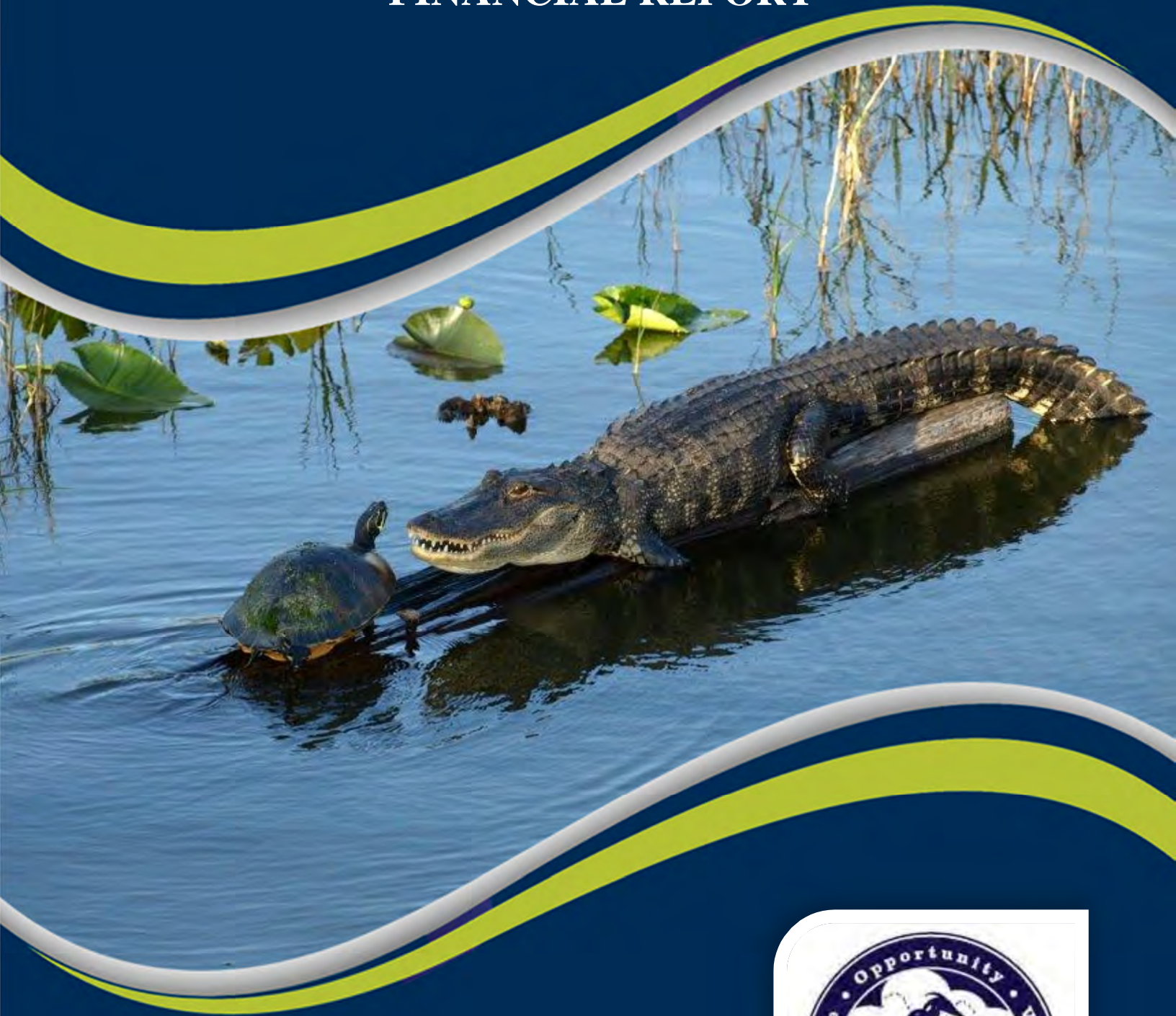


CITY OF EUSTIS, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT



**FISCAL YEAR ENDED
SEPTEMBER 30, 2020**





City of Eustis, FL | City Officials



Michael L. Holland
Mayor



Emily A. Lee
Vice Mayor



Ronald R. Neibert
City Manager



Marie H. Aliberti
Commissioner



Robert R. Morin, Jr.
Commissioner



Derek A. Schroth
City Attorney



Karen LeHeup-Smith
Commissioner

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

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INTRODUCTORY SECTION



City of Eustis

P.O. Drawer 68 • Eustis, Florida 32727-0068 • (352) 483-5430

April 29, 2021

To the Honorable Mayor, City Commissioners, and Citizens of Eustis:

It is an honor to submit this Comprehensive Annual Financial Report (now known as the Annual Financial Report) for the City of Eustis (City) for the fiscal year ended September 30, 2020. The report fulfills the requirements set forth by City ordinance and State law, in accordance with the City Charter Article V, Florida Statutes Chapters 11.45 and 218, and the Rules of the Auditor General 10.550, which requires that all local governments publish each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with auditing standards generally accepted in the United States by a firm of licensed certified public accountants.

This Annual Financial Report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with 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 that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Florida Statutes, Chapters 11.45 and 10.550, require that an annual financial audit be performed by independent certified public accountants. The audit was completed by Purvis Gray and Company, LLP; a firm of licensed certified public accountants meeting the additional requirements necessary to audit governmental units.

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 auditors expressed an opinion that the City's financial statements for the fiscal year ended September 30, 2020 are fairly stated in conformity with accounting principles in the United States. This is the most favorable conclusion and is commonly known as an "unmodified" or clean opinion. The independent auditor's report is presented as the first component of the financial section of this report.

The City is required to undergo an annual "Single Audit" in conformity with the provisions of the State of Florida and Federal Single Audit Act and Chapter 10.550 Rules of the Auditor General, State of Florida. The Single Audit is designed to meet the special needs of federal grantor agencies. The City did meet the threshold levels that require the Single Audit Report for the current year.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a 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 auditors.

Profile of the City

The City of Eustis is located in Lake County, Florida, approximately 25 miles northwest of Orlando, Florida. At present, the City's boundaries span over 12 square miles of gently rolling countryside and lakes, with a service area of approximately 26 square miles. The City was incorporated in 1883, and adopted its present charter in 1992. A Charter Review Committee made appropriate recommendations, which updated and streamlined the charter to current state statutes.

Lake County is part of the Orlando Metropolitan Statistical Area (MSA). The area is composed of multiple counties, including Orange, Seminole, and Osceola. The inclusion of Lake County in the Orlando MSA indicates that a preponderance of the people live and work, as well as earn, and spend money in this defined geographic area. The hub of this MSA is Orange County and Lake County serves as a residential unit of the MSA.

The City, with an estimated population of 21,594, provides a full-range of general municipal services including:

- ✓ Building Inspections
- ✓ Code Enforcement
- ✓ Community and Economic Development
- ✓ Parks, Recreation, Library, and Cultural Affairs
- ✓ Police and Fire Protection
- ✓ Stormwater Management
- ✓ Street Maintenance, Traffic Engineering, and Parking
- ✓ Water and Wastewater Services

Internal support services include the following:

- ✓ Accounting and Financial Reporting
- ✓ Accounts Payable and Accounts Receivable
- ✓ Asset Management and Property Control
- ✓ Budget and Budget Monitoring
- ✓ Citywide Management
- ✓ Debt Management
- ✓ Treasury Management
- ✓ Facilities Management
- ✓ Human Resources, Labor Relations, and Risk Management
- ✓ Information and Computer Systems
- ✓ Procurement Services
- ✓ Public Relations

Solid waste disposal is provided under a franchise agreement, and is performed by a private company. The present agreement will expire December 31, 2024, in which the City will issue a request for proposal (RFP) for competitive bids.

In addition to the above activities, the City exercises oversight responsibility for the Community Redevelopment Agency. Accordingly, these activities are included in the reporting entity and reflected in Note 1 in the *Notes to the Financial Statements*.

The City utilizes a Commission/Manager form of government. Five Commission members are elected to staggered four-year terms. Each year the Commission chooses a new Mayor and Vice Mayor from the existing group of Commissioners. Elections are held on the first Tuesday after the first Monday in November and the winners take the seat during the first meeting in January.

The City Manager is a full-time position appointed by the Commission and serves as the City's Chief Executive/Administrative Officer. The City Manager, per the charter, appoints both the Finance Director and the City Clerk. Once the City Manager appoints these positions, the City Commission must also approve the positions. The charter authorizes departments for Finance, Police, Fire, Water, Sewer, and Public Works. Other departments may be established by ordinance upon recommendation of the City Manager. A Director shall head each department, subject to discretion of the City Manager.

The annual budget serves as the foundation for the City's financial planning and control. All City departments are required to submit requests for appropriations to the City Manager. The City Manager uses these requests as the basis for developing the proposed budget. The City Commission must approve all amendments to the over threshold budget. Staff prepares a resolution for any increase in expenditures to amend the budget.

The City Manager presents the proposed budget to City Commission for review no less than forty-five (45) days before the expiration of each fiscal year. The City Commission is required to hold two (2) public hearings on the proposed budget and adopt a final budget no later than September 30th, the close of the City's fiscal year. The appropriated budget is prepared by fund, function, and department. Budgets for all governmental fund types are adopted consistent with generally accepted accounting principles. Budget-to-actual comparisons are provided for each governmental fund.

The City also prepares a five-year Capital Improvement Plan, which is reviewed and updated annually. The Five-Year Capital Improvement Plan, provides a City-wide plan for utility improvements, equipment replacements, and projects related to growth. The plan details the development of revenue projections and capital needs assumptions. The Sales Tax Capital Projects Fund revenue continues to provide many improvements that benefit the community, such as infrastructure, police and fire vehicles and equipment, along with parks and recreation enhancements.

In general, both budgeted revenue and operating expenditures are currently very conservative and calculated based on the most recent history for revenue with a modest increase for expenditures. In addition to the general assumptions, each department estimates the manpower and equipment necessary to maintain adequate levels of service. The City currently maintains a healthy unassigned fund balance in the General Fund of \$9.073 million, which is 95.72% of total fund balance, which includes an emergency contingency of \$0.4 million and an operating reserve of \$4.2 million.

As stated above, the City develops multi-year forecasts for the major funds and capital improvement plan. Some of the key projects reflected in the capital improvement plans are:

- ✓ Multiple Community Park improvements including Finalization of Ferran Park
- ✓ Street rehabilitation including sealing and resurfacing projects
- ✓ Library facility maintenance and computer upgrades
- ✓ City-wide Information Technology Upgrades
- ✓ Water and sewer improvements
- ✓ Public Safety vehicle replacement program
- ✓ Improvements to buildings
- ✓ Major Equipment upgrades in Public Works

Factors Affecting Financial Condition

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

Local economy – The local economy has hit a stumbling block with the rise in the COVID-19 pandemic going forward. For the past several years, the assessed taxable value of real and personal property has increased. This year's tax value of \$1,199,556,839 represents an increase of 8.20%. In addition, the unemployment rate for the County rose from 2.9% to 7.4% as of September 2020 and as of January 2021 the unemployment rate has fallen to 5.4% representing a 27.0% decrease since September 2020. The average unemployment for Lake and the surrounding counties was 6.68% in September of 2020 and 5.42% in January of 2021, representing an 18.9% decrease since September 2020. While the unemployment is similar Lake County has been hit slightly higher than the average. It is believed that the revenues collected for various taxes will be reduced for the FYE 9/30/20 and assessable taxable values may begin to decrease in FYE 9/30/21.

The tax base of the City is primarily residential in nature, as evidenced by the number of utility accounts served. With over 13,000 utility accounts, the City maintains over 800 commercial accounts. This proportion illustrates that the City is more of a bedroom community for the Orlando MSA. Based on these facts, the City has addressed its needs for the future, recognizing that the direction has shifted from an agricultural community to one that is substantially residential.

The State of Florida has found the City's Comprehensive Plan, mandated under the state growth management regulations, to be in compliance with the statutory requirements. The plan's objective is to address the needs of a predominantly residential sector with provisions for light commercial and industrial sectors, and to establish a well-rounded community that serves the needs of the citizens. This plan reinforces and establishes the future direction of the City.

Based on current and future needs as set forth in the Comprehensive Plan, the City has identified and established appropriate projects and funding sources to assist in the completion of the goals. A State Revolving Loan and a Revenue Bond provides funding for the immediate needs for water, sewer and other infrastructure. The City adopted impact fees for water, sewer, recreation, police, fire, and library services.

The City adopted new Land Development Regulations (LDRs) in 2008 and the Commission adopted amendments in 2015, 2016, 2017 and 2019. The LDRs set forth requirements for density, open space and compatibility. The City has established a Joint Planning Area with the County, and provides review and comment on any County projects in that designated area. New development in the unincorporated area of the Joint Planning Area requesting water service

must either annex into the City or sign an annexation agreement with the City to develop in accordance with the City standards.

Long-term financial planning

Major Initiatives

During fiscal year 2020, several major projects were completed or started that will transform the City going forward. Listed below are items of interest.

- The City has a **Police Department** vehicle replacement program for vehicles over seven years with a cost benefit analysis of functionality verses service and repairs. This year the City acquired five Ford Interceptors and two Ford Fusions with funds provided by the sales tax project.
- The City provides **economic incentives** for the construction of multi-family, mixed use, and/or non-residential property within the Community Redevelopment Area (CRA), as well as in all other areas of the City. Projects with a value of more than \$500,000 are eligible. The incentive is 2% of the construction value with a maximum of \$30,000. If the project is within the CRA, an additional 2% may be used with a maximum voucher of \$60,000. The credit vouchers may be applied to the cost of impact fees, building permits, and other city fees associated with the new construction. Recently, the program provided incentives to the construction of the Valencia Grove housing project.
- The City finished a major overhaul of the Ferran Park which is the premiere park in the City. This park holds numerous events including Georgefest, Buskers, Bike Rally & Music Fest, and Christmas walk.
- Upgrades of major equipment needs such as major equipment replacements, water and sewer line upgrades, storage tanks and engineering for the wastewater treatment facility.
- Each year the money is set aside to address the constant need for upgrades to the streets, sidewalks and other infrastructure needs of the City.

The City will achieve its mission to create a superior quality of life by engaging and partnering with the community to provide financially prudent and customer friendly services through efficient organization and utilization of resources

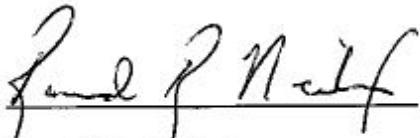
Awards and Acknowledgements – The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement of Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2019. This was the 32nd consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized annual report. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Staff believes that the current annual report continues to meet the Certificate of Achievement Program's requirements, and will submit it to the GFOA to determine its eligibility for another certificate.

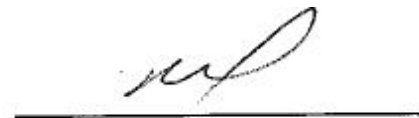
The City received the GFOA's Award for Distinguished Budget Presentation for its annual financial plan for the fiscal year beginning October 1, 2019 and we are awaiting the results of the 2020-21 budget submittal. This was the fourth year, the City has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged proficient in several categories including policy documentation, financial planning, organization, and as communication medium. We expect to continue to achieve this distinction.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff in Finance. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. We also thank the Mayor and the Commissioners for your support in maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ronald R. Neibert", written over a horizontal line.

Ronald R. Neibert
City Manager

A handwritten signature in black ink, appearing to read "Mike Sheppard", written over a horizontal line.

Mike Sheppard
Finance Director

CITY OF EUSTIS, FLORIDA

List of Elected and City Officials

September 30, 2020

Elected Officials City Commission

<u>Title</u>	<u>Name</u>	<u>Seat</u>	<u>Current Term of Seat</u>
Mayor	Michael L. Holland	2	1/2019 through 12/2022
Vice Mayor	Emily A. Lee	5	1/2019 through 12/2022
Commissioner	Karen LeHeup-Smith	1	1/2019 through 12/2022
Commissioner	Marie Aliberti	3	1/2017 through 12/2020
Commissioner	Robert R. Morin	4	1/2027 through 12/2020

Appointed and Key Officials

City Manager	Ronald R. Neibert
Legal Counsel	Derek A. Schroth
Director of Finance	Mike Sheppard
City Clerk	Mary C. Montez
City Attorney	Derek A. Schroth

Executive Team

City Manager	Ronald R. Neibert
City Clerk	Mary C. Montez
Director of Finance	Mike Sheppard
Police Chief	Gary Calhoun
Fire Chief	Michael Swanson
Director of Public Works/Public Services	Richard Gierok
Director of Human Resources	William Howe
Director of Development Services	Lori Barnes
Director of Economic Development	Thomas Carrino
Director of Eustis Memorial Library	Ann S. Ivey
Director of Parks and Recreation	Joe LaPolla

Division Heads

Director of Purchasing	Tracy M. Jeanes CPPB, FCCM, FCCN
Street Superintendent	Joseph Jones
Wastewater Superintendent	Bill Johnston
Water Superintendent	Greg Dobbins



Government Finance Officers Association

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

Presented to

City of Eustis, Florida

For its Comprehensive
Annual Financial Report
for the Fiscal Year Ended

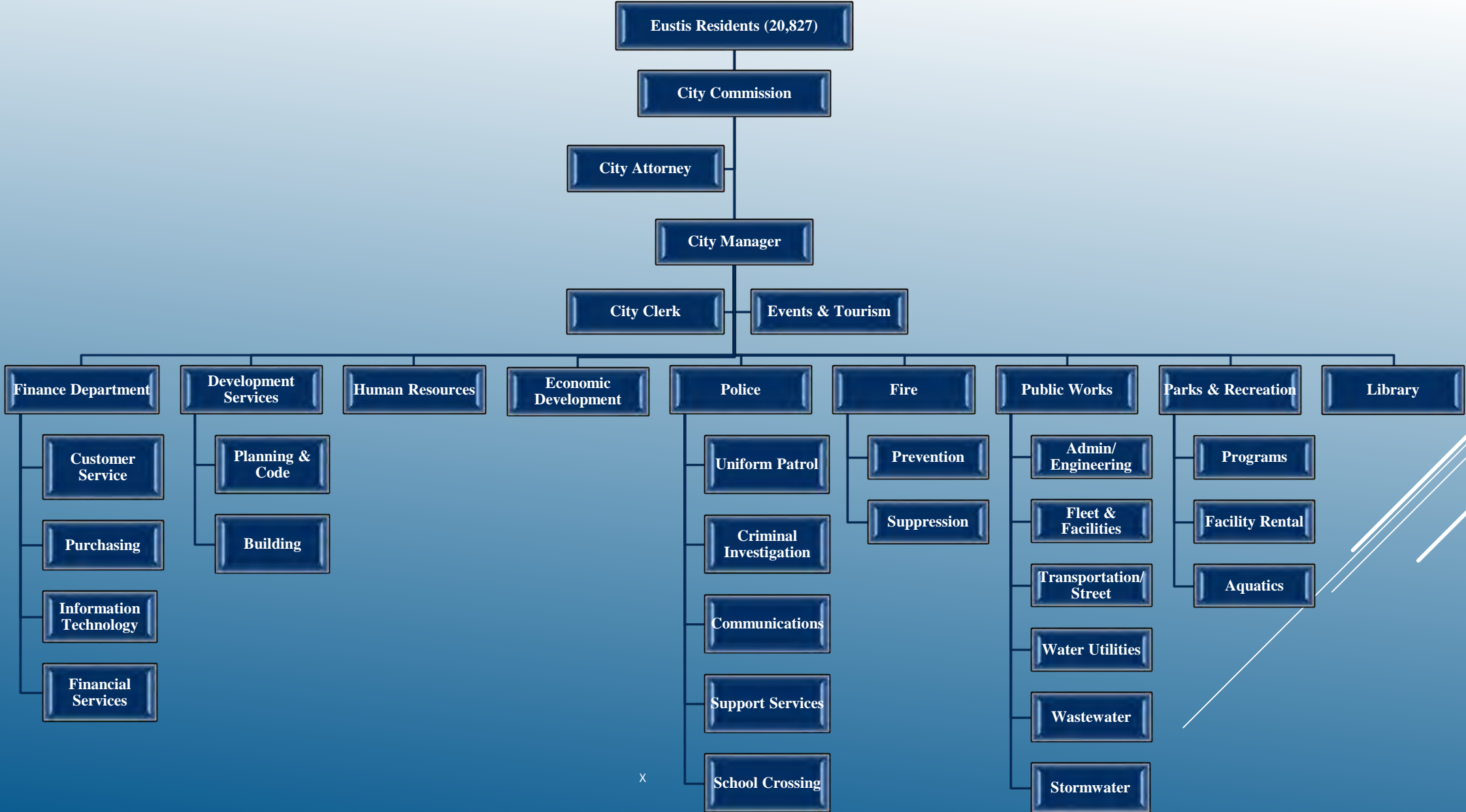
September 30, 2019

Christopher P. Morrell

Executive Director/CEO

CITY OF EUSTIS

ORGANIZATIONAL CHART





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FINANCIAL SECTION

**This Sections contains the following
Subsections:**

AUDITOR'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

BASIC FINANCIAL STATEMENTS

FUND FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

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 Eustis, 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.

CERTIFIED PUBLIC ACCOUNTANTS

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purvisgray.com

Members of American and Florida Institutes of Certified Public Accountants

An Independent Member of the BDO Alliance USA

Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

INDEPENDENT AUDITOR'S REPORT

Opinions

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

Emphasis of a Matter – COVID-19

As more fully described in Note 1 to the financial statements as a subsequent event, the City may be operationally and financially impacted by the outbreak of the novel coronavirus (COVID-19) pandemic.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in net pension liability and related ratios, schedule of proportionate share of net pension liability and schedule of contributions, as listed in the table of contents, 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 management's discussion and analysis, budgetary comparison information, schedule of changes in net position liability and related ratios, schedule of proportionate share of net pension liability and schedule of contributions, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual non-major fund financial statements and budgetary schedules, and statistical section, are presented for the purpose of additional analysis, and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards, Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements.

Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

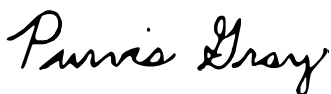
INDEPENDENT AUDITOR'S REPORT

The combining and individual non-major fund financial statements, the non-major fund budgetary schedules, and the schedule of expenditures of federal awards is 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 non-major fund financial statements, the non-major fund budgetary schedules, and the schedule of expenditures of federal awards is 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 26, 2021, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



May 26, 2021
Ocala, Florida



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MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of the City of Eustis, we offer readers of the City's financial statement this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2020. We encourage readers to consider the information presented here, in conjunction with additional information that is furnished in the City's financial statements.

Financial Highlights

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year 2020 by \$115,083,396 (net position). Of this amount, \$8,655,478 (unrestricted net position) may be used to meet the government's ongoing obligation to citizens and creditors.

The City's net position increased by \$1,243,972 of which governmental activities net position increased by \$596,080 and proprietary funds net position increased by \$647,892.

At September 30, 2020, the City's governmental funds reported combined ending fund balance of \$14,612,530, which is a decrease of total fund balance \$694,862 from prior year. Contributing to the decrease in fund balance were reduction in revenue due to COVID-19 and increase in operating expenditures in the General Fund. The decrease is in net revenues is in Street Improvements, Stormwater, Sales Tax, Law Enforcement Trust, Impact Fee and Public Library Trust funds; the increase in current year operating expenditures is in the Public Safety, Finance & Administration, Legal and Development Services funds.

The City's capital assets increased overall by \$3,339,770 with business-type activities contributing a decrease in capital assets of \$853,182 and governmental activities responsible for over \$4 million increase. The majority of the increase in the government-type activities is due to the Community Redevelopment Trust Fund land purchasing: \$3,000,000. Variety of Improvements have been made over the fiscal year 2020 such as Palmetto Point, Hazelton Dog Park, Ferran Park and Ardice / Ruleme Improvements. Several vehicle replacements and equipment for Police, Fire and Public Works Departments have been purchased as well. While business activities include purchase of replacement laptops and equipment for Water and Wastewater departments, two vehicle replacements for Wastewater department, specialized machinery for Public Works and various Infrastructure Improvements to City streets.

The City's total long-term debt increased by \$1,485,991. Governmental long-term debt increased by \$2,752,525 and business-type activities long-term debt decreased by \$1,266,534. The increase in governmental activities is a due to \$3,000,000 CRA land purchase project and business type activities decrease is due to regularly scheduled debt service payments.

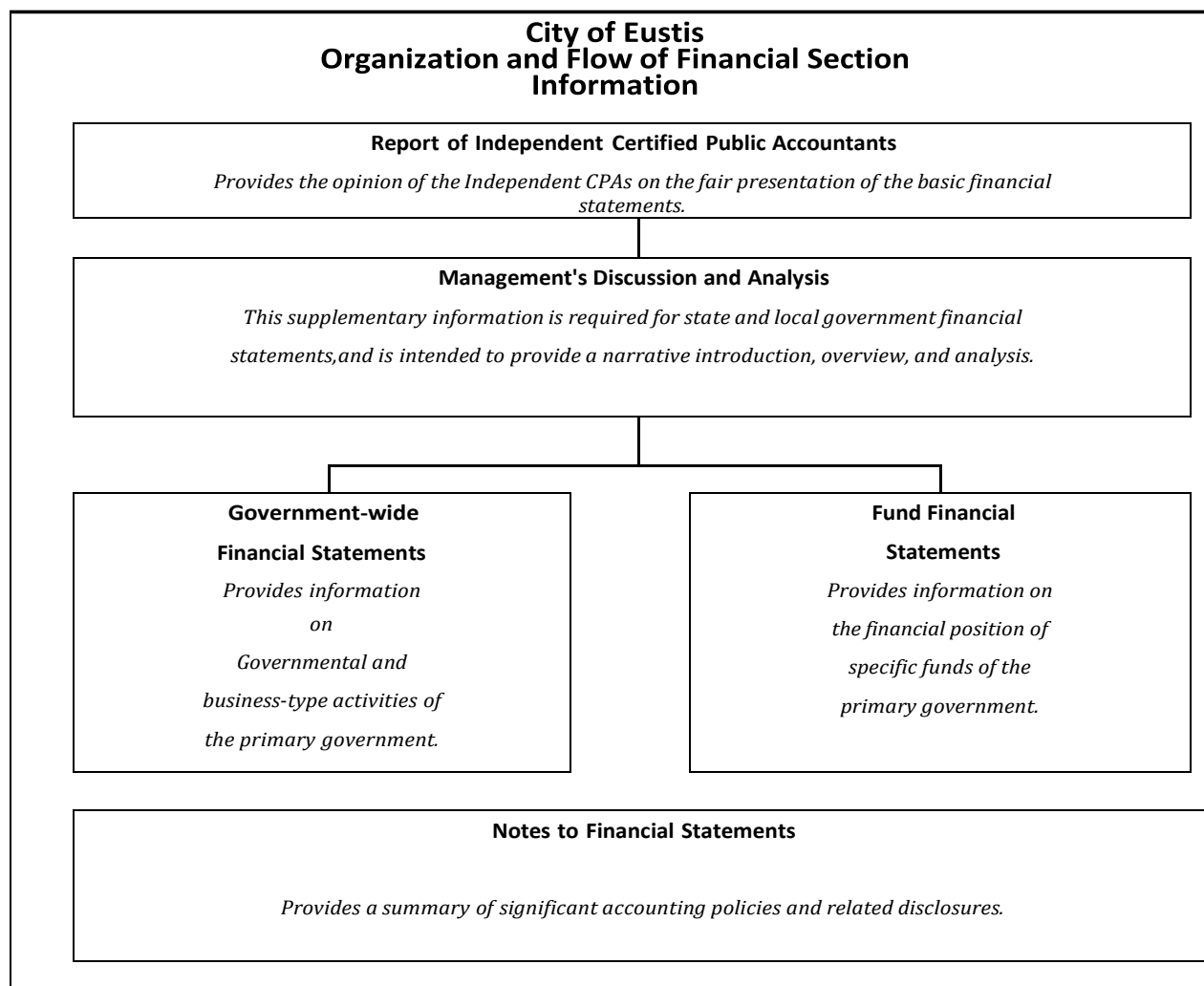
Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components:

1. Government-wide financial statements.
2. Fund financial statements.
3. Notes to the financial statements.

The basic financial statement present two different views of the City through the presentation of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the City of Eustis.

Table 1: Organization and Flow of Financial Section Information



Government-wide financial statements - The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private sector business. The government-wide statements provide short and long-term information about the City's financial status as a whole.

The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time an increase or decrease in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the time of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave). Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (government activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the City include:

1. General Government
2. Public Safety
3. Physical Environment
4. Transportation (Streets & Highways)
5. Culture and Recreation

The business-type activities of the City include the Water and Sewer Utility Fund. Solid waste is franchised to an independent contractor.

The government-wide financial statements do not include any component units which would be reported separately. The City does, however, have three blended component units. These are represented as part of the audited financial statements of the City. The units include the Fire and Police Retirement Funds as well as the City of Eustis Community Redevelopment Trust Fund, which is also known as the Community Redevelopment Area (CRA) including Downtown and East Eustis.

The government-wide financial statements can be found on pages 41-43 of this report.

Fund financial statements – The fund financial statements provide a more detailed look at the City's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City can be divided into three categories:

1. Governmental Funds
2. Proprietary Funds
3. Fiduciary Funds

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and change in fund balances for the General Fund, four special revenue funds, and one capital projects fund, all of which are considered to be major funds. Data from the other six funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund, as well as all of the special revenue funds and the capital projects fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements are presented on pages 44-47 of this report.

Proprietary Funds – The City maintains only one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government wide financial statements. The City uses enterprise funds to account for its Water and Sewer System operations.

Proprietary funds provide the same type of information as the government wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Water and Sewer System, which is considered a major fund of the City

The basic proprietary fund financial statements are presented on pages 49-55 of this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting for fiduciary funds is similar to proprietary funds. The fiduciary funds include pension trust funds for police and fire.

Notes to The Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government wide and fund financial statements. The notes to the financial statements begin on page 58 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's required contributions to provide pension benefits to its employees and post-employment benefits (OPEB). Required supplementary information can be found beginning on page 109 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions and OPEB. Combining and individual fund statements and schedules can be found starting on page 125 of this report.

Official statistical information that provides quantitative or qualitative information on all major areas of City of Eustis community, such as economic and social development, living conditions, water and sewer usage and rates, taxes, education, and the environment can be found on page 136 of this report.

Government Wide Financial Analysis Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$115,083,396 at the close of the fiscal year ended September 30, 2020. The table below reflects the condensed government-wide Statement of Net Position.

Table 2: Statement of Net Position

The largest portion of the City's net position reflects its investment in capital assets (e.g. land, buildings, infrastructure, and improvements other than buildings, vehicles and equipment), less any related debt used to acquire such assets. Net investment in capital assets represent 82.69% of the total net position. The City uses these capital assets to provide a variety of services to its residents. Accordingly, 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 used to liquidate these liabilities.

Restricted Net Position of \$11,259,733 reflects net position that is restricted by an outside third party as to its use. The most significant restrictions for governmental activities include net for capital projects based on the voter approved one cent sales tax legislation and net position restricted for community development due to collection within the City's Community Redevelopment district. Business-type activities include debt related restrictions on net position for renewal and replacement and restricted net position for capital projects for impact fees collected but not spent.

Unrestricted net position of \$8,655,478 is available to be used to meet the City's ongoing obligation to citizens and creditors.

City of Eustis, Florida Statement of Net Position as of September 30

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Assets						
Current and other assets	\$ 17,967,956	\$ 17,030,059	\$ 21,330,493	\$ 20,758,994	\$ 39,298,449	\$ 37,789,053
Capital Assets (Net)	66,219,747	62,026,794	43,855,329	44,708,512	110,075,076	106,735,306
Total Assets	84,187,703	79,056,853	65,185,822	65,467,506	149,373,525	144,524,359
Deferred Outflows of Resource	2,989,367	1,540,074	242,101	132,409	3,231,468	1,672,483
Liabilities						
Current and other liabilities	3,228,769	1,447,515	1,390,944	1,016,706	4,619,713	2,464,221
Long-term liabilities	17,138,807	13,052,692	12,787,291	13,869,890	29,926,098	26,922,582
Total Liabilities	20,367,576	14,500,207	14,178,235	14,886,596	34,545,811	29,386,803
Deferred Inflows of Resources	2,556,645	2,439,953	419,140	530,663	2,975,785	2,970,616
Net Position:						
Net Investment in						
Capital Assets	62,646,999	59,969,021	32,521,186	33,274,730	95,168,185	93,243,751
Restricted	4,763,432	5,588,178	6,496,301	6,975,120	11,259,733	12,563,298
Unrestricted	(3,157,583)	(1,900,432)	11,813,061	9,932,806	8,655,478	8,032,374
Total Net Position	\$ 64,252,848	\$ 63,656,767	\$ 50,830,548	\$ 50,182,656	\$ 115,083,396	\$ 113,839,423

Statement of Activities

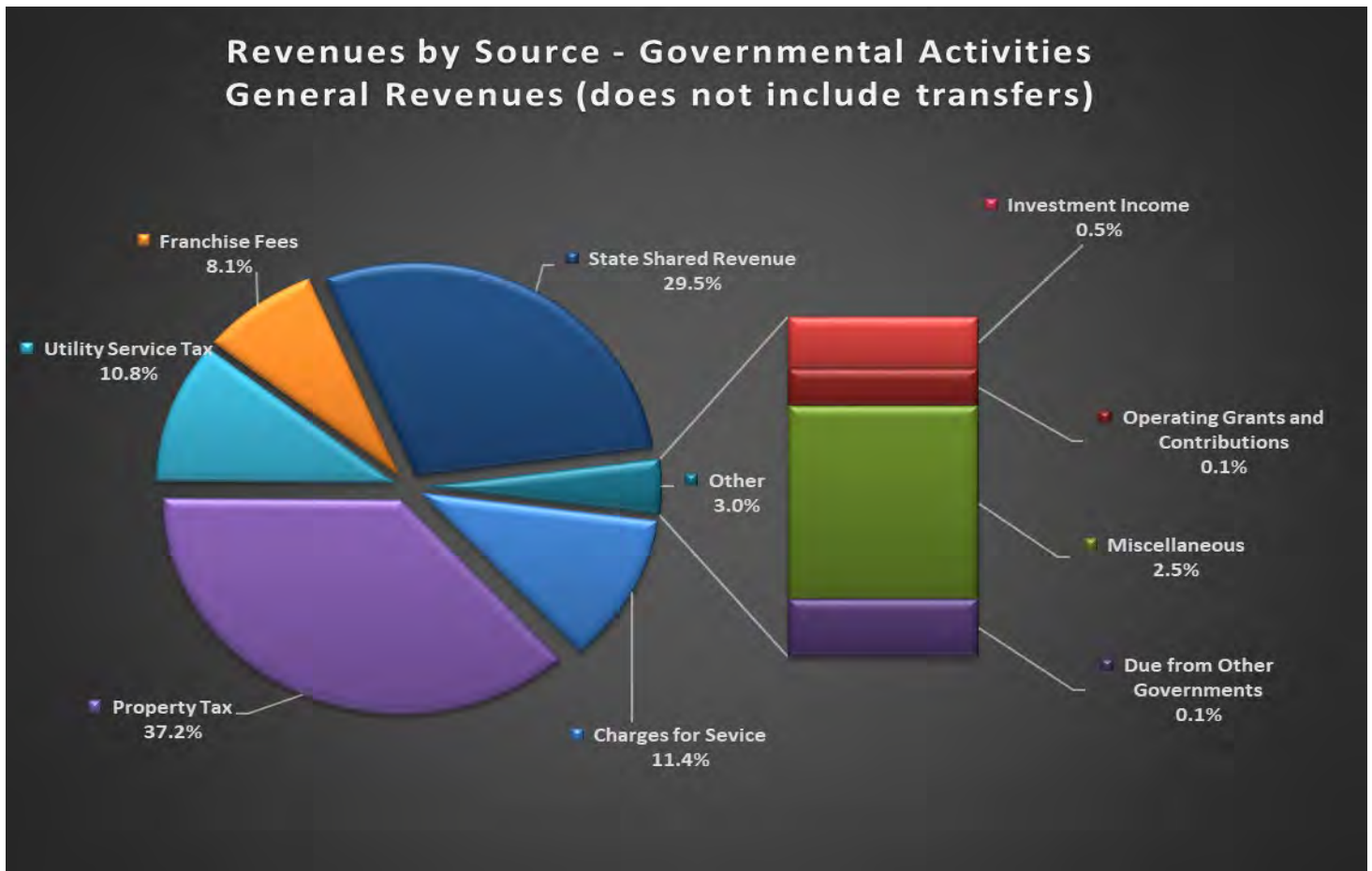
The key elements of the changes in the City's net position for the fiscal year ended September 30, 2020 and September 30, 2019 are as follows:

Table 3: Statement of Activities

City of Eustis, Florida Changes in Net Position						
	Governmental Activities		Business-type Activities		Total	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
REVENUES						
Program Revenues:						
Charges for Services	\$ 2,431,260	\$ 2,007,114	\$ 11,361,412	\$ 11,005,913	\$ 13,792,672	\$ 13,013,027
Operating Grants and Contributions	1,471	612,925	-	-	1,471	612,925
Capital Grants and Contributions	-	791,567	495,307	355,781	495,307	1,147,348
General Revenues:						
Property Taxes	7,909,015	7,270,242	-	-	7,909,015	7,270,242
Utility Taxes	2,291,700	1,717,694	-	-	2,291,700	1,717,694
Franchise Fees	1,729,050	2,719,237	-	-	1,729,050	2,719,237
State and Other Shared Revenues	6,270,038	4,999,895	-	-	6,270,038	4,999,895
Investment Income	100,665	236,734	98,759	233,292	199,424	470,026
Miscellaneous	522,213	1,077,196	136,309	10,526	658,522	1,087,722
Total Revenues	<u>21,255,411</u>	<u>21,432,604</u>	<u>12,091,787</u>	<u>11,605,512</u>	<u>33,347,199</u>	<u>33,038,116</u>
EXPENSES						
General Government	5,258,186	4,983,675	-	-	5,258,186	4,983,675
Public Safety	10,264,565	9,794,225	-	-	10,264,565	9,794,225
Physical Environment	415,184	412,759	-	-	415,184	412,759
Transportation	2,764,209	3,097,073	-	-	2,764,209	3,097,073
Culture/Recreation	2,746,092	2,244,335	-	-	2,746,092	2,244,335
Debt Service - Interest	23,645	33,648	-	-	23,645	33,648
Non-departmental	1,002,310	-	-	-	1,002,310	-
Water and Sewer Operations	-	-	9,629,036	9,044,822	9,629,036	9,044,822
Total Expenses	<u>22,474,191</u>	<u>20,565,714</u>	<u>9,629,036</u>	<u>9,044,822</u>	<u>32,103,227</u>	<u>29,610,536</u>
Excess (Deficiency) Before Transfers	(1,218,780)	866,890	2,462,751	2,560,690	1,243,973	3,427,580
Transfers	1,814,859	1,810,673	(1,814,859)	(1,810,673)	-	-
Change in Net Position	596,080	2,677,563	647,892	750,017	1,243,972	3,427,580
Net Position - Beginning of Year, Previously Reported	63,656,767	60,979,204	50,182,656	49,432,639	113,839,423	110,411,843
Net Position - End of Year	<u>\$ 64,252,848</u>	<u>\$ 63,656,767</u>	<u>\$ 50,830,548</u>	<u>\$ 50,182,656</u>	<u>\$ 115,083,396</u>	<u>\$ 113,839,423</u>

Figure1: Revenue by Source

The most significant revenue source for governmental activities continues to be property taxes which represent 37.2% of total governmental activity revenue. State shared revenues as a second large revenue source compiles 29.5%. State shared revenues include sales tax revenue, state intergovernmental revenue in addition to grants. Charges for services is the third significant City revenue source, 11.4% of the same total. Other revenue sources are highlighted in the chart below.



Governmental activities the City's net position by \$596,080. The elements of change in net position are as follows:

Property taxes increased by \$638,773 mainly due to an increase in taxable assessed values.

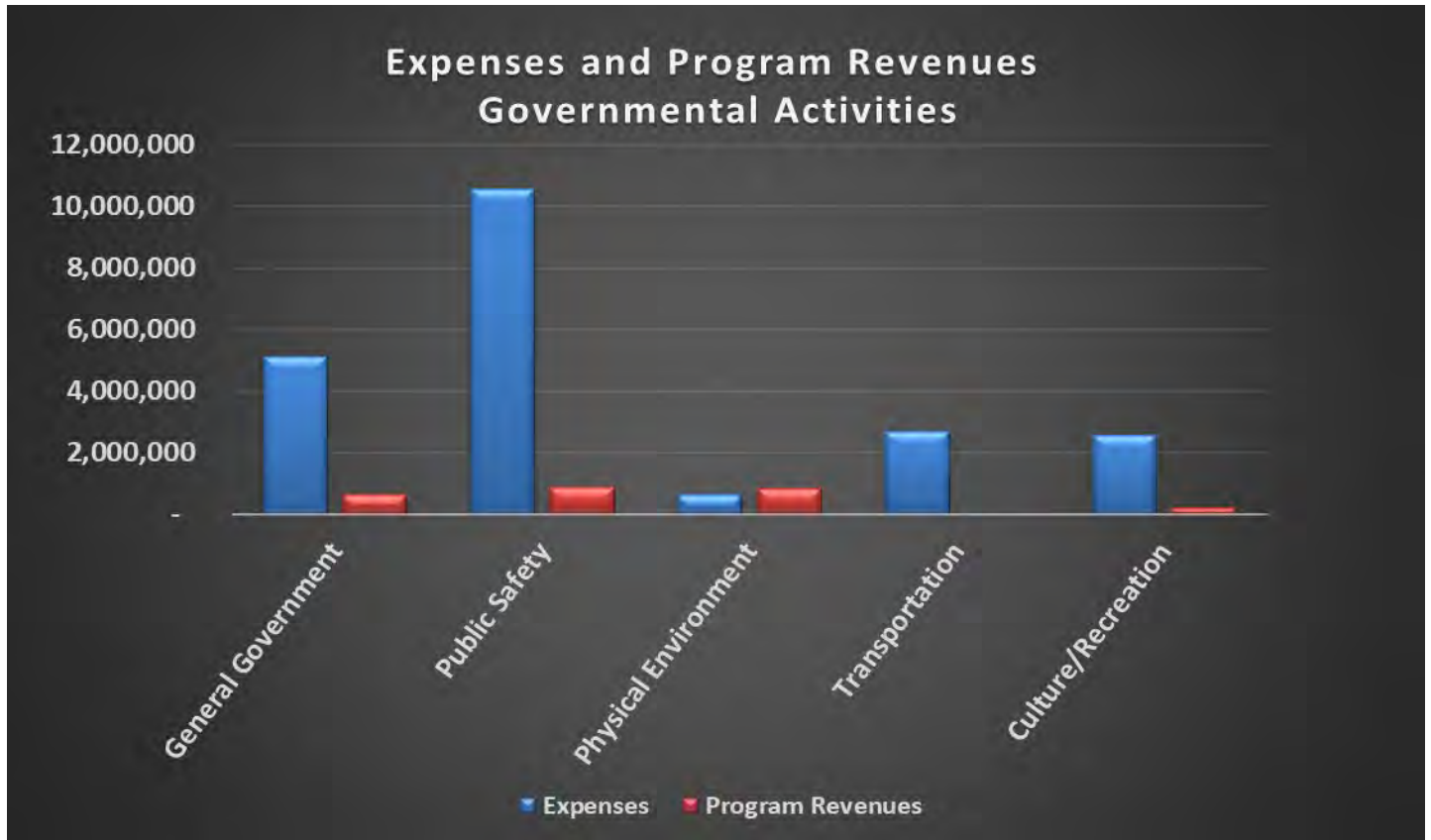
Franchise Fees increased \$990,187. Investment income decreased significantly - \$136,071.

City hasn't received any Capital Grants in FY20, in comparison with the prior year.

Operating Grants and Contributions decreased \$611,454 from the prior year. The portion of this decrease is relates to grant funding for Hurricane Irma or other emergency protective measures. State Shared Revenues increased \$1,270,143. Utility taxes also increased \$574,006.

Figure 2: Expenses and Program Revenues

Expenses for governmental activities include General Government, Public Safety, Physical Environment, Transportation and Culture and Recreation. Public Safety is the largest governmental expense. This includes law enforcement and fire control. As presented in the graph below, program revenues do not cover the cost of providing the governmental activity services.



Total City governmental expenses reflect an increase of \$1,918,480 or total of 9.34% over the prior year, (see in Table 4). General Government reflects an increase of \$274,511 – 5.5%, Public Safety of \$470,341 – 4.8%, Culture and Recreation Departments reflects an increase of \$501,757 – 22.4%, this is due to finalizing of Ferran Park Phase 4 project completion at a cost of \$1,979,166 and increased operating insurance payment. This increase is offset by expenses decrease in Transportation - \$332,864 (-10.7%). The decrease in Transportation expenses is due to a reduction in new street projects during fiscal year 2020. In addition, two Transportation projects have been completed during the year at a cost of \$599,133.

Table 4: Governmental Activities (Expenses)

	Expenses				Net Cost of Services		
	<u>2020</u>	<u>Total</u>	<u>2019</u>	<u>% Change</u>	<u>2020</u>	<u>2019</u>	<u>% Change</u>
Functions/Programs							
General Government	\$ 5,258,186	23%	\$ 4,983,675	5.5%	\$ (4,751,369)	\$ (4,107,151)	15.7%
Public Safety	10,264,565	46%	9,794,225	4.8%	(9,380,602)	(8,995,168)	4.3%
Physical Environment	415,184	2%	412,759	0.0%	406,882	714,432	-43.0%
Transportation	2,764,209	12%	3,097,073	-10.7%	(2,764,209)	(2,822,983)	-2.1%
Culture/Recreation	2,746,092	12%	2,244,335	22.4%	(2,526,208)	(1,909,591)	32.3%
Non-Departmental	1,002,310	4%	-	0.0%	(1,002,310)	-	0.0%
	<u>\$ 22,450,546</u>	<u>100%</u>	<u>\$ 20,532,066</u>		<u>\$ (20,017,815)</u>	<u>\$ (17,120,460)</u>	

Change from Prior Year:

General Government	\$ 274,511	5.51%
Public Safety	470,341	4.80%
Physical Environment	2,425	0.59%
Transportation	(332,864)	-10.75%
	<u>\$ 1,918,480</u>	<u>9.34%</u>

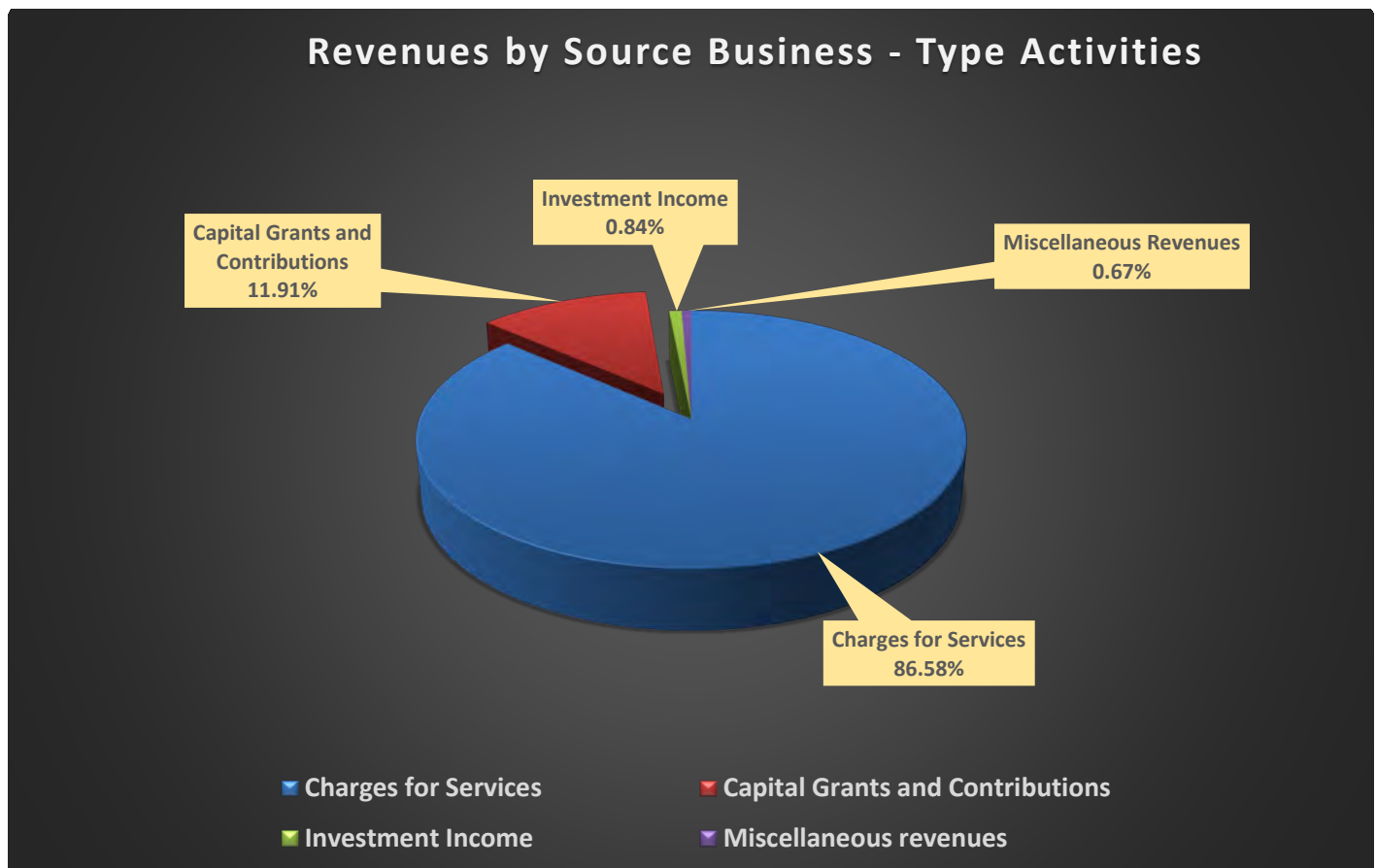
Table 5: Governmental Activities (Net Position)

Governmental	Unrestricted Net Position		
	<u>2020</u>	<u>2019</u>	<u>Change</u>
Activities	\$ (3,157,583)	\$ (1,900,432)	\$ (1,257,151)

Business-Type Activities

Business activities changed the City's net position by \$647,892 in comparison with a change in a net position of \$750,017 in the prior year. The change in net position is the result of an increase in charges for services of \$355,499, and capital grants and contributions increased by \$139,526. Expense also increased \$584,214 as compared to fiscal year 2019.

Figure 3: Revenue – Business -Type Activities



The most significant revenue for business-type activities is Charges for Services. This is a characteristic trait of enterprise funds that the charges for services are to cover the cost of operations. The City implemented a rate increase effective June 1, 2017, resulting in a one-time increase of 6% for utility capital projects and a 1.7% increase to cover operations for the following five years. In fiscal year 2021 a water utility rates study needs to be performed as a part of a five year economic review of City development. Table 6 shows significant change in miscellaneous revenue in comparison with previous fiscal year. Miscellaneous revenues include current year permits charges and other miscellaneous revenues - \$136,309. In addition to regular water billing in 2020, Public Works received an \$18,000 check from Blue Lake community for overflowing lake maintenance.

Table 6: Business Type Activities (Revenue by Source)

	<u>2020</u>	<u>Total</u>	<u>2019</u>	<u>%</u>
Charges for services	\$ 11,361,412	93.96%	\$ 11,005,913	3.2%
Operating grants and contributions	-	0.00%	-	0.0%
Capital grants and contributions	495,307	4.10%	355,781	39.2%
Investment income (loss)	98,759	0.82%	233,292	-57.7%
 Miscellaneous revenues	 136,309	 1.13%	 10,526	 1195.0%
	<u>\$ 12,091,787</u>	<u>100.00%</u>	<u>\$ 11,605,512</u>	

Change from Prior Year:

change in charges for service	\$	355,499	3.23%
change in capital grants & contr.	\$	139,526	39.22%
change in invest income	\$	(134,533)	-57.67%
change in miscellaneous revenues	\$	125,783	1194.97%

Table 7: Business Type Activities (Expenses)

	<u>Expenses</u>			<u>Net Increase (Decrease)</u>		
	<u>2020</u>	<u>2019</u>	<u>% Change</u>	<u>2020</u>	<u>2019</u>	<u>% Change</u>
Functions/Programs						
Water /Sewer	\$ 9,629,036	\$ 9,044,822	6.5%	\$ 2,227,683	\$ 2,316,872	-3.8%

Table 8: Business Type Activities (Net Position)

Business	<u>Unrestricted Net Position</u>			Change
	<u>2020</u>	<u>2019</u>		
Activities	\$ 11,813,061	\$ 10,293,906		\$ 1,519,155

Financial Analysis of the City's Funds*Governmental Funds*

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the City's financing requirements.

The City's most significant governmental fund is the General Fund. The General Fund is the primary operating fund of the City. At the end of 2020, total fund balance equaled \$9,479,121. Of this amount, \$9,073,248 or 95.72% is unassigned and can be used to meet the government's obligations. The General Fund has restricted fund balance assigned fund balance for Emergency Contingency \$405,873. In the current year, total fund balance is increased by \$416,236. The reason for this increase is attributable to property tax revenue as taxable assessed values have increased along with an increase in state sharing revenues.

The City has five other major governmental funds which are: Street Improvement, Sales Tax Capital Projects, Community Redevelopment, Building Services and Stormwater Utility Fund. Fund balance decreased for Street Improvement \$316,989 Building Services \$5,376, Stormwater Utility \$164,931 and Sales Tax Capital Projects \$1,105,672. These decreases were offset by increases in fund balance in the General Fund \$416,236 as well as for Community Redevelopment \$329,262 and Other Non-Major governmental funds \$152,608. The net result was a cumulative decrease of \$694,862 for the major and non-major funds as discussed more fully below.

The Street Improvement Fund was established to account for gas tax revenues brought in from the state and county to make repairs and maintain street and roads owned by the City. The most significant expenditures are related to grounds and street maintenance along with street lighting. Transportation expenditures (-\$1,546,426) exceeded gas tax revenues \$859,437 and transfers by \$370,000 reducing fund balance to (\$292,672).

The Community Redevelopment Fund was established for the revitalization of downtown and east town improvements. The funding source is an incremental increase in property values in these areas. Tax revenue decreased \$495,289 over revenue reported for fiscal 2019. The most significant expenditures in the fund related to the Downtown development and sidewalk rehabilitation is the purchase of land, right in the heart of City of Eustis Downtown. Total capital outlay increased land purchase - \$3,000,000, Fund balance increased \$329,262.

The Building Services Fund was established in 2019 to account for resources related to building activity within the City. Revenue in this fund, generated by permits and fees for construction occurring during the year, reached \$444,614, despite COVID-19 economic challenges, this amount is at the same level as in 2019. Expenditures of \$449,990 primarily consist of personal and contractual services, procured to provide plan review and building inspection services.

The Stormwater Utility Fund accounts for the routine billing of utility customers within the City. Total expenditures of \$731,527 included Ardice and Ruleme, Buena Vista, Exeter and Tedford street stormwater improvements. The fund's largest non-capital expenditures were for street sweeping and drainage maintenance. Fund balance decreased \$164,931 reflecting a current fund balance of \$662,649.

The Sales Tax Capital Projects Fund accounts for projects authorized by the one cent sales tax assessed on retail sales. The more significant capital expenditures during 2020 included: Ferran Park Improvements, Ardice/Ruleme improvements, Lake Floating Dock Improvements, Eustis Mobility Plan execution along with street resurfacing. Overall, fund balance decreased by \$1,105,672, providing an ending fund balance of \$872,195.

Other Non-Major Governmental Funds accounts include nine funds: Law Enforcement Trust and Education Fund, Economic Development Fund, Library Contributions Trust Fund, Impact Fee Fund and Greenwood Cemetery Fund. In 2020 fund balance increased by \$152,608 and expenditures decreased by \$206,440, reflecting a current balance of \$1,247,504.

Proprietary Funds

The City's proprietary fund provides the same type of information as found in the government - wide financial statements but in more detail. The City's Water and Sewer fund had net position of \$50,830,548 at September 30, 2020, an increase of \$647,892 from prior year. This increase in net position is the result of an increase in Charges for Services of \$355,499, an increase related to Capital Grants and Contributions of \$139,506, an increase in miscellaneous revenues of \$125,783, offset by decrease in investment income \$134,533. Additionally, one of influencing factor was a decrease in expenses of \$584,214. The largest portion of net position is the Net Investment in Capital Assets \$32,521,186. The Restricted net position of \$6,496,302 represents impact fees and repair and replacement projects. Unrestricted Net Position at the end of the year was \$11,813,061.

General Fund Budgetary Highlights

The total increase between adopted and final budget is an overall increase of \$376,749. The table below identifies the changes from original budget to the final budget

Table 9: Budgetary Analysis

	Original Budget	Final Budget	Variance
General Government	\$ 4,417,889	\$ 4,534,943	\$ 117,054
Public Safety	9,036,576	9,084,797	48,221
Culture/Recreation	2,041,696	2,009,306	(32,390)
Non-Departmental	1,161,873	1,405,737	243,864
Capital Outlay / Other	39,000	412,668	373,668
Total	\$ 16,697,034	\$ 17,447,451	\$ 750,417

	Actual	Final Budget	Variance
	Expenditures		
General Government	\$ 4,544,233	\$ 4,534,943	\$ 9,290
Public Safety	9,394,031	9,084,797	309,234
Culture/Recreation	1,886,830	2,009,306	(122,476)
Non-Departmental	1,002,310	1,405,737	(403,427)
Capital Outlay / Other	363,636	412,668	(49,032)
Total	\$ 17,191,040	\$ 17,447,451	\$ (256,411)

The fluctuations are due to unexpected cost increases in event costs and legal fees along with savings in personnel and departmental related operating expenditures within General Government.

The original protective inspections' budget was moved from the General Fund to a Special Revenue Fund.

Actual to final budget expenditures increased in General Government and Public Safety departments and significantly decreased in Culture and Recreation and Non-Departmental expenditures.

The overall variance between final budget and actual expenditures of (-\$256,411) reflects an increase in expenditures due to new hires in Public Safety departments, 2019-20 capital projects carry overs and various repair and maintenance in Public Works, roof repair for City Hall's roof (date of completion is fiscal year 2020); Ferran park Phase 4 improvements of budget amendments \$543,250.

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2020 amounts to \$110,075,076 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, construction work in progress, buildings, equipment, park facilities, and roads. The total net increase in the City's investment in capital assets for the current year was \$3,339,770. This increase in governmental activities related to the CRA \$3,000,000 land purchase, and attributable primarily to Infrastructure Improvements as the city expands its water and sewer systems and upgrades its lift stations. These increases are offset by an increase in accumulated depreciation, see Note 4.

City of Eustis, Florida

Capital Assets

(Net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 7,009,501	\$ 3,791,241	\$ 2,307,117	\$ 2,307,117	\$ 9,316,618	\$ 6,098,358
Infrastructure - Retention Ponds	1,946,578	1,946,578	-	-	1,946,578	1,946,578
Infrastructure - Right-of-way	23,664,796	23,664,796	-	-	23,664,796	23,664,796
Construction in Progress	394,208	740,524	1,302,404	2,055,895	1,696,612	2,796,419
Buildings	13,886,546	13,886,546	1,040,680	1,040,680	14,927,226	14,927,226
Improvements Other than Buildings	7,938,013	5,845,238	77,816,535	75,868,280	85,754,548	81,713,518
Equipment	3,950,005	3,831,456	5,554,609	5,100,514	9,504,614	8,931,970
Vehicles	6,518,100	6,543,262	-	-	6,518,100	6,543,262
Infrastructure - Roads and Streets	35,378,849	34,510,341	-	-	35,378,849	34,510,341
	100,686,596	94,759,982	88,021,345	86,372,486	188,707,941	181,132,468
Less: Accumulated Depreciation	(34,466,849)	(32,733,188)	(44,166,017)	(41,663,974)	(78,632,866)	(74,397,162)
Capital Assets, net	<u>\$ 66,219,747</u>	<u>\$ 62,026,794</u>	<u>\$ 43,855,329</u>	<u>\$ 44,708,511</u>	<u>\$ 110,075,076</u>	<u>\$ 106,735,306</u>

Table 10: Capital Assets

City of Eustis, Florida

Capital Assets

(Net of depreciation)

	Governmental Activities	Business-type Activities	Total
Capital Assets, net FY20	66,219,747	43,855,329	110,075,076
Capital Assets, net FY19	62,026,794	44,708,511	106,735,306
Change in Capital Assets, net	<u>4,192,953</u>	<u>(853,182)</u>	<u>3,339,770</u>
	<u>6.8%</u>	<u>-1.9%</u>	<u>3.1%</u>

Long-Term Debt

The City's total long-term debt increased by \$1,485,991, by an addition of \$3,000,000 CRA Downtown land purchase and offset by the change attributable to scheduled debt service payments. Additional information on the City's debt can be found in Note 10 of this report.

Table 10: Long Term Debt

	City of Eustis' Outstanding Debt					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
CRA Loan	\$ 3,000,000	\$ -	\$ -	\$ -	\$ 3,000,000	\$ -
Note Payable - 2017	480,000	640,000	-	-	480,000	640,000
Note Payable - 2016	92,748	180,223	-	-	92,748	180,223
 Water & Sewer Revenue Bonds	-	-	6,570,000	6,865,000	6,570,000	6,865,000
Unamortized Bond Premium	-	-	431,747	428,988	431,747	428,988
State revolving loans	-	-	190,780	564,219	190,780	564,219
State revolving loans	-	-	3,419,416	3,659,170	3,419,416	3,659,170
Note Payable - 2017	-	-	722,200	1,083,300	722,200	1,083,300
	<u>\$ 3,572,748</u>	<u>\$ 820,223</u>	<u>\$ 11,334,143</u>	<u>\$ 12,600,677</u>	<u>\$ 14,906,891</u>	<u>\$ 13,420,900</u>

Economic Factors and Next Year's Budgets and Rates

Looking forward to FY 2020, the City anticipated continued improvement in the economic environment. The unemployment rate for Lake County is 7.4% slightly lower than the national rate of 7.9%. Economic factors are strong with the average median price of homes \$270,000, which is a 10% increase over the past year.

Building permits are a key indicator of construction activity. The issuance of building permits continues to increase; approximately 1,908 permits were issued in fiscal year 2020 and 1,718 in fiscal year 2019, it representing a 9.7% increase in building permits. This growth along with an increase in property values has allowed the City to maintain its millage rate while providing high quality services.

During the 2017 fiscal year, a utility rate increase of 1.7% was implemented. However, other rates for City services have remained the same. Through prudent fiscal management in FY 2020, the City Commission was able to continue the trend of balancing budgeted revenues against expenditures in the General Fund.

The City is composed of real property, personal property and centrally assessed property. The taxable value of such property increased 9.49%, compared to the previous year. Compared to Leesburg and Mount Dora, with a similar population, Eustis has fewer dollars to distribute, as a result of a residential market with fewer commercial owners. However, the City has maintained a millage rate of 7.5810 for the past several years, while continuing to maintain and provide services to the community.

Listed below is a comparative view of per capita taxable value by city:

Table 11: Taxable Value by Capita Comparison

<u>Town</u>	<u>Population</u> <u>2020</u>	<u>Final Taxable</u> <u>Value 2020</u>	<u>% Change</u> <u>from 2019</u>	<u>Per Capita</u> <u>Taxable</u> <u>Value 2020</u>
Eustis	21,689	1,146,517,394	6.20%	52,862
Leesburg	24,761	1,591,541,670	10.78%	64,276
Mount Dora	15,142	1,302,530,025	8.56%	86,021
Tavares	18,207	1,049,496,704	7.37%	57,642

In comparison with major Lake County adjacent towns, and with steady annual population growth, The City of Eustis keeps the lowest taxable value per capita. This trend is very attractive for citizens and we expect further dynamic population increases leading to future revenue sources.

Other factors to be considered in preparing the 2020-21 budgets for the City include:

- A desire to maintain the current millage rates while providing quality services.
- Increases in the funding of the Police and Fire Pensions.
- Market pay and merit adjustments for City employees.
- Maintaining a robust Capital Improvement Plan to meet the needs of Eustis' residents.

Requests for Information

This financial report is designed to provide a general overview of the City of Eustis' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

City of Eustis
Mike Sheppard, Finance Director
P.O. Drawer 68 Eustis, FL 32727-0068 Phone: (352) 483-5440
www.eustis.org

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of statements as required by the GASB. The sets of statements include:

Government-Wide Financial Statements

Fund Financial Statements:

Government Funds

Proprietary (Enterprise) Funds

Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to the user's understanding of the basic financial statements.

CITY OF EUSTIS, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	Governmental Activities	Business Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 12,798,715	\$ 19,520,056	\$ 32,318,771
Investments	2,998,460	438,378	3,436,838
<i>Receivables, Net:</i>			
Accounts	2,013,445	938,588	2,952,033
Interest	6,372	5,407	11,779
Inventory	-	428,064	428,064
Due from Other Governmental Units	150,432	-	150,432
Due from Other Funds	-	-	-
Other Assets	533	-	533
<i>Capital Assets:</i>			
Capital Assets, Not Being Depreciated	33,015,083	3,609,521	36,624,603
Capital Assets, Being Depreciated	67,671,513	84,411,825	152,083,338
(Accumulated Depreciation)	(34,466,849)	(44,166,017)	(78,632,866)
Total Assets	84,187,703	65,185,822	149,373,525
Deferred Outflows of Resources			
<i>Benefit Plan Deferrals:</i>			
Police Officers Pension	2,139,930	-	2,139,930
Firefighters Pension	212,611	-	212,611
Florida Retirement System	148,063	112,147	260,210
Other Post Employment Benefits	488,763	129,954	618,717
Total Deferred Outflows of Resources	2,989,367	242,101	3,231,468
Liabilities			
Accounts Payable and Accrued Liabilities	3,228,769	1,390,944	4,619,713
<i>Long-term Liabilities:</i>			
Due Within One Year	549,398	1,198,473	1,747,871
Due in More Than One Year	4,749,952	10,554,471	15,304,423
Other Post Employment Benefits	2,195,477	588,734	2,784,211
<i>Net Pension Liability:</i>			
Police Officers Pension	7,530,553	-	7,530,553
Firefighters Pension	1,613,728	-	1,613,728
Florida Retirement System	499,699	445,624	945,323
Total Liabilities	20,367,576	14,178,246	34,545,822
<i>Benefit Plan Deferrals:</i>			
Police Officers Pension	707,830	-	707,830
Firefighters Pension	389,005	-	389,005
Florida Retirement System	102,162	53,449	155,611
Other Post Employment Benefits	1,357,648	365,691	1,723,339
Total Deferred Inflows of Resources	2,556,645	419,140	2,975,785
Net Position			
<i>Net Investment in Capital Assets</i>	62,646,999	32,521,186	95,168,185
<i>Restricted for:</i>			
Building Permits	924,413	-	924,413
Library	94,042	-	94,042
Public Safety	557,605	-	557,605
Culture and Recreation	127,509	-	127,509
Capital Projects	872,195	3,362,974	4,235,169
Renewal and Replacement	-	3,133,327	3,133,327
Community Development	1,918,078	-	1,918,078
Road and Street Expenses	-	-	-
Cemetery Expenses	269,590	-	269,590
Roads and Trees	-	-	-
<i>Unrestricted</i>	(3,157,583)	11,813,061	8,655,478
Total Net Position	\$ 64,252,848	\$ 50,830,548	\$ 115,083,396

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

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

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position		
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Business-Type Activities
						Total
Governmental Activities						
General Government	\$ 5,258,186	\$ 505,346	\$ 1,471	\$ -	\$ (4,751,369)	\$ -
Public Safety	10,264,565	883,964	-	-	(9,380,602)	-
Physical Environment	415,184	822,066	-	-	406,882	-
Transportation	2,764,209	-	-	-	(2,764,209)	-
Culture and Recreation	2,746,092	219,884	-	-	(2,526,207)	-
Nondepartmental	1,002,310	-	-	-	(1,002,310)	-
Interest and Fees on Long-term Debt	23,645	-	-	-	(23,645)	-
Total Governmental Activities	22,474,191	2,431,260	1,471	-	(20,041,459)	-
Business-type Activities						
Water and Sewer	\$ 9,629,036	\$ 11,361,412		\$ 495,307	\$ 2,227,683	\$ 2,227,683
General Revenues						
Taxes:						
Property Taxes					7,909,015	-
Utility Service Taxes					2,291,700	-
Franchise Fees					1,729,050	-
State Shared Revenues (Unrestricted)					6,270,038	-
Investment Income (Interest)					100,665	98,759
Miscellaneous					522,213	136,309
Transfers					1,814,859	(1,814,859)
Total General Revenues, Special Items and Transfers					20,637,540	(1,579,791)
Change in Net Position					596,081	647,892
Net Position, Beginning of Year					63,656,767	50,182,656
Net Position, End of Year					\$ 64,252,848	\$ 50,830,548

**CITY OF EUSTIS, FLORIDA
BALANCE SHEET
ALL GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020**

	General Fund	Street Improvement Fund	Community Redevelopment Trust Fund	Building Services Fund	Stormwater Utility Fund	Sales Tax Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets								
Cash and Cash Equivalents	\$ 7,623,347	\$ -	\$ 1,719,704	\$ 955,717	\$ 542,370	\$ 713,096	\$ 1,244,481	\$ 12,798,715
Investments	2,998,460	-	-	-	-	-	-	2,998,460
Receivables, Net:								
Accounts	1,628,762	33,592	-	-	140,129	203,219	7,743	2,013,445
Interest	5,556	-	286	165	19	131	215	6,372
Due from Other Governments	150,432	-	-	-	-	-	-	150,432
Due from Other Funds	135,386	-	-	-	-	-	-	135,386
Other Assets	200	-	-	-	-	-	-	200
Total Assets	12,542,143	33,592	1,719,990	955,882	682,518	916,446	1,252,438	18,103,009
Liabilities and Fund Balances								
Liabilities								
Accounts Payable and								
Accrued Liabilities	2,850,851	190,878	670	31,469	19,869	44,251	4,934	3,142,922
Deposits	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-
Due to Other Funds	-	135,386	-	-	-	-	-	135,386
Total Liabilities	2,850,851	326,264	670	31,469	19,869	44,251	4,934	3,278,308
Deferred Inflows of Resources								
Unavailable Revenues	212,171	-	-	-	-	-	-	212,171
Total Deferred Inflow of Resources	212,171	-	-	-	-	-	-	212,171
Fund Balances								
Nonspendable:								
Library Trust Donations	-	-	-	-	-	-	29,726	29,726
Restricted for:								
Capital Projects per One Cent Sales Tax	-	-	-	-	-	872,195	-	872,195
Enforcement of Florida Bldg. Code	-	-	-	924,413	-	-	-	924,413
Public Safety Impact Fees	-	-	-	-	-	-	441,567	441,567
Culture and Recreation Impact Fees	-	-	-	-	-	-	127,509	127,509
Ordinance - Community Development	-	-	-	-	-	-	198,758	198,758
Specific Contributions - Library	-	-	-	-	-	-	19,743	19,743
Gas Tax	-	-	-	-	-	-	-	-
Redevelopment District	-	-	1,719,320	-	-	-	-	1,719,320
Police Fines and Forfeitures	-	-	-	-	-	-	116,038	116,038
Cemetery - Chapter 22 of Code	-	-	-	-	-	-	269,590	269,590
Specific Contributions for Roads and Trees	-	-	-	-	-	-	-	-
Committed to:								
Library Contribution Fund	-	-	-	-	-	-	44,573	44,573
Ordinance - Stormwater Management	-	-	-	-	662,649	-	-	662,649
Assigned to:								
Emergency Contingency	405,873	-	-	-	-	-	-	405,873
Unassigned:	9,073,248	(292,672)	-	-	-	-	-	8,780,576
Total Fund Balance	9,479,121	(292,672)	1,719,320	924,413	662,649	872,195	1,247,504	14,612,530
Total Liabilities, Deferred Inflows and Fund Balance	12,542,143	33,592	1,719,990	955,882	682,518	916,446	1,252,438	18,103,009

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

CITY OF EUSTIS, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Total Fund Balances of Governmental Funds **\$ 14,612,530**

**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	\$100,686,596	
Less accumulated depreciation	(34,466,849)	
Net governmental capital assets		66,219,747

Deferred Inflows for unavailable revenues at the fund level	150,432
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Deferred Outflows/Inflows of resources reported in the statement
of net position:

Net deferred outflows - OPEB	488,763
Net deferred inflows - OPEB	(1,357,648)
Net deferred outflows - Pensions	2,500,604
Net deferred inflows - Pensions	(1,198,997)

Long-term liabilities are not due and payable in the current period
and accordingly are not reported in the governmental funds.

Long-term liabilities at year end consist of:

Net pension liability	(9,643,980)
OPEB liability	(2,195,477)
Revenue bonds and notes payable	(3,572,748)
Adjustments to miscellaneous liabilities	(9,761)
Accrued Interest	(14,015)
Compensated Absences	(1,726,602)

Total Net Position of Governmental Activities **\$ 64,252,848**

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

CITY OF EUSTIS, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	General Fund	Street Improvement Fund	Community Redevelopment Trust Fund	Building Services Fund	Stormwater Utility Fund	Sales Tax Capital Projects Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
Revenues								
Ad Valorem	\$ 7,909,015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,909,015
Franchise Fees	1,729,050	-	-	-	-	-	-	1,729,050
Utility Service Taxes	2,291,700	-	-	-	-	-	-	2,291,700
State Revenue Sharing	539,557	-	-	-	-	-	-	539,557
Other Intergovernmental Revenues	3,067,686	701,905	289,087	-	-	1,957,607	-	6,016,285
Licenses and Permits	68,773	-	-	440,179	-	-	-	508,952
Fines and Forfeitures	48,830	-	-	-	-	-	37,589	86,419
Charges for Services	381,197	-	-	-	822,066	-	-	1,203,263
Miscellaneous:								
Interest	75,714	(224)	8,297	4,435	-	7,269	5,175	100,666
On Behalf Prem. Ins. Tax Payments Police & Fire Pensions	279,562	-	-	-	-	-	-	279,562
Other Sources	178,810	157,756	160,150	-	4,530	6,291	218,775	726,312
Total Revenues	16,569,894	859,437	457,534	444,614	826,596	1,971,167	261,539	21,390,780
Expenditures								
Current:								
General Government and								
Administration	4,544,233	-	108,481	-	-	-	36,074	4,688,788
Public Safety	9,114,469	-	-	422,926	-	-	15,409	9,552,804
On Behalf Prem. Ins. Tax Payments Police & Fire Pensions	279,562	-	-	-	-	-	-	279,562
Physical Environment	-	-	-	-	357,882	-	-	357,882
Transportation	-	1,546,426	-	-	-	-	-	1,546,426
Culture and Recreation	1,886,830	-	-	-	-	-	36,485	1,923,315
Nondepartmental	1,002,310	-	-	-	-	-	-	1,002,310
Capital Outlay	363,636	-	3,149,582	27,064	373,645	3,352,335	15,400	7,281,661
Debt Service:	-	-	-	-	-	-	-	-
Principal Payments	-	-	-	-	-	247,475	-	247,475
Interest and Fees	-	-	-	-	-	20,278	-	20,278
(Total Expenditures)	(17,191,040)	(1,546,426)	(3,258,063)	(449,990)	(731,527)	(3,620,088)	(103,368)	(26,900,502)
Excess (Deficiency) of Revenues								
Over (Under) Expenditures	(621,146)	(686,989)	(2,800,529)	(5,376)	95,069	(1,648,922)	158,172	(5,509,722)
Other Financing Sources (Uses)								
Transfers in	1,820,423	370,000	379,791	-	-	543,250	-	3,113,464
Transfers Out	(783,041)	-	(250,000)	-	(260,000)	-	(5,564)	(1,298,605)
Debt Proceeds	-	-	3,000,000	-	-	-	-	3,000,000
Total Other Financing Sources (Uses)	1,037,382	370,000	3,129,791	-	(260,000)	543,250	(5,564)	4,814,859
Net Change in Fund Balances	416,236	(316,989)	329,262	(5,376)	(164,931)	(1,105,672)	152,608	(694,862)
Fund Balances, Beginning of Year	9,062,885	24,317	1,390,058	929,789	827,580	1,977,867	1,094,896	15,307,392
Fund Balances, End of Year	\$ 9,479,121	\$ (292,672)	\$ 1,719,320	\$ 924,413	\$ 662,649	\$ 872,195	\$ 1,247,504	\$ 14,612,530

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

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

Net Change in Fund Balances - Total Governmental Funds **\$ (694,862)**

**Amounts Reported for Governmental Activities in the Statement of Activities
are Different Because:**

Governmental funds report capital purchases as expenditure. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period

Note 4 Governmental Activities

Expenditures for capital assets	\$ 6,306,447	
Less current year depreciation	(2,113,494)	
Net governmental capital assets		4,192,954

Some revenues are not available and thus reported as deferred inflows at the fund level but reflected as earned in the Statement of Activities and thus taken into revenue on the Statement of Activities. (135,369)

Bond proceeds provide current financial resources to governmental funds, while the repayment of the principal consumes financial resources of governmental funds.

Governmental funds report the debt issuance.

Principal payments	247,475	
Accrued Interest	(3,365)	
Debt Issuance		(3,000,000)

Change in the net pension liability and related deferred amounts. 15,922

Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds:

Change in net OPEB obligation and related deferred amounts	63,561	
Change in compensated absences		(90,234)

Change in Net Position of Governmental Activities **\$ 596,081**

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

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

	Business-Type Activities Water and Sewer Utility System Fund
Assets	
Current Assets	
Cash and Cash Equivalents	\$ 12,420,249
Investments	438,378
Restricted Cash and Cash Equivalents	156,842
Accounts Receivable, Net	938,588
Accrued Interest Receivable	5,407
Inventory	428,064
Total Current Assets	14,387,528
Noncurrent Assets	
Restricted Assets:	
Sinking Fund	156,842
Renewal and Replacement Account	3,133,327
Customer Deposits	446,664
Water Impact Fees	3,249,220
Sewer Impact Fees	113,754
Less: Portion Classified as Current	(156,842)
Total Restricted Assets	6,942,965
Property, Plant and Equipment:	
Land	2,307,117
Improvements Other Than Buildings	50,753,251
Buildings	1,040,681
Equipment	5,554,609
Construction in Progress	1,302,404
Infrastructure	27,063,284
(Accumulated Depreciation)	(44,166,017)
Total Property, Plant and Equipment - Cost Less Depreciation	43,855,329
Total Noncurrent Assets	50,798,294
Total Assets	\$ 65,185,822
Deferred Outflows of Resources	
Benefit Plan Deferrals:	
Florida Retirement System	112,147
OPEB	129,954
Total Deferred Outflows of Resources	242,101

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

**CITY OF EUSTIS, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2020 (continuation)**

	Business-Type Activities Water and Sewer Utility System Fund
Liabilities	
Current Liabilities Payable from Current Assets	
Accounts Payable	\$ 927,993
Loan Payables - Current	436,838
Revenue Bonds Payable - Current	325,043
Notes Payable - Current	361,100
Compensated Absences	75,492
Total Current Liabilities Payable from Current Assets	2,126,466
Current Liabilities Payable from Restricted Assets	
Deposits	446,664
Accrued Interest Payable	16,276
Total Current Liabilities Payable from Restricted Assets	462,940
Total Current Liabilities	2,589,406
Long-term Liabilities	
State Revolving Loan Payable	3,173,358
Revenue Bonds Payable net of Amortization	6,676,704
Notes Payable	361,100
Other Post Employment Benefits	588,734
Compensated Absences	343,309
Net Pension Liability	445,624
Total Long-term Liabilities	11,588,829
Total Liabilities	14,178,235
Deferred Inflows of Resources	
Pension Plan Deferrals:	
Florida Retirement System	53,449
OPEB	365,691
Total Deferred Outflows of Resources	419,140
Net Position	
Net Investment in Capital Assets	
Restricted for Debt Service	32,521,186
Impact Fees	3,362,974
Renewal and Replacement	3,133,327
Unrestricted Net Position	11,813,061
Total Net Position	\$ 50,830,548

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

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

	Business-Type Activities Water and Sewer Utility System Fund
Operating Revenues	
Charges for Services	\$ 11,361,412
Permits and Fees	115,878
Other Miscellaneous Revenues	20,431
Total Operating Revenues	<u>11,497,721</u>
Operating Expenses	
Personal Services	3,394,885
Operating Expenses	2,361,507
Professional Services	184,580
Capital Outlay	288,975
Depreciation and Amortization	2,502,042
Other Uses	48,116
Insurance	474,510
(Total Operating Expenses)	<u>(9,254,615)</u>
Operating Income (Loss)	<u>2,243,106</u>
Non-operating Revenues (Expenses)	
Investment Earnings	98,759
Interest Expense	(374,421)
Total Non-operating Revenues	<u>(275,662)</u>
Income (Loss) Before Transfers	<u>1,967,444</u>
Transfers and Capital Contributions	
Capital Grants and Contributions	495,307
Transfers to Other Funds	(1,814,859)
Total Transfers and Capital Contributions	<u>(1,319,552)</u>
Change in Net Position	<u>647,892</u>
Net Position, Beginning of Year, Previously Reported	<u>50,182,656</u>
Net Position, End of Year	<u><u>\$ 50,830,548</u></u>

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



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

	Business-Type Activities Water and Sewer Utility System Fund
Cash Flows from Operating Activities	
Cash Received from Customers	\$ 11,459,151
Cash Payments to Suppliers for Goods and Services	(2,925,754)
Cash Payments for Employee Services	(3,480,272)
Net Cash Provided by (Used in) Operating Activities	<u>5,053,125</u>
Cash Flows from Noncapital Financing Activities	
Transfers to Other Funds	1,814,859
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>1,814,859</u>
Cash Flows from Capital and Related Financing Activities	
Acquisition and Construction of Capital Assets	(1,648,859)
Principal Payments State Revolving Loan	(613,193)
Payments Bond Issuance	(292,241)
Payments Notes Payable	(361,100)
Interest Paid on Revenue Bonds and State Revolving Loan	(358,145)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(3,273,538)</u>
Cash Flows from Investing Activities	
Proceeds from Sale and Maturity of Investments	(438,378)
Interest	109,376
Net Cash Provided by (Used in) Investing Activities	<u>(329,002)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	131,034
Cash and Cash Equivalents, Beginning of Year	<u>19,389,022</u>
Cash and Cash Equivalents, End of year	<u>\$ 19,520,056</u>

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

CITY OF EUSTIS, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Concluded)

	Business-Type Activities Water and Sewer Utility System Fund
<u>Reconciliation of Cash and Cash Equivalents to Balance Sheet</u>	
Total Unrestricted Cash and Investments per the Balance Sheet :	
Cash and Cash Equivalents	\$ 12,420,249
Total Restricted Cash and Investments Per the Balance Sheet :	6,942,965
Restricted Assets Available for Current Liabilities	156,842
Total Cash and Cash Equivalents	<u>19,520,056</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</u>	
Operating Income	\$ 2,243,106
Adjustments to Reconcile Operating Income (Loss) to Cash Provided by (Used in) Operating Activities:	
Depreciation	2,502,042
Provision for Uncollectible Accounts	42,007
Accounts and Interest Receivable	(80,577)
Inventories	25,867
Increase (Decrease) in Liabilities:	
Accounts Payable	392,644
Utility Deposits	(34,693)
Net Pension Liability	80,324
Other Post Employment Benefits	97,173
Accrued Expenses	6,448
Deferred Inflow of Resources	(111,523)
Deferred Outflow of Resources	<u>(109,692)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 5,053,125</u>
<u>Noncash Investing, Capital, or Financing Transactions</u>	
Contributions of Capital Assets	-

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

CITY OF EUSTIS, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
SEPTEMBER 30, 2020

	Pension Trust Funds
Assets	
Cash and Cash Equivalents	<u>\$ 1,227,835</u>
Receivables	
Contributions	87,276
Interest	<u>2,059</u>
Total Receivables	<u>89,335</u>
Investments, at Fair Value	
Stocks	1,450,854
Fixed Income Securities	12,641,203
Equities and Mutual Funds	<u>18,221,390</u>
Total Investments	<u>32,313,447</u>
Total Assets	<u>33,630,616</u>
Liabilities	
Accounts Payable	<u>5,500</u>
Net Position Restricted for Pension Benefits	<u><u>\$ 33,625,116</u></u>

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

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

	Pension Trust Funds
Additions	
Contributions:	
Plan Member	\$ 162,552
Insurance Premium Tax	279,562
City	1,637,523
Total Contributions	<u>2,079,637</u>
Investment Income (Loss):	
Net Appreciation (Depreciation) in Fair Value of Investments	579,331
Interest	609,860
Dividend Income	340,934
Total Income on Investments	<u>1,530,126</u>
Less: Investment Management Fees	<u>(174,738)</u>
Net Investment Income	<u>1,355,388</u>
Total Additions	<u>3,435,025</u>
Deductions	
Pension Payments	(1,679,133)
Administration	(82,050)
Total Deductions	<u>(1,761,183)</u>
Change in Net Position	<u>1,673,841</u>
Net Position, Beginning of Year	<u>31,951,275</u>
Net Position, End of Year	<u><u>\$ 33,625,116</u></u>

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

**CITY OF EUSTIS
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020
NOTES TO FINANCIAL STATEMENTS**

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NOTES TO FINANCIAL STATEMENTS CITY OF EUSTIS, FLORIDA

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

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

A. The Reporting Entity

The City was incorporated in 1883 under the laws of the State of Florida and operates under the council manager form of government under its charter adopted pursuant to the "Municipal Home Rule Powers Act" as defined in Florida Statutes, Chapter 166. The original charter was effective January 1, 1958, and became a law without the Governor's approval. The City Charter was adopted by laws of Florida Chapter 57-1314 and amended by ordinance 91-74 and 94-04 adopted by referendum on March 11, 1992 and April 6, 1994.

The legislative branch of the City is composed of a five (5) member elected Commission, which includes a Citywide elected Mayor. The City Commission governed by the City Charter, and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Commission-appointed City Manager.

■ City of Eustis Community Redevelopment Trust Fund

The accompanying financial statements present the City and its component unit, an entity for which the City is financially accountable. A blended component unit, although legally separate, is in substance, part of the City's operations. The City has only one blended component unit, the Community Redevelopment Trust Fund (CRA). The City created the Downtown and East Town Redevelopment Agency in December of 1990 with a base year value of \$36,752,072. In May of 2018 the area was expanded with an additional base year value of \$343,092. The CRA is an incremental tax district established in accordance with Florida Statutes Chapter 163 to finance and redevelop the City's designated redevelopment areas. Even though the CRA is a legally separate entity, it is reported as if it were part of the City because the City commission also serves as the CRA Board. The Commission reviews and approves the CRA's budget, provides funding, and performs all accounting functions for the CRA. The CRA's services benefit the City by supporting the City's redevelopment in the designated community redevelopment areas. The CRA has been presented as a blended component unit classified as a special revenue fund. Separately issued financial statements for the CRA can be obtained in the Finance Department of the City. The City has no discretely presented component units.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Continued)

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

Internal service activity of the City has been eliminated on the government-wide financial statements. Other interfund activity, namely overhead charges absorbed by the General Fund and allocated amongst the City's other funds, is reported as revenue in the fund providing the service or incurring the cost to be allocated and is reported as expense in the funds receiving the service or incurring the allocable share of the overhead charge.

The City's fiduciary funds are presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party (pension plan participants) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

Separate financial statements provide for governmental funds, enterprise fund, and the pension trust fund. The pension trust fund is excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported on separate columns in the fund financial statements.

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

1. Government-wide Financial Statements

The government-wide financial statements report uses the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenues recognize property taxes in the year levied. Grants and similar items recognized as soon as all eligibility requirements imposed by the provider are met.

2. Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Continued)

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise fees, and interest associated with the current fiscal period are susceptible to accrual and are recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is susceptible to accrual as revenue of the current period. All other revenue considered measurable is cash once it received by the City.

The City reports the following major governmental funds:

- The *General Fund* is the City's primary operating fund. It accounts for financial resources of the City except those required to be accounted for in another fund.
- The *Street Improvement Fund* is a special revenue fund to account for the City's share of motor fuel tax revenues that are legally restricted to street maintenance programs.
- The *Community Redevelopment Trust Fund* is a special revenue fund to account for the activity within the special revenue district established. The revenue on the incremental property value is since the establishment of the fund in 1990.
- The *Building Services Fund* is a special revenue fund to account for revenues and expenditures associated with enforcing the Florida Building Code, per F.S. §553.80 (7) (a) (b).
- The *Stormwater Utility Fund* is a special revenue fund that accounts for monthly fees assessed against residential and commercial properties for provision of stormwater management programs.
- The *Sales Tax Capital Projects Fund* account for financial resources of the one-cent infrastructure sales tax to be used for the acquisition or construction of major capital facilities, vehicles, or equipment.

The City reports the following major enterprise fund: An enterprise fund may be used to report any activity for which a fees charged to external users for goods or services.

- The *Water and Sewer Utility System Fund* accounts for the fiscal activities of the City's water and sewer treatment and distribution operations, as well as the funding and payment of related debt.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (*Continued*)

Additionally, the City reports the following non-major fund types:

- The *Special Revenue Funds* account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.
- The *Pension Trust Funds* account for the activities of the City's Police Officers' and Firefighters' Pension Plan, which accumulates resources for pension benefit payments to qualified police and fire employees. They are excluded from the government-wide financial statements because they are fiduciary in nature and do not represent resources available for operations.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City water and sewer utility system fund is charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

D. Assets, Liabilities and Fund Equity

■ **Cash, Cash Equivalents, and Investments**

Cash and cash equivalents include cash on hand, demand deposits, as well as short-term investments with an original maturity date within three months of the date acquired by the government. Governmental fund investments, proprietary fund investments, and pension fund investments are reported at fair market value in accordance with GASB No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value is recognized as an increase or decrease to investment assets and investment income.

With exception of the pension fund investments, the City's investments include certificates of deposit and U.S. Treasury notes with maturities at purchase of greater than one year. The certificates of deposit are recorded at cost plus accrued interest. There was no concentration of credit risk at September 30, 2020.

■ **Receivables**

Property Taxes Receivable

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 Lake County Property Appraiser and Lake County Tax Collector.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Fund Equity (Continued)

The laws of the State 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 millage for 2020 was 7.5810 mills. All real and tangible personal property taxes are due and payable on the levy date of November 1 of each year or as soon thereafter as the assessment roll is certified by the Lake County Property Appraiser (levy date). Lake County (the "County") mails to each property owner on the assessment roll a notice of the taxes due and the County 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.

Accounts Receivable

Water and Sewer Utility System 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. The Water and Sewer Utility System uses the allowance method of bad debt recognition. All receivables are shown net of an allowance for doubtful accounts of \$ 1,279,489 at September 30, 2020. Listed below is the allowance for doubtful accounts:

	General Fund	Water & Sewer Utility System Fund	Stormwater Fund	Total
Allowance for Doubtful Accounts	\$100,963	\$ 1,052,510	\$126,016	\$ 1,279,489

■ **Inventories**

Inventories are valued at cost using the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

■ **Prepaid**

Certain payments to vendors reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Fund Equity (Continued)

■ **Restricted Assets**

Specific provisions of debt resolutions and City policies restrict the uses of certain assets of the enterprise fund. These assets restricted for paying general obligations of the fund. Assets so designated are identified as restricted assets on the Statement of Net Position.

■ **Capital Assets**

Capital assets include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Property, plant, and equipment with initial, individual costs that equal or exceed \$5,000 and estimated useful lives of over one year are recorded as capital assets. Roads, bridges, and sidewalks are capitalized when their initial costs equal or exceed \$25,000 and possess estimated useful lives of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of major business-type activities is included as part of the capitalized value of the assets constructed. Capital asset purchases are recorded as capital outlay expenditures in the fund level governmental funds in the year of acquisition.

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

	<u>Useful Lives</u>
Buildings	10-40 Years
Land Improvements	15-40 Years
Equipment	3-40 Years
Infrastructure	15-40 Years

Expenditures for repairs and maintenance are expensed when incurred. Additions, major renewals and replacements that increase the useful lives of the assets are capitalized.

■ **Amortization of Bond Discounts and Premiums**

In the Water and Sewer Utility System Fund, bond discounts and premiums are amortized over the life of the bonds using the straight line method. In the governmental funds, these costs are recorded as other sources or uses when bonds are issued. Issuance costs are expensed at the time of debt issuance.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Fund Equity (Continued)

■ **Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Upon termination in good standing, the employee can receive a cash benefit for the number of days accrued at the employee's current wage rate. The City records compensated absences in governmental funds, only if they have matured, as expenditures for the amount accrued during the year that would normally be liquidated with expendable, available financial resources. The City accrues compensated absences in the period that they are earned in the government-wide and enterprise fund financial statements.

■ **On-Behalf Payments for Fringe Benefits**

The City receives on-behalf payments from the State of Florida to be used for the Police Officers' and Firefighters' Retirement Plan Contributions. On-behalf payments to the City total \$279,562 for the fiscal year ended September 30, 2020. These payments are currently recorded as revenue in the Pension Trust Fund.

■ **Other Postemployment Benefits**

It is the City's policy to allow retirees to participate in its employee health and life insurance programs. The City accrues other postemployment benefit liability for the cost of providing those benefits in the government-wide and enterprise fund financial statements based on actuarial measurement annually.

■ **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 cost-sharing and 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.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Fund Equity (Continued)

■ **Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The deferred outflows of resources reported in the City's statement of net position represent differences between expected and actual economic experience, changes in actuarial assumptions, the net difference between projected and actual earnings on investments, changes in the proportion and differences between the City's contributions and proportionate share of contributions, and the City's contributions subsequent to the measurement date, relating to the City's defined benefit pension plans. The city also has deferred outflows of resources due to the implementation of GASB 75 related to the OPEB Plan. These amounts will be recognized as expenses in future years.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The deferred inflows of resources reported in the City's statement of net position represent the difference between expected and actual economic experience and changes in the proportion and differences between the City's contributions and proportionate share of contributions relating to the City's defined benefit pension plans. The city also has deferred inflows of resources due to the implementation of GASB 75 related to the OPEB Plan. These amounts will be recognized as reductions in expenses in future years.

■ **Fund Balances**

The City adopted a policy that will set aside funds for the purpose of maintaining sufficient working capital. This is approximately equal to two to three months of operating expenses. The 25% balance set aside will be calculated as a percentage of normal operating expenses not inclusive of debt service, capital outlay and other financing uses. This amount is required to cover short-term cash flow variations, economic downturns, and emergencies. As part of the annual budget process, the City Commission will also approve an amount to be set aside for a contingencies such as catastrophic event or unforeseen losses through insurance or litigation.

The City has classified governmental fund balances as follows:

Non-spendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The City has donations to the Library Trust Fund, which must maintain the principal. Only the interest earnings may be used.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Fund Equity (Continued)

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The City has classified Fines and Forfeitures as being restricted because their use is restricted by State Statute for police investigative expenditures. The redevelopment funds are restricted to a designated area of the City and as such are exclusive to that area alone. Infrastructure Projects are restricted by State Statute and County laws and are legally segregated for funding of infrastructure improvements. Other funds are restricted to library operations as well as other specific developer agreements obligating funds to a specific use.

Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the City Commission. These amounts cannot be used for any other purpose unless the City Commission removes or changes the specified use by taking the same type of action (ordinance) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned: This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Commission or through the City Commission delegating this responsibility to the City manager through the budgetary process. This classification also includes monies allocated to future budgetary years to assist in weathering the current economic crisis.

Unassigned: This classification includes the residual fund balance for the General Fund and the amount established for Minimum Funding, which represents the portion of the General Fund balance that has been established by Resolution 11-59, as amended throughout the year by resolutions as needed.

E. Revenues, Expenditures, and Expenses

■ **Interest Income**

Interest income resulting from pooling of cash in a master bank account is allocated to the respective fund based on its proportionate share.

■ **Capital Contributions**

Subsidies to proprietary funds, which finance either capital or current operations, are recorded as non-operating revenue when earned. The City's policy requires restriction of all moneys collected as impact fees. These fees represent a capacity charge for the proportionate share of the cost of expanding, over sizing, separating or constructing new additions to the water and sewer system. The City is obligated to expend these funds only to provide expanded capacity to the system.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 1 - Description of Funds and Summary of Significant Accounting Policies (Continued)

Revenues, Expenditures, and Expenses (Continued)

Deposits received which reserve capacity in the City's future water and sewer facilities are recorded as a liability upon receipt. After completion of all legal requirements as stipulated by the City's water and sewer treatment policy, the moneys are recorded as non-operating revenue in the year the requirements are met. The City has pledged impact fees to meet expansion bond debt service requirements, and any additional revenue (by bond covenant) is set aside as a restriction of net position to be used for either additional system expansion projects or principal repayment.

■ **Interfund Transactions**

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/ expenses in the fund that is reimbursed. All interfund transactions are reported as transfers (see Note 11).

■ **COVID-19 Revenue Volatility**

The US economy in 2020 has been impacted by Coronavirus pandemic COVID -19. During the year, numerous COVID related expenditures were added to municipal budget. As a result of economic downturns, the pandemic has reduced local revenues. The Federal Cares Act was provided funds for Public Safety departments, public defense and public information equipment; many of purchased items provided safety elements to the public and staff of the City during productions of major events and the maintenance of a clean environment within the buildings and parks throughout the City. The need to upgrade some specific public safety equipment was also found to be an immediate need as well as security items to protect people and staff as they performed work. Furthermore, local government is at the forefront of the response to the pandemic in City and will likely need to increase spending to provide crucial public health services and help local communities adapt to social distancing guidelines. Pandemic revenue effects will continue to effect revenue in the next fiscal year, and the next Fiscal Year City will adjusted the budget accordingly.

Note 2 - Stewardship, Compliance and Accountability

Budgetary Requirements

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

- 1) By August of each year, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1.
- 2) Two public hearings held to obtain taxpayer comments.
- 3) Prior to October 1, the budget is legally enacted through the passage of a resolution.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 2 - Stewardship, Compliance and Accountability (Continued)

- 4) Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for the General Fund, all Special Revenue funds, and the pension trust funds. The budget adopted for the Enterprise fund is derived in compliance with debt covenants.
- 5) Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The budget for the enterprise fund is adopted on a non-GAAP basis to reflect budget versus actual information related to "operations and maintenance" as defined in bond covenants.
- 6) The City Manager is authorized to transfer part or all of an unencumbered appropriation balance between departments within a fund; however, the City Commission must approve any revisions that alter the total appropriations of any fund. The classification detail at which expenditures may not legally exceed appropriations is at the total fund level. During the fiscal year ended, various appropriations approved in accordance with this policy. Budgeted amounts shown in the financial statements are adopted and can be amended. However, amendments were nominal and did not significantly change the originally adopted budget.

In addition to the legal requirements discussed above, the Commission has adopted management control and approval guidelines for expenditures and budget amendments. Key components of these management guidelines are as follows:

- 1) Transfers of budgeted amounts between major object codes of a department within a fund must be approved by the Commission if they exceed \$25,000.
- 2) Transfer of budgeted amounts between funds must be approved by the Commission.
- 3) A department director may transfer funds up to \$5,000 within the department's operating of capital accounts.
- 4) No expenditure of encumbrance may occur without a sufficient budgetary balance.

The City uses encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds, are recorded to reserve that portion of applicable appropriation. Encumbrances represent commitments related to unperformed contracts for goods or services. Most operating encumbrances outstanding at year-end are canceled.

Deficit Fund Equity of Individual Funds

Street Improvement Fund by the end of the fiscal year ended up with deficit of 292,672, this is due to COVID -19 and reduction in Gas Tax revenue, transfers from General Fund haven't been adequate and have not cover Street Improvements Fund expenditures. In the next fiscal year negative fund balance will be covered with sufficient fund transfers from General Fund and suitable fund balance will be maintained.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 3 - Cash, Cash Equivalents, and Investments

Cash and Cash Equivalents

The Florida Security for Depositors Act identifies those financial institutions that have deposited the required collateral in the name of the treasury of the State of Florida as qualified public depositories. The City places deposits only with qualified public depositories, Either FDIC or Florida's Multiple Financial Institution Collateral Pool insures all cash. Therefore, all deposits of the City are fully insured and collateralized. The amount of deposits (cash and cash equivalents) at September 30, 2020, is \$32,318,771.

Investments

The City's investment policy states that it may invest surplus public funds in any of the authorized instruments as is provided for in Florida Statutes 218.415(16). Authorized investments include the following:

- The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01.
- Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02.
- Direct obligations of the U.S. Treasury.
- Federal agencies and instrumentalities.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 3 - Cash, Cash Equivalents, and Investments (Continued)

Investments	Weighted Average Maturities	Credit Rating	Fair Value
USB Trust Accounts:			
Investco Money Market	Less than 1 Year	N/A	\$ 228,745
U.S. Treasury Bonds & Notes	1 to 2 Years	AAA	901,206
TD Bank:			
Certificate of Deposits	Less than 1 Year	N/A	2,306,887
Firefighter's Pension Trust:			
Money Market & Cash Equivalents	N/A	N/A	129,977
Fixed Income - Mutual Funds	2 to 10 Years	BBB to AAA	4,352,987
Equities - Common Stock	N/A	N/A	1,450,854
Equities - Mutual Funds	N/A	N/A	5,713,936
Police Officers' Pension Trust:			
Money Market & Cash Equivalents	N/A	N/A	1,097,858
Fixed Income - Mutual Funds	2 to 10 Years	BBB to AAA	8,288,216
U.S. Government Agency Obligations	15 to 20 Years	AAA	-
Municipal Bonds	1 to 2 Years	AA	-
Foreign Equities	N/A	N/A	1,830,998
ETF Domestic	N/A	N/A	-
International ADR	N/A	N/A	-
Common Stocks	N/A	N/A	10,676,456
Total Investments			<u>36,978,120</u>
Cash Deposits			\$ 32,318,771
Total Cash and Investments			<u>\$ 69,296,890</u>

Shown In the accompanying Statements of Net Position as follows:

Entity-wide - Cash	\$ 32,318,771
Entity-wide - Investments	3,436,838
Fiduciary - Cash	1,227,835
Fiduciary - Investments	32,313,447
Total	<u>\$ 69,296,890</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 3 - Cash, Cash Equivalents, and Investments (Continued)

Fair Value of Investments

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

As a rule, any asset that has a daily closing price and is actively traded will be classified as a Level 1 input.

Level 2: Inputs are inputs (other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly. Inputs to the valuation the full term of the asset or liability.

As a rule, if an asset or liability does not fall into the requirements of a Level 1 or Level 3 input, it would default to Level 2. With Level 2 inputs, there is usually data that can be easily obtained to support the valuation; even though it is not as easily obtained, as a Level 1 input would be.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As rule, Level 3 inputs are those that are difficult to obtain on a regular basis and require verification from an outside party, such as an auditor or an appraisal, to validate the valuation.

Debt and equity securities categorized as Level 1 are valued based on prices quoted in active markets for those securities. Debt securities categorized as Level 2 are valued using a matrix yield curve that values securities based on their relationship to benchmark quoted prices and credit spreads. Equities categorized as a Level 2 are valued using a multifactor model, which includes price, sector indices, and currency fluctuations.

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Currently, the City does not have any debt obligations classified in Level 3.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 3 - Cash, Cash Equivalents, and Investments (Continued)

At September 30, 2020, the City had the following recurring fair value measurements.

Fair Value Measurement Using

<u>Investments measured at Fair Market Value</u>	<u>9/30/2020</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<i>Debt Securities</i>				
U.S. Treasury Bonds and Notes	\$ 901,206	\$ 901,206	\$ -	\$ -
U.S. Government Agencies	228,745	228,745	-	-
Money Market Mutual Funds	-	-	-	-
Total Debt Securities	<u>\$ 1,129,951</u>	<u>\$ 1,129,951</u>	<u>\$ -</u>	<u>\$ -</u>
Certificates of Deposit	<u>\$ 2,306,887</u>			
Total Certificates of Deposit	<u>\$ 2,306,887</u>			
Total investments	<u>\$ 3,436,838</u>			

Firefighter's Pension Trust Rated Investments

Fair Value Measurement Using

<u>Investments measured at Fair Market Value</u>	<u>9/30/2020</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<i>Short Term Investments</i>				
Mutual Funds - Fixed Income	\$ 4,352,987	\$ 4,352,987	\$ -	\$ -
Total Debt Securities	<u>\$ 4,352,987</u>	<u>\$ 4,352,987</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Equity Securities</i>				
Common Stock	\$ 1,450,854	\$ 1,450,854	\$ -	\$ -
Common Stock - International	-	-	-	-
Mutual Fund Equities	5,713,936	5,713,936	-	-
Mutual Fund International	-	-	-	-
Total Equity Securities	<u>\$ 7,164,790</u>	<u>\$ 7,164,790</u>	<u>\$ -</u>	<u>\$ -</u>
Total investments measured at fair value	<u>\$ 11,517,777</u>			

Police Officer's Pension Trust Rated Investments

Fair Value Measurement Using

<u>Investments measured at Fair Market Value</u>	<u>9/30/2020</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<i>Short Term Investments</i>				
U.S. Treasury Bonds and Notes	\$ -	\$ -	\$ -	\$ -
U.S. Government Agencies	-	-	-	-
Corporate Bonds	8,288,216	8,288,216	-	-
Total Debt Securities	<u>\$ 8,288,216</u>	<u>\$ 8,288,216</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Equity Securities</i>				
Foreign Equities	\$ 1,830,998	\$ 1,830,998	\$ -	\$ -
ETF	-	-	-	-
Equities - Common Stock	10,676,457	10,676,456	-	-
Total Equity Securities	<u>\$ 12,507,455</u>	<u>\$ 12,507,454</u>	<u>\$ -</u>	<u>\$ -</u>
Total investments measured at fair value	<u>\$ 20,795,670</u>			

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 3 - Cash, Cash Equivalents, and Investments (Continued)

Credit Risk

Credit risk is the risk of loss due to the failure of the security issuer. The City's investment policy limits the investments to obligations with the highest credit quality ratings. Ratings for debt securities are displayed in the above schedule. The State of Florida 185.06 and 175.06 has a provision regarding investments which states for bonds and stocks that the corporation is listed on any one or more of the recognized national stock exchanges or on the National Market System of the NASDAQ Stock Market and, in the case of bonds only, holds a rating in one of the three highest classifications by a major rating service. Investment ratings are from Moody's Investors Service, Inc. and Standard and Poor's Ratings Group.

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 the possession of an outside party. The Government National Mortgage Association (GNMA) investments of the City and the City's pension investments are held in the name of the counterparty, not in the name of the City.

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 weighted average maturity of the City's investments is displayed in the above schedule. The City evaluates securities for other-than temporary impairment on a quarterly basis and more frequently when economic or market concerns warrant. Consideration is given to the length of time and the extent to which the fair value has been less than cost, the financial condition and near-term prospects of the issuer and the intent and ability of the City to retain its investment in the issuer for a period of time sufficient to allow for any anticipated recovery in the fair value. In analyzing an issuer financial condition, the City considers whether the federal government or its agencies issue the securities, whether downgrades by bond rating agencies have occurred, and the results of reviews of the issuer's financial condition.

The City has no formal policy concerning interest rate risk.

Concentration of Credit Risk

The City's non-pension holdings at U.S. Bank (USB) contain approximately 8.92% of total investments. The breakdown is composed of securities 4.57%, money market account .25%, and government guaranteed bonds (Ginnie Mae) of 4.10%. As the investments mature, the money is deposited into the City master account at TD Bank, which is highly liquid and offers an interest rates which range from 1.52% to 2.42%. Certificate of Deposits are held by banks that are qualified public depositories of the State of Florida. Currently, the City has three Certificates of Deposit with a maturity of less than one year.

Foreign Currency Risk - The City is not exposed to this type of risk.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 4 - Capital Assets

Capital asset activity for the year ended September 30, 2020, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 3,791,241	\$ 3,242,880	\$ (24,620)	\$ 7,009,501
Infrastructure - Retention Ponds	1,946,578	-	-	1,946,578
Infrastructure - Right-of-way	23,664,796	-	-	23,664,796
Construction in Progress	740,524	2,614,967	(2,961,283)	394,208
Total Capital Assets Not Being Depreciated	<u>30,143,139</u>	<u>5,857,847</u>	<u>(2,985,904)</u>	<u>33,015,083</u>
Capital Assets Being Depreciated:				
Buildings	13,886,546	-	-	13,886,546
Improvements Other Than Buildings	5,845,238	2,092,775	-	7,938,013
Equipment	3,831,456	118,549	-	3,950,005
Vehicles	6,543,262	376,960	(402,122)	6,518,099
Infrastructure (Roads and Streets)	34,510,341	868,508	-	35,378,849
Total Capital Assets Being Depreciated	<u>64,616,843</u>	<u>3,456,792</u>	<u>(402,122)</u>	<u>67,671,512</u>
Less Accumulated Depreciation:				
Buildings	(8,970,606)	(405,440)	-	(9,376,046)
Improvements Other Than Buildings	(1,686,062)	(230,980)	-	(1,917,042)
Equipment	(2,900,420)	(195,747)	-	(3,096,166)
Vehicles	(3,751,371)	(433,171)	379,834	(3,804,708)
Infrastructure (Roads and Streets)	(15,424,729)	(848,156)	-	(16,272,886)
Total Accumulated Depreciation	<u>(32,733,188)</u>	<u>(2,113,494)</u>	<u>379,834</u>	<u>(34,466,848)</u>
Total Capital Assets Being Depreciated, Net	<u>31,883,655</u>	<u>1,343,298</u>	<u>(22,288)</u>	<u>33,204,664</u>
Governmental Activities Capital Assets, Net	<u>\$ 62,026,794</u>	<u>\$ 7,201,145</u>	<u>\$ (3,008,192)</u>	<u>\$ 66,219,747</u>
Business-type Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 2,307,117	\$ -	\$ -	\$ 2,307,117
Construction in Progress	2,055,895	1,324,409	(2,077,900)	1,302,404
Total Capital Assets Not Being Depreciated	<u>4,363,012</u>	<u>1,324,409</u>	<u>(2,077,900)</u>	<u>3,609,521</u>
Capital Assets Being Depreciated:				
Buildings	1,040,680	-	-	1,040,680
Improvements Other Than Buildings	75,868,280	1,948,255	-	77,816,536
Equipment	5,100,513	454,095	-	5,554,609
Total Capital Assets Being Depreciated	<u>82,009,473</u>	<u>2,402,350</u>	<u>-</u>	<u>84,411,825</u>
Less Accumulated Depreciation:				
Buildings	(879,213)	(21,542)	-	(900,755)
Improvements Other Than Buildings	(37,235,859)	(2,182,803)	-	(39,418,662)
Equipment	(3,548,903)	(297,697)	-	(3,846,600)
Total Accumulated Depreciation	<u>(41,663,975)</u>	<u>(2,502,042)</u>	<u>-</u>	<u>(44,166,017)</u>
Total Capital Assets Being Depreciated, Net	<u>40,345,498</u>	<u>(99,692)</u>	<u>-</u>	<u>40,245,808</u>
Business-type Activities Capital Assets, Net	<u>\$ 44,708,510</u>	<u>\$ 1,224,717</u>	<u>\$ (2,077,900)</u>	<u>\$ 43,855,329</u>
 Depreciation Expense - Governmental Activities				
General Government and Administration				\$ 219,012
Public Safety				392,350
Physical Environment				55,627
Transportation				1,043,983
Culture and Recreation				402,522
Total Depreciation Expense Governmental Activities				<u>\$ 2,113,494</u>
 Depreciation Expense - Business Type Activities				
Water and Sewer System				<u>\$ 2,502,042</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans

General Employees

The City has multiple pension plans for its employees. The general employees are currently participating in two plans. Employees hired on or before December 31, 1995, participate in the Florida Retirement System (FRS), a multiple-employer, cost-sharing public employee retirement system. Employees hired after December 31, 1995, participate in a defined contribution plan. The costs of administering the plans are paid for with investment earnings.

City of Eustis Section 401 Defined Contribution Plan

In 1995, the State of Florida allowed a one-time opt-out of the Florida Retirement System for all new employees. The City Commission enacted an ordinance and established a 401 Defined Contribution Plan. Mass Mutual is the plan administrator. Payments are made bi-weekly. The effective date of the plan was January 1, 1996.

- **Eligibility** - Full-time employees are enrolled immediately and part-time employees become participants of the plan after six months of service. There is no minimum age requirement.
- **Participants** - There were 157 participants in the plan for the fiscal year ended September 30, 2020.
- **Compensation** - Means total compensation paid during the plan year except bonuses. Total compensation for fiscal year ended September 30, 2020 was \$ 6,399,835.
- **Forfeitures** - Shall be applied to future employer contributions.
- **Employer Contributions** - Mandatory contribution of 6% of covered payroll is required of the employer. Total contributions for fiscal year ended September 30, 2020, were \$383,988.
- **Employee Contributions** - A mandatory contribution of 4% is required by the employee. The contributions are pre-taxed. Contributions for fiscal year ended September 30, 2020, were \$255,993.
- **Normal Retirement** - This is the date the participant attains age 62, and shall not exceed the date the participant attains the age of 65.
- **Early Retirement** - None.
- **Vesting Schedule** - 0 through 4 years 0%, 5 years 100% or 100% at age 62.
- **Distributions** - Participants may request immediate distribution upon termination. If not vested, participants receive only what they have contributed to the plan.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

- **Miscellaneous** - Loans are allowed under the 401 plan; however, the amount is limited to the amount of the participants contributions and a minimum of \$1,000. Repayment is limited to a maximum of 5 years and is repaid bi-weekly via payroll deductions. Transfers from other qualified plans are allowed.

Florida Retirement System

- **General Information** - The City participates in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site:

www.dms.myflorida.com/workforce_operations/retirement/publications.

- **Plan Description** - The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") for eligible employees.
- **Benefits Provided** - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. Pension Plan members enrolled before July 1, 2011, regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits.
Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service.

Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service.

Elected Officers' class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member initially enrolled in the Pension Plan before July 1, 2011, and all service credit accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

■ **Contributions**

The FRS has nine (9) classes of membership. Only two (2) classes are applicable to the City's eligible employees. These two (2) classes, with descriptions and contribution rates in effect during the period ended September 30, 2020, are as follows:

	Regular	DROP
7/1/18 through 6/30/19	8.26%	14.30%
7/1/19 through 6/30/20	8.47%	14.60%
7/1/20 through present	10.00%	16.98%

The City's contributions to FRS for the years ended September 30, 2020, 2019 and 2018 were, \$68,375, \$67,366 and \$64,946, respectively, and equal the required contributions for each year.

- **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - At September 30, 2020, the City reported an FRS pension liability of \$739,837 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The City's proportionate share of the net pension liability was based on the City's 2019-20 fiscal year contributions relative to the 2018-19 fiscal year contributions of all participating members. The City's proportionate share was .0000178% and .00001708%, at June 30, 2020 and June 30, 2019, respectively.

	FRS
Proportionate Share of Net Pension	\$ 739,837
City's proportion at June 30, 2020	0.00001709
City's proportion at June 30, 2019	0.00001783
Change on proportion during current year	-0.00000074

For the fiscal year ended September 30, 2020, the City recognized pension expense of \$96,884. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

Description	FRS Deferred Outflows of Resources	FRS Deferred Inflows of Resources
Differences between expected and actual experience	\$ 28,341	\$ -
Change of assumptions	134,055	-
Net difference between projected and actual earnings on Pension Plan investments	44,090	-
Changes in proportion and differences between City Pension Plan contributions and proportionate share of contributions	2,861	(81,846)
City Pension Plan contributions subsequent to the measurement date	17,657	-
Total	\$ 227,004	\$ (81,846)

The deferred outflows of resources related to the Pension Plan, totaling \$17,657, resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30, 2020:	Deferred Outflow / Inflow Amount
2021	\$ 9,462
2022	49,294
2023	43,595
2024	22,811
2025	2,339
Totals	\$ 127,501

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

- **Actuarial Assumptions** - The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	2.50 %
Salary increases	2.00%, average, including inflation
Investment rate of return	N/A net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2019.

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>
Cash	0.00%	2.20%
Fixed Income	19.00%	3.00%
Global Equity	54.00%	8.00%
Real Estate (Property)	10.30%	6.40%
Private Equity	11.10%	10.80%
Strategic Investments	5.60%	5.50%
Total	<u>100.00%</u>	<u>35.90%</u>

(1) As outlined in the Pension Plan's investment policy

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

- **Discount Rate** - The discount rate used to measure the total pension liability was 7.00%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.
- **Sensitivity to the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate** - The following represents the City's proportionate share of the net pension liability calculated using the total discount rate of 6.8%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower, 5.8%, or one percentage point higher 7.8% than the current rate:

	FRS net pension Liability (Asset)		
	1% Decrease	Current	1% Increase
	5.80%	Discount Rate	7.80%
		6.80%	
City's proportionate share of			
the net pension liability	\$ 1,182,461	\$ 739,837	\$ 371,380

- **Pension Plan Fiduciary Net Position** - Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.
- **Payables to the Pension Plan** - At September 30, 2020, the City reported a payable in the amount of \$5,469 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2020.

HIS Plan

- **Plan Description** – The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.
- **Benefits Provided** – For the fiscal year ended September 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

- **Contributions** – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2020, the HIS contribution for the period October 1, 2018 through June 30, 2019 and from July 1, 2019 through September 30, 2020 was .00168% and .00176 % respectively. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The City's contributions to the HIS Plan totaled \$9,574 for the fiscal year ended September 30, 2020.

- **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** – At September 30, 2020, the City reported a liability of \$205,486 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The City's proportionate share of the net pension liability was based on the City's 2019-20 fiscal year contributions relative to the 2018-19 fiscal year contributions of all participating members. At June 30, 2020, the City's proportionate share was .0000168%.

	HIS
Proportionate Share of Net Pension	\$ 205,486
City's proportion at June 30, 2020	0.00001683
City's proportion at June 30, 2019	0.00001757
Change on proportion during current year	-0.00000074

For the fiscal year ended September 30, 2020, the City recognized pension benefit of \$16,911. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

Description	HIS Deferred Outflows of Resources	HIS Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,406	\$ (159)
Change of assumptions	22,096	(11,948)
Net difference between projected and actual earnings on Pension Plan investments	164	-
Changes in proportion and differences between City Pension Plan contributions and proportionate share of contributions	-	(61,658)
City Pension Plan contributions subsequent to the measurement date	2,541	-
Total	\$ 33,206	\$ (73,765)

The deferred outflows of resources related to the HIS Plan, totaling \$2,541 resulting from City contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30, 2020:	Deferred Outflow / Inflow Amount
2021	\$ (17,638)
2022	(11,394)
2023	(8,517)
2024	(4,921)
2025	(1,538)
Thereafter	908
Totals	\$ (43,100)

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

- **Actuarial Assumptions** – The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 %
Salary increases	2.00%, average, including inflation
Municipal bond rate	2.66%
Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.	

The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2019.

- **Discount Rate** - The discount rate used to measure the total pension liability was 2.21%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.
- **Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate** - The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 2.21%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower 1.21% or one percentage point higher 3.21% than the current rate:

HIS Net Pension Liability (Asset)			
	1% Decrease 1.21%	Discount Rate 2.21%	1% Increase 3.21%
City's proportionate share of the net pension liability	\$ 237,533	\$ 205,486	\$ 179,256

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

- **Pension Plan Fiduciary Net Position** - Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Police and Fire Defined Benefit Pension Plans

- **Plan Description and Provisions**

Plan Administration

The City of Eustis Municipal Police Officers' Pension and Retirement System is a single employer defined pension plan administered by a Board of Trustees. The Board consists of five Trustees, two of whom are appointed by the City Commission, two of whom are full-time Police Officers, elected by a majority of the members of the Plan, and fifth member elected by the other four and appointed by Commission. Certain provisions of Chapter 185, Florida Statutes, Chapter 112, Florida Statutes and the Internal Revenue Code govern the Plan.

The City of Eustis Municipal Firefighters' Pension and Retirement System is a single employer defined pension plan administered by a Board of Trustees. The Board consists of five Trustees, two of whom are appointed by the City Commission, two of whom are full-time Firefighters, elected by a majority of the members of the Plan, and fifth member elected by the other four and appointed by Commission. Certain provisions of Chapter 175, Florida Statutes, Chapter 112, Florida Statutes and the Internal Revenue Code govern the Plan.

These plans are maintained as pension trust funds and included as part of the City's reporting entity. City ordinance and state law requires contributions to be determined by actuarial studies. The City Commission has the authority to establish and amend the benefit provisions of the plans. Administrative costs are financed through contributions and investment earnings. Stand-alone financial reports are not issued.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

Police and Fire Defined Benefit Pension Plans (Continued)

	9/30/2020	10/1/2019
Plan Membership:	Police	
	<u>Officers</u>	<u>Firefighters</u>
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	30	22
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	8	15
Active Plan Members	<u>40</u>	<u>22</u>
Total	<u>78</u>	<u>59</u>

- **Benefits Provided – Police Officers and Firefighters’ Pension Plans**
Both Plans provide retirement, termination, disability and death benefits.
- **Normal Retirement** – For both plans, normal retirement can occur at age 55 and the completion of 10 years of credited service or age 52 and 25 years of credited service. The benefit payable at retirement is 3% of the average final compensation time credited service for the Police Officers’ Plan and 4% for the Firefighters’ Plan.
- **Early Retirement** – Both Plans allow early retirement at age 50 and 10 years of credited service. The benefit payable is the same as for Normal retirement, reduced 3% per year.
- **Termination of Employment (both Plans)** – With 10 years or more of credited service, normal retirement benefits are available at retirement age or a refund of contributions can be obtained. Termination with less than 10 years of service results in a refund of contributions made without interest.
- **Disability benefits** – The Plans provide for disability benefits accrued as of the date of disability. The benefit is 65% of the average final compensation (AFC) for service related disability and 25% of AFC for Non-service related disability.
- **Pre-retirement Death Benefits** – Pre-retirement benefits are available to beneficiaries of both police officers and firefighters on the date that normal retirement would have been reached for vested plan members. For non-vested police officers and firefighters, the beneficiary is entitled to a refund of member contributions.
- **Contributions** – Contributions for the Police Officers’ and Firefighters’ Pension Plans include a required contribution from employees of 4% of compensation (as defined). Employer contributions are actuarially determined as the remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, as provided in Chapter 112, Florida Statutes.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

Police and Fire Defined Benefit Pension Plans

- **Deferred Retirement Option Program (DROP)** – Eligibility requires satisfaction of normal retirement requirements.
- **Net Pension Liability of the City** - The measurement date for the Net Pension Liability for the City is September 30, 2020. The measurement period for pension expense and the reporting period is October 1, 2018 to September 30, 2019. The components of the net pension liability of the City at September 30, 2020 were as follows:

Police Officers' Plan

Total pension liability	\$ 29,488,486
Plan fiduciary net position	<u>(21,957,933)</u>
City's net pension liability	<u>\$ 7,530,553</u>
Plan fiduciary net position as a percentage of the total pension liability	74.46%

Firefighters' Plan

Total pension liability	\$ 13,280,912
Plan fiduciary net position	<u>11,667,184</u>
City's net pension liability	<u>\$ 1,613,728</u>
Plan fiduciary net position as a percentage of the total pension liability	87.85%

Costs of administering the police officers' and firefighters' pension plans are financed through investment earnings.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

	Increase (Decrease)		
<u>Police Officers</u>	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at September 30, 2019	\$ 27,676,229	\$ 21,680,255	\$ 5,995,974
Changes for a Year:			
Service Cost	628,111	-	628,111
Interest	2,041,898	-	2,041,898
Benefit Changes	18,821	-	18,821
Differences between Expected and Actual Experience	(233,718)	-	(233,718)
Changes of assumptions	375,278	-	375,278
Changes of benefit terms	-	-	-
Contributions - Employer	-	1,048,482	(1,048,482)
Contributions - State	-	166,208	(166,208)
Contributions - Employee	-	105,471	(105,471)
Net Investment Income	-	63,246	(63,246)
Differences between Projected and Actual	-	-	-
Benefit Payments, including Refunds of Employee Contribution:	(1,046,817)	(1,046,817)	-
Other (Change in Share Plan Reserve)	28,684	-	28,684
Administrative Expense	-	(58,912)	58,912
Net Changes	1,812,257	277,678	1,534,579
Balances at September 30, 2020	\$ 29,488,486	\$ 21,957,933	\$ 7,530,553

	Increase (Decrease)		
<u>Firefighters</u>	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at September 30, 2019	\$ 12,676,305	\$ 10,271,020	\$ 2,405,285
Changes for a Year:			
Service Cost	276,487	-	276,487
Interest	985,657	-	985,657
Share plan allocation	18,844	-	18,844
Differences between Expected and Actual Experience	109,268	-	109,268
Changes of assumptions	(153,334)	-	(153,334)
Changes of benefit terms	-	-	-
Contributions - Employer	-	589,041	(589,041)
Contributions - State	-	113,354	(113,354)
Contributions - Employee	-	57,081	(57,081)
Net Investment Income	-	1,309,135	(1,309,135)
Benefit Payments, including Refunds of Employee Contribution	(632,316)	(632,316)	-
Administrative Expense	-	(40,132)	40,132
Net Changes	604,606	1,396,163	(791,557)
Balances at September 30, 2020	\$ 13,280,911	\$ 11,667,183	\$ 1,613,728

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

For the year ended September 30, 2020, the City will recognize pension expense of \$1,372,120 and \$519,544 for Police and Firefighters, respectively.
On September 30, 2020, the City reported Deferred Outflow of Resources and Deferred Inflow for Police and Fire Department Resources related to pensions from the following sources:

Police Officers

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 38,821	\$ (704,877)
Changes of assumptions	402,650	(2,953)
Net difference between Projected and Actual Earnings on Pension Plan Investments	1,698,459	-
Total	<u>\$ 2,139,930</u>	<u>\$ (707,830)</u>

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30, 2020:

2021	\$ 285,926
2022	359,492
2023	464,948
2024	321,734
Total	<u>\$ 1,432,100</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

Firefighters

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 149,873	\$ -
Changes of assumptions	62,738	(115,002)
Net difference between Projected and Actual Earnings on Pension Plan Investments	-	(274,003)
Total	<u>\$ 212,611</u>	<u>\$ (389,005)</u>

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30, 2020:

2021	\$ (8,899)
2022	(3,441)
2023	(63,134)
2024	(100,920)
Total	<u>\$ (176,394)</u>

Significant Actuarial Assumptions

The following is a summary of actuarial methods and significant actuarial assumptions used in the latest actuarial valuations:

	<u>Police</u>	<u>Fire</u>
Funding method	Entry age normal	Entry age normal
Amortization method	Level dollar, closed	Level percentage of pay, closed
Remaining amortization period	19 years	15 years (as of 10/1/2019)
Actuarial asset method	4-year average market value return	4-year average market value return
Inflation	2.50% per year	2.50% per year
Salary increases	6.0% per year	Service based
Investment rate of return	7.25% per year	7.80% per year
Mortality	RP-2000 Mortality Table for Annuitants, projected to all future years after 2000 with scale BB	Pub- S.H - 2010 Mortality Table for Annuitants, Projected with Scale MP-2018

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

Police and Fire Defined Benefit Pension Plans

Investments Held

Investments are reported at Fair Market Value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

Authorized investments are governed by Florida Statutes and each Plan's investment policy. All plan investments are held by an outside third party custodian who determines what instruments to purchase based on the plan's investment policy. Investments held and the return earned are reviewed quarterly by the pension board of the respective plan.

Both the Police Officer and Firefighters' Pension Plans did not hold investments in any one organization that represents 5% or more of the Plan's fiduciary net position.

For the year ended September 30, 2020 the net of pension plan investment expense, was 7.25% and 7.80% for the Police Officers' and for Firefighters' plan, respectively. The money-weighted rate of return 12.74% expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Long Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in both the police officers' and firefighters' pension plan's target asset allocation as of September 30, 2020

Asset Class	Police		Fire	
	Target Allocation	Long Term Expected Rate of Return	Target Allocation	Long Term Expected Rate of Return
Domestic Equity	60.00%	7.50%	45.00%	7.50%
International Equity	10.00%	8.50%	15.00%	8.50%
Domestic Fixed Income	30.00%	2.50%	25.00%	2.50%
Real Estate	0	0	10.00%	4.50%
GTAA	0	0	5.00%	3.50%

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.25% and 7.80 for the police officers' plan and the firefighters' plan, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the sensitivity of the net pension liability of the City to a change in the discount rate:

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
<u>Police Officers' Plan</u>	<u>6.25%</u>	<u>7.25%</u>	<u>8.25%</u>
Sponsor's Net Pension Liability	\$11,753,767	\$7,530,553	\$4,099,360
<u>Firefighters' Plan</u>	<u>6.80%</u>	<u>7.80%</u>	<u>8.80%</u>
Sponsor's Net Pension Liability	\$3,391,417	\$1,613,728	\$145,498

COMPONENTS OF PENSION EXPENSE
FISCAL YEAR SEPTEMBER 30, 2020

Summary of Defined Pension Plans

As of September 30, 2020	<u>Net Pension Liability</u>	<u>Deferred Inflows</u>	<u>Deferred Outflows</u>	<u>Pension Expense</u>
FRS and HIS				
Governmental	499,699	102,162	148,063	17,623
Business Type	445,624	53,449	112,147	26,189
FRS - Total	<u>945,323</u>	<u>155,611</u>	<u>260,210</u>	<u>43,812</u>
Police Pension Plan	7,530,553	707,830	2,139,930	1,372,120
Firefighters' Pension Plan	1,613,728	389,005	212,611	519,544
Total	<u>\$ 10,089,604</u>	<u>\$ 1,252,446</u>	<u>\$ 2,612,751</u>	<u>\$ 1,935,476</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 5 - Pension Plans (Continued)

SCHEDULE OF PENSION PLAN NET POSITION AS OF SEPTEMBER 30, 2020

	Police Officers	Firefighters	Total
Assets			
Cash and Cash Equivalents	\$ 1,097,858	\$ 129,977	\$ 1,227,835
Contributions Receivable	64,405	22,871	87,276
Interest Receivable (Investment Income)	-	2,059	2,059
Stocks	-	1,450,854	1,450,854
Fixed Income Securities at Fair Value	8,288,216	4,352,987	12,641,203
Equities and Mutual Funds at Fair Value	12,507,454	5,713,936	18,221,390
Total Assets	<u>21,957,933</u>	<u>11,672,683</u>	<u>33,630,616</u>
Liabilities			
Accounts Payable	-	5,500	5,500
Total Liabilities	<u>-</u>	<u>5,500</u>	<u>5,500</u>
Net Position Restricted for Employees' Pension Benefits and Other Purposes	<u><u>\$ 21,957,933</u></u>	<u><u>\$ 11,667,183</u></u>	<u><u>\$ 33,625,116</u></u>

SCHEDULE OF CHANGE IN PENSION PLAN NET POSITION AS OF SEPTEMBER 30, 2020

Contributions			
Plan Member Contributions	\$ 105,471	\$ 57,081	\$ 162,552
Insurance Premium Tax	166,208	113,354	279,562
City Contributions	1,048,482	589,041	1,637,523
Total Contributions	<u>1,320,161</u>	<u>759,476</u>	<u>2,079,637</u>
Income on Investments			
Net Appreciation in Fair Value of Investments	(447,497)	1,026,828	579,331
Interest Income	295,741	314,119	609,860
Dividend Income	340,934	-	340,934
Total Income on Investments	<u>189,178</u>	<u>1,340,948</u>	<u>1,530,126</u>
Additions (Reductions)			
Less: Investment Management Fees	(142,925)	(31,813)	(174,738)
Net Investment Income	46,253	1,309,135	1,355,388
Total Additions	<u>1,366,414</u>	<u>2,068,611</u>	<u>3,435,025</u>
Deductions			
Pension Payments	(1,046,817)	(632,316)	(1,679,133)
Administration	(41,918)	(40,132)	(82,050)
Total Deductions	<u>(1,088,735)</u>	<u>(672,448)</u>	<u>(1,761,183)</u>
Change in Net Assets	277,678	1,396,163	1,673,841
Net Position, Beginning of Year	<u>21,680,255</u>	<u>10,271,020</u>	<u>31,951,275</u>
Net Position, End of Year	<u><u>\$ 21,957,933</u></u>	<u><u>\$ 11,667,183</u></u>	<u><u>\$ 33,625,116</u></u>

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 6 - Other Postemployment Benefits

The Other Postemployment Benefit Plan (OPEB) is a single-employer benefit plan administered by the City. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the City are eligible to participate in the City's health plan for medical and prescription drug coverage. Although retirees pay for healthcare at group rates, they are receiving a valuable benefit because they can buy insurance at costs that are lower than the costs associated with the experience rating for their age.

The City subsidizes the premium rates paid by retirees by allowing them to participate in the plan at blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees.

The City does not issue a standalone financial report on the OPEB Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Employees Covered by Benefit Terms

To be eligible for participation in the OPEB Plan, the employee must:

- Retire under the Florida Retirement System, the City of Eustis Retirement Plan, Eustis Police Officers' Pension Plan or the Eustis Firefighters' Pension Plan, and
- Attain the minimum service requirements under the OPEB Plan, and
- Elect to continue medical coverage by paying the applicable monthly premium.

The following employees were covered by the benefit terms as of October 1, 2019, the latest actuarial valuation date:

Retirees and beneficiaries currently receiving benefits	27
Active employees	207
Total	<hr/> 234

Funding Policy Contributions to the OPEB Plan are established and may be amended through action from the City Commissioners. OPEB Plan must reimburse the City for the City's average blended cost (the City provides the implicit subsidy). The monthly average blended costs of the various options for calendar year 2019 were \$486 for individual coverage, and \$618 for family coverage, and \$298 for the Medicare supplement plan.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 6 - Other Postemployment Benefits (Continued)

Total OPEB Liability The measurement date for the City's total OPEB liability is September 30, 2019. The measurement period for OPEB cost was October 1, 2018 to September 30, 2019. The components of the City's net OPEB liability at September 30, 2020, are as follows:

Total OPEB Liability	\$ 2,784,211
OPEB Plan Fiduciary net position	-
City's Total OPEB Liability	<u>\$ 2,784,211</u>

OPEB Plan Fiduciary net position as a percentage of Total OPEB Liability	0.00%
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Actuarial Assumptions The total OPEB liability as of September 30, 2020 was based on a roll-forward of the actuarial valuation dated October 1, 2018 using the following actuarial assumptions:

Inflation	2.50% per annum
Discount Rate	2.66%
Healthcare cost trend rates	7.50% per annum (including inflation of 2.5%)

Mortality rates for police officers and firefighters were based on the Pub – 2010 Blue Collar Healthy Mortality Table and projected generationally with Scale MP-2019. Mortality rates for other employees were based on the Combined Healthy Mortality Table and projected generationally with Scale MP-2019.

Discount Rate The discount rate used to measure the total OPEB liability at September 30, 2020 was 2.66%. The discount rate used to measure the total OPEB liability at September 30, 2020 was 2.66%. Because the City's OPEB costs are essentially funded on a pay-as-you-go funding structure, a municipal bond rate was used to determine the total pension liability for the Program. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted for this purpose.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 6 - Other Postemployment Benefits (Continued)

Changes in the Total OPEB Liability

	Fiscal Year
	2020
Total OPEB Liability	
Service Cost	\$ 83,533
Interest	94,301
Difference between expected and actual experience	-
Change of assumptions and other inputs	502,669
Benefit payments	(137,507)
Other Changes	-
Net Change in Total OPEB	542,996
Total OPEB Liability Beginning of the Year	2,241,215
Total OPEB Liability End of the Year	\$ 2,784,211

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

The following table presents the total OPEB liability, calculated using the discount rate of 2.66%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (1.66%) or one percentage-point higher (3.66%) than the current discount rate:

	1% Decrease 1.66%	Current Discount Rate 2.66%	1% Increase 3.66%
Total OPEB liability	\$ 3,100,574	\$ 2,784,211	\$ 2,514,359

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

The following table presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage-point lower (1.66%) or one percentage-point higher (3.66%) than the current discount rate:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 2,424,877	\$ 2,784,211	\$ 3,237,222

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 6 - Other Postemployment Benefits (Continued)

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

For the year ended September 30, 2020, the City recognized OPEB expense of \$262,932. At September 30, 2020, the City has deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Deferred inflows of resources shown above will be recognized in OPEB expense in the following years:

<u>Fiscal Year Ending:</u>	<u>Inflows</u>	<u>Outflows</u>	<u>Amount</u>
September 30, 2021	\$ 192,585	\$ 50,267	\$ 142,318
September 30, 2022	192,585	50,267	142,318
September 30, 2023	192,585	50,267	142,318
September 30, 2024	192,585	50,267	142,318
September 30, 2025	192,585	50,267	142,318
Thereafter	760,414	201,067	559,347
Total	<u>\$ 1,723,339</u>	<u>\$ 452,402</u>	<u>\$ 1,270,937</u>

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ -	\$ (1,051,731)
Changes in Assumptions	452,402	(671,608)
Contributions Subsiquent to the Measurement Date	166,315	-
	<u>\$ 618,717</u>	<u>\$ (1,723,339)</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 7 - Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Plan amendments have been made so that the plan is in compliance with IRC Section 457, as amended by the 1996 changes to the tax code. The assets are held in various custodial accounts. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the various participants of the plan

Note 8 - Risk Management

Property, Casualty, Liability and Workers' Compensation

The City is exposed to a variety of claims and losses including property damage, liability and workers' compensation for which it participates in an insurance pool with other State of Florida cities. Premiums are determined based on each city's loss ratio for the previous year. The pool, although largely self-insured, purchases excess coverage from commercial carriers.

During the last five years the experience rate as it relates to the loss fund set up by the City's insurance provider is as follows:

Loss Fund Analysis Valuation as of September 30

<u>Year</u>	<u>Loss Fund</u>	<u>Experience</u>	<u>Percentage Use of Loss Fund</u>
2020	756,650	48,518	6.41%
2019	651,560	168,672	25.89%
2018	627,707	472,676	75.30%
2017	604,727	522,759	86.45%
2016	525,941	169,977	32.32%

The City property and auto coverage has a \$1,000 deductible. An additional 2% deductible is applied to any named windstorm. Property located within a flood zone must maintain separate coverage. Automatic coverage for increases in property values for the remainder of policy term, up to \$5,000,000 in total insurable values at no additional premium. General liability is set at \$1,800,000 per member with an aggregate of \$5,400,000. Workers' compensation group limits are set at \$350,000 with retention of \$650,000. In addition to all coverage, the city has elected to carry excess liability insurance in the amount of \$3,000,000. Terrorism is excluded for buildings valued in excess of \$50,000,000, which does not affect our city.

**NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)**

Note 8 - Risk Management (Concluded)

Health Insurance

The City provides life and health insurance benefits to all eligible regular full-time employees. The program also provides limited coverage for dental and prescription drugs. Employees pay only for dependent coverage under the health benefit program. Premiums are deducted from the participating employee's biweekly pay.

The insurance plan provides life insurance coverage in the amount of \$20,000 for eligible employees and \$50,000 for division and department heads with an additional amount of coverage for accidental death and dismemberment.

The amount of coverage is reduced to \$10,000 for all employees at retirement. Coverage is further reduced to \$6,500 upon achieving age 65 and \$5,000 at age 70. Accidental death and dismemberment coverage terminates after age 70. The life insurance coverage is funded through the purchase of a group insurance policy by the City.

The City's health insurance plan is purchased through the pool as mentioned above. This change to a group insurance pool became effective October 1, 2003. Retirees and terminated employees are eligible to participate in the health insurance plan at their own expense. In order to control costs, the City has joined a Preferred Provider Organization (PPO).

Employees are encouraged to use participating providers, which are covered 80% under the plan or, they may choose their own provider. Coverage for expenses rendered by nonparticipating providers is limited to 40%, with the employee paying 60% co-pay.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 9 - Commitments

The City has outstanding commitments on various contracts for construction and other projects. These commitments as of September 30, 2020, in the respective funds are as follows:

	<u>Total Estimated Cost</u>	<u>Cost Incurred To Date</u>	<u>% Complete</u>
Governmental Activities:			
Sales Tax Capital Projects Fund			
Ferran Park Phase Four	\$ 1,979,166	\$ 69,948	3.53%
Lake Willy Walk Reseal	65,650	25,532	38.89%
Recreation Facility Improvements	59,000	20,364	34.52%
Building Improvements	368,700	76,314	20.70%
Subtotal	\$ 2,472,516	\$ 192,159	24.41%
Stormwater Fund			
Ardice/Ruleme/Kurt St Drainage Improvements	760,586	758,085	99.67%
Tedford Improvements	50,000	29,873	59.75%
Buena Vista Storm Improvements	200,000	29,178	14.59%
Exeter Storm Drainage	75,000	30,799	41.07%
Subtotal	\$ 1,085,586	\$ 847,936	53.77%
CRA Fund			
Lake Eustis Seawall Rehab	440,400	39,105	8.88%
Sidewalk/Tree Planting	309,235	109,439	35.39%
Subtotal	\$ 749,635	\$ 148,544	22.13%
Total Governmental Activities	<u>\$ 7,865,838</u>	<u>\$ 2,228,733</u>	<u>36.26%</u>
Business Type Activities:			
Three Lakes Galvanized Main	269,923	268,810	99.59%
Remote Meter Reading	100,000	57,465	57.47%
Summit Street Galvanized Main	44,838	11,551	25.76%
Hawley Street Main	125,660	165,696	131.86%
Stevens Avenue Main	47,875	249	0.52%
Ardice Ground Storage Tank	819,365	698,211	85.21%
Master Lift Station Pump Replacement	90,000	86,124	95.69%
Southside Sewer Slipline	183,402	154,058	84.00%
Northside Sewer Slipline	184,832	162,571	87.96%
Reclaimed Water Main Extension	344,000	87,292	25.38%
Ardice Tower Hydro Tank Installation	222,500	117,463	52.79%
Main WWTP Expansion	600,000	61,858	10.31%
Sludge Handling Upgrade	515,848	9,152	1.77%
Total Business Type Activities	<u>\$ 3,548,243</u>	<u>\$ 1,880,500</u>	<u>58.33%</u>

The commitments above will be funded from a combination of City reserves and collections from water and sewer.

**NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)**

Note 10 - Long-Term Debt

	Beginning Balance	Increases	Decreases	Ending Balance	Amount Due Within One Year
Governmental Activities:					
Note Payable - 2018 (Direct Placement)	\$ 640,000	\$ -	\$ (160,000)	\$ 480,000	\$ 160,000
Note Payable - 2016 (Direct Placement)	180,223	-	(87,475)	92,748	-
CRA Loan - 2020 (Direct Borrowing)	-	3,000,000	-	3,000,000	113,142
Total OPEB Obligation	1,749,654	445,823	-	2,195,477	-
Net Pension Liability	8,846,447	2,805,245	(2,007,712)	9,643,980	-
Compensated Absences	1,636,368	628,078	(537,844)	1,726,602	276,256
Total Governmental Activities	\$ 13,052,692	\$ 6,879,146	\$ (2,793,031)	\$ 17,138,807	\$ 549,398
	Beginning Balance	Increases	Decreases	Ending Balance	Amount Due Within One Year
Business Type Activities:					
<u>Revenue Bonds</u>					
Water & Sewer Revenue					
Bonds, Series 2016	\$ 6,865,000	\$ -	\$ (295,000)	6,570,000	\$ 305,000
Unamortized Bond Premium - 2016	428,988	-	2,759	426,229	20,043
Subtotal	\$ 7,293,988	\$ -	\$ (292,241)	\$ 6,996,229	\$ 325,043
<u>Notes Payable - Direct Borrowing:</u>					
State Revolving Note Agreement SRF 507010P	564,219	-	(373,439)	190,780	190,780
State Revolving Note Agreement SRF 350302	3,456,604	-	(226,371)	3,230,233	232,341
State Revolving Note Agreement SRF 350300	202,566	-	(13,383)	189,182	13,717
Subtotal	\$ 4,223,389	-	\$ (613,193)	\$ 3,610,196	\$ 436,838
<u>Notes Payable - Direct Placement:</u>					
Note Payable - 2017	1,083,300	-	(361,100)	722,200	361,100
Subtotal	\$ 1,083,300	-	\$ (361,100)	\$ 722,200	\$ 361,100
Total Revenue Bonds and Notes	\$ 12,600,677	-	\$ (1,266,534)	\$ 11,328,625	\$ 1,122,981
<u>Other Liabilities</u>					
Total OPEB Obligation	491,561	97,173	-	588,734	-
Net Pension Liability	365,300	85,784	(5,460)	445,624	-
Compensated Absences	412,351	244,218	(237,768)	418,801	75,492
Total Other Liabilities	\$ 1,269,212	\$ 427,175	\$ (243,228)	\$ 1,453,159	\$ 75,492
Total Business Type Activities	\$ 13,869,889	\$ 427,175	\$ (1,509,762)	\$ 12,781,784	\$ 1,198,473

In governmental fund financial statements, the amount of compensated absences associated with employee terminations prior to year-end, if any, is recorded as expenditures and represents the amounts that would normally be liquidated with available spendable resources. In the government-wide financial statements, all governmental fund compensated absences are recorded and split between the current and noncurrent portions. The compensated absences payable and other postemployment benefits from the governmental funds are liquidated from the General, Street Improvement and Stormwater Funds.

In proprietary funds, the amount of compensated absences associated with employee vacations and sick leave are recorded as expenses, which represent the amounts accrued during the year. The entire liability for compensated absences of these funds is reflected in the respective financial statements split between the current and noncurrent portions.

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 10 - Long-Term Debt (Continued)

The following is a schedule of bonds and notes outstanding at September 30 2020:

Description of Bonds	Purpose of Issue	Issued	Outstanding	Rates
Government Activities:				
Revenue Bonds and Note Payable				
Note Payable - 2018 (Direct Placement)	Public Safety	\$ 800,000	\$ 480,000	2.29%
Note Payable - 2016 (Direct Placement)	Public Safety	437,550	92,748	2.01%
CRA Loan - 2020 (Direct Borrowing)	Comm. Develop.	3,000,000	3,000,000	2.87%
Total Governmental Activities		\$ 4,237,550	\$ 3,572,748	
Business-Type Activities:				
Revenue Bonds, Series 2016	Utility Improv.	\$ 7,680,000	\$ 6,570,000	Variable
Unamortized Bond Premium - 2016	Utility Improv.	504,691	431,747	Variable
<u>Direct Borrowing:</u>				
State Revolving Note Agreement SRF 350300	Utility Improv.	292,989	189,182	Variable
State Revolving Note Agreement SRF 50710P	Utility Improv.	5,852,495	190,780	Variable
State Revolving Note Agreement SRF 350302	Nitrification	5,264,258	3,230,233	Variable
<u>Direct Placement:</u>				
Note Payable - 2017	Utility Improv.	1,805,500	722,200	1.79%
Total Business-Type Activities		\$ 21,399,933	\$ 11,334,143	

**NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)**

Note 10 - Long-Term Debt (Continued)

Debt Service to maturity on the City's bonded indebtedness and loan agreement are as follows:

Governmental Activities

Note Payable - 2018 (Direct Placement)

Fiscal Year	Principal	Interest
2021	\$ 160,000	\$ 10,992
2022	160,000	7,328
2023	160,000	3,664
Total	\$ 480,000	\$ 21,984

Note Payable - 2016 (Direct Placement)

Fiscal Year	Principal	Interest
2021	\$ 92,748	\$ 1,830
Total	\$ 92,748	\$ 1,830

CRA Loan - 2020 (Direct Borrowing)

Fiscal Year	Principal	Interest
2021	\$ 113,142	\$ 85,008
2022	116,681	81,468
2023	120,080	78,068
2024	123,578	74,571
2025	2,526,519	70,970
Total	\$ 3,000,000	\$ 390,085

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 10 - Long-Term Debt (Continued)

Business-Type Activities		
State Revolving Loans (Direct Borrowing)		
Fiscal Year	Principal	Interest
2021	\$ 436,838	\$ 90,488
2022	252,527	81,258
2023	259,167	74,618
2024	265,981	67,804
2025-2029	1,438,557	230,368
2030-2032	957,125	44,228
Total	\$ 3,610,196	\$ 588,764

Revenue Bonds - 2016		
Fiscal Year	Principal	Interest
2021	\$ 315,000	\$ 236,056
2022	330,000	223,456
2023	340,000	210,256
2024	355,000	196,656
2024	365,000	186,006
2026-2029	1,185,000	468,019
2030-2034	2,320,000	441,431
2035-2036	1,360,000	53,013
Total	\$ 6,570,000	\$ 2,014,894

Note Payable - 2017 (Direct Placement)		
Fiscal Year	Principal	Interest
2021	\$ 361,100	\$ 12,927
2022	361,100	6,464
Total	\$ 722,200	\$ 19,391

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 10 - Long-Term Debt (Continued)

Governmental Activity Liabilities

The following is a summary of all long-term liabilities of the governmental funds at September 30, 2020:

▪ **Note Payable - 2018 (Direct Placement)**

The City contracted with United Southern Bank to provide financing in the amount of \$800,000 over a five year period. The purpose of the financing is to acquire a Pierce Fire Ladder Truck. The five-year financing agreement is at a fixed interest rate of 2.29% with the value of the equipment to be used as the collateral to support the loan. Principal and interest are paid annually, commencing April 2018. Principal and interest for the current year are \$174,897.

Events of default include non-payment of amounts due (principal and interest), failure to perform bond covenants without remedy within a 30-day period and bankruptcy or receivership for longer than 90 days. Upon an event of default, the holder of the note may appoint a trustee or receiver to pursue limited legal action to compel payment of all amounts then due. In addition, the interest on the note increases to the default rate of 6%. Acceleration of the payments due on the note shall not be a remedy unless other debt secured by Non-Ad Valorem revenues is accelerated.

▪ **Note Payable – 2016 (Direct Placement)**

The City awarded a contract to U.S. BankCorp Government Leasing and Finance, Inc. for the financing of a Pumper Fire Truck. The five-year financing agreement in the amount of \$437,550 is at a fixed interest rate of 2.01% with the value of the truck will be used as collateral to support the loan. Principal and interest are paid annually, commencing January 2017. Principal and interest for the current year are \$92,857.

Events of default include non-payment of amounts due (principal and interest), failure to perform bond covenants without remedy within a 30-day period and bankruptcy or receivership for longer than 90 days. Upon an event of default, the holder of the note may declare all amounts for that fiscal year due and payable including application of the default interest rate of 12%. Other remedies include taking possession of the leased asset for sale with the proceeds utilized to pay off outstanding principal. Additional amounts may still be due from lessee if proceeds are not sufficient to cover principal and applicable fees and costs of disposal.

▪ **CRA Loan**

In September of FY 2020, City contracted with USB bank to provide financing in the amount of \$3,000,000 for CRA – Community Redevelopment Trust Fund, projected three large land blocks, located at City of Eustis Downtown purchase. The five-year financing balloon loan is at a fixed interest rate of 2.875%. Principal and interest payments of \$16,512.37 will be paid monthly, commencing October 2020. In the event of default, the lender may sell the collateral to pay all amounts due with proper written notice.

**NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)**

Note 10 - Long-Term Debt (Continued)

Business-type Activity Liabilities

The following is a summary of all long-term liabilities of the proprietary funds at September 30, 2020:

▪ **Florida Department of Environmental Protection State Revolving Loan Agreement – (Direct Borrowing)**

The 2000 loan agreement of \$5,852,495 and 2012 loan agreement of \$5,264,258 are for the wastewater treatment plant and secured by gross revenues derived yearly from operation of the water and sewer system after payment of the operation and maintenance expense and the satisfaction of all senior obligations. Net available revenue of \$3,230,233 less debt payments of \$720,865, provided a debt coverage of 4.91.

The loan #50710P, 2000 agreement's first payment was May 15, 2001, with the final payment due on November 15, 2020. Principal and interest are \$387,080, with semi-annual payments of \$193,540.

Another 2012 loan #350302 agreement's first payment was March 15, 2013, with the final payment due September 15, 2032. Principal and interest are \$315,461, with semi-annual payments of \$157,730.

The loan #350300, 2012 agreement's first payment was March 15, 2013, with the final payment due on September 15, 2032. Principal and interest are \$18,324, with semi-annual payments of \$9,162.

Provisions of the loan mandates that rates of the water and sewer system will be sufficient to provide a cover of 1.15 time the sum of the semiannual payments, the utility will not provide any free service, all connections are mandatory and consistent with applicable laws, the government shall not allow any competing services within the city limits and the government must use its best efforts to collect all rates, fees and other charges.

The City's direct borrowing with the state Revolving Fund (SRF) contain provisions that in the event of default, notification of such default may be made to the Florida Auditor General and Chief Financial Officer, and the SRF may intercept the unpaid amounts from unobligated funds due to the City under revenue or tax sharing programs. The SRF may impose a penalty interest rate not to exceed 18% annually on the amount due. Additionally, the SRF may accelerate the repayment schedule or increase the financing rate on unpaid principal to as much as 1.667 times the original financing rate

▪ **Water and Sewer Revenue Bonds, Series 2016**

On November 3, 2016, the City issued \$7,680,000 in Water and Sewer Revenue Bonds to finance the costs of certain improvements to the City combined water and sewer systems. Principal and interest for fiscal year 2020, was \$552,106 which is equal to 11.54% of the current year pledged revenue. The remaining outstanding principal and interest will be

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 10 - Long-Term Debt (Continued)

\$8,584,894. The bond reflects a fixed interest rate of 3.21% with payments due annually.

Events of default include non-payment of amounts due (principal and interest), failure to perform bond covenants without remedy within a 30-day period and bankruptcy or receivership for longer than 90 days. Upon an event of default, registered owners of not less than 25% of aggregate principal outstanding can appoint a trustee to represent them in legal proceedings related to the rights of the bondholders. In no case, however, shall any holder, trustee or receiver have the right to declare the bonds immediately due and payable.

▪ **Note Payable (Direct Placement)**

The City contracted with United Southern Bank to provide financing in the amount of \$1,805,500 over a five year period. The purpose of the financing is to acquire various water and sewer vehicles and equipment. The five-year financing agreement is at a fixed interest rate of 1.79% with the value of the equipment to be used as the collateral to support the loan. Principal and interest for the current year are \$380,491.

Events of default include non-payment of amounts due (principal and interest), failure to perform bond covenants without remedy within a 30-day period and bankruptcy or receivership for longer than 90 days. Upon an event of default, the holder of the note may declare all amounts for that fiscal year due and payable including application of the default interest rate of 12%. In no case, however, shall any holder, trustee or receiver have the right to declare the bonds immediately due and payable.

The net pension liability will be liquidated through employer contributions by the funds where the employees are paid, primarily the General Fund and Water and Sewer Fund.

Note 11 - Inter-fund Transactions

Interfund transfers at September 30, 2020 consist of the following:

	Transfers In				
	General Fund	Sales Tax Capital Projects	Street Improvement	Community Redevelopment	Total Transfers
<u>Transfers Out</u>					
General Fund	\$ -	\$ 293,250	\$ 110,000	\$ 379,791	\$ 783,041
Community Redevelopment	-	250,000	-	-	250,000
Stormwater	-	-	260,000	-	260,000
Impact Fee	4,418	-	-	-	4,418
Greenwood Cemetery	1,146	-	-	-	1,146
Total Governmental Funds	5,564	543,250	370,000	379,791	1,298,605
Water and Sewer	1,800,000	-	-	-	1,800,000
Water Impact	5,638	-	-	-	5,638
Sewer Impact	9,221	-	-	-	9,221
Total Enterprise Funds	1,814,859	-	-	-	1,814,859
Total Transfers	\$ 1,820,423	\$ 543,250	\$ 370,000	\$ 379,791	\$ 3,113,464

NOTES TO FINANCIAL STATEMENTS
CITY OF EUSTIS, FLORIDA
(Continued)

Note 11 - Inter-fund Transactions *(Continued)*

Interfund transfers are normally recurring approved by City Commission during the budget process or by separate resolutions. Transfers from the water and sewer system fund to the general fund are in support of general government operations. Other transfers are for debt service requirements and for City grant matches.

Street Improvements Fund's negative cash of \$135,386 has been moved to fund's liabilities as due to other funds and offset by the same amount in General Fund as due from other funds. It'll be repaid in the normal course of operation next fiscal year.

Note 12 - Contingent Liabilities

Under the terms of federal and state grants and loans, periodic audits are required and certain costs are questionable, as not allowable as expenditures under the terms of the grants, which could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, will not be material.

The City is involved in legal actions that, in the opinion of management, will not have a material effect on the financials statements of the City.



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REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A

Major Governmental Funds

Under GASB 34, the focus of the fund financial statements is on major funds. These funds are defined based on a numerical formula and generally represent the government's most important funds. Major funds for the City of Eustis are as follows:

General Fund

The General Fund will always be the major fund for the City of Eustis. The fund carries out the general operations of the City and accounts for the essential City functions.

Street Improvement Fund

This fund is used to accumulate monies, received from motor fuel gas tax sources. These funds are legally restricted to street maintenance programs and the money is expended solely on maintenance of the streets and right-of-ways within the City.

Sales Tax Capital Projects Fund

This fund is used to account for the City's share of the voted one-cent infrastructure sales tax, which is restricted to capital projects.

Community Redevelopment Fund

This fund is used to account for incremental tax increase within the Downtown and East Town Redevelopment District. The funds are used for the exclusive benefit of revitalization of these areas.

Schedule of Contributions from Employer and Others

This information is presented for the Fire and Police pension Funds and was prepared as part of the actuarial valuations as of the dates indicated.

Schedules of Liabilities from Other Post-Employment Benefits

Actuarial valuation of liability using the unit credit cost method – Unfunded Actuarial Accrued Liability.

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Property Taxes	\$ 7,912,150	\$ 8,031,800	\$ 7,909,015	\$ (122,785)
Franchise Fees	1,736,000	1,736,000	1,729,050	(6,950)
Utility Service Taxes	2,710,000	2,710,000	2,291,700	(418,300)
State Revenue Sharing	604,000	604,000	539,557	(64,443)
Other Intergovernmental Revenues	1,430,300	1,445,300	3,067,686	1,622,386
Permits and Fees	67,700	67,700	68,773	1,073
Fines and Forfeitures	47,500	47,500	48,830	1,330
Charges for Services	463,500	463,500	381,197	(82,303)
Miscellaneous:				
On-Behalf Payments	-	-	279,562	279,562
Interest	60,000	60,000	75,714	15,714
Other Sources	482,200	482,200	178,810	(303,390)
Total Revenues	15,513,350	15,648,000	16,569,894	921,894
Expenditures				
Current:				
General Government and Administration:				
Legislative	55,992	38,992	36,961	2,031
Executive	1,342,634	1,342,876	1,250,268	92,608
Finance and Administration	1,126,850	1,162,840	1,263,591	(100,751)
Legal	110,000	171,258	171,257	1
Development Services	332,387	334,606	354,912	(20,306)
General Services	1,450,026	1,484,371	1,467,244	17,127
Total General Government and Administration	<u>4,417,889</u>	<u>4,534,943</u>	<u>4,544,233</u>	<u>(9,290)</u>
Public Safety:				
Law Enforcement	5,803,664	5,851,885	5,881,001	(29,116)
Fire Control	3,232,912	3,232,912	3,233,468	(556)
On-Behalf Payments	-	-	279,562	(279,562)
Total Public Safety	<u>9,036,576</u>	<u>9,084,797</u>	<u>9,394,031</u>	<u>(309,234)</u>
Culture and Recreation:				
Library	976,509	944,119	871,833	72,286
Recreation	1,065,187	1,065,187	1,014,997	50,190
Total Culture and Recreation	<u>2,041,696</u>	<u>2,009,306</u>	<u>1,886,830</u>	<u>122,476</u>
Nondepartmental	<u>1,161,873</u>	<u>1,405,737</u>	<u>1,002,310</u>	<u>403,427</u>
Capital Outlay	<u>39,000</u>	<u>412,668</u>	<u>363,636</u>	<u>49,032</u>
(Total Expenditures)	(16,697,034)	(17,447,451)	(17,191,040)	256,411
(Deficiency) Excess of Revenues Over Expenditures	(1,183,684)	(1,799,451)	(621,146)	1,178,305
Other Financing Sources (Uses)				
Operating Transfers from Other Funds	1,812,050	1,812,050	1,820,423	(8,373)
Operating Transfers to Other Funds	(495,150)	(787,150)	(783,041)	4,109
Total Other Financing Sources (Uses)	<u>1,316,900</u>	<u>1,024,900</u>	<u>1,037,382</u>	<u>(4,264)</u>
Net Change in Fund Balance	<u>133,216</u>	<u>(774,551)</u>	<u>416,236</u>	<u>1,174,041</u>
Fund Balance, Beginning of Year	<u>9,062,885</u>	<u>9,062,885</u>	<u>9,062,885</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 9,196,101</u>	<u>\$ 8,288,334</u>	<u>\$ 9,479,121</u>	<u>\$ 1,174,041</u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
STREET IMPROVEMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental Revenues:				
Local Option Gas Tax	\$ 397,000	\$ 397,000	\$ 375,246	\$ (21,754)
Eight-cent Gas Tax	177,000	177,000	166,593	(10,407)
Municipal Fuel Tax Refund	20,000	20,000	22,483	2,483
Additional One-cent	155,000	155,000	137,583	(17,417)
Total Intergovernmental Revenues	<u>749,000</u>	<u>749,000</u>	<u>701,905</u>	<u>(47,095)</u>
Miscellaneous Revenues:				
Interest	1,000	1,000	(224)	(1,224)
Restricted Contributions	-	-	1,648	1,648
Reimbursement for Services	300,000	300,000	154,259	(145,741)
Other	47,400	47,400	1,849	(45,551)
Total Miscellaneous Revenues	<u>348,400</u>	<u>348,400</u>	<u>157,532</u>	<u>(190,868)</u>
Total Revenues	<u>1,097,400</u>	<u>1,097,400</u>	<u>859,437</u>	<u>(237,963)</u>
Expenditures				
Current:				
Transportation:				
Personnel	953,903	953,903	1,010,498	(56,595)
Operating	684,347	684,347	535,929	148,418
(Total Expenditures)	<u>(1,638,250)</u>	<u>(1,638,250)</u>	<u>(1,546,426)</u>	<u>91,823</u>
(Deficiency) Excess of Revenues Over Expenditures	<u>(540,850)</u>	<u>(540,850)</u>	<u>(686,989)</u>	<u>(146,140)</u>
Other Financing Sources (Uses)				
Operating Transfers from Other Funds	370,000	370,000	370,000	-
Total Other Financing Sources (Uses)	<u>370,000</u>	<u>370,000</u>	<u>370,000</u>	<u>-</u>
Net Change in Fund Balance	<u>(170,850)</u>	<u>(170,850)</u>	<u>(316,989)</u>	<u>(146,140)</u>
Fund Balance, Beginning of Year	<u>24,317</u>	<u>24,317</u>	<u>24,317</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ (146,533)</u>	<u>\$ (146,533)</u>	<u>\$ (292,672)</u>	<u>\$ (146,140)</u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY REDEVELOPMENT TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>			<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Intergovernmental:				
Incremental Tax Transfers	\$ 292,200	\$ 297,351	\$ 289,087	\$ (8,264)
Miscellaneous:				
Other	-	-	100,150	100,150
Interest	10,000	10,009	8,297	(1,712)
Sale of Capital Assets	-	-	60,000	60,000
Total Revenues	<u>302,200</u>	<u>307,360</u>	<u>457,534</u>	<u>150,174</u>
Expenditures				
Current:				
General Government				
Operating	117,024	126,434	108,481	17,953
Capital Outlay	-	3,692,781	3,149,582	543,199
CRA Projects	387,000	436,925	-	436,925
(Total Expenditures)	<u>(504,024)</u>	<u>(4,256,140)</u>	<u>(3,258,063)</u>	<u>998,077</u>
(Deficiency) Excess of Revenues				
Over Expenditures	<u>(201,824)</u>	<u>(3,948,780)</u>	<u>(2,800,529)</u>	<u>1,148,251</u>
Other Financing Sources (Uses)				
Operating Transfer to Other Funds	(372,450)	(250,000)	(250,000)	-
Operating Transfers from Other Funds	-	-	379,791	379,791
Debt Proceeds	-	3,000,000	3,000,000	-
Total Other Financing Sources (Uses)	<u>(372,450)</u>	<u>2,750,000</u>	<u>3,129,791</u>	<u>379,791</u>
Net Change in Fund Balance	<u>(574,274)</u>	<u>(1,198,780)</u>	<u>329,262</u>	<u>1,528,042</u>
Fund Balance, Beginning of Year	<u>1,390,058</u>	<u>1,390,058</u>	<u>1,390,058</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 815,784</u>	<u>\$ 191,278</u>	<u>\$ 1,719,320</u>	<u>\$ 1,528,041</u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
BUILDING SERVICES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>			<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Permits & Fees	\$ 433,900	\$ 433,500	\$ 440,179	\$ 6,679
Miscellaneous:				
Interest	400	400	4,435	4,035
Total Revenues	<u>434,300</u>	<u>433,900</u>	<u>444,614</u>	<u>10,714</u>
Expenditures				
Current:				
Public Safety				
Personnel Cost	101,354	101,354	125,439	(24,085)
Operating	881,246	881,246	297,487	583,759
Capital Outlay	30,000	70,000	27,064	42,936
(Total Expenditures)	<u>(1,012,600)</u>	<u>(1,052,600)</u>	<u>(449,990)</u>	<u>602,610</u>
(Deficiency) Excess of Revenues				
Over Expenditures	<u>(578,300)</u>	<u>(618,700)</u>	<u>(5,376)</u>	<u>613,324</u>
Net Change in Fund Balance	<u>(578,300)</u>	<u>(618,700)</u>	<u>(5,376)</u>	<u>613,324</u>
Fund Balance, Beginning of Year	<u>929,789</u>	<u>929,789</u>	<u>929,789</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 351,489</u></u>	<u><u>\$ 311,089</u></u>	<u><u>\$ 924,413</u></u>	<u><u>\$ 613,324</u></u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
STORMWATER UTILITY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amounts</u>			<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Charges for Services:				
Stormwater Utility Fees	\$ 828,000	\$ 828,000	\$ 822,066	\$ (5,934)
Total	828,000	828,000	822,066	(5,934)
Miscellaneous:				
Interest				-
Other	5,000	5,000	4,530	(470)
Total Miscellaneous	5,000	5,000	4,530	(470)
Total Revenues	833,000	833,000	826,596	(6,404)
Expenditures				
Current:				
Physical Environment:				
Personnel	261,504	261,504	262,499	(995)
Operating	137,435	141,035	89,940	51,095
Other	54,911	54,911	5,444	49,467
Capital Outlay	230,000	794,967	373,645	421,322
(Total Expenditures)	(683,850)	(1,252,417)	(731,528)	520,889
(Deficiency) Excess of Revenues				
Over Expenditures	149,150	(419,417)	95,068	514,485
Other Financing Sources (Uses)				
Operating Transfers to Other Funds	(260,000)	(260,000)	(260,000)	-
Total Other Financing Sources (Uses)	(260,000)	(260,000)	(260,000)	-
Net Change in Fund Balance	(110,850)	(679,417)	(164,932)	514,485
Fund Balance, Beginning of Year	827,580	827,580	827,580	-
Fund Balance, End of Year	\$ 716,730	\$ 148,163	\$ 662,649	\$ 562,206



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CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years**

Police Officers

	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Total pension liability							
Service Cost	\$ 628,111	\$ 584,843	\$ 658,839	\$ 638,591	\$ 600,310	\$ 516,884	\$ 520,211
Interest	2,041,898	1,993,320	1,911,199	1,771,204	1,673,595	1,510,598	1,407,248
Benefit Changes	18,821	-	-	9,127	-	-	-
Differences between Actual and Expected Experience	(233,718)	(629,787)	(493,609)	209,780	196,762	438,421	-
Assumptions Changes	375,278	197,285	-	20,577	(150,513)	573,884	-
Benefit Payments	(1,034,241)	(965,463)	(852,203)	(746,614)	(774,591)	(639,735)	(452,816)
Refunds of Employee Contributions	(12,576)	(16,799)	(21,726)	(8,689)	(3,567)	(22,876)	(48,431)
Other (Change in Share Plan Reserve)	28,684	28,945	20,606	15,057	-	-	-
Net Change in Total Pension Liability	\$ 1,812,257	\$ 1,192,344	\$ 1,223,106	\$ 1,909,033	\$ 1,541,996	\$ 2,377,176	\$ 1,426,212
Total Pension Liability – Beginning	27,676,229	26,483,885	25,260,779	23,351,746	21,809,750	19,432,574	18,006,362
Total Pension Liability – Ending (a)	\$ 29,488,486	\$ 27,676,229	\$ 26,483,885	\$ 25,260,779	\$ 23,351,746	\$ 21,809,750	\$ 19,432,574
Plan Fiduciary Net Position							
Contributions – Employer (from City)	\$ 1,048,482	\$ 1,008,189	\$ 996,150	\$ 997,323	\$ 977,758	\$ 802,667	\$ 579,790
Contributions – Employer (from State)	166,208	166,730	150,052	138,955	127,094	117,867	112,409
Contributions – Non Employer Contributing Entity	-	-	-	-	-	-	-
Contributions – Members (Employee)	105,471	86,428	84,401	85,846	85,492	81,598	82,768
Net Investment Income	63,246	726,613	1,216,791	1,757,433	1,286,053	(178,588)	1,452,818
Benefit Payments (Previously Included Refunds of Employee Contributions)	(1,034,241)	(965,463)	(852,203)	(746,614)	(774,591)	(639,735)	(452,816)
Refunds of Employee Contributions	(12,576)	(16,799)	(21,726)	(8,689)	(3,567)	(22,876)	(48,431)
Administrative Expense	(58,912)	(59,318)	(66,034)	(81,037)	(54,726)	(43,013)	(32,231)
Other	-	-	-	-	-	-	-
Net Change in Fiduciary Net Position	\$ 277,678	\$ 946,380	\$ 1,507,431	\$ 2,143,217	\$ 1,643,513	\$ 117,920	\$ 1,694,307
Plan Fiduciary Net Position – Beginning	\$ 21,680,255	\$ 20,733,875	\$ 19,226,444	\$ 17,083,227	\$ 15,439,714	\$ 15,321,794	\$ 13,627,487
Plan Fiduciary Net Position – Ending (b)	\$ 21,957,933	\$ 21,680,255	\$ 20,733,875	\$ 19,226,444	\$ 17,083,227	\$ 15,439,714	\$ 15,321,794
Net Pension Liability - Ending (a) - (b)	\$ 7,530,553	\$ 5,995,974	\$ 5,750,010	\$ 6,034,335	\$ 6,268,519	\$ 6,370,036	\$ 4,110,780
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	74.46%	78.34%	78.29%	76.11%	73.16%	70.79%	78.85%
Covered Payroll*	\$ 2,268,844	\$ 2,160,700	\$ 2,110,025	\$ 2,146,150	\$ 2,137,300	\$ 2,039,950	\$ 2,069,200
Net Pension Liability as a percentage of Covered Payroll	331.91%	277.50%	272.51%	281.17%	293.29%	312.26%	198.67%

*For the 2014 Fiscal year, the Covered Payroll figure was based on Pensionable Salary.

** GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for which information is available.

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years*

Firefighters

	<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>
Total pension liability							
Service Cost	\$ 276,487	\$ 257,123	\$ 260,034	\$ 253,518	\$ 232,480	\$ 214,156	\$ 224,459
Interest	985,657	947,278	903,263	846,338	749,472	739,529	700,345
Change in Excess State Money	-	-	-	-	(11,144)	-	-
Share Plan Allocation	18,845	10,717	7,697	7,266	16,556	-	-
Changes of benefit terms	-	(6,344)	-	-	-	-	-
Differences between Expected and Actual Experience	109,268	72,910	125,862	99,332	507,014	(379,106)	-
Changes of assumptions	(153,334)	(25,334)	-	160,056	196,022	-	-
Benefit Payments, including Refunds of Employee Contributions	(632,316)	(941,866)	(519,047)	(518,037)	(505,459)	(431,789)	(417,602)
Net Change in Total Pension Liability	\$ 604,607	\$ 314,484	\$ 777,809	\$ 848,473	\$ 1,184,941	\$ 142,790	\$ 507,202
Total Pension Liability – Beginning	12,676,305	12,211,012	11,433,203	10,584,730	9,399,789	9,256,999	8,749,797
Total Pension Liability – Ending (a)	<u>\$ 13,280,912</u>	<u>\$ 12,676,305</u>	<u>\$ 12,211,012</u>	<u>\$ 11,433,203</u>	<u>\$ 10,584,730</u>	<u>\$ 9,399,789</u>	<u>\$ 9,256,999</u>
Plan Fiduciary Net Position							
Contributions – Employer	\$ 589,041	\$ 563,329	\$ 691,470	\$ 662,590	\$ 573,724	\$ 470,563	\$ 319,298
Contributions – State	113,354	115,463	109,424	108,561	115,997	101,739	90,690
Contributions – Employee	57,081	57,100	56,255	53,436	52,516	48,705	46,422
Net investment income	1,309,135	534,775	672,963	827,904	558,655	(29,631)	578,075
Benefit Payments (Previously Included Refunds of Employee Contributions)	(632,316)	(941,866)	(519,047)	(518,037)	(505,459)	(431,789)	(417,602)
Administrative Expense	(40,132)	(37,764)	(39,082)	(28,513)	(27,441)	(33,661)	(13,700)
Net Change in Fiduciary Net Position	\$ 1,396,163	\$ 291,038	\$ 971,983	\$ 1,105,941	\$ 767,992	\$ 125,926	\$ 603,183
Plan Fiduciary Net Position – Beginning	\$ 10,271,021	\$ 9,979,983	\$ 9,008,000	\$ 7,902,059	\$ 7,134,067	\$ 7,008,141	\$ 6,404,958
Plan Fiduciary Net Position – Ending (b)	<u>\$ 11,667,184</u>	<u>\$ 10,271,021</u>	<u>\$ 9,979,983</u>	<u>\$ 9,008,000</u>	<u>\$ 7,902,059</u>	<u>\$ 7,134,067</u>	<u>\$ 7,008,141</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 1,613,728</u>	<u>\$ 2,405,284</u>	<u>\$ 2,231,029</u>	<u>\$ 2,425,203</u>	<u>\$ 2,682,671</u>	<u>\$ 2,265,722</u>	<u>\$ 2,248,858</u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	87.85%	81.03%	81.73%	78.79%	74.66%	75.34%	75.71%
Covered Payroll*	\$ 1,427,035	\$ 1,427,511	\$ 1,406,377	\$ 1,335,896	\$ 1,312,898	\$ 1,340,415	\$ 1,160,547
Net Pension Liability as a percentage of Covered Payroll	113.08%	168.49%	158.64%	181.54%	204.33%	169.03%	193.78%

*For the 2014 Fiscal year, the Covered Payroll figure was based on Pensionable Salary.

** GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for which information is available.

REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years **

Police Officers' Pension Plan

	<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>
Actuarially Determined Contribution							
Contributions in relation to the	\$ 1,205,664	\$ 1,120,323	\$ 1,111,772	\$1,109,345	\$ 1,078,482	\$ 914,102	\$ 681,594
Actuarially Determined Contributions	-						
Contribution Deficiency (Excess)	1,186,006	1,145,974	1,125,596	1,121,221	1,104,852	920,534	692,199
	<u>\$ 19,658</u>	<u>\$ (25,651)</u>	<u>\$ (13,824)</u>	<u>\$ (11,876)</u>	<u>\$ (26,370)</u>	<u>\$ (6,432)</u>	<u>\$ (10,605)</u>
Covered Payroll	\$ 2,268,844	\$ 2,160,700	\$ 2,110,025	\$2,146,150	\$ 2,137,300	\$2,160,350	\$ 2,285,272
Contributions as a percentage of							
Covered Payroll	52.27%	53.04%	53.35%	52.24%	51.69%	45.13%	33.45%

Firefighters's Pension Plan

	<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>
Actuarially Determined Contribution							
Contributions in relation to the	\$ 683,550	\$ 668,075	\$ 793,197	\$ 730,735	\$ 636,756	\$ 540,620	\$ 417,796
Actuarially Determined Contributions							
Contribution Deficiency (Excess)	683,550	668,075	793,197	763,885	678,737	572,303	417,796
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (33,150)</u>	<u>\$ (41,981)</u>	<u>\$ (31,683)</u>	<u>\$ -</u>
Covered Payroll	\$ 1,427,035	\$ 1,427,511	\$ 1,406,377	\$1,335,896	\$ 1,312,898	\$1,340,415	\$ 1,160,547
Contributions as a percentage of	47.90%	46.80%	56.40%	57.18%	51.70%	42.70%	36.00%
Covered Payroll							

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM (FRS)
Last 10 Fiscal Years*

	2020	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	0.001708536%	0.001782500%	0.001976400%	0.002116882%	0.002067661%	0.002630738%	0.003798678%
City's proportionate share of the net pension liability (asset)	\$ 739,837	\$ 613,895	\$ 595,298	\$ 626,159	\$ 522,086	\$ 339,795	\$ 231,775
City's covered payroll	\$ 584,105	\$ 599,605	\$ 652,859	\$ 692,994	\$ 730,772	\$ 828,356	\$ 1,034,136
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	126.66%	102.38%	91.18%	90.36%	71.44%	41.02%	22.41%
Plan fiduciary net position as a percentage of the total pension liability (Note 2)	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

* The amounts presented for each fiscal year were determined as of 6/30.

*GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for which information is available.

** The Plan's fiduciary net position as a percentage of the total pension liability is published in Note 4 of the Plan's Comprehensive Annual Financial Report.

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
HEALTH INSURANCE SUBSIDY (HIS)
Last 10 Fiscal Years*

	2020	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	0.001682954%	0.001757008%	0.001977600%	0.002174116%	0.002282323%	0.002679658%	0.003278805%
City's proportionate share of the net pension liability (asset)	\$ 205,486	\$ 196,592	\$ 209,311	\$ 232,466	\$ 265,995	\$ 273,283	\$ 306,576
City's covered payroll	\$ 584,105	\$ 599,605	\$ 652,859	\$ 692,994	\$ 730,772	\$ 828,356	\$ 1,034,136
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	35.18%	32.79%	32.06%	33.55%	36.40%	32.99%	29.65%
Plan fiduciary net position as a percentage of the total pension liability (Note 2)	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

* The amounts presented for each fiscal year were determined as of 6/30.

* GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for which information is available.

** The Plan's fiduciary net position as a percentage of the total pension liability is published in Note 4 of the Plan's Comprehensive Annual Financial Report.

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years **

Florida Retirement System (FRS)

	<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>
Actuarially Determined Contribution	\$ 58,628	\$ 57,019	\$ 54,291	\$ 57,570	\$ 50,484	\$ 62,130	\$ 83,278
Contributions in relation to the							
Actuarially Determined Contributions	<u>(58,628)</u>	<u>(57,019)</u>	<u>(54,291)</u>	<u>(57,570)</u>	<u>(50,484)</u>	<u>(62,130)</u>	<u>(83,278)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	576,643	600,001	626,783	696,943	729,732	833,613	955,278
Contributions as a percentage of							
Covered Payroll	10.17%	9.50%	8.66%	8.26%	6.92%	7.45%	8.72%

Health Insurance Subsidy (HIS)

	<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>
Actuarially Determined Contribution	\$ 9,574	\$ 9,911	\$ 10,144	\$ 11,572	\$ 11,748	\$ 10,764	\$ 11,186
Contributions in relation to the							
Actuarially Determined Contributions	<u>(9,574)</u>	<u>(9,911)</u>	<u>(10,144)</u>	<u>(11,572)</u>	<u>(11,748)</u>	<u>(10,764)</u>	<u>(11,186)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 576,643	\$ 600,001	\$ 626,783	\$ 696,943	\$ 729,732	\$ 833,613	\$ 955,278
Contributions as a percentage of							
Covered Payroll	1.66%	1.65%	1.62%	1.66%	1.61%	1.29%	1.17%

*** Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for which information is available.**

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF INVESTMENT RETURNS
Last Ten Fiscal Years

		Florida Retirement System (FRS)							
		9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014	9/30/2013
Annual Money-Weighted Rate of Return		3.35%	5.98%	9.28%	13.59%	0.57%	3.77%	17.57%	9.94%
Net of Investment Expenses									
		Police Officers' Pension Plan							
		9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014	9/30/2013
Annual Money-Weighted Rate of Return		7.25%	7.35%	6.28%	10.17%	8.20%	-1.20%	10.60%	15.30%
Net of Investment Expenses									
		Firefighters' Pension Plan							
		9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014	9/30/2013
Annual Money-Weighted Rate of Return		2.74%	5.37%	7.47%	10.48%	7.83%	-0.42%	9.07%	14.38%
Net of Investment Expenses									

** Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for which information is available.*

City of Eustis
Schedule of Changes in Total OPEB Liability and Related Ratios
Last 10 Measurement Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service cost	\$ 83,533	\$ 133,150	\$ 193,551
Interest	94,301	128,821	130,089
Difference between expected and actual experience	-	(1,314,663)	-
Change of assumptions and other inputs	502,669	(23,855)	(828,724)
Benefit payments	<u>(137,507)</u>	<u>(195,792)</u>	<u>(78,140)</u>
Net change in total OPEB liability	542,996	(1,272,339)	(583,224)
Total OPEB liability - beginning	<u>2,241,215</u>	<u>3,513,554</u>	<u>4,096,778</u>
Total OPEB liability - ending	<u><u>\$ 2,784,211</u></u>	<u><u>\$ 2,241,215</u></u>	<u><u>\$ 3,513,554</u></u>
 Covered payroll	 \$ 10,278,511	 \$ 10,452,935	 \$ 10,296,568
 Total OPEB liability as a percentage of covered payroll	 27.09%	 21.44%	 34.12%

Fiscal year 2020 presents information on the Plan's measurement year ended September 30, 2019.

Notes to the Schedule:

Note 1: GASB 75 requires information for 10 years. However, until a full 10-year trend is compiled, the District is presenting information for only those years for which information is available.

Note 2: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.



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OTHER SUPPLEMENTAL INFORMATION
NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Law Enforcement Trust Fund

This fund is used to account for funds received as a result of drug forfeitures, which are restricted to drug enforcement training, programs for police officers.

Law Enforcement Education Fund

This Fund is used to account for fines whose use is restricted to police educations training programs.

Community Development Fund

This fund is used to account for ongoing activities related to rehabilitation projects financed by previous Community Development Block Grants.

Library Contribution Fund

This fund is used to account for funds which are either raised or donated to the Eustis Memorial Public Library.

Impact Fee Fund

This fund is used to accumulate revenues derived from newly constructed facilities. The fees are used to help defray the cost of capital expenditures necessitated by growth. Specific impact fees are collected for Law Enforcement, Fire prevention, Parks & Recreations, and Public Library.

Stormwater Utility Fund

This fund is used to accumulate revenues which fund the programs necessary to address issues associated with stormwater runoff.

Cemetery Trust Fund

This fund is used to accumulate revenues for Greenwood Cemetery maintenance. Twenty percent of the funds from the sale go to this fund. Interest earned is used for operations and the principal may be used for capital purchases.

**CITY OF EUSTIS, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2020**

	Law						
	Law	Enforcement	Economic	Library	Impact	Greenwood	
	Enforcement	Education	Development	Contribution	Fee	Cemetery	Total
	Trust Fund	Fund	Fund	Fund	Fund	Fund	
Assets							
Cash and Cash Equivalents	\$ 7,021	\$ 104,445	\$ 198,723	\$ 95,769	\$ 568,978	\$ 269,544	\$ 1,244,481
Receivables, Net:							
Accounts	1,799	2,753	3,191	-	-	-	7,743
Accrued Interest	1	19	35	16	98	46	215
Total Assets	<u>8,821</u>	<u>107,217</u>	<u>201,949</u>	<u>95,785</u>	<u>569,076</u>	<u>269,590</u>	<u>1,252,438</u>
Liabilities and Fund Balances							
Liabilities							
Accounts Payable and							
Accrued Liabilities	-	-	3,191	1,743	-	-	4,934
Total Liabilities	<u>-</u>	<u>-</u>	<u>3,191</u>	<u>1,743</u>	<u>-</u>	<u>-</u>	<u>4,934</u>
Fund Balances							
Nonspendable:							
Library Trust Donations	-	-	-	29,726	-	-	29,726
Restricted for:							
Public Safety Impact Fees	-	-	-	-	441,567	-	441,567
Culture and Recreation Impact Fees	-	-	-	-	127,509	-	127,509
Ordinance - Community Development	-	-	198,758	-	-	-	198,758
Specific Contributions	-	-	-	19,743	-	-	19,743
Police Fines and Forfeitures	8,821	107,217	-	-	-	-	116,038
Cemetery - Chapter 22 of Code	-	-	-	-	-	269,590	269,590
Committed to:							
Library	-	-	-	44,573	-	-	44,573
Unassigned:							
Total Fund Balance	<u>8,821</u>	<u>107,217</u>	<u>198,758</u>	<u>94,042</u>	<u>569,076</u>	<u>269,590</u>	<u>1,247,504</u>
Total Liabilities and Fund Balances	<u>\$ 8,821</u>	<u>\$ 107,217</u>	<u>\$ 201,949</u>	<u>\$ 95,785</u>	<u>\$ 569,076</u>	<u>\$ 269,590</u>	<u>\$ 1,252,438</u>



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

	Law Enforcement Trust Fund	Law Enforcement Education Fund	Economic Development Fund	Library Contribution Fund	Impact Fee Fund	Greenwood Cemetery Fund	Total
Revenues							
Fines and Forfeitures	\$ 2,664	\$ 27,916	\$ -	\$ 7,009	\$ -	\$ -	\$ 37,589
Miscellaneous	93	3,957	56,209	5,597	149,428	8,667	223,950
Total Revenues	<u>2,757</u>	<u>31,875</u>	<u>56,209</u>	<u>12,605</u>	<u>149,428</u>	<u>8,667</u>	<u>261,539</u>
Expenditures							
Current:							
General Government	-	-	35,274	-	-	800	36,074
Public Safety	5,113	9,196	-	-	1,100	-	15,409
Culture and Recreation	-	-	-	20,586	15,899	-	36,485
Capital Outlay	10,500	-	-	-	4,900	-	15,400
(Total Expenditures)	<u>(15,613)</u>	<u>(9,196)</u>	<u>(35,274)</u>	<u>(20,586)</u>	<u>(21,899)</u>	<u>(800)</u>	<u>(103,368)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(12,857)</u>	<u>22,678</u>	<u>20,935</u>	<u>(7,981)</u>	<u>127,529</u>	<u>7,867</u>	<u>158,173</u>
Other Financing Sources (Uses)							
Operating Transfers to Other Funds	-	-	-	-	(4,418)	(1,146)	(5,564)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,418)</u>	<u>(1,146)</u>	<u>(5,564)</u>
Net Change in Fund Balances	<u>(12,857)</u>	<u>22,678</u>	<u>20,935</u>	<u>(7,981)</u>	<u>123,112</u>	<u>6,721</u>	<u>152,608</u>
Fund Balances, Beginning of Year	<u>21,678</u>	<u>84,539</u>	<u>177,823</u>	<u>102,023</u>	<u>445,964</u>	<u>262,869</u>	<u>1,094,896</u>
Fund Balances, End of Year	<u>\$ 8,821</u>	<u>\$ 107,217</u>	<u>\$ 198,758</u>	<u>\$ 94,042</u>	<u>\$ 569,076</u>	<u>\$ 269,590</u>	<u>\$ 1,247,504</u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
LAW ENFORCEMENT TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Fines and Forfeitures:	\$ 2,664	\$ 11,813	\$ (9,149)
Miscellaneous:			
Interest	<u>93</u>	<u>150</u>	<u>(58)</u>
Total Revenues	<u>2,757</u>	<u>11,963</u>	<u>(9,207)</u>
Expenditures			
Current:			
Public Safety:			
Administration	5,113	6,000	887
Capital Outlay	<u>10,500</u>	<u>10,500</u>	<u>-</u>
(Total Expenditures)	<u>(15,613)</u>	<u>(16,500)</u>	<u>887</u>
(Deficiency) Excess of Revenues Over Expenditures	<u>(12,858)</u>	<u>(4,537)</u>	<u>(8,320)</u>
Net Change in Fund Balance	<u>(12,858)</u>	<u>(4,537)</u>	<u>(8,320)</u>
Fund Balance, Beginning of Year	<u>21,678</u>	<u>21,678</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 8,821</u>	<u>\$ 17,141</u>	<u>\$ (8,320)</u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
LAW ENFORCEMENT EDUCATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Fines and Forfeitures	\$ 27,916	\$ 24,000	\$ 3,916
Miscellaneous:			
Interest	416	500	(84)
Donations	17	-	17
Other	3,526	-	3,526
Total Miscellaneous	<u>3,958</u>	<u>500</u>	<u>(84)</u>
Total Revenues	<u>31,875</u>	<u>24,500</u>	<u>3,832</u>
Expenditures			
Current:			
Public Safety:			
Administration	-	300	300
Police Training	9,196	9,000	(196)
(Total Expenditures)	<u>(9,196)</u>	<u>(9,300)</u>	<u>104</u>
(Deficiency) Excess of Revenues (Under) Expenditures	<u>22,678</u>	<u>15,200</u>	<u>3,936</u>
Other Financing Sources (Uses)			
Operating Transfers from Other Funds	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>22,678</u>	<u>15,200</u>	<u>3,936</u>
Fund Balance, Beginning of Year	<u>84,539</u>	<u>84,539</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 107,217</u></u>	<u><u>\$ 99,739</u></u>	<u><u>\$ 3,936</u></u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Miscellaneous:			
Program Income	\$ 55,376	\$ 51,500	\$ 3,876
Interest	833	1,100	(267)
Total Revenues	<u>56,209</u>	<u>52,600</u>	<u>3,609</u>
Expenditures			
Current:			
General Government:			
Administration	35,274	110,750	75,476
(Total Expenditures)	<u>(35,274)</u>	<u>(110,750)</u>	<u>75,476</u>
(Deficiency) Excess of Revenues Over Expenditures	<u>20,935</u>	<u>(58,150)</u>	<u>79,085</u>
Other Financing Sources (Uses)			
Operating Transfers From Other Funds	-	-	-
Operating Transfers to Other Funds	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>20,935</u>	<u>(58,150)</u>	<u>79,085</u>
Fund Balance, Beginning of Year	<u>177,823</u>	<u>177,823</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 198,758</u></u>	<u><u>\$ 119,673</u></u>	<u><u>\$ 79,085</u></u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
LIBRARY CONTRIBUTION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Fines and Forfeitures:			
Library Fines	\$ 7,009	\$ 10,000	\$ (2,991)
Miscellaneous:			
Interest	467	750	(283)
Book Sales	2,522	2,500	22
Donations	579	900	(321)
Other	2,028	5,000	(2,972)
Total Miscellaneous Revenues	5,597	9,150	(3,553)
Total Revenues	12,605	19,150	(6,545)
Expenditures			
Current:			
Culture and Recreation:			
Administration	20,586	32,600	12,014
(Total Expenditures)	(20,586)	(32,600)	12,014
(Deficiency) Excess of Revenues Over Expenditures	(7,981)	(13,450)	5,469
Other Financing Sources (Uses)			
Operating Transfers to other funds	-	39,195	(39,195)
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	(7,981)	25,745	(33,726)
Fund Balance, Beginning of Year	102,023	102,023	-
Fund Balance, End of Year	<u>\$ 94,042</u>	<u>\$ 127,768</u>	<u>\$ (33,726)</u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
IMPACT FEE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Miscellaneous:			
Permits and Fees	\$ 147,252	\$ 53,000	(94,252)
Grants	-	-	-
Interest	2,176	3,050	874
Total Revenues	<u>149,428</u>	<u>56,050</u>	<u>(93,378)</u>
Expenditures			
Current:			
Administration			
Culture and Recreation	15,899	17,100	1,201
Public Safety	1,100	1,100	-
Capital Outlay	4,900	10,338	5,438
(Total Expenditures)	<u>(21,899)</u>	<u>(28,538)</u>	<u>(6,639)</u>
(Deficiency) Excess of Revenues Over Expenditures	127,529	27,513	(100,017)
Other Financing Sources (Uses)			
Operating Transfers to Other Funds	(4,418)	(1,600)	2,818
Total Other Financing Sources (Uses)	<u>(4,418)</u>	<u>(1,600)</u>	<u>2,818</u>
Net Change in Fund Balance	<u>123,112</u>	<u>25,913</u>	<u>(97,199)</u>
Fund Balance, Beginning of Year	<u>445,964</u>	<u>445,964</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 569,076</u>	<u>\$ 471,877</u>	<u>\$ (97,199)</u>

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

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
GREENWOOD CEMETERY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Miscellaneous:			
Interest	\$ 1,191	\$ 1,750	\$ (559)
Lot Sales	6,005	5,000	1,005
Donations	1,471	1,500	(29)
Total Revenues	<u>8,667</u>	<u>8,250</u>	<u>417</u>
Expenditures			
Current:			
General Government:			
Administration	800	800	-
(Total Expenditures)	<u>(800)</u>	<u>(800)</u>	<u>-</u>
(Deficiency) Excess of Revenues Over Expenditures	<u>7,867</u>	<u>7,450</u>	<u>417</u>
Other Financing Sources (Uses)	-		
Operating Transfers to Other Funds	(1,146)	1,750	(2,896)
Total Other Financing (Uses)	<u>(1,146)</u>	<u>(1,750)</u>	<u>(2,896)</u>
Net Change in Fund Balance	<u>6,721</u>	<u>5,700</u>	<u>(2,479)</u>
Fund Balance, Beginning of Year	<u>262,869</u>	<u>262,869</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 269,590</u>	<u>\$ 268,569</u>	<u>\$ (2,479)</u>

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

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SALES TAX CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental Revenues:				
Discretionary Additional Sales Tax	\$ 2,156,800	\$ 2,156,800	\$ 1,957,607	\$ (199,193)
Total Intergovernmental Revenues	2,156,800	2,156,800	1,957,607	(199,193)
Miscellaneous Revenues:				
Interest	11,000	11,000	7,269	(3,731)
Other (Insurance)	-	-	6,291	6,291
Total Miscellaneous Revenues	11,000	11,000	13,560	2,560
Total Revenues	2,167,800	2,167,800	1,971,167	(196,633)
Expenditures				
Current:				
General Government:				
Capital Outlay	376,300	610,855	206,001	404,854
Debt Service:				
Principal Payments	249,279	247,476	247,475	1
Interest and Fees	18,321	20,433	20,278	155
Total General Government	(643,900)	(878,764)	(473,755)	(405,009)
Public Safety:				
Capital Outlay	462,385	480,792	352,573	128,219
Total Public Safety	(462,385)	(480,792)	(352,573)	(128,219)
Transportation:				
Capital Outlay	723,048	1,080,916	868,183	212,733
Total Transportation	(723,048)	(1,080,916)	(868,183)	(212,733)
Culture and Recreation:				
Capital Outlay	-	2,020,824	1,925,577	95,246
Total Culture and Recreation	-	(2,020,824)	(1,925,577)	(95,246)
(Total Expenditures)	(1,829,333)	(4,461,296)	(3,620,088)	(841,207)
(Deficiency) Excess of Revenues				
Over Expenditures	338,467	(2,293,496)	(1,648,922)	(1,037,841)
Other Financing Sources (Uses)				
Operating Transfers from Other Funds	-	543,250	543,250	-
Total Other Financing Sources (Uses)	-	543,250	543,250	-
Net Change in Fund Balance	338,467	(1,750,246)	(1,105,672)	644,574
Fund Balance, Beginning of Year	1,977,867	1,977,867	1,977,867	-
Fund Balance, End of Year	\$ 2,316,334	\$ 227,622	\$ 872,195	\$ 644,574

STATISTICAL SECTION

This part of the City of Eustis Annual Financial report presents detailed information as a context for understanding what the information in the financial statement, note disclosures, and required supplementary information says about the government's overall financial health.

Statistical tables are differ from financial statements because they cover more than two fiscal years and may present non-accounting data. These tables reflect social and economic data, financial trends, and the fiscal capacity of the City.

Information contained within this section includes:

Financial Trend Data – Schedules 1, 2, 3, 4, 4-1

- Provides information on a government-wide basis Schedules 1 and 2 are on GASB 34 accrual basis. Data is a 10 – year trend. Schedules 3, 4, and 4-1 provided on a modified accrual basis. Data is a 10- year trend.
- Revenue capacity Data – Schedules 5, 6, 7, 8.
- Depicts the primary government's ability to rise revenues via a tax levy. A history of assessed value, taxes levied by taxing authority, collections and principal tax payers within the municipality.
- Debt Capacity Data – Schedules 9, 10, and 11.
Provides a history of the various debt obligations owed by the City over the last ten years. Debt associated with the City over the last ten years include, a 1997A, 2004 water and sewer Sales Sur Tax, a utility revenue bond, state revolving fund loan and recently started balloon loan. The pledging of the various revenues is provided for each debt.
- Demographic and Economic Information – Schedules 12, 16, and 18.
This information is provided to assist the reader in understanding the makeup of The City of Eustis. Information regarding schools, population, age, consumer price index, income, cost, unemployment is contained within the reports described. Additionally comparison of the immediate adjacent cities, millage comparison of all cities in the county, as well as the top ten employers within the City, is presented.
- Operating Information – Schedules 13, 14, 15, and 15-1.
These schedules present information regarding the city's ability to service the citizens, as well as general information. Utility rates are presented as well as the volume used by category of customer.

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

Schedule 1

City of Eustis
Net Position By Component
Last Ten Years

Fiscal Year Ending

	9/30/2011	9/30/2012	9/30/2013	9/30/2014	9/30/2015	9/30/2016	9/30/2017	9/30/2018	9/30/2019	9/30/2020
Governmental Activities										
Net Investment in Capital Assets	\$ 55,235,283	\$ 59,461,444	\$ 60,130,046	\$ 60,587,680	\$ 60,391,695	\$ 60,696,128	\$ 60,131,048	\$ 59,881,913	\$ 59,969,021	\$ 62,646,999
Restricted	5,564,314	5,430,951	4,501,756	3,848,338	3,654,895	4,234,071	4,789,207	5,320,003	5,588,178	4,763,432
Unrestricted	9,039,378	7,138,449	6,068,594	6,354,893	(1,127,118)	(1,680,939)	(2,286,421)	(4,222,712)	(1,900,432)	(3,157,583)
Total governmental activities net assets	<u>\$ 69,838,975</u>	<u>\$ 72,030,844</u>	<u>\$ 70,700,396</u>	<u>\$ 70,790,911</u>	<u>\$ 62,919,472</u>	<u>\$ 63,249,260</u>	<u>\$ 62,633,834</u>	<u>\$ 60,979,204</u>	<u>\$ 63,656,767</u>	<u>\$ 64,252,848</u>
Business-type activities										
Net Investment in Capital Assets	\$ 35,113,212	\$ 33,870,957	\$ 33,479,575	\$ 32,764,485	\$ 31,730,770	\$ 31,323,252	\$ 28,570,346	\$ 33,980,209	\$ 32,913,630	\$ 32,521,186
Restricted	4,346,977	4,299,062	4,272,913	4,951,489	6,695,686	9,179,083	8,174,683	5,402,247	6,975,120	6,496,301
Unrestricted	6,189,179	7,054,263	7,084,182	6,838,507	5,794,887	5,175,131	11,078,405	10,050,181	10,293,906	11,813,061
Total business-type activities net assets	<u>\$ 45,649,368</u>	<u>\$ 45,224,282</u>	<u>\$ 44,836,670</u>	<u>\$ 44,554,481</u>	<u>\$ 44,221,343</u>	<u>\$ 45,677,466</u>	<u>\$ 47,823,434</u>	<u>\$ 49,432,637</u>	<u>\$ 50,182,656</u>	<u>\$ 50,830,548</u>
Primary government										
Net Investment in Capital Assets	\$ 90,348,495	\$ 93,332,401	\$ 93,609,621	\$ 93,352,165	\$ 92,122,465	\$ 92,019,380	\$ 88,701,394	\$ 93,862,122	\$ 92,882,651	\$ 95,168,185
Restricted	9,911,291	9,730,013	8,774,669	8,799,827	10,350,581	13,413,154	12,963,890	10,722,250	12,563,298	11,259,733
Unrestricted	15,228,557	14,192,712	13,152,776	13,193,400	4,667,769	3,494,192	8,791,984	5,827,469	8,393,474	8,655,478
Total Primary government	<u>\$ 115,488,343</u>	<u>\$ 117,255,126</u>	<u>\$ 115,537,066</u>	<u>\$ 115,345,392</u>	<u>\$ 107,140,815</u>	<u>\$ 108,926,726</u>	<u>\$ 110,457,268</u>	<u>\$ 110,411,841</u>	<u>\$ 113,839,423</u>	<u>\$ 115,083,396</u>

City of Eustis
Changes in Net Position
Last Ten Years
Fiscal Year Ending September 30, 2020

	Fiscal Year Ending									
	9/30/2011	9/30/2012	9/30/2013	9/30/2014	9/30/2015	9/30/2016	9/30/2017	9/30/2018	9/30/2019	9/30/2020
Expenses										
Governmental activities:										
General Government	\$ 4,477,958	\$ 4,603,864	\$ 4,477,958	\$ 5,072,134	\$ 5,112,758	\$ 4,752,283	\$ 4,524,135	\$ 4,536,101	\$ 4,983,675	\$ 5,258,186
Public Safety	6,957,146	2,770,677	8,026,248	7,626,013	8,005,426	8,828,550	9,824,650	9,175,828	9,794,225	10,264,565
Physical Environment	-	-	-	276,630	267,089	297,444	315,758	351,219	412,759	415,184
Transportation	2,661,709	2,950,086	3,079,555	2,867,866	3,229,271	2,762,752	2,998,938	3,283,299	3,097,073	2,764,209
Culture & Recreation	1,986,339	526,707	2,127,106	1,900,795	2,141,378	2,200,203	2,224,674	2,569,564	2,244,335	2,746,092
Non-Departmental	-	-	-	-	-	-	-	-	-	1,002,310
Debt Service	97,728	73,155	70,559	40,240	42,203	35,211	35,169	15,599	33,648	23,645
Total Governmental activities	16,180,880	10,924,489	17,781,426	17,783,678	18,798,125	18,876,443	19,923,324	19,931,610	20,565,715	22,474,191
Business-type activities:										
Water and Sewer Activities	6,903,553	2,067,492	7,171,734	7,779,993	8,524,721	8,102,971	8,414,798	8,710,241	9,044,822	9,629,036
Total primary government expenses	\$ 23,084,433	\$ 12,991,981	\$ 24,953,160	\$ 25,563,671	\$ 27,322,846	\$ 26,979,414	\$ 28,338,122	\$ 28,641,851	\$ 29,610,537	\$ 32,103,227
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 966,669	\$ 1,043,320	\$ 1,149,734	\$ 1,430,410	\$ 704,346	\$ 1,006,021	\$ 719,984	\$ 643,580	\$ 159,504	\$ 505,346
Public Safety	73,240	373,945	166,210	193,010	178,551	308,083	267,280	261,099	770,560	883,964
Physical Environment	-	-	-	711,916	783,307	792,655	827,607	841,781	841,390	822,066
Transportation	1,498,398	754,054	756,847	-	-	-	10,000	16,024	-	-
Culture & Recreation	232,055	201,188	234,618	269,372	252,810	432,309	289,032	243,125	235,660	219,884
Non-Departmental	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	346,018	265,487	63,665	10,883	23,639	19,845	17,749	1,614	612,925	1,471
Capital grants and contributions	1,798,455	2,720,679	12,287	-	-	-	-	5,720	791,567	-
Total governmental activities program revenues	\$ 4,914,835	\$ 5,358,673	\$ 2,383,361	\$ 2,615,591	\$ 1,942,653	\$ 2,558,913	\$ 2,131,652	\$ 2,012,943	\$ 3,411,606	\$ 2,432,731
Business-type activities:										
Charges for services										
Water	4,054,643	4,017,015	4,188,825	4,417,654	5,291,332	5,666,288	5,911,626	5,561,023	6,197,648	5,966,260
Wastewater	3,323,610	3,381,212	3,571,329	3,795,138	3,853,556	4,091,465	4,530,963	4,853,316	4,808,265	5,395,152
Non-Departmental	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	106,823	120,251	381,036	669,860	816,756	1,224,995	1,435,914	1,814,665	355,781	495,307
Total business-type activities program revenues	7,485,076	7,518,478	8,141,190	8,882,652	9,961,644	10,982,748	11,878,503	12,229,004	11,361,694	11,856,719
Total primary government program revenues	\$ 12,399,911	\$ 12,877,151	\$ 10,524,551	\$ 11,498,243	\$ 11,904,297	\$ 13,541,661	\$ 14,010,155	\$ 14,241,947	\$ 14,773,300	\$ 14,289,450

City of Eustis
Changes in Net Position
Last Ten Years
Fiscal Year Ending September 30, 2020
(Continuation)

Net (Expenditures)/Revenues

Governmental activities	\$ (11,266,045)	\$ (5,565,816)	\$ (15,656,112)	\$ (15,168,087)	\$ (16,855,472)	\$ (16,317,530)	\$ (17,791,672)	\$ (17,918,667)	\$ (17,154,109)	\$ (20,041,460)
Business-type activities	581,523	5,450,986	969,456	1,102,659	1,436,923	2,879,777	3,463,705	3,518,763	2,316,872	2,227,683
Total primary government net (expenses)/revenue	<u>\$ (10,684,522)</u>	<u>\$ (114,830)</u>	<u>\$ (14,686,656)</u>	<u>\$ (14,065,428)</u>	<u>\$ (15,418,549)</u>	<u>\$ (13,437,753)</u>	<u>\$ (14,327,967)</u>	<u>\$ (14,399,904)</u>	<u>\$ (14,837,237)</u>	<u>\$ (17,813,777)</u>

General Revenues and Other Changes in Net Assets

Governmental activities:

Taxes										
Property taxes	\$ 4,690,753	\$ 4,686,897	\$ 4,726,990	\$ 5,377,109	\$ 5,583,523	\$ 5,778,651	\$ 6,034,790	\$ 6,599,902	\$ 7,270,242	\$ 7,909,015
Utility taxes	1,676,315	1,399,934	1,301,618	1,472,855	1,437,147	1,453,668	1,484,768	1,621,592	1,717,694	2,291,700
Franchise fees	1,454,930	1,561,919	1,603,425	1,796,581	2,283,573	2,530,415	2,570,953	2,544,608	2,719,237	1,729,050
State shared revenues	3,952,591	4,351,654	4,500,589	4,496,256	4,664,292	4,402,912	4,561,956	4,956,751	4,999,895	6,270,038
Investment earnings	118,918	96,060	7,377	79,345	68,542	54,018	30,931	87,017	236,734	100,665
Miscellaneous income	393,462	828,315	636,149	626,456	738,642	927,654	992,848	998,288	1,077,196	522,213
Transfers in	1,260,000	1,260,000	1,549,516	1,410,000	1,500,000	1,500,000	1,500,000	1,512,587	1,810,673	1,814,859
Total governmental activities	<u>13,546,969</u>	<u>14,184,779</u>	<u>14,325,664</u>	<u>15,258,602</u>	<u>16,275,719</u>	<u>16,647,318</u>	<u>17,176,246</u>	<u>18,320,745</u>	<u>19,831,671</u>	<u>20,637,540</u>

Business-type activities:

Investment earnings	\$ 41,323	\$ 38,372	\$ 40,984	\$ 18,648	\$ 45,221	\$ 44,853	\$ 100,933	\$ 165,900	\$ 233,292	\$ 98,759
Gain on disposal of assets	-	-	-	-	-	-	-	-	-	-
Miscellaneous income	155,232	209,257	151,464	6,504	27,482	31,493	81,330	15,008	10,526	136,309
Transfers	(1,260,000)	(1,260,000)	(1,549,516)	(1,410,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,512,587)	(1,810,673)	(1,814,859)
Total business-type activities	<u>(1,063,445)</u>	<u>(1,012,371)</u>	<u>(1,357,068)</u>	<u>(1,384,848)</u>	<u>(1,427,297)</u>	<u>(1,423,654)</u>	<u>(1,317,737)</u>	<u>(1,331,679)</u>	<u>(1,566,855)</u>	<u>(1,579,791)</u>
Total primary government	<u>\$ 12,483,524</u>	<u>\$ 13,172,408</u>	<u>\$ 12,968,596</u>	<u>\$ 13,873,754</u>	<u>\$ 14,848,422</u>	<u>\$ 15,223,664</u>	<u>\$ 15,858,509</u>	<u>\$ 16,989,066</u>	<u>\$ 18,264,816</u>	<u>\$ 19,057,749</u>

Change in Net Position

Governmental Activities	\$ 2,280,924	\$ 2,134,367	\$ (1,330,448)	\$ 90,515	\$ (579,753)	\$ 329,788	\$ (615,426)	\$ 402,078	\$ 2,677,562	\$ 596,080
Business-type activities	(481,922)	(425,086)	(387,612)	(282,189)	9,626	1,456,123	2,145,968	2,187,084	750,017	647,892
Total primary government	<u>\$ 1,799,002</u>	<u>\$ 1,709,281</u>	<u>\$ (1,718,060)</u>	<u>\$ (191,674)</u>	<u>\$ (570,127)</u>	<u>\$ 1,785,911</u>	<u>\$ 1,530,542</u>	<u>\$ 2,589,162</u>	<u>\$ 3,427,579</u>	<u>\$ 1,243,972</u>

City of Eustis
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)
Fiscal Year Ending September 30

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
General Fund:										
Non-Spendable	-	-	-	-	-	-	-	-	-	-
Restricted:										
Building Permits	-	-	-	-	-	529,150	669,403	807,349	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned										
Emergency Contingency	-	-	405,873	405,873	405,873	405,872	405,873	405,873	405,873	405,873
Debt Service	-	-	1,407,448	1,437,448	1,032,738	710,000	360,000	-	-	-
Self Insurance	-	-	-	-	-	-	-	-	-	-
Unassigned	8,365,290	7,482,073	4,956,071	5,274,791	5,389,701	5,668,231	5,986,731	6,925,213	8,657,012	9,073,248
Total General Fd.	<u>\$ 8,365,290</u>	<u>\$ 7,482,073</u>	<u>\$ 6,769,392</u>	<u>\$ 7,118,112</u>	<u>\$ 6,828,312</u>	<u>7,313,253</u>	<u>7,422,007</u>	<u>8,138,435</u>	<u>9,062,885</u>	<u>9,479,121</u>
Major Funds										
Street Improvement Fund:										
Non-Spendable	-	-	-	-	-	-	-	-	-	-
Restricted	616,353	726,904	473,138	374,855	464,428	636,164	461,510	244,827	195,568	-
Committed	188,322	191,651	192,851	192,851	192,851	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	(171,251)	(292,672)
Total Street Improvement Fd.	<u>\$ 804,675</u>	<u>\$ 918,555</u>	<u>\$ 665,989</u>	<u>\$ 567,706</u>	<u>\$ 657,279</u>	<u>\$ 636,164</u>	<u>\$ 461,510</u>	<u>\$ 244,827</u>	<u>24,317</u>	<u>(292,672)</u>
Sales Tax Capital Projects Fund:										
Non-Spendable	-	-	-	-	-	-	-	-	-	-
Restricted	2,844,521	2,745,902	2,376,456	1,600,733	1,288,680	980,158	1,230,939	1,680,674	1,977,867	872,195
Committed	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Sales tax Rev. Fd.	<u>\$ 2,844,521</u>	<u>\$ 2,745,902</u>	<u>\$ 2,376,456</u>	<u>\$ 1,600,733</u>	<u>\$ 1,288,680</u>	<u>\$ 980,158</u>	<u>\$ 1,230,939</u>	<u>\$ 1,680,674</u>	<u>\$ 1,977,867</u>	<u>\$ 872,195</u>
Community Redevelopment:										
Non-Spendable	-	-	-	-	-	\$ -	-	-	-	-
Restricted	1,093,052	1,103,878	737,414	893,432	895,237	868,821	1,129,206	1,399,557	1,390,058	1,719,320
Committed	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Com. Redevelopment	<u>\$ 1,093,052</u>	<u>\$ 1,103,878</u>	<u>\$ 737,414</u>	<u>\$ 893,432</u>	<u>\$ 895,237</u>	<u>\$ 868,821</u>	<u>\$ 1,129,206</u>	<u>\$ 1,399,557</u>	<u>\$ 1,390,058</u>	<u>\$ 1,719,320</u>

City of Eustis
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual basis of Accounting)
Fiscal Year Ending September 30

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Stormwater Utility Fund:										
Non-Spendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	1,168,464	465,872	700,871	733,313	810,469	1,018,942	1,121,598	1,177,389	827,580	662,649
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Stormwater Utility	<u>\$ 1,168,464</u>	<u>\$ 465,872</u>	<u>\$ 700,871</u>	<u>\$ 733,313</u>	<u>\$ 810,469</u>	<u>\$ 1,018,942</u>	<u>\$ 1,121,598</u>	<u>\$ 1,177,389</u>	<u>\$ 827,580</u>	<u>\$ 662,649</u>
Building Service Fund:										
Non-Spendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	929,789	924,413
Committed	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total Building Services Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 929,789</u>	<u>\$ 924,413</u>
Non-Major Funds										
All Other Governmental Funds										
Non-Spendable	29,726	29,726	30,172	30,195	30,172	30,156	30,156	40,523	29,726	29,726
Restricted	980,662	854,267	884,576	695,406	976,378	1,189,622	1,226,111	1,119,239	1,025,366	1,173,204
Committed	255,395	261,690	263,352	260,601	(1,028)	11,697	41,882	27,834	39,806	44,573
Unassigned	-	-	-	-	-	-	-	-	-	-
Total All Other Funds	<u>\$ 1,265,783</u>	<u>\$ 1,145,683</u>	<u>\$ 1,178,100</u>	<u>\$ 986,202</u>	<u>\$ 1,005,522</u>	<u>\$ 1,231,475</u>	<u>\$ 1,298,149</u>	<u>\$ 1,187,596</u>	<u>\$ 1,094,898</u>	<u>\$ 1,247,504</u>

City of Eustis
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified Accrual basis of accounting)

	Fiscal Year Ending September 30									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues:										
Ad Valorem	\$ 4,690,753	\$ 4,686,897	\$ 4,726,990	\$ 5,377,109	\$ 5,583,523	\$ 5,778,651	\$ 6,034,790	\$ 6,599,902	\$ 7,270,242	\$ 7,909,015
Franchise Fees	1,454,930	1,399,934	1,301,618	1,472,855	1,437,147	1,453,668	1,484,768	1,621,592	1,717,694	\$ 1,729,050
Utility Service Taxes	1,676,315	1,561,919	1,603,425	1,796,581	2,283,573	2,530,415	2,570,953	2,544,608	2,719,237	2,291,700
State Revenue Sharing	3,409,969	1,884,667	1,970,900	1,887,576	1,546,238	1,641,550	1,727,762	1,897,871	1,973,738	539,557
Other Intergovernmental Revenues	3,043,045	5,017,169	2,604,112	2,636,529	3,140,305	2,805,841	2,923,650	3,080,623	4,123,178	6,016,285
Licenses and Permits	192,146	230,112	326,931	579,565	569,461	882,403	563,371	581,881	581,216	508,952
Fines and Forfeitures	68,717	74,404	52,458	67,367	65,964	72,159	81,285	172,696	156,484	86,419
Charges for Services	1,707,840	1,866,105	1,859,896	1,822,143	1,198,000	1,223,849	1,297,910	1,255,037	1,252,584	1,203,263
Interest	118,918	96,060	7,377	79,345	68,542	54,018	30,931	87,017	236,734	100,666
On-Behalf Payments	198,161	201,886	202,870	203,099	219,605	243,091	247,516	259,476	282,193	279,562
Other Sources	641,010	828,315	502,932	542,025	606,012	1,020,584	844,963	720,398	833,503	726,312
Total Revenues	<u>\$ 17,201,804</u>	<u>\$ 17,847,468</u>	<u>\$ 15,159,509</u>	<u>\$ 16,464,194</u>	<u>\$ 16,718,370</u>	<u>\$ 17,706,229</u>	<u>\$ 17,807,899</u>	<u>\$ 18,821,101</u>	<u>\$ 21,146,803</u>	<u>\$ 21,390,780</u>
Expenditures:										
General Government	4,300,048	4,282,671	4,369,033	4,240,947	4,156,112	3,853,575	3,992,612	4,138,062	4,702,782	4,688,788
Public Safety	6,421,483	6,586,930	7,017,122	6,989,996	7,274,731	7,655,858	8,171,240	8,215,860	8,593,705	9,552,804
On-Behalf Payments	198,161	201,886	202,870	203,099	219,605	243,091	247,516	259,476	282,193	279,562
Physical Environment	-	-	-	271,528	260,022	253,457	263,360	264,223	350,861	357,882
Transportation	2,028,208	2,176,994	2,168,875	1,726,889	1,589,009	1,545,467	1,775,494	1,767,615	1,664,598	1,546,426
Culture and Recreation	1,676,290	1,801,921	1,658,557	1,645,531	1,734,844	1,682,617	1,733,137	1,793,822	1,844,145	1,923,315
Nondepartmental	-	-	37,500	-	-	48,552	51,521	29,605	30,000	1,002,310
Capital Outlay	4,203,044	5,246,982	2,178,048	2,835,938	2,865,843	2,810,086	1,794,154	2,845,253	3,739,804	7,281,661
Debt Service										
Interest	395,000	420,000	440,000	465,000	42,203	35,211	35,169	8,951	22,999	20,278
Principal	94,478	69,905	70,761	23,990	490,000	515,000	629,100	645,752	247,475	247,475
Total Expenditures	<u>19,316,712</u>	<u>20,787,289</u>	<u>18,142,766</u>	<u>18,402,918</u>	<u>18,632,369</u>	<u>18,642,914</u>	<u>18,693,303</u>	<u>19,968,619</u>	<u>21,478,562</u>	<u>26,900,502</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,114,908)	\$ (2,939,821)	\$ (2,983,257)	\$ (1,938,724)	\$ (1,913,999)	\$ (936,685)	\$ (885,404)	\$ (1,147,518)	\$ (331,759)	\$ (5,509,722)
Other Financing Sources (Uses):										
Transfers In	2,883,842	2,487,663	2,215,833	2,135,374	2,497,986	2,459,686	2,482,672	2,526,774	3,313,510	3,113,464
Transfers Out	(1,623,842)	(1,227,663)	(666,317)	(725,374)	(997,986)	(959,686)	(982,672)	(1,014,187)	(1,502,837)	(1,298,605)
Proceeds from Borrowing								800,000		3,000,000
Total Other Financing Sources (Uses)	<u>1,260,000</u>	<u>1,260,000</u>	<u>1,549,516</u>	<u>1,410,000</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>2,312,587</u>	<u>1,810,673</u>	<u>4,814,859</u>
Net Change In Fund Balances	<u>\$ (854,908)</u>	<u>\$ (1,679,821)</u>	<u>\$ (1,433,741)</u>	<u>\$ (528,724)</u>	<u>\$ (413,999)</u>	<u>\$ 563,315</u>	<u>\$ 614,596</u>	<u>\$ 1,165,069</u>	<u>\$ 1,478,914</u>	<u>\$ (694,862)</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>3.24%</u>	<u>3.15%</u>	<u>3.20%</u>	<u>3.14%</u>	<u>3.38%</u>	<u>3.48%</u>	<u>3.93%</u>	<u>3.82%</u>	<u>1.52%</u>	<u>1.36%</u>

**CITY OF EUSTIS, FLORIDA
TAXABLE AND ESTIMATED ACTUAL VALUE
LAST TEN FISCAL YEARS**

Taxable Assessed Valuation							Assessed Value as a Percentage of Actual
Fiscal Year	Real Property	Personal Property	Central Property	Total (2) Taxable Valuation	Total Direct Rate	Total (1) Estimated Actual Value	
2010-11	784,953,679	58,111,626	392,001	843,457,306	5.6849	937,174,784	90.00%
2011-12	715,535,939	56,736,133	302,898	772,574,970	6.2432	858,416,633	90.00%
2012-13	667,136,592	54,972,403	172,256	722,281,251	6.7158	802,534,723	90.00%
2013-14	671,502,989	56,293,873	251,433	728,048,295	6.7158	808,942,550	90.00%
2014-15	695,231,551	63,395,983	253,735	758,881,269	7.5810	843,201,410	90.00%
2015-16	724,388,866	64,707,631	346,273	789,442,770	7.5810	877,158,633	90.00%
2016-17	760,782,191	66,066,152	330,790	827,179,133	7.5810	919,087,926	90.00%
2017-18	827,493,389	73,404,454	386,451	901,284,294	7.5810	1,001,426,993	90.00%
2018-19	885,197,045	105,425,226	402,503	991,024,774	7.5810	1,101,138,638	90.00%
2019-20	964,447,578	114,711,755	441,822	1,079,601,155	7.5810	1,199,556,839	90.00%

Source Lake County Property Appraiser's Final Tax Roll All Docs and Certifications Start of FY

City of Eustis
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Per One Thousand Dollars of Taxable Value)

Fiscal Year	City Direct Rates				Overlapping Rates							TOTAL
	Basic Rate	Redev-District	Street Improv.	Total City of Eustis	Lake County Commission Gen. Fund	Lake County Commission Debt Serv.	Lake County School Board	Lake County Water Authority	North Lake Hospital District	North Lake Ambulance District	St. Johns Water Mgmt. District	
2010-11	5.2210	0.2700	0.1939	5.6849	4.7309	0.1101	7.5230	0.2405	1.0000	0.3853	0.4158	20.0905
2011-12	5.2210	0.2700	0.1939	6.2432	4.7309	0.1101	7.3940	0.2405	1.0000	0.3853	0.3313	20.4353
2012-13	6.2020	0.2865	0.2273	6.7158	4.7309	0.1900	7.3200	0.2554	1.0000	0.3853	0.3313	20.9287
2013-14	7.0672	0.2865	0.2273	7.5810	4.7309	0.1900	7.1700	0.2554	1.0000	0.3853	0.3283	21.6409
2014-15	7.0632	0.3070	0.2108	7.5810	5.3856	0.1600	7.2460	0.2554	1.0000	0.4629	0.3164	22.4073
2015-16	7.0721	0.3062	0.2027	7.5810	5.3051	0.1600	7.1970	0.2554	1.0000	0.4629	0.3023	22.2637
2016-17	7.1406	0.3074	0.1330	7.5810	5.1180	0.1524	6.8750	0.2554	1.0000	0.4629	0.2885	21.7332
2017-18	7.1555	0.3035	0.1220	7.5810	5.1180	0.1524	6.6030	0.2554	1.0000	0.4629	0.2724	21.4451
2018-19	7.1542	0.3159	0.1109	7.5810	5.1180	0.1324	6.3550	0.4900	0.9800	0.4629	0.2562	21.3755
2019-20	7.1280	0.3512	0.1018	7.5810	5.0734	0.1100	6.8830	0.3557	0.9500	0.4629	0.2414	21.6574

The direct city rate is set by the commission each year. The city as well as other governments are required to contribute the incremental taxable value in excess of the base year of 1990. The city also supplements the Street Improvement Fund.

The overlapping rate represents agencies which have taxing authority within the area. These rates plus the city rate determine the total millage rate attributed to property within the city.

**CITY OF EUSTIS, FLORIDA
PRINCIPAL TAXPAYERS
CURRENT AND TEN YEARS AGO
FISCAL YEARS ENDING SEPTEMBER 30TH**
(Source Lake County Property Appraisers Office)

TAXPAYER	2011			2020		
	ASSESSED VALUATION	Rank	PERCENTAGE OF TOTAL ASSESSED VALUATION	ASSESSED VALUATION	Rank	PERCENTAGE OF TOTAL ASSESSED VALUATION
Duke (Progress) Energy	15,028,204	1	1.50%	20,862,379	2	1.82%
Bre Tarpon - Eustis Village LLC	10,810,840	2	1.08%	-	-	-
MHC Southern Palms LLC	-	-	-	11,641,725	4	1.02%
Florida Food Products	4,487,961	5	0.45%	34,608,847	1	3.02%
Sprint/Embarq	7,144,060	3	0.71%	-	-	-
Prestige Ford	3,790,488	8	0.38%	-	-	-
SUSO 4 North Branch LP	-	-	-	15,508,108	3	1.35%
HTG Valencia LLC	-	-	-	6,589,166	6	0.57%
MHC Haselton Village LLC	3,973,746	6	0.40%	6,090,945	7	0.53%
Boukalis Dev of St Pete LLC	-	-	-	6,687,248	5	0.58%
Core Eustis LLC	-	-	-	5,703,446	9	0.50%
MSC Eustis LLC	-	-	-	5,915,960	8	0.52%
Eustis Plaza, Inc.	3,279,704	9	0.33%	5,033,326	10	0.44%
MHC Financing LTD	6,943,629	4	0.69%	-	-	-
Eustis Square One LLC	3,817,691	7	0.38%	-	-	-
U.S. Nutraceuticals	3,029,450	10	0.30%	-	-	-
				-	-	-
	<u>62,305,773</u>		<u>6.21%</u>	<u>118,641,150</u>		<u>10.35%</u>

SOURCE: Lake County Property Appraiser

**CITY OF EUSTIS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR	TOTAL TAX LEVY	CURRENT LEVY COLLECTIONS	PERCENT OF LEVY COLLECTED	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	PERCENT TOTAL COLLECTIONS TO LEVY
2010-11	4,831,009	4,425,297	91.60%	265,456	4,690,753	97.10%
2011-12	4,823,340	4,479,623	92.87%	207,274	4,686,897	97.17%
2012-13	4,875,857	4,497,608	92.24%	229,382	4,726,990	96.95%
2013-14	5,548,361	5,148,164	92.79%	228,945	5,377,109	96.91%
2014-15	5,753,079	5,368,442	93.31%	215,081	5,583,523	97.05%
2015-16	5,984,766	5,566,832	93.02%	211,818	5,778,650	96.56%
2016-17	6,270,845	5,821,983	92.84%	212,805	6,034,788	96.24%
2017-18	6,832,636	6,326,214	92.59%	273,686	6,599,900	96.59%
2018-19	7,512,959	7,072,491	94.14%	197,751	7,270,242	96.77%
2019-20	8,195,713	7,575,122	92.43%	331,557	7,906,679	96.47%

NOTE: Florida Statute 197.012 allows a discount for early payment of taxes of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes become delinquent on April 1 of each year.

County Tax Collector is responsible for collecting and remitting all property taxes. They do not keep track of amounts which are past due on a regular basis. Once a year they consolidate all past due amounts and have a tax certificate sale. The money obtained from this sale is then distributed to the proper taxing authority.

City of Eustis
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	General Activities					Business-Type Activities					Total Primary Government	Est. Actual Value of Taxable Property	Percentage of Taxable Property	Per Capita
	Sales Sur Tax 1997A	Sales Sur Tax - Water 2004	Sales Sur Tax Sewer 2004	Fire Equip Lease/Purch. 2016&2018	Total	Utility Rev. Bonds	Series 2017 Bank Loan	State Revolving Loan	CRA Loan	Total				
2010-11	2,165,000	581,500	688,500	-	3,435,000	-	-	3,195,207	-	3,195,207	6,630,207	937,174,784	0.71%	357
2011-12	1,910,000	507,250	597,750	-	3,015,000	-	-	2,898,428	-	2,898,428	5,913,428	858,416,633	0.69%	320
2012-13	1,640,000	430,750	504,250	-	2,575,000	-	-	7,526,631	-	7,526,631	10,101,631	802,534,723	1.26%	544
2013-14	1,350,000	352,000	408,000	-	2,110,000	-	-	7,047,571	-	7,047,571	9,157,571	808,942,550	1.13%	493
2014-15	1,040,000	271,000	309,000	-	1,620,000	-	-	6,513,511	-	6,513,511	8,133,511	843,201,410	0.96%	418
2015-16	710,000	187,750	207,250	-	1,105,000	-	-	5,964,488	-	5,964,488	7,069,488	877,158,633	0.81%	354
2016-17	360,000	100,000	100,000	353,450	913,450	7,430,000	-	5,400,084	-	12,830,084	13,743,534	919,087,926	1.50%	662
2017-18	-	-	-	1,067,736	1,067,736	7,150,000	1,805,500	4,819,867	-	13,775,367	14,843,103	1,001,426,993	1.48%	713
2018-19	-	-	-	820,260	820,260	6,865,000	1,444,400	4,223,389	-	12,532,789	13,353,049	1,101,138,638	1.21%	633
2019-20	-	-	-	587,699	587,699	6,570,000	1,083,300	3,610,197	3,000,000	14,263,497	14,851,196	1,199,556,839	1.24%	704

City of Eustis
Direct Governmental Activities Debt
As of September 30, 2020

<u>Governmental Revenue Bonds</u>	<u>Beginning Debt</u>	<u>Increase in Debt</u>	<u>Amount Repaid</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable</u>
<u>Series 1997A Sales-Sur Tax:</u>					
Debt Repaid with Sales Sur-Tax Proceeds	-	-	-	-	0.00%
<u>Series 2004 Sales-Sur Tax:</u>					
Debt Repaid with Water Impact Fees	-	-	-	-	0.00%
Debt Repaid with Sewer Impact Fees	-	-	-	-	0.00%
2016 Lease/Purchase of Fire Pumper Truck	180,223	-	87,475	92,748	3.09%
2018 Note Payable - Fire Ladder Truck	640,000	-	160,000	480,000	13.44%
2020 CRA Loan - Land Purchase	3,000,000	-	-	3,000,000	83.47%
Total Debt	<u>\$ 3,820,223</u>	<u>\$ -</u>	<u>\$ 247,475</u>	<u>\$ 3,572,748</u>	<u>100.00%</u>

The 2016 Lease/Purchase of the Pumper Truck is repaid with Sales Sur-Tax Proceeds

The 2018 Note Payable is repaid with Sales Sur-Tax Proceeds

The 2020 CRA Loan is repaid with incremental tax income.

The City of Eustis does not have any overlapping debt. All debt is secured through a specific revenue source exclusive to the City of Eustis.

**City of Eustis
Pledged-Revenue Coverage
Last Ten Years**

Water & Sewer Pledged Bonds

Fiscal Year	(1)	(2)	Add Back Depreciation Expense	Net Available Revenue	Revenue Bond Series 2016		State Revolving Loan		Total Debt Payments	Coverage
	Utility Revenues	Less Operating Expenses			Principal	Interest	Principal	Interest		
2010-11	7,640,308	6,808,047	2,161,578	2,993,839	-	-	288,378	95,506	383,884	7.80
2011-12	7,727,735	6,844,183	2,101,875	2,985,427	-	-	296,779	87,010	383,789	7.78
2012-13	8,292,654	6,892,103	2,202,862	3,603,413	-	-	552,352	182,564	734,916	4.90
2013-14	8,889,156	7,577,460	2,257,048	3,568,744	-	-	421,704	200,007	621,711	5.74
2014-15	9,989,126	8,222,159	2,286,458	4,053,425	-	-	534,059	125,199	659,258	6.15
2015-16	10,937,285	7,901,311	2,249,641	5,285,615	-	-	549,020	113,006	662,026	7.98
2016-17	10,879,933	7,828,916	2,174,760	5,225,777	-	114,724	564,406	100,466	779,596	6.70
2017-18	10,848,912	8,272,870	2,208,575	4,784,617	250,000	276,556	580,218	90,360	1,197,135	4.00
2018-19	11,016,439	8,653,590	2,511,208	4,874,057	280,000	269,856	596,476	74,300	1,220,632	3.99
2019-20	11,497,721	9,254,616	2,502,042	4,745,147	295,000	257,106	613,193	107,672	1,220,231	3.89

1) For purposes of debt coverage the following is a list of revenues to be considered: All water and sewer revenues, water and sewer impact fees, and stormwater fees. The interest in the renewal and replacement and expansion funds are not include as part of the debt coverage. The State Revolving Loan only allows for Gross Operating Revenues.

2) Direct operating expenses excludes depreciation expenses.

City of Eustis
Pledged-Revenue Coverage
Last Ten Years

Fiscal Year	General Government									
	Sales Sur-Tax 1997A Series					Sales Sur-Tax 2004A Series				
	Progress Energy Franchise Fees	Principal	Interest	Total	Coverage	Disc. Sales Tax & Prog. Energy Fran. Fees	Principal	Interest	Total	Coverage
2010-11	732,021	235,000	59,915	294,915	2.48	1,902,724	160,000	34,563	194,563	9.78
2011-12	706,875	255,000	7,557	262,557	2.69	1,902,515	165,000	6,090	171,090	11.12
2012-13	654,725	270,000	36,259	306,259	2.14	1,906,409	170,000	23,462	193,462	9.85
2013-14	758,301	290,000	15,840	305,840	2.48	2,026,606	175,000	10,249	185,249	10.94
2014-15	740,306	310,000	25,623	335,623	2.21	2,236,435	180,000	16,580	196,580	11.38
2015-16	757,316	330,000	21,377	351,377	2.16	2,273,145	185,000	13,832	198,832	11.43
2016-17	757,164	350,000	14,165	364,165	2.08	2,353,779	195,000	9,165	204,165	11.53
2017-18	822,564	360,000	1,029	361,029	2.28	2,497,696	200,000	667	200,667	12.45
2018-19	-	-	-	-	N/A	-	-	-	-	N/A
2019-20	-	-	-	-	N/A	-	-	-	-	N/A

Fiscal	Total Progress Energy Franchise	1997A Issue	2004 A Issue		
		61% Allocated to 1997A	39% Allocated to 2004A	Sales Tax Revenue	Total 2004A
2010-11	1,200,034	732,021	468,013	1,434,711	1,902,724
2011-12	1,158,812	706,875	451,937	1,450,578	1,902,515
2012-13	1,073,320	654,725	418,595	1,487,814	1,906,409
2013-14	1,243,117	758,301	484,816	1,541,790	2,026,606
2014-15	1,213,617	740,306	473,311	1,763,124	2,236,435
2015-16	1,241,501	757,316	484,185	1,788,960	2,273,145
2016-17	1,241,252	757,164	484,088	1,869,691	2,353,779
2017-18	1,348,465	822,564	525,901	1,971,795	2,497,696
2018-19	1,458,200	889,502	568,698	2,015,022	2,583,720
2019-20	1,440,796	878,886	561,910	1,957,607	2,519,517

1) Sales Surtax 1997A and 2004A Series
retired in 2017-18.

**City of Eustis
Demographic and Economic Statistics
Last Ten Years**

Year	Population (5)			% increase Consumer Price Index (3)	Median Age	Eustis School Information Enrollment (4) and Grading (6)				
	Eustis	County	%of Cty.			School Enrollment	Eustis Heights Elementary	Eustis Elementary	Eustis Middle	Eustis High
2010-11	18,558	297,052	6.25%	1.6	45.1	5,083	B	C	B	B
2011-12	18,483	298,265	6.20%	3.2	45.1	4,702	C	A	B	C
2012-13	18,573	298,707	6.22%	2.1	45.1	4,682	D	B	C	B
2013-14	19,214	308,034	6.24%	1.5	46.0	5,539	F	B	B	C
2014-15	19,455	315,690	6.16%	1.6	42.0	4,725	C	C	B	B
2015-16	19,986	325,875	6.13%	0.10	41.8	4,663	C	C	C	C
2016-17	20,768	335,396	6.19%	1.30	40.8	4,645	C	B	C	C
2017-18	20,827	346,017	6.02%	2.10	40.4	4,413	C	B	C	C
2018-19	21,368	357,247	5.98%	2.40	43.2	4,851	C	C	C	C
2019-20	21,594	366,742	5.89%	1.80	46.9	3,122	C	C	C	C

Change the county get median and Per Capita Income

(1) Source: Florida Research Economic Database (FREIDA), Florida Office of Econ & Dem Research, US Census Quick Facts

(2) Source -w w w .bebr.ufl.edu/economics

(3) Source w w w .usinflationcalculator.com

(4) Source Lake County School Board, Tavares, Florida (w w w .lake.k12.fl.us - Dept of Grow th Planning- Incl Lake Tech)

(5) Source US Census Bureau and Office of Economic & Demographic Research

(6) Source Florida Dept of Education

(7) Source US Bureau of Labor Statistics (w w w .bls.gov/lau/data.htm)

**City of Eustis
Demographic and Economic Statistics
Last Ten Years**

Year	Per Capita Income (1)							Median Household Income (1)						
	Florida	Lake	Orange	Seminole	Sumter	Marion	Volusia	Florida	Lake	Orange	Seminole	Sumter	Marion	Volusia
2010-11	38,965	30,785	36,400	42,340	30,259	31,097	32,255	44,390	42,343	45,105	57,381	45,165	37,162	41,368
2011-12	39,636	33,846	35,990	40,914	27,824	32,709	33,436	44,250	44,965	44,635	54,449	44,595	36,425	38,477
2012-13	41,012	34,442	37,013	42,191	35,032	35,570	34,445	45,006	41,579	45,565	54,901	47,017	37,287	40,114
2013-14	41,497	34,782	37,844	42,986	37,206	34,437	34,530	47,886	44,244	46,675	55,195	52,670	38,783	40,908
2014-15	42,645	35,786	38,007	41,806	37,558	32,571	36,052	46,956	45,035	47,581	58,175	48,493	39,453	42,457
2015-16	44,429	37,698	39,591	42,851	39,012	33,800	37,802	47,212	45,465	47,556	57,875	49,874	39,339	41,714
2016-17	45,953	38,266	41,515	44,703	39,534	34,765	38,807	48,900	47,141	49,391	58,538	52,594	40,295	42,240
2017-18	47,864	40,541	42,541	46,231	43,464	35,864	40,658	50,883	49,734	51,586	60,739	54,771	41,964	43,838
2018-19	50,070	42,190	44,647	46,049	46,100	36,997	42,374	53,267	51,884	54,335	63,760	55,228	43,361	46,760
2019-20	52,391	43,425	46,250	51,156	48,387	38,293	44,180	58,368	57,660	63,133	69,954	63,464	49,079	53,554

(1) Source Federal Reserve Economic Data | FRED | St. Louis Fed

(2) Source - www.bebr.ufl.edu/economics

(3) Source www.usinflationcalculator.com

(4) Source Lake County School Board, Tavares, Florida

(5) Source US Census Bureau and Office of Economic & Demographic Research

(6) Source Florida Dept of Education (<http://schoolgrades.fldoe.org>)

(7) Source US Bureau of Labor Statistics (www.bls.gov/lau/data.htm)

**City of Eustis
Demographic and Economic Statistics
Last Ten Years**

Year	Cost of Living Index Lake and Surrounding Counties (2)						Unemployment Lake and Surrounding Counties (1)					
	Lake	Orange	Seminole	Sumter	Marion	Volusia	Lake	Orange	Seminole	Sumter	Marion	Volusia
2010-11	96.95	100.42	99.35	95.49	95.83	96.19	10.6	10.2	9.5	8.1	12.4	10.8
2011-12	96.43	99.88	99.33	95.65	95.51	95.78	8.9	8.4	7.7	6.9	9.8	8.8
2012-13	96.43	99.88	99.33	95.65	95.51	95.78	9.0	8.3	7.8	7.4	10	8.8
2013-14	97.20	100.49	99.17	95.45	94.97	98.25	5.4	4.9	4.5	4.7	6.4	5.3
2014-15	96.33	99.78	98.72	94.19	93.43	94.75	5.1	4.7	4.6	6.8	6.1	5.5
2015-16	96.99	100.46	99.03	94.83	94.41	95.33	4.8	4.3	4.3	6.9	6	5.1
2016-17	97.23	100.71	99.28	95.07	93.29	95.57	3.4	3.1	3.0	4.8	4.1	3.7
2017-18	97.38	100.87	99.44	96.03	93.88	95.72	3.4	2.6	2.6	4.3	3.6	3.2
2018-19	97.52	100.85	99.30	96.49	93.59	95.73	2.9	2.7	2.7	4.1	3.5	3.2
2019-20	97.80	101.13	99.58	95.74	93.37	96.00	7.4	9.8	6.0	5.7	5.3	5.9

(1) Source: Florida Research Economic Database (FREIDA), Florida Office of Econ & Dem Research, US Census Quick Facts

(2) Source - www.bebr.ufl.edu/economics

(3) Source www.usinflationcalculator.com

(4) Source Lake County School Board, Tavares, Florida

(5) Source US Census Bureau and Office of Economic & Demographic Research

(6) Source Florida Dept of Education

(7) Source US Bureau of Labor Statistics (www.bls.gov/lau/data.htm)

City of Eustis
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years
(Source Budget for City of Eustis and Human Resources)

Full-Time Equivalent Employees as of September 30th

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
City Manager	6	6	6	6	5	4	3	3	3	3
City Clerk	1	1	1	1	1	1	1	1	1	1
Finance	10	9	9	9	9	9	19	19	19	20
Development Services	6	6	6	6	5	4	5	5	6	6
Purchasing	2	2	2	2	2	3	3	3	3	3
Human Resources	3	3	3	3	3	3	3	3	3	3
Maintenance Garage	2	2	2	2	2	2	2	2	2	2
Building Maintenance	5	5	5	5	5	5	3	3	2	2
Park Maintenance	3	3	3	3	3	3	3	3	3	4
Cemetery	2	2	2	2	2	2	2	2	2	2
Total General Government	<u>40</u>	<u>39</u>	<u>39</u>	<u>39</u>	<u>37</u>	<u>36</u>	<u>44</u>	<u>44</u>	<u>44</u>	<u>46</u>
Police Sworn Officers	42	41	41	41	41	42	44	45	45	45
Reserve Officers	0	0	0	0	0	0	0	0	0	0
Civilians	13	13	13	13	13	12	15	14	14	14
Total Police	<u>55</u>	<u>54</u>	<u>54</u>	<u>54</u>	<u>54</u>	<u>54</u>	<u>59</u>	<u>59</u>	<u>59</u>	<u>59</u>
Fire Fighters Sworn	23	22	22	22	22	22	20	21	21	21
Fire Fighters Vol. FTE	0	0	0	0	0	0	0	1	1	1
Civilians	3	4	4	4	3	2	3	2	2	2
Total Fire	<u>26</u>	<u>26</u>	<u>26</u>	<u>26</u>	<u>25</u>	<u>24</u>	<u>23</u>	<u>24</u>	<u>24</u>	<u>24</u>
Building Inspections	4	4	4	4	4	3	3	3	3	3
Total Public Safety	<u>85</u>	<u>84</u>	<u>84</u>	<u>84</u>	<u>83</u>	<u>81</u>	<u>85</u>	<u>86</u>	<u>86</u>	<u>86</u>
Library	11	11	11	11	11	11	13	13	12	12
Recreation	11	11	11	11	11	11	13	13	15	15
Total Culture & Recreation	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>26</u>	<u>26</u>	<u>27</u>	<u>27</u>
Public Services	16	16	16	16	16	16	4	4	5	4
Water Distribution	23	22	22	22	22	20	21	21	20	21
Wastewater	18	18	18	18	18	18	16	16	16	17
Total Water and Sewer	<u>57</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>54</u>	<u>41</u>	<u>41</u>	<u>41</u>	<u>42</u>
Public Works	18	18	18	18	16	15	19	19	20	20
Stormwater	4	4	4	4	4	4	4	4	4	4
Total Streets and Stormwater	<u>22</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>20</u>	<u>19</u>	<u>23</u>	<u>23</u>	<u>24</u>	<u>24</u>
Total Government Employees	<u>226</u>	<u>223</u>	<u>223</u>	<u>223</u>	<u>218</u>	<u>212</u>	<u>219</u>	<u>220</u>	<u>222</u>	<u>225</u>

City of Eustis
Various Indicators By Function/Program
Last Ten Years

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General										
Last Charter Amendment						March 10, 1992				
Number of Commissioners						5				
Form of Government						Commission 4 Year Staggered Term of Office - Appointed Manager				
Municipal Boundaries	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40
Number of Vehicles	10	10	10	10	10	10	10	10	11	11
Number of Buildings	2	2	2	2	2	2	2	2	2	2
Per Capita Taxable Value	53,834	47,006	43,275	39,830	39,500	39,007	39,527	38,091	39,091	41,897
Per Capita Taxes Levied	384	356	328	302	299	296	289	263	263	262
Police										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Protection Per 1,000	1.90	1.92	1.97	1.97	2.05	2.16	2.29	2.42	2.43	2.42
Protection Per Capita	526.68	521.17	507.98	506.54	487.46	463.21	436.68	422.11	410.73	412.40
Number of Sworn Officers	41	41	41	41	41	42	44	45	45	45
Number of Arrests	548	633	765	758	758	758	1,036	642	974	1,056
Fire										
Number of Stations	2	2	1	1	1	1	1	1	1	1
Number of Volunteers	-	-	-	-	-	-	-	6	6	10
Protection Per 1,000	0.97	0.98	1.06	1.06	1.10	1.23	1.04	1.18	1.19	1.13
Protection Per Capita	1,028	1,018	946.68	944	908	811	835	844	840	884
Number of Firefighters	21	21	22	22	22	24	20	22	22	21
Number of Calls	3,633	4,284	4,321	4,260	4,059	3,921	4,011	3,708	3,792	3,756
Building										
Building Permits Issued	1908	1694	2262	1,733	1,766	1,452	1,554	1,047	933	931
New Commercial Construction	1	11	4	1	11	5	3	5	9	6
New Residential Construction	34	23	28	74	144	84	101	53	23	25
Valuation of Improvements	58,739,000	32,689,083	35,502,497	35,730,909	81,133,576	42,643,712	38,208,925	23,618,336	15,871,612	18,522,045
Number of Vehicles	3	3	3	3	3	3	3	2	2	2
Recreation										
Number of Parks	13	12	12	12	12	12	12	12	12	12
Acres Maintained	64	64	64	64	64	64	64	64	64	64
Number of Vehicles	8	8	7	7	7	7	7	7	7	7
Number of Buildings	13	13	13	13	13	16	16	12	12	10
Number of Citizens Served	13,484	25,440	21,850	22,560	21,330	19,220	18,896	13,348	13,778	13,568
Library										
Number of Libraries	1	1	1	1	1	1	1	1	1	1
Volume in Collection	102,232	127,289	126,105	132,289	129,217	125,371	123,625	125,075	121,335	118,331
Number of Items Circulated	75,962	75,415	76,455	71,487	71,700	72,843	84,941	91,437	92,266	99,503
Collection Per Citizen	4.90	6.06	6.05	6.37	6.47	6.45	6.43	6.73	6.56	6
Number of Patrons	8,075	11,343	10,397	7,645	13,820	13,511	13,855	13,391	9,783	10,272
Collection Per Patrons	12.70	11.22	12.13	17.30	9.35	9.28	8.92	9.34	12.40	12
Public Works										
Miles of Streets	101.65	101.65	101.65	120.00	120.00	120.00	120.00	101.17	101.17	100.00
Number of Street Lights	1265	1265	1265	1,265	928	928	928	1,317	1,317	1,317
Number of Traffic Signals	17	17	17	17	17	17	17	13	13	13
Number of School Signals	12	12	12	12	12	12	12	12	12	12
Number of Vehicles	169	169	153	153	153	153	147	86	91	89
Number of Buildings	4	4	4	4	4	4	4	5	5	5
Water										
Number of Units Served	11,946	11,721	10,741	10,946	10,888	10,872	10,701	11,340	12,168	12,134
Average Daily Flow	3.44 Million Gal	3.19 Million Gal	2.91 Million Gal.	3.47 Million Gal.	3.37 Million Gal.	3.01 Million Gal.	3.21 Million Gal.	3.791 Million Gal.	3.157 Million Gal.	2.91 Million Gal.
Miles of Water Main	183	183	182	182	182	182	182	182	182	182
Number of Plants	6	6	6	6	6	6	6	6	6	6
Number of Vehicles	21	21	21	21	21	20	19	23	23	23
Number of Buildings	9	9	9	9	9	9	9	3	3	3
Wastewater										
Miles of Sanitary Sewers	121	121	120	120	120	120	120	120	120	120
Number of Vehicles	14	14	13	13	13	13	17	15	15	15
Number of Buildings	11	11	12	11	11	11	15	5	5	5
Number of Plants	2	2	2	2	2	2	2	2	2	2

City of Eustis
Sewer Sold by Type of Customer
And Associated Rates Last Ten Years
(In Millions of Gallons)

<u>Type of Customer</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Residential										
Inside	394.66	378.77	344.59	341.64	309.75	361.40	370.73	351.17	363.60	373.44
Outside	57.54	59.73	57.68	63.14	56.83	74.28	72.79	69.34	77.35	81.14
Industrial										
Inside	-	-	-	-	-	-	11.28	-		18.54
Outside	-	-	-	-	-	-	-	-		
Commercial										
Inside	71.3	66.47	63.68	67.32	64.88	80.50	71.10	80.22	83.06	65.32
Outside	1.65	2.66	2.15	5.16	0.91	4.62	3.06	6.30	7.44	4.81
Other										
Inside	14.98	15.06	15.69	24.63	14.14	18.66	25.42	12.34	12.94	32.67
Outside	1.78	2.21	2.94	6.35	1.84	2.21	1.83	0.00	0.00	0.68
Total	541.91	524.90	486.73	508.24	448.35	541.68	556.21	519.35	544.39	576.61

<u>Effective Date</u>	<u>Sewer Rates (Per 1,000 Consumed)</u>									
	<u>6/1/11</u>	<u>6/1/12</u>	<u>6/1/13</u>	<u>6/1/14</u>	<u>6/1/15</u>	<u>6/1/16</u>	<u>6/1/17</u>	<u>6/1/18</u>	<u>6/1/19</u>	<u>6/1/20</u>
<u>Residential Inside</u>										
Availability Charge	23.43	23.43	23.43	23.43	23.43	25.23	25.66	26.10	26.54	26.99
Min. Inc. 1st 3,000										
Rate per 1,000										
Capped at 10,000 Gal	1.92	2.57	2.93	2.93	2.93	3.16	3.21	3.26	3.32	3.38
<u>Residential Outside</u>										
Availability Charge	29.28	29.29	29.29	29.29	29.29	31.55	32.08	32.63	33.18	33.75
Min. Inc. 1st 3,000										
Rate per 1,000										
Capped at 10,000 Gal	2.40	3.21	3.66	3.66	3.66	3.94	4.01	4.08	4.15	4.22
<u>Commercial Inside</u>										
Availability Charge	32.80	32.80	32.80	32.8	32.8	35.33	35.93	36.54	37.79	37.79
Min. Inc. 1st 6,000										
Rate per 1,000										
No Cap on Usage	3.38	3.47	3.52	3.52	3.52	3.79	3.86	3.92	3.99	4.06
<u>Commercial Outside</u>										
Availability Charge	41.00	41.00	41.00	41	41	44.16	44.91	45.67	46.45	47.24
Min. Inc. 1st 6,000										
Rate per 1,000										
No Cap on Usage	4.21	4.34	4.40	4.4	4.4	4.74	4.82	4.90	4.98	5.07
<u>Industrial Inside</u>										
Availability	56.23	56.23	56.23	56.23	56.23	60.56	61.59	62.64	63.70	64.78
Min. Inc. 1st 20,000										
Rate per 1,000										
No Cap on Usage	2.61	3.21	3.52	3.52	3.52	3.79	3.86	3.92	3.99	4.06
Over 500,000										

City of Eustis
(Continued)
Associated Rates Last Ten Years
(In Millions of Gallons)
Sewer Rates (Per 1,000 Consumed)

Effective Date	6/1/11	6/1/12	6/1/13	6/1/14	6/1/15	6/1/16	6/1/17	6/1/18	6/1/19	6/1/20
<u>Industrial Outside</u>										
Availability	70.29	70.29	70.29	70.29	70.29	75.7	76.99	78.30	79.63	80.98
Min. Inc. 1st 20,000 Rate per 1,000										
No Cap on Usage Over 500,000	3.26	4.01	4.40	4.4	4.4	4.74	4.82	4.90	4.98	5.07
<u>RV Parks Inside</u>										
Availability	7.81	7.81	7.81	7.81	7.81	8.41	8.55	8.70	8.85	9.00
Min. Inc. 1st 1,000 Rate per 1,000										
Over Min.	1.92	2.57	2.93	2.93	2.93	3.16	3.21	3.26	3.32	3.38
<u>RV Parks Outside</u>										
Availability	9.76	9.76	9.76	9.76	9.76	10.51	10.69	10.87	11.06	11.24
Min. Inc. 1st 1,000 Rate per 1,000										
Over Min.	2.40	3.21	3.66	3.66	3.66	3.94	4.01	4.08	4.15	4.22
Percentage Increase	1.67%	1.34%	1.34%	0.00%	0.00%	7.70%	1.70%	1.70%	1.70%	1.70%

City of Eustis
Water Sold by Type of Customer
And Associated Rates Last Ten Years
(In Millions of Gallons)

Fiscal Year										
Type of Customer	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Residential										
Inside	666.42	631.37	587.57	574.45	533.81	635.57	654.78	503.91	534.48	549.11
Outside	192.98	187.39	175.31	180.88	158.76	220.22	215.50	157.62	173.92	187.03
Industrial										
Inside	2.28	1.84	3.78	3.57	6.94	1.85	1.58	2.19	0.14	0.17
Outside										
Commercial										
Inside	141.89	135.93	130.39	137.05	74.52	127.40	141.50	96.89	102.42	87.73
Outside	6.33	8.88	8.35	11.00	4.65	9.32	9.34	9.47	9.99	7.09
Other										
Inside	36.87	40.99	45.29	42.05	27.06	47.47	52.85	12.34	12.94	40.68
Outside	1.12	2.51	3.41	6.85	3.11	2.87	3.23	0.00	0.00	1.68
Total	1,047.89	1,008.91	954.10	955.84	808.85	1,044.70	1,078.78	782.42	833.89	873.48

Water Rates (Per 1,000 Consumed)										
Effective Date	6/1/11	6/1/12	6/1/13	6/1/14	6/1/15	6/1/16	6/1/17	6/1/18	6/1/19	6/1/20
Residential Inside										
Availability Charge	8.87	9.22	9.58	9.96	9.96	10.73	10.91	11.09	11.28	11.47
Min. Inc. 1st 3,000										
4,000 to 20,000										
0 to 8,000	1.85	1.92	2.00	2.08	2.08	2.24	2.28	2.32	2.36	2.4
8,001 to 20,000	2.31	2.40	2.49	2.59	2.59	2.79	2.84	2.89	2.93	2.99
20,001 to 30,000	4.37	3.38	3.51	3.65	3.65	3.93	4.00	4.07	4.13	4.21
20,001, to 50,000										
Over 30,000	7.39	7.68	7.98	8.30	8.30	8.94	9.09	9.25	9.40	9.57
Over 50,000										
Irrigation										
0 to 12,000	2.31	2.40	2.49	2.59	2.59	2.79	2.84	2.89	2.93	2.98
0 to 30,000										
12,001 to 20,000	3.25	3.38	3.51	3.65	3.65	3.93	4.00	4.07	4.13	4.21
Over 20,000	7.39	7.68	7.98	8.30	8.30	8.94	9.09	9.25	9.40	9.56
30,001 to 100,000										
Over 100,000										
Residential Outside										
Availability Charge	11.09	11.53	11.98	12.45	12.45	13.41	13.64	13.87	14.10	14.35
Min. Inc. 1st 3,000										
4,000 to 20,000										
0 to 8,000	2.31	2.40	2.50	2.60	2.60	2.80	2.85	2.90	2.95	3.00
8,001 to 20,000	2.90	3.00	3.11	3.24	3.24	3.49	3.55	3.61	3.67	3.73
20,001 to 30,000	4.06	4.23	4.39	4.56	4.56	4.91	4.99	5.08	5.17	5.25
20,001, to 50,000										
Over 30,000	9.24	9.60	9.98	10.38	10.38	11.18	11.37	11.56	11.76	11.96
Over 50,000										
Irrigation										
0 to 12,000	2.90	3.00	3.11	3.24	3.24	3.49	3.55	3.61	3.67	3.73
0 to 30,000										
12,001 to 20,000	4.06	4.23	4.39	4.56	4.56	4.91	4.99	5.08	5.17	5.25
Over 20,000	9.24	9.60	9.98	10.38	10.38	11.18	11.37	11.56	11.76	11.96
30,001 to 100,000										
Over 100,000										

Page 2 of 2
City of Eustis
Associated Rates Last Ten Years
(Continued)
Water Rates (Per 1,000 Consumed)

Effective Date	6/1/11	6/1/12	6/1/13	6/1/14	6/1/15	6/1/16	6/1/17	6/1/18	6/1/19	6/1/20
<u>Commercial Inside</u>										
Availability Charge	17.74	18.44	19.17	19.93	19.93	21.46	21.83	22.20	22.58	22.96
Min. Inc. 1st 6,000										
7,000 to 30,000										
0 to 30,000	1.85	1.92	2.00	2.08	2.08	2.24	2.28	2.32	2.36	2.4
Over 30,000	2.31	2.40	2.49	2.59	2.59	2.79	2.84	2.89	2.93	2.98
31,000 to 100,000										
Over 100,000										
<u>Irrigation</u>										
0 to 50,000	2.31	2.40	2.49	2.59	2.59	-	-	-	-	-
50,001 to 100,000	3.25	3.38	3.51	3.65	3.65					
0 to 100,000	-	-	-			2.79	2.84	2.89	2.93	2.99
Over 100,000	4.17	4.33	4.50	4.68	4.68	5.04	5.13	5.21	5.30	5.39
<u>Commercial Outside</u>										
Availability Charge	22.18	23.05	23.96	24.91	24.91	26.83	27.28	27.75	28.22	28.70
Min. Inc. 1st 6,000										
7,000 to 30,000	2.31	2.40	2.50	2.60	2.60	2.80	2.85	2.90	2.95	3.00
Over 30,000	2.90	3.00	3.11	3.24	3.24	3.49	3.55	3.61	3.67	3.73
31,000 to 100,000										
Over 100,000										
<u>Irrigation</u>										
0 to 50,000	2.90	3.00	3.11	3.24	3.24	-	-	-	-	-
50,001 to 100,000	4.06	4.23	4.39	4.56	4.56					
0 to 100,000	-	-	-			3.49	3.55	3.61	3.67	3.73
Over 100,000	5.22	5.41	5.63	5.85	5.85	6.30	6.41	6.52	6.63	6.74
<u>Industrial Inside</u>										
Availability	39.03	40.57	42.17	43.84	43.84	47.22	48.02	48.83	49.66	50.51
Min. Inc. 1st 20,000										
21,000 to 350,000										
0 to 350,000	1.85	1.92	2.00	2.08	2.08	2.24	2.28	2.32	2.36	2.4
Over 350,000	2.31	2.40	2.49	2.59	2.59	2.79	2.84	2.89	2.93	2.98
351,000 to 500,000										
Over 500,000										
<u>Industrial Outside</u>										
Availability	48.78	50.71	52.71	54.80	54.80	59.02	60.02	61.04	62.08	63.14
Min. Inc. 1st 20,000										
21,000 to 350,000										
0 to 350,000	2.31	2.40	2.50	2.60	2.60	2.80	2.85	2.90	2.95	3.00
Over 350,000	2.90	3.00	3.11	3.24	3.24	3.49	3.55	3.61	3.67	3.73
351,000 to 500,000										
Over 500,000										
<u>RV Parks Inside</u>										
Availability	2.95	3.07	3.19	3.32	3.32	3.58	3.64	3.70	3.76	3.83
Min. Inc. 1st 1,000										
Per 1,000 Gallons	1.85	1.92	2.00	2.08	2.08	2.24	2.28	2.32	2.36	2.4
<u>RV Parks Outside</u>										
Availability	3.68	3.84	3.99	4.15	4.15	4.47	4.55	4.62	4.70	4.78
Per 1,000 Gallons	2.31	2.40	2.50	2.60	2.60	2.80	2.85	2.90	2.95	3.00
Percentage Increase	6.81%	3.95%	3.95%	3.95%	0.00%	7.70%	1.70%	1.70%	1.70%	1.70%

Golden Triangle Ad Valorem Tax Profile Last Ten Years September 30, 2020

Years	Population Estimates	Municipal Assessed and Taxable Values				Municipal Government Levies			Estimates of Unrealized Tax Revenues		
		Assessed Value	Per Capita	Taxable Value	Per Capita	Operating Millage	Total Taxes Levied	Per Capita	Total	Total	Per Capita
			Assessed Value		Taxable Value			Total Taxes Levied	Taxes Levied @ 10 Mills	Unrealized Tax Revenues	Unrealized Tax Revenues
Eustis											
2019	21,303	1,443,833,759	67,776	1,079,601,155	50,678	7.5810	8,184,456	384	9,910,248	1,725,792	81
2018	21,083	1,345,184,940	63,804	991,024,774	47,006	7.5810	7,516,042	356	9,910,248	2,394,206	114
2017	20,827	1,233,559,079	59,229	901,284,294	43,275	7.5810	6,832,636	328	9,012,843	2,180,207	105
2016	20,768	1,143,712,632	55,071	827,179,133	39,830	7.5810	6,270,845	302	8,271,791	2,000,946	96
2015	19,986	1,104,344,556	55,256	789,442,770	39,500	7.5810	5,984,766	299	7,894,428	1,909,662	96
2014	19,455	1,064,435,060	54,713	759,474,327	39,037	7.5810	5,757,575	296	7,594,743	1,837,168	94
2013	19,214	1,032,711,614	53,748	731,877,188	38,091	7.5810	5,548,361	289	7,318,772	1,770,411	92
2012	18,573	1,042,894,874	56,152	726,027,791	39,091	6.7158	4,875,857	263	7,260,278	2,384,421	129
2011	18,483	1,109,326,219	60,019	774,381,491	41,897	6.2432	4,834,619	262	7,743,815	2,909,196	157
Tavares											
2019	17,749	1,559,002,823	87,836	977,427,706	55,069	6.9500	6,793,123	383	9,910,248	3,117,125	176
2018	17,472	1,443,879,862	82,640	888,176,068	50,834	7.1119	6,316,619	362	8,881,761	2,565,141	147
2017	16,865	1,334,152,546	79,108	805,835,637	47,782	7.0000	5,640,849	334	8,058,356	2,417,507	143
2016	15,922	1,248,326,072	78,403	732,019,797	45,975	7.1000	5,197,341	326	7,320,198	2,122,857	133
2015	15,430	1,183,767,406	76,719	674,603,678	43,720	6.6166	4,463,583	289	6,746,037	2,282,454	148
2014	14,930	1,133,286,067	75,907	635,693,342	42,578	6.7283	4,277,136	286	6,356,933	2,079,798	139
2013	14,411	1,062,464,247	73,726	602,559,312	41,812	6.4531	3,888,375	270	6,025,593	2,137,218	148
2012	14,056	1,055,879,616	75,119	592,010,315	42,118	6.4462	4,309,780	307	5,920,103	1,610,323	115
2011	14,015	1,101,381,095	78,586	625,512,364	44,632	6.8900	4,309,780	308	6,255,124	1,945,344	139
Mount Dora											
2019	14,516	1,499,964,303	103,332	1,199,875,039	82,659	6.2000	7,439,225	512	9,910,248	2,471,023	170
2018	14,216	1,373,645,036	96,627	1,087,446,847	76,495	6.3000	6,850,915	482	10,874,468	4,023,553	283
2017	13,916	1,271,644,334	91,380	1,007,521,506	72,400	6.3000	6,347,385	456	10,075,215	3,727,830	268
2016	13,818	1,196,064,987	86,558	940,285,927	68,048	5.9970	5,638,895	408	9,402,859	3,763,965	272
2015	13,519	1,155,838,167	85,497	906,012,014	67,018	5.9970	5,433,354	402	9,060,120	3,626,766	268
2014	13,182	1,111,101,442	84,289	872,835,967	66,214	5.9970	5,234,397	397	8,728,360	3,493,962	265
2013	12,895	1,079,326,453	83,701	846,434,428	65,641	5.6667	4,796,490	372	8,464,344	3,667,854	284
2012	12,693	1,088,473,061	85,754	833,882,478	65,696	5.6667	4,725,362	373	8,694,051	4,008,740	316
2011	12,557	1,135,964,767	90,465	869,405,079	69,237	5.6667	4,685,311	373	8,694,051	4,008,740	319

Source: Lake County Property Appraiser, FL Department of Revenue, and www.census.gov

City of Eustis
Comparison of Taxes Levied
Lake County Cities
Last 10 Years

Millage Rate Data

	Ten Year Ranking	Ten Year Average	Current Year Ranking	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Astatula	6	6.8850	4	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	6.2500	6.2500	6.5000	4.8500
Clermont	12	3.7915	11	4.2061	4.2061	4.2061	4.2061	4.2061	3.7290	3.7290	3.1420	3.1420	3.1420
Eustis	4	7.1711	3	7.5810	7.5810	7.5810	7.5810	7.5810	7.5810	6.7158	6.2432	6.2432	5.6849
Fruitland Park	10	4.3343	12	3.9134	3.9134	3.9863	3.9863	4.7371	4.7371	4.7371	4.6442	4.3284	4.3600
Groveland	9	5.5030	9	5.2000	5.2000	5.2000	5.6000	5.9900	5.9900	5.4700	5.6000	5.6000	5.1800
Howey-in-the-Hills	1	8.9090	1	8.9180	9.2750	9.2750	9.2750	9.5177	9.5177	9.6147	8.6965	8.0000	7.0000
Lady Lake	13	3.4009	13	3.3962	3.3962	3.3962	3.3962	3.5510	3.7500	3.2808	3.2808	3.2808	3.2808
Leesburg	11	4.2929	10	4.2678	4.2678	4.2678	4.2678	4.2678	4.3179	4.3179	4.3179	4.3179	4.3179
Mascotte	2	8.6378	2	7.5500	7.6291	7.9316	8.3289	8.8138	9.3000	9.6147	9.6147	9.6147	7.9800
Minneola	7	6.1977	8	6.1800	6.1900	6.2795	6.1483	6.2069	6.2500	6.3676	6.3000	6.5716	5.4826
Montverde	14	2.8300	14	2.8300	2.8300	2.8300	2.8300	2.8300	2.8300	2.8300	2.8300	2.8300	2.8300
Mount Dora	8	5.8533	7	6.2000	6.3000	6.3000	5.9970	5.9970	5.9970	5.6667	5.6667	5.3891	5.0190
Tavares	5	6.9816	5	6.9500	7.4171	7.4680	7.4680	6.6166	7.1569	6.4531	6.4462	6.8900	6.9500
Umatilla	3	7.4049	6	7.1089	7.1089	7.1089	7.1089	7.2980	7.2980	8.2480	8.2480	7.6419	6.8795

Taxable Value Data

	Ten Year Ranking	Ten Year Average	Current Year Ranking	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Astatula	14	50,034,475	14	58,096,765	54,408,037	51,415,067	48,876,443	46,622,054	45,898,968	44,304,713	46,634,419	48,887,670	55,200,614
Clermont	1	2,211,234,421	1	3,122,263,059	2,855,806,761	2,565,632,099	2,318,051,719	2,137,342,296	1,913,143,811	1,779,778,790	1,727,135,063	1,783,353,568	1,909,837,041
Eustis	5	842,439,499	5	1,079,601,155	991,431,421	900,090,260	821,891,967	789,822,738	759,474,327	731,877,188	726,027,791	774,381,491	849,796,649
Fruitland Park	9	322,047,451	8	747,762,402	680,151,475	491,629,188	299,998,272	171,725,009	166,509,788	155,620,901	158,844,217	165,944,410	182,288,845
Groveland	7	568,878,896	7	960,984,501	821,309,273	704,257,059	597,605,092	524,853,574	440,521,478	383,166,725	370,543,703	411,431,778	474,115,780
Howey-in-the-Hills	13	79,021,033	13	103,154,190	91,926,835	79,042,587	76,445,701	73,407,900	69,360,137	66,993,515	69,355,277	73,537,602	86,986,584
Lady Lake	4	927,774,130	4	1,196,136,595	1,108,198,926	1,038,164,339	963,663,690	908,771,115	848,399,715	800,177,265	785,977,451	803,142,992	825,109,209
Leesburg	2	1,212,703,597	2	1,436,659,846	1,330,205,203	1,246,362,118	1,174,311,921	1,137,664,888	1,122,306,179	1,115,945,021	1,117,555,183	1,166,846,961	1,279,178,648
Mascotte	11	118,783,829	10	169,760,982	140,286,371	122,304,300	111,968,529	106,382,600	100,199,726	93,636,009	92,221,353	112,177,109	138,901,308
Minneola	8	420,943,195	9	644,484,077	589,116,225	485,781,705	417,830,424	380,294,307	347,170,303	314,526,998	308,787,481	331,707,253	389,733,172
Montverde	12	85,147,513	12	104,603,669	98,368,273	90,333,971	84,041,068	80,106,931	77,993,811	74,975,605	74,114,218	76,200,639	90,736,941
Mount Dora	3	948,298,362	3	1,199,875,039	1,087,446,847	1,006,953,873	940,285,927	906,012,014	872,835,967	846,434,428	833,882,478	869,405,079	919,851,972
Tavares	6	721,232,540	6	977,427,706	888,176,068	808,059,254	732,019,797	674,603,678	635,693,342	602,559,312	592,010,315	625,512,364	676,263,560
Umatilla	10	123,049,634	11	148,337,466	138,749,722	128,475,312	123,364,926	119,585,864	111,983,448	107,091,370	109,298,959	114,930,357	128,678,915

Total Taxes Levied Data

	Ten Year Ranking	Ten Year Average	Current Year Ranking	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Astatula	13	344,374	13	435,726	408,060	385,613	366,573	349,665	344,242	276,904	291,465	317,770	267,723
Clermont	1	8,547,647	1	13,132,551	12,011,809	10,791,305	9,749,957	8,989,875	7,134,113	6,636,795	5,426,658	5,603,297	6,000,112
Eustis	2	6,058,972	2	8,184,456	7,516,042	6,823,584	6,230,763	5,987,646	5,757,575	5,548,361	4,875,857	4,834,619	4,830,822
Fruitland Park	9	1,333,386	9	2,926,293	2,661,705	1,959,781	1,195,883	813,479	788,774	737,192	737,704	718,274	794,779
Groveland	7	3,098,965	6	4,997,119	4,270,808	3,662,137	3,346,589	3,143,873	2,638,724	2,095,922	2,075,045	2,304,018	2,455,419
Howey-in-the-Hills	12	701,801	12	919,929	852,621	733,120	709,034	698,674	660,149	644,123	603,148	588,301	608,906
Lady Lake	6	3,157,623	7	4,062,319	3,763,665	3,525,814	3,272,795	3,227,046	3,181,499	2,625,222	2,578,635	2,634,952	2,704,288
Leesburg	4	5,202,604	5	6,131,377	5,677,050	5,319,224	5,011,728	4,855,326	4,846,006	4,818,539	4,825,492	5,038,328	5,502,974
Mascotte	10	1,009,803	10	1,281,695	1,070,259	970,069	932,575	937,635	931,857	900,282	886,681	1,078,549	1,108,432
Minneola	8	2,604,396	8	3,982,912	3,646,629	3,050,466	2,568,947	2,360,449	2,169,814	2,002,782	1,945,361	2,179,847	2,136,751
Montverde	14	240,967	14	296,028	278,382	255,645	237,836	226,703	220,722	212,181	209,743	215,648	256,786
Mount Dora	3	5,575,947	3	7,439,225	6,850,915	6,343,809	5,638,895	5,433,354	5,234,397	4,796,490	4,725,362	4,685,311	4,611,716
Tavares	5	5,033,335	4	6,793,123	6,587,691	6,034,587	5,466,724	4,463,583	4,549,594	3,888,375	3,543,182	4,309,780	4,696,716
Umatilla	11	906,949	11	1,054,516	986,358	913,318	876,989	872,738	817,255	883,290	901,498	878,286	885,247

Source: www.dor.state.fl.us and Lake County Property Appraiser

CITY OF EUSTIS, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR and TEN YEARS AGO

EMPLOYER	2020			2011		
	# EMPLOYEES	RANK	Percentage of Total County Employment	# EMPLOYEES	RANK	Percentage of Total County Employment
Publix	376	1	23.3%	263	1	16.3%
City of Eustis	235	2	14.6%	232	2	14.4%
Ruleme Center	176	3	10.9%	218	3	13.5%
Bayview Center	156	4	9.7%	146	4	9.1%
Lake Eustis Care Center	84	10	5.2%	125	6	7.8%
Eustis High School	110	6	6.8%	145	5	9.0%
Winn Dixie	95	7	5.9%	-	-	-
Eustis Middle School	90	8	5.6%	107	8	6.6%
Eustis Heights Elementary	85	9	5.3%	100	9	6.2%
Eustis Elementary	50	12	3.1%	-	-	-
Burke Industries (Mercer Products)	75	11	4.7%	95	10	5.9%
Florida Food Products	135	5	8.4%	-	-	-
Lake Community Action Agency	-	-	-	113	7	7.0%
Total	1,667			1,544		

Total County Employment **161,182**

Source:

School Board Of Lake County Comprehensive Annual Financial Report FY 2020

Lake County Government Adopted Budget FY 2020

**Top Ten Taxpayers
City of Eustis, FL
September 30, 2020**

TAXPAYERS	2020				2011				DIFFERENCE IN	
	TAXABLE ASSESSED VALUE	TAXES	RANK	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUATION	TAXABLE ASSESSED VALUE	TAXES	RANK	PERCENTAGE OF TOTAL TAXABLE ASSESSED VALUATION	ASSESSED VALUE FY11-FY20	DIFFERENCE IN PERCENTAGE OF ASSESSED VALUE FY11-FY20
Embarq - Florida Inc.	-	-	0	0.00%	29,563,713	639,964	1	2.74%	(29,563,713)	-2.74%
Florida Food Products	34,608,847	738,230	1	3.02%	28,536,139	618,019	2	2.64%	6,072,708	0.38%
Duke Energy Florida, LLC	20,862,379	444,797	2	1.82%	19,214,324	416,132	3	1.78%	1,648,055	0.04%
SUSO 4 North Branch LP	15,508,108	331,046	3	1.35%	14,493,121	313,891	4	1.34%	1,014,987	0.01%
MHC Southern Palms LLC	11,641,725	240,742	4	1.02%	10,101,524	218,773	5	0.94%	1,540,201	0.08%
Boukalis Development of St. Petersburg LLC	6,687,248	142,747	5	0.58%	6,317,735	136,519	6	0.59%	369,513	0.00%
HTG Valencia LLC	6,589,166	135,944	6	0.57%	5,697,862	123,401	7	0.53%	891,304	0.05%
MHC HaseltownVillage LLC	6,090,945	123,897	7	0.53%	5,157,319	116,307	8	0.48%	933,626	0.05%
MSC Eustis LLC	5,915,960	118,096	8	0.52%	4,908,120	105,756	10	0.45%	1,007,840	0.06%
Core Eustis LLC	5,703,446	121,746	9	0.50%	5,370,298	111,694	9	0.50%	333,148	0.00%
Eustis Plaza, Inc.	5,033,326	107,442	10	0.44%	-	-	0	0.00%	5,033,326	0.44%
Total	118,641,150	2,504,686		10.35%	129,360,155	2,800,456		11.98%	(10,719,005)	-1.63%

SOURCE:

Lake County 2011 Property Appraiser's Office Total Eustis

Lake County 2020 Property Appraiser's Office Total Eustis

OTHER REPORTS

PURVIS GRAY

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

Honorable Mayor and City Commissioners
City of Eustis
Eustis, 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 Eustis (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 May 26, 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 purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

CERTIFIED PUBLIC ACCOUNTANTS

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An Independent Member of the BDO Alliance USA

Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

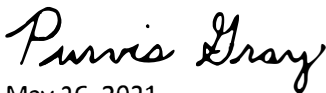
**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



May 26, 2021
Ocala, Florida

PURVIS GRAY

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

Report on Compliance for Each Major Federal Program

We have audited the City of Eustis, Florida's (the City) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2020. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

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Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

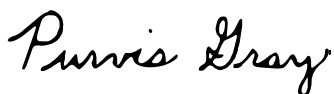
Report on Internal Control Over Compliance

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, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



May 26, 2021
Ocala, Florida

PURVIS GRAY

MANAGEMENT LETTER

Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Eustis, Florida (the City), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated May 26, 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, the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, *Rules of the Auditor General*.

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 the Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with the American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated May 26, 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 financial audit report. Finding 2019-1 was included in the current and preceding financial audit report.

Official Title and Legal Authority

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

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MANAGEMENT LETTER

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.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and 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 have the following current year recommendations included in the attached Management Letter Comments.

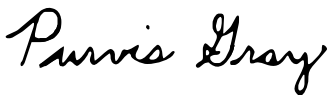
Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate non-compliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance.

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, State granting agencies, the Honorable Mayor, City Commissioners, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



May 26, 2021
Ocala, Florida

PURVIS GRAY

MANAGEMENT LETTER COMMENTS

Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

During the course of our audit, the following items came to our attention. These items involve primarily operational matters, which if improved, will result in more efficient and effective operations:

Prior Year Comment, Carried Forward in Current Year

2019-1 Firefighter Pension Accounting and Administration

During our audit we noted that accounting and the administration of the fire fighters pension plan has been outsourced and is no longer being completed by the City. The scope of the services being provided for this plan does not allow for plan management to receive monthly or quarterly financial reports. It was also difficult to obtain this information to complete the audit. We recommend that the Fire Fighter Pension Board consider extending the scope of services provided for accounting to include monthly or quarterly financial reporting and transaction level details and this information is under routine management review.

Current Year Comment

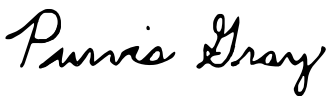
2020-1 Period End Closing Routine

The City has experienced turnover in key positions within the Finance Department. As a result, a period-end closing routine is not functioning as it has in previous years. A functioning closing routine should clearly identify tasks that are necessary for a timely period end close and preparation of period financial information, as well as year-end financial schedules for audit.

To Improve the City's period-end closing routine and financial reporting process, we believe that specific attention should be given to the following items:

- Creation of closing routines and timetables.
- Review assignments responsibilities for accounting and closing.
- Improve timeliness of balance sheet account reconciliations and general ledger review for accounts receivable and revenue, capital assets and debt.
- Monitoring of budget to actual financial information.

If a documented period-end closing routine is utilized, the period-end closing process will become for efficient and effective, and will improve the quality and timeliness of financial reporting.



May 26, 2021
Ocala, Florida



City of Eustis

P.O. Drawer 68 • Eustis, Florida 32727-0068 • (352) 483-5430

April 29, 2021
City Commissioners
City of Eustis

Eustis, FL 32726 This report contains the City's written response to the Auditor's Management Letter Comments, as required by Chapter 10.558(1) of the Rules of the Auditor General of the State of Florida, relating to the last audit of the City of Eustis, Florida, for the year ended September 30, 2020.

2019-1 Firefighter Pension Accounting and Administration

During our audit we noted that accounting and the administration of the fire fighters pension plan has been outsourced and is no longer being completed by the City. The scope of the services being provided for this plan does not allow for plan management to receive monthly or quarterly financial reports. It was also difficult to obtain this information to complete the audit. We recommend that the Fire Fighter Pension Board consider extending the scope of services provided for accounting to include monthly or quarterly financial reporting and transaction level details and this information is under routine management review.

City's Response:

Financial planning and accounting are two critical components of running a successful operations. At the Fire Fighter Pension Board meeting 05/12/2021, City of Eustis Finance Director suggested to outsource and contract for financial services. It will allow to maintain financial records and prepare monthly, quarterly and annual financial reports.

Current Year Comments:

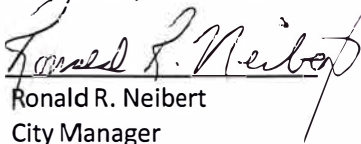
2020-1 Period End Closing Routine

The City has experienced turnover in key positions within the Finance Department. As a result, a period-end closing routine is not functioning as it has in previous years. A functioning closing routine should clearly identify tasks that are necessary for a timely period end close and preparation of period financial information, as well as year-end financial schedules for audit.

City's Response:

To improve the City's period end closing and financial reporting process, City will create a closing routine and review staff assignment responsibilities for year end closing. Finance department will improve timeliness of account reconciliations and general ledger review for accounts receivable by implementing processing of the previous financial year entries cut off time by November 30th, 2021. Budget's planned final to actual amounts will be closely monitored at the next year end closing period.

Respectfully submitted,


Ronald R. Neibert
City Manager


Mike Sheppard
Finance Director

CC: Purvis Gray & Company, City Auditors
Auditor General, State of Florida

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020
EUSTIS, FLORIDA**

Federal Grantor / Pass-Through Grantor / Program Title / Project Title	Federal CFDA Number	Pass-Through Grantor Number	Federal Expenditures Only
<u>U.S. Department of Justice:</u>			
<i>Passed through State of Florida Department of Law Enforcement:</i>			
Coronavirus Emergency Supplemental Funding Program	16.034	2020-CESF-LAKE-1-C9-016	16,504
<i>Passed through State of Florida Department of Law Enforcement:</i>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-JAGC-LAKE-8-Y5-050	7,288
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-JAGD-LAKE-7-N3-080	4,848
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-JAGD-LAKE-Y6-035	5,386
Bulletproof Vest Partnership Program	16.607	2020-JAGC-LAKE-10-5R-028	3,377
Total U.S. Department of Justice			<u>37,403</u>
<u>U.S. Department of Treasury</u>			
<i>Passed through Lake County Board of County Commissioners</i>			
Coronavirus Relief	21.019		<u>964,342</u>
Total U.S. Department of Homeland Security			<u>964,342</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,001,745</u>

Note to the Schedule of Expenditures of Federal Awards

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of The City of Eustis and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the financial statements.

Indirect Cost Rate

The City has elected not to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARD PROGRAMS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
CITY OF EUSTIS, FLORIDA**

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued:	Unmodified
Internal Control Over Financial Reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Non-compliance material to financial statements noted?	No

Federal Awards

Internal Control Over Major Programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of Auditor's Report Issued on Compliance for Major Programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with CFR 200.516(A)?	No
Identification of Major Programs:	

Federal Program or Cluster

U.S. Department of Treasury: Coronavirus Relief Fund	CFDA No. 21.019
Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?	No

Other Issues

- No summary schedule of prior audit findings is required because there were no prior audit findings related to Federal Programs.
- See Management Letter Comment 2019-1, unrelated to Federal Financial Assistance.

PURVIS GRAY

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

Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

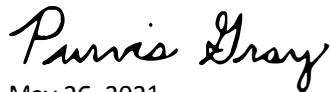
We have examined the City of Eustis, Florida's (the City) compliance with requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2020, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with the 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 requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specific requirements. The nature, timing, and extent of procedures selected depend on our judgement, including an assessment of the risk of material non-compliance, 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 specific requirements.

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

This report 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 Honorable Mayor, City Commissioners, and applicable management, and is not intended to be, and should not be, used by anyone other than those specified parties.



May 26, 2021
Ocala, Florida

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City of Eustis


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IMPACT FEE AFFIDAVIT of Compliance FS Sec. 163.31801

BEFORE ME, the undersigned authority, personally appeared Mike Sheppard, Finance Director for the City of Eustis, who being duly sworn, deposes and says on oath that

1. I am the Chief Financial Officer of the City of Eustis which is local governmental entity of the State of Florida.
2. The City of Eustis adopted Ordinances 91-67, 91-68, 91-69 and 91-70, implementing an impact fee for Law Enforcement, File Protection, Library and Parks and Recreation Respectively. They were last amended with Ordinances 04-43, 04-44, 04-45 and 04-46.
3. The City of Eustis adopted Ordinance 95-16 implementing Water & Sewer Impact Fees. They were last amended with Ordinance 18-14.
4. The City of Eustis has complied and, as of the date of this Affidavit, remains in compliance with Sec. 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.


Mike Sheppard, Finance Director

STATE OF FLORIDA

COUNTY OF LAKE

SWORN TO AND SUBSCRIBED before me this 20th day of April




NOTARY PUBLIC

Print Name Serita Hill

Personally known ☒ or produced identification _____

Type of identification produced _____

My Commission Expires: Aug 20, 2024



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City of Eustis, Florida
10 N. Grove Street
P.O. Drawer 68
Eustis, FL 32726-0068
eustis.org