
<b>Plan fiduciary net position - beginning</b>	<b>44,394,241</b>	<b>42,511,628</b>	<b>38,288,060</b>	<b>33,278,996</b>	<b>30,617,876</b>	<b>30,593,421</b>	<b>27,657,517</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 48,728,743</b>	<b>\$ 44,394,241</b>	<b>\$ 42,511,628</b>	<b>\$ 38,288,060</b>	<b>\$ 33,278,996</b>	<b>\$ 30,617,876</b>	<b>\$ 30,593,421</b>
<b>City's net pension liability - ending (a) - (b)</b>	<b>\$ 10,207,648</b>	<b>\$ 9,147,661</b>	<b>\$ 6,162,581</b>	<b>\$ 5,877,356</b>	<b>\$ 6,723,537</b>	<b>\$ 6,099,660</b>	<b>\$ 2,239,187</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	82.68%	82.91%	87.34%	86.69%	83.19%	83.39%	93.18%
<b>Covered payroll</b>	<b>\$ 7,380,314</b>	<b>\$ 6,878,300</b>	<b>\$ 6,455,324</b>	<b>\$ 6,759,969</b>	<b>\$ 5,333,015</b>	<b>\$ 4,960,180</b>	<b>\$ 4,701,480</b>
<b>City's net pension liability as a percentage of covered payroll</b>	138.31%	132.99%	95.47%	86.94%	126.07%	122.97%	47.63%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

The accompanying notes to financial statements are an integral part of this statement.

CITY OF AOPKA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
GENERAL EMPLOYEES' PENSION

	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Actuarially determined contribution	\$ 2,095,286	\$ 2,096,466	\$ 1,854,869	\$ 1,826,874	\$ 1,674,255	\$ 1,691,531	\$ 1,767,282
Contributions in relation to the actuarially determined contribution	2,233,098	2,311,235	2,141,587	2,081,290	1,777,353	1,665,895	1,837,620
Contribution deficiency (excess)	\$ (137,812)	\$ (214,769)	\$ (286,718)	\$ (254,416)	\$ (103,098)	\$ 25,636	\$ (70,338)
Covered payroll	\$ 11,720,005	\$ 11,946,517	\$ 11,637,290	\$ 11,041,275	\$ 10,237,967	\$ 9,772,660	\$ 9,817,067
Contributions as a percentage of covered payroll	19.05%	19.35%	18.40%	18.85%	17.36%	17.05%	18.72%

Notes to the Schedule:

Valuation Date	October 1, 2019																		
Funding method:	Entry Age Normal																		
Amortization method:	Changes in assumptions and differences between assumptions and actual experience are recognized over the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees, including retirees).																		
	Differences between expected earnings on plan investments and actual investment earnings are recognized over a five-year period. Changes in benefit terms are recognized immediately.																		
Asset valuation method:	Assets are valued at contract value with a market value adjustment factor for the Guaranteed Deposit Account Assets and at market value for Separate Accounts, which is considered the best representation of Fair Value. The market value of the Guranteed Deposit Account is an estimate only and not the result of the precise calculation which would be done at contract discontinuance or to measure the impact of excess withdrawals in any calendar year.																		
Inflation	2.25%																		
Salary increases:	Salary is assumed to increase at the rate of 5.50%																		
Interest rate	7.00% per year																		
Retirement age	Age 57 with 5 years of Credited Service. Also, any member who has reached Normal Retirement is assumed not to retire within the next year. Vested termination participants are assumed to commence benefits on Normal Retirement Date.																		
Early retirement	Commencing with attainment fo Early Retirement Status (age 47 with 10 years of service), members are assumed to retire with an immediate subsidized benefit at the rate of 2% per year.																		
Mortality	RP-2000 Male Disabled set back 4 yrs, Female Disabled set forward 2 yrs																		
Termination and disability rate table:																			
	<table border="1"> <thead> <tr> <th>Age</th> <th>% Terminating During the Year</th> <th>% Becoming Disabled During the Year</th> </tr> </thead> <tbody> <tr> <td>20</td> <td>38.60%</td> <td>0.07%</td> </tr> <tr> <td>30</td> <td>19.40%</td> <td>0.11%</td> </tr> <tr> <td>40</td> <td>7.30%</td> <td>0.19%</td> </tr> <tr> <td>50</td> <td>2.70%</td> <td>0.51%</td> </tr> <tr> <td>60</td> <td>1.20%</td> <td>1.66%</td> </tr> </tbody> </table>	Age	% Terminating During the Year	% Becoming Disabled During the Year	20	38.60%	0.07%	30	19.40%	0.11%	40	7.30%	0.19%	50	2.70%	0.51%	60	1.20%	1.66%
Age	% Terminating During the Year	% Becoming Disabled During the Year																	
20	38.60%	0.07%																	
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The schedule will present 10 years of information once it is accumulated.

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CITY OF AOPKA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
POLICE OFFICERS' PENSION

	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Actuarially determined contribution	\$ 2,230,734	\$ 2,403,676	\$ 2,133,870	\$ 1,908,003	\$ 1,684,763	\$ 1,714,708	\$ 1,724,146
Contributions in relation to the actuarially determined contribution	2,192,134	2,403,937	2,232,206	2,191,388	1,864,064	1,902,126	1,856,270
Contribution deficiency (excess)	\$ 38,600	\$ (261)	\$ (98,336)	\$ (283,385)	\$ (179,301)	\$ (187,418)	\$ (132,124)
Covered payroll	\$ 6,278,157	\$ 6,323,063	\$ 6,811,815	\$ 6,167,707	\$ 6,232,611	\$ 5,592,025	\$ 5,463,618
Contributions as a percentage of covered payroll	34.92%	38.02%	32.77%	35.53%	29.91%	34.01%	33.98%

Notes to the Schedule:

Valuation Date	October 1, 2019																		
Funding method:	Entry Age Normal																		
Amortization method:	Changes in assumptions and differences between assumptions and actual experience are recognized over the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees, including retirees).																		
	Differences between expected earnings on plan investments and actual investment earnings are recognized over a five-year period. Changes in benefit terms are recognized immediately.																		
Asset valuation method:	Assets are valued at contract value with a market value adjustment factor for the Guaranteed Deposit Account Assets, and at market value for Separate Accounts, which is considered the best representation of Fair Value. The market value of the Guranteed Deposit Account is an estimate only and not the result of the precise calculation which would be done at contract discontinuance or to measure the impact of excess withdrawals in any calendar year.																		
Inflation	2.25%																		
Salary increases:	Salary is assumed to increase at the rate of 5.50%																		
Interest rate	7.00% per year																		
Retirement age	Age 45 with 10 years of Credited Service, or 20 years of service regardless of age.																		
Early retirement	Commencing with attainment fo Early Retirement Status (age 40 with 10 years of service), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.																		
Mortality	RP-2000 Generational projected with Scale BB																		
Termination and disability rate table:																			
	<table border="1"> <thead> <tr> <th>Age</th> <th>% Terminating During the Year</th> <th>% Becoming Disabled During the Year</th> </tr> </thead> <tbody> <tr> <td>20</td> <td>6.00%</td> <td>0.09%</td> </tr> <tr> <td>30</td> <td>5.00%</td> <td>0.12%</td> </tr> <tr> <td>40</td> <td>2.60%</td> <td>0.21%</td> </tr> <tr> <td>50</td> <td>0.80%</td> <td>0.54%</td> </tr> <tr> <td>60</td> <td>0.20%</td> <td>2.70%</td> </tr> </tbody> </table>	Age	% Terminating During the Year	% Becoming Disabled During the Year	20	6.00%	0.09%	30	5.00%	0.12%	40	2.60%	0.21%	50	0.80%	0.54%	60	0.20%	2.70%
Age	% Terminating During the Year	% Becoming Disabled During the Year																	
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CITY OF AOPKA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
FIREFIGHTERS' PENSION

	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Actuarially determined contribution	\$ 1,560,189	\$ 1,465,055	\$ 1,225,046	\$ 1,093,683	\$ 761,586	\$ 974,234	\$ 1,072,495
Contributions in relation to the actuarially determined contribution	1,732,761	1,635,728	1,481,416	1,272,669	936,800	1,043,401	1,097,949
Contribution deficiency (excess)	<u>\$ (172,572)</u>	<u>\$ (170,673)</u>	<u>\$ (256,370)</u>	<u>\$ (178,986)</u>	<u>\$ (175,214)</u>	<u>\$ (69,167)</u>	<u>\$ (25,454)</u>
Covered payroll	\$ 7,380,314	\$ 6,878,300	\$ 6,455,324	\$ 6,759,969	\$ 5,333,015	\$ 4,960,180	\$ 4,701,480
Contributions as a percentage of covered payroll	23.48%	23.78%	22.95%	18.83%	17.57%	21.04%	23.35%

Notes to the Schedule:

Valuation Date	October 1, 2019																		
Funding method:	Entry Age Normal																		
Amortization method:	Changes in assumptions and differences between assumptions and actual experience are recognized over the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees, including retirees).																		
	Differences between expected earnings on plan investments and actual investment earnings are recognized over a five-year period. Changes in benefit terms are recognized immediately.																		
Asset valuation method:	Assets are valued at contract value with a market value adjustment factor for the Guaranteed Deposit Account Assets, and at market value for Separate Accounts, which is considered the best representation of Fair Value. The market value of the Guranteed Deposit Account is an estimate only and not the result of the precise calculation which would be done at contract discontinuance or to measure the impact of excess withdrawals in any calendar year.																		
Inflation	2.25%																		
Salary increases:	Salary is assumed to increase at the rate of 5.50%																		
Interest rate	7.00% per year																		
Retirement age	Age 55 with 10 years of Credited Service, or 22 years regardless of age.																		
Early retirement	Commencing with attainment fo Early Retirement Status (age 50 with 10 years of service), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.																		
Mortality	RP-2000 Generational projected with Scale BB																		
Termination and disability rate table:	<table border="1"> <thead> <tr> <th>Age</th> <th>% Terminating During the Year</th> <th>% Becoming Disabled During the Year</th> </tr> </thead> <tbody> <tr> <td>20</td> <td>6.00%</td> <td>0.09%</td> </tr> <tr> <td>30</td> <td>5.00%</td> <td>0.12%</td> </tr> <tr> <td>40</td> <td>2.60%</td> <td>0.21%</td> </tr> <tr> <td>50</td> <td>0.80%</td> <td>0.54%</td> </tr> <tr> <td>60</td> <td>0.20%</td> <td>2.70%</td> </tr> </tbody> </table>	Age	% Terminating During the Year	% Becoming Disabled During the Year	20	6.00%	0.09%	30	5.00%	0.12%	40	2.60%	0.21%	50	0.80%	0.54%	60	0.20%	2.70%
Age	% Terminating During the Year	% Becoming Disabled During the Year																	
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CITY OF AOPKA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF PENSION INVESTMENT RETURNS

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	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
General Employees:							
Annual money-weighted rate of return, net of investment expenses	9.6%	3.6%	8.5%	12.8%	8.2%	0.7%	9.1%
Police Officers':							
Annual money-weighted rate of return, net of investment expenses	9.5%	3.7%	8.4%	12.7%	8.1%	0.7%	9.1%
Firefighters':							
Annual money-weighted rate of return, net of investment expenses	9.6%	3.7%	8.4%	12.7%	8.1%	0.7%	9.0%

**Notes to the Schedules:**

The schedules will present 10 years of information once it is accumulated.

The accompanying notes to financial statements are an integral part of this statement.

**CITY OF AOPKA, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS**

	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>
Service cost	\$ 1,863,901	\$ 1,281,375	\$ 1,394,359
Interest	671,503	813,644	831,014
Changes of benefit terms	-	-	(489,765)
Differences between expected and actual experience	-	408,869	-
Changes of assumptions	(807,869)	3,747,182	(1,280,794)
Benefit payments	<u>(832,020)</u>	<u>(725,685)</u>	<u>(777,330)</u>
Net change in total OPEB liability	895,515	5,525,385	(322,516)
Total OPEB liability - beginning	<u>23,796,569</u>	<u>18,271,184</u>	<u>18,593,700</u>
Total OPEB liability - ending	<u>\$ 24,692,084</u>	<u>\$ 23,796,569</u>	<u>\$ 18,271,184</u>
Covered employee payroll (projected)	\$ 32,486,000	\$ 31,387,625	\$ 23,957,000
City's total OPEB liability as a percentage of covered employee payroll	76.01%	75.82%	76.27%

**Notes to the Schedule:**

The schedule will present 10 years of information once it is accumulated.

The accompanying notes to financial statements are an integral part of this statement.

# **Combining and Individual Fund Statements and Schedules**

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**CITY OF AOPKA, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2020**

	Special Revenue Funds										Total Nonmajor Governmental Funds
	Streets Improvement	Law Enforcement Trust	Transportation Impact Fees	Recreation Impact Fees	Stormwater	Grants	Special Assessment	Police Discretionary	Fire Impact Fees	Police Impact Fees	
<b>Assets</b>											
Cash and cash equivalents	\$ 2,539,797	\$ 406,641	\$ 5,864,008	\$ 1,086,206	\$ 1,885,206	\$ -	\$ -	\$ 457,818	\$ 1,559,842	\$ 1,590,841	\$ 15,390,359
Accounts receivable, net	79,181	-	-	-	-	-	-	-	-	-	79,181
Due from other governments	190,216	-	-	-	5,139	-	453	-	-	-	195,808
Total assets	<u>\$ 2,809,194</u>	<u>\$ 406,641</u>	<u>\$ 5,864,008</u>	<u>\$ 1,086,206</u>	<u>\$ 1,890,345</u>	<u>\$ -</u>	<u>\$ 453</u>	<u>\$ 457,818</u>	<u>\$ 1,559,842</u>	<u>\$ 1,590,841</u>	<u>\$ 15,665,348</u>
<b>Liabilities and fund balances</b>											
Liabilities											
Accounts payable	\$ 959,724	\$ 11,500	\$ 57,629	\$ -	\$ 89,240	\$ 1,501	\$ 5,370	\$ -	\$ -	\$ -	\$ 1,124,964
Accrued liabilities	7,319	-	-	-	-	8,459	-	-	-	-	15,778
Deposits	3,790	-	-	-	-	-	-	-	-	-	3,790
Due to other funds	-	-	-	-	-	190,450	4,619	-	-	-	195,069
Total liabilities	<u>970,833</u>	<u>11,500</u>	<u>57,629</u>	<u>-</u>	<u>89,240</u>	<u>200,410</u>	<u>9,989</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,339,601</u>
Deferred inflows of resources											
Unavailable revenue	-	-	-	-	-	10,499	-	-	-	-	10,499
Fund balances (deficit)											
Restricted	1,838,361	395,141	-	-	-	-	-	-	-	-	2,233,502
Committed	-	-	5,806,379	1,086,206	1,801,105	-	-	457,818	1,559,842	1,590,841	12,302,191
Unassigned	-	-	-	-	-	(210,909)	(9,536)	-	-	-	(220,445)
Total fund balances (deficit)	<u>1,838,361</u>	<u>395,141</u>	<u>5,806,379</u>	<u>1,086,206</u>	<u>1,801,105</u>	<u>(210,909)</u>	<u>(9,536)</u>	<u>457,818</u>	<u>1,559,842</u>	<u>1,590,841</u>	<u>14,315,248</u>
<b>Total liabilities and fund balances</b>	<u>\$ 2,809,194</u>	<u>\$ 406,641</u>	<u>\$ 5,864,008</u>	<u>\$ 1,086,206</u>	<u>\$ 1,890,345</u>	<u>\$ -</u>	<u>\$ 453</u>	<u>\$ 457,818</u>	<u>\$ 1,559,842</u>	<u>\$ 1,590,841</u>	<u>\$ 15,665,348</u>

The accompanying notes to financial statements are an integral part of this statement.

**CITY OF AOPKA, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	Special Revenue Funds										Total Nonmajor Governmental Funds
	Streets Improvement	Law Enforcement Trust	Transportation Impact Fees	Recreation Impact Fees	Stormwater	Grants	Special Assessment	Police Discretionary	Fire Impact Fees	Police Impact Fees	
<b>Revenues</b>											
Taxes	\$ 1,541,716	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,541,716
Impact fees	-	-	2,699,758	788,640	-	-	-	-	717,949	747,321	4,953,668
Intergovernmental revenue	1,490	-	-	-	-	612,745	-	-	-	-	614,235
Charges for services	599,426	-	-	-	459,940	-	-	28,000	-	-	1,087,366
Fines and forfeitures	-	19,518	-	-	-	-	-	6,434	-	-	25,952
Investment earnings	26,046	404	60,136	11,139	20,426	(1,953)	93	4,695	15,997	16,315	153,298
Special assessments	-	-	-	-	-	-	64,999	-	-	-	64,999
Miscellaneous revenues	17,955	-	49,050	-	241	8,498	5,016	47,211	-	-	127,971
<b>Total revenues</b>	<b>2,186,633</b>	<b>19,922</b>	<b>2,808,944</b>	<b>799,779</b>	<b>480,607</b>	<b>619,290</b>	<b>70,108</b>	<b>86,340</b>	<b>733,946</b>	<b>763,636</b>	<b>8,569,205</b>
<b>Expenditures</b>											
Current											
General government	-	-	-	-	-	248	-	-	-	-	248
Public Safety	-	14,000	-	-	-	407,795	-	30,778	-	-	452,573
Physical environment	-	-	-	-	139,460	-	11,408	-	-	-	150,868
Transportation	3,306,706	-	2,479,900	-	-	-	-	-	-	-	5,786,606
Capital Outlay	57,804	-	1,216,815	17,016	977,701	778,668	-	10,000	-	-	3,058,004
<b>Total expenditures</b>	<b>3,364,510</b>	<b>14,000</b>	<b>3,696,715</b>	<b>17,016</b>	<b>1,117,161</b>	<b>1,186,711</b>	<b>11,408</b>	<b>40,778</b>	<b>-</b>	<b>-</b>	<b>9,448,299</b>
Excess (deficiency) of revenues over (under) expenditures	(1,177,877)	5,922	(887,771)	782,763	(636,554)	(567,421)	58,700	45,562	733,946	763,636	(879,094)
<b>Other Financing Sources (Uses)</b>											
Transfers from other funds	736,098	-	-	-	-	385,500	-	-	-	-	1,121,598
Transfers to other funds	-	-	(68,300)	(2,000)	(61,805)	-	(25,500)	-	(5,000)	(5,000)	(167,605)
<b>Total other financing sources (uses)</b>	<b>736,098</b>	<b>-</b>	<b>(68,300)</b>	<b>(2,000)</b>	<b>(61,805)</b>	<b>385,500</b>	<b>(25,500)</b>	<b>-</b>	<b>(5,000)</b>	<b>(5,000)</b>	<b>953,993</b>
<b>Net change in fund balance</b>	<b>(441,779)</b>	<b>5,922</b>	<b>(956,071)</b>	<b>780,763</b>	<b>(698,359)</b>	<b>(181,921)</b>	<b>33,200</b>	<b>45,562</b>	<b>728,946</b>	<b>758,636</b>	<b>74,899</b>
Fund balances (deficit), beginning, as restated	2,280,140	389,219	6,762,450	305,443	2,499,464	(28,988)	(42,736)	412,256	830,896	832,205	14,240,349
<b>Fund balances (deficit), ending</b>	<b>\$ 1,838,361</b>	<b>\$ 395,141</b>	<b>\$ 5,806,379</b>	<b>\$ 1,086,206</b>	<b>\$ 1,801,105</b>	<b>\$ (210,909)</b>	<b>\$ (9,536)</b>	<b>\$ 457,818</b>	<b>\$ 1,559,842</b>	<b>\$ 1,590,841</b>	<b>\$ 14,315,248</b>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - STREETS IMPROVEMENT FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 1,744,454	\$ 1,744,454	\$ 1,541,716	\$ (202,738)
Intergovernmental revenue	-	-	1,490	(1,490)
Charges for services	740,000	740,000	599,426	140,574
Investment earnings	5,000	5,000	26,046	(21,046)
Miscellaneous revenues	999,886	1,039,886	17,955	(1,021,931)
Total revenues	<u>3,489,340</u>	<u>3,529,340</u>	<u>2,186,633</u>	<u>(1,106,631)</u>
<b>Expenditures</b>				
Current				
Transportation	3,990,438	3,976,013	3,306,706	669,307
Capital Outlay	235,000	296,325	57,804	238,521
Total expenditures	<u>4,225,438</u>	<u>4,272,338</u>	<u>3,364,510</u>	<u>907,828</u>
<b>Deficiency of revenues under expenditures</b>	<u>(736,098)</u>	<u>(742,998)</u>	<u>(1,177,877)</u>	<u>(198,803)</u>
<b>Other financing sources</b>				
Transfers from other funds	736,098	736,098	736,098	-
Total other financing sources	<u>736,098</u>	<u>736,098</u>	<u>736,098</u>	<u>-</u>
<b>Change in fund balance</b>	-	(6,900)	(441,779)	(198,803)
<b>Fund balance, beginning of year, as restated</b>	<u>2,280,140</u>	<u>2,280,140</u>	<u>2,280,140</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 2,280,140</u>	<u>\$ 2,273,240</u>	<u>\$ 1,838,361</u>	<u>\$ (198,803)</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - LAW ENFORCEMENT TRUST FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Fines and forfeitures	\$ 60,000	\$ 60,000	\$ 19,518	\$ (40,482)
Investment earnings	600	600	404	(196)
Miscellaneous revenues	139,400	139,400	-	(139,400)
Total revenues	<u>200,000</u>	<u>200,000</u>	<u>19,922</u>	<u>(180,078)</u>
<b>Expenditures</b>				
Current				
Public Safety	100,000	100,000	14,000	86,000
Capital Outlay	100,000	100,000	-	100,000
Total expenditures	<u>200,000</u>	<u>200,000</u>	<u>14,000</u>	<u>186,000</u>
<b>Change in fund balance</b>	-	-	5,922	5,922
<b>Fund balance, beginning of year</b>	<u>389,219</u>	<u>389,219</u>	<u>389,219</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 389,219</u>	<u>\$ 389,219</u>	<u>\$ 395,141</u>	<u>\$ 5,922</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - TRANSPORTATION IMPACT FEES FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Impact fees	\$ 1,553,760	\$ 1,553,760	\$ 2,699,758	\$ 1,145,998
Investment earnings	50,000	50,000	60,136	10,136
Miscellaneous revenues	764,540	2,479,140	49,050	(2,430,090)
Total revenues	<u>2,368,300</u>	<u>4,082,900</u>	<u>2,808,944</u>	<u>(1,273,956)</u>
<b>Expenditures</b>				
Current				
Transportation	250,000	3,152,766	2,479,900	672,866
Capital Outlay	2,050,000	3,241,811	1,216,815	2,024,996
Total expenditures	<u>2,300,000</u>	<u>6,394,577</u>	<u>3,696,715</u>	<u>2,697,862</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>68,300</u>	<u>(2,311,677)</u>	<u>(887,771)</u>	<u>1,423,906</u>
<b>Other financing uses</b>				
Transfers out	(68,300)	(68,300)	(68,300)	-
Total other financing uses	<u>(68,300)</u>	<u>(68,300)</u>	<u>(68,300)</u>	<u>-</u>
<b>Change in fund balance</b>	-	(2,379,977)	(956,071)	1,423,906
<b>Fund balance, beginning of year</b>	<u>6,762,450</u>	<u>6,762,450</u>	<u>6,762,450</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 6,762,450</u>	<u>\$ 4,382,473</u>	<u>\$ 5,806,379</u>	<u>\$ 1,423,906</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - RECREATION IMPACT FEES FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Other taxes	\$ 180,000	\$ 180,000	\$ 788,640	\$ 608,640
Investment earnings	1,000	1,000	11,139	10,139
Miscellaneous revenues	21,000	21,000	-	(21,000)
Total revenues	<u>202,000</u>	<u>202,000</u>	<u>799,779</u>	<u>597,779</u>
<b>Expenditures</b>				
Capital Outlay	200,000	200,000	17,016	182,984
Total expenditures	<u>200,000</u>	<u>200,000</u>	<u>17,016</u>	<u>182,984</u>
<b>Excess of revenues over expenditures</b>	<u>2,000</u>	<u>2,000</u>	<u>782,763</u>	<u>414,795</u>
<b>Other financing uses</b>				
Transfers to other funds	(2,000)	(2,000)	(2,000)	-
Total other financing uses	<u>(2,000)</u>	<u>(2,000)</u>	<u>(2,000)</u>	<u>-</u>
<b>Change in fund balance</b>	-	-	780,763	780,763
<b>Fund balance, beginning of year</b>	<u>305,443</u>	<u>305,443</u>	<u>305,443</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 305,443</u>	<u>\$ 305,443</u>	<u>\$ 1,086,206</u>	<u>\$ 780,763</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - STORMWATER FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 454,135	\$ 454,135	\$ 459,940	\$ 5,805
Investment earnings	12,000	12,000	20,426	8,426
Miscellaneous revenues	595,810	991,459	241	(991,218)
Total revenues	<u>1,061,945</u>	<u>1,457,594</u>	<u>480,607</u>	<u>(976,987)</u>
<b>Expenditures</b>				
Current				
Physical environment	310,140	432,799	139,460	293,339
Capital Outlay	690,000	1,065,363	977,701	87,662
Total expenditures	<u>1,000,140</u>	<u>1,498,162</u>	<u>1,117,161</u>	<u>381,001</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>61,805</u>	<u>(40,568)</u>	<u>(636,554)</u>	<u>(595,986)</u>
<b>Other financing uses</b>				
Transfers to other funds	<u>(61,805)</u>	<u>(61,805)</u>	<u>(61,805)</u>	<u>-</u>
Total other financing uses	<u>(61,805)</u>	<u>(61,805)</u>	<u>(61,805)</u>	<u>-</u>
<b>Change in fund balance</b>	-	(102,373)	(698,359)	(595,986)
<b>Fund balance, beginning of year</b>	<u>2,499,464</u>	<u>2,499,464</u>	<u>2,499,464</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 2,499,464</u>	<u>\$ 2,397,091</u>	<u>\$ 1,801,105</u>	<u>\$ (595,986)</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - GRANTS FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Intergovernmental revenue	\$ 285,076	\$ 20,755	\$ 612,745	\$ 591,990
Investment earnings	-	-	(1,953)	(1,953)
Miscellaneous revenues	-	-	8,498	8,498
Total revenues	<u>285,076</u>	<u>20,755</u>	<u>619,290</u>	<u>598,535</u>
<b>Expenditures</b>				
Current				
General Government	-	1,000	248	752
Public Safety	393,476	405,255	407,795	(2,540)
Capital Outlay	-	935,076	778,668	156,408
Total expenditures	<u>393,476</u>	<u>1,341,331</u>	<u>1,186,711</u>	<u>154,620</u>
<b>Deficiency of revenues under expenditures</b>	<u>(108,400)</u>	<u>(1,320,576)</u>	<u>(567,421)</u>	<u>753,155</u>
<b>Other financing sources</b>				
Transfers from other funds	<u>108,400</u>	<u>385,500</u>	<u>385,500</u>	-
Total other financing sources	<u>108,400</u>	<u>385,500</u>	<u>385,500</u>	-
<b>Change in fund balance</b>	-	(935,076)	(181,921)	753,155
<b>Fund balance (deficit), beginning of year</b>	<u>(28,988)</u>	<u>(28,988)</u>	<u>(28,988)</u>	-
<b>Fund balance (deficit), end of year</b>	<u>\$ (28,988)</u>	<u>\$ (964,064)</u>	<u>\$ (210,909)</u>	<u>\$ 753,155</u>

The accompanying notes to financial statements are an integral part of this statement.



CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - SPECIAL ASSESSMENT FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Investment earnings	\$ 185	\$ 185	\$ 93	\$ (92)
Special assessments	63,595	63,595	64,999	1,404
Miscellaneous revenues	-	-	5,016	5,016
Total revenues	<u>63,780</u>	<u>63,780</u>	<u>70,108</u>	<u>6,328</u>
<b>Expenditures</b>				
Current				
Physical environment	38,280	38,280	11,408	26,872
Total expenditures	<u>38,280</u>	<u>38,280</u>	<u>11,408</u>	<u>26,872</u>
<b>Excess of revenues over expenditures</b>	<u>25,500</u>	<u>25,500</u>	<u>58,700</u>	<u>33,200</u>
<b>Other financing uses</b>				
Transfers to other funds	(25,500)	(25,500)	(25,500)	-
Total other financing uses	<u>(25,500)</u>	<u>(25,500)</u>	<u>(25,500)</u>	<u>-</u>
<b>Change in fund balance</b>	-	-	33,200	33,200
<b>Fund balance (deficit), beginning of year</b>	<u>(42,736)</u>	<u>(42,736)</u>	<u>(42,736)</u>	<u>-</u>
<b>Fund balance (deficit), end of year</b>	<u>\$ (42,736)</u>	<u>\$ (42,736)</u>	<u>\$ (9,536)</u>	<u>\$ 33,200</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - POLICE DISCRETIONARY FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 30,000	\$ 30,000	\$ 28,000	\$ (2,000)
Fines and forfeitures	300	300	6,434	6,134
Investment earnings	-	-	4,695	4,695
Miscellaneous revenues	69,700	69,700	47,211	(22,489)
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>86,340</u>	<u>(13,660)</u>
<b>Expenditures</b>				
Current				
Public Safety	50,000	80,000	30,778	49,222
Capital outlay	50,000	20,000	10,000	10,000
Total expenditures	<u>100,000</u>	<u>100,000</u>	<u>40,778</u>	<u>59,222</u>
<b>Change in fund balance</b>	-	-	45,562	45,562
<b>Fund balance, beginning of year</b>	<u>412,256</u>	<u>412,256</u>	<u>412,256</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 412,256</u>	<u>\$ 412,256</u>	<u>\$ 457,818</u>	<u>\$ 45,562</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET AND ACTUAL - FIRE IMPACT FEES FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Impact fees	\$ 165,000	\$ 165,000	\$ 717,949	\$ 552,949
Investment earnings	100	100	15,997	15,897
Total revenues	<u>165,100</u>	<u>165,100</u>	<u>733,946</u>	<u>568,846</u>
<b>Expenditures</b>				
Current				
Public Safety	<u>160,100</u>	<u>160,100</u>	-	160,100
Total expenditures	<u>160,100</u>	<u>160,100</u>	-	<u>160,100</u>
<b>Excess of revenues over expenditures</b>	<u>5,000</u>	<u>5,000</u>	<u>733,946</u>	<u>408,746</u>
<b>Other financing uses</b>				
Transfers to other funds	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	-
Total other financing uses	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	-
<b>Change in fund balance</b>	-	-	728,946	728,946
<b>Fund balance, beginning of year</b>	<u>830,896</u>	<u>830,896</u>	<u>830,896</u>	-
<b>Fund balance, end of year</b>	<u>\$ 830,896</u>	<u>\$ 830,896</u>	<u>\$ 1,559,842</u>	<u>\$ 728,946</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF APOPKA, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - POLICE IMPACT FEES FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Impact fees	\$ 155,000	\$ 155,000	\$ 747,321	\$ 592,321
Investment earnings	5,000	5,000	16,315	11,315
Total revenues	<u>160,000</u>	<u>160,000</u>	<u>763,636</u>	<u>603,636</u>
<b>Expenditures</b>				
Current				
Public Safety	155,000	155,000	-	155,000
Total expenditures	<u>155,000</u>	<u>155,000</u>	<u>-</u>	<u>155,000</u>
<b>Excess of revenues over expenditures</b>	<u>5,000</u>	<u>5,000</u>	<u>763,636</u>	<u>758,636</u>
<b>Other financing uses</b>				
Transfers to other funds	(5,000)	(5,000)	(5,000)	-
Total other financing uses	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
<b>Change in fund balance</b>	-	-	758,636	758,636
<b>Fund balance, beginning of year</b>	<u>832,205</u>	<u>832,205</u>	<u>832,205</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 832,205</u>	<u>\$ 832,205</u>	<u>\$ 1,590,841</u>	<u>\$ 758,636</u>

The accompanying notes to financial statements are an integral part of this statement.

# Statistical Section

This part of the City of Apopka'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 City's overall financial health.

## Contents

### Financial Trends (Pages 82 – 86) (Tables 1 – 4)

These schedules contain trend information to help the reader understand how the City's financial performance and well-being has changed over time.

### Revenue Capacity (Pages 87 – 90) (Tables 5 – 8)

These schedules contain information to help the reader assess the City's most significant sources of revenue.

### Debt Capacity (Pages 91 – 94) (Tables 9 – 12)

These schedules contain information to help the reader assess the affordability of the City's current level of debt and the City's ability to issue debt in the future.

### Demographics and Economic Information (Pages 95 and 96) (Tables 13 and 14)

These schedules offer demographics and economic indicators to help the reader understand the environment within which the City's financial activities take place.

### Operating Information (Pages 97 and 98) (Tables 15 – 17)

These schedules contain information regarding the number of employees, the operating indicators, and the capital assets used in the various functions and programs

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

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CITY OF APOPKA, FLORIDA

NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(Table 1)

	FISCAL YEAR									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 89,626,466	\$ 87,869,626	\$ 86,764,954	\$ 89,327,168	\$ 88,573,433	\$ 87,116,986	\$ 89,746,404	\$ 88,591,298	\$ 91,827,298	\$ 95,134,678
Restricted	2,173,455	2,032,131	2,174,523	2,156,922	1,907,822	2,482,323	2,398,096	2,237,460	3,310,865	3,108,351
Unrestricted	11,595,902	12,831,110	11,647,104	8,864,250	(214,724)	(9,422,061)	(10,749,809)	(13,022,296)	(11,600,719)	(6,193,196)
Total governmental activities net position	\$ 103,395,823	\$ 102,732,867	\$ 100,586,581	\$ 100,348,340	\$ 90,266,531	\$ 80,177,248	\$ 81,394,691	\$ 77,806,462	\$ 83,537,444	\$ 92,049,833
Business-type activities										
Net investment in capital assets	\$ 87,624,978	\$ 86,015,227	\$ 85,141,627	\$ 84,626,587	\$ 100,656,361	\$ 103,140,729	\$ 122,538,179	\$ 124,589,796	\$ 115,386,750	\$ 119,123,757
Restricted	9,301,564	9,842,130	10,337,621	10,762,602	745,661	481,441	281,441	481,441	481,441	481,441
Unrestricted	15,640,402	17,283,878	18,362,898	19,309,266	17,057,907	17,018,263	4,846,807	4,345,777	25,567,173	32,494,285
Total business-type activities net position	\$ 112,566,944	\$ 113,141,235	\$ 113,842,146	\$ 114,698,455	\$ 118,459,929	\$ 120,640,433	\$ 127,666,427	\$ 129,417,014	\$ 141,435,364	\$ 152,099,483
Primary government										
Net investment in capital assets	\$ 177,251,444	\$ 173,884,853	\$ 171,906,581	\$ 173,953,755	\$ 189,229,794	\$ 190,257,715	\$ 212,284,583	\$ 213,181,094	\$ 207,214,048	\$ 214,258,435
Restricted	11,475,019	11,874,261	12,512,144	12,919,524	2,653,483	2,963,764	2,679,537	2,718,901	3,792,306	3,589,792
Unrestricted	27,236,304	30,114,988	30,010,002	28,173,516	16,843,183	7,596,202	(5,903,002)	(8,676,519)	13,966,454	26,301,089
Total primary government net position	\$ 215,962,767	\$ 215,874,102	\$ 214,428,727	\$ 215,046,795	\$ 208,726,460	\$ 200,817,681	\$ 209,061,118	\$ 207,223,476	\$ 224,972,808	\$ 244,149,316

**CITY OF APOPKA, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**  
**(Table 2)**

	FISCAL YEAR									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses</b>										
Governmental activities:										
General government	\$ 6,042,003	\$ 6,995,371	\$ 6,148,920	\$ 6,377,891	\$ 6,511,974	\$ 10,551,924	\$ 10,450,176	\$ 8,064,330	\$ 9,050,051	\$ 7,260,763
Public safety	22,686,115	23,502,477	26,038,039	25,985,190	27,864,802	33,942,557	29,189,880	32,665,170	35,025,328	33,237,246
Physical environment	-	-	-	-	305,767	152,252	335,011	2,566,149	414,286	247,148
Transportation	5,016,376	5,440,391	5,781,288	8,093,858	5,595,625	5,661,534	6,129,087	8,287,064	7,469,837	8,664,378
Economic environment	479,130	203,250	236,843	251,577	228,422	241,467	283,246	61,391	27,826	69,110
Culture and recreation	3,197,661	2,699,130	3,802,962	3,985,137	3,971,409	3,973,536	3,899,524	4,422,038	4,408,527	3,858,925
Interest on long-term debt	557,059	501,906	440,843	341,785	279,351	260,543	227,858	200,959	297,136	309,644
<b>Total governmental activities expenses</b>	<b>37,978,344</b>	<b>39,342,525</b>	<b>42,448,895</b>	<b>45,035,438</b>	<b>44,757,350</b>	<b>54,783,813</b>	<b>50,514,782</b>	<b>56,267,101</b>	<b>56,692,991</b>	<b>53,647,214</b>
Business-type activities:										
Utility system	13,633,236	13,793,770	15,066,790	15,019,098	16,036,573	15,312,542	13,309,805	17,787,110	16,384,968	23,805,465
Sanitation	3,260,503	3,397,041	3,397,745	3,453,253	3,642,605	3,884,273	3,165,186	3,876,225	3,794,914	5,229,012
Airport fuel	-	-	-	-	538,306	323,139	330,662	306,182	368,577	413,803
<b>Total business-type activities expenses</b>	<b>16,893,739</b>	<b>17,190,811</b>	<b>18,464,535</b>	<b>18,472,351</b>	<b>20,217,484</b>	<b>19,519,954</b>	<b>16,805,653</b>	<b>21,969,517</b>	<b>20,548,459</b>	<b>29,448,280</b>
<b>Total primary government expenses</b>	<b>\$ 54,872,083</b>	<b>\$ 56,533,336</b>	<b>\$ 60,913,430</b>	<b>\$ 63,507,789</b>	<b>\$ 64,974,834</b>	<b>\$ 74,303,767</b>	<b>\$ 67,320,435</b>	<b>\$ 78,236,618</b>	<b>\$ 77,241,450</b>	<b>\$ 83,095,494</b>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 1,308,182	\$ 1,835,687	\$ 1,935,229	\$ 3,922,155	\$ 3,539,928	\$ 4,312,503	\$ 5,035,980	\$ 3,135,861	\$ 4,585,932	\$ 4,698,423
Public safety	3,647,620	4,664,249	4,989,182	1,937,810	1,775,398	1,249,905	1,309,862	1,460,059	2,032,713	2,800,778
Physical environment	-	-	-	-	-	-	-	-	-	799,580
Transportation	475,389	576,498	959,100	2,117,946	-	-	-	-	-	599,426
Economic environment	400,948	409,741	401,239	2,019,389	2,377,976	2,950,407	3,003,569	2,902,402	2,379,202	-
Culture and recreation	516,993	731,740	891,315	813,576	696,455	814,376	677,164	601,012	619,343	314,568
Operating grants and contributions	7,616,070	7,658,910	8,468,829	1,283,718	993,788	1,510,310	1,444,573	2,486,138	2,092,443	1,279,043
Capital grants and contributions	1,570,734	2,474,554	1,904,213	1,855,694	2,345,941	2,026,202	3,526,959	1,618,099	7,129,053	5,657,298
<b>Total governmental activities program revenues</b>	<b>15,535,936</b>	<b>18,351,379</b>	<b>19,549,107</b>	<b>13,950,288</b>	<b>11,729,486</b>	<b>12,863,703</b>	<b>14,998,107</b>	<b>12,203,571</b>	<b>18,838,686</b>	<b>16,149,116</b>
Business type activities										
Charges for services:										
Utility system:										
Water sales	5,371,826	5,765,969	5,548,701	5,541,172	5,749,002	5,991,860	8,762,951	6,571,038	7,051,974	8,602,524
Sewer sales	5,167,002	5,479,371	5,537,939	5,691,201	5,984,903	6,116,096	6,648,905	6,803,852	7,164,913	8,438,236
Reclaimed water sales	2,836,583	2,821,403	2,491,136	2,661,176	2,705,534	3,124,269	1,435,435	3,171,280	3,503,156	4,041,584
Sanitation:										
Sanitation fees	3,603,016	3,624,241	3,707,525	3,827,349	3,983,825	4,153,099	4,422,879	4,438,662	4,585,363	4,672,787
Fines	151	-	-	-	-	-	-	-	-	110,670
Airport Fuel										
Fuel Sales	-	-	-	-	507,464	337,697	336,510	296,033	361,215	469,783
Operating grants and contributions	-	-	-	-	4,693,320	1,020,976	764,302	-	-	-
Capital grants and contributions	3,282,439	2,313,259	4,059,847	4,088,784	5,831,362	5,395,043	5,678,396	8,054,900	14,219,066	19,029,137
<b>Total business-type activities program revenues</b>	<b>20,261,017</b>	<b>20,004,243</b>	<b>21,345,148</b>	<b>21,809,682</b>	<b>29,455,410</b>	<b>26,139,040</b>	<b>28,049,378</b>	<b>29,335,765</b>	<b>36,885,687</b>	<b>45,364,721</b>
<b>Total primary government program revenues</b>	<b>\$ 35,796,953</b>	<b>\$ 38,355,622</b>	<b>\$ 40,894,255</b>	<b>\$ 35,759,970</b>	<b>\$ 41,184,896</b>	<b>\$ 39,002,743</b>	<b>\$ 43,047,485</b>	<b>\$ 41,539,336</b>	<b>\$ 55,724,373</b>	<b>\$ 61,513,837</b>
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (22,442,408)	\$ (20,991,146)	\$ (22,899,788)	\$ (31,085,150)	\$ (33,027,864)	\$ (41,920,110)	\$ (35,516,675)	\$ (44,063,530)	\$ (37,854,305)	\$ (37,498,098)
Business-type activities	3,367,278	2,813,432	2,880,613	3,337,331	9,237,926	6,619,086	11,243,725	7,366,248	16,337,228	15,916,441
<b>Total primary government net expense</b>	<b>\$ (19,075,130)</b>	<b>\$ (18,177,714)</b>	<b>\$ (20,019,175)</b>	<b>\$ (27,747,819)</b>	<b>\$ (23,789,938)</b>	<b>\$ (35,301,024)</b>	<b>\$ (24,272,950)</b>	<b>\$ (36,697,282)</b>	<b>\$ (21,517,077)</b>	<b>\$ (21,581,657)</b>



**CITY OF APOPKA, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**  
**(Table 2)**

	FISCAL YEAR									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Revenues and Other Changes In Net Position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 6,967,591	\$ 6,708,582	\$ 6,473,486	\$ 6,789,004	\$ 6,994,987	\$ 7,874,031	\$ 9,880,495	\$ 11,012,577	\$ 12,440,816	\$ 13,796,237
Franchise taxes, utility taxes and communication services tax	8,731,059	8,328,612	8,450,604	16,713,171	17,645,762	16,147,299	17,978,174	19,892,104	20,806,645	20,269,428
Gasoline taxes	1,319,668	1,308,220	1,412,722	1,433,900	1,497,364	1,448,906	1,623,250	1,683,683	1,788,078	1,593,561
Sale of capital assets	70,046	(100,645)	81,374	11,444	5,845	-	-	-	680,677	22,224
Miscellaneous revenues	503,969	490,664	561,578	235,911	208,132	246,351	1,253,931	384,910	410,689	1,379,455
Investment earnings	120,395	122,567	95,308	98,712	102,482	129,577	155,322	387,975	536,145	403,569
Transfers	3,279,800	3,470,190	3,678,430	3,899,130	4,133,060	5,984,663	5,842,946	7,114,053	6,922,237	6,241,453
Total governmental activities	20,992,528	20,328,190	20,753,502	29,181,272	30,587,632	31,830,827	36,734,118	40,475,302	43,585,287	43,705,927
Business-type activities:										
Sale of capital assets	12,099	41,647	16,238	12,287	-	-	-	-	-	21,052
Investment earnings	108,952	93,332	84,191	104,448	99,269	112,761	113,538	143,501	440,657	423,699
Franchise taxes	31,839	34,695	42,346	36,636	37,729	47,338	63,538	78,548	71,550	75,070
Miscellaneous revenues	1,004,172	1,061,375	1,355,953	1,264,737	1,297,947	1,385,982	1,448,139	1,276,343	2,091,152	-
Transfers	(3,279,800)	(3,470,190)	(3,678,430)	(3,899,130)	(4,133,060)	(5,984,663)	(5,842,946)	(7,114,053)	(6,922,237)	(6,241,453)
Total business-type activities	(2,122,738)	(2,239,141)	(2,179,702)	(2,481,022)	(2,698,115)	(4,438,582)	(4,217,731)	(5,615,661)	(4,318,878)	(5,721,632)
Total primary government	18,869,790	18,089,049	18,573,800	26,700,250	27,889,517	27,392,245	32,516,387	34,859,641	39,266,409	37,984,295
<b>Change in Net Position</b>										
Governmental activities	\$ (1,449,880)	\$ (662,956)	\$ (2,146,286)	\$ (1,903,878)	\$ (2,440,232)	\$ (10,089,283)	\$ 1,217,443	\$ (3,588,228)	\$ 5,730,982	\$ 6,207,829
Business-type activities	1,244,540	574,291	700,911	856,309	6,539,811	2,180,504	7,025,994	1,750,587	12,018,350	10,194,809
Total primary government	\$ (205,340)	\$ (88,665)	\$ (1,445,375)	\$ (1,047,569)	\$ 4,099,579	\$ (7,908,779)	\$ 8,243,437	\$ (1,837,641)	\$ 17,749,332	\$ 16,402,638

CITY OF APOPKA, FLORIDA

FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
 (Table 3)

	FISCAL YEAR									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Nonspendable	\$ 1,303,054	\$ 204,074	\$ 215,035	\$ 225,526	\$ 89,421	\$ 91,118	\$ 99,328	\$ 111,331	\$ 105,711	\$ 92,466
Restricted	913,180	974,665	964,801	1,017,749	956,252	759,251	661,521	687,275	796,724	874,849
Committed	861,940	940,180	703,445	512,591	979,146	784,439	750,930	1,074,938	1,328,513	985,141
Assigned	844,546	852,908	854,823	854,541	855,809	855,809	855,809	855,809	855,809	855,809
Unassigned	5,505,322	8,812,311	8,788,248	8,228,167	8,993,373	8,076,023	9,913,103	10,184,693	12,386,080	14,948,265
Total General Fund	<u>\$ 9,428,042</u>	<u>\$ 11,784,138</u>	<u>\$ 11,526,352</u>	<u>\$ 10,838,574</u>	<u>\$ 11,874,001</u>	<u>\$ 10,566,640</u>	<u>\$ 12,280,691</u>	<u>\$ 12,914,046</u>	<u>\$ 15,472,837</u>	<u>\$ 17,756,530</u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 394	\$ 841	\$ -
Restricted	1,260,275	1,057,476	1,209,722	1,139,173	951,570	1,723,072	1,736,575	1,550,185	2,514,141	2,233,502
Committed	9,864,959	10,808,015	11,174,083	9,560,679	10,472,918	12,502,585	12,497,874	12,215,055	14,036,685	14,769,326
Unassigned	-	-	-	-	(199,710)	(160,202)	(128,207)	(1,941,870)	(71,724)	(220,445)
Total all other governmental funds	<u>\$ 11,125,234</u>	<u>\$ 11,865,491</u>	<u>\$ 12,383,805</u>	<u>\$ 10,699,852</u>	<u>\$ 11,224,778</u>	<u>\$ 14,065,455</u>	<u>\$ 14,106,242</u>	<u>\$ 11,823,764</u>	<u>\$ 16,479,943</u>	<u>\$ 16,782,383</u>

CITY OF AOPKA, FLORIDA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
 (Table 4)

	FISCAL YEAR									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues</b>										
Taxes	\$ 14,322,374	\$ 13,548,609	\$ 13,656,428	\$ 13,821,953	\$ 14,265,977	\$ 14,720,245	\$ 17,499,600	\$ 18,780,588	\$ 20,758,050	\$ 21,962,946
Licenses, fees and permits	4,917,670	5,622,483	5,346,169	5,689,506	5,925,542	5,505,925	6,855,004	5,716,168	6,974,564	7,637,427
Intergovernmental revenues	7,025,456	7,125,242	7,908,753	8,432,322	9,050,848	9,313,030	3,331,797	11,426,573	14,854,621	11,450,956
Charges for services	3,133,490	3,592,856	4,295,677	4,645,228	3,840,745	3,679,022	10,507,000	3,778,925	4,322,624	4,677,062
Fines and forfeitures	1,670,414	2,288,933	2,588,781	1,597,545	1,957,258	2,386,499	3,434,861	2,156,740	1,598,682	390,716
Investment earnings	120,394	122,566	95,309	98,712	102,482	129,577	155,322	387,975	536,146	403,569
Special assessments	-	-	-	-	65,148	65,070	65,094	65,190	64,936	64,999
Impact fees	830,036	2,083,405	1,425,055	2,252,481	1,201,311	1,550,869	2,287,390	1,489,938	4,634,881	4,953,668
Miscellaneous revenues	870,854	841,424	1,070,763	892,989	690,711	933,413	1,751,079	1,885,419	1,865,232	636,560
Total revenues	<u>32,890,688</u>	<u>35,225,518</u>	<u>36,386,935</u>	<u>37,430,736</u>	<u>37,100,022</u>	<u>38,283,650</u>	<u>45,887,147</u>	<u>45,687,516</u>	<u>55,609,736</u>	<u>52,177,903</u>
<b>Expenditures</b>										
General government	5,345,545	6,003,034	5,008,060	7,702,765	5,829,309	7,921,687	8,391,320	7,580,579	7,470,266	8,374,222
Public safety	19,187,180	20,184,386	23,071,274	24,219,905	24,791,883	27,370,853	32,563,882	29,551,614	30,028,067	29,066,651
Physical environment	-	-	-	-	509,614	195,367	354,847	2,511,747	271,377	287,088
Transportation	3,015,783	3,293,003	3,669,943	3,969,041	4,097,371	3,377,495	7,264,173	4,766,150	4,871,379	7,092,148
Economic environment	153,360	159,094	199,791	208,436	228,422	241,467	283,246	61,391	27,826	69,110
Culture and recreation	2,469,829	2,161,492	3,057,061	3,314,348	3,272,959	3,639,456	3,713,298	3,265,265	3,498,445	3,669,255
Capital outlay	2,941,263	1,850,400	4,011,144	4,166,380	-	-	-	6,596,438	5,280,370	5,561,548
Debt service:										
Principal retirement	1,357,814	1,411,275	2,506,019	4,431,604	1,661,862	2,047,926	2,520,917	3,094,685	3,572,137	2,710,908
Interest and fiscal charges	590,511	536,680	499,535	431,184	299,374	276,541	251,560	292,552	297,136	228,479
Issuance costs	-	-	42,500	-	-	-	-	-	-	-
Total expenditures	<u>35,061,285</u>	<u>35,599,364</u>	<u>42,065,327</u>	<u>48,443,663</u>	<u>40,690,794</u>	<u>45,070,792</u>	<u>55,343,243</u>	<u>57,720,421</u>	<u>55,317,003</u>	<u>57,059,409</u>
Excess of revenues over (under) expenditures	(2,170,597)	(373,846)	(5,678,392)	(11,012,927)	(3,590,772)	(6,787,142)	(9,456,096)	(12,032,905)	292,733	(4,881,506)
<b>Other Financing Sources (uses)</b>										
Note proceeds	-	-	2,260,500	4,147,929	960,000	1,825,000	2,400,000	2,805,000	-	-
Transfers in	4,328,103	5,630,730	5,013,804	4,863,012	5,065,882	7,378,888	6,924,332	8,822,533	8,546,273	7,530,656
Transfers (out)	(1,048,303)	(2,160,541)	(1,335,374)	(963,882)	(932,822)	(1,394,225)	(1,081,386)	(1,708,480)	(1,624,036)	(1,289,203)
Sale of capital assets	-	-	-	-	58,065	-	-	-	-	22,224
Capital leases proceeds	-	-	-	-	-	510,795	2,967,988	464,729	-	-
Total other financing sources (uses)	<u>3,279,800</u>	<u>3,470,189</u>	<u>5,938,930</u>	<u>8,047,059</u>	<u>5,151,125</u>	<u>8,320,458</u>	<u>11,210,934</u>	<u>10,383,782</u>	<u>6,922,237</u>	<u>6,263,677</u>
Net change in fund balances	<u>\$ 1,109,203</u>	<u>\$ 3,096,343</u>	<u>\$ 260,538</u>	<u>\$ (2,965,868)</u>	<u>\$ 1,560,353</u>	<u>\$ 1,533,316</u>	<u>\$ 1,754,838</u>	<u>\$ (1,649,123)</u>	<u>\$ 7,214,970</u>	<u>\$ 1,382,171</u>
Debt service as a percentage of noncapital expenditures	6.1%	5.8%	7.9%	11.0%	4.8%	5.2%	5.0%	6.6%	7.7%	6%

**CITY OF APOPKA, FLORIDA**

**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS  
(UNAUDITED)  
(Table 5)**

<b>Fiscal Year</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Total Assessed Value</b>	<b>Less: Tax-Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>
2011	\$ 2,406,309	\$ 794,122	\$ 124,550	\$ 3,324,981	\$ 737,387	\$ 2,587,594	3.5168
2012	2,125,229	768,370	132,755	\$ 3,026,354	757,036	\$ 2,269,318	3.5166
2013	1,872,903	708,303	116,618	\$ 2,697,824	757,328	\$ 1,940,496	3.5164
2014	1,803,977	762,590	166,731	\$ 2,733,298	801,139	\$ 1,932,159	3.5161
2015	2,005,159	776,287	215,802	\$ 2,997,248	825,329	\$ 2,171,919	3.4727
2016	2,113,495	893,438	248,369	\$ 3,255,302	821,722	\$ 2,433,580	3.2876
2017	2,333,224	923,495	241,368	\$ 3,498,087	842,021	\$ 2,656,066	3.2876
2018	2,554,539	1,011,089	264,258	\$ 3,829,886	876,406	\$ 2,953,480	3.7876
2019	2,927,353	991,995	293,426	\$ 4,212,774	1,002,953	\$ 3,209,821	4.0376
2020	3,170,123	1,081,620	294,177	\$ 4,545,920	1,041,798	\$ 3,504,122	4.0376

Note: Property in the City is reassessed each year. Totals shown are per \$1,000.

**CITY OF AOPKA, FLORIDA**

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS  
(rate per \$1,000 of assessed value)  
(Table 6)**

<b>Fiscal Year</b>	<b>City Direct Rates</b>		<b>Overlapping Rates</b>			
	<b>Basic Rate</b>	<b>Total Direct Rate</b>	<b>Orange County</b>	<b>Orange County School Board</b>	<b>St. John's Water Management District</b>	<b>Library</b>
2011	3.5166	3.5166	4.4347	7.8940	0.4158	0.3748
2012	3.5164	3.5164	4.4347	7.8940	0.4158	0.3748
2013	3.5161	3.5161	4.4347	8.4780	0.3313	0.3748
2014	3.4727	3.4727	4.4347	8.3620	0.3283	0.3748
2015	3.2876	3.2876	4.4347	8.4740	0.3164	0.3748
2016	3.2876	3.2876	4.4347	8.2180	0.3023	0.3748
2017	3.7876	3.7876	4.4347	7.8110	0.2724	0.3748
2018	3.7876	3.7876	4.4347	7.4700	0.2724	0.3748
2019	4.0376	4.0376	4.4347	7.2990	0.2562	0.3748
2020	4.0376	4.0376	4.4347	7.1090	0.2414	0.3748

Source: Orange County Property Appraiser's Office

CITY OF APOPKA, FLORIDA

PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(Table 7)

Taxpayer	2020			2011		
	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
MRAD Phase 1 LLC	\$ 43,179,643	1	1.21%			
Oakmont Apopka Road LLC	38,484,193	2	1.08%	\$ 11,405,115	8	0.59%
Woolbright Wekiva LLC	24,038,746	3	0.67%	13,194,405	6	0.69%
Embarq (Sprint United Mgmt Co.)	23,682,999	4	0.66%	30,800,447	2	1.60%
Mid Florida Freezer Warehouse LTD	23,339,979	5	0.65%			
Coca Cola Company	16,740,830	6	0.47%	32,480,361	1	1.69%
Palm Key II Limited Partnership	15,387,929	7	0.43%			
Icon Hotels LLC	13,767,830	8	0.39%			
G and I VIII Piedmont Plaza	12,720,228	9	0.36%			
Qorvo (Triquint)	12,667,709	10	0.35%	22,742,694	3	1.18%
TWC Ninety One LTD				14,411,408	4	0.75%
Progress Energy				13,776,667	5	0.72%
Wal-Mart Stores East LP				11,888,865	7	0.62%
Apopka Associates 2006 LLC				10,499,474	9	0.55%
Lowe's Home Centers Inc				10,067,578	10	0.52%
Total	\$ 224,010,086		6.27%	\$ 171,267,014		8.91%

Source: Orange County Property Appraiser's Office Annual Report.

CITY OF APOPKA, FLORIDA

PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS  
(Table 8)

Fiscal Year	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
2011	\$ 7,557,782	\$ 7,254,684	95.99%	\$ 23,115	\$ 7,277,799	96.30%
2012	7,175,940	6,881,747	95.90%	73,339	6,955,086	96.92%
2013	6,800,777	6,648,428	97.76%	29,207	6,677,635	98.19%
2014	6,949,031	6,754,188	97.20%	34,816	6,789,004	97.70%
2015	7,129,637	6,754,188	94.73%	34,816	6,789,004	95.22%
2016	8,003,262	7,833,130	97.87%	40,901	7,874,031	98.39%
2017	10,070,026	9,873,451	98.05%	7,044	9,880,495	98.12%
2018	11,191,541	10,998,668	98.28%	13,910	11,012,578	98.40%
2019	13,158,440	12,668,440	96.28%	17,204	12,685,644	96.41%
2020	14,286,330	13,584,117	95.08%	8,274	13,592,391	95.14%

Source: Orange County Tax Collector's Office  
 \* 2011 Collections restated for presentation purposes  
 \* Includes CRA Ad Valorem Taxes

CITY OF APOPKA, FLORIDA

RATIO OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(Table 9)

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income <sup>(1)</sup>	Per Capita (1)
	Bonds Payable	Notes Payable	Capital Leases	Utility Revenue Bonds	Notes Payable	Capital Leases			
2011	\$ 246,000	\$ 8,390,000	4,545,090	\$ 20,260,000	\$ -	137,849	\$ 33,172,311	2.96%	\$ 788
2012	215,250	7,600,000	3,954,566	19,615,000	-	19,547	31,046,526	2.65%	725
2013	184,500	7,900,500	3,439,297	17,435,000	-	-	30,315,123	2.43%	687
2014	153,750	11,086,872	-	16,725,000	1,100,000	-	30,398,618	2.19%	666
2015	656,185	10,460,622	-	17,660,334	982,000	-	31,284,141	2.15%	672
2016	502,973	9,926,372	410,256	16,703,511	740,000	-	28,283,112	2.19%	591
2017	335,000	10,148,890	3,189,810	14,480,000	7,843,273	-	35,996,973	2.73%	724
2018	170,000	10,540,592	3,149,726	15,860,128	26,214,220	-	55,934,666	3.80%	1,082
2019	-	7,669,156	2,617,494	14,983,887	25,930,122	-	51,200,659	3.26%	958
2020	-	5,376,230	2,199,514	13,561,102	60,496,577	-	81,633,423	1.94%	1,522

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

<sup>(1)</sup> See Schedule 14 for personal income and population data.



**CITY OF APOPKA, FLORIDA**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
SEPTEMBER 30, 2020  
(Table 11)**

<u>Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable*</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Orange County School District**	\$ 1,102,548,781	3%	\$ 29,879,072
City Direct Debt (Governmental Activities)	7,575,744	100%	<u>7,575,744</u>
Total Direct and Overlapping Debt			<u><u>\$ 37,454,816</u></u>

**Source:**

Assessed value data used to estimate applicable percentage provided by the Orange County Property Appraiser (Form DR-403V). Debt outstanding provided by each government unit.

**Note:**

Overlapping governments are those that coincide, at least in part, with geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Apopka. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, is responsible for repaying the debt, of each overlapping government.

\* For debt repaid with property taxes, the percentage of overlapping debt was determined by taking the City's assessed taxable value and dividing it by Orange County's assessed taxable value.

CITY OF APOPKA, FLORIDA

PLEGGED REVENUE COVERAGE  
LAST TEN FISCAL YEARS  
(Table 12)

Fiscal Year	Utility Revenue Bonds						Coverage
	Utility Service Charges (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service			
				Principal	Interest		
2011	\$ 15,107,926	\$ 9,121,388	5,986,538	\$ 620,000	\$ 952,743	3.81	
2012	16,492,461	9,273,523	7,218,938	645,000	938,793	4.56	
2013	17,195,808	10,285,915	6,909,893	630,000	761,099	4.97	
2014	17,130,614	10,421,678	6,708,936	710,000	623,400	5.03	
2015	19,542,432	10,900,642	8,641,790	725,000	609,200	6.48	
2016	20,627,268	10,988,999	9,638,269	750,000	576,200	7.27	
2017	23,830,106	12,582,754	11,247,352	770,000	564,950	8.43	
2018	24,080,220	17,219,932	6,860,288	-	267,075	25.69	
2019	31,640,254	11,317,481	20,322,773	800,000	267,075	19.05	
2020	29,683,677	19,008,254	10,675,423	835,000	489,625	8.06	

**Note:** (1) - Gross Pledged Revenues include operating revenues, connection fees (Fund 401), and impact fees (Fund 403) Contributions from grants and disposal of fixed assets are not included.

(2) - Direct operating expenses include all personnel expenses and operating expenses (less depreciation) as per the Statement of Revenue and Expenditures (Fund 401).

**Source:** City of Apopka Finance Department.

**CITY OF APOPKA, FLORIDA**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**  
**(Table 13)**

<u>Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Unemployment Rate</u>
2011	42,089	\$ 1,119,365	26.595	38.7	10.4%
2012	42,805	1,172,559	27.393	35.4	8.0%
2013	44,129	1,245,100	28.215	35.4	5.6%
2014	45,669	1,385,049	30.328	34.1	5.1%
2015	46,571	1,454,785	31.238	34.1	4.2%
2016	47,826	1,291,828	27.011	36.6	4.0%
2017	49,750	1,320,826	26.549	36.6	3.9%
2018	51,676	1,473,851	28.521	37.3	3.2%
2019	53,447	1,571,342	29.400	37.5	4.4%
2020	53,632	1,586,595	29.583	37.3	5.5%

Sources: U.S. Census Bureau and [www.bebr.ufl.edu](http://www.bebr.ufl.edu)

CITY OF APOPKA, FLORIDA

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
(Table 14)

Employer	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Northrop Grumman	819	1	1.58%			
Wal-Mart Supercenter	811	2	1.57%	591	3	5.86%
Randall Construction	676	3	1.31%			
AdventHealth Orlando (Formerly Florida Health	671	4	1.30%	250	7	2.48%
Century Link (formerly Embarq & Sprint)	650	5	1.26%	2000	1	19.84%
City of Apopka	476	6	0.92%	399	4	3.96%
Orange County Schools	416	7	0.81%	1501	2	14.89%
Qorvo	322	8	0.62%			
Publix	242	9	0.47%	180	8	1.79%
Triquint (formerly SawTek)				350	5	3.47%
Florida Living Nursing Center				280	6	2.78%
Albertsons (2 Locations)				159	9	1.58%
Home Depot (opened 2004)				118	10	1.17%
Total	<u>5,083</u>		<u>9.84%</u>	<u>5,828</u>		<u>57.81%</u>

Source: City of Apopka Finance Department survey of local businesses.

**CITY OF AOPKA, FLORIDA**  
**FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(Table 15)**

Function	FISCAL YEAR									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Administration	14	13	11	10	11	11	10	7	5	9
Finance & Utility Billing	9	8	9	8	9	11	11	15	15	15
Human resources	3	3	3	3	3	4	4	5	5	3
Planning	7	7	8	8	7	8	11	10	10	10
Building	7	6	6	6	6	7	7	9	9	9
IT	6	7	7	7	5	6	7	7	7	7
Police										
Officers	91	88	90	90	90	97	107	108	112	112
Civilians	32	35	35	31	32	37	37	43	40	41
Fire										
Firefighters and officers	80	80	75	78	77	81	100	108	108	108
Civilians	2	3	6	2	3	2	2	2	2	2
Sanitation	17	16	16	18	17	18	18	18	18	18
Other public works										
Administration	7	7	9	9	8	9	9	9	9	9
Engineering	4	3	6	7	7	8	7	8	8	7
Purchasing	-	-	-	-	-	-	-	-	-	-
Construction	6	6	7	7	7	13	9	9	9	9
Water	21	22	22	21	19	17	18	23	23	22
Wastewater	22	21	20	21	19	20	23	24	24	26
Plant maintenance								11	11	11
Facilities maintenance	-	-	-	-	-	-	2	2	2	2
Restoration	-	-	-	-	-	-	4	4	4	4
Fleet	10	11	11	11	9	13	13	13	13	13
Streets	9	8	9	7	8	16	18	18	18	18
Cemetery	2	1	2	2	2	2	2	2	2	2
Parks and recreation	28	27	28	25	28	20	19	20	20	20
<b>Total</b>	<b>377</b>	<b>372</b>	<b>380</b>	<b>371</b>	<b>367</b>	<b>400</b>	<b>438</b>	<b>475</b>	<b>474</b>	<b>477</b>

Source: City Finance Department

**CITY OF APOPKA, FLORIDA**  
**OPERATIONS INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(Table 16)**

Function/Program	FISCAL YEAR									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Physical arrests	1,523	1,414	1,011	1,505	1,426	1,311	1,232	1,236	1,298	953
Parking violations	32	157	424	152	177	235	51	77	169	61
Traffic violations	2,283	1,764	3,636	3,459	3,522	2,058	0	2,568	2,519	2,183
Red Light Violations	16,754	22,422	27,630	22,283	23,204	31,773	26,602	34,282	8,014	-
Fire										
Emergency responses	5,093	5,418	4,973	5,298	5,563	6,523	7,532	8,484	8,876	8,222
Fires extinguished	158	143	103	110	107	138	137	136	134	164
Inspections	2,614	2,444	2,120	2,740	2,738	2,706	2,680	2,750	2,764	1,258
Refuse collection										
Refused collected (tons per day)	74.7	73.9	60.3	86.6	91.2	96	100	102	102	110
Recyclables collected (tons per day)	5.6	5.7	5.8	5.8	5.2	4	6	6	6.6	7
Other public works										
Street resurfacing (miles)	-	-	-	2.4	-	2	4	5	2	3
Parks and recreation										
Athletic leagues	9	10	10	7	7	7	7	7	8	5
Athletic leagues participants	3,201	2,175	2,375	2,415	2,395	2,453	3,552	2,572	2,227	2,030
Senior and Adult programs	14	10	10	13	11	13	18	19	21	21
Children's programs	4	5	5	6	6	7	7	9	9	4
Facility rental permits	666	3,269	3,327	3,423	3,368	3,393		1,687	1,998	447
Water										
New connections	239	333	405	427	356	670	198	434	651	651
Average daily consumption (millions of gallons)	7.35	7.01	6.79	6.82	7.16	8	8	8	8	9
Peak daily consumption (millions of gallons)	12.35	9.90	11.02	9.69	10.88	11	11	15	16	13
Wastewater										
Average daily sewage treatment (millions of gallons)	2.59	2.62	2.76	2.89	3.07	3	3	3	3	3
Reclaimed Water										
New connections	183	207	261	409	300	402	136	306	355	393
Average daily consumption (millions of gallons)	6.03	6.06	5.49	5.64	6.10	7	7	7	7	8
Peak daily consumption (millions of gallons)	10.61	9.85	9.39	9.62	11.00	11	4	17	17	13

**Sources:** Various City departments.

**Note:** Indicators are not available for the general government function.  
The red light program ended during 2019.

**CITY OF APOPKA, FLORIDA**  
**CAPITAL ASSETS STATISTICS BY FUNCTION**  
**LAST TEN FISCAL YEARS**  
**(Table 17)**

Function/Program	FISCAL YEAR									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	54	78	105	105	105	108	108	108	110	112
Fire stations	4	4	4	4	4	4	4	4	6	6
Refuse collection:										
Collection trucks	16	17	15	19	19	19	19	19	19	23
Other public works										
Street (miles)	203	203	203	266	300	303	306	378	191	196
Streetlights	134	134	134	134	134	134	134	134	134	134
Traffic signals	32	32	32	33	34	34	34	34	34	33
Parks and recreation										
Acreage	265.18	265.18	265.18	265.18	265.18	265.00	265.00	265.00	265.00	265.00
Playgrounds	7	7	7	7	7	7	7	7	7	7
Baseball/softball diamonds	14	14	14	14	14	14	14	14	14	14
Soccer/football fields	15	15	16	16	16	16	16	16	16	16
Community centers	4	4	4	4	4	4	4	4	4	4
Water										
Water mains (miles)	268	268	270	313	337	341	346	341	357	366
Fire hydrants	1,414	1,429	1,435	1,691	1,781	1,813	1,840	1,847	1,888	1,888
Total system capacity (millions of gallons)	46.84	46.84	46.84	46.84	46.84	46.84	47.00	47.00	47.00	51.00
Wastewater										
Sanitary sewers (miles)	218	218	219	245	250	254	258	267	271	281
Storm sewers (miles)	96	96	96	125	109	111	114	117	117	125
Treatment capacity (millions of gallons)	5	5	5	5	5	5	5	5	5	5
Lift stations	112	112	113	115	116	120	123	137	145	168
Reclaimed Water										
Reclaimed water mains (miles)	117	118	126	130	133	137	141	160	162	168
Total system capacity (millions of gallons)	16	16	26	26	26	31	31	31	31	31

**Sources:** Various City departments.

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## **OTHER REPORTS**

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

---

Honorable Mayor and Members of  
the City Council,  
City of Apopka, 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 Apopka, Florida (the "City"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 29, 2021.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as 2020-001, 2020-002, and 2020-003 that we consider to be material weaknesses.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City'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 financial statements. 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*.

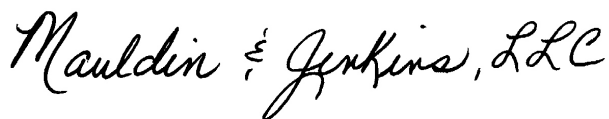
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**City's Response to Findings**

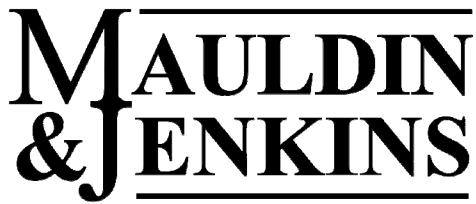
The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

**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 City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is written in a cursive, flowing style.

Bradenton, Florida  
June 29, 2021



CPAs & ADVISORS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
STATE PROJECT AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY CHAPTER 10.550,  
RULES OF THE AUDITOR GENERAL**

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Honorable Mayor and Members of  
the City Council,  
City of Apopka, Florida

**Report on Compliance for Each Major State Project**

We have audited the City of Apopka, Florida's (the "City") compliance with the types of compliance requirements described in the *Department of Financial Services' State Projects Compliance* Supplement that could have a direct and material effect on each of the City's major state projects for the year ended September 30, 2020. The City's major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with state statutes, regulations, and the terms and conditions of its state projects applicable to its State projects.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the City's major state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Auditor General*. Those standards and Chapter 10.550, *Rules of the Auditor General*, 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 State project 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 each major state project. However, our audit does not provide a legal determination of the City's compliance.

**Opinion on Each Major State Project**

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state project for the year ended September 30, 2020.

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## 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 state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state project and to test and report on internal control over compliance in accordance with Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control* over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state project on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state project 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been 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 Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.



Bradenton, Florida  
June 29, 2021

**CITY OF APOPKA, FLORIDA**  
**SCHEDULE OF STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

State Agency, Pass-through Grantor/Program Title/State Project	CSFA Number	Contract Grant Number	Expenditures	Passed Through to Subrecipients
<b>State Financial Assistance</b>				
Florida Department of Environmental Protection				
Wastewater Treatment Facility Construction	37.077	WW480211	9,585,536	-
Statewide Water Quality Restoration Projects	37.039	LP48022	249,468	-
Total expenditures of State Financial Assistance			<u>\$ 9,835,004</u>	<u>\$ -</u>

**NOTES:**

The Schedule of State Financial Assistance is a summary of the activity of the City's State financial assistance presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The information in the schedule is presented in accordance with the requirements of Chapter 10.550, Rules of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

For State Revolving Fund loans listed on the Schedule of State Financial Assistance, the City had the following loan balances outstanding as of September 30, 2020:

CSFA Number	Total Outstanding
37.077	\$ 59,261,434

The accompanying notes to financial statements are an integral part of this statement.

**CITY OF AOPKA, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**SECTION I**  
**SUMMARY OF AUDIT RESULTS**

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were presented in accordance with GAAP: Unmodified

Internal control over financial reporting:  
 Material weaknesses identified?  X yes  no

Significant deficiencies identified not considered to be material weaknesses?  yes  X none reported

Noncompliance material to financial statements noted?  yes  X no

**Federal Awards**

A federal Single Audit was not required as the City did not expend in excess of \$750,000 of federal expenditures during the year ended September 30, 2020.

**State Financial Assistance Projects**

Internal control over major program:  
 Material weaknesses identified?  yes  X no

Significant deficiencies identified not considered to be material weaknesses?  yes  X no

Type of auditor's report issued on compliance for major state project: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, *Rules of the Auditor General*?  yes  X no

Identification of major state project:

CSFA Number	Name of State Project
37.077	Wastewater Treatment Facility Construction

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000



**CITY OF APOPKA, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**SECTION II**  
**FINANCIAL STATEMENT FINDINGS AND RESPONSES**

**2020-001 Accounts Receivable and Revenue**

Criteria: To ensure that financial statements properly present the financial position and results of operations of the City in accordance with generally accepted accounting principles (GAAP), in addition to providing meaningful financial reports to City Council and management, the City should ensure that all revenue accruals are properly reflected at year-end. Additionally, reconciliations should be reviewed by management to ensure proper preparation of reconciliations, and that balance sheet accounts are properly supported.

Condition: During testing of the City's accounts receivable and premium tax revenues, we noted a receivable for premium tax revenue related to fiscal year 2020 was not recorded by the City as of September 30, 2020. An entry to increase the City's accounts receivable and increase revenues, as well as increase the City's accounts payable and increase expenditures, in the General Fund in the amount of \$839,450 was required to be recorded. Additionally, entries to record pension contribution receivable and contribution revenues were required in the Police Officers' and Firefighters Pension Funds in the amounts of \$509,018 and \$330,432, respectively. Additionally, during our testing of Accounts Receivable in the Utility and Sanitation funds, we noted detail utility bills receivables and the allowance for doubtful accounts were not properly recorded as of September 30, 2020. Net adjustments in the amount of \$53,293 and \$82,199 in the Utility and Sanitation Funds, respectively, were required to be posted.

Context/Cause: Finance Department oversight caused these accounts to be misstated.

Effect: Audit adjustments were required to be posted within the funds noted above for the fair presentation of the financial statements.

Recommendation: We recommend that the City implement a review process on all accounts and reconciliations to better identify any potential errors. We also recommend the City evaluate its period closing process to ensure subsidiary ledger reconciliations are being performed timely, properly, and are being reviewed by appropriate levels of management.

Management's Response: The premium tax revenues was not accrued to September 30, 2020 but received funds in November 2020. Due to prior year process in place, the entry was oversight and not posted until audit testing. The premium tax revenue entry affects receivable, revenues and expenses for a Casualty Insurance Premium Tax total of \$839,450 (\$509,018-Police and \$330,432-Fire). Accounts receivable in the Utility and Sanitation funds was adjusted based on current process established.

Plan of Action: All entries were identified and posted as late entries prior to closing FY2020. The City concurs with the adjustment noted above, adjusted the accounts receivable and has implemented procedures to ensure entries are reviewed by management. A meeting will be set up in July 2021 with the Audit Firm to review a PBC (Provided by Client) list to ensure no entries are missing.

**2020-002 Prior Period Adjustments**

Criteria: To ensure that financial statements properly present the financial position and results of operations of the City in accordance with generally accepted accounting principles (GAAP), in addition to providing meaningful financial reports to the City Council and management, the City should ensure that reporting of all financial statement line items are in accordance with current standards as issued by the Governmental Accounting Standards Board (GASB).

**CITY OF AOPKA, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**SECTION II**  
**FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)**

**2020-002 Prior Period Adjustments (Continued)**

Condition: During testing of the City's long-term debt, we noted the City has amortized its bond premium using the straight-line method, as opposed to the effective interest method required by GASB. An entry in the amount of \$469,310 was required to be posted to the beginning net position of the City's Utility Fund to properly state the balances. Additionally, during our testing of accounts receivable and intergovernmental revenues, we noted that the City did not properly accrue certain intergovernmental balances as of September 30, 2019. An adjustment was required to the beginning fund balance of the City's General Fund and Streets Improvement Fund in the amounts of \$786,134 and \$155,218, respectively. Lastly, during testing of the City's cash accounts, we noted reconciliation issues and mispostings, which dated back to September 30, 2019. An adjustment was required to the beginning fund balance of the City's General Fund in the amount of \$262,610.

Context/Cause: Finance Department oversight caused these accounts to be misstated.

Effect: Audit adjustments were required to be posted within the General Fund and Streets Improvement Fund for the fair presentation of the financial statements.

Recommendation: We recommend the City evaluate its period closing process to ensure subsidiary ledger reconciliations are being performed timely, properly, and are being reviewed by appropriate levels of management.

Management's Response: Former Finance Department followed the straight-line-method amortization instead of the effective interest method for prior years and had to adjust in accordance with GASB. A post audit entry of \$469,310 during testing was required to adjust the City's amortization premium discounts. An adjustment was required to record September 30, 2019 bank reconciliations mispostings.

Plan of Action: Bank Reconciliations must be completed in a timely matter and prior to a year end closing. The City concurs with the adjustment noted above, adjusted the accounts receivable and has implemented procedures to ensure entries are reviewed by management.

**2020-003 Other Audit Adjustments**

Criteria: To ensure that financial statements properly present the financial position and results of operations of the City in accordance with generally accepted accounting principles (GAAP), in addition to providing meaningful financial reports to City Council and management, the City should ensure that all accounts are properly reflected at year-end. Additionally, reconciliations should be reviewed by management to ensure proper preparation of reconciliations, and that balance sheet accounts are properly supported.

Condition: During testing of the City's accrued payroll, we noted the City did not properly accrue all wages owed as of September 30, 2020. An entry to increase the City's accrued payroll in the amount of \$215,204 in the City's General Fund, \$38,276 in the City's Utility Fund, \$9,526 in the City's Sanitation Fund, and \$5,235 in the aggregate remaining funds was required to be recorded. Additionally, during testing to the City's capital assets, we noted the City placed a new Utility Building in service on December 31, 2019, however, no depreciation expense was taken on the building during the fiscal year. This resulted in an adjustment to accumulated depreciation and depreciation expense in the Utility Fund in the amount of \$1,197,353 to be recorded.

Context/Cause: Finance Department oversight caused these accounts to be misstated.

Effect: Audit adjustments were required to be posted within the General Fund, Utility Fund, Sanitation Fund, and aggregate remaining funds as noted above, for the fair presentation of the financial statements.

**CITY OF AOPKA, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**SECTION II**  
**FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)**

**2020-003 Other Audit Adjustments (Continued)**

Recommendation: We recommend that the City implement a review process on all accounts and reconciliations to better identify any potential errors. We also recommend the City evaluate its period closing process to ensure subsidiary ledger reconciliations are being performed timely, properly, and are being reviewed by appropriate levels of management.

Management's Response: Payroll accruals were posted for 09/20/20 thru 09/26/2020 for the last week of the year but oversight lead to the lack of accrual for the additional four days of payroll accrual for the period including: 09/27/2020 thru 09/30/2020. Additionally, former Finance Director had scheduled depreciation to start October 1, 2020 on the above mentioned asset but it should have started based on project completion, which was December 31, 2019.

Plan of Action: The payroll entry was posted with an audit entry to reflect the correct accrual related to payroll wages at year end. A depreciation late entry was posted to adjust and correct depreciation from January through September 2020. A meeting will be set up in July 2021 with the Audit Firm to review a PBC (Provided by Client) list to ensure no entries are missing. The City concurs with the adjustment noted above, and has implemented procedures to ensure entries are reviewed by management.

**SECTION III**  
**FEDERAL/STATE AWARDS FINDINGS AND QUESTIONED COSTS**

Not applicable.

## CITY OF APOPKA, FLORIDA

### SCHEDULE OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED SEPTEMBER 30, 2020

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#### **2017-002 Fixed Assets (Material Weakness)**

During the prior audit, discrepancies between recorded balances of fixed assets and the recorded amounts in the City's fixed assets subsidiary ledger, as well as in the reconciliation between capital outlay and the fixed asset additions were noted. The amount of the discrepancies were not significant and correcting entries were made.

Criteria: To ensure that accurate and complete information is being captured, the City should review all account balances at year-end and reconcile to available fixed asset subsidiary ledgers.

Cause: The City implemented a new fixed asset system, which resulted in general ledger balances not being reconciled on a timely basis.

Effect: Discrepancies in fixed asset balances and fixed asset subsidiary ledgers were noted during the period and audit adjustments were made to the City's general ledger.

Status: The City has made corrections in this area and this finding has been corrected.

#### **2018-001 Utility Subledger Reconciliation (Material Weakness)**

Finding: During the 2018 audit, Utility Billing subledger activity was not being reconciled to the City's general ledger. The previous Finance staff had not identified any subledger reports or performed any reconciliations. In addition, customer service staff was performing activities without any specific knowledge of the related impact on the City's general ledger accounts.

Criteria: To ensure that accurate and complete information is being captured, the City should review and reconcile the utility system subledger activities to the City's general ledger.

Cause: Due to changes in the City's financial software and lack of training by former Finance department leadership, there were no City personnel who understood the reports available from the software and the relationship to the City's general ledger reporting.

Effect: The City did not identify and reconcile differences between amounts in the utility system subledgers and the City's related general ledger accounts.

Status: Partially resolved. See current year finding 2020-001.

#### **2018-002 Internal Controls over Financial Accounting (Material Weakness)**

During testing of controls, the following issues were noted: (a) Two journal entries did not have proper documentation of approval. (b) The accounting software system was not properly set up to ensure that journal entries required different users to enter and post to the general ledger. (c) One invoice related to a disbursement had no documentation of review and approval prior to payment. (d) Potential that an invoice can be paid more than one time due to software limitations. (e) Improper segregation of duties between review and posting of purchase orders prior to disbursement. (f) While there is an overall purchasing policy, there is no policy specific to the use of P-cards. (g) One P-card transaction had no documentation that the purchase order had been reviewed and authorized. (h) One P-card transaction where the support/invoice did not agree to the amount paid. (i) One P-card transaction where the expense was coded to the wrong general ledger account. (j) Three instances where there was no evidence that employees had properly signed out their P-cards. (k) It was noted that the same number sequencing was used for both E-payables and P-cards, making them indistinguishable from each other. (l) One payroll transaction where an employee's pay-rate in the Human Resources file was lower than the pay-rate per the payroll register.

## CITY OF APOPKA, FLORIDA

### SCHEDULE OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED SEPTEMBER 30, 2020

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#### **2018-002 - Internal Controls over Financial Accounting (Material Weakness) (Continued)**

(m) Two instances where cash receipts for fuel sales were not substantiated with proper documentation. While none of the items mentioned above individually would be considered a significant deficiency or material weakness, collectively, they rise to the level of a material weakness.

Criteria: In order to ensure appropriate financial accounting and reporting, the City should have proper internal controls.

Cause: Due to changes in the City's financial software and lack of training by former Finance department leadership, there was a breakdown in the implementation of the City's internal control and related policies and procedures.

Effect: Various instances where the City's internal controls and related policies and procedures were not properly followed.

Status: Resolved.

#### **2018-003 – Bank Reconciliations (Material Weakness)**

During the prior audit of the City's financial statements, testing of the cash balances were performed. During these procedures, it was noted that cash had not been reconciled during the fiscal year. When City staff completed these reconciliations, there was a positive adjustment to the City's cash balance.

Criteria: To ensure timely financial accounting and reporting, controls over cash should include timely bank reconciliations to ensure that any errors are identified and corrected on a timely basis (no later than 30 days following month-end).

Cause: Turnover in the City's Finance Department created a lack of management oversight for almost six months prior to a permanent Director being hired. This issue was exacerbated by the lack of knowledge and training of personnel related to the City's new accounting software and its reconciliation process.

Effect: Monthly bank account reconciliations are important internal control procedures relating to the City's cash accounts. Unreconciled amounts should be investigated and not be allowed to carry over from month-to-month.

Status: Unresolved. See current year finding 2020-002.

#### **2018-004 – Audit Adjustments**

During the prior audit, several account balances that required audit adjustments were noted. Below is a listing of areas where adjustments were required as a result of the audit process: (a) Immaterial adjustment to investments related to interest earned during the audit period. (b) Immaterial adjustment to unearned revenue that should have been recognized during the audit period. (c) Various adjustments to long-term debt accounts to reconcile general ledger amounts reported to amounts due to third parties. (d) Various adjustments to pension and other post-employment benefit general ledger account balances to agree to third-party actuary information.

Effect: Audit adjustments were identified and required to be made subsequent to the start of the year-end audit.

## CITY OF APOPKA, FLORIDA

### SCHEDULE OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED SEPTEMBER 30, 2020

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#### **2018-004 – Audit Adjustments (Material Weakness)**

Cause: Turnover in the City's Finance Department created a lack of management oversight for almost six months prior to a permanent Director being hired. This issue was exacerbated by the lack of knowledge and training of personnel related to the City's new accounting software and oversight and knowledge of the applicable year-end procedures.

Criteria: The City's management is responsible for establishing and maintaining accounting and reporting procedures, to ensure the City's financial statements are fairly presented in conformity with U.S. GAAP.

Status: Partially resolved. See current year finding 2020-003.

#### **MLO 2018-001 – Accounts Payable Detail Reconciliation**

During the prior two audits of the City's financial statements, it was noted that the accounts payable (AP) detail did not reconcile to the City's general ledger AP account.

Criteria: To ensure that AP is properly reported at year-end, the City should reconcile the detail AP report to the general ledger account balances for AP.

Cause: Due to changes in the City's financial software and lack of training by former Finance Department leadership, there were no City personnel who understood the reports available from the software and the relationship to the City's general ledger reporting.

Effect: The City did not identify and reconcile differences between amounts in the AP detail to the City's related general ledger accounts.

Status: Resolved.

#### **MLO 2019-001 – Retainage Payable Detail Reconciliation**

During the prior audit of the City's financial statements, it was noted that the City had not properly reconciled retainage payable resulting in variances between the subsidiary ledger and the general ledger.

Criteria: To ensure that retainage is properly reported at year-end, the City should reconcile the detail retainage payable report to the general ledger account balances.

Cause: Due to changes in the City's financial software and lack of training by former Finance Department leadership, there was no process in place to identify retainage from construction projects and the relationship to the City's general ledger reporting.

Effect: The City did not identify and reconcile differences between amounts in the retainage detail to the City's related general ledger accounts. It was noted that an adjusting entry to the liability account would have only been recorded with a corresponding asset entry resulting in a balance sheet entry. Therefore, management elected to pass on making an adjustment

Status: Resolved.

**CITY OF APOPKA, FLORIDA**  
**SCHEDULE OF PRIOR YEAR FINDINGS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2020**

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**MLO 2019-002 – Grant Documentation**

In performance of the prior year Single Audit of Hurricane Irma expenditures, it was noted that there was insufficient documentation related to the number of hours the City utilized its generators during the hurricane.

Criteria: To ensure grant compliance, the City should have a process in place to track the usage of generator for the purposes of maintenance as well as for third party purposes including potential grant reporting

Cause: Due to changes in the City's finance department, there were no processes in place to ensure proper review of grant documentation.

Effect: The City did not properly document review of grant submissions.

Status: Resolved.



## INDEPENDENT AUDITOR'S MANAGEMENT LETTER

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Honorable Mayor and Members of  
the City Council,  
City of Apopka, Florida

### **Report on the Financial Statements**

We have audited the financial statements of the City of Apopka, Florida (the "City"), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated June 29, 2021.

### **Auditor's Responsibility**

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

### **Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance For Each Major State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in these reports, which are dated June 29, 2021, should be considered in conjunction with this management letter.

### **Prior Audit Findings**

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. See the current year Schedule of Prior Year Findings for the status of all prior year findings.

### **Official Title and Legal Authority**

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

### **Financial Condition and Management**

Sections 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 has met one or more of the conditions described in Section 218.503(1), *Florida Statutes*, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*.



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

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

### **Special District Component Units**

Section 10.554(1)(i)5.c, *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), *Florida Statutes*. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), *Florida Statutes*.

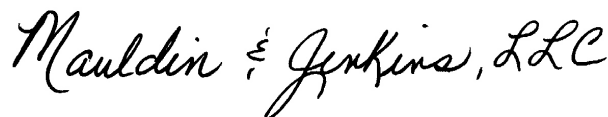
### **Additional Matters**

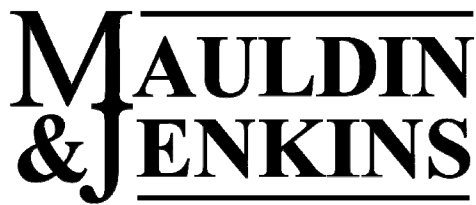
Section 10.554(1)(i)3., *Rules of the Auditor General*, require us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants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

### **Purpose of this Letter**

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

Bradenton, Florida  
June 29, 2021





CPAs & ADVISORS

## INDEPENDENT ACCOUNTANT'S REPORT

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Honorable Mayor and Members of  
the City Council,  
City of Apopka, Florida

We have examined the City of Apopka, Florida's (the "City") compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2020. Management of the City 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

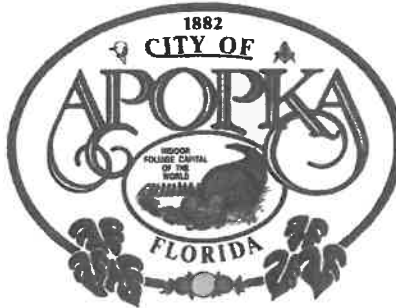
Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2020.

This report is intended solely for the information and use of the City and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Mauldin &amp; Jenkins, LLC". The signature is written in a cursive, flowing style.

Bradenton, Florida  
June 29, 2021




120 E. Main St. · APOPKA, FLORIDA 32703-5346  
PHONE (407) 703-1700

Tuesday, October 19, 2021

BEFORE ME, the undersigned authority, personally appeared Gladymir Ortega, who being duly sworn, deposes and says on oath that:

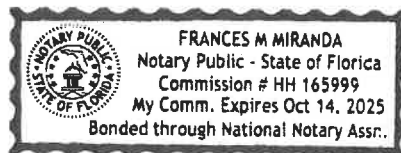
1. Starting January 21, 2021, I became the Finance Director of City of Apopka, a Florida municipal corporation (“City”).
2. To the best of my knowledge, the City has complied with Section 163.31801, Florida Statutes.

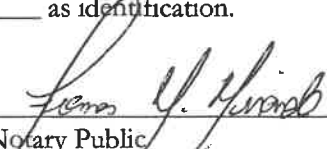
FURTHER AFFIANT SAYETH NAUGHT.

  
Finance Director

STATE OF FLORIDA  
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me by means of  physical presence OR  online notarization, this 19 day of October 2021, by Gladymir Ortega, who is  personally known to me OR  who has produced \_\_\_\_\_ as identification.



  
Notary Public

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**CITY OF APOPKA**  
**120 E. Main Street**  
**Apopka, FL 32703**  
**[www.apopka.net](http://www.apopka.net)**