
2020

City of Gainesville, Florida

Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2020

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

Prepared by
Department of Budget and Finance

INTRODUCTORY SECTION

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

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LIST OF CITY OFFICIALS

As of 9/30/2020

ELECTED OFFICIALS

<i>Lauren Poe</i>	<i>Mayor (At Large)</i>
<i>Gigi Simmons</i>	<i>Commissioner (District I)</i>
<i>Harvey Ward</i>	<i>Commissioner (District II)</i>
<i>David Arreola</i>	<i>Mayor-Commissioner Pro Tem (District III)</i>
<i>Adrian Hayes-Santos</i>	<i>Commissioner (District IV)</i>
<i>Gail Johnson</i>	<i>Commissioner (At Large)</i>
<i>Reina Saco</i>	<i>Commissioner (At Large)</i>

APPOINTED OFFICIALS

<i>Lee R. Feldman, ICMA-CM</i>	<i>City Manager</i>
<i>Edward Bielarski Jr.</i>	<i>General Manager for Utilities</i>
<i>Nicolle Shalley</i>	<i>City Attorney</i>
<i>Omichele Gainey</i>	<i>Clerk of the Commission</i>
<i>Virgina Bigbie, CPA, CFE</i>	<i>City Auditor</i>
<i>Teneeshia Marshall</i>	<i>Equal Opportunity Director</i>

BUDGET & FINANCE ACCOUNTING DIVISION

<i>Cintya G. Ramos</i>	<i>Finance Director</i>
<i>Diane Wilson</i>	<i>Assistant Finance Director</i>
<i>Carla Benison</i>	<i>Accounting Manager</i>
<i>Sylvia Gonzalez</i>	<i>Accountant, Senior</i>
<i>Kristy Fowler</i>	<i>Accountant II</i>
<i>Karen Pinner</i>	<i>Accountant II</i>
<i>Christina Holmes</i>	<i>Account Clerk, Sr.</i>
<i>Vacant</i>	<i>Grants Fiscal Coordinator</i>
<i>Vacant</i>	<i>Accountant II</i>



City of Gainesville

Office of the City Manager

April 15, 2021

Honorable Mayor, Members of the City Commission and
Neighbors of the City of Gainesville, Florida

Dear Mayor, Commissioners and Neighbors:

Section 218.39, Florida Statutes, requires the City of Gainesville (City) to publish within nine months of the close of the fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). The City is also required to undergo an annual single audit performed under the provisions of the U.S. Office of Management and Budget Uniform Guidance and Chapter 10.550, Rules of the Auditor General, State of Florida. The City presents financial information such that it meets the requirements of accounting standards issued by the Governmental Accounting Standards Board (GASB). This report was prepared by the Budget & Finance Department and audited by an independent firm of licensed certified public accountants according to the City Code of Ordinances, Chapter 2 Article VI, Section 2-433.

The Annual Comprehensive Financial Report of the City for the fiscal year ended September 30, 2020 is hereby transmitted. This report consists of management's representations concerning the finances of the City. To provide a reasonable basis for making those representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with U.S. 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.

Purvis, Gray and Company, LLP, an independent firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 2020, are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions on the City's basic financial statements as of and for the year ended September 30, 2020. The independent auditors' report is presented as the first component of the financial section of this report. The

results of the single audit, including a schedule of expenditures of federal awards, and the independent auditor’s reports on the City’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards, are also included in this report.

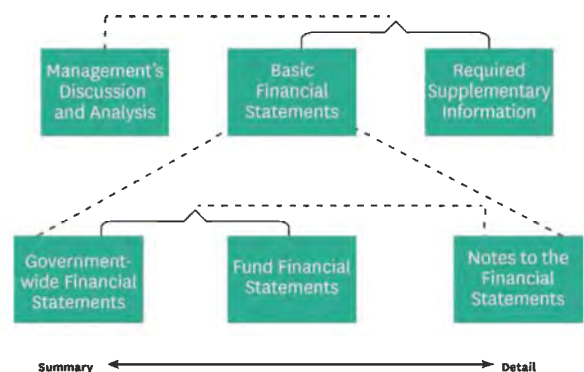
THE REPORT

The Annual Comprehensive Financial Report is presented in four sections:

1. The **Introductory section** includes the List of City Officials, this letter of transmittal, a copy of the City’s Certificate of Achievement for Excellence in Financial Reporting, and the City’s Organizational Chart.
2. The **Financial section** includes the report of the independent auditors, Management’s Discussion and Analysis (MD&A), the basic financial statements, including government-wide Statement of Net Position and Statement of Activities as well as Governmental, Proprietary and Fiduciary Fund level financials statements. The Financial section also includes the Notes to the Financial Statements, which is an integral part of the Annual Comprehensive Financial Report. The next portion of the Financial section is the Required Supplementary Information which includes budget related information such as the General Fund Adopted budget and an Actual to Final comparison of the budget. This section also includes the required disclosures for the pension and Other Post-Employment Benefits (OPEB) plans. The final portion of the Financial section contains Supplementary Information including the combining financial statements of the non-major governmental funds including Special Revenue, Debt Service and Capital Projects funds; combining financial statements for the non-major Enterprise Funds, Internal Service Funds financial statements and Fiduciary Funds financial statements.
3. The **Statistical section** includes multi-year financial and demographic information such as fund balance trends, assessed value of taxable property for the City, property tax rates, population, debt capacity analysis, and other operating information including full-time equivalent general government community builders.
4. The **Single Audit section** includes the schedule of expenditure of federal awards and state financial assistance, schedule of findings and questioned costs, and the independent auditors’ reports on the internal control and compliance with applicable laws and regulations. The independent auditors provide a Management Letter which details their findings and provides recommendations; the City then provides a letter as management’s response to those findings.

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.

This Annual Comprehensive Financial Report includes all funds of the City. The City provides a full range of services including: police and fire protection; the construction and maintenance of City buildings, streets and other infrastructure; and recreational activities and cultural events.



The Annual Comprehensive Financial Report also includes the City's component units, which are legally separate organizations and for which the City is financially accountable or whose relationship with the City is of a nature and significance that would cause the City's financial statements to be incomplete were they not included.

The City of Gainesville is required to adopt an annual budget in accordance to Section 166.241, Florida Statutes. Additionally, the City maintains budgetary controls that have the objective of ensuring compliance with legal provisions embodied in the annual budget adopted by the City Commission. The Budget is adopted at the fund level and appropriations by department within funds, number of full time equivalent positions, and tax levies are adopted in September prior to the start of the fiscal year. Capital projects funds and certain special revenue funds (such as multi-year grant funds and tax increment funds) are appropriated on a project basis.

PROFILE OF THE CITY

The City of Gainesville is the most populous city in, and serves as the county seat of, Alachua County. The City also serves as the cultural, educational and commercial center for the North Central Florida region. Gainesville is located midway between the Gulf of Mexico and the Atlantic Ocean and halfway between Miami and Pensacola. There are approximately sixty square miles of land included within the corporate boundaries of the City. As of April 1, 2020, the official population estimate was 135,097 (Bureau of Economic and Business Research - University of Florida, 2020).

The City was established in 1854, incorporated in 1869, and has operated under a Commission-Manager form of government since 1927. The City Commission consists of seven elected officials (the Mayor and six Commissioners) who are responsible for enacting the ordinances and resolutions which govern the City. The elected Mayor serves a three-year term and presides over public meetings and ceremonial events. The Commission appoints the City Manager, General Manager for Utilities, City Auditor, City Attorney, City Clerk and Equity and Inclusion Director. As chief executive officers, the City Manager and General Manager for Utilities are charged with the enforcement of all ordinances and resolutions passed by the Commission. They accomplish this task through three Assistant City Managers, the General Government Executive Management Team and the Utilities Executive Management Team.

The City of Gainesville provides its neighbors with a wide variety of public services, including but not limited to public safety, recreation and cultural events, mass transit, utility distribution, refuse collections and stormwater management services. In addition to these activities, the City exercises oversight responsibility for the Tax Increment Financing funds (that remain after the sunseting of the Community Redevelopment Agency), Cornerstone Condominium and Heartwood Community Homeowners Associations.

The City has two defined-benefit pension plans: 1) the Employees' Pension Plan (administered by the Mayor and City Commission) and 2) the Police Officers' and Firefighters' Consolidated Pension Plan (administered by a board of trustees composed of members elected by active employees and appointees of the Mayor). The Boards have responsibility for investment of the pension assets and determination of benefits as employees retire or seek other benefits under the plans. For the fiscal year ended September 30, 2020, the plans' net position was \$874.8 million.

The City also administers a single-employer defined benefit postemployment health care plan that covers eligible retired employees. The Retiree Health Care Plan allows employees who retire and meet retirement eligibility requirements under one of the City's retirement plans to continue medical coverage as a participant in the City's plan. Administrative costs are financed through investment earnings. For the fiscal year ended September 30, 2020, the plan had a net position of just over \$62 million.

FACTORS AFFECTING ECONOMIC CONDITION

Property Values. The City's property taxable value for fiscal year 2020 was \$7.2 billion, an increase of 6.94% from prior year, which generated an increase in property tax revenue. The City's operating tax millage rate was 5.2974 in fiscal year 2020, increased from 4.7474 in fiscal year 2019.

Local economy. The economic landscape in Gainesville continues to be dominated by the government sector. Statistics compiled by the Bureau of Economic and Business Research at the University of Florida indicate that one of every three jobs in Gainesville is provided by the federal, state or local government. This reliance on jobs from other than the private sector tends to modify Gainesville's reaction to external economic stimuli, such that the local economy grows less rapidly than others during boom periods but also suffers less during economic declines. According to the U.S. Bureau of Labor Statistics February 2021 report, the City's unemployment rate was 3.2%, which is significantly lower than the State (4.7%) and national (6.0%) averages.

The General Fund's main revenue sources include Property Tax, Utility Tax, State Revenue Sharing & Half-Cent Sales Tax, Fire Assessment and a transfer from the Utility Fund. These revenue sources have begun to experience moderate growth after the recession which is expected to continue.

Long-term financial planning. Both General Government and the City-owned Utility develop multi-year financial forecasts for both the operating budget and capital improvement plans. The City is proud to maintain investment grade ratings: Aa2 from Moody's Investor Service and AA from Fitch Ratings, both with a stable outlook. This is a testament to the City's healthy financial position, prudent fiscal planning and strong reserve policies. The City's goal is to obtain the highest investment grade ratings as these ratings indicate to investors that the City is a low-risk investment which translates into lower interest rates and corresponding lower interest payments on debt.

The COVID-19 pandemic has had minor impact on the City's financial position. During FY 2020, the City received reimbursement for the majority of COVID-19 related pandemic expenditures through the Coronavirus Aid, Relief, and Economic Security (CARES) Act funding allocated to Alachua County to be remitted to local governments. In addition, the Regional Transit System was allocated a \$19.3 million reimbursable grant from the CARES Act from the Federal Transportation Authority.

The American Rescue Plan Act of 2021 is the latest COVID-19 relief package that provides \$1.9 trillion in mandatory funding, program changes and tax policies aimed at mitigating the continuing effects of the pandemic. As of the date of this report, the City is expected to receive approximately \$34 million to cover costs incurred by December 31, 2024. The Regional Transit System is expected to receive an additional \$14

million in supplemental appropriations allocated to support the transit industry during the COVID-19 public health emergency.

It is anticipated that the local, regional and national economic outlook will continue to improve once the current challenges relating to the COVID-19 pandemic are addressed and daily routines return as the majority of the population is vaccinated. As normalcy restores, we anticipate the City will continue to be one of the best places in the country to raise a family, start or expand a business, invest in real estate, seek high quality, cutting edge health care and enjoy the natural environment. The City is firmly committed to its ongoing reinvestment in our neighborhoods, our public infrastructure and facilities, community builders and our City as a whole.

Financial policies. One of the most important measures of the City’s financial health is its fund balance. The City’s Fund Balance Policy was last updated in September 2020 and is compliant with GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions.” In addition to providing compliance with GASB Statement No. 54, the City’s Fund Balance Policy will assist in stabilizing the long-term financial position of the City by setting standards for the use and replenishment of fund balance reserves. This policy also provides structural balance to the City’s budget by limiting the use of reserves to cover recurring expenditures. The General Fund Balance Policy requires a minimum emergency reserve maintained at 0.15% of the taxable value of all property in the City on January 1st of that fiscal year. As recommended by the Government Finance Officers’ Association, the City’s fund balance policy provides for the maintenance of an unassigned fund balance for the General Fund of a minimum of two (2) months or 16.7% of and a maximum of three (3) months or 25% of the following year’s budgeted expenditures and transfers. The City ended fiscal year 2020 with a General Fund fund balance of \$25.8 million; of that amount \$20.5 million is Unassigned, making it the 2nd highest Unassigned Fund balance amount in the last ten years, only 2019’s Unassigned Fund Balance was higher.

Other relevant policies that bolster the City’s strong financial position include the General Insurance Fund Reserve, Budget Administration, Debt Management and Capital Improvement Planning policies. Taken together with the Fund Balance, these policies promote sound financial management and enhance the City’s credit rating by taking a fully rounded approach when balancing financial decisions.

MAJOR INITIATIVES

Response to COVID-19 Pandemic. The City reacted quickly to the pandemic. Stay-at-home orders, masking mandates and other efforts were swiftly implemented to keep our community safe. To meet the most immediate needs of our neighbors, the City reallocated existing financial resources and Coronavirus Aid, Relief, and Economic Security Act dollars to provide working capital grants to local businesses and provided temporary financial relief on rent/mortgage and utility payments through the GNVCares program and the Coronavirus Relief Fund. In total, the City’s relief and recovery efforts provided more than \$1.5 million in financial assistance to support more than 100 local businesses and nearly 700 neighbors. Additionally, the Gainesville Police Department, Public Works Department and Gainesville Fire Rescue joined forces with local faith-based organizations to help distribute nearly 656,000 pounds of food to more than 119,000 individuals through the community’s FarmShare program. Free, drive-thru COVID-19 testing at Citizens Field was part of a comprehensive outreach effort in east Gainesville to ensure residents had ready access to testing, personal protection supplies and educational information about the coronavirus.

In coordination with the Greater Gainesville Chamber of Commerce, the City launched a successful, eight-week, “grab-and-go” food program, providing access to nutritious meals for vulnerable residents while also offering much-needed cash flow to our local businesses. Over eight weeks the FEED GNV program served more than 3,100 meals to vulnerable residents and fostered local partnerships with 42 different restaurants. Downtown business owners and City leaders also joined forces to explore creative solutions for providing safe dining and gathering options. StreateryGNV couples relaxed regulations for street-side dining and open containers with an expedited review process to help restaurants serve more patrons while adhering to COVID-19 social distancing recommendations.

The City’s Strategic Plan. The City of Gainesville is committed to delivering high-quality and responsive services to all of our neighbors. To do the important work of building community, we have focused our actions around a strategic plan adopted by the City Commission on August 6, 2020. This strategic plan brings commonality and focus to our work with a unified vision, mission and a shared set of values. Additionally, our strategic plan identifies five specific goals and each of these goals has a series of prioritized action items. This action plan serves as the foundation for all of our budgetary and policy considerations. It also establishes the benchmarks and performance indicators that we will measure ourselves against. In measuring progress, celebrating successes, learning from failure and identifying the barriers to implementation, we are well on our way to operationalizing continual organizational improvement.



This strategic plan will also help us reach our long term vision for the City where Gainesville balances an equitable community for all and a sustainable community for the future. In this vision, Gainesville is a world-class, life-long learning community, is a great place for neighbors to live and thrive and provides meaningful experiences for everyone that has a vibrant downtown, a strong, resilient economy and mobility for all neighbors.

ImagineGNV. As part of the adopted strategic plan and the stated goal of creating a more equitable community, Gainesville is rethinking its social and economic infrastructure in a comprehensive way as it updates its comprehensive plan. The City of Gainesville will partner with communities historically left out of the planning process to identify how current policies and actions reinforce racial inequity. The new comprehensive plan, ImagineGNV, will guide decisions about important investments over the next ten years. The plan will include goals, policies, and plans for: housing, improvements of buildings, infrastructure, and other capital assets, conservation of natural and agricultural resources, cultural affairs, future land use, historic preservation, intergovernmental coordination, potable water/wastewater management, public school facilities, recreation, solid waste, stormwater management, and transportation mobility.

Affordable Housing. The Gainesville City Commission unanimously approved a comprehensive set of protections for Gainesville renters. The Renter’s Rights Ordinance aims to improve the safety and energy efficiency of rental properties to ensure that substandard rental housing for hard-working families is a thing

of the past. The City's new affordable housing action plan explores several other strategies for improving housing access including: creating a community land trust, forming partnerships with area employers to create employer-assisted housing options and creating an inventory of underutilized land that may be suitable for affordable housing development.

Community Resource Paramedic (CRP) Program. Building on its demonstrated success, the CRP program expanded this year, adding telehealth and addiction response service to its public health portfolio. Growing our capacity to address community healthcare needs has proven, beyond a doubt, that working intensely with individuals and matching them with the service they need can significantly improve patient outcomes and reduce spending.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Gainesville for its annual comprehensive financial report for the fiscal year ended September 30, 2019. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

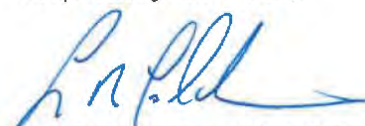
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such an annual comprehensive financial report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Gainesville has received a Certificate of Achievement since 1951. We believe our current report continues to conform to the Certificate of Achievement program requirements.

Additionally, the City received the Government Finance Officers Association's Award for Distinguished Budget Presentation for its biennial budget for the period started October 1, 2019. The City of Gainesville has received this award consecutively since the fiscal year beginning October 1, 1984. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of the entire staff of the Budget & Finance Department as well as various City departments and external partners. Additionally, credit should be given to the Mayor and City Commissioners for their policy initiatives, interest, and continued support.

Respectfully submitted,



Lee R. Feldman, ICMA-CM
City Manager



Cintya G. Ramos
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Gainesville
Florida**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

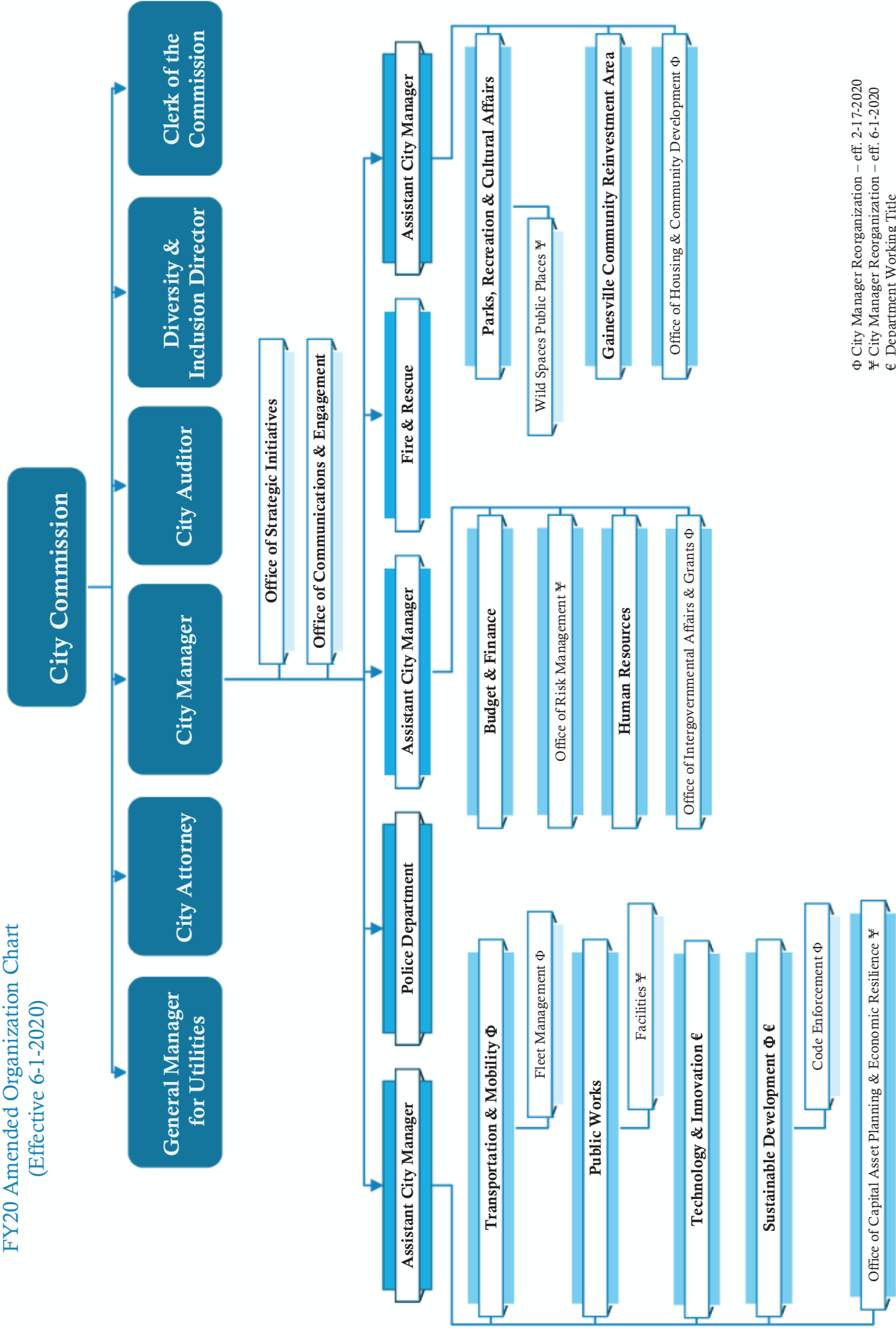
September 30, 2019

Christopher P. Morill

Executive Director/CEO

City of Gainesville

FY20 Amended Organization Chart
(Effective 6-1-2020)



Φ City Manager Reorganization – eff. 2-17-2020
 Ξ City Manager Reorganization – eff. 6-1-2020
 € Department Working Title

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners
City of Gainesville, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and remaining fund information of the City of Gainesville, 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 did not audit the financial statements of the Utility Fund, which is both a major fund and comprises 96 percent, 82 percent, and 89 percent, respectively, of the assets, net position, and revenues of the business-type activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as they relate to the amounts included for the Utility Fund, are based solely on the report of the other auditors. 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.

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Honorable Mayor and City Commissioners
City of Gainesville, Florida

INDEPENDENT AUDITOR'S REPORT

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

Opinions

In our opinion, based on our audit and the report of other auditors, 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 Matter

Restatement

As described in Note 21 to the financial statements, the City restated beginning net position to allocate liabilities for pensions from the issuance of the Pension Obligation Bond Series 2003A to its enterprise funds, which was previously reported only in governmental activities, as well as to correct an error related to the accretion of interest on a capital appreciation bond. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Revenues and Expenditures – Budget and Actual – General Fund, Notes to Schedule of Revenues and Expenditures – Budget and Actual – General Fund, Schedule of Changes in the Net Pension Liability and Related Ratios – Employees' Pension Plan, Schedule of Employer Contributions – Employees' Pension Plan, Schedule of Changes in Net Pension Liability – Police Officers' and Firefighters' Consolidated Retirement Plan, Schedule of Employer Contributions – Police Officers' and Firefighters' Consolidated Retirement Plan, Schedule of Annual Money-Weighted Rate of Return – Pension Plans, Schedule of Proportionate Share of the Net Pension Liability and Related Ratios – Florida Retirement System and Health Insurance Subsidy Program, Schedule of Employer Contributions – Florida Retirement System and Health Insurance Subsidy Program, Schedule of Changes in the Net OPEB Liability and Related Ratios – Other Postemployment Benefits, Schedule of Employer Contributions – Other Postemployment Benefits, and Schedule of Annual Money-Weighted Rate of Return – Other Postemployment Benefits on pages 4-15 and 108-121 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Honorable Mayor and City Commissioners
City of Gainesville, Florida

INDEPENDENT AUDITOR'S REPORT

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 nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by 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*. The schedule of expenditures of federal awards and state financial assistance is also not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. That report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



April 15, 2021
Gainesville, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Gainesville (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2020. Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position, (d) identify any material deviations from the financial plan, and (e) identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages vi-xii of this report, and the City's financial statements which begin on page 16.

FINANCIAL HIGHLIGHTS

The following is a high level overview of the City's financial activity for the fiscal year ended September 30, 2020:

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the fiscal year ended September 30, 2020 by \$663,079,389 (net position). This is a decrease of \$2,355,070, or 0.35% from fiscal year 2019.
- The City's total net position decreased \$3,468,771 as a result of fiscal year 2020 operations. This decrease was offset by a \$1,113,301 restatement of net position as of the beginning of the year.
- As of the close of the fiscal year, the City's governmental funds reported combined ending fund balances of \$238,630,500, an increase over the prior year of \$151,202,584 with \$22,112,910 of that amount, or 14.6%, attributed to restatement. Of the total ending fund balances, \$438,019,440 is available for spending at the City's discretion (committed, assigned and unassigned fund balances).
- At the end of the current fiscal year, the unassigned fund balance in the General Fund was \$11,949,372.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The *statement of net position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the net amount

reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, physical environment, transportation, economic environment, human services and culture and recreation. The business-type activities include electric generation, transmission and distribution, natural gas, water and wastewater, telecommunications, refuse collection, stormwater management, building code enforcement, and mass transit. The government-wide financial statements can be found on pages 16-18 of this report.

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

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

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

The City maintains seventy-nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of

revenues, expenditures and changes in fund balances for the General Fund and Special Obligation Revenue Bonds Series 2020, both of which are considered to be a major funds. Data from the other seventy-seven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 19-22 of this report.

Proprietary funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the utility fund, which is considered to be a major fund of the City. The City maintains two different types of proprietary funds, Enterprise and Internal Service.

Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City maintains five enterprise funds to account for the following operations: utilities (including electric power generation, transmission and distribution, natural gas distribution, water and wastewater treatment, and telecommunications), refuse collection, stormwater management, building code enforcement, and mass transit. A sixth enterprise fund, Ironwood Golf Course, was transferred to the General Fund at the start of fiscal year 2020.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains three internal service funds to account for fleet management operations, general insurance, and employee health insurance programs. Since these services benefit governmental more than business-type functions, they have been included within *governmental activities* in the government-wide financial statements; however, in the government-wide financial statements, a certain portion of the net income of the internal service funds each year is reported in the business-type activities. This amount is allocated based on percentage of service charges.

Data from the other four proprietary funds are combined into a single, aggregated presentation. The three internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise funds as well as for the internal service funds is provided in the form of combining statements elsewhere in this report. The basic proprietary fund financial statements can be found on pages 23-29 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 used for fiduciary funds is much like that used for

proprietary funds. The basic fiduciary fund financial statements can be found on pages 30-31 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32-107 of this report.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City’s compliance with its General Fund budget and the City’s progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found on pages 108-121 of this report.

The combining statements referred to earlier in connection with non-major governmental and proprietary funds, and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements can be found on pages 122-161 and 204-215 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government’s financial position. The City’s net position at fiscal year-end is \$663,079,389. The following table provides a detailed overview of the City’s net position.

Net Position for Fiscal Year 2020 (ended September 30, 2020)						
	Governmental Activities		Business-Type Activities		Total	
	FY20	FY19	FY20	FY19	FY20	FY19
Current and Other Assets	\$ 267,441,056	\$ 111,479,595	\$ 434,850,463	\$ 561,083,347	\$ 702,291,519	\$ 672,562,942
Capital Assets	265,392,382	263,158,957	1,964,946,618	1,985,544,871	2,230,339,000	2,248,703,828
Total Assets	<u>532,833,438</u>	<u>374,638,552</u>	<u>2,399,797,081</u>	<u>2,546,628,218</u>	<u>2,932,630,519</u>	<u>2,921,266,770</u>
Deferred outflows	26,683,359	25,208,157	164,804,361	122,685,792	191,487,220	147,893,949
Long-term liabilities	363,939,703	226,865,947	1,917,583,828	2,025,229,825	2,281,523,531	2,252,095,772
Other liabilities	22,594,444	20,226,797	78,946,819	70,202,510	101,541,263	90,429,307
Total liabilities	<u>386,534,147</u>	<u>247,092,744</u>	<u>1,996,530,647</u>	<u>2,095,432,335</u>	<u>2,383,064,794</u>	<u>2,342,525,079</u>
Deferred inflows	9,882,823	5,384,293	68,091,233	55,816,488	77,974,056	61,200,781
Net position:						
Net investment in capital assets	219,965,625	231,629,237	282,222,324	336,512,272	502,187,949	568,141,509
Restricted	46,097,158	39,962,136	86,837,857	57,389,249	132,935,015	97,351,385
Unrestricted (deficit)	(102,962,956)	(124,221,701)	130,919,381	124,163,666	27,956,425	(58,035)
Total net position	<u>\$ 163,099,827</u>	<u>\$ 147,369,672</u>	<u>\$ 499,979,562</u>	<u>\$ 518,065,187</u>	<u>\$ 663,079,389</u>	<u>\$ 665,434,859</u>

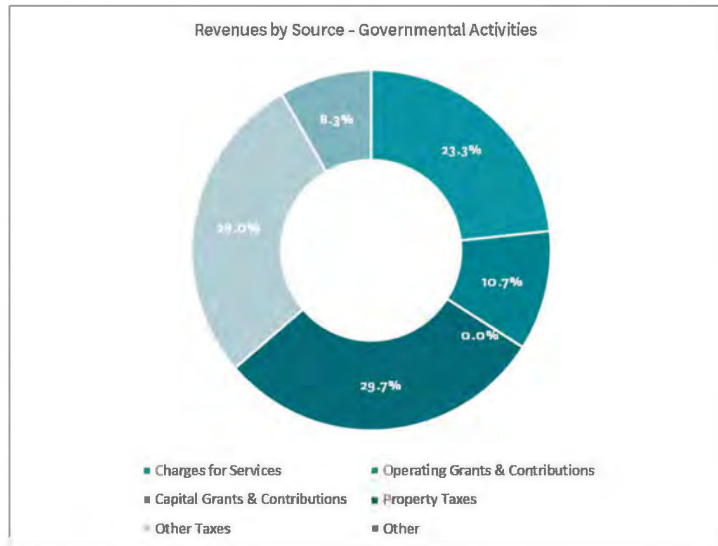
Approximately 75.7% of the City’s net position reflects its investment in capital assets (e.g., land, utility plant and equipment, buildings, improvements, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to neighbors; consequently these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City’s net position, \$132,935,015 or 20.0%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position*, \$27,956,425, may be used to meet the government’s ongoing obligations to neighbors and creditors. The following table provides a detailed overview of the City’s change in net position fiscal year over fiscal year.

Changes in Net Position for the Fiscal Year Ended September 30, 2020						
	Governmental Activities		Business-Type Activities		Total	
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019
Revenues:						
Program revenues:						
Charges for Services	\$ 28,862,438	\$ 29,231,594	\$ 429,917,895	\$ 447,959,701	\$ 458,780,333	\$ 477,191,295
Operating Grants and Contributions	13,240,004	6,993,144	8,372,896	8,687,312	21,612,900	15,680,456
Capital Grants and Contributions	-	1,258,828	7,638,795	3,970,981	7,638,795	5,229,809
General revenues:						
Property Taxes	36,693,311	35,133,195	-	-	36,693,311	35,133,195
Other Taxes	34,677,577	34,820,642	-	-	34,677,577	34,820,642
State Revenue Sharing	4,691,438	5,055,719	-	-	4,691,438	5,055,719
Investment Gain (Loss)	743,962	2,963,042	3,111,544	4,875,231	3,855,506	7,838,273
Other Revenues	<u>4,825,168</u>	<u>2,983,670</u>	<u>2,087,628</u>	<u>11,262,279</u>	<u>6,912,796</u>	<u>14,245,949</u>
Total revenues	123,733,898	118,439,834	451,128,758	476,755,504	574,862,656	595,195,338
Expenses:						
General Government	24,762,040	25,208,259	-	-	24,762,040	25,208,259
Public Safety	74,628,943	66,448,738	-	-	74,628,943	66,448,738
Physical Environment	1,139,174	924,738	-	-	1,139,174	924,738
Transportation	21,368,976	20,935,955	-	-	21,368,976	20,935,955
Economic Environment	5,794,136	6,355,726	-	-	5,794,136	6,355,726
Human Services	2,324,313	2,085,523	-	-	2,324,313	2,085,523
Culture & Recreation	14,609,745	12,885,544	-	-	14,609,745	12,885,544
Interest on Long-Term Debt	8,082,573	6,677,648	-	-	8,082,573	6,677,648
Electric	-	-	263,210,539	285,520,258	263,210,539	285,520,258
Gas	-	-	19,169,278	21,562,120	19,169,278	21,562,120
Water	-	-	34,827,176	34,949,820	34,827,176	34,949,820
Wastewater	-	-	42,514,875	39,832,387	42,514,875	39,832,387
GRUCom	-	-	14,734,804	12,953,026	14,734,804	12,953,026
Regional Transit System	-	-	30,292,140	35,586,285	30,292,140	35,586,285
Stormwater Management	-	-	8,940,956	10,209,606	8,940,956	10,209,606
Ironwood Golf Course	-	-	-	1,740,464	-	1,740,464
Florida Building Code	-	-	3,136,150	3,350,486	3,136,150	3,350,486
Solid Waste	-	-	8,795,609	7,982,318	8,795,609	7,982,318
Total expenses	152,709,900	141,522,131	425,621,527	453,686,770	578,331,427	595,208,901
Changes in net position before transfers	(28,976,002)	(23,082,297)	25,507,231	23,068,734	(3,468,771)	(13,563)
Transfers	<u>38,953,078</u>	<u>38,915,594</u>	<u>(38,953,078)</u>	<u>(38,915,594)</u>	<u>-</u>	<u>-</u>
Change in net position	9,977,076	15,833,297	(13,445,847)	(15,846,860)	(3,468,771)	(13,563)
Net position - beginning, as previously reported	<u>147,369,672</u>	<u>140,707,277</u>	<u>518,065,187</u>	<u>521,202,465</u>	<u>665,434,859</u>	<u>661,909,742</u>
Restatement	<u>5,753,079</u>	<u>(9,170,902)</u>	<u>(4,639,778)</u>	<u>12,709,582</u>	<u>1,113,301</u>	<u>3,538,680</u>
Net position - beginning, restated	153,122,751	131,536,375	513,425,409	533,912,047	666,548,160	665,448,422
Net position - ending	<u>\$ 163,099,827</u>	<u>\$ 147,369,672</u>	<u>\$ 499,979,562</u>	<u>\$ 518,065,187</u>	<u>\$ 663,079,389</u>	<u>\$ 665,434,859</u>

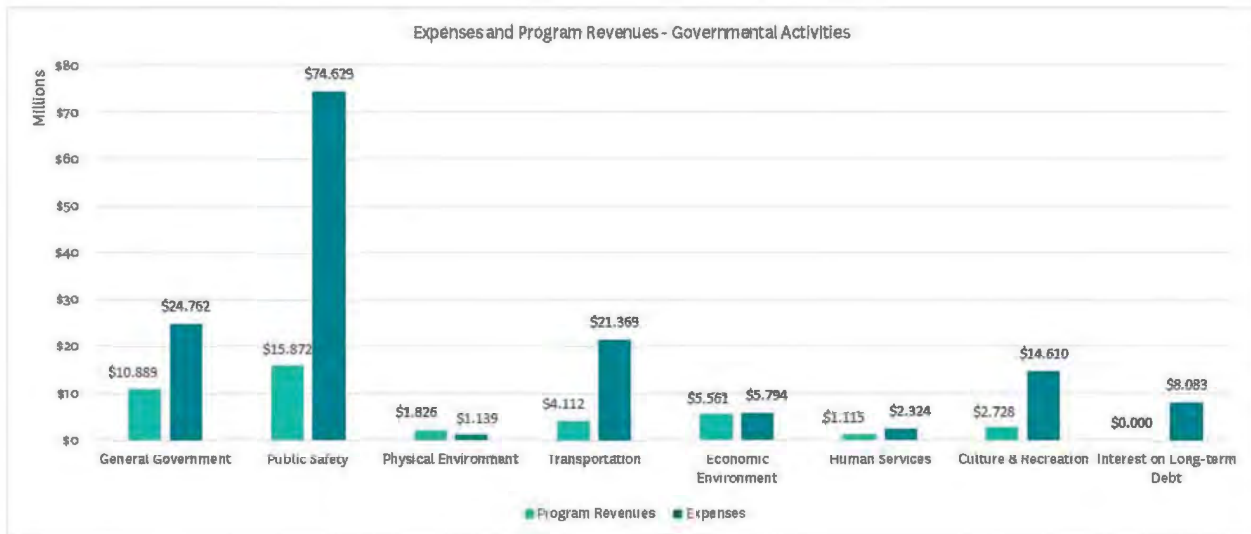
Governmental Activities.

- Property tax revenue increased by \$1,560,116, or 4.44% which correlates to the expected FY 2020 value provided by the Alachua County Property Appraisers office. As shown in the following chart, for Fiscal Year 2020, Property Tax Revenue made up 29.7% of Governmental Activity Revenue. Other taxes, such as utility taxes, made up 28.0% of revenues followed by Charges for Services at 28.0%. There were no Capital Grants and Contributions revenues during FY 2020.



- Operating grants and contribution revenue increased by \$6,246,860, an 89.33% increase over the prior year. The majority of this increase was realized in the economic environment functions primarily due to the transition of the Community Redevelopment Area into a City department which was effective October 1, 2019.
- Revenues from Investment gains saw a significant decrease of \$2,219,080 or 74.89%, which was offset by an increase in Other Revenues of \$1,841,498 or 61.72%.
- Public safety expenses increased from prior year by \$8,180,205 or 12.31%. This was due to a implementation of collective bargaining agreements and COVID-19 related expenditures.
- Physical environment expenses increased from prior fiscal year by \$214,436 or 23.19% primarily due to fees for solid waste tipping/dumping fees and refuse collection fees increasing.
- Human Services expenses increased by \$238,790 or 11.45%, much of this increase was due to pandemic related assistance for neighbors.
- Cultural and recreation expenses increased by \$1,724,201 or 13.38%. The majority of this increase was due to the transition of Ironwood golf course from an Enterprise Fund to the General Fund.

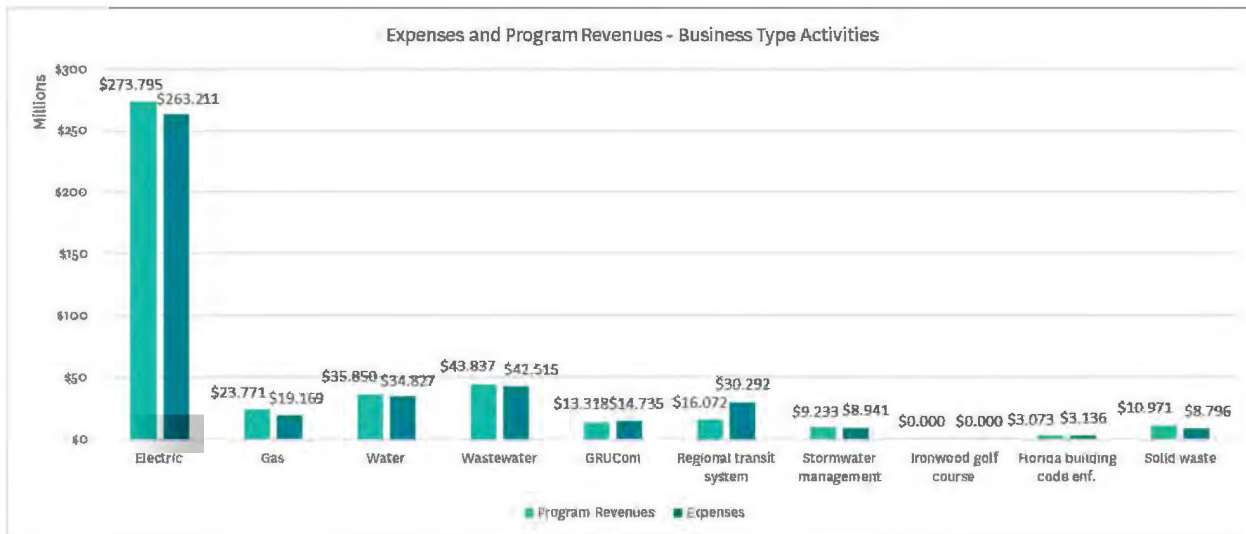
As shown in the following table, and consistent with prior years expenditure trends, fiscal year 2020 expenses were dominated by public safety expenses; comprising 48.9% of Governmental Activity expenses.



Business-Type Activities. Business-type activities for the City include the Gainesville Regional Utilities, the Regional Transit System, Stormwater Management, Florida Building Code Enforcement and Solid Waste Management. The Gainesville Regional Utilities (“Utility”) drives the majority of the City’s Business type activities.

- Gross utility plant in service increased \$49.5 million, or 1.7%, in fiscal year 2020 due primarily to the completion of electric, water and wastewater capital projects.
- Long-term utility debt decreased \$22.3 million, or 1.3%, in fiscal year 2020, due to scheduled principal payments.
- The Utility is completing remediation efforts at a former manufactured gas plant site. The costs incurred to date total \$28.2 million, and the Utility estimates that total project costs will be approximately \$29.1 million. The Utility accrued a regulatory asset and liability to account for the cost and cost recovery of the expense, which is being recognized as customer revenues are received.
- Sales and service charges decreased \$14.6 million or 3.8% in fiscal year 2020. This decrease is primarily due to the result of decreases in the fuel adjustment and purchased gas adjustment rates in response to lower fuel expenses compared to 2019 offset by increases in base rates.
- Operating expenses decreased \$17.9 million or 5.4% in fiscal year 2020. This decrease is due primarily to decreases in fuel expenses resulting from lower natural gas prices compared to 2019.
- Transfers to rate stabilization amounted to \$5 million in fiscal year 2020.
- The number of customers for electric services increased 1.1%, water and wastewater services increased 0.9%, and gas services increased 1% in fiscal year 2020.
- For fiscal year 2021, the Utility did not implement a revenue requirement for any system

As shown in the following table, electric related revenues and expenses dominate business type activity expenditures and revenues, making up 63.7% and 61.8% of these categories respectively in FY 2020.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

For Fiscal Year 2020, the City's governmental funds reported combined ending fund balances of \$238,630,500, an increase of \$151,202,584 in comparison with the prior year combined ending fund balance. Of this increase, \$140,722,983 is attributed to interfund receivables from enterprise funds for those funds' share of the Special Obligation Revenue Bond, Series 2020 and the Pension Obligation Bond, Series 2003. Approximately 61.6% or \$147,089,828 of this total amount constitutes non-spendable fund balance, which are amounts that are not in spendable form, primarily constituted of long-term receivables. An additional 22.4% or \$53,521,232 is restricted, indicating that funds can only be spent for specific purposes stipulated by external entities. Approximately 12.4% (\$6,570,937 and \$23,021,770 respectively) is classified as committed or assigned for spending, indicating the amounts can only be used for the specific purposes determined by a formal action of the City Commission, or amounts intended for specific purposes. The remaining 3.5% or \$8,426,733 of fund balance is unassigned to indicate that it has no internal or external restrictions or commitments.

The General Fund is the chief operating fund of the City. At the end of fiscal year 2020, there was \$11,949,372 in unassigned fund balance, with a total fund balance of \$25,791,992. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance is 15.1% of total expenditures and transfers out, while total fund balance represents 18.9% of that same amount. The fund balance of the City's General Fund decreased by \$926,358 at the end of fiscal year 2020. The fiscal year 2020 original budget anticipated a use of fund balance of \$432,168. The General Fund experienced a positive revenue variance of just over \$879,000 and departmental budgetary savings of \$5,967,505 compared to the

final budget. The positive variance was primarily due to funds earmarked for wage adjustments not expended within the fiscal year. Every expenditure area but two ended with a positive variance in expenditures for the year of at least 10%. Physical Environment had a negative budget variance of \$2,731 or 1.22%.

At the end of fiscal year 2020, the Special Revenue Funds have a total fund balance of \$33,677,785, which represents an increase of \$6,191,828 from last year's balance. The increase is primarily driven by a reduction in expenses, the majority from the College Park tax increment fund, which had a reduction of expenses from the prior year of \$3,787,483.

The Debt Service Funds ended fiscal year 2020 with a total fund balance of \$141,841,093, an increase of \$140,658,318. The majority of this increase is accounted for by the transition of Ironwood golf course from an Enterprise fund to the General Fund, and an increase in due from other funds, both current and non-current, related to the enterprise funds' share of the pension obligation bonds series 2003A and 2020. Fund balance in the capital projects funds increased by \$5,278,796 to end the fiscal year at \$37,319,630.

General Fund Budget Highlights. The fiscal year 2020 difference between the original and final revenue budget was a decrease of \$656,768. The fiscal year 2020 difference between the original and final general fund budget for expenditures was an increase of \$3,424,263. Budget amendments processed during FY 2020 were routine.

The overall revenue variance between the final budget and actual results for the General Fund was 0.94%. Intergovernmental revenue had the largest positive variance of \$1,714,496 or 12.0%, the Taxes line had the largest negative variance to budget of \$1,336,995 or 2.37%.

Due to regular budget monitoring, most departments ended the fiscal year with expenditures below budgeted amounts. General Government, Economic Environment Human Services and Culture and Recreation all ended the year with double digit positive variances to budget on a percentage basis. Only Physical Environment ended the year with a negative variance to budget, with the percentage variance at 1.2%.

Capital Asset and Debt Administration. The City's investment in capital assets for its governmental and business type activities as of September 30, 2020 totals \$2,230,339,000 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements, machinery and equipment, utility plant and equipment, infrastructure, roads, bike paths and sidewalks. The following table provides an overview of the capital assets for fiscal year 2020 and a year over year comparison.

Capital Assets for Fiscal Year 2020 (period ended September 30, 2020)						
	Governmental Activities		Business-Type Activities		Total	
	FY 2020	FY 2019	FY 2020	FY 2019	FY 2020	FY 2019
Land	\$ 36,565,003	\$ 35,815,934	\$ 8,864,610	\$ 9,384,876	\$ 45,429,613	\$ 45,200,810
Utility Plant & Equipment	-	-	1,768,621,635	1,814,931,709	1,768,621,635	1,814,931,709
Buildings	53,119,084	54,821,725	35,817,016	37,189,659	88,936,100	92,011,384
Improvements	13,009,730	13,610,411	2,526,348	3,425,521	15,536,078	17,035,932
Machinery & Equipment	17,702,949	17,012,500	15,641,146	17,254,787	33,344,095	34,267,287
Infrastructure	133,157,644	123,597,620	29,965,485	30,902,443	163,123,129	154,500,063
Construction in Progress	11,837,972	18,300,767	103,510,378	72,455,876	115,348,350	90,756,643
Total Assets, Net	\$ 265,392,382	\$ 263,158,957	\$ 1,964,946,618	\$ 1,985,544,871	\$ 2,230,339,000	\$ 2,248,703,828

Major capital asset events during the fiscal year include:

- Electric generation capital expenditures were \$20.9 million for fiscal year 2020. These expenditures included \$2.2 million for DHR, \$9.9 million for the Deerhaven Generating Station and \$8.2 million for the John R. Kelly Generating Station.
- Electric transmission and distribution expansion and capital replacements were \$20 million in fiscal year 2020 of which approximately \$1.9 million was spent on underground system improvements.
- Water capital expenditures were \$12.2 million in fiscal year 2020 with \$6.5 million for supply, pumping, and treatment facilities and \$5.7 million for transmission and distribution.
- Wastewater capital expenditures were \$19.7 million in 2020. This included \$7.9 million spent on treatment plant improvements and \$11.8 million in collection improvements.
- Gas distribution expansion expenditures were \$4 million in fiscal year 2020. This expansion included expenditures of \$800,000 in gas distribution mains and \$3.2 million in residential gas services.
- Telecommunication fiber and electronics expansion expenditures were \$642,000 in fiscal year 2020 which included fiber and related infrastructure installation and electronics upgrades.
- Transition to the new Enterprise Resource Planning software, Workday, was put on hold for the majority of fiscal year 2020. The go-live date is currently scheduled for July 2021.

Additional information on the City's capital assets can be found in Note 8 on pages 63-64 of this report.

Bonded Debt.

At the end of fiscal year 2020, the City had total bonded debt outstanding of \$2,013,476,970. This entire amount represents bonds secured solely by specified revenue sources (i.e., revenue bonds and notes) and excludes issuance premiums and discounts.

	Outstanding Bonded Debt		
	Governmental Activities	Business-Type Activities	Total
Pension Obligation Bonds	\$ 287,645,788	\$ -	\$ 287,645,788
Revenue Bonds and Notes	57,412,738	1,668,418,444	1,725,831,182
Total Assets, Net	\$ 345,058,526	\$ 1,668,418,444	\$ 2,013,476,970

The City's total bonded debt increased by approximately \$199.4 million or 11.0% during fiscal year 2020 primarily due to the issuance of Special Obligation Revenue Bonds Series 2020 which were issued to reduce the unfunded portion of the actuarial liability of the pension plans. Additional debt issuances

include the Utility's issuance of Utilities System Revenue Bonds, 2020 Series A in July 2020 which refunded the Utilities System Revenue Bonds, 2010 Series C.

The City is proud to maintain investment grade ratings: Aa2 from Moody's Investor Service and AA from Fitch Ratings, both with a stable outlook. The Utility has ratings of AA-, Aa3, and A+ with Standard and Poor's, Moody's Investor Service, and Fitch Ratings, respectively, for utility system revenue bonds. The Utility has ratings of P-1, A-1+, and F1+ with Moody's Investors Service, Standard & Poor's, and Fitch Ratings, respectively, for commercial paper notes. Additional information on the City's long-term debt can be found in Note 13 on pages 85-98 of this report.

Currently Known Facts or Conditions that may have a Significant Effect on the City's Financial Condition.

General Government:

- Although the City has not yet experienced any major impacts with regards to revenue loss or higher than expected expenditures due to the COVID-19 pandemic, the Budget & Finance Department continues to diligently monitor revenue and expenditure trends in order to identify potential issues early.
- The American Rescue Plan Act of 2021 is the latest COVID-19 relief package that provides \$1.9 trillion in mandatory funding, program changes and tax policies aimed at mitigating the continuing effects of the pandemic. As of the date of this report, the City is expected to receive approximately \$34 million to cover costs incurred by December 31, 2024. The funds are expected to be distributed in two tranches, the first half in fiscal year 2021 and the second half in fiscal year 2022. City Management is currently evaluating potential projects for these funds. The use of funds is limited to:
 - Responses to the COVID-19 emergency and addressing its economic effects including through aid to households, small businesses, nonprofits, and industries such as tourism and hospitality;
 - Provide premium pay to essential employees or grants to their employers;
 - Provide government services affected by a revenue reduction resulting from COVID-19; and
 - Make investments in water, sewer and broadband infrastructure.

The Utility:

- Legislation and regulation at the federal level has been proposed to mandate the use of renewable energy and to constrain the emission of greenhouse gases. The Utility's institution of a solar feed-in-tariff, a solar purchased power agreement and purchase of a 102.5 megawatt biomass fueled power plant will hedge against these uncertainties.
- The Utility's long-term energy supply strategy is to provide safe, reliable, cost effective power while meeting regulatory requirements. The Utility has a diverse portfolio of generation including renewable energy. The City Commission has directed the Utility to achieve a generation portfolio of 100% renewable energy by 2045. Based on the most recent forecasts, the Utility has adequate reserves of generating capacity to meet forecasted loads plus

maintaining the regulatory required reserve margin through 2022. This forecast incorporates new population forecasts and changed economic circumstances

Economic Factors and Next Year's Budgets and Rates. Some of the significant factors considered in preparing the General Government's fiscal year 2021 budget were:

- The transfer to the General Fund from the Utility accounts for approximately 32% of General Fund revenues, and is based on formulas approved by the City Commission. The last transfer formula expired in FY 2019 and included an annual growth factor of 1.5% per year. During the FY 2020 budget process the City Commission voted to remove this growth factor and to keep the transfer flat with further direction to develop a transfer formula for future budget years.
- After experiencing relatively flat property tax revenues for several years, taxable values have begun rebounding, which combined with robust new construction results in the FY 2021 plan anticipating about 6.6% growth in property tax values. The growth is primarily composed of approximately \$392 million of appreciation value of existing properties along with \$81 million in new construction.
- Utility tax revenues are generated through taxes levied on electric, water and natural gas utility customers who reside within City limits. A 3% inflation factor is included in FY 2021 for utility tax revenues.
- The City maintains the Regional Transit System (RTS), for which the University of Florida and Santa Fe College students are a large part of the ridership count. The contracts between RTS and both colleges are up for renewal in FY 2021, the outcome of which may have an impact on future RTS revenues. Through the American Rescue Plan, the Regional Transit System is expected to receive an additional \$14 million in supplemental appropriations allocated to support the transit industry during the COVID-19 public health emergency.

Utility highlights for the fiscal year 2021 fiscal year budget are as follows:

- The primary factors currently affecting the utility industry include environmental regulations, Operating, Planning and Critical Infrastructure Protection Standards promulgated by North American Electric Reliability Corporation under Federal Energy Regulatory Commission jurisdiction, and the increasing strategic and price differences among various types of fuels. No state or federal legislation is pending or proposed at this time for retail competition in Florida.
- The Utility and its operations are subject to federal, state, and local statutory and regulatory requirements with respect to the siting and licensing of facilities, safety and security, air and water quality, land use, and other environmental factors.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 200 East University Avenue, Gainesville, Florida, 32601.

Basic Financial Statements

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

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 1,663,818	\$ 34,499,991	\$ 36,163,809
Equity in Pooled Cash and Investments	121,504,198	15,418,594	136,922,792
Investments	1,382,210	-	1,382,210
Receivables	7,779,055	65,253,302	73,032,357
Internal Balances	134,148,024	(134,148,024)	-
Inventories	270,055	30,881,539	31,151,594
Prepays	23,204	-	23,204
Other Assets and Regulatory Assets	-	1,154,085	1,154,085
Assets Held for Evidence	670,492	-	670,492
Restricted Assets:			
Cash and Cash Equivalents	-	250,332,412	250,332,412
Other Noncurrent Assets	-	171,458,564	171,458,564
Capital Assets (Net of Accumulated Depreciation):			
Utility Plant and Equipment	-	1,768,621,635	1,768,621,635
Buildings	53,119,084	35,817,016	88,936,100
Improvements Other than Buildings	13,009,730	2,526,348	15,536,078
Machinery and Equipment	17,702,949	15,641,146	33,344,095
Infrastructure	133,157,644	29,965,485	163,123,129
Capital Assets (not Depreciated):			
Land	36,565,003	8,864,610	45,429,613
Construction in Progress	11,837,972	103,510,378	115,348,350
Total Assets	532,833,438	2,399,797,081	2,932,630,519
Deferred Outflows of Resources			
Unamortized Loss on Refunding of Bonds	1,380,082	11,258,300	12,638,382
Accumulated Decrease in Fair Value of Hedging Derivatives	154,119	120,802,265	120,956,384
Deferred Amounts Related to Pensions	20,974,934	27,178,006	48,152,940
Deferred Amounts Related to OPEB	4,174,224	5,565,790	9,740,014
Total Deferred Outflows of Resources	26,683,359	164,804,361	191,487,720

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

CITY OF GAINESVILLE, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020
(Concluded)

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
Liabilities			
Accounts Payable	\$ 21,881,824	\$ 19,164,908	\$ 41,046,732
Accrued Interest Payable	349,711	-	349,711
Unearned Revenue	362,909	526,216	889,125
Other Liabilities and Regulatory Liabilities	-	8,560,895	8,560,895
Liabilities Payable from Restricted Assets:			
Utility Deposits	-	8,476,982	8,476,982
Accrued Interest Payable	-	32,510,583	32,510,583
Other Liabilities Payable from Restricted Assets	-	9,707,235	9,707,235
Long-Term Debt due Within One Year	15,642,429	27,636,250	43,278,679
Long-Term Liabilities due in More than One Year:			
Long-Term Debt due in More than One Year	334,320,273	1,738,378,922	2,072,699,195
Net Pension Liability	12,923,589	18,650,577	31,574,166
Net OPEB Liability	899,293	1,107,335	2,006,628
Other Non-Current Liabilities	-	8,806,460	8,806,460
Fair Value of Derivative Instruments	154,119	123,004,284	123,158,403
Total Liabilities	386,534,147	1,996,530,647	2,383,064,794
Deferred Inflows of Resources			
Rate Stabilization	-	58,152,475	58,152,475
Business Taxes not Yet Earned	902,262	-	902,262
Deferred Amounts Related to Pensions	2,675,487	1,531,757	4,207,244
Deferred Amounts Related to OPEB	6,305,074	8,407,001	14,712,075
Total Deferred Inflows of Resources	9,882,823	68,091,233	77,974,056
Net Position			
Net Investment in Capital Assets	219,965,625	282,222,324	502,187,949
Restricted for:			
Debt Service	-	27,565,088	27,565,088
Capital Projects	4,739,409	-	4,739,409
Utility Plant Improvement	-	51,667,909	51,667,909
Community Redevelopment	16,301,639	-	16,301,639
Recreation and Land Conservation	14,482,675	-	14,482,675
Federal and State Grants	1,531,586	-	1,531,586
Public Safety	1,351,159	-	1,351,159
Cemetery Care	1,415,920	-	1,415,920
Transportation	6,274,770	-	6,274,770
Building Code Enforcement	-	2,806,723	2,806,723
Other	-	4,798,137	4,798,137
Unrestricted	(102,962,956)	130,919,381	27,956,425
Total Net Position	\$ 163,099,827	\$ 499,979,562	\$ 663,079,389

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

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

Functions/Programs	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	Expenses	Charges for Services	Operating		Governmental Activities	Primary Government	
			Grants and Contributions	Capital Grants and Contributions		Governmental Activities	Business-Type Activities
Primary Government							
Governmental Activities:							
General Government	\$ 24,762,040	\$ 9,316,300	\$ 1,573,028	\$ -	\$ (13,872,712)	\$ -	\$ (13,872,712)
Public Safety	74,628,943	12,960,704	2,910,872	-	(58,757,367)	-	(58,757,367)
Physical Environment	1,139,174	989,529	836,115	-	686,470	-	686,470
Transportation	21,368,976	2,727,676	1,384,359	-	(17,256,941)	-	(17,256,941)
Economic Environment	5,794,136	277,303	5,284,085	-	(232,748)	-	(232,748)
Human Services	2,324,313	-	1,114,563	-	(1,209,750)	-	(1,209,750)
Culture and Recreation	14,609,745	2,590,926	136,982	-	(11,881,837)	-	(11,881,837)
Interest on Long-Term Debt	8,082,573	-	-	-	(8,082,573)	-	(8,082,573)
Total Governmental Activities	152,709,900	28,862,438	13,240,004	-	(110,607,458)	-	(110,607,458)
Business-Type Activities:							
Electric	263,210,539	273,794,885	-	-	-	10,584,346	10,584,346
Gas	19,169,278	23,770,966	-	-	-	4,601,688	4,601,688
Water	34,827,176	35,849,809	3,054,685	-	-	4,077,318	4,077,318
Wastewater	42,514,875	43,836,593	4,584,110	-	-	5,905,828	5,905,828
GRUCom	14,734,804	13,317,843	-	-	-	(1,416,961)	(1,416,961)
Regional Transit System	30,292,140	16,071,801	8,316,419	-	-	(5,903,920)	(5,903,920)
Stormwater Management	8,940,956	9,232,584	56,477	-	-	348,105	348,105
Florida Building Code Enforcement	3,136,150	3,072,851	-	-	-	(63,299)	(63,299)
Solid Waste	8,795,609	10,970,563	-	-	-	2,174,954	2,174,954
Total Business-Type Activities	425,621,527	429,917,895	8,372,896	7,638,795	-	20,308,059	20,308,059
Total Primary Government	578,331,427	458,780,333	21,612,900	7,638,795	(110,607,458)	20,308,059	(90,299,399)
General Revenues							
Property Taxes					36,693,311	-	36,693,311
Utility Taxes					12,820,322	-	12,820,322
Communications Services Tax					3,748,691	-	3,748,691
Local Option Gas Tax					3,082,773	-	3,082,773
Half-Cent Sales Tax					7,620,147	-	7,620,147
Discretionary Sales Tax					7,405,644	-	7,405,644
State Revenue Sharing					4,691,438	-	4,691,438
Gain on Sale of Capital Assets					1,379,888	-	1,379,888
Miscellaneous					3,445,280	-	3,445,280
Investment Gain					743,962	-	743,962
Transfers					38,953,078	(38,953,078)	-
Total General Revenues and Transfers					120,584,534	(33,753,906)	86,830,628
Change in Net Position					9,977,076	(13,445,847)	(3,468,771)
Net Position - Beginning of Year, as Previously Reported					147,369,672	518,065,187	665,434,859
Restatement					5,753,079	(4,639,778)	1,113,301
Net position - Beginning of Year, Restated					153,122,751	513,425,409	666,548,160
Net position - End of Year					\$ 163,099,827	\$ 499,979,562	\$ 663,079,389

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

CITY OF GAINESVILLE, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020

	General	Special Obligation Revenue Bonds Series 2020	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and Cash Equivalents	\$ 148,640	\$ -	\$ 573,302	\$ 721,942
Equity in Pooled Cash and Investments	12,238,646	2,600	76,138,951	88,380,197
Investments	-	-	1,382,210	1,382,210
Receivables	4,541,864	-	3,237,191	7,779,055
Due from Other Funds	11,162,948	2,716,168	486,942	14,366,058
Advances to Other Funds	8,556,735	116,617,437	20,903,183	146,077,355
Inventories	38,972	-	-	38,972
Assets Held for Evidence	-	-	670,492	670,492
Total Assets	36,687,805	119,336,205	103,392,271	259,416,281
Liabilities				
Accounts Payable and Accrued Liabilities	9,990,118	-	2,867,575	12,857,693
Due to Other Funds	-	-	3,655,573	3,655,573
Unearned Revenues	3,433	-	359,476	362,909
Advances from Other Funds	-	-	1,089,511	1,089,511
Total Liabilities	9,993,551	-	7,972,135	17,965,686
Deferred Inflows of Resources				
Business Taxes not Yet Earned	902,262	-	-	902,262
Unavailable Revenue	-	-	1,917,833	1,917,833
Total Deferred Inflows of Resources	902,262	-	1,917,833	2,820,095
Fund Balances				
Nonspendable	8,595,707	116,617,437	21,876,684	147,089,828
Restricted	-	-	53,521,232	53,521,232
Committed	-	-	6,570,937	6,570,937
Assigned	5,246,913	2,718,768	15,056,089	23,021,770
Unassigned	11,949,372	-	(3,522,639)	8,426,733
Total Fund Balances	25,791,992	119,336,205	93,502,303	238,630,500
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 36,687,805	\$ 119,336,205	\$ 103,392,271	\$ 259,416,281

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

CITY OF GAINESVILLE, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

Total Fund Balances: Governmental Funds Balance Sheet		\$ 238,630,500
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$463,206,908 and the accumulated depreciation is \$215,294,585. This excludes internal service fund capital assets which are included in the internal service fund adjustment below.		247,912,323
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the fund financial statements. Long-term liabilities of internal service funds are included in the internal service fund adjustment below. Other governmental long-term liabilities at year-end consist of:		
Bonds and Promissory Notes Payable	\$ (345,058,524)	
Compensated Absences	(4,063,053)	
Net Pension Liability	(12,366,290)	
Net OPEB Liability	<u>(860,451)</u>	(362,348,318)
Deferred outflows and inflows of resources are not available in the current period and, therefore, are not reported in the governmental funds. Deferred outflows and inflows of resources at year-end consist of:		
Deferred Outflow Amount on Debt Refunding	1,380,082	
Deferred Outflow Amount on Pension Liabilities	20,162,827	
Deferred Inflow Amount on Pension Liabilities	(2,629,716)	
Deferred Outflow Amount on OPEB Liabilities	3,993,932	
Deferred Inflow Amount on OPEB Liabilities	<u>(6,032,746)</u>	16,874,379
Governmental funds do not report a liability for accrued interest until it is due and payable. Accrued interest must be reported as a liability in the government-wide and payable financial statements.		(349,711)
In fund financial statements, governmental fund types recognize discounts and premiums during the current period as other financing sources and uses. In the government-wide statements, discounts and premiums are applied against bonds payable.		
Premiums	(674,935)	
Discounts	<u>7,512</u>	(667,423)
Unavailable revenue is deferred in governmental funds but not in the government-wide financial statements.		1,917,833
Internal service funds are used by management to charge the costs of fleet management, general insurance, employees health insurance, and retirees health insurance. The assets and liabilities of the internal service funds, including net capital assets of \$17,480,059, compensated absences liabilities of \$173,701, deferred outflows related to pension of \$812,107, deferred inflows related to pensions of \$45,771, net pension liability of \$557,299, deferred outflows related to OPEB of \$180,292, deferred inflows related to OPEB of \$272,328, and net OPEB liability of \$38,842 are included in governmental activities in the statement of net position.		<u>21,130,244</u>
Net Position of Governmental Activities		<u>\$ 163,099,827</u>

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

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

	General	Special Obligation Revenue Bonds Series 2020	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 54,869,996	\$ -	\$ 7,405,644	\$ 62,275,640
Permits, Fees and Special Assessments	9,516,520	-	-	9,516,520
Intergovernmental	16,008,234	-	14,460,912	30,469,146
Charges for Services	11,998,872	-	4,216,670	16,215,542
Fines and Forfeitures	751,261	-	289,005	1,040,266
Miscellaneous	978,266	2,600	1,402,482	2,383,348
Total Revenues	<u>94,123,149</u>	<u>2,600</u>	<u>27,774,713</u>	<u>121,900,462</u>
Expenditures				
Current:				
General Government	20,229,018	15,857,933	2,387,315	38,474,266
Public Safety	68,109,824	54,829,082	3,920,332	126,859,238
Physical Environment	226,453	1,668,670	802,387	2,697,510
Transportation	13,662,115	6,538,031	1,526,824	21,726,970
Economic Environment	450,258	1,668,670	4,635,635	6,754,563
Human Services	-	15,827	2,299,767	2,315,594
Culture and Recreation	10,510,974	4,989,449	1,840,398	17,340,821
Debt Service:				
Principal	-	-	8,236,319	8,236,319
Interest and Fiscal Charges	-	-	7,396,571	7,396,571
Issue Costs	-	1,178,733	32,850	1,211,583
Capital Outlay	41,415	-	13,686,824	13,728,239
Total Expenditures	<u>113,230,057</u>	<u>86,746,395</u>	<u>46,765,222</u>	<u>246,741,674</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(19,106,908)</u>	<u>(86,743,795)</u>	<u>(18,990,509)</u>	<u>(124,841,212)</u>
Other Financing Sources (Uses)				
Issuance of Bonds	-	206,080,000	8,535,000	214,615,000
Sale of Capital Assets	682,217	-	627,764	1,309,981
Transfers in	41,383,053	-	36,826,576	78,209,629
Transfers (out)	(23,884,720)	-	(16,319,004)	(40,203,724)
Total Other Financing Sources (Uses)	<u>18,180,550</u>	<u>206,080,000</u>	<u>29,670,336</u>	<u>253,930,886</u>
Net Change in Fund Balances	<u>(926,358)</u>	<u>119,336,205</u>	<u>10,679,827</u>	<u>129,089,674</u>
Fund Balances, Beginning of Year, as				
Previously Reported	26,718,350	-	60,709,566	87,427,916
Restatement	-	-	22,112,910	22,112,910
Fund Balances, Beginning of Year, Restated	<u>26,718,350</u>	<u>-</u>	<u>82,822,476</u>	<u>109,540,826</u>
Fund Balances - End of Year	<u>\$ 25,791,992</u>	<u>\$ 119,336,205</u>	<u>\$ 93,502,303</u>	<u>\$ 238,630,500</u>

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

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

Net Change in Fund Balances - Total Governmental Funds		\$ 129,089,674
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital purchases as expenditures. However, in the statement of activities, the cost of those assets are depreciated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital purchases exceed depreciation in the current year.		
Capital Outlay	\$ 13,439,559	
Depreciation Expense	<u>(12,578,422)</u>	861,137
Various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations) have no effect on current financial resources and, therefore, are not reported in governmental funds.		
Net Book Value of Assets Traded-in	(64,293)	
Trade-in Value	<u>134,200</u>	69,907
Capital assets and liabilities transferred to governmental activities from proprietary funds are not reported in governmental funds because there is no flow of current financial resources.		
		700,047
Certain revenues reported in the statement of activities are not considered current financial resources until measurable and available, and, therefore, are reported as revenues in governmental funds in a different period.		
		286,891
The change in the deferred refunding loss has no effect on the current financial resources and, therefore, is not reported in the governmental funds.		
		(246,419)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are capitalized and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Debt proceeds from Issuance of Bonds	(214,615,000)	
Repayment of Principal	<u>8,236,319</u>	(206,378,681)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Accrued Interest Payable	725,404	
Amortization of Bond Discounts and Premiums	46,596	
Change in Compensated Absences Payable	(1,022,513)	
Change in Pension Expense	80,711,614	
Change in OPEB Expense	<u>(13,312)</u>	80,447,789
Internal service funds are used by management to charge the costs of fleet maintenance and insurance to individual funds. A portion of the net revenue of certain activities of internal service funds is reported in governmental activities.		
		<u>5,146,731</u>
Change in Net Position of Governmental Activities		<u>\$ 9,977,076</u>

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

CITY OF GAINESVILLE, FLORIDA
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2020

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Other Enterprise Funds		Totals	Internal Service Funds
	Utility	Funds		Funds
Assets				
Cash and Cash Equivalents	\$ 34,499,741	\$ 250	\$ 34,499,991	\$ 941,876
Equity in Pooled Cash and Investments	-	15,418,594	15,418,594	33,124,001
Receivables	58,406,125	6,847,177	65,253,302	-
Due from Other Funds	-	1,205,822	1,205,822	133,864
Inventories	29,585,558	1,295,981	30,881,539	231,082
Prepays	-	-	-	23,204
Other Assets and Regulatory Assets	1,154,085	-	1,154,085	-
Total Current Assets	123,645,509	24,767,824	148,413,333	34,454,027
Restricted Assets - Cash and Investments	250,332,412	-	250,332,412	-
Other Noncurrent Assets	171,458,564	-	171,458,564	-
Capital Assets (Net of Accumulated Depreciation):				
Utility Plant and Equipment	1,768,621,635	-	1,768,621,635	-
Buildings	-	35,817,016	35,817,016	2,817,041
Improvements Other than Buildings	-	2,526,348	2,526,348	880,636
Machinery and Equipment	-	15,641,146	15,641,146	12,333,456
Infrastructure	-	29,965,485	29,965,485	817,363
Capital Assets (not Depreciated):				
Land	-	8,864,610	8,864,610	631,563
Construction in Progress	102,778,847	731,531	103,510,378	-
Total Capital Assets	1,871,400,482	93,546,136	1,964,946,618	17,480,059
Total Non-Current Assets	2,293,191,458	93,546,136	2,386,737,594	17,480,059
Total Assets	2,416,836,967	118,313,960	2,535,150,927	51,934,086
Deferred Outflow of Resources				
Unamortized Loss on Refundings of Bonds	11,258,300	-	11,258,300	-
Accumulated Decrease in Fair Value of Hedging Derivatives	120,802,265	-	120,802,265	154,119
Deferred Amounts Related to Pensions	21,226,376	5,951,630	27,178,006	812,107
Deferred Amounts Related to OPEB	4,391,772	1,174,018	5,565,790	180,292
Total Deferred Outflows of Resources	157,678,713	7,125,648	164,804,361	1,146,518

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

CITY OF GAINESVILLE, FLORIDA
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2020
(Concluded)

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Other Enterprise Funds		Totals	Internal Service Funds
	Utility			
Liabilities				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 16,386,994	\$ 2,777,914	\$ 19,164,908	\$ 9,024,131
Due to Other Funds	6,082,928	5,926,194	12,009,122	41,049
Unearned Revenue	-	526,216	526,216	-
Current Portion of Long-Term Debt	27,276,465	359,785	27,636,250	6,680
Fuel and Purchased Gas Adjustment	7,762,392	-	7,762,392	-
Other Liabilities and Regulatory Liabilities	798,503	-	798,503	-
Current Liabilities Payable from Restricted Assets:				
Utility Deposits	8,476,982	-	8,476,982	-
Accrued Interest Payable	32,510,583	-	32,510,583	-
Other Liabilities Payable from Restricted Assets	9,707,235	-	9,707,235	-
Total Current Liabilities	109,002,082	9,590,109	118,592,191	9,071,860
Noncurrent Liabilities:				
Fair Value of Derivative Instruments	123,004,284	-	123,004,284	154,119
Advances from Other Funds	108,519,131	36,468,713	144,987,844	-
Long-Term Debt	1,734,407,287	3,971,635	1,738,378,922	167,021
Net Pension Liability	14,566,344	4,084,233	18,650,577	557,299
Net OPEB Liability	854,405	252,930	1,107,335	38,842
Other Noncurrent Liabilities and Regulatory Liabilities	8,806,460	-	8,806,460	-
Total Noncurrent Liabilities	1,990,157,911	44,777,511	2,034,935,422	917,281
Total Liabilities	2,099,159,993	54,367,620	2,153,527,613	9,989,141
Deferred Inflows of Resources				
Rate Stabilization	58,152,475	-	58,152,475	-
Deferred Amounts Related to Pensions	1,196,323	335,434	1,531,757	45,771
Deferred Amounts Related to OPEB	6,633,675	1,773,326	8,407,001	272,328
Total Deferred Inflows of Resources	65,982,473	2,108,760	68,091,233	318,099
Net Position				
Net Investment in Capital Assets	192,217,500	90,004,824	282,222,324	17,480,059
Restricted for:				
Debt Service	27,565,088	-	27,565,088	-
Utility Plant Improvement	51,667,909	-	51,667,909	-
Building Code Enforcement	-	2,806,723	2,806,723	-
Other	4,798,137	-	4,798,137	-
Unrestricted	133,124,580	(23,848,319)	109,276,261	25,293,305
Total Net Position	\$ 409,373,214	\$ 68,963,228	\$ 478,336,442	\$ 42,773,364

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

CITY OF GAINESVILLE, FLORIDA
RECONCILIATION OF THE STATEMENT OF FUND NET POSITION OF
PROPRIETARY FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

Total Net Position of Enterprise Funds on the Statement of Net Position of Property Funds	\$	478,336,442
<p>Internal service funds are used by management to charge the costs of fleet management, general insurance, and employee health insurance. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.</p>		
<p>Look-back adjustment for the consolidation of internal service fund activity involving enterprise fund participants.</p>		
		21,643,120
Net Position of Business-Type Activities	\$	499,979,562

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

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

	Business-Type Activities -			Governmental
	Enterprise Funds			Activities-
	Utility	Other Enterprise Funds	Totals	Internal Service Funds
Operating Revenues				
Sales and Service Charges	\$ 371,069,387	\$ 38,997,699	\$ 410,067,086	\$ 21,841,732
Employer Contributions	-	-	-	16,599,035
Employee Contributions	-	-	-	7,051,958
Other Operating Revenues	19,500,709	350,100	19,850,809	2,603,518
Total Operating Revenues	<u>390,570,096</u>	<u>39,347,799</u>	<u>429,917,895</u>	<u>48,096,243</u>
Operating Expenses				
Operations and Maintenance	178,555,049	43,256,906	221,811,955	8,822,258
Administrative and General	32,371,679	3,419,567	35,791,246	120,178
Depreciation and Amortization	101,046,520	6,550,177	107,596,697	3,005,799
Benefits Paid and Other Expenses	-	-	-	26,706,115
Total Operating Expenses	<u>311,973,248</u>	<u>53,226,650</u>	<u>365,199,898</u>	<u>38,654,350</u>
Operating Income (Loss)	<u>78,596,848</u>	<u>(13,878,851)</u>	<u>64,717,997</u>	<u>9,441,893</u>
Nonoperating Revenues (Expenses)				
Investment Income	3,039,395	72,149	3,111,544	157,622
Interest Expense	(62,588,476)	(105,434)	(62,693,910)	-
Local Option Gas Tax	-	2,087,628	2,087,628	-
Operating Grants	-	8,372,896	8,372,896	-
Transfer of Capital Assets and Long-Term Liabilities	-	(700,047)	(700,047)	-
Other Income (Expense)	(2,427,628)	-	(2,427,628)	-
Total Nonoperating Revenue (Expenses)	<u>(61,976,709)</u>	<u>9,727,192</u>	<u>(52,249,517)</u>	<u>157,622</u>
Income (Loss) Before Capital Contributions and Transfers	<u>16,620,139</u>	<u>(4,151,659)</u>	<u>12,468,480</u>	<u>9,599,515</u>
Capital Contributions and Transfers				
Capital Contributions	7,638,795	-	7,638,795	-
Transfers in	-	2,813,712	2,813,712	350,806
Transfers (out)	(38,285,000)	(2,781,743)	(41,066,743)	(103,680)
Total Capital Contributions and Transfers	<u>(30,646,205)</u>	<u>31,969</u>	<u>(30,614,236)</u>	<u>247,126</u>
Change in Net Position	<u>(14,026,066)</u>	<u>(4,119,690)</u>	<u>(18,145,756)</u>	<u>9,846,641</u>
Net Position - Beginning of Year, as Previously Reported	423,399,280	77,722,696	501,121,976	32,926,723
Restatement	-	(4,639,778)	(4,639,778)	-
Net Position - Beginning of Year, as Restated	<u>423,399,280</u>	<u>73,082,918</u>	<u>496,482,198</u>	<u>32,926,723</u>
Net Position - End of Year	<u>\$ 409,373,214</u>	<u>\$ 68,963,228</u>	<u>\$ 478,336,442</u>	<u>\$ 42,773,364</u>

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

CITY OF GAINESVILLE, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND NET POSITION OF PROPRIETY FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Change in Net Position - Enterprise Funds	\$ (18,145,756)
Internal service funds are used by management to charge the costs of fleet management, general insurance, and employee health insurance. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	
Look-back adjustment for the consolidation of internal service fund activity involving enterprise fund participants.	<u>4,699,909</u>
Change in Net Position of Business-Type Activities	<u><u>\$ (13,445,847)</u></u>

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

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

	Business-Type Activities -			Governmental
	Enterprise Funds			Activities
	Utility	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 382,529,529	\$ 43,860,703	\$ 426,390,232	\$ 2,603,518
Cash Received for Interfund Services	-	-	-	45,494,451
Cash Received from Other Governments	-	10,460,524	10,460,524	-
Other Operating Cash Receipts	16,197,903	-	16,197,903	-
Cash Paid to Suppliers	(111,908,644)	(18,077,055)	(129,985,699)	(35,413,742)
Cash Paid to Employees	(65,660,542)	(25,358,259)	(91,018,801)	(3,755,610)
Cash Paid for Interfund Services	(28,054,800)	(3,419,565)	(31,474,365)	(120,178)
Net Cash Provided (Used) by Operating Activities	193,103,446	7,466,348	200,569,794	8,808,439
Cash Flows from Noncapital Financing Activities				
Interfund Borrowing	-	(2,478,162)	(2,478,162)	1,777,530
Transfers from Other Funds	-	1,492,889	1,492,889	350,806
Transfers to Other Funds	(38,285,000)	(2,729,476)	(41,014,476)	(103,681)
Net Cash Provided (Used) by Noncapital Financing Activities	(38,285,000)	(3,714,749)	(41,999,749)	2,024,655
Cash Flows from Capital and Related Financing Activities				
Proceeds from Interest				
Rebate-Build America Bonds	2,577,453	-	2,577,453	-
Principal Repayments on Long-Term Debt	(33,336,147)	(317,783)	(33,653,930)	-
Interest Paid on Long-Term Debt	(69,209,863)	(105,434)	(69,315,297)	-
Acquisition and Construction of Capital Assets	(81,821,308)	(2,468,191)	(84,289,499)	(2,614,576)
Proceeds from Sale of Capital Assets	10,715,000	-	10,715,000	-
Other Expenses	(6,951,718)	-	(6,951,718)	-
Net Cash (Used) by Capital and Related Financing Activities	(178,026,583)	(2,891,408)	(180,917,991)	(2,614,576)
Cash Flows from Investing Activities				
Interest Received	7,046,621	72,149	7,118,770	157,622
Purchase of Investments	(490,947,807)	-	(490,947,807)	-
Investment in The Energy Authority	(8,987,708)	-	(8,987,708)	-
Distributions from The Energy Authority	8,370,403	-	8,370,403	-
Proceeds from Investment Maturities	532,675,685	-	532,675,685	-
Net Cash Provided by Investing Activities	48,157,194	72,149	48,229,343	157,622
Net Increase in Cash	24,949,057	932,340	25,881,397	8,376,140
Cash - Beginning	53,565,036	14,486,504	68,051,540	25,689,737
Cash - Ending	\$ 78,514,093	\$ 15,418,844	\$ 93,932,937	\$ 34,065,877
Cash and Cash Equivalents Classified as:				
Cash and Cash Equivalents	\$ 34,499,741	\$ 250	\$ 34,499,991	\$ 941,876
Equity in Pooled Cash and Investments	-	15,418,594	15,418,594	33,124,001
Restricted Assets - Cash and Investments	250,332,412	-	250,332,412	-
Less: Investments	(206,318,060)	-	(206,318,060)	-
Total	\$ 78,514,093	\$ 15,418,844	\$ 93,932,937	\$ 34,065,877

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

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

	Business-Type Activities -			Governmental
	Enterprise Funds			Activities
	Utility	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ 78,596,848	\$ (13,878,851)	\$ 64,717,997	\$ 9,441,893
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Intergovernmental Revenues	-	10,460,524	10,460,524	-
Depreciation and Amortization	101,046,520	6,550,177	107,596,697	3,005,799
Net Costs to be Recovered in Future Rates	(5,479,528)	-	(5,479,528)	-
(Increase)/Decrease in Receivables	(4,789,862)	4,502,843	(287,019)	1,726
(Increase)/Decrease in Inventories	2,577,661	-	2,577,661	(38,358)
(Increase)/Decrease in Other Assets and Regulatory Assets	844,092	-	844,092	-
(Increase)/Decrease in Non-Current Assets	1,079,280	-	1,079,280	-
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	912,844	(351,776)	561,068	122,276
Increase/(Decrease) in due to Other Funds	(942,717)	-	(942,717)	-
Increase/(Decrease) in Fuel Adjustment	10,649,987	-	10,649,987	-
Increase/(Decrease) in Other Payables from Restricted Assets	4,030,234	-	4,030,234	-
(Increase)/Decrease in Rate Stabilization	4,578,087	-	4,578,087	-
Increase/(Decrease) in Compensated Absences	-	198,666	198,666	36,317
Pension Expense Adjustment	-	(107,887)	(107,887)	(3,751,013)
OPEB Expense Adjustment	-	92,652	92,652	(10,201)
Net Cash Provided by (Used in) Operating Activities	\$ 193,103,446	\$ 7,466,348	\$ 200,569,794	\$ 8,808,439
Noncash Capital, Investing and Financing Activities				
Transfer of Ironwood Golf Course Noncash Assets and Liabilities to Governmental Activities	\$ -	\$ (561,706)	\$ (561,706)	\$ -
Conversion of Net Pension Liability to Interfund Borrowing	111,038,756	25,044,447	136,083,203	-
Contribution of Capital Assets	7,638,795	-	7,638,795	-
Net Costs Recoverable in Future Years	(5,479,528)	-	(5,479,528)	-
Change in Utility Plant in Service	7,183,862	-	7,183,862	-
Change in Ineffective Portion of Hedging Derivatives	323,754	-	323,754	-
Change in Accumulated (Increase) Decrease in Fair Value of Hedging Derivatives - Interest Rate Swaps	(42,228,627)	-	(42,228,627)	-
Change in Fair Market Value of Investments	(1,144,996)	-	(1,144,996)	-
Change in Fair Market Value of Hedging Derivatives	41,904,873	-	41,904,873	-
Change in Bond Premium/Discount	(10,236,105)	-	(10,236,105)	-
Unamortized Debt Issuance Costs	575,147	-	575,147	-
Unamortized Loss on Refundings of Bonds	3,897,376	-	3,897,376	-
Other	(156,408)	-	(156,408)	-

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

**CITY OF GAINESVILLE, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2020**

	Pension and OPEB Trust Funds
Assets	
Cash and Cash Equivalents	\$ 33,022,550
Equity in Pooled Cash and Investments	217,527,665
Contributions Receivable	3,141,731
Investments, at Fair Value:	
Equities	559,155,602
Limited Partnership Units	56,351,779
Real Estate	41,033,912
Mutual Funds	2,344,892
Fixed Income:	
Government Bonds	9,818,089
Corporate Bonds	7,929,575
Mortgage and Asset Backed Securities	8,260,502
Total Investments, at Fair Value	684,894,351
Total Assets	938,586,297
Liabilities	
Accounts Payable and Accrued Liabilities	1,733,695
Total Liabilities	1,733,695
Net Position	
Restricted for:	
Pension Benefits	874,843,349
OPEB	62,009,253
Total Net Position	\$ 936,852,602

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

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

	Pension and OPEB Trust Funds
Additions	
Contributions:	
Employer Contributions	\$ 235,292,613
Employee Contributions	10,773,966
Total Contributions	246,066,579
Investment Income:	
Net Appreciation in Fair Value of Investments	27,752,870
Dividends and Interest	10,568,416
Total Investment Income	38,321,286
(Less Investment Expense)	(2,737,137)
Net Investment Income	35,584,149
Total Additions	281,650,728
Deductions	
Benefit Payments	65,196,683
Refunds of Contributions	684,576
Administrative Expenses	1,304,011
Total Deductions	67,185,270
Change in Net Position	214,465,458
Net Position - Beginning of Year	722,387,144
Net Position - End of Year	\$ 936,852,602

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Note 1 - Summary of Significant Accounting Policies

This Summary of Significant Accounting Policies is presented to assist the reader in interpreting the financial statements. The policies are considered essential and should be read in conjunction with the accompanying financial statements.

The accounting policies of the City of Gainesville, Florida (the City) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. This report, the accounting systems and classification of accounts conform to standards of the Governmental Accounting Standards Board (GASB).

A. Reporting Entity

The City is a Florida municipality established by the Laws of Florida, Section 12760, pursuant to the authority provided in Chapter 165, Florida Statutes, and is governed by an elected seven member Commission. It provides most of the traditional municipal services to its neighbors including police and fire protection, community development, streets, recreation, parks, golf course, cultural affairs, and other general government activities. It also operates transit, stormwater, building code enforcement, solid waste, water, wastewater, natural gas distribution, telecommunications and electric utility enterprises.

As required by generally accepted accounting principles, the accompanying financial statements present the City as a primary government and its component units, entities for which the City is considered financially accountable. The component units are included in the reporting entity because of the significance of their operational relationship with the primary government. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. The primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

Blended Component Units

The City created the Heartwood Community Homeowners' Association, Inc. (Heartwood Association) in January 2018 for the purpose of administering the Heartwood Community property and common areas. The Heartwood Association is a legally separate, not-for-profit corporation organized and existing under the applicable provisions of the Florida Statutes. The City has the sole right to appoint and remove any members of the Board of Directors and a financial burden relationship exists until the Heartwood Association has sold 90% of the lots.

The Cornerstone Condominium Association, Inc. (Cornerstone Association) is a not-for-profit corporation established in the State of Florida to provide an entity pursuant to the Act as it exists for the operation of Cornerstone Condominium located in Alachua County, Florida. As developer of the Cornerstone Condominium, the City appoints the members of the first Board of Directors and their replacements. The City also retains control of the Cornerstone Association under specific circumstances as described in the Cornerstone Association's bylaws. A financial burden relationship exists until such time as the Cornerstone Association has sold 90% of the lots.

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Neither Heartwood nor Cornerstone Association had any significant financial activity during the fiscal year ended September 30, 2020, therefore no financial information has been presented. The Associations do not issue separate financial statements.

Related Organizations

The City is responsible for appointing a voting majority of the board members of other organizations for which it is not financially accountable. The following organizations are considered related organizations and are not included in the accompanying financial statements:

- *Gainesville Housing Authority*—a public housing authority (dependent special district) created under Section 421.04, Florida Statutes.
- *Gainesville-Alachua County Regional Airport Authority*—an independent special district created for the purpose of providing airport services for Gainesville and Alachua County and surrounding areas.

Joint Ventures

The City's Utility is a participant in The Energy Authority (TEA), a power marketing corporation comprised of seven municipal utilities. The Utility has an ongoing financial interest in this joint venture, which is described in Note 6.

B. Basis of Presentation – Government-Wide and Fund Financial Statements

Government-Wide 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 nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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 or other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

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Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The City reports the following major governmental funds:

- The *General Fund* is the City's primary operating fund. It accounts for all resources traditionally associated with governments except those accounted for in another fund.
- The *Special Obligation Revenue Bonds, Series 2020* debt service fund is used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest of the Pension Obligation Bonds, Series 2020.

The City reports one major proprietary fund:

- The *Utility Fund* accounts for the activities of the City's electric generation, transmission and distribution operations, as well as its water, wastewater, natural gas distribution, and telecommunications operations.

Additionally, the City reports the following fund types:

- *Internal Service Funds* account for fleet management (acquisition and maintenance), risk management services (general liability), and employee health insurance provided to other departments of the City.
- The *Pension and Other Postemployment Benefits (OPEB) Trust Funds* accounts for the activities of the General Employee Pension Trust Fund, Police Officers' and Fire Fighters' Consolidated Pension Trust Fund, and the City's OPEB Trust Fund, which accumulate resources held in trust for pension and OPEB payments to qualified beneficiaries.

During the course of operations the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. Further, certain activity occurs during the year involving transfers of resources between funds reported at gross amounts as transfers in/out. While these balances are reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in the governmental activities (i.e. the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e. the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

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C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such *current financial resources* or *economic resources*. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, postemployment benefits and environmental obligations are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period. Entitlements are recorded as revenue as soon as all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

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

Cash and Cash Equivalents

The City's cash and cash equivalents include cash on hand, bank demand accounts, and overnight repurchase agreements. For purposes of the statement of cash flows, proprietary funds consider cash and cash equivalents to be cash on hand and demand deposits.

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Investments

Investments in the U.S. Treasury and government agencies are reported at fair value, as determined by quoted market prices or independent pricing sources. Investments in commercial paper are recorded at amortized cost, which approximates fair value. Investments in the City's pension and OPEB trust funds are reported at fair value, except for money market investments and participating interest-earning investment contracts with a maturity at the time of purchase of one year or less, which are reported at cost or amortized cost. Fair value is the price that would be received to sell an investment in an orderly transaction at year-end.

Inventories and Prepaid Items

The City accounts for its General Fund supply inventory at cost using the first-in/first-out (FIFO) method. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased. Materials and supplies inventories in the proprietary funds are stated at cost using the weighted average unit cost method. Inventories held for resale are reported at the lower of cost or market. Obsolete and unusable materials and supplies are expensed.

Fuel stocks in the electric system, which are stated using the weighted average unit cost method, are recorded as inventory when purchased. The cost of fuel used for electric generation is charged to expense as consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, utility plant, general plant, equipment, and infrastructure assets (e.g., roads, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, other than those recorded in the Utility fund, are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Utility fund general plant capital assets are defined as assets with an initial, individual cost of more than \$2,500 and a useful life in excess of more than one year. The Utility fund has no capital threshold for utility plant assets.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated acquisition value on the date donated. The costs of capital assets include material, labor, vehicle and equipment usage, related overhead items, capitalized interest, and certain administrative and general expenses. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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Property, plant and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

Buildings	20 to 50 Years
Improvement Other than Buildings	20 to 30 Years
Infrastructure – Roads, Curb, and Gutter	50 Years
Infrastructure – Roads, Non-Curb, and Gutter	25 Years
Infrastructure – Sidewalks	50 Years
Infrastructure – Bike Paths	25 Years
Equipment	5 to 20 Years
Stormwater System	50 Years
Streetscape	25 Years

Depreciation of utility plant is computed using the straight-line method over estimated service lives ranging from two to 83 years. The overall depreciation rate was 3.49% for the period ending September 30, 2020.

The City has elected to report infrastructure acquired prior to October 1, 1979, in addition to complying with the requirement to report infrastructure acquired subsequent to that date.

Major outlays for capital assets and improvements are capitalized as projects are constructed. An allowance for interest on borrowed funds used during construction of \$765,048 for the year ended September 30, 2020, was included in construction in progress and as a reduction of interest expense. These amounts are computed by applying the effective interest rate on the funds borrowed to finance the projects to the monthly balance of projects under construction. The effective interest rate was approximately 4.2% for fiscal year 2020.

When units of depreciable property are retired, other than those recorded in the Utility Fund, the net book value less salvage value is recorded as a gain or loss. Removal cost of the old asset is added to the cost of constructing the new asset and amortized over the life of that asset. Cost of removal of an asset not replaced with a new asset is recorded as an expense in the income statement. When the Utility retires units of depreciable property, the original cost less salvage value is charged to accumulated depreciation if there is outstanding debt that originally constructed or purchased that asset. If there is no longer outstanding debt, the net book value less salvage value is recorded as a gain or loss in the income statement.

Contributions in Aid of Construction

The City recognizes capital contributions to the electric and gas systems as revenues which are subsequently expensed in the same period for capital contributions that will not be recovered in rates in accordance with GASB Statements No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.

The City recognizes capital contributions to all other funds as increases in net position in the period received. Depreciation on these assets is recorded on a straight-line basis over the estimated useful lives of the assets.

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Hedging Derivative Instruments

The City records fuel and financial related derivative instruments in accordance with GASB Statement No. 53, *Accounting and Reporting for Financial and Derivative Instruments*. Hedging derivative instruments are associated with specific hedging transactions wherein the intent is to significantly reduce risks. For accounting purposes, in order to qualify as a hedge, the relationship between the derivative and the underlying item must result in a hedge that is “effective” in mitigating risk. If the hedge transaction is considered “ineffective” the valuation of the instrument is considered investment income or loss in the flows of resources statements. All effective derivative instruments are recorded as either an asset or liability measured at fair market value. All ineffective derivative instruments are recorded as a regulatory asset in the Utility Fund.

Changes in the fair value of the hedging derivative instruments during the year are recorded as either deferred outflows or deferred inflows and are recognized in the period in which the derivative is settled. The settlement of natural gas and petroleum fuel hedging derivative instruments are included in fuel costs in the Utility Fund and Fleet Management Internal Service Fund statement of revenues, expenses, and changes in fund net position, and the government-wide statement of activities. The settlement of financial related hedging derivative instruments is included in interest expense in the Utility Fund and government-wide statements.

Regulatory Assets and Liabilities

The City’s Utility Fund prepares its financial statements in accordance with GASB Statement No. 62, paragraphs 476-500, *Regulated Operations*, and records various regulatory assets and liabilities. For a government to report under GASB Statement No. 62, its rates must be designed to recover its costs of providing services, and the utility must be able to collect those rates from customers. If it were determined, whether due to regulatory action or competition, that these standards no longer applied, the City could be required to expense its regulatory assets and liabilities. Management of the Utility believes that the Utility currently meets the criteria for continued application of GASB Statement No. 62, but will continue to evaluate significant changes in the regulatory and competitive environment to assess continuing applicability of the criteria.

The Utility is regulated by the Gainesville City Commission (the City Commission) and its rates are established in accordance with the Second Amended and Restated Utilities System Revenue Bond Resolution (the Resolution). Each year during the budget process, and at any other time deemed necessary, the City Commission approves base rate changes and other changes to the Utility’s system charges as applicable.

The Florida Public Service Commission (PSC) does not regulate rate levels in any of the Utility’s systems. They do, however, have jurisdiction over the rate structure for the electric system.

Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Losses resulting from the refunding of bonds are deferred and amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

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

Compensated Absences

The City's policy is to allow limited vesting of employee vacation and sick pay. The limitation of vacation time is governed by the period of employment and is determinable. Unused sick leave may be added to an employee's length of service at the time of retirement for the purpose of computing retirement benefits or, in some cases, received partially in cash upon election at retirement. The resulting liability is not determinable in advance, however. All vacation pay and applicable sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. For governmental activities, these liabilities are generally liquidated by the General Fund.

Deferred Outflows/Inflows of Resources

A deferred outflow of resources represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that future time. The City has three items that qualify for reporting in this category:

- *Unamortized loss on refunding of bonds*—losses on refunding of bonds have been deferred. These amounts are being amortized over the life of the old debt or the life of the new debt, whichever is shorter.
- *Accumulated decrease in fair value of hedging derivatives*—the City has two types of hedging instruments: interest rate swap agreements and natural gas hedges. Each is associated with an item that is eligible to be hedged. For effective hedging transactions, hedge accounting is applied and fair market value changes are recorded on the statement of net position as either a deferred inflow of resources or a deferred outflow of resources until such time that the transaction ends.
- *Pension and OPEB related*—increases in the net pension and OPEB liability resulting from changes of assumptions, differences between projected and actual earnings on plan investments, and differences between expected and actual experience with regard to economic or demographic factors in the measurement of total pension and OPEB liability are reported as deferred outflows of resources, to be recognized as an increase in expense as disclosed in Note 10 – Retirement Plans and Note 11 – Other Postemployment Benefits Plan.

A deferred inflow of resources represents an acquisition of net assets that applies to a future period and, therefore, will not be recognized as an inflow of resources until that future time. The City has four items that qualify for reporting in this category:

- *Rate stabilization*—the Utility designs its rates to recover costs of providing services. In order to stabilize future rate increases or decreases, GRU determines a rate stabilization amount to be charged or credited to revenues on an annual basis. These amounts are reflected as increases or decreases in deferred inflows of resources – rate stabilization in the statements of net position.
- *Business taxes not yet earned*—business taxes are due to the City on October 1 for the fiscal year beginning that day. Payments received prior to that date are recorded as a deferred inflow of resources.

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- *Pension and OPEB related*—decreases in the net pension and OPEB liability resulting from changes of assumptions, differences between projected and actual earnings on plan investments, and differences between expected and actual experience with regard to economic or demographic factors in the measurement of total pension and OPEB liability are reported as deferred inflows of resources, to be recognized as a decrease in expense as disclosed in Note 10 – Retirement Plans and Note 11 – Other Postemployment Benefits Plan.

Net Pension and OPEB Liability

For purposes of measuring the net pension and OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the General Employees’ Pension Plan, the Police Officers’ and Firefighters’ Consolidated Retirement Plan, and the OPEB Plan, and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported in the related separately issued plan statements. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Net Position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components:

- *Net investment in capital assets*—consists of capital assets, net of accumulated depreciations and amortization, and reduced by the outstanding balances of any long-term borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- *Restricted*—consists of noncapital assets that must be used for a particular purpose as specified by creditors, contributors, grantors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted*—consists of assets that do not meet the definition of net investment in capital assets or restricted net position.

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.

Fund Balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called fund balance. The City’s governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the fund can be spent. Fund balances for governmental funds are comprised of the following:

- *Nonspendable*—includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, long-term notes receivables, and long-term advances between funds.

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- *Restricted*—includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of the resource provider.
- *Committed*—includes amounts that can only be used for the specific purposes determined by a formal action of the City’s highest level of decision-making authority. Formal actions include ordinances (for more permanent regulations) and resolutions (for shorter term actions) approved by the City Commission. Ordinances require two readings for approval and, therefore, are technically considered the most binding. This formal action must occur prior to the end of the reporting period, but the amount of the commitment may be determined in the subsequent period.
- *Assigned*—comprised of amounts intended to be used by the City for specific purposes that are neither restricted nor committed. *Intent* is expressed by a body (for example a budget or finance committee) or official to whom the City’s Commission has delegated the authority to assign amounts to be used for specific purposes. The City Commission has delegated such authority to the City Manager.
- *Unassigned*—is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. Unassigned fund balance also includes the negative fund balance of Special Revenue Funds due to expenditures incurred exceeding the amounts restricted, committed and assigned.

Encumbrance accounting, under which purchase orders and other commitments for expenditures are recorded in order to reserve that amount of the applicable appropriation, is employed in the governmental funds. Encumbrances are not the equivalent of expenditures. Encumbrances are reported as restricted, committed, or assigned fund balance at year-end, depending on the level of constraint, and are reappropriated the following year.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

Reserve Policy

The City Commission adopted a General Fund Reserve Policy to ensure the general government’s orderly provision of services to its citizens, availability of adequate working capital, plan for contingencies, and retain the City’s good standing with the rating agencies and the credit markets.

In order to establish a minimum cash threshold for emergencies, an emergency reserve shall be maintained at 0.15% of the taxable value of all property in the City on January 1st of that fiscal year. Additionally, for each fiscal year, the unassigned fund balance of the General Fund will be a minimum of two months, or 16.7%, and a maximum of three months, or 25%, of the following year’s budgeted expenditures and transfers. This target is not inclusive of any nonspendable, restricted, committed, or assigned, reserve amounts.

The General Fund unassigned fund balance will not be used to solve recurring revenue shortfalls. The portion of the General Fund unassigned fund balance that exceeds the minimum required level must be appropriated to finance any one-time expenses, as determined by the City Commission.

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No amount of the minimum required level of the General Fund unassigned fund balance may be expended unless it meets the purposes stated above and until appropriated by the City Commission, except for unanticipated emergencies. In those unanticipated emergency situations which demand immediate government action in the interest of public safety and welfare, the City Manager is authorized by the City Commission to spend up to a maximum of 20% of the minimum required level of the General Fund unassigned fund balance in accordance with procedures provided in the City's purchasing policies. A financial accounting related to such emergency expenditures will be submitted to the City Commission by the City Manager as expeditiously as possible after the end of the emergency.

If the emergency reserve falls below the minimum level, the shortfall will be budgeted in its entirety in the succeeding budget year. In the case of an event that creates a differential between the required General Fund unassigned fund balance amount and current available funds of equal to, or more than five percent, a funding plan will be developed to meet the requirements of the General Fund Reserve Policy within three years of the event. If the differential is less than five percent, the shortfall will be budgeted in its entirety in the succeeding budget year.

A review of this reserve policy will be completed by the City Manager or designee, annually, and recommendations for changes, if appropriate, will be submitted to the City Commission.

E. Revenues and Expenditures/Expenses

Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided or fines imposed by a given function or segment, and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes

Ad valorem property tax revenue is recognized as revenue in the fiscal year for which taxes are levied, measurable and available. Only property taxes collected within sixty days after year-end are recognized as revenue. The total millage levy is assessed at 5.2974 mills per \$1,000.

Taxes are levied and collected according to Florida Statutes under the following calendar:

Lien Date	January 1
Levy Date	October 1
Due Date	November 1
Delinquency Date	April 1

The Alachua County Tax Collector (the Tax Collector) bills and collects ad valorem taxes for the City. Florida Statutes provide for tax discounts for installment prepayments or full payments before certain dates. Installment prepayment dates and discounts of each installment (one-fourth of estimated taxes) are: June 30 - 6%, September 30 - 4.5%, December 31 - 3% and March 31 - 0%. Full payment dates and discounts are: November 30 - 4%, December 31 - 3%, January 31 - 2%, February 28 - 1%

CITY OF GAINESVILLE, FLORIDA
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and March 31 - 0%. The Tax Collector remits current taxes collected to the City several times a month during the first two months of the collection period. Thereafter, remittances are made to the City on a monthly basis.

Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. The principal operating revenues for the City's internal service funds related to general insurance and fleet management are charges to other funds for sales and services. For the internal service fund related to health insurance, the principal operating revenues are employer and employee contributions. Operating expenses for enterprise funds and internal service funds include the cost of sales and service, administrative expenses, depreciation on capital assets, and benefits paid. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Costs Recoverable in Future Years

The amount by which depreciation on Deerhaven Renewable Generating Station (DHR) exceeds principal repayment on the related bonds is recorded in other operating revenues in the Utility Fund as an amount to be recovered from future revenue. For the fiscal year ended September 30, 2020 that amount was \$5,479,529.

Unbilled Revenues

The Utility Fund accrues revenues for services rendered but not yet billed, which amounted to approximately \$14,031,199 for fiscal year 2020. Unbilled revenue is calculated by prorating cycle billings subsequent to September 30, 2020, according to the number of days applicable to the current fiscal year.

Fuel and Purchased Gas Adjustment

Fuel and purchased gas adjustment levelization revenue is recognized as fuel and fuel related expenses are incurred. Amounts charged to customers for fuel are based on estimated costs. The Utility establishes this fuel and purchased gas adjustment charge based on ordinances approved by the City Commission. If the amount recovered through billings exceeds actual fuel expenses, the Utility Fund records the excess billings as a liability. If the amount recovered through billings is less than actual fuel expenses, the Utility Fund records the excess fuel expense as a reduction of the liability or as an asset. A fuel and purchased gas adjustment levelization account is utilized to stabilize the monthly impact of the fuel and purchased gas adjustment charge included in customer billings.

Interfund Activity

During the course of normal operations, the City has various nonreciprocal interfund activities. Following is a summary of the accounting treatment applied to such interfund transactions:

- *Reimbursements*—reimbursements from one fund to another are recorded as expenditures or expenses in the reimbursing fund and as reductions of expenditures or expenses in the fund that is reimbursed.
- *Transfers*—interfund transfers impact the results of operations in the affected funds. An example is the payment to the General Fund from the Utility Fund.

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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F. Use of Estimates

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

G. Budgetary Information

The City has elected to report budgetary comparisons as Required Supplementary Information (RSI). Please refer to the accompanying notes to the RSI for the City's budgetary information.

Note 2 - Stewardship, Compliance and Accountability

At September 30, 2020, the following funds had deficit net position or fund balance:

Special Revenue Funds	
Community Development Block Grant	\$ (651,696)
HOME Grant	(297,167)
Police Billable Overtime	(323,935)
Miscellaneous Grants	(2,115,258)
Potential Civil Unrest	(70,298)
Golf Course Surcharge	(4,424)
School Crossing Guard	(52,862)
Art in Public Places	(4,452)
Debt Service Funds	
Capital Improvement Revenue Note 2016B	(2,547)

The Community Development Block Grant has a deficit fund balance due to revenue not being recognized in the fund as the City had not met all eligibility requirements as of September 30, 2020.

The HOME Grant has a deficit fund balance due to expenditures exceeding revenues over several years.

The Police Billable Overtime fund has a negative balance because the invoicing for all the police billable overtime was not sufficient to cover the cost. Management will evaluate the rate which is being charged and increase rates or subsidize any shortages in the future through the General Fund.

The School Crossing Guard fund has a negative fund balance, which was anticipated during the City's budget process. The decreasing fund balance is due to the intentional increase of the transfer to General Fund to cover the cost of the school crossing guard program.

The Miscellaneous Grants, Potential Civil Unrest, Golf Course Surcharge, and Art in Public Places funds report deficit fund balances due to expenditures exceeding revenues in the current year, and due to timing differences in revenue recognition for certain grant revenues.

The Capital Improvement Revenue Note 2016B debt service fund has a negative balance due to an additional expenditure in the current year. In fiscal year 2020, a transfer from other funds will cover the deficit.

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Note 3 - Cash and Investments

Deposits and Investments

Deposits and investments as of September 30, 2020, are classified in the accompanying financial statements as follows:

Statement of Net Position	
Cash and Cash Equivalents	\$ 36,163,809
Equity in Pooled Cash and Investments	136,922,792
Investments	1,382,210
Restricted Cash and Cash Equivalents	250,332,412
Statement of Fiduciary Net Position	
Cash and Cash Equivalents	33,022,550
Equity in Pooled Cash and Investments	217,527,665
Investments:	
Equities	559,155,602
Limited Partnerships	56,351,779
Real Estate	41,033,912
Mutual Funds	2,344,892
Government Bonds	9,818,089
Corporate Bonds	7,929,575
Mortgage and Asset Backed Securities	8,260,502
Total Cash and Investments	<u><u>\$ 1,360,245,789</u></u>

Deposits and investments as of September 30, 2020, consist of the following:

Deposits with Financial Institutions	\$ 311,968,583
Investments	1,048,271,902
Total Cash and Investments	<u><u>\$ 1,360,240,485</u></u>

Investment Policies

The City's total deposits and investments are comprised of three major components, each with its own set of legal and contractual provisions as described below.

Defined Benefit Pension Investments

These funds represent investments administered by the City's Defined Benefit Pension Fund Investment Managers. They comprise \$626,651,109 of the City's total fair value of investments, and are exclusive of the \$31,796,147 held in cash by the Trustees, and \$214,815,587 equity in the City's pooled cash and investments.

These investments are reported at fair value, which is derived through valuation efforts done by the City's investment managers in conjunction with the plan custodian. The fair values for the vast majority of these assets are readily available. For those assets whose fair value is less verifiable, the best available information is used.

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The City maintains separate investment managers for its equity and fixed income portfolios. The managers are required to comply with Florida Statutes, City ordinances, other applicable laws and with the fiduciary standards set forth in the Employees Retirement Income Security Act of 1974 at 29 U.S.C. Section 1140(a)(1)(A)(C). The managers of these funds are permitted to invest in the following instruments:

Equity Funds (Domestic)

- Common Stocks
- Stock Index Futures
- Convertible and Preferred Stocks
- American Depository Receipts
- Real Estate Investment Trusts (REITs)
- Limited Liability Companies (LLCs)

Equity Funds (International)

- Restricted to managers specifically hired to invest in international equities
- Common and Preferred Stocks of foreign issuers domiciled in developed and developing countries (emerging markets)
- Forward Foreign Currency Exchange Contracts for hedging purposes
- American and Global Depository Receipts and similar securities

Fixed Income Funds (Domestic)

- Must have a rating of investment grade (BBB/Baa) or better
- United States Treasury and Agency Securities
- Commercial Paper with either a Standard & Poor's quality rating of A-1 or a Moody's quality rating of P-1 and a maturity of 270 days or less
- Certificates of Deposit up to FDIC or FSLIC insurance coverage or any amount fully collateralized by US Government Securities or issued by an institution which is a qualified public depository within the State of Florida
- Corporate Bonds, Mortgage Backed Securities, or Asset Backed Securities
- Yankee Bonds
- Convertible Securities
- Money Market or Cash Equivalent Securities

Fixed Income Funds (International)

- Investment Grade Sovereign Issued Debt
- Investment Grade Corporate Bonds and Commercial Paper

Cash Equivalents

- Certificates of Deposit, Commercial Paper, Direct Obligations of the U.S. Government, Repurchase Agreements, Bankers Acceptances, Custodian STIFs, and other appropriate liquid short-term investments

CITY OF GAINESVILLE, FLORIDA
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Real Estate and Alternative Assets

- Discretionary commingled vehicles such as insurance company separate accounts, open-end or closed-end funds and REITs holding either leveraged or unleveraged positions in real property and real property related assets
- All must be of institutional investment quality and must be diversified by property type and geographic location

Pooled or Commingled Funds

- The fund may invest in commingled vehicles such as mutual funds, LLCs or common trust funds that are invested in substantially the same manner and same investments as stated above

Derivatives

- No use of leverage
- No use of “linked” securities that have the principal value or interest rate tied to anything not specifically allowed as permissible investments in these guidelines
- Any structured note must maintain a constant spread relationship with its underlying acceptable index
- Collateralized mortgage obligations cannot be more sensitive to interest-rate changes than the underlying mortgage-backed security

Restricted Direct Investments – Prohibited

- Short Sales or Margin Transactions
- Investments in Commodities or Commodity Contracts
- Direct loans or extension lines of credit to any interested party
- Letter Stock
- Unregistered securities and private placements (except those regulated by SEC Rule 144a or as specifically permitted by the Board)
- Investments and assets for which a generally recognized market is not available or for which there is no consistent or generally accepted pricing mechanism, unless specifically permitted by the Board

Other Postemployment Benefit (OPEB) Investments

These funds represent investments administered by the City’s OPEB Fund Investment Managers. They comprise \$58,243,242 of the City’s total fair value of investments, and are exclusive of the \$1,226,403 held in cash by the Trustees, and \$2,706,774 equity in the City’s pooled cash and investment. These investments are reported at fair value, which is derived through valuation efforts done by the City’s investment managers in conjunction with the plan custodian. The fair values for the vast majority of these assets are readily available. For those assets whose fair value is less verifiable, the best available information is used. The City maintains separate investment managers for its equity and fixed income portfolios. The managers of these funds are permitted to invest in the following:

Equity Funds (Domestic)

- Common Stocks
- Stock Index Futures
- Convertible and Preferred Stocks
- American Depository Receipts
- Real Estate Investment Trusts (REITs)
- Limited Liability Companies (LLCs)

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Equity Funds (International)

- Restricted to managers specifically hired to invest in international equities
- Common and Preferred Stocks of foreign issuers domiciled in developed and developing countries (emerging markets)
- Forward Foreign Currency Exchange Contracts for hedging purposes
- American and Global Depository Receipts and similar securities

Fixed Income Funds (Domestic)

- Must have a rating of investment grade (BBB/Baa) or better
- United States Treasury and Agency Securities
- Commercial Paper with either a Standard & Poor's quality rating of A-1 or a Moody's quality rating of P-1 and a maturity of 270 days or less
- Certificates of Deposit up to the Federal Depository Insurance Corporation (FDIC) or Federal Savings and Loan Insurance Corporation (FSLIC) insurance coverage or any amount fully collateralized by US Government Securities or issued by an institution which is a qualified public depository within the State of Florida
- Corporate Bonds, Mortgage Backed Securities, or Asset Backed Securities
- Yankee Bonds
- Convertible Securities
- Money Market or Cash Equivalent Securities

Fixed Income Funds (International)

- Investment Grade Sovereign Issued Debt
- Investment Grade Corporate Bonds and Commercial Paper

Cash Equivalents

- Certificates of Deposit, Commercial Paper, Direct Obligations of the U.S. Government, Repurchase Agreements, Bankers Acceptances, Custodian STIFs, and other appropriate liquid short-term investments

Real Estate and Alternative Assets

- Discretionary commingled vehicles such as insurance company separate accounts, open-end or closed-end funds and REITs holding either leveraged or unleveraged positions in real property and real property related assets
- All must be of institutional investment quality and must be diversified by property type and geographic location

Pooled or Commingled Funds

- The fund may invest in commingled vehicles such as mutual funds, LLCs or common trust funds that are invested in substantially the same manner and same investments as stated above

Derivatives

- No use of leverage
- No use of "linked" securities that have the principal value or interest rate tied to anything not specifically allowed as permissible investments in these guidelines
- Any structured note must maintain a constant spread relationship with its underlying acceptable index
- Collateralized mortgage obligations cannot be more sensitive to interest-rate changes than the underlying mortgage-backed security

CITY OF GAINESVILLE, FLORIDA
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Restricted Direct Investments – Prohibited

- Short Sales or Margin Transactions
- Investments in Commodities or Commodity Contracts
- Direct loans or extension lines of credit to any interested party
- Letter Stock
- Unregistered securities and private placements (except those regulated by SEC Rule 144a or as specifically permitted by the Board)
- Investments and assets for which a generally recognized market is not available or for which there is no consistent or generally accepted pricing mechanism, unless specifically permitted by the Board

The City also imposes the following limitations on its investment managers:

Equity Managers

- The equity portion of each portfolio manager shall not be more than 10% invested in the securities of any one company at fair value
- The portfolio manager shall not make short sales or use margin or leverage
- The portfolio manager shall not be invested in commodities, private real estate, or investment art objects
- The portfolio manager shall not invest in options, including the purchase, sale or writing of options unless options are “covered” by the corresponding security
- The portfolio manager shall not invest in warrants, although warrants issued in connection with stocks held by the fund may be sold, held, or converted by the investment manager at its discretion

Fixed Income Managers

- Security ratings reduced beneath the three highest classifications after purchase should be sold by the portfolio manager within a reasonable period of time
- Except for treasury and agency obligations, the debt portion of the OPEB trust fund shall contain no more than 10% of a given issuer irrespective of the number of differing issues
- If commercial paper is used, it must be only of the highest quality (A-1 or P-1)
- Private placement debt is not permissible

Other than Defined Benefit Pension and OPEB Investments

These funds comprise \$363,377,551 of the City’s total fair value of investments. This figure excludes \$61,423,672 of deposits with financial institutions.

Deposits—The institutions in which the City’s monies were deposited were certified as Qualified Public Depositories under the *Florida Public Deposits Act*. Therefore, the City’s total bank balances on deposit are entirely insured or collateralized by the FDIC and the Bureau of Collateral Securities, Division of Treasury, State Department of Insurance. Additionally, under the terms of the Resolution, the Utility’s depository is restricted to be a bank, savings and loan association or trust company of the United States or a national banking association, having capital stock, surplus and undivided earnings aggregating at least \$10 million.

Investments—The City’s other investments are reported at fair value. Fair value is based on market values or independent pricing sources. Investments in commercial paper are recorded at amortized cost, which approximates fair value.

**CITY OF GAINESVILLE, FLORIDA
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Florida Statutes and City ordinances authorize the City (excluding Cemetery and the Utility) to invest in the following investments:

- United States Treasury Debt Obligations
- Municipal Debt Obligations with a required AA/Aa2 rating by two or more Nationally Recognized Statistical Rating Organizations (NRSRO)
- United States Agency Securities
- Mortgage Backed Securities/Collateralized Mortgage Obligations/Asset Backed Securities with a required AAA/Aaa rating by a NRSRO; investments in securities that derive value and/or yield from an underlying asset must fall into one of the following categories: 1) security obligations that float with interest rates or external indexes such as LIBOR, Treasury Bills, Constant Maturity Treasury, Fed Funds, or Prime Rate; 2) security obligations that call or option features; or 3) security obligations that have step-up features at pre-determined intervals
- Interest Bearing Bank Deposits with Qualified Public Depository
- Certificates of Deposit
- Corporate Debt Obligations with a required A/A2 rating by two or more NRSROs
- Repurchase Agreements
- Bankers Acceptances with required investment grade rating of the accepting bank's short-term obligations by two or more NRSROs
- Commercial Paper with required A-1/P-1/F-1 rating by a NRSRO
- Florida Local Government Investment Pools
- Money Market Funds with required AAA/Aaa rating by a NRSRO
- United States Government and Agency Mutual Funds

Money belonging to the Evergreen Cemetery Trust Fund (a nonmajor special revenue fund), is invested in accordance with guidelines established by the Evergreen Cemetery Advisory Committee and/or as approved by the City Commission. These guidelines authorize investments in mutual funds including domestic equities, international equities and fixed income funds, as well as in a money market sweep account for cash balances held in the Evergreen Cemetery Trust bank account.

In accordance with Florida Statutes and the Resolution, the Utility is authorized to invest in the following investments:

- Obligations which are unconditionally guaranteed by the United States of America or its agencies or instrumentalities
- Repurchase Agreement Obligations unconditionally guaranteed by the United States of America or its agencies
- Corporate Indebtedness; must be at a minimum acceptable level at time of purchase (AA/Aa3/AA by Standard & Poor's, Moody's Investor Service, and/or Fitch Ratings, respectively), and in one of the two highest rating categories of at least one other nationally recognized rating agency
- Direct and General Obligations of any state of the United States of America or of any agency, instrumentality, or local governmental unit of any such state (provided such obligations are rated by a nationally recognized bond rating agency in either of its two highest rating categories)
- Public Housing Bonds
- Certain Certificates of Deposit

CITY OF GAINESVILLE, FLORIDA
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Custodial Credit Risk

Deposits—Deposits are exposed to custodial credit risk if they are not covered by depository insurance and they are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution’s trust department or agent, but not in the City’s name. All deposits of the City are either covered by depository insurance or are collateralized by the pledging financial institution’s trust department or agent in the City’s name.

Investments—Investment securities are exposed to custodial credit risk if they are uninsured and are not registered in the name of the government and are held by either the counterparty or by the counterparty’s trust department or agent but not in the government’s name. All identifiable investment securities of the City are either insured or are registered in the custodian’s name for the benefit of the City and are held by the counterparty’s trust department or agent.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by a rating by a nationally recognized statistical rating organization. The City has separate investment policies for its major investment categories. Detailed information on the City’s policies on credit risk for investments is described above in the subsection titled “Investment Policies”, separately for each major investment category. Guidelines for the credit ratings of specific types of investments are listed within each major investment category’s investment policy description.

Presented below is the rating as of year-end for each investment type.

Defined Benefit Pension Investments

Investment Type	Fair Value	Exempt from Disclosure	AAA	AA	A	BBB	BB
Equities	\$ 510,919,942	\$ 510,919,942	\$ -	\$ -	\$ -	\$ -	\$ -
Limited Partnerships	48,495,582	48,495,582	-	-	-	-	-
Real Estate	41,033,912	41,033,912	-	-	-	-	-
Mutual Funds	2,344,894	2,344,894	-	-	-	-	-
U.S. Treasury/Agency Securities	9,082,103	-	9,030,226	51,877	-	-	-
Corporate Bonds	7,259,276	-	3,684,100	439,993	1,101,854	2,011,797	21,532
Mortgage/Asset Backed Securities	7,515,400	-	3,814,084	455,517	1,140,730	2,082,778	22,291
Totals	\$ 626,651,109	\$ 602,794,330	\$ 16,528,410	\$ 947,387	\$ 2,242,584	\$ 4,094,575	\$ 43,823

OPEB Investments

Investment Type	Fair Value	Exempt from Disclosure	AAA	AA	A	BBB	BB
Equities	\$ 48,235,657	\$ 48,235,657	\$ -	\$ -	\$ -	\$ -	\$ -
Limited Partnerships	7,856,198	7,856,198	-	-	-	-	-
U.S. Treasury/Agency Securities	735,986	-	735,986	-	-	-	-
Corporate Bonds	670,299	-	-	670,299	-	-	-
Mortgage/Asset Backed Securities	745,102	-	-	745,102	-	-	-
Totals	\$ 58,243,242	\$ 56,091,855	\$ 735,986	\$ 1,415,401	\$ -	\$ -	\$ -

**CITY OF GAINESVILLE, FLORIDA
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Other than Defined Benefit Pension and OPEB Investments

<u>Investment Type</u>	<u>Fair Value</u>	<u>Average Rating</u>
Florida PRIME	\$ 155,677,281	AAAm
Mutual Funds	1,382,210	NR
U.S. Treasury Securities	7,132,713	Exempt
Commercial Paper	136,114,987	(1)
U.S. Agency Securities	38,010,752	(2)
Corporate Bonds	25,059,608	(3)
Totals	\$ 363,377,551	

- (1) As of September 30, 2020, all of the Utility's commercial paper investments were rated P-1 by Moody's Investor Service and/or A-2 or better by Standard & Poor's and/or F1 or NR by Fitch Ratings.
- (2) As of September 30, 2020, the Utility's FFCB, FHLMC, and FNMA were rated Aaa by Moody's Investor Service, and AA+ or NR by Standard & Poor's, and AAA or NR by Fitch Ratings.
- (3) As of September 30, 2020, all of the Utility's corporate holdings were rated Aa2 or better by Moody's Investor Service and/or AA or better by Standard & Poor's and/or AA or NR by Fitch Ratings.

Concentration of Credit Risk

Investments in any one issuer that represent 5% or more of the City's investments are reported below. The City's investment policies do not specifically restrict the concentration allowed to be held with any individual issuer, except that the equity portion of each portfolio manager shall not be more than 10% invested in the securities of any one company at fair value. Investments that represent 5% or more by each category are shown below by issuer and percent of total investments.

Defined Benefit Pension Investments

No investment in any one issuer exceeds 5% of total defined benefit pension investments.

OPEB Investments

No investment in any one issuer exceeds 5% of total OPEB investments.

Other than Defined Benefit Pension and OPEB Investments

As of September 30, 2020, the Utility had more than 5% of the investment portfolio invested with the following issuers:

<u>Issuer</u>	<u>Percent</u>
Guardian Life	5.16%
Federal Farm Credit Bank	6.54%
Federal National Mortgage Association	7.52%

Other assets held by the City at September 30, 2020, were in mutual funds and local government investment pools, which are exempt from disclosure requirements.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

The City's investment policies (excluding Cemetery and the Utility), limits maturities as follows:

United States Treasury Debt Obligations	15 years
Municipal Debt Obligations	7 years
United States Agency Securities	15 years
U.S. Agency Mortgage Backed Securities	15 years
Private Mortgage Backed Securities/Collateralized Mortgage Obligations/Asset Backed Securities	10 years
Interest Bearing Bank Deposits	Daily Liquidity
Certificates of Deposit	3 years
Corporate Debt Obligations	10 years
Repurchase Agreements	30 days
Bankers Acceptances	180 days
Commercial Paper	270 days
Money Market Funds	Daily Liquidity
U.S. Government and Agency Mutual Funds	Daily Liquidity

The Utility's investment policy limits investments to securities with terms of ten years or less to reduce exposure to rising interest rates, unless investments are matched to meet specific cash flow needs. Additionally, the average portfolio term is not to exceed seven years. The Bond Resolution further limits the Utility's investments of the Utility Plant Improvement and Rate Stabilization funds to no more than five years.

Information about the sensitivity of the fair values of the investments to market interest rate fluctuations is provided below, using the segmented time distribution method:

Defined Benefit Pension Investments

Investment Type	Fair Value	Exempt from Disclosure	Segmented Time Distribution			
			< 2 Years	2-5 Years	5-10 Years	> 10 Years
Equities	\$ 510,919,942	\$ 510,919,942	\$ -	\$ -	\$ -	\$ -
Limited Partnerships	48,495,582	48,495,582	-	-	-	-
Real Estate	41,033,912	41,033,912	-	-	-	-
Mutual Funds	2,344,894	2,344,894	-	-	-	-
U.S. Treasury/Agency Securities	9,082,103	-	1,682,018	4,520,354	2,065,490	814,241
Corporate Bonds	7,259,276	-	1,011,943	3,809,668	1,056,225	1,381,440
Mortgage/Asset Backed Securities	7,515,400	-	1,047,647	3,944,082	1,093,491	1,430,180
Totals	\$ 626,651,109	\$ 602,794,330	\$ 3,741,608	\$ 12,274,104	\$ 4,215,206	\$ 3,625,861

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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OPEB Investments

Investment Type	Fair Value	Exempt from Disclosure	< 2 Years	2-5 Years	5-10 Years	> 10 Years
Equities	\$ 48,235,657	\$ 48,235,657	\$ -	\$ -	\$ -	\$ -
Limited Partnerships	7,856,198	7,856,198	-	-	-	-
U.S. Treasury/Agency Securities	735,986	-	111,893	235,571	388,522	-
Corporate Bonds	670,299	-	40,898	462,483	166,918	-
Mortgage and Asset Backed	745,102	-	-	-	-	745,102
Totals	\$ 58,243,242	\$ 56,091,855	\$ 152,791	\$ 698,054	\$ 555,440	\$ 745,102

Other than Defined Benefit Pension and OPEB Investments

Investment Type	Fair Value	< 1 Years	1-5 Years
Florida PRIME ⁽¹⁾	\$ 155,677,281	\$ 155,677,281	\$ -
Mutual Funds	1,382,210	1,382,210	-
U.S. Treasury Securities	7,132,713	4,016,112	3,116,601
Commercial Paper	136,114,987	136,114,987	-
U.S. Agency Securities	38,010,752	-	38,010,752
Corporate Bonds	25,059,608	14,615,487	10,444,121
Totals	\$ 363,377,551	\$ 311,806,077	\$ 51,571,474

⁽¹⁾ The dollar weighted average days to maturity (WAM) of Florida PRIME at September 30, 2020, is 48 days. The weighted average life (WAL) of Florida PRIME at September 30, 2020, is 63 days.

Note 4 - Hedging Activities

Interest Rate Hedges

The Utility is a party to certain interest rate swap agreements. Under its interest rate swap programs, the Utility either pays a variable rate of interest, which is based on various indices, and receives a fixed rate of interest for a specific period of time (unless earlier terminated), or the Utility pays a fixed rate of interest and receives a variable rate of interest, which is based on various indices for a specified period of time (unless earlier terminated). These indices are affected by changes in the market. The net amounts received or paid under the swap agreements are recorded as an adjustment to interest on debt in the Statements of Revenues, Expenses, and Changes in Net Position. No money is initially exchanged when the Utility enters into a new interest rate swap transaction.

Terms, Fair Values, and Counterparty Credit Ratings – The terms, fair values, and counterparty credit ratings of the outstanding swaps as of September 30, 2020, were as follows:

Associated Bond Issue	2005B*	2005C*	2006A*	2007A*
Notional Amounts	\$ 10,250,000	\$ 17,895,000	\$ 17,310,000	\$ 135,795,000
Effective Date	11/16/2005	11/16/2005	7/6/2006	3/1/2007
Fixed Payer Rate	SIFMA	3.200%	3.224%	3.944%
			68.00% of	
	77.14% of	60.36% of	10YR LIBOR	
Variable Receiver Rate	1MO LIBOR	10YR LIBOR	Less 0.3635%	SIFMA
Fair Value	\$ (590)	\$ (1,057,464)	\$ (1,143,964)	\$ (51,492,965)
Termination Date	10/1/2021	10/1/2026	10/1/2026	10/1/2036
Counterparty Credit Rating	Aa2/AA-	Aa2/A+/AA	Aa2/AA-	Aa2/AA-

CITY OF GAINESVILLE, FLORIDA
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Associated Bond Issue	2008B*	2008B*	2017B*	2017B*
Notional Amounts	\$ 58,500,000	\$ 31,500,000	\$ 105,000,000	\$ 45,000,000
Effective Date	2/13/2008	2/13/2008	11/7/2017	11/7/2017
Fixed Payer Rate	4.229%	4.229%	1.760%	1.559%
			70.00% of	70.00% of
Variable Receiver Rate	SIFMA	SIFMA	1MO LIBOR	1MO LIBOR
Fair Value	\$ (20,813,478)	\$ (11,224,248)	\$ (14,672,007)	\$ (4,060,897)
Termination Date	10/1/2038	10/1/2038	10/1/2044	10/1/2044
Counterparty Credit Rating	Aa2/A+/AA	Aa2/A+/AA	A1/A+/A+	Aa3/A+/A+

Associated Bond Issue	2017C*	2014A*	2019A*
Notional Amounts	\$ 115,000,000	\$ 34,025,000	\$ 153,820,000
Effective Date	1/1/2020	10/1/2024	10/1/2029
Fixed Payer Rate	1.410%	1.054%	1.171%
	70.00% of	70.00% of	70.00% of
Variable Receiver Rate	1MO LIBOR	1MO LIBOR	1MO LIBOR
Fair Value	\$ (18,608,267)	\$ (349,276)	\$ 418,872
Termination Date	10/1/2047	10/1/2044	10/1/1947
Counterparty Credit Rating	Aa3/A+/A+	Aa2/A+/AA-	Aa2/A+/AA-

* See "Basis Risk" section below for details.

Fair Value – All of the swap agreements, except for the 2019A swap, had a negative fair value as of September 30, 2020. As the interest rate environment has decreased over the past year, the negative fair value of the swap agreements has increased. Due to the lower interest rate environment, as compared to the period when the swaps were entered into, the fixed payer rates currently exceed the variable receiver rates:

	Fair Value of Interest Rate Swaps at September 30, 2020	Changes in Fair Value	Changes in Deferred (Inflow)/Outflow	Changes in Regulatory (Assets)/Liabilities for Ineffective Instruments
2005B	\$ (590)	\$ (34,824)	\$ -	\$ 34,824
2005C	(1,057,464)	170,978	-	(170,978)
2006A	(1,143,964)	187,600	-	(187,600)
2008B	(20,813,478)	(3,106,732)	3,106,732	-
2008B	(11,224,248)	(1,677,076)	1,677,076	-
2007A	(51,492,965)	(9,032,140)	9,032,140	-
2017B	(14,672,007)	(8,445,307)	8,445,307	-
2017B	(4,060,897)	(1,428,701)	1,428,701	-
2017C	(18,608,267)	(18,608,267)	18,608,267	-
2014A	(349,276)	(349,276)	349,276	-
2019A	418,872	418,872	(418,872)	-
	<u>\$ (123,004,284)</u>	<u>\$ (41,904,873)</u>	<u>\$ 42,228,627</u>	<u>\$ (323,754)</u>

CITY OF GAINESVILLE, FLORIDA
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SEPTEMBER 30, 2020

Interest Rate Swap Payments – Debt service requirements on the interest rate swaps using interest rates in effect at September 30, 2020, are as follows:

Year Ending September 30,	Debt Service
2021	\$ 13,552,999
2022	13,252,771
2023	12,904,709
2024	12,539,591
2025	12,417,816
2026-2030	57,557,709
2031-2035	47,849,951
2036-2040	30,327,987
2041-2045	19,425,956
2046-2048	2,388,445
Total	\$ 222,217,934

Credit Risk – As of September 30, 2020, although most of the fair value of the interest rate swaps was negative, the Utility has structured its swap agreements to minimize credit risk. To mitigate the potential for credit risk, the Utility has negotiated additional termination event and collateralization requirements in the event of a ratings downgrade. Failure to deliver the Collateral Agreement to the Utility as negotiated and detailed in the Schedule to the International Swaps and Derivative Agreements (ISDA) master agreement for each counterparty would constitute an event of default with respect to that counterparty.

Basis Risk – The swaps expose the City to basis risk as follows:

- The 2005 Series B Swap is exposed to basis risk through the potential mismatch of 77.14% of one-month LIBOR and SIFMA rate. As a result, savings may not be realized. As of September 30, 2020, the one-month LIBOR rate was 0.14825%, and SIFMA rate was at 0.11%, which places the SIFMA at approximately 74% of one-month LIBOR at that date.
- The 2005 Series C Swap is exposed to basis risk through the potential mismatch of 60.36% of 10 Year LIBOR and the variable 31-day rollover rate. As a result, savings may not be realized. As of September 30, 2020, the 10 Year LIBOR rate was at 0.711%.
- The 2006 Series A Swap is exposed to basis risk through the potential mismatch of 68% of 10-year LIBOR less 0.36% and the variable 31-day rollover rate. As a result, savings may not be realized.
- The 2007 Series A and the 2008 Series B Swaps are exposed to the difference between SIFMA and the variable 31-day rollover rate.
- The 2017 Series B and C Swaps are exposed to the difference between 70% of the one-month LIBOR and 70% of the one-month LIBOR plus bank fee times the margin rate factor (corporate tax change from 35% to 21%, effective with the Tax Reform in January 1, 2018). As a result, savings may not be realized.
- The 2014 Series A and the 2019 Series A Swaps are forward starting swaps with effective dates of October 1, 2024 and October 1, 2029, respectively. The will be exposed to the difference between 70% of the one-month LIBOR and the variable rollover rate.

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Termination Risk – The swap agreement will be terminated at any time if certain events occur that result in one party not performing in accordance with the agreement. The swap can be terminated due to illegality, a credit event upon merger, an event of default, or if credit ratings fall below established levels.

Interest Rate Risk – This risk is associated with the changes in interest rates that will adversely affect the fair values of the Utility’s swaps and derivatives. The Utility mitigates this risk by actively reviewing and negotiating its swap agreements.

Rollover Risk – The Utility is exposed to this risk when its interest rates swap agreements mature or terminate prior to the maturity of the hedged debt. When the counterparty to the interest rate swap agreements chooses to terminate early, the Utility will be re-exposed to the rollover risk. Currently, there is no early termination option being exercised by any of the Utility’s interest rate swap counterparties.

Market Access Risk – This risk is associated with the event that the Utility will not be able to enter credit markets for interest rate swap agreements or that the credit market becomes more costly. The Utility maintains a strong credit rating of Aa3 from Moody’s, AA- from Standard and Poor’s, and A+ from Fitch Ratings. Currently the Utility has not encountered any credit market barriers.

Effectiveness – Of the interest rate swap agreements, eight have been determined effective, while three have been deemed ineffective as of September 30, 2020. The ineffective portion related to interest rate swap agreements is recorded as a regulatory asset in the amount of \$2,202,019 as of September 30, 2020.

The unrealized loss on interest rate swap agreements of \$41,904,872 was recorded in accumulated decrease in fair value of hedging derivatives at September 30, 2020. There were no realized gains or losses related to interest rate swaps as of September 30, 2020.

Fuel Hedges

Natural Gas

The Utility conducts a risk management program with the intent of reducing the impact of fuel price increases for its customers. The program utilizes futures and options contracts that are traded on the New York Mercantile Exchange (NYMEX) so that prices may be fixed or reduced for given volumes of gas that the utility projects to consume during a given production month. This program is based on feedback and direction from the Utility’s Risk Oversight Committee, consultation and recommendations from reputable risk management sources, and close monitoring of the market.

Realized losses related to gas hedging positions were recorded as an addition of fuel costs of \$196,443 for September 30, 2020. Unrealized gains and losses related to gas hedging agreements are deferred in a regulatory account and recognized in earnings as fuel costs are incurred. All fuel hedges have been determined to be effective. There were no unrealized gains or losses related to natural gas hedging agreements as of September 30, 2020.

Petroleum Fuel

The City utilizes futures contracts, maintained with a Futures Commission Merchant (broker) to hedge the effects of fluctuations in the prices of gasoline and diesel fuels. The fuel hedging program is designed to minimize large budget variances resulting from the volatility of fuel prices. The maximum allowed hedge maturity is 18 months and the maximum hedge ratio is 80%. The program is primarily overseen by the City’s Risk Oversight Committee.

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Realized losses related to these fuel hedging positions were recorded as an addition of fuel costs of \$9,750 for the fiscal year ended September 30, 2020. The unrealized loss related to the fuel hedging agreement in the amount of \$154,119 is reported as deferred outflow of resources on the statement of net position.

Note 5 - Fair Value Measurements

The City records assets and liabilities in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, which determines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurement.

Fair value is defined in GASB Statement No. 72 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). Fair value is a market-based measurement for a particular asset or liability based on assumptions that market participants would use in pricing the asset or liability. Such assumptions include observable and unobservable inputs of market data, as well as assumptions about risk and the risk inherent in the inputs to the valuation technique.

As a basis for considering market participant assumptions in fair value measurements, GASB Statement No. 72 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- 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.
- Level 3 inputs are unobservable inputs that reflect the City's own assumptions about factors that market participants would use in pricing the asset or liability (including assumptions about risk).

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Real estate investments are valued by market assumptions provided by the individual managers of each fund. The managers determine the fair value of the underlying investments of the fund then allocate their fair value to the City's investments based on the percentage of ownership it has in the fund. For investments in certain entities that calculate net asset value (NAV) that do not have a readily determinable fair value, the City is permitted to report fair value on the NAV per share as a practical expedient, where certain conditions are met. Such measurements are included within the disclosure, but should not be classified as Level 1, Level 2, or Level 3 within the hierarchy.

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Fair value measurements are performed on a recurring basis. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Management’s assessment of the significance of a particular input to the fair value measurement requires judgement and may affect the valuation of fair value assets and liabilities and their place within the fair value hierarchy levels. The City categorizes its investments within the fair value hierarchy as follows:

Defined Benefit Pension Investments

<u>Investments by Fair Value Level</u>	<u>Total Investments</u>	<u>Fair Value Measurements Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Equities	\$ 510,919,942	\$ 510,919,942	\$ -	\$ -
U.S. Treasury/Agency Securities	9,082,103	9,082,103	-	-
Mortgage/Asset Backed Securities	7,515,400	-	7,515,400	-
Corporate Bonds	7,259,276	-	7,259,276	-
Mutual Funds	2,344,894	2,344,894	-	-
Total Investments by Fair Value Level	\$ 537,121,615	\$ 522,346,939	\$ 14,774,676	\$ -

<u>Investments Measured at Net Asset Value (NAV)</u>	<u>Total Investments</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Real Estate Strategies ¹	\$ 41,033,912	\$ -	Daily	Next Day, 1-3 Days, Subjective
Alternative Investments ²	48,495,582	-	Daily, Monthly, Quarterly, or Biannual	10-90 Days, Subjective
Total Investments Measured at NAV	89,529,494	-		
Total Investments	\$ 626,651,109			

¹*Real Estate Strategies* – This type includes three commingled real estate funds comprised of diversified commercial and residential real estate investments. Participation in these investments is through commingled funds with ownership measured in shares of the funds. These investments typically provide daily liquidity with redemption requests processed the following day or within 1-3 days, subject to certain restrictions and the availability of cash. On March 20, 2020, the Principal U.S. Property Account applied a redemption limitation that provides for redemptions on a pro rata basis as cash balances become available for distribution. The Defined Benefit Pension Investments had no redemptions in queue as of September 30, 2020.

²*Alternative Investments* – This type includes five funds with a variety of investments including structured credit investments, securitized credit investments, sovereign credit investments, high yield credit investments, and residential bridge loans, which offer attractive risk/return profiles, and provide portfolio diversification. Participation in these funds is through a collective trust, commingled funds and limited partnerships, with ownership measured in shares of the collective trust, commingled funds, or partners’ capital. These investments typically provide daily, monthly, quarterly, or biannual liquidity with redemption requests required 10-90 days prior to trade settlement date, subject to certain restrictions and the availability of cash.

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OPEB Investments

	September 30, 2020	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Equities	\$ 48,235,657	\$ 48,235,657	\$ -	\$ -
U.S. Treasury/Agency Securities	735,986	735,986	-	-
Mortgage/Asset Backed Securities	745,102	-	-	745,102
Corporate Bonds	670,299	-	670,299	-
Total Investments by Fair Value Level	\$ 50,387,044	\$ 48,971,643	\$ 670,299	\$ 745,102

	Total Investments	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Investments Measured at Net Asset Value (NAV)				60 Day Written, Subjective
Real Estate Strategies ¹	\$ 7,856,198	-	Quarterly	
Total Investments Measured at NAV	7,856,198	-		
Total Investments	\$ 58,243,242			

¹*Real Estate Strategies* – This type includes one core private real estate fund comprised of commercial and residential real estate investments as of September 30, 2020. Participation in this fund is through a limited partnership with ownership measured in shares of partners' capital. These holdings are typically illiquid with redemption requests permitted with 60 days written notice prior to the end of the quarter, subject to certain restrictions and the availability of cash.

Other than Defined Benefit Pension and OPEB Investments

Investments by Fair Value	September 30, 2020	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Florida PRIME ¹	\$ 155,677,281	\$ -	\$ -	\$ -
Commercial Paper ²	136,114,987	-	-	-
Mutual Funds	1,382,210	1,382,210	-	-
U.S. Treasury Securities	7,132,713	-	7,132,713	-
U.S. Agencies:				
Federal Home Loan Mortgage Corp.	8,990,375	-	8,990,375	-
Federal National Mortgage Assn.	15,520,284	-	15,520,284	-
Federal Farm Credit Bank	13,500,093	-	13,500,093	-
Corporate Bonds:				
Mass Mutual Global Funding	5,047,420	-	5,047,420	-
Guardian Life	10,642,367	-	10,642,367	-
Walmart	4,013,700	-	4,013,700	-
New York Life	5,356,121	-	5,356,121	-
Total Investments at Fair Value Level	\$ 363,377,551	\$ 1,382,210	\$ 70,203,073	\$ -
Liabilities				
Effective Fuel Hedging Derivatives	\$ (154,119)	\$ -	\$ (154,119)	\$ -
Effective Interest Rate Swaps	(120,802,265)	-	(120,802,265)	-
Ineffective Interest Rate Swaps	(2,202,019)	-	(2,202,019)	-
Total Financial Instruments	\$ (123,158,403)	\$ -	\$ (123,158,403)	\$ -

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¹The City's investment in Florida PRIME is administered by the State Board of Administration (SBA) and represents an investment in a pool of investments whereby the City owns a share of the respective pool, not the underlying securities. The City's investment in Florida PRIME qualifies under the provisions of GASB Statement No. 79 to be measured at amortized cost for financial reporting purposes. As of September 30, 2020, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

²Money market investments and participating interest-earning investment contracts, including commercial paper, that have a remaining maturity at the time of purchase of one year or less are measured at amortized cost.

For the City's Other Than Defined Benefit Pension and OPEB Investments, valuation methods of the primary fair value measurements are as follows:

- Investments in debt securities are valued using Level 2 measurements because the valuations use interest rate curves and credit spreads applied to the terms of the debt instrument (maturity and coupon interest rate) and consider the counterparty credit rating.
- Commodity derivatives, such as futures, swaps and options, which are ultimately settled using prices at locations quoted through clearinghouses are valued using level 1 inputs.
- Other hedging derivatives, such as swaps settled using prices at locations other than those quoted through clearinghouses and options with strike prices not identically quoted through a clearinghouse, are valued using Level 2 inputs. For these instruments, fair value is based on pricing algorithms using observable market quotes.

Note 6 - Investment in The Energy Authority

The Utility has an equity investment in The Energy Authority (TEA), a power marketing corporation comprised of seven municipal utilities as of September 30, 2019: Municipal Electric Authority of Georgia, Jacksonville Electric Authority (Florida), South Carolina Public Service Authority, Nebraska Public Power District, GRU, City Utilities of Springfield (Missouri), and American Municipal Power, Inc. (Ohio). As of September 30, 2019, Public Utility District No. 1 of Cowlitz County did not have an equity interest in TEA. TEA provides energy products and resource management services to equity members and nonmembers and allocates transaction savings and operating expenses to equity members pursuant to Settlement Procedures under the Operating Agreement.

In the Statement of Revenues, Expenses, and Changes in Net Position, the Utility's sales to and purchases from TEA are recorded in sales and service charges and operations and maintenance expenses, respectively. Sales to TEA were \$1,323,266 and purchases from TEA were \$5,441,286 for the year ended September 30, 2020. The Utility's equity interest was 5.9% for fiscal year 2020, and accounted for using the equity method of accounting. As of September 30, 2020, the Utility's investment in TEA was \$2,958,684.

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Through a combination of agreements, the Utility guaranteed credit received by TEA for \$16,942,857 as of September 30, 2020. TEA evaluates its credit needs periodically and requests equity members to adjust their guarantees accordingly. The guarantee agreements are intended to provide credit support for TEA when entering into transactions on behalf of equity members. Such guarantees are within the scope of GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, and would require the equity members to make payments to TEA's counterparties if TEA failed to deliver energy, capacity, or natural gas as required by contract, or if TEA failed to make payment for the purchases of such commodities. If guarantee payments are required, the Utility has rights with other equity members that such payments be apportioned based on certain criteria. The guarantees generally have indefinite terms; however, the Utility can terminate its guarantee obligations by providing notice to counterparties and others, as required by the agreements. Such terminations would not pertain to any transactions TEA entered into prior to notice being given. As of September 30, 2020, the Utility had not recorded a liability related to these guarantees.

The table below contains unaudited condensed financial information for TEA for the nine months ended September 30, 2020:

Condensed Statement of Operations	<u>(In Thousands)</u>
Total Revenue	\$ 901,423
Total Cost of Sales and Expense	<u>(852,836)</u>
Operating Income	48,587
Nonoperating Income (Expense)	<u>32</u>
Change in Net Position	48,619
Net Position, Beginning of Period	41,770
Capital Contributions	404
Member Distributions	<u>(40,495)</u>
Net Position, End of Period	<u><u>\$ 50,298</u></u>
Condensed Balance Sheet	
Assets:	
Current Assets	\$ 155,621
Noncurrent Assets	<u>22,752</u>
Total Assets	<u><u>178,373</u></u>
Liabilities:	
Current Liabilities	127,800
Noncurrent Liabilities	<u>275</u>
Total Liabilities	128,075
Total Net Position	<u>50,298</u>
Total Liabilities and Net Position	<u><u>\$ 178,373</u></u>

As of September 30, 2020, the Utility's accounts receivable due from TEA totaled approximately \$166,877.

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Note 7 - Receivables

Amounts receivables are aggregated into a single accounts receivable (net of allowance for doubtful accounts) line for certain funds and aggregated columns. Below is the detail of receivables for the governmental and business-type activities as September 30, 2020:

	Governmental Activities				Business-Type Activities		
	General Fund	Nonmajor Governmental Funds	Internal Service Funds	Governmental Activities	Utility Fund	Nonmajor Enterprise Funds	Business-Type Activities
Accounts Receivable, Gross	\$ 2,756,315	\$ 273,915	\$ 1,962	\$ 3,032,192	\$ 61,419,877	\$ 4,980,613	\$ 66,400,490
Allowance	(1,356,182)	(119,048)	(1,962)	(1,477,192)	(3,013,752)	(185,587)	(3,199,339)
Net Accounts Receivable	1,400,133	154,867	-	1,555,000	58,406,125	4,795,026	63,201,151
Assessments Receivable	-	2,611	-	2,611	-	-	-
Due from Other Governments	3,141,731	2,987,630	-	6,129,361	-	2,052,151	2,052,151
Notes Receivable	-	61,227	-	61,227	-	-	-
Other	-	30,856	-	30,856	-	-	-
Total Receivables	\$ 4,541,864	\$ 3,237,191	\$ -	\$ 7,779,055	\$ 58,406,125	\$ 6,847,177	\$ 65,253,302

Note 8 - Capital Assets

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 35,815,934	\$ 228,803	\$ -	\$ 520,266	\$ 36,565,003
Construction in Progress	18,300,767	4,499,126	(10,961,921)	-	11,837,972
Total Capital Assets, Not Being Depreciated	54,116,701	4,727,929	(10,961,921)	520,266	48,402,975
Capital Assets, Being Depreciated:					
Buildings	90,627,423	608,544	-	734,002	91,969,969
Improvements Other Than Buildings	25,261,001	92,803	-	2,712,342	28,066,146
Machinery and Equipment	53,235,766	5,067,968	(1,423,758)	410,314	57,290,290
Infrastructure	260,073,788	16,653,012	-	-	276,726,800
Total Capital Assets, Being Depreciated	429,197,978	22,422,327	(1,423,758)	3,856,658	454,053,205
Less Accumulated Depreciation:					
Buildings	(35,805,698)	(2,597,306)	-	(447,881)	(38,850,885)
Improvements Other Than Buildings	(11,650,590)	(1,461,768)	-	(1,944,058)	(15,056,416)
Machinery and Equipment	(36,223,266)	(4,432,158)	1,359,464	(291,381)	(39,587,341)
Infrastructure	(136,476,168)	(7,092,988)	-	-	(143,569,156)
Total Accumulated Depreciation	(220,155,722)	(15,584,220)	1,359,464	(2,683,320)	(237,063,798)
Total Capital Assets Being Depreciated, Net	209,042,256	6,838,107	(64,294)	1,173,338	216,989,407
Governmental Activities Capital Assets, Net	\$ 263,158,957	\$ 11,566,036	\$ (11,026,215)	\$ 1,693,604	\$ 265,392,382

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	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-Type Activities					
Capital Assets, Not Being Depreciated:					
Land	\$ 9,384,876	\$ -	\$ -	\$ (520,266)	\$ 8,864,610
Construction in Progress	72,455,876	90,033,636	(58,979,134)	-	103,510,378
Total Capital Assets, Not Being Depreciated	<u>81,840,752</u>	<u>90,033,636</u>	<u>(58,979,134)</u>	<u>(520,266)</u>	<u>112,374,988</u>
Capital Assets, Being Depreciated:					
Utility Plant and Equipment	2,855,228,234	57,950,615	(8,445,358)	-	2,904,733,491
Buildings	46,226,878	132,262	-	(733,992)	45,625,148
Improvements Other Than Buildings	7,869,006	149,370	-	(3,516,872)	4,501,504
Machinery and Equipment	51,953,634	2,134,399	-	(410,314)	53,677,719
Infrastructure	54,284,359	485,069	-	803,689	55,573,117
Total Capital Assets, Being Depreciated	<u>3,015,562,111</u>	<u>60,851,715</u>	<u>(8,445,358)</u>	<u>(3,857,489)</u>	<u>3,064,110,979</u>
Less Accumulated Depreciation:					
Utility Plant and Equipment (Restated)	(1,040,296,525)	(100,609,185)	4,793,854	-	(1,136,111,856)
Buildings	(9,037,218)	(1,218,795)	-	447,881	(9,808,132)
Improvements Other Than Buildings	(5,742,293)	(280,249)	-	4,047,386	(1,975,156)
Machinery and Equipment	(34,698,847)	(3,629,107)	-	291,381	(38,036,573)
Infrastructure	(22,083,109)	(1,422,026)	-	(2,102,497)	(25,607,632)
Total Accumulated Depreciation	<u>(1,111,857,992)</u>	<u>(107,159,362)</u>	<u>4,793,854</u>	<u>2,684,151</u>	<u>(1,211,539,349)</u>
Total Capital Assets Being Depreciated, Net	<u>1,903,704,119</u>	<u>(46,307,647)</u>	<u>(3,651,504)</u>	<u>(1,173,338)</u>	<u>1,852,571,630</u>
Business-Type Activities Capital Assets, Net	<u>\$ 1,985,544,871</u>	<u>\$ 43,725,989</u>	<u>\$ (62,630,638)</u>	<u>\$ (1,693,604)</u>	<u>\$ 1,964,946,618</u>

Beginning October 1, 2019, the City began reporting operations of the Ironwood Golf Course in the General Fund. All assets of the Golf Course, net of accumulated depreciation were transferred from business-type to governmental activities.

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities

General Government	\$ 794,355
Public Safety	2,261,871
Physical Environment	349
Transportation	6,425,276
Economic Environment	667,947
Culture and Recreation	2,428,623
Depreciation on Capital Assets Held by the City's Internal Service Funds is Charged to the Various Functions Based on Their Usage of the Assets	<u>3,005,799</u>

Total \$ 15,584,220

Business-Type Activities

Utility	\$ 100,609,185
Regional Transit System	4,961,113
Stormwater	1,560,782
Florida Building Code Enforcement	4,015
Solid Waste	24,267

Total \$ 107,159,362

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Note 9 - Accounts Payable and Other Liabilities

Accounts payable and other liabilities as of September 30, 2020 consist of the following:

	Governmental Activities				Business-Type Activities		
	General Fund	Nonmajor Governmental Funds	Internal Service Funds	Governmental Activities	Utility Fund	Nonmajor Enterprise Funds	Business-Type Activities
Accounts Payable	\$ 2,408,707	\$ 1,380,707	\$ 688,590	\$ 4,478,004	\$ 11,800,220	\$ 1,200,544	\$ 13,000,764
Fuels Payable	-	-	-	-	4,586,774	-	4,586,774
Retainage Payable	1,320	539,193	-	540,513	-	92,866	92,866
Payroll and Related Liabilities	5,959,629	68,983	117,289	6,145,901	-	731,487	731,487
Insurance Claims and Reserves	-	-	8,218,252	8,218,252	-	-	-
Due to Other Governments	954,724	-	-	954,724	-	753,017	753,017
Deposits	546,435	205,008	-	751,443	-	-	-
Assets Held in Evidence	-	670,492	-	670,492	-	-	-
Other	119,303	3,192	-	122,495	-	-	-
Total Accounts Payable and Other Liabilities	\$ 9,990,118	\$ 2,867,575	\$ 9,024,131	\$ 21,881,824	\$ 16,386,994	\$ 2,777,914	\$ 19,164,908

Note 10 - Retirement Plans

The City sponsors and administers two single-employer retirement plans, which are accounted for in separate Pension Trust Funds. Additionally the City participates in the Florida Retirement System, a single retirement system which consists of two cost-sharing, multiple-employer defined benefit plans, and other non-integrated programs. Total pension expense for all pension plans was \$32,588,217 for the fiscal year ended September 30, 2020.

A. Employees' Pension Plan

Plan Description—The Employees' Pension Plan (Employees' Plan) is a contributory defined benefit single-employer pension plan that covers all permanent employees of the City, except certain personnel who elected to participate in the Defined Contribution Plan and who were grandfathered into that plan, and police officers and firefighters who participate in the Consolidated Plan. Benefits and refunds of the defined benefit pension plan are recognized when due and payable in accordance with the terms of the plan. The costs of administering the plan, like other plan costs, are captured within the plan itself and financed through contribution and investment income, as appropriate.

The City issues a publicly available financial report that includes financial statements and required supplementary information for the Employees' Plan. That report may be obtained by writing to City of Gainesville, Budget & Finance Department, P.O. Box 490, Gainesville, Florida 32627 or by calling (352) 334-5054.

Benefits Provided—The Employees' Plan provides retirement, disability and death benefits. Prior to April 2015, disability benefits were provided through a separate plan which was subsequently terminated. Existing and future pension assets and pension liabilities were transferred to the Employees' Plan at that time.

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Retirement benefits for employees are calculated as a fixed percent (often referred to as “the multiplier”) of the employee’s final average earnings (FAE) times the employee’s years of service. The fixed percentage and final average earnings vary depending on the date of hire as follows:

<u>Date of Hire</u>	<u>Fixed Percent of FAE (Multiplier)</u>	<u>Final Average Earnings</u>
On or Before 10/01/2007	2.0%	Highest 36 consecutive months
10/02/2007 – 10/01/2012	2.0%	Highest 48 consecutive months
On or After 10/02/2012	1.8%	Highest 60 consecutive months

For service earned prior to 10/01/2012, the lesser number of unused sick leave or personal critical leave bank credits earned on or before 09/30/2012 or the unused sick leave or personal critical leave bank credits available at the time of retirement may be credited towards the employee’s years of service for that calculation. For service earned on or after 10/01/2012, no additional months of service will be credited for unused sick leave or personal critical leave bank credits.

Employees are eligible for normal retirement:

- If the date of hire occurred on or before 10/02/2007, after accruing 20 years of pension service credit, regardless of age or after accruing 10 years of pension service credit and reaching age 65 while still employed.
- If the date of hire was between 10/02/2007 and 10/01/2012, after accruing 25 years of pension service credit, regardless of age or after accruing 10 years of pension service credit and reaching age 65 while still employed.
- If the date of hire was on or after 10/02/2012, after accruing 30 years of pension service credit, regardless of age or after accruing 10 years of pension service credit and reaching age 65 while still employed.

Employees are eligible for early retirement:

- If the date of hire occurred on or before 10/01/2012, after accruing 15 years of pension service credit and reaching age 55 while still employed.
- If the date of hire was on or after 10/02/2012, after accruing 20 years of pension service credit and reaching age 60 while still employed.
- Under the early retirement option, the benefit is reduced by 5/12^{ths} of one percent for each month (5% for each year) by which the retirement date is less than the date the employee would reach age 65.
- Employees receive a deferred vested benefit if they are terminated after accruing five years of pension service credit but prior to eligibility for regular retirement. Those employees will be eligible to receive a benefit starting at age 65.

A 2% cost of living adjustment (COLA) is applied to retirements benefits each October 1 if the retiree has reached eligibility for COLA prior to that date. Eligibility for COLA is determined as follows:

- If the retiree had at least 20 years of credited service prior to 10/01/2012 and at least 20 years but less than 25 years of credited service upon retirement, COLA begins after reaching age 62.
- If the retiree had at least 20 years of credited service prior to 10/01/2012 and at least 25 years of credited service upon retirement, COLA begins after reaching age 60.

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- If the retiree was hired on or before 10/01/2012 and had less than 20 years of credited service on or before 10/01/2012 and 25 years or more of credited service upon retirement, COLA begins after reaching age 65.
- If the retiree was hired after 10/01/2012 and had 30 years or more of credited service upon retirement, COLA begins after age 65.

Employees hired on or before 10/01/2012 are eligible to participate in the deferred retirement option plan (DROP) when they have completed 27 years of credited service and are still employed by the City. Such employees retire from the Employees' Plan but continue to work for the City. The retirement benefit is calculated as if the employee had terminated employment and is paid to a DROP account held within the pension plan until the employee actually leaves the employment of the City. While in DROP, these payments earn a guaranteed rate of annual interest, compounded monthly. For employees who entered DROP on or before 10/01/2012, DROP balances earn 6% annual interest. For employees who entered DROP on or after 10/02/2012, DROP balances earn 2.25% annual interest. Employees may continue in the DROP for a maximum of 5 years or until reaching 35 years of service, whichever occurs earlier. Upon actual separation from employment, the monthly retirement benefits begin being paid directly to the retiree and the retiree must take their DROP balance plus interest as a lump-sum cash disbursement, roll into a retirement account or choose a combination of the two options.

Death benefits are paid as follows:

- If an active member retires after reaching normal retirement eligibility and had selected a tentative benefit option, benefit payments will be made to the beneficiary in accordance with the option selected.
- If an active member who is married dies after reaching normal retirement eligibility and did not previously select a tentative benefit option, the plan assumes the employee retired the day prior to death and elected the Joint & Survivor option naming their spouse as their beneficiary.
- If an active member who is not married dies after reaching normal retirement eligibility and did not previously select a tentative benefit option, or if an active member dies prior to reaching normal retirement eligibility, or if a nonactive member with a deferred vested benefit dies before age 65, the death benefit is a refund of the member's contributions without interest to the beneficiary on record.
- Continuation of retirement benefits after the death of a retiree receiving benefits is contingent on the payment option selected upon retirement. If the retiree has chosen a life annuity and dies prior to receiving benefits greater than the retiree's contributions to the plan, a lump sum equal to the difference is paid to the beneficiary on record.

Disability benefits are paid to eligible regular employees of the City who become totally and permanently unable to perform substantial work for pay within a 50-mile radius of the home or City Hall, whichever is greater, and who is wholly and continuously unable to perform any and every essential duty of employment, with or without a reasonable accommodation, or of a position to which the employee may be assigned. The basic disability benefit is equal to the greater of the employee's years of service credit times 2% with a minimum 42% for in line of duty disability and a minimum 25% for other than in line of duty disability, times the employee's final average earnings as would be otherwise calculated under the plan. The benefit is reduced by any disability benefit percent up to a maximum of 50% multiplied by the monthly Social Security primary insurance amount to which the

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employee would be initially entitled to as a disabled worker, regardless of application status. The disability benefit is limited to the lesser of \$3,750 per month or an amount equal to the maximum benefit percent, less reductions above and the initially determined wage replacement benefit made under workers' compensation laws.

Plan Membership—At October 1, 2019, membership consisted of:

Active Plan Members	1,640
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	1,376
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	<u>427</u>
Total	<u><u>3,443</u></u>

Contribution Requirements—The contribution requirements of plan members and the City are established and may be amended by City Ordinance approved by the City Commission. The City is required to contribute at an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City contributes the difference between the actuarially determined rate and the contribution rate of employees. Plan members are required to contribute 5% of their annual covered salary. The City's required contribution rate for fiscal year 2020 was 18.82% of covered payroll. This rate was influenced by the issuance of the Taxable Pension Obligation Bonds, Series 2003A and the Special Obligation Revenue Bonds, Series 2020. The proceeds from these issue were utilized to retire the unfunded actuarial accrued liability at that time in the Employees' Plan. Differences between the required contribution and actual contribution are due to actual payroll experiences varying from the estimated total payroll used in the generation of the actuarially required contribution rate. Administrative costs are financed through investment earnings.

Net Pension Liability—At September 30, 2020 the City reported a net pension liability for the Employees' Plan of \$24,827,585. The Employees' Plan net pension liability was measured as of September 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2019, rolled-forward to the measurement date.

Significant Actuarial Assumptions—The Employees' Plan total pension liability was determined by an actuarial valuation performed as of October 1, 2019, using the following actuarial methods and assumptions:

<u>Actuarial Assumptions</u>	
Inflation	2.50%
Salary Increases	Service Based
Investment Rate of Return	7.90%
Discount Rate	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table projected generationally with Mortality Improvement Scale BB. The assumed rates of mortality are mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). The mortality rates used are those outlined in the July 1, 2018 FRS actuarial valuation report for nonspecial risk lives.

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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-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. For 2020 the inflation rate assumption was 2.50%. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the Employees' Plan target asset allocation as of September 30, 2020 are summarized in the following table:

	Target Allocation	Long-Term Expected Rate of Return
Domestic Equity	47.00%	7.50%
International Equity	28.00%	8.50%
Domestic Fixed Income	8.00%	2.50%
Real Estate	12.00%	4.50%
Alternative	5.00%	7.00%
Total	100%	

Discount Rate—The discount rate used to measure the total pension liability was 7.90%. 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 City contributions will be made at rates equal to the actuarially determined contribution rates less the member contributions. 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 the pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability —

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at October 1, 2019	\$ 585,350,538	\$ 415,287,016	\$ 170,063,522
Changes for the Year:			
Service Cost	8,697,546	-	8,697,546
Interest	45,457,275	-	45,457,275
Differences Between Expected and Actual Experience	(157,018)	-	(157,018)
Contributions - Buy Back	195,500	195,500	-
Benefit Payments, Including Refunds of Employee Contributions	(37,279,075)	(37,279,075)	-
Contributions - Employer	-	177,683,605	(177,683,605)
Contributions - Employee	-	5,053,053	(5,053,053)
Net Investment Income	-	17,060,129	(17,060,129)
Administrative Expense	-	(563,047)	563,047
Net Changes	16,914,228	162,150,165	(145,235,937)
Balance at September 30, 2020	\$ 602,264,766	\$ 577,437,181	\$ 24,827,585

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Sensitivity of the Net Pension Liability to Changes in the Discount Rate—The following presents the net pension liability, calculated using the discount rate of 7.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.90%) or 1 percentage-point higher (8.90%) than the current rate:

	1% Decrease (6.90%)	Current Discount Rate (7.90%)	1% Increase (8.90%)
Net Pension Liability (Asset)	\$ 93,361,099	\$ 24,827,585	\$ (32,613,544)

Pension Plan Fiduciary Net Position—Detailed information about the Employees’ Plan fiduciary net position is available in the separately issued Employees’ Plan financial report.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources—For the year ended September 30, 2020, the City recognized pension expense for the Employees’ Plan of \$28,286,604. At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to the Employees’ Plan from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 5,391,105	\$ 2,039,071
Changes of Assumptions	9,648,244	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	21,139,918	-
Total	\$ 36,179,267	\$ 2,039,071

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Employees’ Plan will be recognized in pension expense as follows:

Fiscal Year Ending	Pension Expense Amount
2021	\$ 8,758,118
2022	9,484,231
2023	12,907,978
2024	3,016,039
2025	(26,170)
Thereafter	-
Total	\$ 34,140,196

B. Police Officers’ and Firefighters’ Consolidated Retirement Plan

Plan Description—The Police Officers’ and Firefighters’ Consolidated Retirement Plan (Consolidated Plan) is a contributory defined benefit single-employer pension plan that covers City sworn police officers and firefighters. The Plan is established under City of Gainesville Code of Ordinances, Article 7, Chapter 2, Division 8. It complies with the provisions of Chapter 112, Part VII, Florida Statutes; Chapter 22D-1 of the Florida Administrative Code; Chapters 175 and 185, Florida Statutes; and Article X, Section 14 of the Florida Constitution, governing the establishment, operation and administration of plans.

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Benefits and refunds of the defined benefit pension plan are recognized when due and payable in accordance with the terms of the plan. The costs of administering the plan, like other plan costs, are captured within the plan itself and financed through contribution and investment income, as appropriate.

The City issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained by writing to City of Gainesville, Budget and Finance Department, P.O. Box 490, Gainesville, Florida 32627 or by calling (352) 334-5054.

Benefits Provided—The Consolidated Plan provides retirement, disability and death benefits. Retirement benefits for employees are calculated as a fixed percent (often referred to as “the multiplier”) of the employee’s final average earnings (FAE) times the employee’s years of service.

For Police Officers, the final average monthly earnings (FAME) is the average of pensionable earnings during the 36 to 48 month period (depending on date of hire) that produces the highest earnings. For Police Officers, the benefit multiplier is 2.5% for credited service before 10/01/2005, 2.625% for credited service from 10/01/2005 to 07/01/2013 and 2.5% for credited service on and after 07/01/2013.

Police Officers are eligible for normal retirement:

- If the date of hire occurred prior to 07/01/2013, after accruing 20 years of pension service credit, regardless of age or after accruing 10 years of pension service credit and reaching age 55 while still employed, or attaining a combination of credited service and age that equals seventy (Rule of Seventy).
- If the date of hire was on or after 07/01/2013, after accruing 25 years of pension service credit, regardless of age or after accruing 10 years of pension service credit and reaching age 55 while still employed, or attaining a combination of credited service and age that equals seventy.

Police Officers are eligible for early retirement:

- After accruing 10 years of pension service credit and reaching age 50 while still employed.
- Under the early retirement option, the benefit is reduced 3% for each year by which the retirement date is less than the date the employee would reach age 55.
- Employees may choose to receive a refund on contributions to the plan or to receive a deferred vested benefit if they are terminated after accruing 10 years of pension service credit but prior to eligibility for regular retirement. Those employees will be eligible to receive a benefit starting at age 55 with no reduction or at age 50 with the early retirement penalty above.

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For Police Officers, a 1-2% cost of living adjustment (COLA) is applied to retirement benefits each October 1 if the retiree has reached eligibility for COLA prior to that date. Eligibility for COLA for Police Officers is determined as follows:

- If the retiree was eligible for retirement on or before 07/01/2013 and had at least 25 years of credited service upon retirement, 2% COLA begins after reaching age 55.
- If the retiree was eligible for retirement on or before 07/01/2013 had 20 years of credited service upon retirement, 2% COLA begins after reaching age 62.
- If the retiree was eligible for retirement after 07/01/2013 and had 25 years of credited service upon retirement 1% COLA begins after reaching age 55 and the COLA increases to 2% after reaching age 62.
- If the retiree retired under the Rule of Seventy with less than 20 years of credited service upon retirement, COLA begins after age 62. Effective July 1, 2013, Police Officers retiring under the Rule of Seventy are ineligible for COLA.

For Firefighters, the final average monthly earnings (FAME) is the average of pensionable earnings during the 36 month period that produces the highest earnings. For Firefighters, the benefit multiplier is 2.5% for credited service before 10/01/2005, 2.625% for credited service from 10/01/2005 to 12/31/2013 and 2.5% for credited service on and after 01/01/2014. For service earned prior to 01/01/2014, the lesser number of unused sick leave credits earned on or before 12/31/2013 or the unused sick leave bank credits available at the time of retirement may be credited towards the employee's years of service for that calculation. For service earned on or after 01/01/2014, no additional months of service will be credited for unused sick leave credits.

Firefighters are eligible for normal retirement:

- If the date of hire occurred prior to 01/01/2014, after accruing 20 years of pension service credit, regardless of age or after accruing 10 years of pension service credit and reaching age 55 while still employed, or attaining a combination of credited service and age that equals seventy (Rule of Seventy).
- If the date of hire was on or after 01/01/2014, after accruing 25 years of pension service credit, regardless of age or after accruing 10 years of pension service credit and reaching age 55 while still employed, or attaining a combination of credited service and age that equals seventy.

Employees are eligible for early retirement:

- After accruing 10 years of pension service credit and reaching age 50 while still employed.
- Under the early retirement option, the benefit is reduced 3% for each year by which the retirement date is less than the date the employee would reach age 55.
- Employees may choose to receive a refund on contributions to the plan or to receive a deferred vested benefit if they are terminated after accruing 10 years of pension service credit but prior to eligibility for regular retirement. Those employees will be eligible to receive a benefit starting at age 55 with no reduction or at age 50 with the early retirement penalty above.

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For Firefighters, a 2% cost of living adjustment (COLA) is applied to retirement benefits each October 1 if the retiree has reached eligibility for COLA prior to that date. Eligibility for COLA for Firefighters is determined as follows:

- If the retiree had at least 25 years of credited service upon retirement, COLA begins after reaching age 55.
- If the retiree had 20 years of credited service upon retirement, COLA begins after reaching age 62.
- If the retiree retired under the Rule of Seventy with less than 20 years of credited service upon retirement, COLA begins after age 62.

Both Police Officers and Firefighters are eligible to participate in the deferred retirement option plan (DROP) when they have completed 25 years of credited service and are still employed by the City (or meet the Rule of Seventy). Such employees retire from the Consolidated Plan but continue to work for the City. The retirement benefit is calculated as if the employee had terminated employment and is paid to a DROP account held within the pension plan until the employee actually leaves the employment of the City. While in DROP, these payments earn a guaranteed rate of annual interest, (5.5% for Firefighters and 4.5% for Police Officers) compounded monthly. Employees may continue in the DROP for a maximum of 5 years or until reaching 35 years of service, whichever occurs earlier.

Upon actual separation from employment, the monthly retirement benefits begin being paid directly to the retiree and the retiree must take their DROP balance plus interest as a lump-sum cash disbursement, roll into a retirement account or choose a combination of the two options. The Consolidated Plan also provides for a reverse DROP option.

Death benefits are paid as follows:

- If an active member retires after reaching normal retirement eligibility and had selected a tentative benefit option, benefit payments will be made to the beneficiary in accordance with the option selected.
- If an active member with less than ten years of service dies before reaching normal retirement eligibility, the death benefit is a refund to the beneficiary of 100% of the member contributions without interest.
- If an active member with at least ten years of service dies before reaching normal retirement eligibility, the beneficiary is entitled to the benefits otherwise payable to the employee at early or normal retirement age, based on the accrued benefit at the time of death.
- Continuation of retirement benefits after the death of a retiree receiving benefits is contingent on the payment option selected upon retirement. If the retiree has chosen a life annuity and dies prior to receiving benefits greater than the retiree's contributions to the plan, a lump sum equal to the difference is paid to the beneficiary on record.

The monthly benefit for a service-incurred disability is the greater of the employee's accrued benefit as of the date of disability or 42% of the FAME. The monthly benefit for a nonservice-incurred disability is the greater of the accrued benefit as of the date of disability or 25% of the FAME. Payments continue until the death of the member or until the 120th payment, payable to the designated beneficiary if no option is elected. There is no minimum eligibility requirement if the injury or disease is service-incurred. If the injury or disease is not service-incurred, the employee must have at least five years of service to be eligible for disability benefits.

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Plan Membership—At October 1, 2019, membership consisted of:

Active Plan Members	391
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	471
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	29
Total	<u><u>891</u></u>

Contribution Requirements—The contribution requirements of plan members and the City are established and may be amended by City Ordinance approved by the City Commission in accordance with Part VII, Chapter 112, Florida Statutes. The City is required to contribute at an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Firefighters contribute 9.0% of gross pay and Police Officers contribute 7.5% of gross pay. The City's contribution rate for fiscal year 2020 was 20.87% of covered payroll for police personnel and 22.49% for fire personnel. This rate was influenced by the issuance of the Taxable Pension Obligation Bonds, Series 2003B and the Special Obligation Revenue Bonds, Series 2020. Differences between the required contribution and actual contribution are due to actual payroll experiences varying from the estimated total payroll used in the generation of the actuarially required contribution rate. Administrative costs are financed through investment earnings.

Net Pension Liability—At September 30, 2020, the City reported a net pension liability for the Consolidated Plan of \$5,489,172. The Consolidated Plan net pension liability was measured as of September 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2019, rolled-forward to the measurement date.

Significant Actuarial Assumptions—The Consolidated Plan total pension liability was determined by an actuarial valuation performed as of October 1, 2019, using the following actuarial methods and assumptions:

<u>Actuarial Assumptions</u>	
Inflation	2.50%
Salary Increases	Service Based
Investment Rate of Return	7.90%
Discount Rate	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table projected generationally with Mortality Improvement Scale BB. The assumed rates of mortality are mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). The mortality rates used are those outlined in the July 1, 2018 FRS actuarial valuation report for non-special risk lives.

The most recent actuarial experience study used to review the other significant assumptions was conducted in 2017.

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Long-Term Expected Rate of Return— The long-term expected rate of return on pension plan investments can be 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. For 2020 the inflation rate assumption of the investment advisor was 2.00%. 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 geometric real rates of return for each major asset class included in the Consolidated Plan’s target asset allocation as of September 30, 2020 are summarized in the following table:

	Target Allocation	Long-Term Expected Rate of Return
Large Cap Equity	35.00%	10.00%
Small Cap Equity	15.00%	9.30%
International Equity	20.00%	3.70%
Securitized Credit	5.00%	20.00%
High Yield	5.00%	2.60%
EMD Sovereign	2.50%	2.50%
Private Markets	7.50%	3.70%
Real Estate	10.00%	8.00%
Total	100%	

Discount Rate—The discount rate used to measure the total pension liability was 7.90%. 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 City contributions will be made at rates equal to the actuarially determined contribution rates less the member and State contributions. 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 the pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability—

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at October 1, 2019	\$ 294,514,116	\$ 243,431,612	\$ 51,082,504
Changes for the Year:			
Service Cost	3,905,032	-	3,905,032
Interest	22,777,676	-	22,777,676
Share Plan Allocation	890,108	-	890,108
Differences Between Expected and Actual Experience	501,678	-	501,678
Contributions - Employer	-	51,905,342	(51,905,342)
Contributions - State	-	3,141,731	(3,141,731)
Contributions - Employee	-	2,113,851	(2,113,851)
Contributions - Buy Back	7,400	7,400	-
Benefit Payments, Including Refunds of Employee Contributions	(20,188,276)	(20,188,276)	-
Net Investment Income	-	17,227,545	(17,227,545)
Administrative Expense	-	(708,558)	708,558
Other Adjustments	-	(12,085)	12,085
Net Changes	7,893,618	53,486,950	(45,593,332)
Balance at September 30, 2020	\$ 302,407,734	\$ 296,918,562	\$ 5,489,172

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Sensitivity of the Net Pension Liability to Changes in the Discount Rate—The following presents the net pension liability, calculated using the discount rate of 7.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.90%) or 1 percentage-point higher (8.90%) than the current rate:

	1% Decrease (6.90%)	Current Discount Rate (7.90%)	1% Increase (8.90%)
Net Pension Liability (Asset)	\$ 46,601,473	\$ 5,489,172	\$ (23,612,172)

Pension Plan Fiduciary Net Position—Detailed information about the Consolidated Plan’s fiduciary net position is available in the separately issued Employees’ Plan financial report.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources—For the year ended September 30, 2020, the City recognized pension expense for the Consolidated Plan of \$4,028,246. At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to the Consolidated Plan from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 985,084	\$ 2,084,351
Changes of Assumptions	4,520,729	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	6,066,459	-
Total	\$ 11,572,272	\$ 2,084,351

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Consolidated Plan will be recognized in pension expense as follows:

Fiscal Year Ending	Pension Expense Amount
2021	\$ 1,206,157
2022	3,698,620
2023	4,081,065
2024	418,466
2025	83,613
Thereafter	-
Total	\$ 9,487,921

Amounts Payable to the Plan—The City and the Board of Trustees resolved a dispute with the State Division of Retirement regarding the State’s nonacceptance of the Consolidated Plan’s previous actuarial valuations. As a result, the Division of Retirement submitted \$3,141,731 of the Chapter 175/185 Insurance Premium Tax Distribution it had previously withheld for fiscal years 2018 and 2019 to the City, subsequent to year-end. The City recorded a receivable for this amount in the General Fund and a corresponding payable to the Consolidated Plan as these amounts are statutorily required to be contributed to the plan.

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C. Florida Retirement System (FRS) Retirement Benefits

Plan Description—The City’s elected officials are eligible to participate in the FRS, a single retirement system administered by the State of Florida, Department of Management Services, Division of Retirement, which consists of two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. An annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services’ Web site (www.dms.myflorida.com).

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options.

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided—Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years’ earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years’ earnings.

The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes.

Contribution Requirements—The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The employer’s contribution rates for Elected Officials as of September 30, 2020, were 47.52% and 1.66% for FRS and HIS, respectively. The City’s contribution for the year ended September 30, 2020 were \$90,261 to the FRS Pension Plan and \$4,201 to the HIS Program.

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Pension Liabilities and Pension Expense—The City reported a liability for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2020. The City’s proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS	
Net Pension Liability	\$ 1,168,671	\$ 88,738	
Proportion at:			
Current Measurement Date	0.0026964267%	0.0007267710%	
Prior Measurement Date	0.0028433061%	0.0007467320%	
Pension Expense	\$ 266,869	\$ 6,498	

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer Contributions After				
Measurement Date	\$ 24,501	\$ -	\$ 1,129	\$ -
Difference Between Expected and				
Actual Experience	44,727	-	3,630	(68)
Change of Assumptions	211,567	-	9,542	(5,160)
Changes of Proportion and Difference				
Between City Contributions and				
Proportionate Share of Contributions	29,694	(70,918)	6,956	(7,676)
Net Difference Between Projected and				
Actual Earnings on Pension Investments	69,584	-	71	-
Total	\$ 380,073	\$ (70,918)	\$ 21,328	\$ (12,904)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer’s fiscal year-end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2021. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal Year Ending	FRS Amount	HIS Amount
2021	\$ 60,256	\$ 1,320
2022	88,479	1,126
2023	80,153	213
2024	49,033	2,037
2025	6,733	1,663
Thereafter	-	936
Total	\$ 284,654	\$ 7,295

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Actuarial Assumptions—The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2020. For the HIS Program, the total pension liability was determined by an actuarial valuation dated July 1, 2019.

The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	<u>FRS</u>	<u>HIS</u>
Inflation	2.40%	2.40%
Salary Increases	3.25%	3.25%
Investment Rate of Return	6.80%	N/A
Discount Rate	6.80%	2.21%

Mortality assumptions for FRS Pension Plan were based on the PUB-2010 base table varying by member category and sex, projected generationally with Scale MP-2018. The HIS Plan was based on the Generational PUB-2020 with Projection Scale MP-2018.

For both plans, the actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

The long-term expected rate of return assumption of 6.80% consists of two building block components: 1) a real (in excess of inflation) return of 4.30%, consistent with the capital market outlook model developed during 2020 by the outside investment consultant to the Florida State Board of Administration; and 2) a long-term average annual inflation assumption of 2.40% as adopted in October 2020 by the FRS Actuarial Assumption Conference. 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>	<u>Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	2.2%	2.2%	1.2%
Fixed Income	19.0%	3.0%	2.9%	3.5%
Global Equity	54.2%	8.0%	6.7%	17.1%
Real Estate	10.3%	6.4%	5.8%	11.7%
Private Equity	11.1%	10.8%	8.1%	25.7%
Strategic Investments	4.4%	5.5%	5.3%	6.9%
Assumed Inflation – Mean			2.4%	1.7%

Note: (1) As Outlined in the Plan’s Investment Policy.

Discount Rate—The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.80%. The 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 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.

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The discount rate used to measure the total pension liability for the HIS Pension Plan 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 Pension Liability to Changes in the Discount Rate—The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

<i>FRS</i>	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
City's Proportionate Share of the Net Pension Liability	\$ 1,866,171	\$ 1,168,671	\$ 586,116

<i>HIS</i>	1% Decrease (1.21%)	Current Discount Rate (2.21%)	1% Increase (3.21%)
City's Proportionate Share of the Net Pension Liability	\$ 102,577	\$ 88,738	\$ 77,410

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

D. Summary of Defined Benefit Pension Plans

Below is a summary of the net pension liability, deferred inflows and outflows of resources, and pension expense for all defined benefit pension plans in which the City's employees participate:

Pension Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows Resources	Pension Expense
Employees' Plan	\$ 24,827,585	\$ 36,179,267	\$ 2,039,071	\$ 28,286,604
Consolidated Plan	5,489,172	11,572,272	2,084,351	4,028,246
FRS (Proportionate Share)	1,168,671	380,073	70,918	266,869
HIS (Proportionate Share)	88,738	21,328	12,904	6,498
Total	\$ 31,574,166	\$ 48,152,940	\$ 4,207,244	\$ 32,588,217

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E. Defined Contribution Pension Plan

Plan Description—The Defined Contribution Pension Plan is open to certain existing City professional and managerial employees. The plan is only available to newly hired at-will professional and managerial employees. The Commission of the City of Gainesville adopted this plan and related amendments through a City Ordinance.

The plan is qualified under the provisions of Section 401A of the Internal Revenue Code. Assets of the Defined Contribution Plan are self-directed, and investment results are reported to employees quarterly. The City does not have fiduciary accountability for the Defined Contribution Pension Plan and, accordingly, the plan is not reported in the accompanying financial statements.

Funding Policy—The contribution requirements of plan members and the City are established and may be amended by City Ordinance approved by the City Commission in accordance with applicable State Statute. Plan members are required to contribute 5% of their annual covered salary. The City is required to contribute 10% of covered payroll. During fiscal year 2020, plan members contributed \$230,187 and the City contributed \$387,352.

Note 11 - Other Postemployment Benefits (OPEB) Plan

Plan Description—By ordinance enacted by the City Commission, the City has established the Retiree Health Insurance Program, a single-employer defined benefit postemployment health care plan that covers eligible retired employees. The OPEB Plan which is administered by the City, allows employees who retire and meet retirement eligibility requirements under one of the City's retirement plans to continue medical coverage as a participant in the City's plan. Administrative costs are financed through investment earnings.

The City of Gainesville issues a publicly available financial report that includes financial statements and required supplementary information for the Retiree Health Insurance Program and Trust Fund. That report may be obtained by writing to City of Gainesville, Finance Department, P.O. Box 490, Gainesville, Florida 32627 or by calling (352) 334-5054.

Benefits Provided—Prior to September 1, 2008, normal or early retirees are subsidized \$10.00 times the number of years of credited service plus \$5.00 times the number of years of age and portion thereof over 65, or minus \$5.00 times the number of years of age and portion thereof under 65, on the date the retiree first enters the Retiree Health Insurance Program or January 1, 2009, whichever is later.

DROP participants who have entered a regular DROP before September 1, 2008, or who have declared their intention to reverse DROP before September 1, 2008, shall have the period of employment while in the regular DROP, or the period of employment after the effective date of commencement of participation in the (reverse) DROP, added to credited service for purposes of the calculation described above.

For disabled retirees, the amount that the City will contribute towards the required premium, for persons who become retirees based upon application for disability retirement submitted before September 1, 2008, will be an amount equal to 80% of the individual premiums of the least costly city group health plan option being offered at that time. The City will contribute towards any other tier of coverage an amount equal to 150% of the individual premium of the least costly City group plan option being offered at that time.

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For current retirees age 65 or older on January 1, 2009, the amount the City will contribute towards the required premium will be the greater of the amount contributed for the month of August 2008 or the amount determined under the provisions of the Retiree Health Insurance Program.

After August 31, 2008, normal or early retirees are subsidized \$10.00 times the number of years of credited service plus \$5.00 times the number of years of age and portion thereof over 65, or minus \$5.00 times the number of years of age and portion thereof under 65, on the date the retiree first enters the Retiree Health Insurance Program.

DROP participants who have entered a regular DROP after August 31, 2008, or who have declared their intention to reverse DROP after August 31, 2008, shall not have the period of employment while in regular DROP, or the period of employment after the effective date of commencement of participation in the (reverse) DROP, count as credited service for purposes of the calculation described above.

For disabled retirees, the amount that the City will contribute towards the required premium, for persons who become retirees based upon application for “in-line-of-duty” disability retirement under the Consolidated Plan or the Employees’ Plan, submitted after August 31, 2008, the City will contribute towards an individual premium an amount equal to 80% of the individual premiums of the least costly city group health plan option being offered at the time the disability retirement is approved. The City will contribute towards any other tier of coverage an amount equal to 150% of the individual premium of the least costly City group plan option being offered at the time the disability retirement is approved. For approved disabilities other than “in-line-of-duty”, the City will contribute 50% of the amount described above.

Those who do not meet the age and service requirements above are eligible for coverage only. Retirees must pay 100% of the active premium rates up to age 65, the 100% of the Medicare supplement premium rate.

Employees Covered by Benefit Terms—At October 1, 2019, the following employees were covered by the benefit terms:

Active Plan Members	2,307
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	1,431
Total	3,738

Contributions—The contribution policy of the City is established and may be amended by the City at any time. The annual contribution consists of the normal cost amount developed annually plus, given there is any unfunded actuarial accrued liability (UAAL), an amount to amortize said UAAL over 10 years from inception. For the 2020 fiscal year, the actuarially determined contribution was \$0, and the City contributed a total of \$856,568 in explicit premiums to the OPEB Plan. The City’s contribution rate is influenced by the issuance of \$35,210,000 Taxable Other Postemployment Benefit (OPEB) bonds to retire the unfunded actuarial accrued liability then existing in the Retiree Health Insurance Program Trust Fund.

Investment Policy—The City Commission has the responsibility to develop a policy for the investment of the assets of the Retiree Health Insurance Program Trust Fund. The investment of the assets must be consistent with the written investment policy adopted by the City Commission (Section 2-438 of the Gainesville City Code). The policies are structured to maximize the financial return to the Retiree Health Insurance Program Trust Fund consistent with the risks incumbent in each investment and are structured

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to establish and maintain an appropriate diversification of the assets. The City Commission periodically undertakes studies to evaluate the potential consequence of alternative investment strategies on the long term well-being of the Retiree Health Insurance Program Trust Fund.

Net OPEB Liability—At September 30, 2020, the City reported a net OPEB liability for the Retiree Health Insurance Program of \$2,006,628. The net OPEB liability was measured as of September 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of October 1, 2019, rolled forward to the measurement date.

Significant Actuarial Assumptions—The total OPEB liability was determined by an actuarial valuation performed as of October 1, 2019, using the following actuarial methods and assumptions:

Inflation Rate	3.00%
Salary Increase	Service Based
Investment Return Rate	7.90%
Discount Rate	7.90%
Healthcare Cost Trend Rate	8.30% to 4.50%

All mortality rates were based on the RP-2000 mortality tables, including fully generational adjustments for mortality improvements using improvements scale BB, except for disabled mortality which has not been adjusted for mortality improvements. All mortality rates are those outlined in Milliman’s July 1, 2018, Florida Retirement System (FRS) valuation report.

Changes since the prior valuation include changes in census data, updated annual per capital claims costs based on plan experience, and updated premium rates to reflect those effective for 2020 fiscal year.

Long-Term Expected Rate of Return—The long-term expected rate of return on the Retiree Health Insurance Program Trust Fund investments can be determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. The assumed rate of inflation is 3.0% per year. 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.

The following reflects the current target allocation and expected returns:

	Target Allocation	Long-Term Expected Rate of Return
Large Cap Value Equity	19.44%	6.00%
Large Cap Growth Equity	19.44%	5.90%
Small Cap Value Equity	11.11%	6.10%
Small Cap Growth Equity	11.11%	4.90%
International Value Equity	11.11%	4.90%
International Growth Equity	11.11%	4.90%
Core Fixed Income	5.57%	1.70%
Private Real Estate	11.11%	5.90%
Total	100%	

Discount Rate—The discount rate used to measure the total OPEB liability was 7.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at

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the current contribution rate and that City contributions will be made at rates equal to the actuarially determined contribution rates less the member contributions. Based on those assumptions, the Retirement Health Insurance Program Trust Fund 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 the pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net OPEB Liability—

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at October 1, 2019	\$ 77,815,470	\$ 63,674,314	\$ 14,141,156
Changes for the Year:			
Service Cost	1,742,093	-	1,742,093
Interest	6,093,319	-	6,093,319
Differences Between Expected and Actual Experience	(3,069,055)	-	(3,069,055)
Changes of Assumptions	(13,744,743)	-	(13,744,743)
Contributions - Employer	-	2,557,953	(2,557,953)
Net Investment Income	-	602,848	(602,848)
Net Benefit Payments	(4,821,200)	(4,821,200)	-
Administrative Expense	-	(10,943)	10,943
Other Changes	-	6,282	(6,282)
Net Changes	(13,799,586)	(1,665,060)	(12,134,526)
Balance at September 30, 2020	\$ 64,015,884	\$ 62,009,254	\$ 2,006,630

*Sensitivity of the Net OPEB Liability to Changes in the Discount Rate—*The following presents the net OPEB liability, calculated using the discount rate of 7.90%, as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.90%) or 1 percentage-point higher (8.90%) than the current rate:

	1% Decrease (6.90%)	Current Discount Rate (7.90%)	1% Increase (8.90%)
Net OPEB Liability (Asset)	\$ 8,472,164	\$ 2,006,628	\$ (3,517,945)

*Sensitivity of the Net OPEB Liability to Changes in the Health Care Trend Rate—*The following presents the net OPEB liability, calculated using the health care cost trend rate of 8.30%, as well as what the net OPEB liability would be if it were calculated using a health care cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current rate:

	1% Decrease	Current Trend Rate	1% Increase
Net OPEB Liability (Asset)	\$ (4,519,566)	\$ 2,006,628	\$ 9,737,262

*OPEB Plan Fiduciary Net Position—*Detailed information about the Retiree Health Insurance Program’s fiduciary net position is available in the separately issued Employees’ Plan financial report.

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources—*For the year ended September 30, 2020, the City recognized OPEB expense of \$3,439,411.

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

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 1,804,786	\$ 2,685,424
Changes of Assumptions	832,724	12,026,651
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	7,102,504	-
Total	<u>\$ 9,740,014</u>	<u>\$ 14,712,075</u>

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

<u>Fiscal Year Ending</u>	<u>Pension Expense Amount</u>
2021	\$ 533,492
2022	533,493
2023	773,940
2024	(597,168)
2025	(2,012,368)
Thereafter	<u>(4,203,450)</u>
Total	<u>\$ (4,972,061)</u>

Note 12 - Deferred Compensation Plan

The City of Gainesville offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The City has complied with the requirements of subsection (g) of IRC Section 457 and, accordingly, all assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries.

Note 13 - Long-Term Debt

Governmental Activities

- **\$15,892,220 Guaranteed Entitlement Revenue and Refunding Bonds, Series 1994** – 3.0% - 6.1%, final maturity 2024; payable solely from and secured by a lien upon and pledge of monies from the City’s Guaranteed Entitlement Funds (Intergovernmental Revenues). Current Interest Paying Bonds were paid in full August 1, 2006. For Capital Appreciation Bonds, principal is payable August 1 and February 1 beginning August 1, 2018. Interest accrues to principal and is payable upon maturity or prior redemption. Interest accreted through September 30, 2020 is \$3,008,204.
- **\$40,042,953 Taxable Pension Obligation Bonds, Series 2003A** – 1.71% - 6.19%, issued March 14, 2003, final maturity October 2032, payable solely from non-ad valorem revenues. Current Interest Serial Bonds in the amount of \$1,970,000 were paid in full October 1, 2005. For Current Interest Term Bonds in the amount of \$20,125,000, interest is payable semiannually beginning April 1, 2003 and principal is payable annually beginning October 1, 2029. For Capital Appreciation Bonds, in the amount of \$17,947,953, principal is payable annually beginning October 1, 2006. Interest accrues to principal and is payable upon maturity. Interest accreted through September 30, 2020 is \$16,189,327. The bonds are not subject to redemption prior to maturity.

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- **\$49,851,806 Taxable Pension Obligation Bonds, Series 2003B** – 3.07% - 5.42%, issued March 14, 2003, final maturity October, 2033, payable solely from non-ad valorem revenues. Principal payable annually on October 1, beginning 2006. Interest payable semi-annually beginning October 1, 2003. The bonds are not subject to redemption prior to maturity.
- **\$4,350,000 Capital Improvement Revenue Bonds, Series 2010** – 2.00% - 4.375%, issued July 13, 2010, final maturity October 1, 2030, payable solely from non-ad valorem revenues. Principal payable annually on October 1, beginning 2011. Interest payable semi-annually beginning October 1, 2010. The bonds are not subject to redemption prior to maturity.
- **\$361,856 Construction Promissory Note** – Variable interest rate based on 5 Year Treasury Index plus 2.75%. In December 2009, a promissory note was entered into for construction of the CRA office building with Sunstate Federal Credit Union to be repaid from tax increment proceeds. Interest payable monthly beginning February 2010 and principal payable monthly beginning February 2011. Loan payments are amortized over a 360 month period with a balloon payment due February 2025. The CRA office building was sold and the Promissory Note was paid in full on February 27, 2020.
- **\$6,230,000 Revenue Refunding Note Series 2011** – 2.36% fixed, issued November 1, 2011, final maturity July 1, 2022; payable solely from non-ad valorem revenues. This is a direct borrowing from Branch Banking and Trust Company. Proceeds from the Note were used to refinance all of the First Florida Governmental Finance Commission Series 2002 Bonds along with closing costs incurred.
- **\$3,730,000 Revenue Note Series 2011A** – 2.29% fixed issued December 21, 2011, final maturity October 1, 2021; payable solely from non-ad valorem revenues. This is a direct borrowing from Compass Bank. Proceeds from the Note are to be used for partial funding of the renovation and reconstruction of the Police Department Headquarters, capital improvements and remediation improvements at Depot Park and other capital improvements.
- **\$14,715,000 Revenue Refunding Note Series 2014** – 2.4% fixed, issued February 14, 2014, final maturity October 1, 2025; payable solely from non-ad valorem revenues. This is a direct borrowing from TD Bank. Proceeds from the Note were used to refinance all of the Capital Improvement Revenue Bond Series 2005 Bonds along with closing costs incurred.
- **\$12,535,000 Capital Improvement Revenue Bonds, Series 2014** – 2.00% - 5.00%, issued December 17, 2014, final maturity October 2034, payable solely from non-ad valorem revenues. Principal payable annually on October 1, beginning 2015. Interest payable semi-annually beginning April 1, 2015. The bonds are not subject to redemption prior to maturity. This note also funded an additional \$2,000,000 of capital improvements for which the debt and assets are reported in the Solid Waste enterprise fund.
- **\$10,426,642 Revenue Refunding Note Series 2016A** – 2.3% fixed, issued April 15, 2016, final maturity November 1, 2028; payable solely from non-ad valorem revenues. This is a direct borrowing from TD Bank. Proceeds from the Note were used to refinance all of the First Florida Governmental Financing Commission Loan, Series 2005 and the First Florida Governmental Financing Commission Loan, Series 2007 and partial refunding of the Capital Improvement Revenue Note Series 2009 along with closing costs incurred. This note also funded an additional \$1,543,358 for capital improvements in the Solid Waste and Stormwater Management enterprise funds.

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- **\$6,630,000 Capital Improvement Revenue Notes, Series 2016B** – 2.4% fixed, issued April 15, 2016, final maturity October 1, 2031, payable solely from non-ad valorem revenues. Annual principal payments begin on October 1, 2017. Semi-annual interest payments begin November 1, 2016. This is a direct borrowing with TD Bank. Proceeds from the Note are to be used for partial funding of the road resurfacing and repairs and streetscapes.
- **\$10,365,000 Capital Improvement Revenue Note, Series 2017** – 2.75% fixed, issued December 7, 2017 to finance the cost of: (1) acquiring, installing, and consulting costs related to implementing a Human Resources ERP system; (2) acquisition, construction, improvement and equipping a South Main Street firehouse; and (3) street, curb, storm water infrastructure improvements and other capital costs. This is a direct borrowing with Center State Bank. Payable solely from non-ad valorem revenues, principal payments on the note is payable annually commencing October 1, 2018 with a maturity date of October 1, 2037. Interest payments on the note is payable semi-annually on April 1 and October 1 of each year.
- **\$8,535,000 Capital Improvement Revenue Note, Series 2019** – 1.97% fixed, issued October 11, 2019 to finance the cost of public safety equipment, vehicles, general capital improvement projects and other capital costs. Payable solely from non-ad valorem revenues with principal payments due on annually, beginning October 1, 2020 with a maturity date of October 1, 2034. Interest payments on the note are due semiannually on beginning April 1, 2020.
- **\$206,080,000 Taxable Special Obligation Revenue Bonds, Series 2020** – 0.541% - 3.097% issued September 11, 2020 to retire a portion of the net pension liability for the Employees’ Plan and Consolidated Plan. Payable solely from non-ad valorem revenues with principal payments due annually beginning October 1, 2021. Interest is payable semiannually beginning April 1, 2021. Certain of the bonds are subject to redemption prior to the stated dates of maturity.

Business-Type Activities – Utility Fund

- **\$196,950,000 Utilities System Revenue Bonds, 2005 Series A** – 4.75% - 5.00%, dated November 16, 2005, mature on various dates through October 1, 2036, and were partially refunded as part of the 2012 Series A Utilities System Revenue Bond issuance. The 2005 Series A Bonds were subject to redemption at the option of the City on and after October 1, 2015, as a whole or in part at any time, at a redemption price of 100% of the principal amount, plus accrued interest to the date of redemption. The 2005 Series A Bonds were issued to pay a portion of the cost of acquisition and construction of certain improvements to the City’s utilities system and to refund the City’s Utilities System Commercial Paper Notes, Series C. In March 2007, the 2007 Series A Bonds (\$139,505,000) were issued to advance-refund to the maturity dates a portion of the bonds maturing from October 1, 2030 to October 1, 2036. The proceeds related to the refunded bonds were deposited into an escrow account to refund the bonds on October 1, 2015, at 100% of par. In August 2012, the 2012 Series A Bonds (\$81,860,000) were issued to refund \$78,690,000 of bonds maturing from October 1, 2021 through October 1, 2028. In December 2014, the 2014 Series B Bonds (\$30,970,000) were issued to advance-refund \$12,725,000 for portions of bonds maturing from October 1, 2029, October 1, 2030, and October 1, 2036. The outstanding balance of \$405,000 was fully redeemed on February 27, 2020, with operating funds. As of September 30, 2020, there were no 2005 Series A Bonds outstanding.

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- **\$55,135,000 Utilities System Revenue Bonds, 2005 Series C** – Variable interest rates based on market rates, 0.13% at September 30, 2020, dated November 16, 2005, final maturity October 1, 2026. The 2005 Series C Bonds are subject to redemption at the option of the City at a redemption price of 100% of the principal amount, plus accrued interest to the date of redemption. The 2005 Series C Bonds were issued to refund a portion of the City’s Utilities System Revenue Bonds, 1996 Series A. In August 2012, the 2012 Series B Bonds (\$100,470,000) were issued to partially refund \$17,570,000 of bonds maturing from October 1, 2013 through October 1, 2017. In April 2019, the 2019 Series C Bonds, (\$67,355,000), were issued to partially refund \$18,515,000 of bonds maturing from October 1, 2019 through October 1, 2024. The refunding was to provide near term debt relief and stabilize cash reserves. A Stand-by Bond Purchase Agreement (SBPA) with Helaba with termination date of November 24, 2020, was replaced with a four-year SBPA from Barclays Bank PLC on May 20, 2020. The new agreement has a current fee of 0.38% as compared to Helaba’s 0.44%. The four-year SBPA with Barclay’s Bank PLC is stated to expire May 17, 2024. As of September 30, 2020, the related debt outstanding is \$3,090,000.

- **\$53,305,000 Utilities System Revenue Bonds, 2006 Series A** – Variable interest rates based on market rates, 0.12% at September 30, 2020, dated July 6, 2006, final maturity October 1, 2026. The 2006 Series A Bonds are subject to redemption at the option of the City, in whole or in part, at a redemption price equal to 100% of the principal amount plus accrued interest to the date of redemption. The 2006 Series A Bonds were issued to pay a portion of the cost of acquisition and construction of certain improvements to the City’s utilities system and to refund a portion of the City’s Utilities System Revenue Bonds, 1996 Series A. The 2006 Series a Bonds created a net present value savings of over \$6,200,000, with yearly cash savings ranging from approximately \$371,000 to over \$890,000. In August 2012, the 2012 Series B Bonds (\$100,470,000) were issued to partially refund \$25,930,000 of bonds maturing from October 1, 2013 through October 1, 2020. In April 2019, the 2019 Series C Bonds, (\$67,355,000), were issued to partially refund \$13,905,000 of bonds maturing from October 1, 2019 through October 1, 2024. The refunding was to provide near-term debt relief and stabilize reserves. A Stand-by Purchase Agreement (SBPA) with Helaba with termination date of November 24, 2020, was replaced with a four-year SBPA from Barclays Bank PLC on May 20, 2020. The new agreement has a current fee of 0.38% as compared to Helaba’s 0.44%. The four-year SBPA with Barclay’s Bank PLC is stated to expire May 17, 2024. As of September 30, 2020, the related debt outstanding is \$2,985,000.

- **\$139,505,000 Utilities System Revenue Bonds, 2007 Series A** – Variable interest rates based on market rates, 0.13% at September 30, 2020, dated July 6, 2006, final maturity October 1, 2036. The 2007 Series A Bonds are subject to redemption at the option of the City, in whole or in part, at a redemption price equal to 100% of the principal amount plus accrued interest to the date of redemption. The 2007 Series A Bonds were issued to refund a portion of the City’s Utilities System Revenue Bonds, 2003 Series A and a portion of the City’s Utilities System Revenue Bonds, 2005 Series A. The 2007 Series A Bonds created a net present value savings of over \$8,500,000, with yearly cash savings ranging from \$100,000 to \$500,000. In April 2019, the 2019 Series C Bonds, (\$67,355,000), were issued to partially refund \$8,430,000 of bonds maturing from October 1, 2019, through October 1, 2024. The refunding was to provide debt service relief and increase cash reserves for the next five years. A SBPA with State Street Bank and Trust was entered on March 1, 2007, and since amended most recently by the Fourth Amendment that is set to expire on April 1, 2021 at a current fee of 0.51%. As of September 30, 2020, the related debt outstanding is \$127,750,000.

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- **\$105,000,000 Utilities System Revenue Bonds, 2008 Series A (Federally Taxable)** – 5.27%, dated February 13, 2008, final maturity October 1, 2020, and were partially refunded as part of the 2012 Series B Utilities System Revenue Bond issuances. The 2008 Series A Bonds are subject to redemption prior to maturity at the election of the City in whole or in part, at a redemption price equal to the greater of 100% of the principal amount, plus accrued and unpaid interest to the date of redemption, or the sum of the present values of the remaining scheduled payments of principal and interest on the bonds to be redeemed discounted to the date of redemption on a semiannual basis plus 12.5 basis points. The 2008 Series A Bonds were issued to pay costs of acquisition and construction of the City’s utilities system. In August 2012, the 2012 Series B Bonds (\$100,470,000) were issued to partially refund \$14,405,000 of bonds maturing from October 1, 2014, through October 1, 2017. In December 2014, the 2014 Series B Bonds (\$30,970,000) were issued to redeem \$19,915,000 for portions of bonds maturing from October 1, 2015 through October 1, 2020. As of September 30, 2020, the related debt outstanding is \$5,400,000.

- **\$90,000,000 Utilities System Revenue Bonds, 2008 Series B** – Variable interest rates based on market rates, 0.15% at September 30, 2020, dated February 13, 2008, final maturity October 1, 2038. The 2008 Series B Bonds are subject to redemption prior to maturity at the election of the City in whole or in part, at a redemption price of 100% of the principal amount plus accrued interest to the date of redemption. The 2008 Series B Bonds were issued to pay costs of acquisition and construction of the City’s utilities system. In April 2019, the 2019 Series C Bonds, (\$67,355,000), were issued to partially refund \$14,200,000 of bonds maturing from October 1, 2022 through October 1, 2024. The refunding was to provide debt service relief and increase cash reserves for the next five years. A SBPA with Barclays Bank, PLC with an expiration date of June 29, 2020, was renewed on May 20, 2020, at a fee of 0.38%, a reduced from 0.44% previously. The new four-year SBPA is stated to expire on May 17, 2024. As of September 30, 2020, the related debt outstanding is \$75,800,000.

- **\$156,900,000 Utilities System Revenue Bonds, 2009 Series B – Issuer Subsidy – Build America Bonds (Federally Taxable)** – 4.60% – 5.65%, dated September 16, 2009, final maturity October 1, 2039. The 2009 Series B Bonds are subject to redemption prior to maturity at the election of the City at a redemption price equal to the greater of 100% of the principal amount, plus accrued and unpaid interest to the date of redemption, or the sum of the present values of the remaining scheduled payments of principal and interest on the bonds to be redeemed discounted to the date of redemption on a semiannual basis plus 12.5 basis points. The 2009 Series B Bonds were issued to pay costs of acquisition and construction of the City’s utilities system. As of September 30, 2020, the related debt outstanding is \$138,515,000.

- **\$12,930,000 Utilities System Revenue Bonds, 2010 Series A (Federally Taxable)** – 5.87%, dated November 1, 2010, final maturity October 1, 2030. The 2010 Series A Bonds are subject to redemption prior to maturity at the election of the City at a redemption price equal to the greater of 100% of the principal amount, plus accrued and unpaid interest to the date of redemption; or the sum of the present values of the remaining scheduled payments of principal and interest on the bonds to be redeemed discounted to the date of redemption on a semiannual basis plus 12.5 basis points. The 2010 Series A Bonds were issued to (a) pay costs of acquisition and construction of the City’s utilities system, (b) to provide for the payment of certain capitalized interest on the Taxable 2010 Series A Bonds, and (c) to pay the costs of issuance of the Taxable 2010 Series A Bonds. As of September 30, 2020, the related debt outstanding is \$12,930,000.

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- **\$132,445,000 Utilities System Revenue Bonds, 2010 Series B – Issuer Subsidy – Build America Bonds (Federally Taxable)** – 6.02%, dated November 1, 2010, final maturity October 1, 2040. The 2010 Series B Bonds are subject to redemption prior to maturity at the election of the City at a redemption price equal to the greater of 100% of the principal amount, plus accrued and unpaid interest to the date of redemption, or the sum of the present values of the remaining scheduled payments of principal and interest on the bonds to be redeemed discounted to the date of redemption on a semiannual basis plus 12.5 basis points. The 2010 Series B Bonds were issued to (a) pay costs of acquisition and construction of the City’s utilities system, (b) to provide for the payment of certain capitalized interest on the Taxable 2010 Series B Bonds, and (c) to pay the costs of issuance of the Taxable 2010 Series B Bonds. As of September 30, 2020, the related debt outstanding is \$132,445,000.
- **\$16,365,000 Utilities System Revenue Bonds, 2010 Series C** – 5.00% – 5.25%, dated November 1, 2010, final maturity October 1, 2034. The 2010 Series C Bonds are subject to redemption prior to maturity at the election of the City at a redemption price so specified. The 2010 Series C Bonds were issued to (a) refund \$5,860,000 in aggregate principal amount of the 2003 Series A Bonds, and (b) to provide funds to refund \$10,505,000 in aggregate principal amount of the 2008 Series A Bonds. The outstanding balance of \$10,505,000 was defeased on July 7, 2020, by a forward delivery of a direct placement with Bank of America, N.A., which created the 2020 Series A Bonds. An escrow account was created at USBANK on July 7, 2020, for \$10,778,216 to refund the 2010 Series C Bonds on October 1, 2020. As of September 30, 2020 there were no 2010 Series C Bonds outstanding.
- **\$81,860,000 Utilities System Revenue Bonds, 2012 Series A** – 2.50% – 5.00%, dated August 2, 2012, final maturity October 1, 2028. The 2012 Series A Bonds were issued to (a) provide funds to refund \$1,605,000 in aggregate principal amount of the 2003 Series A Bonds, (b) to provide funds to refund \$78,690,000 in aggregate principal amount of the 2005 Series A Bonds, and (c) to pay cost of issuance of the 2012 Series A Bonds. These bonds mature at various dates from October 1, 2021 to October 1, 2028. Those bonds maturing on and after October 1, 2023, are subject to redemption prior to maturity, at a redemption price so specified. As of September 30, 2020, the related debt outstanding is \$81,860,000.
- **\$100,470,000 Utilities System Revenue Bonds, 2012 Series B** – Variable interest rates based on market rates, 0.13% at September 30, 2020, dated August 2, 2012, final maturity October 1, 2042. The 2012 Series B Bonds were issued to (a) refund \$31,560,000 in aggregate principal amount of the 2005 Series B Bonds, (b) provide funds to refund \$17,570,000 in aggregate principal amount of the 2005 Series C Bonds, (c) provide funds to refund \$25,930,000 in aggregate principal amount of the 2006 Series A Bonds, (d) provide funds to refund \$14,405,000 in aggregate principal amount of the 2008 Series A Bonds, and (e) pay costs of issuance of the 2012 Series B Bonds. These bonds mature at various dates through October 1, 2042. The 2012 Series B Bonds are subject to redemption prior to maturity, at a redemption price so specified. In April 2019, the 2019 Series C Bonds, (\$67,355,000), were issued to partially refund \$1,860,000 of bonds maturing from October 1, 2021, through October 1, 2023. The refunding was to provide near-term debt relief and stabilize reserves. A SBPA with Citibank with a stated termination date of June 29, 2020, was replaced by a four-year SBPA on May 20, 2020, by Barclays Bank PLC at a fee of 0.38% as compared to 0.43% previously. The new SBPA has a stated termination date of May 17, 2024. As of September 30, 2020, the related debt outstanding is \$98,610,000.

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- **\$37,980,000 Utilities System Revenue Bonds, 2014 Series A** – 2.50% – 5.00%, dated December 19, 2014, with final maturity October 1, 2044. The 2014 Series A Bonds were issued to (a) provide funds for the payment of the cost and acquisition and construction of certain improvements to the System, and (b) pay costs of issuance of the 2014 Series A Bonds. These bonds mature at various dates beginning October 1, 2015, and from October 1, 2021 to October 1, 2034, October 1, 2039, and October 1, 2044. The bonds maturing prior to October 1, 2024 are not subject to redemption prior to maturity. The bonds maturing on and after October 1, 2025, are subject to redemption prior to maturity at the option of the City on and after October 1, 2024, as whole or in part at any time, at a redemption price plus interest so specified. A cancellable forward starting swap agreement with Bank of America, N.A., was entered on April 8, 2020, with cash flows effective on October 1, 2024. As of September 30, 2020, the related debt outstanding is \$37,835,000.
- **\$30,970,000 Utilities System Revenue Bonds, 2014 Series B** – 3.13% – 5.00%, dated December 19, 2014 with final maturity October 1, 2036. The 2014 Series B Bonds were issued to (a) provide funds to refund \$12,725,000 in aggregate principal amount of a portion of the 2005 Series A Bonds; (b) provide funds to refund \$19,915,000 in aggregate principal amount of a portion of the 2008 Series A Bonds; and (c) pay costs of issuance of the 2014 Series B Bonds. These bonds mature at various dates beginning October 1, 2015, through October 1, 2020, from October 1, 2029, to October 1, 2030, and October 1, 2036. The bonds maturing prior to October 1, 2024, are not subject to redemption prior to maturity. The bonds maturing on and after October 1, 2025, are subject to redemption prior to maturity at the option of GRU on and after October 1, 2024, as whole or in part at any time, at a redemption price plus interest so specified. The 2014 Series B Bonds created a net present value savings of \$1,700,000, with yearly cash savings ranging from approximately \$11,000 to over \$600,000. As of September 30, 2020, the related debt outstanding is \$16,275,000.
- **\$415,920,000 Utilities System Revenue Bonds, 2017 Series A** – 4.00% – 5.00%, dated November 7, 2017, with final maturity on October 1, 2040. The 2017 Series A Bonds were issued concurrently with 2017 Series B and Series C bonds to (a) finance a portion of the costs of acquisition of the GREC Biomass Plant and (b) pay cost of issuance. These bonds mature at various dates beginning October 1, 2018 and ending October 1, 2040. The 2017 Series A Bonds were issued at a premium of \$73,205,458 as serial bonds with the first optional call date of October 1, 2027. These bonds are subject to redemption prior to maturity. As of September 30, 2020, the related debt outstanding is \$407,920,000.
- **\$150,000,000 Utilities System Revenue Bonds, 2017 Series B** – Variable interest rates based on market rates, 0.55% at September 30, 2020, dated November 7, 2017, final maturity October 1, 2044, and issued concurrently with 2017 Series A and 2017 Series C Bonds to (a) finance a portion of the costs of acquisition of the GREC Biomass Plant and (b) pay cost of issuance. These bonds are direct placement bonds and the sale was awarded to Wells Fargo Bank, N.A. with the following terms: (a) the Utility pays variable rate at 70% of 1 Month LIBOR times Margin Rate Factor (MRF), (b) bank fee of 0.35%, calculated on the basis of 360 days, (c) contract termination date of November 7, 2020. Agreements have been made in regards to the expiration of the direct placement with Wells Fargo Bank, N.A., with details described in Note 21 – Subsequent Events. These bonds mature at various dates beginning October 1, 2040, with final maturity date of October 1, 2044. As of September 30, 2020, the related debt outstanding is \$150,000,000.

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- **\$115,000,000 Utilities System Revenue Bonds, 2017 Series C** – Variable interest rates based on market rates, 0.75% at September 30, 2020, dated November 7, 2017, final maturity October 1, 2047, and issued concurrently with 2017 Series A and 2017 Series B Bonds to (a) finance a portion of the costs of acquisition of the GREC Biomass Plan and (b) pay cost of issuance. These bonds are direct placement bonds and the sale was awarded to Bank of America, N.A. with the following terms: (a) the Utility pays variable rate at 70% of 1 Month LIBOR times MRF, (b) bank fee of 0.51%, calculated on the basis of 360 days, and (c) contract termination date of November 7, 2020. Agreements have been made in regards to the expiration of the direct placement with Bank of America, N.A., with details described in Note 21 – Subsequent Events. These bonds mature at various dates beginning October 1, 2044 with final maturity date of October 1, 2047. As of September 30, 2020, the related debt outstanding is \$115,000,000.
- **\$153,820,000 Utilities System Revenue Bonds, 2019 Series A** – 5.00%, dated April 12, 2019, with final maturity on October 1, 2047. The 2019 Series A Bonds were issued for the primary purpose of (a) paying the costs of the acquisition, construction, and equipping of certain capital improvements to the System, (b) refunding the outstanding Utilities System Commercial Paper Notes, Series C, and (c) paying costs of issuance of the 2019 Series A Bonds. These bonds were issued at a premium and mature beginning on October 1, 2041, and ending on October 1, 2047. The 2019 Series A Bonds will be subject to redemption prior to maturity at the option of the City on and after October 1, 2029, as a whole or in part at any time, at a redemption price of 100% of the principal amount thereof, plus accrued interest. A cancellable forward starting swap agreement with Wells Fargo Bank, N.A., was entered on April 8, 2020, with cash flows effective on October 1, 2029. As of September 30, 2020, the related debt outstanding is \$153,820,000.
- **\$26,665,000 Utilities System Revenue Bonds, 2019 Series B (Federally Taxable)** – 3.875%, dated April 12, 2019 with final maturity on October 1, 2047. The 2019 Series B Bonds were issued for the primary purpose of (a) paying the costs of the acquisition, construction, and equipping of certain capital improvements to the System, and (b) refunding the outstanding Utilities System Commercial Paper Notes, Series D, (c) refunding all of the Utilities System Revenue Bonds, 2005 Series B (Federally Taxable), and (d) paying costs of issuance of the 2019 Series B Bonds. The 2019 Series B Bonds are term bonds and are subject to redemption through the mandatory sinking fund installments on October 1 in the years starting with 2041 at a redemption price of 100% of the principal amount thereof, plus accrued interest. As of September 30, 2020, the related debt outstanding is \$26,665,000.
- **\$67,355,000 Utilities System Revenue Bonds, 2019 Series C** – Variable interest rates based on market rates, 0.12% at September 30, 2020, dated April 26, 2019 with final maturity October 1, 2047. The 2019 Series C Bonds were issued for the primary purpose of (a) refunding (i) \$18,515,000 of the 2005 Series C Bonds, (ii) \$13,905,000 of the 2006 Series A Bonds, (iii) \$8,430,000 of the 2007 Series A Bonds, (iv) \$14,200,000 of the 2008 Series B Bonds, and (v) \$1,860,000 of the 2012 Series B Bonds, (b) paying the costs of the acquisition, construction, and equipping of certain capital improvements to the System, and (c) paying costs of issuance of the 2019 Series C Bonds. Payment of the principal and interest on the 2019 Series C Bonds will be initially secured by a Letter of Credit by Bank of America, N.A. with a fee of 0.35% and terminates on April 25, 2022. As of September 30, 2020, the related debt outstanding is \$67,355,000.

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- **\$10,715,000 Utilities System Revenue Bonds, 2020 Series A** – 2.06% dated July 7, 2020, with a final maturity October 1, 2034. These 2020 Series A Bonds were issued to (a) refund the 2010 Series C Bonds on July 7, 2020, and (b) pay cost of issuance. These bonds are direct placement bonds and the sale was awarded to Bank of America, N.A. with a fixed rate of 2.06%. The 2020 Series A Bonds mature at various dates beginning October 1, 2020, and every year after with final maturity date of October 1, 2034. As of September 30, 2020, the related debt outstanding is \$10,715,000.

- **\$125,000,000 Utilities System Commercial Paper Notes, Series C Notes** – These tax-exempt notes were subordinated debt and may continue to be issued to refinance maturing Series C Notes or provide for other costs. On May 17, 2018, the City Commission approved the Fourth Amendment of the Second Supplemental Subordinated Utilities System Revenue Bond Resolution authorizing the issuance of additional Series C Commercial Paper. GRU issued \$40,000,000 in Series C Commercial Paper Notes on July 19, 2018. The Commercial Paper proceeds are to partially fund the 2018 capital improvement program for the System. Liquidity support for the Series C Notes is provided under a long-term credit agreement effective November 30, 2015, with Bank of America, NA at 0.45% and was set to expire November 30, 2018, but has been extended to November 30, 2021. The obligation of the bank may be substituted by another bank that meets certain credit standards and which is approved by the Utility and the Agent. Under terms of the agreement, the Utility may borrow up to \$125,000,000 with same day availability ending on the termination date, as defined in the agreement. On April 12, 2019, \$85,000,000 of the outstanding Series C Notes were refunded by the 2019 Series A Bonds. As of September 30, 2020, there were no Series C Notes outstanding.

- **\$25,000,000 Utilities System Commercial Paper Notes, Series D Notes** – In June 2000, a Utilities System Commercial Paper Note Program, Series D (taxable) was established in a principal amount not to exceed \$25,000,000. These taxable notes were subordinated debt. On December 16, 2014, the Utility issued \$8,000,000 of Series D Notes to provide funds for the cost of acquisition and construction of certain improvements to the telecommunications system. On April 12, 2019, \$8,000,000 of the outstanding Series D Notes were refunded by the 2019 Series B Bonds. Liquidity support for the Series D Notes is provided under a long-term credit agreement effective August 28, 2014, and has been amended in June 2017 and August 2020, with State Street Bank and Trust Company at a current fee of 0.67% as compared to 0.47% previously. The credit agreement is stated to expire on August 27, 2021. As of September 30, 2020 there were no Series D Notes outstanding.

- **\$25,000,000 Utilities System Variable Rate Subordinated Utilities System Revenue Bonds, 2018 Series A** – On May 17, 2018, City Commission authorized a revolving line of credit on parity with commercial paper notes to finance from time to time tax exempt projects for the capital improvement plan for the electric system. The award of sale of purchase of the 2018 Series A Bond went to STI Institutional & Government, Inc. (SunTrust Bank), terms set forth in the purchase contract in the principal amount not to exceed \$25,000,000. The contract of purchase is effective on August 3, 2018, and expires August 3, 2021. The interest rate is 81% of 1 Month LIBOR plus 1.85% calculated on the basis of a 360 day year. The unused fee (liquidity fee) is 0.25%. As of September 30, 2020, there were no outstanding draws on this line of credit.

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- **\$50,000,000 Utilities System Variable Rate Subordinated Revenue Bond, 2020 Series A** – On April 16, 2020, the City Commission adopted a resolution and authorized a taxable revolving line of credit of \$50,000,000 on parity with commercial paper notes to finance from time to time the taxable cost of projects for electric, water, wastewater, gas, and GRUCom systems. The award of sale of purchase of the 2020 Series A Bond went to Truist Bank, with terms set forth in the purchase contract not to exceed \$50,000,000. The contract of purchase is effective on April 29, 2020, and expires April 29, 2022. The interest rate is 1 Month LIBOR plus 1.85% calculated on the basis of a 360 day year. The unused fee (liquidity fee) is 0.30%. As of September 30, 2020, there were no outstanding draws on this line of credit.

Business-Type Activities - Nonutility Notes

- **\$4,312,000 State Revolving Loan – Depot Park Remediation (FDEP)** – In an agreement dated December 9, 2004, FDEP issued the City a loan not to exceed \$16,360,500 (including \$360,500 of capitalized interest) for remediation of the Depot Park area for stormwater improvements. The loan was amended on September 9, 2008, to reduce the available principal from \$16,000,000 to \$4,312,000 as the Utility chose to withdraw from the program before drawing any funds. The loan is made interest-free, but includes a 1.97% annual grant allocation assessment rate and a one-time 2% loan service fee. Repayment began in September 2007 and will continue semiannually until the balance is repaid. Payable from non-ad valorem revenues, including stormwater fees. The principal balance outstanding at September 30, 2020, was \$997,431.
- **\$1,313,093 Capital Improvement Revenue Bonds, Series 2010** – 2.00% - 4.375%, issued July 13, 2010, final maturity October 2030, payable solely from non-ad valorem revenues. Principal payable annually on October 1, beginning 2011. Interest payable semiannually beginning October 1, 2020. The bonds are not subject to redemption prior to maturity. This note also funded an additional \$3,030,907 of capital projects for governmental activities. Beginning October 1, 2019, the City began reporting the operations of the Ironwood Golf Course in the General Fund and transferred the \$827,098 outstanding balance of Capital Improvement Revenue Bonds, Series 2010 reported in business-type activities to governmental activities.
- **\$2,000,000 Capital Improvement Revenue Bonds, Series 2014** – 2.00% - 5.00%, issued December 17, 2014, final maturity October 2034, payable solely from non-ad valorem revenues. Principal payable annually on October 1, beginning 2015. Interest payable semi-annually beginning April 1, 2015. The bonds are not subject to redemption prior to maturity. This note also funded an additional \$12,535,000 of capital projects for governmental activities.
- **\$1,543,358 Revenue Refunding Note Series 2016A** – 2.3% fixed, issued April 15, 2016, final maturity November 1, 2028; payable solely from non-ad valorem revenues. This is a direct borrowing from TD Bank. Proceeds from the Note were used to refinance all of the First Florida Governmental Financing Commission Loan, Series 2005 and the First Florida Governmental Financing Commission Loan, Series 2007 and partial refunding of the Capital Improvement Revenue Note Series 2009 along with closing costs incurred. This note also funded an additional \$10,426,642 of capital projects for government activities.

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Events of Default—Each of the following events is considered an “event of default” per the City’s debt agreements and Resolution:

- Payment of principal of any Bond shall not be made when the same shall become due and payable, either at maturity or on required payment dates by proceedings for redemption or otherwise; or
- The Issuer shall fail to make any deposits required to be made hereunder or shall otherwise fail to comply with any of the covenants and obligations of the Issuer hereunder and such failure shall continue unremedied for a period of thirty (30) days after such failure to deposit or other such occurrence; or
- An order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or receivers of the Issuer, or the filing of a petition by the Issuer for relief under federal bankruptcy laws or any other similar law or statute of the United States of America or the State of Florida, which shall not be dismissed, vacated or discharged within thirty (30) days after the filing thereof; or
- Any proceedings shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statutes now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the Pledged Revenues. Notwithstanding the foregoing, with respect to the events described in clause (b), the Issuer shall not be deemed in default hereunder if such default can be cured within a reasonable period of time and if the Issuer in good faith institutes appropriate curative action and diligently pursues such action until the default has been corrected.

Enforcement Remedies—Upon the happening and continuance of any event of default specified above, then and in every such case the holders of not less than twenty-five percent (25%) of the bond obligation may appoint any state bank, national bank, trust company or national banking association qualified to transact business in Florida to serve as trustee for the benefit of the holders of all bonds then outstanding (the “Default Trustee”). Notice of such appointment, together with evidence of the requisite signatures of the holders of twenty-five percent (25%) of the bond obligation and each of the bond insurers, if any, and the trust instrument under which the Default Trustee shall have agreed to serve shall be filed with the City and the Default Trustee and notice of such appointment shall be published in THE BOND BUYER or a financial journal of general circulation in the City of New York, New York and mailed to the registered holders of the bonds. No more than one Default Trustee may be appointed and serving hereunder at any one time; however, the holders of a majority of the bond obligation and the bond insurer, if any, acting jointly, may remove the Default Trustee initially appointed and appoint a successor and subsequent successors at any time. If the default for which the Default Trustee was appointed is cured or waived pursuant to this debt agreement, the appointment of the Default Trustee shall terminate with respect to such default.

After a Default Trustee has been appointed pursuant to the foregoing, the Default Trustee may proceed, and upon the written request of holders of twenty-five percent (25%) of the Bond Obligation shall proceed, to protect and enforce the rights of the bondholders under the laws of the State of Florida, including the Act, and under the City’s Bond Resolution, by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board, body or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or in aid of execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, all as the Default Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

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In the enforcement of any remedy against the City under its Bond Resolution the Default Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Issuer for principal, interest or otherwise under any provisions of the City’s Bond Resolution or of such bonds and unpaid, with interest on overdue payments of principal and, to the extent permitted by law, on interest, at the rate or rates of interest specified in such bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under such bonds, without prejudice to any other right or remedy of the Default Trustee or of the bondholders, and to recover and enforce any judgment or decree against the City, but solely as provided herein and in such bonds, for any portion of such amounts remaining unpaid and interest, costs and expenses as above provided, and to collect (but solely from moneys in the Debt Service Fund, and any other moneys available for such purpose) in any manner provided by law, the moneys adjudged or decreed to be payable.

Additional information regarding the Utility’s “Events of Default and Remedies of Bondholders” may be found in the separately issued reports of the Utility.

Debt Service Requirements for Long-Term Debt

Annual debt service requirements to maturity for long-term debt are as follows:

Year Ending September 30,	Governmental Activities			
	Direct Borrowings and Direct Placements		Bonds	
	Principal	Interest	Principal	Interest
2021	\$ 4,923,344	\$ 962,611	\$ 7,640,854	\$ 11,181,097
2022	4,606,334	846,507	9,130,292	11,292,739
2023	4,033,922	737,520	9,894,485	11,422,612
2024	4,126,108	641,959	10,705,369	11,535,728
2025	4,214,902	544,440	11,400,148	10,697,975
2026-2030	11,571,367	1,658,811	76,835,555	44,287,254
2031-2035	6,545,000	582,591	82,938,315	18,089,347
2036-2040	1,315,000	54,451	69,340,000	7,484,646
2041-2045	-	-	6,640,000	314,346
Total	\$ 41,335,977	\$ 6,028,890	\$ 284,525,018	\$ 126,305,744

Year Ending September 30,	Business-Type Activities			
	Direct Borrowings and Direct Placements		Bonds	
	Principal	Interest	Principal	Interest
2021	\$ 335,825	\$ 2,026,537	\$ 27,080,000	\$ 51,003,264
2022	375,046	2,075,432	25,645,000	49,530,811
2023	390,449	2,064,781	29,215,000	48,163,495
2024	401,313	2,053,707	32,105,000	46,776,177
2025	410,627	2,042,276	31,785,000	44,887,598
2026-2030	1,408,504	10,074,936	241,250,000	195,108,397
2031-2035	10,841,680	9,528,737	291,215,000	132,725,985
2036-2040	-	8,838,291	364,545,000	78,086,044
2041-2045	193,825,000	6,687,076	174,825,000	21,763,034
2046-2050	138,530,000	1,280,532	104,235,000	3,932,134
Total	\$ 346,518,444	\$ 46,672,305	\$ 1,321,900,000	\$ 671,976,939

See Note 4 – Hedging Activities, for additional debt service requirements for interest rate swaps.

CITY OF GAINESVILLE, FLORIDA
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SEPTEMBER 30, 2020

The interest rates used in this table for variable rate debt are those in effect as of September 30, 2020 as described above for each individual issue.

The Utility's 2009 Series B and 2010 Series B Bonds receive a federal interest subsidy of 32.9% of the annual interest expense and are assumed to remain at said rate for the duration of the bonds. The subsidy is recorded as nonoperating revenue on the Statement of Revenues, Expenses, and Changes in Fund Net Position.

For the Utility's utilities system variable rate demand obligations (VRDO), support is provided in connection with tenders for purchase with various liquidity providers pursuant to SBPAs or credit agreements relating to that series of obligation. The purchase price of the obligations tendered or deemed tendered for purchase is payable solely from the proceeds of the remarketing thereof and moneys drawn under the applicable SBPA or credit agreement. The current stated termination dates of the SBPA and credit agreements range from April 1, 2021 to May 17, 2024. Each of the SBPA and credit agreement termination dates may be extended. At September 30, 2020, there were no outstanding draws under any of the SBPAs. Available credits including interest, under each VRDO are as follows: \$3,126,573 for 2005 Series C, \$3,020,330 for 2006 Series A, \$129,261,999 for 2007 Series A, \$76,697,140 for 2008 Series B, \$99,777,111 for 2012 Series B, and \$68,130,044 for 2019 Series C.

The Utility has entered into revolving credit agreements with commercial banks to provide liquidity support for its commercial paper notes. If funds are not available to pay the principal of any maturing commercial paper notes during the term of the credit agreement, GRU is entitled to make a borrowing under the credit agreement. The termination dates of the credit agreements, as of September 30, 2020, are August 27, 2021, and November 30, 2021. The credit agreement supporting the tax-exempt Commercial Paper Notes, Series C had no outstanding draws as of September 30, 2020. The credit agreement supporting the taxable Commercial Paper Notes, Series D had no outstanding draws as of September 30, 2020.

Pledged Revenues

The 1994 Guaranteed Entitlement Revenue and Refunding Bonds were issued to refund multiple prior issues and to fund road and building construction and repair projects. The issue is secured by a lien upon and pledge of the City's Guaranteed Entitlement Funds. The remaining principal and interest payments on the bond at September 30, 2020 total \$4,380,000, payable semiannually through July 1, 2024. Pledged revenue was \$1,095,000 for fiscal year 2020, which was 100% of the annual debt requirement.

The Utility's revenues net of specified operating expenses are pledged as security of the above Utilities System Revenue Bonds and Commercial Paper Notes. For fiscal year 2020, principal and interest paid was \$96,710,070 and total pledged revenues was \$397,862,954. As of September 30, 2020, annual principal and interest payments are expected to require 21% of pledged revenues on average.

The Resolution contains certain restrictions and commitments, including the Utility's covenant to establish and maintain rates and other charges to produce revenue sufficient to pay operation and maintenance expenses, amounts required for deposit in the debt service fund, and amounts required for deposit in the utility plant improvement fund.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2020, was as follows:

	Beginning Balance (as restated)	Additions	Reductions	Ending Balance	Due within One Year
Governmental Activities					
Bonds Payable:					
Revenue Bonds and Loans	\$ 13,177,464	\$ 827,098	\$ (936,005)	\$ 13,068,557	\$ 949,198
Accreted Interest	3,599,231	277,713	(868,740)	3,008,204	881,935
Bond Premium	722,299	-	(47,364)	674,935	-
Pension Obligation Bonds	67,570,477	206,080,000	(2,194,016)	271,456,461	6,691,656
Accreted Interest	16,359,830	1,615,481	(1,785,984)	16,189,327	2,033,345
Discounts	(8,280)	-	768	(7,512)	-
Total Bond Payable	101,421,021	208,800,292	(5,831,341)	304,389,972	10,556,134
Revenue Note	37,907,275	8,535,000	(5,106,298)	41,335,977	4,923,344
Compensated Absences	3,162,961	4,226,352	(3,152,560)	4,236,753	162,951
Total	\$ 142,491,257	\$ 221,561,644	\$ (14,090,199)	\$ 349,962,702	\$ 15,642,429

Typically, the General Fund has been used in prior years to liquidate the liability for compensated absences.

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Business-Type Activities					
Bonds Payable:					
Utility Revenue Bonds	\$ 1,687,270,000	\$ 10,715,000	\$ (33,015,000)	\$ 1,664,970,000	\$ 27,090,000
Add: Issuance Premiums	102,411,008	-	(10,545,354)	91,865,654	-
Total Bonds Payable	1,789,681,008	10,715,000	(43,560,354)	1,756,835,654	27,090,000
Other Notes Payable	4,593,326	-	(1,144,882)	3,448,444	325,825
Compensated Absences	5,352,363	1,260,512	(881,801)	5,731,074	220,425
Total	\$ 1,799,626,697	\$ 11,975,512	\$ (45,587,037)	\$ 1,766,015,172	\$ 27,636,250

Note 14 - Conduit Debt

The City has previously issued Industrial Development Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial facilities deemed to be in the public interest. These bonds are secured by the financed property and are payable solely by the private-sector entity served by the bond issuance. As of September 30, 2020, there were two Industrial Revenue Bonds outstanding, with an aggregate principal amount of \$5,000,000.

The City issued Continuing Care Retirement Community Revenue Refunding Notes 2017A and 2017B for the purpose of providing funds to refinance certain obligations of Oak Hammock at the University of Florida, Inc. (the Borrower). These Notes are payable solely from revenues of the Borrower. As of September 30, 2020, the aggregate principal amount remaining on the note is \$30,835,000.

There is no obligation on the part of the City, County, State, or any political subdivision for repayment of the bonds or notes. Accordingly, the conduit debt is not reported as liabilities in the accompanying financial statements.

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

Note 15 - Fund Balance Classification and Restricted Net Position

Fund balances for major and nonmajor governmental funds as of September 30, 2020, are classified as follows:

	General Fund	Special Obligation Revenue Bonds Series 2020	Nonmajor Governmental Funds	Totals
Nonspendable				
Inventory	\$ 38,972	\$ -	\$ -	\$ 38,972
Long-Term Receivable	8,556,735	116,617,437	20,903,183	146,077,355
Cemetery Trust	-	-	973,501	973,501
Total Nonspendable	8,595,707	116,617,437	21,876,684	147,089,828
Restricted for				
Cemetery Trust	-	-	442,419	442,419
City Building Improvements	-	-	1,121,420	1,121,420
Community Redevelopment	-	-	16,301,638	16,301,638
Equipment Replacements	-	-	4,780,792	4,780,792
Fire Programs	-	-	1,096	1,096
Homeless Assistance	-	-	226,453	226,453
Housing and Community Development	-	-	657,701	657,701
Information Technologies	-	-	1,107,690	1,107,690
Land Acquisitions	-	-	207,800	207,800
Police Mentoring Programs	-	-	374,666	374,666
Police Programs	-	-	792,849	792,849
Recreation Facilities	-	-	12,692,756	12,692,756
Recreation Programs	-	-	2,098,553	2,098,553
Road Improvements	-	-	6,095,712	6,095,712
Transportation Improvements	-	-	6,619,687	6,619,687
Total Restricted	-	-	53,521,232	53,521,232
Committed for				
Cultural Events	-	-	169,021	169,021
Economic Development	-	-	169,837	169,837
Homeless Assistance	-	-	1,137,649	1,137,649
Housing and Community Development	-	-	427,641	427,641
Neighborhood Improvements	-	-	1,390,461	1,390,461
Tree Mitigation	-	-	3,276,328	3,276,328
Total Committed	-	-	6,570,937	6,570,937

CITY OF GAINESVILLE, FLORIDA
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SEPTEMBER 30, 2020

	General Fund	Special Obligation Revenue Bonds Series 2020	Nonmajor Governmental Funds	Totals
Assigned for				
City Building Improvements	\$ -	\$ -	\$ 1,599,328	\$ 1,599,328
Debt Service Principal and Interest	-	2,718,768	1,604,252	4,323,020
Depot Avenue Project	-	-	605,262	605,262
Economic Development	-	-	335,652	335,652
Equipment Replacement	-	-	780,003	780,003
Fire Station	-	-	207,038	207,038
Homeless Assistance	-	-	2,650,241	2,650,241
Information Technologies	-	-	990,085	990,085
Land Acquisitions	-	-	188,330	188,330
Neighborhood Improvements	-	-	65,708	65,708
Other Purposes	-	-	1,727,930	1,727,930
Public Safety	-	-	671,303	671,303
Road Improvements	-	-	3,501,890	3,501,890
Streetscapes	-	-	8,396	8,396
Subsequent Budget	5,246,913	-	-	5,246,913
Tourist Development	-	-	-	-
Traffic Signals	-	-	120,671	120,671
Total Assigned	<u>5,246,913</u>	<u>2,718,768</u>	<u>15,056,089</u>	<u>23,021,770</u>
Total Unassigned	<u>11,949,372</u>	<u>-</u>	<u>(3,522,639)</u>	<u>8,426,733</u>
Total Fund Balances	<u>\$ 25,791,992</u>	<u>\$ 119,336,205</u>	<u>\$ 93,502,303</u>	<u>\$ 238,630,500</u>

Restricted Net Position

The government-wide statement of net position reports \$46,138,594 of restricted net position, of which \$33,375,979 is restricted by enabling legislation.

Note 16 - Interfund Receivables, Payables, Advances and Transfers

Due to/from other funds

	Due from			Total	
	Utility	Nonmajor Governmental	Internal Service	Nonmajor Enterprise	Due From Other Funds
Due to					
General	\$ 3,844,401	\$ 3,414,263	\$ -	\$ 12,461,019	19,719,683
Pension Obligation Bond	94,137,344	-	-	25,196,261	119,333,605
Utility	-	1,330,821	41,049	249,662	1,621,532
Nonmajor Governmental	16,902,160	-	-	4,487,965	21,390,125
Internal Service	133,864	-	-	-	133,864
Nonmajor Enterprise	1,205,822	-	-	-	1,205,822
Total Due To Other Funds	<u>\$ 116,223,591</u>	<u>\$ 4,745,084</u>	<u>\$ 41,049</u>	<u>\$ 42,394,907</u>	<u>\$ 163,404,631</u>

The \$12,461,019 interfund payable from nonmajor enterprise funds to the General Fund resulted from Regional Transit System overdrawn their share of the pooled cash account. The \$3,439,797 due to the General Fund from nonmajor governmental funds is an interfund payable resulting from certain funds overdrawn their share of the pooled cash account. Approximately \$8,556,735 is not expected to be paid within one year.

**CITY OF GAINESVILLE, FLORIDA
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The Utility fund and nonmajor enterprise funds recorded a due to the Pension Obligation Bond and nonmajor governmental funds of \$140,722,983, in total, for their share of the pension contribution expense related to Pension Obligation Bonds, Series 2003A and Special Obligation Revenue Bond, Series 2020, with \$137,520,620 not expected to be paid within one year.

All remaining balances resulted from the time lag between the dates that (1) interfund good and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund Transfers

	Transfers from					Total Transfers In
	General	Utility	Nonmajor Governmental	Internal Service	Nonmajor Enterprise	
Transfers to						
General	\$ -	\$ 38,285,000	\$ 2,702,908	\$ -	\$ 395,145	\$ 41,383,053
Nonmajor Governmental	21,551,612	-	12,794,573	103,680	2,376,711	36,826,576
Internal Service	340,919	-	-	-	9,887	350,806
Nonmajor Enterprise	1,992,189	-	821,523	-	-	2,813,712
Total Transfers Out	<u>\$ 23,884,720</u>	<u>\$ 38,285,000</u>	<u>\$ 16,319,004</u>	<u>\$ 103,680</u>	<u>\$ 2,781,743</u>	<u>\$ 81,374,147</u>

The Utility transfer totaling \$38,285,000 to the General Fund is based on a formula adopted by the City Commission and is predominantly tied to the Utility's revenue generation. For more detail on the formula, refer to the separately issued financial statements for the Utility. The General Fund transferred \$10,001,580 to Debt Service Funds for scheduled debt service payments. Other interfund transfers were made in the normal course of operations and are consistent with the activities of the fund making the transfer.

Note 17 - Lease Revenue

The Utility leases communication tower antenna space to various wireless communication service providers on eleven communications towers and two water towers throughout its service territory. Two of the five transmitter sites for the county-wide public safety radio system are also located on these communication towers. Future minimum rental revenue for various operating leases are as follows:

<u>Year Ending September 30,</u>	<u>Future Minimum Rental Payments</u>
2021	\$ 1,663,930
2022	1,277,599
2023	960,636
2024	446,100
2025	131,563
2026	<u>52,021</u>
Total	<u>\$ 4,531,849</u>

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2020

Note 18 - Commitments and Contingencies

COVID-19—The COVID-19 pandemic has created economic disruptions throughout the country causing significant declines in economic activity overall. Management is evaluating the impact of the COVID-19 pandemic on the City and has concluded that while it is reasonably possible that the pandemic could have a negative effect on the financial condition and results of operations of the City, the specific impact is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Legal Matters—Legal cases arise in the normal course of operations but there were none that management considers significant for individual disclosure.

Utility Industry—The primary factors currently affecting the utility industry include environmental regulations, Operating, Planning and Critical Infrastructure Protection Standards promulgated by NERC under FERC jurisdiction, and the increasing strategic and price differences among various types of fuels. No state or federal legislation is pending or proposed at this time for retail competition in Florida. Following are some of the more specific commitments and contingencies impacting the Utility:

- *Manufactured Gas Plant*—Gainesville’s natural gas system originally distributed blue water gas, which was produced in town by gasification of coal using distillate oil. Although manufactured gas was replaced by pipeline gas in the mid-1950, coal residuals and spilt fuel contaminated soils remain on and adjacent to the manufactured gas plant (MGP) site. When the natural gas system was purchased, GRU assumed responsibility for the investigation and remediation of environmental impacts related to the operation of the former MGP. The Utility has pursued recovery for the MGP from past insurance policies and, to date, has recovered \$2,204,402 from such policies. The Utility received final approval of its Remedial Action Plan which included the excavation and landfilling of impacted soils. This plan was implemented pursuant to a Brownfield Site Rehabilitation Agreement with the State. Following remediation, the property has been redeveloped by the City as a park with storm water ponds, nature trails, and recreational space, all of which were considered in the remediation plan’s design. The duration of the groundwater monitoring program is unknown, and that timeframe is open to the results of the sampling data.

Based upon the Utility’s analysis of the cost to clean up this site, the Utility has accrued a liability to reflect the costs associated with the cleanup effort. During fiscal years 2020, expenditures which reduced the liability balance were \$1,149,190 and the reserve balance at September 30, 2020 was \$841,000. The Utility is recovering the costs of this cleanup through customer charges. A regulatory asset was established for the recovery of remediation costs from customers. Customer billings were \$1,149,190 as of September 30, 2020. The regulatory asset balance was \$9,777,369 as of September 30, 2020. Although some uncertainties associated with environmental assessment and remediation activities remain, GRU believes that the current provision for such costs is adequate and additional costs, if any, will not have an adverse material effect on GRU’s financial position, results of operations, or liquidity.

CITY OF GAINESVILLE, FLORIDA
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- *Purchase Commitments*—On July 16, 2020, the City Commission approved a Power Purchase Agreement (PPA) for solar electric to add 50 megawatts of solar generation to the GRU service area by December 2022. On July 21, 2020, the Utility entered into a 20-year contract with the option for two additional five-year terms and a purchase opportunity at years 8, 12, and 16, and at change in control. This will enable the Utility to provide customers with affordable solar power while taking the next steps toward meeting the City Commission’s goal of 100 percent renewable by 2045. The City will own all green environmental attributes (renewable energy credits).

- *Operating Leases*—The Utility leases various equipment, facilities and property under operating leases that are cancelable only under certain circumstances. Rental costs under operating leases for the year ended September 30, 2020 was \$185,974.

Future minimum rental payments for various operating leases are:

Year Ending September 30,	Future Minimum Rental Payments
2021	\$ 125,081
2022	85,689
2023	82,895
2024	40,695
2025	6,050
2026-2030	30,250
2031-2035	30,250
2036-2040	30,250
2041-2045	30,250
2046-2050	6,050
Total	\$ 467,460

Additional information on commitments and contingencies specific to the Utility’s operations may be found on the separately issued financial statements of the Utility. Those financial statements describe environmental and other natural resource regulations, internal combustion engine MACT, climate change, coal combustion products, storage tanks, remediation sites, and water use restrictions.

Note 19 - Tax Abatements

The City is party to Development Agreements with various developers to redevelop properties within the four former Community Redevelopment Agency (CRA) districts. The Development Agreements are agreements between the City and a developer to construct multi-family units with the potential of commercial space in the building being constructed. In return, the City agrees to annually reimburse the developer a Tax Increment Recapture based on the increase of assessed value of the development as determined by the Alachua County Property Appraiser.

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
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For fiscal year ended September 30, 2020, the City paid the following Tax Increment Recapture amounts for the following projects:

- \$204,665 of Tax Increment Fund Incentive Reimbursement for Jefferson on Second, a multi-family and commercial complex located in downtown Gainesville.
- \$31,981 of Tax Increment Fund Incentive Reimbursement for a façade and streetscape project located in the CRA's 5th Avenue/Pleasant Street District.
- \$180,813 of Tax Increment Fund Incentive Reimbursement for the Downtown Redevelopment Area.

Note 20 - Risk Management

The City is exposed to various risks of loss related to theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City maintains a General Insurance Fund (an Internal Service Fund) to account for its uninsured risk of loss. Under the current program, the City is self-insured for workers' compensation, auto, and general liability. Third-party coverage is currently maintained for workers' compensation claims in excess of \$350,000. Settlements have not exceeded insurance coverage for each of the last three years. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs), and are shown at current dollar value.

All funds participate in the general insurance program, with the Utility separately reporting its share of risk management and insurance related activities. The Utility Fund purchases plant and machinery insurance from a commercial carrier. There have been no significant reductions in insurance coverage from that in the prior year and settlements have not exceeded insurance coverage for the past three fiscal years. In addition, an actuarially computed liability of \$3,337,000 is recorded in the Utility Fund as a fully amortized deferred credit. The present value calculation assumes a rate of return of 4.5% with a confidence level of 75%. All claims for fiscal year 2020 were paid from current year's revenues.

Changes in General Insurance Claims Liability—

Utility Fund (Business-Type Activities)

	<u>Beginning of Fiscal Year Liability</u>		<u>Incurred</u>		<u>Payments</u>		<u>End of Fiscal Year Liability</u>
2019-2020	\$ 3,337,000	\$	2,051,291	\$	(2,051,291)	\$	3,337,000
2018-2019	3,337,000		2,102,918		(2,102,918)		3,337,000

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

Internal Service Fund (Governmental Activities)

	<u>Beginning of Fiscal Year Liability</u>	<u>Incurred</u>	<u>Payments</u>	<u>End of Fiscal Year Liability</u>
2019-2020	\$ 6,854,000	\$ 1,725,255	\$ (1,725,255)	\$ 6,854,000
2018-2019	6,854,000	3,196,323	(3,196,323)	6,854,000

The City is also self-insured for its Employee Health and Accident Benefit Plan (the Plan). The Plan is accounted for in an internal service fund and is externally administered, for an annually contracted amount that is based upon the volume of claims processed. Contributions for City employees and their dependents are shared by the City and the employee. Administrative fees are paid primarily out of this fund. Stop-loss insurance is maintained for this program at \$300,000 per individual. No claims have exceeded insurance coverage in the last three years.

Changes in Employee Health and Accident Insurance Claims Liability—

	<u>Beginning of Fiscal Year Liability</u>	<u>Incurred</u>	<u>Payments</u>	<u>End of Fiscal Year Liability</u>
2019-2020	\$ 1,310,671	\$ 24,441,535	\$ (24,441,535)	\$ 1,310,671
2018-2019	1,310,671	22,207,647	(22,207,647)	1,310,671

These claims liability amounts are all considered to be due within one year and are classified as current liabilities in the accompanying financial statements.

Note 21 - Restatements

Correction of Errors

- The City previously issued \$40,042,953 Taxable Pension Obligation Bonds, Series 2003A, including capital appreciation bonds in the amount of \$17,947,953 at date of issuance, for which interest accrues to principal and is payable upon maturity. No interest had been accreted in previous years, resulting in an understatement of liabilities and overstatement of net position in the amount of \$16,359,830 as of October 1, 2019.
- Portions of the Taxable Pension Obligation Bonds, Series 2003A have been and are expected to continue to be paid from the enterprise funds, but no liability has been reported in those funds. The financial statements have been restated to allocate liabilities (through interfund advances) of \$22,112,910 from governmental activities to business-type activities. The Utility recorded a regulatory asset for its share of the liability, and therefore, the restatement had no impact on its net position.

CITY OF GAINESVILLE, FLORIDA
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The restatements of beginning net position are summarized as follows:

Government-Wide	Governmental Activities	Business-Type Activities	Total Government- wide
Net Position - Beginning of Year, as Previously Reported	\$ 147,369,672	\$ 518,065,187	\$ 665,434,859
Restatement:			
Due From Other Funds	22,112,910	-	22,112,910
Regulatory Asset	-	17,473,132	17,473,132
Accreted Interest	(16,359,831)	-	(16,359,831)
Due To Other Funds	-	(22,112,910)	(22,112,910)
Total Restatement	<u>5,753,079</u>	<u>(4,639,778)</u>	<u>1,113,301</u>
Net Position - Beginning of Year, as Restated	<u>\$ 153,122,751</u>	<u>\$ 513,425,409</u>	<u>\$ 666,548,160</u>

Fund Level	Nonmajor Governmental Funds	Utility Fund	Nonmajor Enterprise Funds
Net Position - Beginning of Year, as Previously Reported	\$ 60,709,566	\$ 423,399,280	\$ 77,722,696
Restatement:			
Due From Other Funds	22,112,910	-	-
Regulatory Asset	-	17,473,132	-
Accreted Interest	-	-	-
Due To Other Funds	-	(17,473,132)	(4,639,778)
Total Restatement	<u>22,112,910</u>	<u>-</u>	<u>(4,639,778)</u>
Net Position - Beginning of Year, as Restated	<u>\$ 82,822,476</u>	<u>\$ 423,399,280</u>	<u>\$ 73,082,918</u>

Note 22 - Subsequent Events

Direct Placement of Long-term Debt—Subsequent to September 30, 2020, the City Commission approved four resolutions relating to the issuance, refunding and renewal of debt as follows:

- Issuance of \$105,000,000 Utilities System Revenue Bonds, 2020 Series B direct placement with TD Bank to refund \$105,000,000 of the Utilities System Revenue Bonds, 2017 Series B.
- Renewal and reissuance of the remaining \$45,000,000 of the Utilities System Revenue Bonds, 2017 Series B direct placement with Wells Fargo.
- Renewal and reissuance of the \$115,000,000 Utilities System Revenue Bonds, 2017 Series C direct placement with Bank of America.
- Issuance of \$12,000,000 Capital Improvement Revenue Refunding Note, Series 2021 to refund the outstanding Capital Improvement Revenue Bonds, Series 2010 and the Capital Improvement Revenue Note, Series 2017.

On November 2, 2020, the transactions were executed and the proceeds were used to refund a portion of the \$150,000,000 Utilities System Revenue Bonds 2017 Series B direct placement with Wells Fargo, reducing the outstanding par value from \$150,000,000 to \$45,000,000. The refunded portion of the direct placement with Wells Fargo was replaced by the \$105,000,000 Utilities System Revenue Bonds, 2020 Series B direct placement with TD Bank.

CITY OF GAINESVILLE, FLORIDA
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SEPTEMBER 30, 2020

Customer Information System—On November 19, 2020, the City Commission approved a \$30,784,000 project over ten years to upgrade the Utility’s current customer information system (CIS), a critical software system, which was installed in 2007. The CIS houses customer data and is responsible for billing utility customers.

Advanced Metering Infrastructure—On February 4, 2021, the City Commission approved an \$81,200,000 project over 21 years to install and host an advanced metering infrastructure (AMI) system that will enhance organizational and customer efficiencies. AMI is an integrated system of smart meters, communications networks, and data management systems that enable two-way communication between utilities and customers. These systems provide the ability to automatically and remotely measure consumer consumption, connect and disconnect services, detect meter tampering, identify and isolate outages, and monitor voltage. This project will result in better customer interaction, improved quality of service and shortened response times to outages.

Required Supplementary Information

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive/(Negative)</u>
Revenues				
Taxes	\$ 56,246,991	\$ 56,206,991	\$ 54,869,996	\$ (1,336,995)
Licenses and Permits	8,727,090	8,748,119	9,516,520	768,401
Intergovernmental	13,672,637	14,254,872	15,969,368	1,714,496
Charges for Services	13,038,232	11,277,074	11,998,872	721,798
Fines and Forfeitures	989,814	980,079	751,261	(228,818)
Miscellaneous	1,184,705	1,735,566	975,899	(759,667)
Total Revenues	<u>93,859,469</u>	<u>93,202,701</u>	<u>94,081,916</u>	<u>879,215</u>
Expenditures				
General Government	22,277,373	22,859,145	19,122,214	3,736,931
Public Safety	62,905,277	65,720,359	65,692,807	27,552
Physical Environment	216,394	223,722	226,453	(2,731)
Transportation	14,658,873	14,460,412	13,703,530	756,882
Economic Environment	506,483	654,426	450,258	204,168
Human Services	15,000	15,000	-	15,000
Culture and Recreation	11,670,078	11,740,677	10,510,974	1,229,703
Total Expenditures	<u>112,249,478</u>	<u>115,673,741</u>	<u>109,706,236</u>	<u>5,967,505</u>
(Deficiency) Revenue				
(Under) Expenditures	<u>(18,390,009)</u>	<u>(22,471,040)</u>	<u>(15,624,320)</u>	<u>6,846,720</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	682,217	682,217
Transfers in	38,890,160	41,673,646	41,674,073	427
Transfers (out)	(20,932,319)	(28,711,139)	(26,327,674)	2,383,465
Total Other Financing Sources (Uses)	<u>17,957,841</u>	<u>12,962,507</u>	<u>16,028,616</u>	<u>3,066,109</u>
Net Changes in Fund Balance	<u>\$ (432,168)</u>	<u>\$ (9,508,533)</u>	<u>\$ 404,296</u>	<u>\$ 9,912,829</u>
Reconciliation to GAAP Basis Statement of Revenues, Expenditures, and Changes in Fund Balance:				
	<u>Total</u>	<u>Total</u>	<u>Other Financing</u>	<u>Net Change in</u>
	<u>Revenues</u>	<u>Expenditures</u>	<u>Sources/(Uses)</u>	<u>Fund Balance</u>
Budgetary Basis	\$ 94,081,916	\$ (109,706,236)	\$ 16,028,616	\$ 404,296
Perspective Differences ⁽¹⁾	41,233	(3,523,821)	2,151,934	(1,330,654)
GAAP Basis	<u>\$ 94,123,149</u>	<u>\$ (113,230,057)</u>	<u>\$ 18,180,550</u>	<u>\$ (926,358)</u>

⁽¹⁾ Perspective differences are as a result of funds budgeted as special revenue funds which do not qualify as special revenue funds under GAAP and are thus reported as part of the General Fund.

CITY OF GAINESVILLE, FLORIDA
NOTES TO SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Annual budgets are legally adopted for all governmental funds other than Capital Projects Funds and certain Special Revenue Funds (such as grant funds and tax increment funds), which are appropriated on a project-length basis. Budgets are controlled at the department level throughout the year and total expenditures plus encumbrances may not legally exceed appropriations for each budgeted fund. The Special Revenue Funds, which are budgeted annually, are the Community Development Block Grant, Urban Development Action Grant, Home Grant, Cultural Affairs, State Law Enforcement Contraband Forfeiture, Federal Law Enforcement Contraband Forfeiture, Police Billable Overtime, Gainesville Community Reinvestment Area, Economic Development, Evergreen Cemetery, School Crossing Guard, and Art in Public Places. All other Special Revenue Funds are appropriated on a project-length, multi-year basis.

Budget amounts reflected in the accompanying schedule incorporate all budgetary amendments (including supplemental appropriations) to the original budget. Budget amendments are approved by the City Commission during the year, with a final amendatory ordinance approved after the end of the fiscal year.

The City Manager can approve budget transfers within and between operating departments and divisions of the same fund. All interfund budget transfers require prior approval of the City Commission, as do transfers from contingency funds exceeding \$50,000. Transfers concerning personnel can be made as long as the total number of permanent positions approved in the budget is not exceeded.

Budget appropriations lapse at year-end. Encumbrances at year-end do not represent GAAP expenditures or liabilities but represent budgetary accounting controls. All governmental fund budgets are maintained on the modified accrual basis of accounting except that budgetary basis expenditures include purchase orders and contracts (encumbrances) issued for goods or services not received at year-end.

The actual results of operations are presented in accordance with GAAP, and the City does not recognize encumbrances as expenditures until the period in which the goods or services are actually received and a liability is incurred. It is necessary to include the budgetary encumbrances to reflect actual revenues and expenditures on a budgetary basis consistent with the City's legally adopted budget. The following fiscal year's budget is amended to reappropriate the fund balance represented by encumbrances, if any.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
EMPLOYEES' PENSION PLAN
LAST SEVEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Pension Liability				
Service Costs	\$ 8,697,546	\$ 7,962,015	\$ 8,196,544	\$ 8,355,553
Interest	45,457,275	43,726,387	42,877,827	39,934,706
Differences Between Expected and Actual Experience	(157,018)	6,644,543	(5,088,593)	7,646,058
Transfer from Disability Plan	-	-	-	-
Changes of Assumptions	-	6,062,725	5,721,214	21,041,875
One Time Adjustment for DROP Account Balances	-	-	-	10,038,916
Contributions - Buy Back	195,500	121,500	89,300	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(37,279,075)</u>	<u>(35,568,906)</u>	<u>(33,106,728)</u>	<u>(34,963,352)</u>
Net Change in Total Pension Liability	16,914,228	28,948,264	18,689,564	52,053,756
Total Pension Liability - Beginning	<u>585,350,538</u>	<u>556,402,274</u>	<u>537,712,710</u>	<u>485,658,954</u>
Total Pension Liability - Ending (a)	<u>\$ 602,264,766</u>	<u>\$ 585,350,538</u>	<u>\$ 556,402,274</u>	<u>\$ 537,712,710</u>
Plan Fiduciary Net Position				
Employer Contributions	\$ 177,683,605	\$ 16,939,286	\$ 16,372,689	\$ 14,654,934
Employee Contributions	5,053,053	4,602,400	4,317,403	4,829,122
Contributions - Buy Back	195,500	121,500	89,300	-
Net Investment Income	17,060,129	(2,731,366)	49,219,793	58,605,302
Transfer from Disability Plan	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(37,279,075)</u>	<u>(35,568,906)</u>	<u>(33,106,728)</u>	<u>(38,469,162)</u>
Administrative Expense	<u>(563,047)</u>	<u>(584,033)</u>	<u>(697,884)</u>	<u>(604,905)</u>
Net Change in Plan Fiduciary Net Position	162,150,165	(17,221,119)	36,194,573	39,015,291
Plan Fiduciary Net Position - Beginning	<u>415,287,016</u>	<u>432,508,135</u>	<u>396,313,562</u>	<u>357,298,271</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 577,437,181</u>	<u>\$ 415,287,016</u>	<u>\$ 432,508,135</u>	<u>\$ 396,313,562</u>
City's Net Pension Liability - Ending (a)-(b)	<u>\$ 24,827,585</u>	<u>\$ 170,063,522</u>	<u>\$ 123,894,139</u>	<u>\$ 141,399,148</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	95.88%	70.95%	77.73%	73.70%
Annual Covered Payroll	\$ 101,061,060	\$ 92,048,000	\$ 89,976,976	\$ 91,143,976
Net Pension Liability as a Percentage of Covered Payroll	24.57%	184.76%	137.70%	155.14%

Notes to Schedule

Changes of Assumptions -- amounts reported as changes of assumption resulted from the following:

- For measurement date 9/30/2019, investment rate was reduced from 8.00% to 7.90%; inflation assumption rate was lowered from 3.75% to 2.50%.
- For measurement date 9/30/2018, investment rate was reduced from 8.10% to 8.00%.
- For measurement date 9/30/2017, investment rate was reduced from 8.20% to 8.10%.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
EMPLOYEES' PENSION PLAN
LAST SEVEN FISCAL YEARS
(Concluded)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability			
Service Costs	\$ 7,789,638	\$ 7,153,541	\$ 6,612,646
Interest	38,189,162	35,741,289	36,171,225
Differences Between Expected and Actual Experience	1,125,190	1,954,558	1,105,967
Transfer from Disability Plan	-	2,455,848	-
Changes of Assumptions	4,860,706	15,880,346	-
One Time Adjustment for DROP Account Balances	-	-	-
Contributions - Buy Back	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(37,252,988)</u>	<u>(28,306,207)</u>	<u>(31,819,142)</u>
Net Change in Total Pension Liability	14,711,708	34,879,375	12,070,696
Total Pension Liability - Beginning	<u>470,947,246</u>	<u>436,067,871</u>	<u>423,997,175</u>
Total Pension Liability - Ending (a)	<u>\$ 485,658,954</u>	<u>\$ 470,947,246</u>	<u>\$ 436,067,871</u>
Plan Fiduciary Net Position			
Employer Contributions	\$ 13,481,032	\$ 11,746,935	\$ 11,519,431
Employee Contributions	7,947,069	4,429,289	4,260,476
Contributions - Buy Back	-	-	-
Net Investment Income	39,190,078	(2,486,089)	34,176,892
Transfer from Disability Plan	-	2,320,442	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(37,252,988)</u>	<u>(28,306,207)</u>	<u>(26,161,924)</u>
Administrative Expense	<u>(670,867)</u>	<u>(580,988)</u>	<u>(613,886)</u>
Net Change in Plan Fiduciary Net Position	22,694,324	(12,876,618)	23,180,989
Plan Fiduciary Net Position - Beginning	<u>334,603,947</u>	<u>347,480,565</u>	<u>324,299,576</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 357,298,271</u>	<u>\$ 334,603,947</u>	<u>\$ 347,480,565</u>
City's Net Pension Liability - Ending (a)-(b)	<u>\$ 128,360,683</u>	<u>\$ 136,343,299</u>	<u>\$ 88,587,306</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.57%	71.05%	79.68%
Annual Covered Payroll	\$ 80,223,575	\$ 79,930,261	\$ 81,654,532
Net Pension Liability as a Percentage of Covered Payroll	160.00%	170.58%	108.49%

Notes to Schedule

Changes of Assumptions -- amounts reported as changes of assumption resulted from the following:

- For measurement date 9/30/2016, investment rate was reduced from 8.30% to 8.20%.
- For measurement date 9/30/2015, investment rate was reduced from 8.40% to 8.30%.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
EMPLOYEES' PENSION PLAN
LAST SEVEN FISCAL YEARS**

Fiscal Year Ended September 30,	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Total Contributions as a Percentage of Covered Payroll
2020	\$ 19,011,264	\$ 177,683,605	\$ (158,672,341)	\$ 101,061,060	175.82%
2019	16,939,286	16,939,286	-	92,048,000	18.40%
2018	16,777,348	16,372,689	404,659	89,976,976	18.20%
2017	14,654,934	14,654,934	-	91,143,976	16.08%
2016	13,481,032	13,481,032	-	80,223,575	16.80%
2015	13,211,521	12,224,716	986,805	79,930,261	15.29%
2014	12,700,223	11,995,271	704,952	81,654,532	14.69%

Notes to Schedule

Valuation Date: 10/1/2018

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Individual entry age, normal cost
Amortization Method	Level percentage, closed
Remaining Amortization Period	30 years
Asset Valuation Method	Actuarial value, based on 5-year recognition of returns greater or less than the assumed investment return
Investment Return Rate	7.90%, net of investment related expenses
Salary Increase Rate	3.00%-5.00%
Payroll Growth	3.85%
Mortality Rates	<i>Healthy Active Lives</i> -- Female: RP2000 Generational, 100% Combined Healthy White Collar, Scale BB; Male: RP2000 Generational, 50% Combined Healthy White Collar/50% Combined Healthy Blue Collar, Scale BB <i>Healthy Inactive Lives</i> -- Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB; Male: RP2000 Generational, 50% Annuitant White Collar/50% Annuitant Blue Collar, Scale BB <i>Disabled Lives</i> --Female: 100% RP2000 Disabled Female set forward two years; Male: 100% RP2000 Disabled Male setback four years

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
POLICE OFFICERS' AND FIREFIGHTERS' CONSOLIDATED RETIREMENT PLAN
LAST SEVEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Pension Liability				
Service Costs	\$ 3,905,032	\$ 3,757,740	\$ 3,682,078	\$ 4,254,335
Interest	22,777,676	22,397,470	21,993,597	21,463,554
Change in Excess State Money	-	(951,203)	-	-
Share Plan Allocation	890,108	951,203	-	-
Differences Between Expected and Actual Experience	501,678	(1,185,483)	(2,419,821)	2,311,687
Changes of Assumptions	-	3,102,805	4,612,282	2,158,450
Contributions - Buy Back	7,400	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(20,188,276)</u>	<u>(19,538,102)</u>	<u>(19,464,524)</u>	<u>(16,100,144)</u>
Net Change in Total Pension Liability	7,893,618	8,534,430	8,403,612	14,087,882
Total Pension Liability - Beginning	<u>294,514,116</u>	<u>285,979,686</u>	<u>277,576,074</u>	<u>263,488,192</u>
Total Pension Liability - Ending (a)	<u>\$ 302,407,734</u>	<u>\$ 294,514,116</u>	<u>\$ 285,979,686</u>	<u>\$ 277,576,074</u>
Plan Fiduciary Net Position				
Employer Contributions	\$ 51,905,342	\$ 4,958,811	\$ 4,507,892	\$ 4,294,312
State Contributions	3,141,731	-	1,366,304	1,254,172
Employee Contributions	2,113,851	1,946,523	1,963,471	2,024,693
Contributions - Buy Back	7,400	-	-	-
Net Investment Income	17,227,545	3,521,972	24,056,126	31,854,789
Benefit Payments, Including Refunds of Employee Contributions	<u>(20,188,276)</u>	<u>(19,538,102)</u>	<u>(19,464,524)</u>	<u>(16,100,144)</u>
Administrative Expense	<u>(708,558)</u>	<u>(771,292)</u>	<u>(699,346)</u>	<u>(564,203)</u>
Other	-	91,875	-	-
Net Change in Plan Fiduciary Net Position	53,499,035	(9,790,213)	11,729,923	22,763,619
Plan Fiduciary Net Position - Beginning	243,431,612	253,221,825	241,763,801	219,000,182
Adjustment to Beginning of Year	<u>(12,085)</u>	-	<u>(271,899)</u>	-
Plan Fiduciary Net Position - Ending (b)	<u>\$ 296,918,562</u>	<u>\$ 243,431,612</u>	<u>\$ 253,221,825</u>	<u>\$ 241,763,801</u>
City's Net Pension Liability - Ending (a)-(b)	<u>\$ 5,489,172</u>	<u>\$ 51,082,504</u>	<u>\$ 32,757,861</u>	<u>\$ 35,812,273</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	98.18%	82.66%	88.55%	87.10%
 Annual Covered Payroll	\$ 26,077,644	\$ 24,058,071	\$ 25,263,376	\$ 25,501,291
 Net Pension Liability as a Percentage of Covered Payroll	21.05%	212.33%	129.67%	140.43%

Notes to Schedule

Changes of Assumptions -- amounts reported as changes of assumption resulted from the following:

- For measurement date 9/30/2019, investment rate was reduced from 8.00% to 7.90%
- For measurement date 9/30/2018, investment rate was reduced from 8.10% to 8.00%.
- For measurement date 9/30/2017, investment rate was reduced from 8.20% to 8.10%.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
POLICE OFFICERS' AND FIREFIGHTERS' CONSOLIDATED RETIREMENT PLAN
LAST SEVEN FISCAL YEARS
(Concluded)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability			
Service Costs	\$ 3,812,252	\$ 4,094,841	\$ 3,730,365
Interest	20,156,185	23,375,806	19,299,422
Change in Excess State Money	-	-	-
Share Plan Allocation	-	-	-
Differences Between Expected and Actual Experience	(6,006,515)	(140,568)	-
Changes of Assumptions	2,719,455	2,608,508	2,523,158
Contributions - Buy Back	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(15,444,821)</u>	<u>(17,602,583)</u>	<u>(12,898,782)</u>
Net Change in Total Pension Liability	5,236,556	12,336,004	12,654,163
Total Pension Liability - Beginning	<u>258,251,636</u>	<u>245,915,632</u>	<u>233,261,469</u>
Total Pension Liability - Ending (a)	<u>\$ 263,488,192</u>	<u>\$ 258,251,636</u>	<u>\$ 245,915,632</u>
Plan Fiduciary Net Position			
Employer Contributions	\$ 3,716,354	\$ 3,682,847	\$ 3,855,020
State Contributions	1,242,740	1,269,827	1,259,995
Employee Contributions	2,093,074	1,972,417	2,067,685
Contributions - Buy Back	-	-	-
Net Investment Income	22,310,321	(93,259)	21,911,535
Benefit Payments, Including Refunds of Employee Contributions	(15,444,821)	(17,602,583)	(12,898,782)
Administrative Expense	(585,416)	(609,229)	(609,264)
Other	-	-	-
Net Change in Plan Fiduciary Net Position	<u>13,332,252</u>	<u>(11,379,980)</u>	<u>15,586,189</u>
Plan Fiduciary Net Position - Beginning	205,667,930	217,047,910	201,461,721
Adjustment to Beginning of Year	-	-	-
Plan Fiduciary Net Position - Ending (b)	<u>\$ 219,000,182</u>	<u>\$ 205,667,930</u>	<u>\$ 217,047,910</u>
City's Net Pension Liability - Ending (a)-(b)	<u>\$ 44,488,010</u>	<u>\$ 52,583,706</u>	<u>\$ 28,867,722</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 83.12%	 79.64%	 88.26%
 Annual Covered Payroll	 \$ 23,885,642	 \$ 25,539,198	 \$ 24,364,333
 Net Pension Liability as a Percentage of Covered Payroll	 186.25%	 205.89%	 118.48%

Notes to Schedule

Changes of Assumptions -- amounts reported as changes of assumption resulted from the following:

- For measurement date 9/30/2016, investment rate was reduced from 8.30% to 8.20%.
- For measurement date 9/30/2015, investment rate was reduced from 8.40% to 8.30%.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE OFFICERS' AND FIREFIGHTERS' CONSOLIDATED RETIREMENT PLAN
LAST SEVEN FISCAL YEARS**

Fiscal Year Ended September 30,	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Total Contributions as a Percentage of Covered Payroll
2020	\$ 5,680,398	\$ 51,905,342	\$ (46,224,944)	\$ 26,077,644	199.04%
2019	4,958,811	4,958,811	-	24,058,071	20.61%
2018	4,507,892	4,507,892	-	25,263,376	17.84%
2017	4,294,312	4,294,312	-	25,501,291	16.84%
2016	3,716,354	3,716,354	-	23,885,642	15.56%
2015	3,682,847	3,682,847	-	25,539,198	14.42%
2014	3,855,020	3,855,020	-	24,364,333	15.82%

Notes to Schedule

Valuation Date: 10/1/2018

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Individual entry age, normal cost
Amortization Method	Level percentage, closed
Remaining Amortization Period	30 years
Asset Valuation Method	Actuarial value, based on 5-year recognition of returns greater or less than the assumed investment return
Investment Return Rate	7.90%, net of investment related expenses
Salary Increase Rate	Police Officers: 3.0% - 6.0%; Firefighters: 2.0% - 5.0%
Payroll Growth	3.0% per year for projecting aggregate payroll; 2.75% for determining amortization payments towards the unfunded accrued liability
Mortality Rates	<i>Healthy Active Lives</i> -- Female: RP2000 Generational, 100% Combined Healthy White Collar, Scale BB; Male: RP2000 Generational, 10% Combined Healthy White Collar/90% Combined Healthy Blue Collar, Scale BB 50% of all deaths are assumed to be in line of duty <i>Healthy Inactive Lives</i> -- Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB; Male: RP2000 Generational, 90% Annuitant White Collar/10% Annuitant Blue Collar, Scale BB <i>Disabled Lives</i> -- Female: 60% RP2000 Disabled Female set forward two years/40% Annuitant White Collar with no setback, no projection scale; Male: 60% RP2000 Disabled Male setback four years/40% Annuitant White Collar with no setback, no projection scale.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN
PENSION PLANS
LAST SEVEN FISCAL YEARS

Fiscal Year	Annual Money-Weighted Rate of Return on Pension Plan Investments	
	General Pension Plan	Consolidated Plan
2020	4.11%	7.10%
2019	-0.64%	1.30%
2018	12.63%	10.22%
2017	11.84%	11.20%
2016	11.84%	11.20%
2015	-0.74%	0.00%
2014	10.61%	11.01%

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS
FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PROGRAM
LAST SIX FISCAL YEARS**

FLORIDA RETIREMENT SYSTEM (FRS)

	2020	2019	2018	2017	2016	2015
Employer's Proportion of the Net Pension Liability	0.0026964%	0.0028433%	0.0028149%	0.0026950%	0.0033806%	0.0030857%
Employer's Proportionate Share of the Net Pension Liability	\$ 1,168,671	\$ 979,195	\$ 847,873	\$ 797,444	\$ 853,598	\$ 398,554
Employer's Covered Payroll	\$ 252,289	\$ 249,819	\$ 237,711	\$ 202,289	\$ 229,337	\$ 178,193
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	463.23%	391.96%	356.68%	394.21%	372.20%	223.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

HEALTH INSURANCE SUBSIDY PROGRAM (HIS)

	2020	2019	2018	2017	2016	2015
Employer's Proportion of the Net Pension Liability	0.0007268%	0.0007467%	0.0007276%	0.0006345%	0.0007428%	0.0007603%
Employer's Proportionate Share of the Net Pension Liability	\$ 88,738	\$ 83,552	\$ 77,015	\$ 67,846	\$ 86,570	\$ 77,534
Employer's Covered Payroll	\$ 252,289	\$ 249,819	\$ 237,711	\$ 202,289	\$ 229,337	\$ 178,193
Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	35.17%	33.45%	32.40%	33.54%	37.75%	43.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

Notes to Schedules

The amounts presented for each fiscal year for the FRS and HIS were determined as of the measurement date, which was June 30 of the current fiscal year. Covered payroll is for the year ended June 30 of each year presented.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PROGRAM
LAST SIX FISCAL YEARS**

FLORIDA RETIREMENT SYSTEM (FRS)

Florida Retirement System (FRS)	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 90,261	\$ 89,357	\$ 81,218	\$ 76,047	\$ 78,365	\$ 80,376
Contributions in Relation to the Contractually Required Contribution	(90,261)	(89,357)	(81,218)	(76,047)	(78,365)	(80,376)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's Covered Payroll	\$ 253,072	\$ 252,952	\$ 237,711	\$ 222,289	\$ 218,313	\$ 197,229
Contributions as a Percentage of Covered Payroll	35.67%	35.33%	34.17%	34.21%	35.90%	40.75%

HEALTH INSURANCE SUBSIDY PROGRAM (HIS)

	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 4,201	\$ 4,199	\$ 3,946	\$ 3,690	\$ 3,624	\$ 3,274
Contributions in Relation to the Contractually Required Contribution	(4,201)	(4,199)	(3,946)	(3,690)	(3,624)	(3,274)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's Covered Payroll	\$ 253,072	\$ 252,952	\$ 237,711	\$ 222,289	\$ 218,313	\$ 197,229
Contributions as a Percentage of Covered Payroll	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFITS
LAST FOUR FISCAL YEARS**

Total OPEB Liability	2020	2019	2018	2017
Service Costs	\$ 1,742,093	\$ 1,591,950	\$ 1,467,084	\$ 1,282,158
Interest	6,093,319	5,887,782	5,676,583	5,274,094
Differences Between Expected and Actual Experience	(3,069,055)	-	3,158,374	(914,359)
Changes of Assumptions	(13,744,743)	625,481	675,415	559,493
Gross Benefit Payments	(8,225,362)	(7,676,658)	-	-
Retiree Contributions	3,404,162	3,173,162	(4,354,263)	(4,109,173)
Net Change in Total OPEB Liability	(13,799,586)	3,601,717	6,623,193	2,092,213
Total OPEB Liability - Beginning	77,815,468	74,213,751	67,590,558	65,498,345
Total OPEB Liability - Ending (a)	<u>\$ 64,015,882</u>	<u>\$ 77,815,468</u>	<u>\$ 74,213,751</u>	<u>\$ 67,590,558</u>
Plan Fiduciary Net Position				
Employer Contributions	\$ 2,557,953	\$ 2,348,167	\$ 2,016,572	\$ 1,622,729
Net Investment Income	602,848	(1,550,570)	6,250,519	6,550,405
Gross Benefit Payments	(8,225,362)	(7,676,658)	(4,354,263)	(4,109,173)
Retiree Contributions	3,404,162	3,173,162	-	-
Administrative Expense	(4,661)	(19,078)	(13,890)	(6,082)
Net Change in Plan Fiduciary Net Position	(1,665,060)	(3,724,977)	3,898,938	4,057,879
Plan Fiduciary Net Position - Beginning	63,674,314	67,399,291	63,500,353	59,442,474
Plan Fiduciary Net Position - Ending (b)	<u>\$ 62,009,254</u>	<u>\$ 63,674,314</u>	<u>\$ 67,399,291</u>	<u>\$ 63,500,353</u>
City's Net OPEB Liability - Ending (a)-(b)	<u>\$ 2,006,628</u>	<u>\$ 14,141,154</u>	<u>\$ 6,814,460</u>	<u>\$ 4,090,205</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.87%	81.83%	90.82%	93.95%
Annual Covered Payroll	\$ 148,889,032	\$ 124,457,080	\$ 118,530,552	\$ 122,798,859
Net OPEB Liability as a Percentage of Covered Payroll	1.35%	11.36%	5.75%	3.33%

Notes to Schedule

Differences Between Expected and Actual Experience - Fiscal year 2020 reflects the impact of changes to the census data from the prior valuation to the valuation

Changes of Assumptions -- Changes of assumptions reflect the effects of changes in the discount rate each period.

- For measurement date 9/30/2019, investment rate was reduced from 8.00% to 7.90%.

Additionally, changes of assumptions includes changes due to claims experience and premium rates.

Census data reflects changes in status for the twenty-four (24) month period since October 1, 2017, resulting in an increase in annual covered payroll.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFITS
LAST FOUR FISCAL YEARS**

Fiscal Year Ended September 30,	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Total Contributions as a Percentage of Covered Payroll
2020	\$ -	\$ 2,557,953	\$ (2,557,953)	\$ 148,889,032	1.72%
2019	767,613	2,348,167	(1,580,554)	124,457,080	1.89%
2018	731,060	2,016,572	(1,285,512)	118,530,552	1.70%
2017	616,087	1,622,729	(1,006,642)	122,798,859	1.32%

Notes to Schedule

Valuation Date: 10/1/2019

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Individual entry age, normal cost
Amortization Method	Level percentage, closed
Remaining Amortization Period	30 years
Asset Valuation Method	Market Value of Assets
Discount Rate	7.90% per year assumed investment return rate
Salary Increase Rate	Police Officers: 3.0% - 6.0%; Firefighters: 2.0% - 5.0%
Payroll Growth	3.00%
Health Care Inflation	Medical Claims (Pre-65) 7.30% - 4.50%, (Post-65) 4.30% - 4.50%
Mortality Rates	<i>Healthy Active Lives</i> -- Female: RP2000 Generational, 100% Combined Healthy White Collar, Scale BB; Male: RP2000 Generational, 50% Combined Healthy White Collar/50% Combined Healthy Blue Collar, Scale BB. Male (Special Risk): RP2000 Generational, 10% Combined Healthy White Collar/90% Combined Healthy Blue Collar, Scale BB. For special risk members, 25% of future active member deaths are assumed to be in the line of duty. For all other members, 2% of future active member deaths are assumed to be in the line of duty <i>Healthy Inactive Lives</i> -- Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB; Male: RP2000 Generational, 10% Annuitant White Collar/90% Annuitant Blue Collar, Scale BB <i>Disabled Lives</i> -- Female: 100% RP2000 Disabled Female set forward two years, no projection scale; Male: 60% RP2000 Disabled Male setback four years/40% Annuitant White Collar with no setback, no projection scale.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN
OTHER POSTEMPLOYMENT BENEFITS
LAST FOUR FISCAL YEARS

<u>Fiscal Year</u>	<u>Annual Money-Weighted Rate of Return on OPEB Plan Investments</u>
2020	0.25%
2019	-2.41%
2018	9.97%
2017	11.25%

Note to Schedule

The schedule will present ten years comparative data in the future.

Supplementary Information

NONMAJOR GOVERNMENT FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are restricted to expenditures for specific purposes.

The City maintains the following Special Revenue Funds:

Community Development Block Grant - to maintain unique accounting requirements for Federal funds being used to refurbish and rehabilitate deteriorated neighborhoods.

Urban Development Action Grant - to account for Urban Development Action Grant funds loaned to a local developer for construction of a downtown-parking garage. The loan is to be repaid based on provisions of an agreement.

HOME Grant - to maintain unique accounting requirements for HOME Investment Partnerships Program Grant funds. This program was created under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990.

Cultural Affairs - to account for revenues and expenditures associated with various cultural activities of the City. Financing is provided by various charges for services and miscellaneous revenue sources.

State Law Enforcement Contraband Forfeiture - to account for law enforcement related projects funded by the proceeds from state confiscated property forfeited under the provisions of Sections 932.701 through 932.704, Florida Statutes.

Federal Law Enforcement Contraband Forfeiture - to account for law enforcement related projects funded by the proceeds from federal confiscated property forfeited under the provisions of USC 21 SS 881 and U.S. Department of Justice, Guide to Equitable Sharing of Federally Forfeited Property for State and Local Law Enforcement Agencies.

Police Billable Overtime - to account for revenues and expenditures associated billable overtime that the Police Department performs outside of their regular duties for both City events and non-City events. Fees are set with the intent to cover variable costs including overtime pay and benefits.

Community Redevelopment Agency - to account for the administrative operations of the City's four tax increment districts. This fund is a component unit of the City and is reported as a blended component unit in the nonmajor governmental funds section. Effective October 1, 2019, the City dissolved its Community Redevelopment Agency and transferred funds to the Gainesville Community Redevelopment Area.

Street, Sidewalk and Ditch Improvement - to account for the provision and financing of paving and ditch improvement projects. Financing is provided by assessments levied against property owners in a limited geographical area as improvement projects are approved.

Economic Development - to account for revenue and expenditures made to promote economic development. Includes operating expense and rental revenue generated by the GTEC (Gainesville Technology Incubator) facility.

Miscellaneous Grants - to account for a large number of miscellaneous grants, which are single purpose in nature and require minimal special accounting features.

SPECIAL REVENUE FUNDS

Transportation Concurrency Exception Area - to account for revenue and expenditures generated in connection with transportation improvements made in conjunction with new developments. Funds are provided by real estate developers to mitigate the development's impact on transportation in accordance with Ordinance #981310.

Water/Wastewater Infrastructure Surcharge - to account for surcharge collections and interest earnings which are to be expended on related infrastructure improvements for water and wastewater. Half of the funds collected are transferred to this fund. Resolution #030223 specifies that the expenditures are to be used as follows: 20% health/safety/environmental projects, 20% affordable housing projects, and 60% programmed extension projects.

State Housing Investment Partnership (SHIP) - to account for documentary stamp proceeds from real estate transactions to be used as funding for the entitlement program. Expenditures made by the City include grants to improve housing options for lower income and less advantaged citizens.

Emergency Disaster - to account for revenue and expenditures associated with public safety during an event.

Small Business Loan - to account for revenue and expenditures associated with revolving loan funds to local small businesses. This fund was established in fiscal year 2005 with the funds received through an insurance settlement associated with the United Gainesville Community Development Corporation.

Miscellaneous Special Revenue Fund - to account for several miscellaneous programs that are of small dollar value and are restricted to a specific project or activity.

Potential Civil Unrest - to account for expenses from potential civil unrest that may occur within the City due to such things as state and local COVID-19 mandates, racial unrest, election-related unrest, etc.

Hurricane Dorian - to account for revenue and expenditures incurred during and from the recovery of Hurricane Dorian.

Fire Assessment - to account for fire assessment fees not included in the general fund.

Tree Mitigation - to account for projects that exceed the basic service levels for tree planting, routine pruning maintenance and hazard abatement of the City's tree canopy.

Golf Course Surcharge - to account for surcharges collected on golf course usage from green fees and cart rentals to be used for golf course improvements and debt payments.

Evergreen Cemetery - to account for revenues, which will be used to finance perpetual care expenses incurred by the General Fund for cemetery gravesites. Interest income and income from lot sales and perpetual care contracts provide the financing sources.

School Crossing Guard - to account for the surcharge imposed on parking fines to fund the School Crossing Guard Program.

Art in Public Places - to account for the use of funds to purchase art for new or majorly-renovated City buildings, and to accumulate funds to provide art that is accessible to the public in accordance with City Ordinance #3509.

Gainesville Community Reinvestment Area - to account for the use of funds from an interlocal agreement with Alachua County for the redevelopment of the consolidated tax increment district areas, cap the annual funding provided by the City and County, and set an end date for the redevelopment work. Funding from the County will end January 1, 2029.

SPECIAL REVENUE FUNDS

Downtown Redevelopment Tax Increment Fund - to account for certain property tax increments, and interest earned on such funds, which are to be used for specific projects involving downtown redevelopment.

Fifth Avenue Tax Increment Fund - to account for certain property tax increments, and interest earned on such funds, which are to be used for specific projects involving redevelopment of the Fifth Avenue and Pleasant Street neighborhoods.

College Park Tax Increment Fund - to account for certain property tax increments and interest earned on such funds, which are to be used for specific projects involving redevelopment of the College Park and University Heights neighborhoods.

Eastside Tax Increment Fund - to account for certain property tax increments and interest earned on such funds, which are to be used for specific projects involving redevelopment of the Eastside Redevelopment District.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

The City maintains the following Debt Service Funds:

Guaranteed Entitlement Revenue and Refunding Bonds 1994 - to receive and account for funds (Guaranteed Entitlement funds) to accumulate the debt service requirements of the Guaranteed Entitlement Refunding Bonds of 1994.

Pension Obligation Bonds Series 2003A - to account for funds to accumulate the debt service requirements of the pension obligation bonds for the General Employee's Pension Plan.

Pension Obligation Bonds Series 2003B - to account for funds to accumulate the debt service requirements of the pension obligation bonds for the Consolidated Police Officers' and Firefighters' Pension Plan.

GPD Energy Conservation Master Capital Lease - to account for funds to accumulate the capital lease required payments for the Siemens GPD Energy Conservation Capital Lease.

Capital Improvement Revenue Note Series 2009 - to account for funds to accumulate the debt service requirements of the Revenue Note Series 2009.

Capital Improvement Revenue Bond Series 2010 - to account for funds to accumulate the debt service requirements of the Revenue Bond Series 2010.

Revenue Refunding Note Series 2011 - to account for funds to accumulate the debt service requirements of the Revenue Refunding Note of 2011.

Capital Improvement Revenue Note Series 2011A - to account for funds to accumulate the debt service requirements of the Revenue Note of 2011.

Revenue Refunding Note Series 2014 - to account for funds to accumulate the debt service requirements of the Revenue Refunding Note of 2014.

Capital Improvement Revenue Bond Series 2014 - to account for funds to accumulate the debt service requirements of the Revenue Bond of 2014.

Revenue Refunding Note Series 2016A - to account for funds to accumulate the debt service requirements of the Revenue Refunding Note of 2016.

Capital Improvement Revenue Note Series 2016B - to account for funds to accumulate the debt service requirements of the Revenue Note of 2016B.

Capital Improvement Revenue Bond 2017 - to account for funds to accumulate the debt service requirements of the Revenue Bond of 2017.

Capital Improvement Revenue Note 2019 - to account for funds to accumulate the debt service requirements of the Revenue Note of 2019.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds).

The City maintains the following Capital Projects Funds:

General Capital Projects - to account for costs of various projects, which are of relatively small dollar value in nature. Financing is generally provided by operating transfers from other funds of the City and interest earnings.

Public Improvement Construction Fund - to account for the costs of various capital projects funded by the non-refunding portion of the 1994 Guaranteed Entitlement Revenue & Refunding Bonds & interest earnings.

Greenspace and Community Improvement - to account for the costs of acquiring greenspace land and quality of life improvements in the community.

Roadway Construction Fund 96 - to account for the costs of roadway improvements financed through First Florida Governmental Financing Commission borrowings (1996) and interest earnings.

Capital Projects Fund 02 - to account for the costs of various capital projects financed by the First Florida Governmental Financing Commission 2002 and interest earnings.

Fifth Avenue/Pleasant Street Rehabilitation Project Fund 02 - to account for the acquisition and rehabilitation of properties in the Fifth Avenue/Pleasant Street district financed through the First Florida Governmental Financing Commission 2002 and interest earnings.

Downtown Parking Garage Sales Tax - to account for construction costs of the Alachua County Criminal Courthouse parking facilities financed by the local option sales tax.

FFGFC 05 Capital Projects - to account for the costs of various capital projects financed by the First Florida Governmental Financing Commission 2005 and interest earnings.

39th Avenue Fleet Garage Expansion - to account for the costs of the expansion of the 39th Avenue Fleet garage.

Capital Improvement Revenue Bond (CIRB) 2005 CIP Fund - to account for the costs of various capital projects financed by the CIRB 2005 and interest earnings.

Kennedy Homes Acquisition/Demolition Fund - to account for the costs of acquiring the Kennedy Homes property, and for associated demolition and remodeling costs associated with the property's rehabilitation.

Campus Development Agreement - to account for the costs of projects specified to be funded by the Campus Development Agreement, provided by the University of Florida.

Energy Conservation - to account for the costs of projects related to energy conservation funded by the CIRN 2009 debt issue.

Additional 5 Cents Local Option Gas Tax (LOGT) - to account for the receipt and expenditure of the additional five cent local option gas tax.

CAPITAL PROJECTS FUNDS

Additional 5 Cents Local Option Gas Tax (LOGT) CIRN 2009 - to account for the expenditure of the CIRN 2009 proceeds to be repaid with additional five cent local option gas tax.

Traffic Management System - to account for the costs of the traffic management system building project.

Capital Improvement Revenue Note (CIRN) 2009 - to account for the costs of various capital projects financed by the CIRN 2009 and interest earnings.

Wild Spaces Public Places ½ Cent Sales Tax - to account for the receipt of a portion of the Wild Spaces Public Places two-year ½ cent sales tax and the related capital projects associated with public recreation funded by the tax and interest earnings.

Wild Spaces Public Places Land Acquisition - to account for the receipt of a portion of the Wild Spaces Public Places two-year ½ cent sales tax and the related capital projects associated with land acquisition funded by the tax and interest earnings.

Senior Recreation Center - to account for the costs of the construction of the Senior Recreation Center.

Capital Improvement Revenue Bond 2010 - to account for the costs of various capital projects financed by the CIRB 2010 and interest earnings.

Capital Improvement Revenue Note 2011 - to account for the costs of various capital projects financed by the CIRN 2011 and interest earnings.

Facilities Maintenance Recurring - to account for the costs for ongoing facilities capital maintenance.

Equipment Replacement - to account for the costs for replacing City equipment (radios, computers, laptops, etc.).

Roadway Resurfacing Program - to account for the costs for resurfacing roads.

Capital Improvement Revenue Bond Series 2014 - to account for the costs of various capital projects financed by the CIRB 2014 and interest earnings.

Capital Improvement Beazer Settlement - to account for the costs of remediation work associated with the clean-up at the Cabot Carbon/Koppers Superfund Site.

Capital Improvement Revenue Note 2016B Additional 5c Gas Tax - to account for the costs of various capital projects financed by the CIRN 2016B and interest earnings.

Capital Improvement Revenue Note 2017 - to account for the costs of various capital projects financed by the CIRN 2017 and interest earnings.

Wild Spaces Public Places ½ Cent Sales Tax 2017-2025 - to account for the receipt of a portion of the Wild Spaces Public Places eight-year ½ cent sales tax and the related capital projects associated with public recreation funded by the tax and interest earnings.

Wild Spaces Public Places Joint Projects - to account for joint capital projects funded by the Wild Spaces Public Places eight-year ½ cent sales tax.

Capital Improvement Revenue Note 2019 - to account for the costs associated with various capital projects funded by the CIRN 2019 and interest earnings.

Technology Capital Improvement Fund - to account for the costs associated with various capital projects.

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

	Special Revenue Funds			
	Community Development Block Grant	Urban Development Action Grant	HOME Grant	Cultural Affairs
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	-	303,463	-	168,272
Investments	-	-	-	-
Receivables	372,897	-	54,546	3,764
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	372,897	303,463	54,546	172,036
Liabilities				
Accounts Payable and Accrued Liabilities	96,764	-	11,900	3,015
Due to Other Funds	782,262	-	313,140	-
Unearned Revenues	-	-	-	-
Total Liabilities	879,026	-	325,040	3,015
Deferred Inflows of Resources				
Unavailable Revenue	145,567	-	26,673	-
Total Deferred Inflows of Resources	145,567	-	26,673	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	303,463	-	-
Committed	-	-	-	169,021
Assigned	-	-	-	-
Unassigned	(651,696)	-	(297,167)	-
Total Fund Balances	(651,696)	303,463	(297,167)	169,021
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 372,897	\$ 303,463	\$ 54,546	\$ 172,036

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)

	Special Revenue Funds			
	State Law Enforcement Contraband Forfeiture	Federal Law Enforcement Contraband Forfeiture	Police Billable Overtime	Community Redevelopment Agency
Assets				
Cash and Cash Equivalents	\$ -	\$ 573,302	\$ -	\$ -
Equity in Pooled Cash and Investments	377,078	247,976	-	-
Investments	-	-	-	-
Receivables	-	-	67,290	-
Due from Other Funds	-	-	803	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	670,492	-	-	-
Total Assets	<u>1,047,570</u>	<u>821,278</u>	<u>68,093</u>	<u>-</u>
Liabilities				
Accounts Payable and Accrued Liabilities	672,903	28,429	-	-
Due to Other Funds	-	-	212,028	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>672,903</u>	<u>28,429</u>	<u>392,028</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	374,667	792,849	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	(323,935)	-
Total Fund Balances	<u>374,667</u>	<u>792,849</u>	<u>(323,935)</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,047,570</u>	<u>\$ 821,278</u>	<u>\$ 68,093</u>	<u>\$ -</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)

	Special Revenue Funds			
	Street, Sidewalk, and Ditch Improvement	Economic Development	Miscellaneous Grants	Transportation Concurrency Exception Area
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	190,367	139,539	-	6,646,936
Investments	-	-	-	-
Receivables	2,611	30,856	887,833	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	192,978	170,395	887,833	6,646,936
Liabilities				
Accounts Payable and Accrued Liabilities	-	558	93,301	-
Due to Other Funds	-	-	887,833	27,250
Unearned Revenues	-	-	359,476	-
Total Liabilities	-	558	2,250,121	27,250
Deferred Inflows of Resources				
Unavailable Revenue	3,458	-	752,970	-
Total Deferred Inflows of Resources	3,458	-	752,970	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	189,520	-	-	6,619,686
Committed	-	169,837	-	-
Assigned	-	-	-	-
Unassigned	-	-	(2,115,258)	-
Total Fund Balances	189,520	169,837	(2,115,258)	6,619,686
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 192,978	\$ 170,395	\$ 887,833	\$ 6,646,936

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)

	Special Revenue Funds			
	Water/ Wastewater Infrastructure Surcharge	State Housing Initiatives Partnership (SHIP)	Emergency Disaster	Small Business Loan
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	2,528,111	657,701	1,597,235	468,584
Investments	-	-	-	-
Receivables	-	-	987,775	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	<u>2,528,111</u>	<u>657,701</u>	<u>2,585,010</u>	<u>468,584</u>
Liabilities				
Accounts Payable and Accrued Liabilities	-	-	-	40,943
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,943</u>
Deferred Inflows of Resources				
Unavailable Revenue	-	-	987,775	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>987,775</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	657,701	-	-
Committed	2,528,111	-	-	427,641
Assigned	-	-	1,597,235	-
Unassigned	-	-	-	-
Total Fund Balances	<u>2,528,111</u>	<u>657,701</u>	<u>1,597,235</u>	<u>427,641</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,528,111</u>	<u>\$ 657,701</u>	<u>\$ 2,585,010</u>	<u>\$ 468,584</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)

	Special Revenue Funds			
	Miscellaneous Special Revenue Fund	Potential Civil Unrest	Hurricane Dorian	Fire Assessment
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	1,582,809	-	-	1,096
Investments	-	-	-	-
Receivables	791,202	-	-	-
Due from Other Funds	(54)	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	2,373,957	-	-	1,096
Liabilities				
Accounts Payable and Accrued Liabilities	791	5,094	-	-
Due to Other Funds	-	65,204	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	791	70,298	-	-
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	1,096
Committed	-	-	-	-
Assigned	2,373,166	-	-	-
Unassigned	-	(70,298)	-	-
Total Fund Balances	2,373,166	(70,298)	-	1,096
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,373,957	\$ -	\$ -	\$ 1,096

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)

	Special Revenue Funds			
	Tree Mitigation	Golf Course Surcharge	Evergreen Cemetery	School Crossing Guard
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	3,277,100	-	33,710	-
Investments	-	-	1,382,210	-
Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	<u>3,277,100</u>	<u>-</u>	<u>1,415,920</u>	<u>-</u>
Liabilities				
Accounts Payable and Accrued Liabilities	762	-	-	-
Due to Other Funds	11	4,424	-	52,862
Unearned Revenues	-	-	-	-
Total Liabilities	<u>773</u>	<u>4,424</u>	<u>-</u>	<u>52,862</u>
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	973,501	-
Restricted	-	-	442,419	-
Committed	3,276,327	-	-	-
Assigned	-	-	-	-
Unassigned	-	(4,424)	-	(52,862)
Total Fund Balances	<u>3,276,327</u>	<u>(4,424)</u>	<u>1,415,920</u>	<u>(52,862)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 3,277,100</u>	<u>\$ -</u>	<u>\$ 1,415,920</u>	<u>\$ -</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)

	Special Revenue Funds			
	Art in Public Places	Gainesville Community Reinvestment Area	Downtown Redevelopment Tax Increment Fund	Fifth Avenue Tax Increment Fund
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	-	7,557,828	3,648,098	805,347
Investments	-	-	-	-
Receivables	-	3,776	-	1,390
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	-	7,561,604	3,648,098	806,737
Liabilities				
Accounts Payable and Accrued Liabilities	-	30,118	102,461	13,378
Due to Other Funds	4,452	-	303	-
Unearned Revenues	-	-	-	-
Total Liabilities	4,452	30,118	102,764	13,378
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	1,390
Total Deferred Inflows of Resources	-	-	-	1,390
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	7,531,486	3,545,334	791,969
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(4,452)	-	-	-
Total Fund Balances	(4,452)	7,531,486	3,545,334	791,969
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ -	\$ 7,561,604	\$ 3,648,098	\$ 806,737

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)

	Special Revenue Funds		Debt Service Funds	
	College Park Tax Increment Fund	Eastside Tax Increment Fund	Guaranteed Entitlement Rev and Refunding Bonds 1994	Pension Obligation Bond Series 2003A
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	4,273,271	227,555	9,885	191,380
Investments	-	-	-	-
Receivables	-	4,751	-	-
Due from Other Funds	-	-	-	486,193
Advances to Other Funds	-	-	-	20,903,183
Assets Held for Evidence	-	-	-	-
Total Assets	4,273,271	232,306	9,885	21,580,756
Liabilities				
Accounts Payable and Accrued Liabilities	14,750	57,979	-	-
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	14,750	57,979	-	-
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	20,903,183
Restricted	4,258,521	174,327	-	-
Committed	-	-	-	-
Assigned	-	-	9,885	677,573
Unassigned	-	-	-	-
Total Fund Balances	4,258,521	174,327	9,885	21,580,756
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,273,271	\$ 232,306	\$ 9,885	\$ 21,580,756

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)

	Debt Service Funds			
	Pension Obligation Bond Series 2003B	GPD Energy Conservation Master Capital Lease	Capital Improvement Revenue Note Series 2009	Capital Improvement Revenue Bond Series 2010
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	131,665	38,524	12,534	113,588
Investments	-	-	-	-
Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	131,665	38,524	12,534	113,588
Liabilities				
Accounts Payable and Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	131,665	38,524	12,534	113,588
Unassigned	-	-	-	-
Total Fund Balances	131,665	38,524	12,534	113,588
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 131,665	\$ 38,524	\$ 12,534	\$ 113,588

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)

	Debt Service Funds			
	Revenue Refunding Note Series 2011	Capital Improvement Revenue Note Series 2011A	Revenue Refunding Note Series 2014	Capital Improvement Revenue Bond Series 2014
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	12,507	20,977	85,613	210,759
Investments	-	-	-	-
Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	<u>12,507</u>	<u>20,977</u>	<u>85,613</u>	<u>210,759</u>
Liabilities				
Accounts Payable and Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	12,507	20,977	85,613	210,759
Unassigned	-	-	-	-
Total Fund Balances	<u>12,507</u>	<u>20,977</u>	<u>85,613</u>	<u>210,759</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 12,507</u>	<u>\$ 20,977</u>	<u>\$ 85,613</u>	<u>\$ 210,759</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)

	Debt Service Funds			
	Revenue Refunding Note Series 2016A	Capital Improvement Revenue Note 2016B	Capital Improvement Revenue Bond 2017	Capital Improvement Revenue Note 2019
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	147,893	-	140,585	2,149
Investments	-	-	-	-
Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	147,893	-	140,585	2,149
Liabilities				
Accounts Payable and Accrued Liabilities	-	-	-	-
Due to Other Funds	-	2,547	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	2,547	-	-
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	147,893	-	140,585	2,149
Unassigned	-	(2,547)	-	-
Total Fund Balances	147,893	(2,547)	140,585	2,149
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 147,893	\$ -	\$ 140,585	\$ 2,149

**CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)**

	Capital Projects Funds			
	General Capital Projects	Public Improvement Construction Fund	Greenspace and Community Improvement	Roadway Construction Fund 96
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	1,674,532	963	189,602	-
Investments	-	-	-	-
Receivables	19,500	-	-	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	1,694,032	963	189,602	-
Liabilities				
Accounts Payable and Accrued Liabilities	15,774	-	1,271	-
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	15,774	-	1,271	-
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	1,678,258	963	188,331	-
Unassigned	-	-	-	-
Total Fund Balances	1,678,258	963	188,331	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,694,032	\$ 963	\$ 189,602	\$ -

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)

	Capital Projects Funds			
	Capital Projects Fund 02	Fifth Ave/ Pleasant St Rehab Proj. Fund 02	Downtown Parking Garage Sales Tax	FFGFC 05 Capital Projects
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	94,503	8,396	-	108,851
Investments	-	-	-	-
Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	94,503	8,396	-	108,851
Liabilities				
Accounts Payable and Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	94,503	8,396	-	108,851
Unassigned	-	-	-	-
Total Fund Balances	94,503	8,396	-	108,851
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 94,503	\$ 8,396	\$ -	\$ 108,851

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)

	Capital Projects Funds			
	39th Avenue Fleet Garage Expansion	Capital Improvement Revenue Bond (CIRB) 2005	Kennedy Homes Acquisition/ Demolition	Campus Development Agreement
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	-	247,060	65,708	1,663,250
Investments	-	-	-	-
Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	-	247,060	65,708	1,663,250
Liabilities				
Accounts Payable and Accrued Liabilities	-	40,022	-	213,199
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	40,022	-	213,199
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	104,385
Committed	-	-	-	-
Assigned	-	207,038	65,708	1,345,666
Unassigned	-	-	-	-
Total Fund Balances	-	207,038	65,708	1,450,051
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ -	\$ 247,060	\$ 65,708	\$ 1,663,250

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)

	Capital Projects Funds			
	Energy Conservation	Add'l 5 Cents Local Option Gas Tax (LOGT)	Add'l 5 Cents Local Option Gas Tax (LOGT) CIRN 2009	Traffic Management System
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	15,379	3,318,477	605,262	120,669
Investments	-	-	-	-
Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	15,379	3,318,477	605,262	120,669
Liabilities				
Accounts Payable and Accrued Liabilities	-	4,532	-	-
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	4,532	-	-
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	3,313,945	-	-
Committed	-	-	-	-
Assigned	15,379	-	605,262	120,669
Unassigned	-	-	-	-
Total Fund Balances	15,379	3,313,945	605,262	120,669
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 15,379	\$ 3,318,477	\$ 605,262	\$ 120,669

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)

	Capital Projects Funds			
	Capital Imp Revenue Note (CIRN) 2009	Wild Spaces Public Places 1/2 Cent Sales Tax	Wild Spaces Public Places Land Acq.	Senior Recreation Center
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	-	1,409	207,800	23,868
Investments	-	-	-	-
Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	-	1,409	207,800	23,868
Liabilities				
Accounts Payable and Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	1,409	207,800	23,868
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	-	1,409	207,800	23,868
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ -	\$ 1,409	\$ 207,800	\$ 23,868

**CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)**

	Capital Projects Funds			
	Capital Improvement Revenue Bond 2010	Capital Improvement Revenue Note 2011	Facilities Maintenance Recurring	Equipment Replacement
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	503,528	900	1,094,178	804,266
Investments	-	-	-	-
Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	503,528	900	1,094,178	804,266
Liabilities				
Accounts Payable and Accrued Liabilities	-	-	14,375	42,686
Due to Other Funds	-	-	243	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	-	14,618	42,686
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	226,453	-	-	-
Committed	-	-	-	-
Assigned	277,075	900	1,079,560	761,580
Unassigned	-	-	-	-
Total Fund Balances	503,528	900	1,079,560	761,580
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 503,528	\$ 900	\$ 1,094,178	\$ 804,266

**CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)**

	Capital Projects Funds			
	Roadway Resurfacing Program	Capital Improvement Revenue Bond Series 2014	Capital Improvement Beazer Settlement	Capital Imp Revenue Note 2016B Add'l 5 Cent Gas Tax
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	1,680,740	694,243	21,844	3,280,286
Investments	-	-	-	-
Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Advances to Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Total Assets	1,680,740	694,243	21,844	3,280,286
Liabilities				
Accounts Payable and Accrued Liabilities	95,386	4,860	-	222,517
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	95,386	4,860	-	222,517
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	189,103	-	2,487,863
Committed	-	-	-	-
Assigned	1,585,354	500,280	21,844	569,906
Unassigned	-	-	-	-
Total Fund Balances	1,585,354	689,383	21,844	3,057,769
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,680,740	\$ 694,243	\$ 21,844	\$ 3,280,286

**CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Continued)**

	Capital Projects Funds		
	Capital Improvement Revenue Note 2017	Wild Spaces Public Places 1/2 Cent Sales Tax 2017-2025	Wild Spaces Public Places Joint Projects
Assets			
Cash and Cash Equivalents	\$ -	\$ -	\$ -
Equity in Pooled Cash and Investments	224,279	13,114,465	2,116,775
Investments	-	-	-
Receivables	-	9,000	-
Due from Other Funds	-	-	-
Advances to Other Funds	-	-	-
Assets Held for Evidence	-	-	-
Total Assets	224,279	13,123,465	2,116,775
Liabilities			
Accounts Payable and Accrued Liabilities	-	948,552	18,222
Due to Other Funds	-	-	-
Unearned Revenues	-	-	-
Total Liabilities	-	948,552	18,222
Deferred Inflows of Resources			
Unavailable Revenue	-	-	-
Total Deferred Inflows of Resources	-	-	-
Fund Balances			
Nonspendable	-	-	-
Restricted	-	12,174,913	2,098,553
Committed	-	-	-
Assigned	224,279	-	-
Unassigned	-	-	-
Total Fund Balances	224,279	12,174,913	2,098,553
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 224,279	\$ 13,123,465	\$ 2,116,775

**CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020
(Concluded)**

	<u>Capital Projects Funds</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Capital Improvement Revenue Note 2019</u>	<u>Technology Capital Improvement</u>	
Assets			
Cash and Cash Equivalents	\$ -	\$ -	\$ 573,302
Equity in Pooled Cash and Investments	5,957,036	2,450,547	76,138,951
Investments	-	-	1,382,210
Receivables	-	-	3,237,191
Due from Other Funds	-	-	486,942
Advances to Other Funds	-	-	20,903,183
Assets Held for Evidence	-	-	670,492
Total Assets	<u>5,957,036</u>	<u>2,450,547</u>	<u>103,392,271</u>
Liabilities			
Accounts Payable and Accrued Liabilities	33,189	39,844	2,867,575
Due to Other Funds	-	1,303,014	3,655,573
Unearned Revenues	-	-	359,476
Total Liabilities	<u>33,189</u>	<u>1,342,858</u>	<u>7,972,135</u>
Deferred Inflows of Resources			
Unavailable Revenue	-	-	1,917,833
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>1,917,833</u>
Fund Balances			
Nonspendable	-	-	21,876,684
Restricted	5,902,213	1,107,689	53,521,232
Committed	-	-	6,570,937
Assigned	21,634	-	15,056,089
Unassigned	-	-	(3,522,639)
Total Fund Balances	<u>5,923,847</u>	<u>1,107,689</u>	<u>93,502,303</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 5,957,036</u>	<u>\$ 2,450,547</u>	<u>\$ 103,392,271</u>

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

	<u>Special Revenue Funds</u>			
	<u>Community Development Block Grant</u>	<u>Urban Development Action Grant</u>	<u>HOME Grant</u>	<u>Cultural Affairs</u>
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	928,958	-	51,265	-
Charges for Services	-	-	-	455,620
Fines and Forfeitures	-	-	-	-
Miscellaneous	1,329	-	36,582	47,621
Total Revenues	<u>930,287</u>	<u>-</u>	<u>87,847</u>	<u>503,241</u>
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	77,725	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	1,432,363	-	139,603	-
Human Services	64,995	-	-	-
Culture and Recreation	-	-	-	497,809
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Issuance Costs	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,575,083</u>	<u>-</u>	<u>139,603</u>	<u>497,809</u>
(Deficiency) Excess of Revenues (Under) Over Expenditures	<u>(644,796)</u>	<u>-</u>	<u>(51,756)</u>	<u>5,432</u>
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	-	301,394	-	-
Transfers (out)	(17,367)	(15,000)	(2,053)	(3,971)
Total Other Financing Sources (Uses)	<u>(17,367)</u>	<u>286,394</u>	<u>(2,053)</u>	<u>(3,971)</u>
Net Change in Fund Balances	<u>(662,163)</u>	<u>286,394</u>	<u>(53,809)</u>	<u>1,461</u>
Fund Balances, Beginning of Year, as Previously Reported	10,467	17,069	(243,358)	167,560
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	<u>10,467</u>	<u>17,069</u>	<u>(243,358)</u>	<u>167,560</u>
Fund Balances, End of Year	<u>\$ (651,696)</u>	<u>\$ 303,463</u>	<u>\$ (297,167)</u>	<u>\$ 169,021</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Special Revenue Funds			
	State Law Enforcement Contraband Forfeiture	Federal Law Enforcement Contraband Forfeiture	Police Billable Overtime	Community Redevelopment Agency
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	606,135	-
Fines and Forfeitures	12,209	233,632	-	-
Miscellaneous	1,620	2,267	-	-
Total Revenues	13,829	235,899	606,135	-
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	10,050	185,321	515,185	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Issuance Costs	-	-	-	-
Capital Outlay	-	29,751	-	-
Total Expenditures	10,050	215,072	515,185	-
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	3,779	20,827	90,950	-
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	(236,769)
Total Other Financing Sources (Uses)	-	-	-	(236,769)
Net Change in Fund Balances	3,779	20,827	90,950	(236,769)
Fund Balances, Beginning of Year, as Previously Reported	370,888	772,022	(414,885)	236,769
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	370,888	772,022	(414,885)	236,769
Fund Balances, End of Year	\$ 374,667	\$ 792,849	\$ (323,935)	\$ -

CITY OF GAINESVILLE, FLORIDA
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NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Special Revenue Funds			
	Street, Sidewalk, and Ditch Improvement	Economic Development	Miscellaneous Grants	Transportation Concurrency Exception Area
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	1,222,433	-
Charges for Services	-	-	-	1,854,324
Fines and Forfeitures	-	-	-	-
Miscellaneous	818	(1,096)	8,000	28,528
Total Revenues	<u>818</u>	<u>(1,096)</u>	<u>1,230,433</u>	<u>1,882,852</u>
Expenditures				
Current:				
General Government	-	7,660	5,775	-
Public Safety	-	-	1,675,209	-
Physical Environment	-	-	707,964	-
Transportation	-	-	98,361	200,156
Economic Environment	-	65,488	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	34,681	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Issuance Costs	-	-	-	-
Capital Outlay	-	-	68,951	361,420
Total Expenditures	<u>-</u>	<u>73,148</u>	<u>2,590,941</u>	<u>561,576</u>
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	<u>818</u>	<u>(74,244)</u>	<u>(1,360,508)</u>	<u>1,321,276</u>
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	-	12,000	273,321	-
Transfers (out)	-	(75,000)	(93,927)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(63,000)</u>	<u>179,394</u>	<u>-</u>
Net Change in Fund Balances	<u>818</u>	<u>(137,244)</u>	<u>(1,181,114)</u>	<u>1,321,276</u>
Fund Balances, Beginning of Year, as Previously Reported	188,702	307,081	(934,144)	5,298,410
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	<u>188,702</u>	<u>307,081</u>	<u>(934,144)</u>	<u>5,298,410</u>
Fund Balances, End of Year	<u>\$ 189,520</u>	<u>\$ 169,837</u>	<u>\$ (2,115,258)</u>	<u>\$ 6,619,686</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Special Revenue Funds			
	Water/ Wastewater Infrastructure Surcharge	State Housing Initiatives Partnership (SHIP)	Emergency Disaster	Small Business Loan
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	265,693	1,597,235	-
Charges for Services	913,229	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	10,848	16,350	-	1,200
Total Revenues	<u>924,077</u>	<u>282,043</u>	<u>1,597,235</u>	<u>1,200</u>
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	404,760
Physical Environment	36,626	-	-	-
Transportation	-	-	-	-
Economic Environment	-	530,756	-	-
Human Services	7,028	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Issuance Costs	-	-	-	-
Capital Outlay	103,914	-	-	-
Total Expenditures	<u>147,568</u>	<u>530,756</u>	<u>-</u>	<u>404,760</u>
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	<u>776,509</u>	<u>(248,713)</u>	<u>1,597,235</u>	<u>(403,560)</u>
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	-	-	-	730,000
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>730,000</u>
Net Change in Fund Balances	<u>776,509</u>	<u>(248,713)</u>	<u>1,597,235</u>	<u>326,440</u>
Fund Balances, Beginning of Year, as Previously Reported	1,751,602	906,414	-	101,201
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	<u>1,751,602</u>	<u>906,414</u>	<u>-</u>	<u>101,201</u>
Fund Balances, End of Year	<u>\$ 2,528,111</u>	<u>\$ 657,701</u>	<u>\$ 1,597,235</u>	<u>\$ 427,641</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Special Revenue Funds			
	Miscellaneous Special Revenue Fund	Potential Civil Unrest	Hurricane Dorian	Fire Assessment
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,347,765	-	-	-
Charges for Services	223,303	-	-	-
Fines and Forfeitures	19,160	-	-	-
Miscellaneous	108,412	-	-	-
Total Revenues	1,698,640	-	-	-
Expenditures				
Current:				
General Government	14,506	-	-	-
Public Safety	112,086	70,298	2,100	-
Physical Environment	42,048	-	-	-
Transportation	-	-	-	-
Economic Environment	3,931	-	-	-
Human Services	2,220,716	-	-	-
Culture and Recreation	172,139	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Issuance Costs	-	-	-	-
Capital Outlay	6,028	-	-	-
Total Expenditures	2,571,454	70,298	2,100	-
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	(872,814)	(70,298)	(2,100)	-
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	1,452,596	-	-	-
Transfers (out)	(1,188,194)	-	-	-
Total Other Financing Sources (Uses)	264,402	-	-	-
Net Change in Fund Balances	(608,412)	(70,298)	(2,100)	-
Fund Balances, Beginning of Year, as Previously Reported	2,981,578	-	2,100	1,096
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	2,981,578	-	2,100	1,096
Fund Balances, End of Year	\$ 2,373,166	\$ (70,298)	\$ -	\$ 1,096

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Special Revenue Funds			
	Tree Mitigation	Golf Course Surcharge	Evergreen Cemetery	School Crossing Guard
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	142,190	10,051	-
Fines and Forfeitures	-	-	-	24,004
Miscellaneous	780,342	-	97,853	-
Total Revenues	<u>780,342</u>	<u>142,190</u>	<u>107,904</u>	<u>24,004</u>
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	12,491	-
Transportation	49,116	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	27,000	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Issuance Costs	-	-	-	-
Capital Outlay	43,719	180,028	-	-
Total Expenditures	<u>119,835</u>	<u>180,028</u>	<u>12,491</u>	<u>-</u>
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	<u>660,507</u>	<u>(37,838)</u>	<u>95,413</u>	<u>24,004</u>
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	-	128,935	-	-
Transfers (out)	-	(95,521)	(157,814)	(50,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>33,414</u>	<u>(157,814)</u>	<u>(50,000)</u>
Net Change in Fund Balances	<u>660,507</u>	<u>(4,424)</u>	<u>(62,401)</u>	<u>(25,996)</u>
Fund Balances, Beginning of Year, as Previously Reported	2,615,820	-	1,478,321	(26,866)
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	<u>2,615,820</u>	<u>-</u>	<u>1,478,321</u>	<u>(26,866)</u>
Fund Balances, End of Year	<u>\$ 3,276,327</u>	<u>\$ (4,424)</u>	<u>\$ 1,415,920</u>	<u>\$ (52,862)</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Special Revenue Funds			
	Art in Public Places	Gainesville Community Reinvestment Area	Downtown Redevelopment Tax Increment Fund	Fifth Avenue Tax Increment Fund
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	4,191,460	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	38,300	15,688	3,472
Total Revenues	-	4,229,760	15,688	3,472
Expenditures				
Current:				
General Government	-	66,512	-	-
Public Safety	-	120,000	13,750	10,183
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	1,289,578	467,105	237,902
Human Services	-	-	-	-
Culture and Recreation	20,703	-	-	-
Debt Service:				
Principal	-	-	-	311,346
Interest and Fiscal Charges	-	43,838	-	-
Issuance Costs	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	20,703	1,519,928	480,855	559,431
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	(20,703)	2,709,832	(465,167)	(555,959)
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	627,764
Transfers in	-	5,194,628	-	-
Transfers (out)	-	(372,974)	(671,558)	(477,941)
Total Other Financing Sources (Uses)	-	4,821,654	(671,558)	149,823
Net Change in Fund Balances	(20,703)	7,531,486	(1,136,725)	(406,136)
Fund Balances, Beginning of Year, as Previously Reported	16,251	-	4,682,059	1,198,105
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	16,251	-	4,682,059	1,198,105
Fund Balances, End of Year	\$ (4,452)	\$ 7,531,486	\$ 3,545,334	\$ 791,969

CITY OF GAINESVILLE, FLORIDA
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NONMAJOR GOVERNMENTAL FUNDS
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(Continued)

	Special Revenue Funds		Debt Service Funds	
	College Park Tax Increment Fund	Eastside Tax Increment Fund	Guaranteed Entitlement Rev and Refunding Bonds 1994	Pension Obligation Bond Series 2003A
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	1,095,000	1,573,028
Charges for Services	-	-	-	11,818
Fines and Forfeitures	-	-	-	-
Miscellaneous	18,377	8,423	-	815
Total Revenues	<u>18,377</u>	<u>8,423</u>	<u>1,095,000</u>	<u>1,585,661</u>
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	53,750	13,750	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	153,971	301,500	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	226,260	969,016
Interest and Fiscal Charges	-	-	868,740	2,876,759
Issuance Costs	-	-	-	-
Capital Outlay	504,936	-	-	-
Total Expenditures	<u>712,657</u>	<u>315,250</u>	<u>1,095,000</u>	<u>3,845,775</u>
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	<u>(694,280)</u>	<u>(306,827)</u>	<u>-</u>	<u>(2,260,114)</u>
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	-	-	-	1,352,066
Transfers (out)	(482,043)	(85,697)	-	-
Total Other Financing Sources (Uses)	<u>(482,043)</u>	<u>(85,697)</u>	<u>-</u>	<u>1,352,066</u>
Net Change in Fund Balances	<u>(1,176,323)</u>	<u>(392,524)</u>	<u>-</u>	<u>(908,048)</u>
Fund Balances, Beginning of Year, as Previously Reported	5,434,844	566,851	9,885	375,894
Restatement	-	-	-	22,112,910
Fund Balances, Beginning of Year, as Restated	<u>5,434,844</u>	<u>566,851</u>	<u>9,885</u>	<u>22,488,804</u>
Fund Balances, End of Year	<u>\$ 4,258,521</u>	<u>\$ 174,327</u>	<u>\$ 9,885</u>	<u>\$ 21,580,756</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Debt Service Funds			
	Pension Obligation Bond Series 2003B	GPD Energy Conservation Master Capital Lease	Capital Improvement Revenue Note Series 2009	Capital Improvement Revenue Bond Series 2010
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	561	165	54	484
Total Revenues	561	165	54	484
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	1,225,000	-	-	205,000
Interest and Fiscal Charges	2,044,963	-	-	111,441
Issuance Costs	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	3,269,963	-	-	316,441
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	(3,269,402)	165	54	(315,957)
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	3,269,963	-	-	320,546
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	3,269,963	-	-	320,546
Net Change in Fund Balances	561	165	54	4,589
Fund Balances, Beginning of Year, as Previously Reported	131,104	38,359	12,480	108,999
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	131,104	38,359	12,480	108,999
Fund Balances, End of Year	\$ 131,665	\$ 38,524	\$ 12,534	\$ 113,588

CITY OF GAINESVILLE, FLORIDA
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NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Debt Service Funds			
	Revenue Refunding Note Series 2011	Capital Improvement Revenue Note Series 2011A	Revenue Refunding Note Series 2014	Capital Improvement Revenue Bond Series 2014
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	53	89	365	899
Total Revenues	53	89	365	899
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	645,000	410,000	1,420,000	504,745
Interest and Fiscal Charges	46,728	19,007	217,530	379,841
Issuance Costs	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	691,728	429,007	1,637,530	884,586
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	(691,675)	(428,918)	(1,637,165)	(883,687)
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	691,728	429,007	1,637,560	884,586
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	691,728	429,007	1,637,560	884,586
Net Change in Fund Balances	53	89	395	899
Fund Balances, Beginning of Year, as Previously Reported	12,454	20,888	85,218	209,860
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	12,454	20,888	85,218	209,860
Fund Balances, End of Year	\$ 12,507	\$ 20,977	\$ 85,613	\$ 210,759

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Debt Service Funds			
	Revenue Refunding Note Series 2016A	Capital Improvement Revenue Note 2016B	Capital Improvement Revenue Bond 2017	Capital Improvement Revenue Note 2019
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	632	-	599	-
Total Revenues	632	-	599	-
Expenditures				
Current:				
General Government	-	2,500	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	1,029,952	390,000	420,000	480,000
Interest and Fiscal Charges	223,247	136,320	264,688	163,469
Issuance Costs	-	-	-	32,850
Capital Outlay	-	-	-	-
Total Expenditures	1,253,199	528,820	684,688	676,319
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	(1,252,567)	(528,820)	(684,089)	(676,319)
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	8,535,000
Sale of Capital Assets	-	-	-	-
Transfers in	1,362,765	526,320	684,688	643,468
Transfers (out)	-	-	-	(8,500,000)
Total Other Financing Sources (Uses)	1,362,765	526,320	684,688	678,468
Net Change in Fund Balances	110,198	(2,500)	599	2,149
Fund Balances, Beginning of Year, as Previously Reported	37,695	(47)	139,986	-
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	37,695	(47)	139,986	-
Fund Balances, End of Year	\$ 147,893	\$ (2,547)	\$ 140,585	\$ 2,149

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Capital Projects Funds			
	General Capital Projects	Public Improvement Construction Fund	Greenspace and Community Improvement	Roadway Construction Fund 96
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	3	815	-
Total Revenues	<u>-</u>	<u>3</u>	<u>815</u>	<u>-</u>
Expenditures				
Current:				
General Government	82,532	-	-	-
Public Safety	91,594	-	-	-
Physical Environment	3,258	-	-	-
Transportation	71,462	-	11,745	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	11,028	-	9,927	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Issuance Costs	-	-	-	-
Capital Outlay	29,124	-	228,804	-
Total Expenditures	<u>288,998</u>	<u>-</u>	<u>250,476</u>	<u>-</u>
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	<u>(288,998)</u>	<u>3</u>	<u>(249,661)</u>	<u>-</u>
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	410,432	-	-	202
Transfers (out)	(127,623)	-	-	-
Total Other Financing Sources (Uses)	<u>282,809</u>	<u>-</u>	<u>-</u>	<u>202</u>
Net Change in Fund Balances	<u>(6,189)</u>	<u>3</u>	<u>(249,661)</u>	<u>202</u>
Fund Balances, Beginning of Year, as Previously Reported	1,684,447	960	437,992	(202)
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	<u>1,684,447</u>	<u>960</u>	<u>437,992</u>	<u>(202)</u>
Fund Balances, End of Year	<u>\$ 1,678,258</u>	<u>\$ 963</u>	<u>\$ 188,331</u>	<u>\$ -</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Capital Projects Funds			
	Capital Projects Fund 02	Fifth Ave/ Pleasant St Rehab Proj. Fund 02	Downtown Parking Garage Sales Tax	FFGFC 05 Capital Projects
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	405	35	-	465
Total Revenues	<u>405</u>	<u>35</u>	<u>-</u>	<u>465</u>
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Issuance Costs	-	-	-	-
Capital Outlay	21,162	-	-	4,823
Total Expenditures	<u>21,162</u>	<u>-</u>	<u>-</u>	<u>4,823</u>
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	<u>(20,757)</u>	<u>35</u>	<u>-</u>	<u>(4,358)</u>
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	-	-	6	93,927
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>6</u>	<u>93,927</u>
Net Change in Fund Balances	<u>(20,757)</u>	<u>35</u>	<u>6</u>	<u>89,569</u>
Fund Balances, Beginning of Year, as Previously Reported	115,260	8,361	(6)	19,282
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	<u>115,260</u>	<u>8,361</u>	<u>(6)</u>	<u>19,282</u>
Fund Balances, End of Year	<u>\$ 94,503</u>	<u>\$ 8,396</u>	<u>\$ -</u>	<u>\$ 108,851</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Capital Projects Funds			
	39th Avenue Fleet Garage Expansion	Capital Improvement Revenue Bond (CIRB) 2005	Kennedy Homes Acquisition/ Demolition	Campus Development Agreement
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	1,062	-	7,015
Total Revenues	-	1,062	-	7,015
Expenditures				
Current:				
General Government	-	11,141	-	-
Public Safety	-	567	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	115,891
Economic Environment	-	13,438	-	-
Human Services	-	-	-	-
Culture and Recreation	-	42,897	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Issuance Costs	-	-	-	-
Capital Outlay	-	168,645	-	-
Total Expenditures	-	236,688	-	115,891
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	-	(235,626)	-	(108,876)
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(440)	-	-	-
Total Other Financing Sources (Uses)	(440)	-	-	-
Net Change in Fund Balances	(440)	(235,626)	-	(108,876)
Fund Balances, Beginning of Year, as Previously Reported	440	442,664	65,708	1,558,927
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	440	442,664	65,708	1,558,927
Fund Balances, End of Year	\$ -	\$ 207,038	\$ 65,708	\$ 1,450,051

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Capital Projects Funds			
	Energy Conservation	Add'l 5 Cents Local Option Gas Tax (LOGT)	Add'l 5 Cents Local Option Gas Tax (LOGT) CIRN 2009	Traffic Management System
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	2,188,075	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	66	24,272	2,600	-
Total Revenues	<u>66</u>	<u>2,212,347</u>	<u>2,600</u>	<u>-</u>
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	117,486	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Issuance Costs	-	-	-	-
Capital Outlay	-	142,527	-	-
Total Expenditures	<u>-</u>	<u>260,013</u>	<u>-</u>	<u>-</u>
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	<u>66</u>	<u>1,952,334</u>	<u>2,600</u>	<u>-</u>
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	-	2,185,000	-	-
Transfers (out)	-	(1,598,439)	(23,302)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>586,561</u>	<u>(23,302)</u>	<u>-</u>
Net Change in Fund Balances	<u>66</u>	<u>2,538,895</u>	<u>(20,702)</u>	<u>-</u>
Fund Balances, Beginning of Year, as Previously Reported	15,313	775,050	625,964	120,669
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	<u>15,313</u>	<u>775,050</u>	<u>625,964</u>	<u>120,669</u>
Fund Balances, End of Year	<u>\$ 15,379</u>	<u>\$ 3,313,945</u>	<u>\$ 605,262</u>	<u>\$ 120,669</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Capital Projects Funds			
	Capital Imp Revenue Note (CIRN) 2009	Wild Spaces Public Places 1/2 Cent Sales Tax	Wild Spaces Public Places Land Acq.	Senior Recreation Center
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	6	892	102
Total Revenues	-	6	892	102
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	2,934	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Issuance Costs	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	-	2,934	-
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	-	6	(2,042)	102
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	552	-	-	-
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	552	-	-	-
Net Change in Fund Balances	552	6	(2,042)	102
Fund Balances, Beginning of Year, as Previously Reported	(552)	1,403	209,842	23,766
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	(552)	1,403	209,842	23,766
Fund Balances, End of Year	\$ -	\$ 1,409	\$ 207,800	\$ 23,868

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Capital Projects Funds			
	Capital Improvement Revenue Bond 2010	Capital Improvement Revenue Note 2011	Facilities Maintenance Recurring	Equipment Replacement
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	2,162	4	5,573	3,430
Total Revenues	<u>2,162</u>	<u>4</u>	<u>5,573</u>	<u>3,430</u>
Expenditures				
Current:				
General Government	10,585	-	97,662	191,897
Public Safety	-	-	19,090	48,167
Physical Environment	-	-	-	-
Transportation	-	-	28,392	-
Economic Environment	-	-	-	-
Human Services	7,028	-	-	-
Culture and Recreation	-	-	48,194	56,044
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Issuance Costs	-	-	-	-
Capital Outlay	103,914	-	257,726	158,777
Total Expenditures	<u>121,527</u>	<u>-</u>	<u>451,064</u>	<u>454,885</u>
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	<u>(119,365)</u>	<u>4</u>	<u>(445,491)</u>	<u>(451,455)</u>
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	-	-	589,594	977,500
Transfers (out)	-	-	(207,000)	(59,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>382,594</u>	<u>918,500</u>
Net Change in Fund Balances	<u>(119,365)</u>	<u>4</u>	<u>(62,897)</u>	<u>467,045</u>
Fund Balances, Beginning of Year, as Previously Reported	622,893	896	1,142,457	294,535
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	<u>622,893</u>	<u>896</u>	<u>1,142,457</u>	<u>294,535</u>
Fund Balances, End of Year	<u>\$ 503,528</u>	<u>\$ 900</u>	<u>\$ 1,079,560</u>	<u>\$ 761,580</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Capital Projects Funds			
	Roadway Resurfacing Program	Capital Improvement Revenue Bond Series 2014	Capital Improvement Beazer Settlement	Capital Imp Revenue Note 2016B Add'l 5 Cent Gas Tax
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	7,179	2,982	93	13,017
Total Revenues	<u>7,179</u>	<u>2,982</u>	<u>93</u>	<u>13,017</u>
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	1,316	-	-
Physical Environment	-	-	-	-
Transportation	719,279	16,743	-	98,193
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	6,693	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Issuance Costs	-	-	-	-
Capital Outlay	883,301	20,691	-	1,554,612
Total Expenditures	<u>1,602,580</u>	<u>45,443</u>	<u>-</u>	<u>1,652,805</u>
(Deficiency) Excess of Revenues (Under)				
Over Expenditures	<u>(1,595,401)</u>	<u>(42,461)</u>	<u>93</u>	<u>(1,639,788)</u>
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfers in	2,072,069	-	-	278,473
Transfers (out)	(14,477)	-	-	-
Total Other Financing Sources (Uses)	<u>2,057,592</u>	<u>-</u>	<u>-</u>	<u>278,473</u>
Net Change in Fund Balances	<u>462,191</u>	<u>(42,461)</u>	<u>93</u>	<u>(1,361,315)</u>
Fund Balances, Beginning of Year, as Previously Reported	1,123,163	731,844	21,751	4,419,084
Restatement	-	-	-	-
Fund Balances, Beginning of Year, as Restated	<u>1,123,163</u>	<u>731,844</u>	<u>21,751</u>	<u>4,419,084</u>
Fund Balances, End of Year	<u>\$ 1,585,354</u>	<u>\$ 689,383</u>	<u>\$ 21,844</u>	<u>\$ 3,057,769</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Capital Projects Funds		
	Capital Improvement Revenue Note 2017	Wild Spaces Public Places 1/2 Cent Sales Tax 2017-2025	Wild Spaces Public Places Joint Projects
Revenues			
Taxes	\$ -	\$ 7,405,644	\$ -
Intergovernmental	-	-	-
Charges for Services	-	-	-
Fines and Forfeitures	-	-	-
Miscellaneous	965	55,132	9,091
Total Revenues	<u>965</u>	<u>7,460,776</u>	<u>9,091</u>
Expenditures			
Current:			
General Government	-	-	-
Public Safety	31,105	-	-
Physical Environment	-	-	-
Transportation	-	-	-
Economic Environment	-	-	-
Human Services	-	-	-
Culture and Recreation	-	894,624	15,725
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Issuance Costs	-	-	-
Capital Outlay	-	6,146,834	197,475
Total Expenditures	<u>31,105</u>	<u>7,041,458</u>	<u>213,200</u>
(Deficiency) Excess of Revenues (Under) Over Expenditures	<u>(30,140)</u>	<u>419,318</u>	<u>(204,109)</u>
Other Financing Sources (Uses)			
Issuance of Bonds	-	-	-
Sale of Capital Assets	-	-	-
Transfers in	-	90,000	25,381
Transfers (out)	-	(25,381)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>64,619</u>	<u>25,381</u>
Net Change in Fund Balances	<u>(30,140)</u>	<u>483,937</u>	<u>(178,728)</u>
Fund Balances, Beginning of Year, as Previously Reported	254,419	11,690,976	2,277,281
Restatement	-	-	-
Fund Balances, Beginning of Year, as Restated	<u>254,419</u>	<u>11,690,976</u>	<u>2,277,281</u>
Fund Balances, End of Year	<u>\$ 224,279</u>	<u>\$ 12,174,913</u>	<u>\$ 2,098,553</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Concluded)

	<u>Capital Projects Funds</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Capital Improvement Revenue Note 2019</u>	<u>Technology Capital Improvement</u>	
Revenues			
Taxes	\$ -	\$ -	\$ 7,405,644
Intergovernmental	-	-	14,460,912
Charges for Services	-	-	4,216,670
Fines and Forfeitures	-	-	289,005
Miscellaneous	21,634	13,832	1,402,482
Total Revenues	<u>21,634</u>	<u>13,832</u>	<u>27,774,713</u>
Expenditures			
Current:			
General Government	-	1,896,545	2,387,315
Public Safety	464,326	-	3,920,332
Physical Environment	-	-	802,387
Transportation	-	-	1,526,824
Economic Environment	-	-	4,635,635
Human Services	-	-	2,299,767
Culture and Recreation	-	-	1,840,398
Debt Service:			
Principal	-	-	8,236,319
Interest and Fiscal Charges	-	-	7,396,571
Issuance Costs	-	-	32,850
Capital Outlay	1,090,168	1,379,494	13,686,824
Total Expenditures	<u>1,554,494</u>	<u>3,276,039</u>	<u>46,765,222</u>
(Deficiency) Excess of Revenues (Under) Over Expenditures	<u>(1,532,860)</u>	<u>(3,262,207)</u>	<u>(18,990,509)</u>
Other Financing Sources (Uses)			
Issuance of Bonds	-	-	8,535,000
Sale of Capital Assets	-	-	627,764
Transfers in	8,794,220	1,413,649	36,826,576
Transfers (out)	(1,337,513)	(400,000)	(16,319,004)
Total Other Financing Sources (Uses)	<u>7,456,707</u>	<u>1,013,649</u>	<u>29,670,336</u>
Net Change in Fund Balances	<u>5,923,847</u>	<u>(2,248,558)</u>	<u>10,679,827</u>
Fund Balances, Beginning of Year, as Previously Reported	-	3,356,247	60,709,566
Restatement	-	-	22,112,910
Fund Balances, Beginning of Year, as Restated	<u>-</u>	<u>3,356,247</u>	<u>82,822,476</u>
Fund Balances, End of Year	<u>\$ 5,923,847</u>	<u>\$ 1,107,689</u>	<u>\$ 93,502,303</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 928,958	\$ 2,120,200	\$ (1,191,242)
Miscellaneous	1,329	-	1,329
Total Revenues	<u>930,287</u>	<u>2,120,200</u>	<u>(1,189,913)</u>
Expenditures			
Public Safety	77,725	78,695	970
Economic Environment	1,432,363	3,410,171	1,977,808
Human Services	64,995	195,000	130,005
Total Expenditures	<u>1,575,083</u>	<u>3,683,866</u>	<u>2,108,783</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(644,796)</u>	<u>(1,563,666)</u>	<u>918,870</u>
Other Financing Sources			
Transfers (out)	(17,367)	(17,367)	-
Total Other Financing Sources	<u>(17,367)</u>	<u>(17,367)</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ (662,163)</u>	<u>\$ (1,581,033)</u>	<u>\$ 918,870</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
URBAN DEVELOPMENT ACTION GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues	\$ -	\$ -	\$ -
Expenditures			
Culture and Recreation	-	2,042	2,042
Total Expenditures	-	2,042	2,042
(Deficiency) of Revenues (Under) Expenditures	-	(2,042)	2,042
Other Financing Sources (Uses)			
Transfers in	301,394	23,225	278,169
Transfers (out)	(15,000)	(15,000)	-
Total Other Financing Sources (Uses)	286,394	8,225	278,169
Net Change in Fund Balances	<u>\$ 286,394</u>	<u>\$ 6,183</u>	<u>\$ 280,211</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
HOME GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 51,265	\$ 530,142	\$ (478,877)
Miscellaneous	36,582	-	36,582
Total Revenues	<u>87,847</u>	<u>530,142</u>	<u>(442,295)</u>
Expenditures			
Economic Environment	139,603	1,991,179	1,851,576
Total Expenditures	<u>139,603</u>	<u>1,991,179</u>	<u>1,851,576</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(51,756)</u>	<u>(1,461,037)</u>	<u>1,409,281</u>
Other Financing Sources (Uses)			
Transfers (out)	(2,053)	(2,053)	-
Total Other Financing Sources (Uses)	<u>(2,053)</u>	<u>(2,053)</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ (53,809)</u>	<u>\$ (1,463,090)</u>	<u>\$ 1,409,281</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CULTURAL AFFAIRS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Charges for Services	\$ 455,620	\$ 425,845	\$ 29,775
Miscellaneous	47,621	57,130	(9,509)
Total Revenues	<u>503,241</u>	<u>482,975</u>	<u>20,266</u>
Expenditures			
Culture and Recreation	497,809	548,661	50,852
Total Expenditures	<u>497,809</u>	<u>548,661</u>	<u>50,852</u>
(Deficiency) of Revenues (Under) Expenditures	<u>5,432</u>	<u>(65,686)</u>	<u>71,118</u>
Other Financing Sources (Uses)			
Transfers (out)	(3,971)	(3,971)	-
Total Other Financing Sources (Uses)	<u>(3,971)</u>	<u>(3,971)</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 1,461</u>	<u>\$ (69,657)</u>	<u>\$ 71,118</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
STATE LAW ENFORCEMENT CONTRABAND FORFEITURE
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Fines and Forfeitures	\$ 12,209	\$ -	\$ 12,209
Miscellaneous	1,620	-	1,620
Total Revenues	<u>13,829</u>	<u>-</u>	<u>13,829</u>
Expenditures			
Public Safety	10,050	35,511	25,461
Total Expenditures	<u>10,050</u>	<u>35,511</u>	<u>25,461</u>
(Deficiency) of Revenues (Under) Expenditures	<u>3,779</u>	<u>(35,511)</u>	<u>39,290</u>
Net Change in Fund Balances	<u>\$ 3,779</u>	<u>\$ (35,511)</u>	<u>\$ 39,290</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
FEDERAL LAW ENFORCEMENT CONTRABAND FORFEITURE
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Fines and Forfeitures	\$ 233,632	\$ -	\$ 233,632
Miscellaneous	2,267	-	2,267
Total Revenues	<u>235,899</u>	<u>-</u>	<u>235,899</u>
Expenditures			
Public Safety	215,072	452,472	237,400
Total Expenditures	<u>215,072</u>	<u>452,472</u>	<u>237,400</u>
(Deficiency) of Revenues (Under) Expenditures	<u>20,827</u>	<u>(452,472)</u>	<u>473,299</u>
Other Financing Sources (Uses)			
Transfers (out)	-	(85,000)	85,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>(85,000)</u>	<u>85,000</u>
Net Change in Fund Balances	<u>\$ 20,827</u>	<u>\$ (537,472)</u>	<u>\$ 558,299</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
POLICE BILLABLE OVERTIME
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Charges for Services	\$ 606,135	\$ 658,632	\$ (52,497)
Total Revenues	<u>606,135</u>	<u>658,632</u>	<u>(52,497)</u>
Expenditures			
Public Safety	515,185	515,197	12
Total Expenditures	<u>515,185</u>	<u>515,197</u>	<u>12</u>
(Deficiency) of Revenues (Under) Expenditures	<u>90,950</u>	<u>143,435</u>	<u>(52,485)</u>
Net Change in Fund Balance	<u>\$ 90,950</u>	<u>\$ 143,435</u>	<u>\$ (52,485)</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
STREET, SIDEWALK, AND DITCH IMPROVEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 818	\$ 3,400	\$ (2,582)
Total Revenues	<u>818</u>	<u>3,400</u>	<u>(2,582)</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>818</u>	<u>3,400</u>	<u>(2,582)</u>
Net Change in Fund Balance	<u>\$ 818</u>	<u>\$ 3,400</u>	<u>\$ (2,582)</u>

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

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ (1,096)	\$ 12,000	\$ (13,096)
Total Revenues	<u>(1,096)</u>	<u>12,000</u>	<u>(13,096)</u>
Expenditures			
General Government	7,660	36,869	29,209
Economic Environment	65,488	114,873	49,385
Total Expenditures	<u>73,148</u>	<u>151,742</u>	<u>78,594</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(74,244)</u>	<u>(139,742)</u>	<u>65,498</u>
Other Financing Sources (Uses)			
Transfers in	12,000	-	12,000
Transfers (out)	(75,000)	(75,000)	-
Total Other Financing Sources (Uses)	<u>(63,000)</u>	<u>(75,000)</u>	<u>12,000</u>
Net Change in Fund Balance	<u>\$ (137,244)</u>	<u>\$ (214,742)</u>	<u>\$ 77,498</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
MISCELLANEOUS GRANTS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 1,222,433	\$ 14,944,039	\$ (13,721,606)
Miscellaneous	8,000	24,000	(16,000)
Total Revenues	<u>1,230,433</u>	<u>14,968,039</u>	<u>(13,737,606)</u>
Expenditures			
General Government	5,775	18,000	12,225
Public Safety	1,675,209	4,165,341	2,490,132
Physical Environment	707,964	1,581,240	873,276
Transportation	167,312	1,834,197	1,666,885
Economic Environment	-	50,711	50,711
Culture and Recreation	34,681	106,381	71,700
Total Expenditures	<u>2,590,941</u>	<u>7,755,870</u>	<u>5,164,929</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(1,360,508)</u>	<u>7,212,169</u>	<u>(8,572,677)</u>
Other Financing Sources (Uses)			
Transfers in	273,321	698,030	(424,709)
Transfers (out)	<u>(93,927)</u>	<u>(93,927)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>179,394</u>	<u>604,103</u>	<u>(424,709)</u>
Net Change in Fund Balance	<u>\$ (1,181,114)</u>	<u>\$ 7,816,272</u>	<u>\$ (8,997,386)</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
TRANSPORTATION CONCURRENCY EXCEPTION AREA
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Charges for Services	\$ 1,854,324	\$ 3,122,505	\$ (1,268,181)
Miscellaneous	28,528	35,000	(6,472)
Total Revenues	<u>1,882,852</u>	<u>3,157,505</u>	<u>(1,274,653)</u>
Expenditures			
Transportation	561,576	5,416,578	4,855,002
Total Expenditures	<u>561,576</u>	<u>5,416,578</u>	<u>4,855,002</u>
(Deficiency) of Revenues (Under) Expenditures	<u>1,321,276</u>	<u>(2,259,073)</u>	<u>3,580,349</u>
Net Change in Fund Balance	<u>\$ 1,321,276</u>	<u>\$ (2,259,073)</u>	<u>\$ 3,580,349</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
WATER/WASTEWATER INFRASTRUCTURE SURCHARGE
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Charges for Services	\$ 913,229	\$ 250,000	\$ 663,229
Miscellaneous	10,848	-	10,848
Total Revenues	<u>924,077</u>	<u>250,000</u>	<u>674,077</u>
Expenditures			
Physical Environment	36,626	1,149,050	1,112,424
Human Services	110,942	-	(110,942)
Total Expenditures	<u>147,568</u>	<u>1,149,050</u>	<u>1,001,482</u>
(Deficiency) of Revenues (Under) Expenditures	<u>776,509</u>	<u>(899,050)</u>	<u>1,675,559</u>
Net Change in Fund Balance	<u>\$ 776,509</u>	<u>\$ (899,050)</u>	<u>\$ 1,675,559</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
STATE HOUSING INITIATIVES PARTNERSHIP (SHIP)
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 265,693	\$ 1,468,815	\$ (1,203,122)
Miscellaneous	16,350	-	16,350
Total Revenues	<u>282,043</u>	<u>1,468,815</u>	<u>(1,186,772)</u>
Expenditures			
Economic Environment	530,756	2,565,106	2,034,350
Total Expenditures	<u>530,756</u>	<u>2,565,106</u>	<u>2,034,350</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(248,713)</u>	<u>(1,096,291)</u>	<u>847,578</u>
Net Change in Fund Balance	<u>\$ (248,713)</u>	<u>\$ (1,096,291)</u>	<u>\$ 847,578</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
EMERGENCY DISASTER
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 1,597,235	\$ -	\$ 1,597,235
Total Revenues	<u>1,597,235</u>	<u>-</u>	<u>1,597,235</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>1,597,235</u>	<u>-</u>	<u>1,597,235</u>
Net Change in Fund Balance	<u>\$ 1,597,235</u>	<u>\$ -</u>	<u>\$ 1,597,235</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
SMALL BUSINESS LOAN
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 1,200	\$ -	\$ 1,200
Total Revenues	<u>1,200</u>	<u>-</u>	<u>1,200</u>
Expenditures			
Public Safety	404,760	830,000	425,240
Total Expenditures	<u>404,760</u>	<u>830,000</u>	<u>425,240</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(403,560)</u>	<u>(830,000)</u>	<u>426,440</u>
Other Financing Sources (Uses)			
Transfers in	730,000	730,000	-
Total Other Financing Sources (Uses)	<u>730,000</u>	<u>730,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 326,440</u>	<u>\$ (100,000)</u>	<u>\$ 426,440</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
MISCELLANEOUS SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 1,347,765	\$ 2,392,534	\$ (1,044,769)
Charges for Services	223,303	48,096	175,207
Fines and Forfeitures	19,160	-	19,160
Miscellaneous	108,412	-	108,412
Total Revenues	<u>1,698,640</u>	<u>2,440,630</u>	<u>(741,990)</u>
Expenditures			
Current:			
General Government	14,506	357,638	343,132
Public Safety	112,086	465,710	353,624
Physical Environment	48,076	10,228	(37,848)
Economic Environment	3,931	679,474	675,543
Human Services	2,220,716	2,736,349	515,633
Culture and Recreation	172,139	592,210	420,071
Total Expenditures	<u>2,571,454</u>	<u>4,841,609</u>	<u>2,270,155</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(872,814)</u>	<u>(2,400,979)</u>	<u>1,528,165</u>
Other Financing Sources (Uses)			
Transfers in	1,452,596	1,603,832	(151,236)
Transfers (out)	(1,188,194)	(2,037,870)	849,676
Total Other Financing Sources (Uses)	<u>264,402</u>	<u>(434,038)</u>	<u>698,440</u>
Net Change in Fund Balance	<u>\$ (608,412)</u>	<u>\$ (2,835,017)</u>	<u>\$ 2,226,605</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
HURRICANE DORIAN
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues	\$ -	\$ -	\$ -
Expenditures			
Public Safety	2,100	4,120	2,020
Total Expenditures	<u>2,100</u>	<u>4,120</u>	<u>2,020</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(2,100)</u>	<u>(4,120)</u>	<u>2,020</u>
Net Change in Fund Balance	<u>\$ (2,100)</u>	<u>\$ (4,120)</u>	<u>\$ 2,020</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
TREE MITIGATION
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 780,342	\$ -	\$ 780,342
Total Revenues	<u>780,342</u>	<u>-</u>	<u>780,342</u>
Expenditures			
General Government	-	263,602	263,602
Transportation	92,835	-	(92,835)
Culture and Recreation	27,000	242,847	215,847
Total Expenditures	<u>119,835</u>	<u>506,449</u>	<u>386,614</u>
(Deficiency) of Revenues (Under) Expenditures	<u>660,507</u>	<u>(506,449)</u>	<u>1,166,956</u>
Net Change in Fund Balance	<u>\$ 660,507</u>	<u>\$ (506,449)</u>	<u>\$ 1,166,956</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GOLF COURSE SURCHARGE
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Charges for Services	\$ 142,190	\$ 153,000	\$ (10,810)
Total Revenues	<u>142,190</u>	<u>153,000</u>	<u>(10,810)</u>
Expenditures			
Culture and Recreation	180,028	273,159	93,131
Total Expenditures	<u>180,028</u>	<u>273,159</u>	<u>93,131</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(37,838)</u>	<u>(120,159)</u>	<u>82,321</u>
Other Financing Sources (Uses)			
Transfers in	128,935	77,372	51,563
Transfers (out)	(95,521)	(95,521)	-
Total Other Financing Sources (Uses)	<u>33,414</u>	<u>(18,149)</u>	<u>51,563</u>
Net Change in Fund Balance	<u>\$ (4,424)</u>	<u>\$ (138,308)</u>	<u>\$ 133,884</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
EVERGREEN CEMETERY
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Charges for Services	\$ 10,051	\$ 4,194	\$ 5,857
Miscellaneous	97,853	28,442	69,411
Total Revenues	<u>107,904</u>	<u>32,636</u>	<u>75,268</u>
Expenditures			
Physical Environment	12,491	105,491	93,000
Total Expenditures	<u>12,491</u>	<u>105,491</u>	<u>93,000</u>
(Deficiency) of Revenues (Under) Expenditures	<u>95,413</u>	<u>(72,855)</u>	<u>168,268</u>
Other Financing Sources (Uses)			
Transfers (out)	(157,814)	(157,814)	-
Total Other Financing Sources (Uses)	<u>(157,814)</u>	<u>(157,814)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (62,401)</u>	<u>\$ (230,669)</u>	<u>\$ 168,268</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
SCHOOL CROSSING GUARD
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Fines and Forfeitures	\$ 24,004	\$ 40,000	\$ (15,996)
Miscellaneous	-	-	-
Total Revenues	<u>24,004</u>	<u>40,000</u>	<u>(15,996)</u>
Expenditures			
Public Safety	-	50,000	50,000
Total Expenditures	<u>-</u>	<u>50,000</u>	<u>50,000</u>
(Deficiency) of Revenues (Under) Expenditures	<u>24,004</u>	<u>(10,000)</u>	<u>34,004</u>
Other Financing Sources (Uses)			
Transfers (out)	(50,000)	-	(50,000)
Total Other Financing Sources (Uses)	<u>(50,000)</u>	<u>-</u>	<u>(50,000)</u>
Net Change in Fund Balance	<u>\$ (25,996)</u>	<u>\$ (10,000)</u>	<u>\$ (15,996)</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
ART IN PUBLIC PLACES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues	\$ -	\$ -	\$ -
Expenditures			
Culture and Recreation	20,703	73,461	52,758
Total Expenditures	<u>20,703</u>	<u>73,461</u>	<u>52,758</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(20,703)</u>	<u>(73,461)</u>	<u>52,758</u>
Net Change in Fund Balance	<u>\$ (20,703)</u>	<u>\$ (73,461)</u>	<u>\$ 52,758</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GAINESVILLE COMMUNITY REINVESTMENT AREA
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 4,191,460	\$ 4,191,460	\$ -
Miscellaneous	38,300	-	38,300
Total Revenues	<u>4,229,760</u>	<u>4,191,460</u>	<u>38,300</u>
Expenditures			
General Government	66,512	66,589	77
Public Safety	120,000	630,000	510,000
Economic Environment	1,289,578	6,492,608	5,203,030
Debt Service	43,838	-	(43,838)
Total Expenditures	<u>1,519,928</u>	<u>7,189,197</u>	<u>5,669,269</u>
(Deficiency) of Revenues (Under) Expenditures	<u>2,709,832</u>	<u>(2,997,737)</u>	<u>5,707,569</u>
Other Financing Sources (Uses)			
Transfers in	5,194,628	4,957,858	236,770
Transfers (out)	(372,974)	-	(372,974)
Total Other Financing Sources (Uses)	<u>4,821,654</u>	<u>4,957,858</u>	<u>(136,204)</u>
Net Change in Fund Balance	<u>\$ 7,531,486</u>	<u>\$ 1,960,121</u>	<u>\$ 5,571,365</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
DOWNTOWN REDEVELOPMENT TAX INCREMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 15,688	\$ -	\$ 15,688
Total Revenues	<u>15,688</u>	<u>-</u>	<u>15,688</u>
Expenditures			
Public Safety	13,750	13,750	-
Economic Environment	467,105	4,024,813	3,557,708
Total Expenditures	<u>480,855</u>	<u>4,038,563</u>	<u>3,557,708</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(465,167)</u>	<u>(4,038,563)</u>	<u>3,573,396</u>
Other Financing Sources (Uses)			
Transfers (out)	(671,558)	(671,558)	-
Total Other Financing Sources (Uses)	<u>(671,558)</u>	<u>(671,558)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (1,136,725)</u>	<u>\$ (4,710,121)</u>	<u>\$ 3,573,396</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
FIFTH AVENUE TAX INCREMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 3,472	\$ -	\$ 3,472
Total Revenues	<u>3,472</u>	<u>-</u>	<u>3,472</u>
Expenditures			
Public Safety	10,183	13,750	3,567
Economic Environment	237,902	1,066,582	828,680
Debt Service: Principal	311,346	-	(311,346)
Total Expenditures	<u>559,431</u>	<u>1,080,332</u>	<u>520,901</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(555,959)</u>	<u>(1,080,332)</u>	<u>524,373</u>
Other Financing Sources (Uses)			
Sale of Capital Assets	627,764	316,418	311,346
Transfers (out)	(477,941)	(477,941)	-
Total Other Financing Sources (Uses)	<u>149,823</u>	<u>(161,523)</u>	<u>311,346</u>
Net Change in Fund Balance	<u>\$ (406,136)</u>	<u>\$ (1,241,855)</u>	<u>\$ 835,719</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
COLLEGE PARK/UNIVERSITY HEIGHTS TAX INCREMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 18,377	\$ -	\$ 18,377
Total Revenues	<u>18,377</u>	<u>-</u>	<u>18,377</u>
Expenditures			
Public Safety	53,750	-	(53,750)
Economic Environment	658,907	4,952,800	4,293,893
Total Expenditures	<u>712,657</u>	<u>4,952,800</u>	<u>4,240,143</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(694,280)</u>	<u>(4,952,800)</u>	<u>4,258,520</u>
Other Financing Sources (Uses)			
Transfers (out)	(482,043)	(482,043)	-
Total Other Financing Sources (Uses)	<u>(482,043)</u>	<u>(482,043)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (1,176,323)</u>	<u>\$ (5,434,843)</u>	<u>\$ 4,258,520</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
EASTSIDE TAX INCREMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 8,423	\$ 2,986	\$ 5,437
Total Revenues	<u>8,423</u>	<u>2,986</u>	<u>5,437</u>
Expenditures			
Public Safety	13,750	-	(13,750)
Economic Environment	301,500	503,297	201,797
Total Expenditures	<u>315,250</u>	<u>503,297</u>	<u>188,047</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(306,827)</u>	<u>(500,311)</u>	<u>193,484</u>
Other Financing Sources (Uses)			
Transfers (out)	(85,697)	(85,697)	-
Total Other Financing Sources (Uses)	<u>(85,697)</u>	<u>(85,697)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (392,524)</u>	<u>\$ (586,008)</u>	<u>\$ 193,484</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GUARANTEED ENTITLEMENT REVENUE AND REFUNDING BONDS 1994
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 1,095,000	\$ 1,095,000	\$ -
Total Revenues	<u>1,095,000</u>	<u>1,095,000</u>	<u>-</u>
Expenditures			
Current:			
General Government	-	4,000	4,000
Debt Service:			
Principal	226,260	226,260	-
Interest	868,740	868,740	-
Total Expenditures	<u>1,095,000</u>	<u>1,099,000</u>	<u>4,000</u>
(Deficiency) of Revenues			
(Under) Expenditures	<u>-</u>	<u>(4,000)</u>	<u>4,000</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (4,000)</u>	<u>\$ 4,000</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
PENSION OBLIGATION BOND SERIES 2003A
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 1,573,028	\$ 2,330,078	\$ (757,050)
Charges for Services	11,818	-	11,818
Miscellaneous	815	5,000	(4,185)
Total Revenues	<u>1,585,661</u>	<u>2,335,078</u>	<u>(749,417)</u>
Expenditures			
Debt Service:			
Principal	969,016	969,016	-
Interest	2,876,759	2,876,759	-
Total Expenditures	<u>3,845,775</u>	<u>3,845,775</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(2,260,114)</u>	<u>(1,510,697)</u>	<u>(749,417)</u>
Other Financing Sources (Uses)			
Transfers in	1,352,066	1,515,697	(163,631)
Total Other Financing Sources (Uses)	<u>1,352,066</u>	<u>1,515,697</u>	<u>(163,631)</u>
Net Change in Fund Balance	<u>\$ (908,048)</u>	<u>\$ 5,000</u>	<u>\$ (913,048)</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
PENSION OBLIGATION BOND SERIES 2003B
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 561	\$ 5,000	\$ (4,439)
Total Revenues	<u>561</u>	<u>5,000</u>	<u>(4,439)</u>
Expenditures			
Debt Service:			
Principal	1,225,000	1,225,000	-
Interest	2,044,963	2,044,963	-
Total Expenditures	<u>3,269,963</u>	<u>3,269,963</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(3,269,402)</u>	<u>(3,264,963)</u>	<u>(4,439)</u>
Other Financing Sources (Uses)			
Transfers in	3,269,963	3,269,963	-
Total Other Financing Sources (Uses)	<u>3,269,963</u>	<u>3,269,963</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 561</u>	<u>\$ 5,000</u>	<u>\$ (4,439)</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GPD ENERGY CONSERVATION MASTER CAPITAL LEASE
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 165	\$ -	\$ 165
Total Revenues	<u>165</u>	<u>-</u>	<u>165</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>165</u>	<u>-</u>	<u>165</u>
Net Change in Fund Balance	<u>\$ 165</u>	<u>\$ -</u>	<u>\$ 165</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE NOTE SERIES 2009
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 54	\$ -	\$ 54
Total Revenues	<u>54</u>	<u>-</u>	<u>54</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>54</u>	<u>-</u>	<u>54</u>
Net Change in Fund Balance	<u>\$ 54</u>	<u>\$ -</u>	<u>\$ 54</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE BOND SERIES 2010
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 484	\$ 2,000	\$ (1,516)
Total Revenues	<u>484</u>	<u>2,000</u>	<u>(1,516)</u>
Expenditures			
Debt Service:			
Principal	205,000	143,119	(61,881)
Interest	111,441	77,801	(33,640)
Total Expenditures	<u>316,441</u>	<u>220,920</u>	<u>(95,521)</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(315,957)</u>	<u>(218,920)</u>	<u>(97,037)</u>
Other Financing Sources (Uses)			
Transfers in	320,546	220,920	99,626
Total Other Financing Sources (Uses)	<u>320,546</u>	<u>220,920</u>	<u>99,626</u>
Net Change in Fund Balance	<u>\$ 4,589</u>	<u>\$ 2,000</u>	<u>\$ 2,589</u>

Note: Expenditures exceeded budget due to an accounting adjustment to transfer debt related activities from the Golf Course to the Capital Improvement Revenue Bond Series 2010 fund. These activities were budgeted in an enterprise fund in the current year and not included in budget shown above.

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
REVENUE REFUNDING NOTE SERIES 2011
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 53	\$ 2,000	\$ (1,947)
Total Revenues	<u>53</u>	<u>2,000</u>	<u>(1,947)</u>
Expenditures			
Current:			
General Government	-	2,000	2,000
Debt Service:			
Principal	645,000	645,000	-
Interest	46,728	46,728	-
Total Expenditures	<u>691,728</u>	<u>693,728</u>	<u>2,000</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(691,675)</u>	<u>(691,728)</u>	<u>53</u>
Other Financing Sources (Uses)			
Transfers in	691,728	691,728	-
Total Other Financing Sources (Uses)	<u>691,728</u>	<u>691,728</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 53</u>	<u>\$ -</u>	<u>\$ 53</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE NOTE SERIES 2011A
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 89	\$ 2,000	\$ (1,911)
Total Revenues	<u>89</u>	<u>2,000</u>	<u>(1,911)</u>
Expenditures			
Debt Service:			
Principal	410,000	410,000	-
Interest	19,007	19,007	-
Total Expenditures	<u>429,007</u>	<u>429,007</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(428,918)</u>	<u>(427,007)</u>	<u>(1,911)</u>
Other Financing Sources (Uses)			
Transfers in	429,007	429,007	-
Total Other Financing Sources (Uses)	<u>429,007</u>	<u>429,007</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 89</u>	<u>\$ 2,000</u>	<u>\$ (1,911)</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
REVENUE REFUNDING NOTE SERIES 2014
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Actual	Budget	Variance with Final Budget Positive (Negative)
Revenues			
Miscellaneous	\$ 365	\$ -	\$ 365
Total Revenues	<u>365</u>	<u>-</u>	<u>365</u>
Expenditures			
Debt Service:			
Principal	1,420,000	1,420,000	-
Interest	217,530	217,560	30
Total Expenditures	<u>1,637,530</u>	<u>1,637,560</u>	<u>30</u>
(Deficiency) of Revenues			
(Under) Expenditures	<u>(1,637,165)</u>	<u>(1,637,560)</u>	<u>395</u>
Other Financing Sources (Uses)			
Transfers in	1,637,560	1,637,560	-
Total Other Financing Sources	<u>1,637,560</u>	<u>1,637,560</u>	<u>-</u>
(Uses)			
Net Change in Fund Balance	<u>\$ 395</u>	<u>\$ -</u>	<u>\$ 395</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE BOND SERIES 2014
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Actual	Budget	Variance with Final Budget Positive (Negative)
Revenues			
Miscellaneous	\$ 899	\$ -	\$ 899
Total Revenues	<u>899</u>	<u>-</u>	<u>899</u>
Expenditures			
Debt Service:			
Principal	504,745	504,745	-
Interest	379,841	379,841	-
Total Expenditures	<u>884,586</u>	<u>884,586</u>	<u>-</u>
(Deficiency) of Revenues			
(Under) Expenditures	<u>(883,687)</u>	<u>(884,586)</u>	<u>899</u>
Other Financing Sources (Uses)			
Transfers in	884,586	884,586	-
Total Other Financing Sources	<u>884,586</u>	<u>884,586</u>	<u>-</u>
(Uses)			
Net Change in Fund Balance	<u>\$ 899</u>	<u>\$ -</u>	<u>\$ 899</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
REVENUE REFUNDING NOTE SERIES 2016A
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 632	\$ -	\$ 632
Total Revenues	<u>632</u>	<u>-</u>	<u>632</u>
Expenditures			
Debt Service:			
Principal	1,029,952	1,120,000	90,048
Interest	223,247	242,765	19,518
Total Expenditures	<u>1,253,199</u>	<u>1,362,765</u>	<u>109,566</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(1,252,567)</u>	<u>(1,362,765)</u>	<u>110,198</u>
Other Financing Sources (Uses)			
Transfers in	1,362,765	1,362,765	-
Total Other Financing Sources (Uses)	<u>1,362,765</u>	<u>1,362,765</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 110,198</u>	<u>\$ -</u>	<u>\$ 110,198</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE NOTE SERIES 2016B
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues	\$ -	\$ -	\$ -
Expenditures			
Current:			
General Government	2,500	-	(2,500)
Debt Service:			
Principal	390,000	390,000	-
Interest	136,320	136,320	-
Total Expenditures	<u>528,820</u>	<u>526,320</u>	<u>(2,500)</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(528,820)</u>	<u>(526,320)</u>	<u>(2,500)</u>
Other Financing Sources (Uses)			
Transfers in	<u>526,320</u>	<u>526,320</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>526,320</u>	<u>526,320</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (2,500)</u>	<u>\$ -</u>	<u>\$ (2,500)</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE BOND 2017
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 599	\$ -	\$ 599
Total Revenues	<u>599</u>	<u>-</u>	<u>599</u>
Expenditures			
Current:			
General Government	-	2,000	2,000
Debt Service:			
Principal	420,000	420,000	-
Interest	264,688	264,688	-
Total Expenditures	<u>684,688</u>	<u>686,688</u>	<u>2,000</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(684,089)</u>	<u>(686,688)</u>	<u>2,599</u>
Other Financing Sources (Uses)			
Transfers in	684,688	684,688	-
Total Other Financing Sources (Uses)	<u>684,688</u>	<u>684,688</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 599</u>	<u>\$ (2,000)</u>	<u>\$ 2,599</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE NOTE 2019
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Total Revenues	\$ -	\$ -	\$ -
Expenditures			
Debt Service:			
Principal	480,000	480,000	-
Interest	163,469	163,469	-
Issuance Costs	32,850	35,000	2,150
Total Expenditures	<u>676,319</u>	<u>678,469</u>	<u>2,150</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(676,319)</u>	<u>(678,469)</u>	<u>2,150</u>
Other Financing Sources (Uses)			
Issuance of Bonds	8,535,000	8,535,000	-
Transfers in	643,468	643,469	(1)
Transfers (out)	(8,500,000)	(8,500,000)	-
Total Other Financing Sources (Uses)	<u>678,468</u>	<u>678,469</u>	<u>(1)</u>
Net Change in Fund Balance	<u>\$ 2,149</u>	<u>\$ -</u>	<u>\$ 2,149</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
SPECIAL OBLIGATION REVENUE BONDS SERIES 2020
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 2,600	\$ -	\$ 2,600
Total Revenues	<u>2,600</u>	<u>-</u>	<u>2,600</u>
Expenditures			
Current:			
General Government	15,857,933	-	(15,857,933)
Public Safety	54,829,082	-	(54,829,082)
Physical Environment	1,668,670	-	(1,668,670)
Transportation	6,538,031	-	(6,538,031)
Economic Environment	1,668,670	-	(1,668,670)
Human Services	15,827	-	(15,827)
Culture and Recreation	4,989,449	-	(4,989,449)
Debt Service:			
Issuance Costs	1,178,733	-	(1,178,733)
Total Expenditures	<u>86,746,395</u>	<u>-</u>	<u>(86,746,395)</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(86,743,795)</u>	<u>-</u>	<u>(86,743,795)</u>
Other Financing Sources (Uses)			
Issuance of Bonds	206,080,000	205,511,915	568,085
Transfers (out)	-	(204,901,267)	204,901,267
Total Other Financing Sources (Uses)	<u>206,080,000</u>	<u>610,648</u>	<u>205,469,352</u>
Net Change in Fund Balance	<u>\$ 119,336,205</u>	<u>\$ 610,648</u>	<u>\$ 118,725,557</u>

Note: Expenditures exceeded budget due to an accounting reclassification of transfers to expenditures to conform to GAAP. In total, actual expenditures and transfers out do not exceed budget.

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations: (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The City maintains the following nonmajor Enterprise Funds:

Regional Transit System Fund - to account for the operations of the City's mass transit system, funded by user fees and state and federal grants.

Stormwater Management Utility Fund - to account for the operations of a program designed to maintain, replace and expand the City's stormwater related infrastructure, funded by user fees.

Ironwood Golf Course Fund - to account for the operations of the City owned golf course, funded by user fees and transfer from the General Fund. Effective October 1, 2019, Ironwood operations were transferred into the General Fund.

Florida Building Code Enforcement Fund - to account for the operations of the City's code enforcement operations, funded by building permit revenues.

Solid Waste Fund - to account for the City's refuse and recycling collection program. The refuse and recycling collections are performed by private contractors and are funded through user fees.

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2020

	Regional Transit System Fund	Stormwater Management Utility Fund	Ironwood Golf Course Fund
Assets			
Cash and Cash Equivalents	\$ 250	\$ -	\$ -
Equity in Pooled Cash and Investments	-	3,837,827	-
Receivables	6,591,107	-	-
Due from Other Funds	6,973	508,005	-
Inventories	1,291,838	-	-
Prepaid Expense	-	-	-
Total Current Assets	7,890,168	4,345,832	-
Capital Assets (Net of Accumulated Depreciation):			
Buildings	33,989,116	1,409,987	-
Improvements Other Than Buildings	2,526,348	-	-
Machinery and Equipment	15,166,716	399,736	-
Infrastructure	-	29,965,485	-
Capital Assets (Not Depreciated):			
Land	4,690,877	4,154,002	-
Construction in Progress	-	731,531	-
Total Noncurrent Assets	56,373,057	36,660,741	-
Total Assets	64,263,225	41,006,573	-
Deferred Outflows of Resources			
Deferred Amounts Related to Pensions	4,042,095	1,052,172	-
Deferred Amounts Related to OPEB	785,006	211,115	-
Total Deferred Outflows of Resources	4,827,101	1,263,287	-
Liabilities			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	906,664	357,932	-
Due to Other Funds	5,453,690	312,063	-
Unearned Revenue	526,216	-	-
Current Portion of Long-Term Debt	20,286	198,360	-
Total Current Liabilities	6,906,856	868,355	-
Noncurrent Liabilities:			
Due to Other Funds	27,002,744	5,145,463	-
Long-Term Debt	507,156	1,389,084	-
Net Pension Liability	2,773,838	722,040	-
Net OPEB Liability	169,122	45,482	-
Total Noncurrent Liabilities	30,452,860	7,302,069	-
Total Liabilities	37,359,716	8,170,424	-
Deferred Inflows of Resources			
Deferred Amounts Related to Pensions	227,813	59,300	-
Deferred Amounts Related to OPEB	1,185,734	318,884	-
Total Deferred Inflows of Resources	1,413,547	378,184	-
Net Position			
Net Investment in Capital Assets	56,328,953	35,212,537	-
Restricted	-	-	-
Unrestricted	(26,011,890)	(1,491,285)	-
Total Net Position	\$ 30,317,063	\$ 33,721,252	\$ -

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2020
(Concluded)

	Florida Building Code Enforcement Fund	Solid Waste Fund	Total Nonmajor Enterprise Fund
Assets			
Cash and Cash Equivalents	\$ -	\$ -	\$ 250
Equity in Pooled Cash and Investments	6,465,881	5,114,886	15,418,594
Receivables	109,651	146,419	6,847,177
Due from Other Funds	-	690,844	1,205,822
Inventories	4,143	-	1,295,981
Prepaid Expense	-	-	-
Total Current Assets	6,579,675	5,952,149	24,767,824
Capital Assets (Net of Accumulated Depreciation):			
Buildings	-	417,913	35,817,016
Improvements Other Than Buildings	-	-	2,526,348
Machinery and Equipment	7,137	67,557	15,641,146
Infrastructure	-	-	29,965,485
Capital Assets (Not Depreciated):			
Land	-	19,731	8,864,610
Construction in Progress	-	-	731,531
Total Noncurrent Assets	7,137	505,201	93,546,136
Total Assets	6,586,812	6,457,350	118,313,960
Deferred Outflows of Resources			
Deferred Amounts Related to Pensions	505,895	351,468	5,951,630
Deferred Amounts Related to OPEB	114,223	63,674	1,174,018
Total Deferred Outflows of Resources	620,118	415,142	7,125,648
Liabilities			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	829,716	683,602	2,777,914
Due to Other Funds	66,657	93,784	5,926,194
Unearned Revenue	-	-	526,216
Current Portion of Long-Term Debt	3,936	137,203	359,785
Total Current Liabilities	900,309	914,589	9,590,109
Noncurrent Liabilities:			
Due to Other Funds	2,821,539	1,498,967	36,468,713
Long-Term Debt	98,406	1,976,989	3,971,635
Net Pension Liability	347,164	241,191	4,084,233
Net OPEB Liability	24,608	13,718	252,930
Total Noncurrent Liabilities	3,291,717	3,730,865	44,777,511
Total Liabilities	4,192,026	4,645,454	54,367,620
Deferred Inflows of Resources			
Deferred Amounts Related to Pensions	28,513	19,808	335,434
Deferred Amounts Related to OPEB	172,531	96,177	1,773,326
Total Deferred Inflows of Resources	201,044	115,985	2,108,760
Net Position			
Net Investment in Capital Assets	7,137	(1,543,803)	90,004,824
Restricted	2,806,723	-	2,806,723
Unrestricted	-	3,654,856	(23,848,319)
Total Net Position	\$ 2,813,860	\$ 2,111,053	\$ 68,963,228

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Regional Transit System Fund	Stormwater Management Utility Fund	Ironwood Golf Course Fund
Operating Revenues			
Sales and Service Charges	\$ 15,951,935	\$ 9,002,350	\$ -
Other Operating Revenues	119,866	230,234	-
Total Operating Revenues	<u>16,071,801</u>	<u>9,232,584</u>	<u>-</u>
Operating Expenses			
Operations and Maintenance	24,873,399	7,057,394	-
Administrative and General	1,746,522	930,322	-
Depreciation and Amortization	4,961,113	1,560,782	-
Total Operating Expenses	<u>31,581,034</u>	<u>9,548,498</u>	<u>-</u>
Operating Income (Loss)	<u>(15,509,233)</u>	<u>(315,914)</u>	<u>-</u>
Nonoperating Revenues (Expenses)			
Investment Income/(Loss)	-	20,175	-
Interest Expense	-	(31,517)	-
Local Option Gas Tax	2,087,628	-	-
Operating Grants	8,316,419	56,477	-
Transfer of Capital Assets and Long-Term Liabilities	-	-	(700,047)
Total Nonoperating Revenues (Expenses)	<u>10,404,047</u>	<u>45,135</u>	<u>(700,047)</u>
Income/(Loss) Before Capital Contributions and Transfers	<u>(5,105,186)</u>	<u>(270,779)</u>	<u>(700,047)</u>
Transfers			
Transfers in	1,254,966	231,523	1,320,823
Transfers (out)	(411,272)	(389,102)	(55,668)
Total Transfers	<u>843,694</u>	<u>(157,579)</u>	<u>1,265,155</u>
Change in Net Position	<u>(4,261,492)</u>	<u>(428,358)</u>	<u>565,108</u>
Net Position - Beginning of Year, as Previously Reported	37,832,981	34,910,243	(565,108)
Restatement	(3,254,426)	(760,633)	-
Net Position - Beginning of Year, as Restated	<u>34,578,555</u>	<u>34,149,610</u>	<u>(565,108)</u>
Net Position - End of Year	<u>\$ 30,317,063</u>	<u>\$ 33,721,252</u>	<u>\$ -</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Concluded)

	Florida Building Code Enforcement Fund	Solid Waste Fund	Total Nonmajor Enterprise Fund
Operating Revenues			
Sales and Service Charges	\$ 3,072,851	\$ 10,970,563	\$ 38,997,699
Other Operating Revenues	-	-	350,100
Total Operating Revenues	<u>3,072,851</u>	<u>10,970,563</u>	<u>39,347,799</u>
Operating Expenses			
Operations and Maintenance	2,915,470	8,410,643	43,256,906
Administrative and General	362,354	380,369	3,419,567
Depreciation and Amortization	4,015	24,267	6,550,177
Total Operating Expenses	<u>3,281,839</u>	<u>8,815,279</u>	<u>53,226,650</u>
Operating Income (Loss)	<u>(208,988)</u>	<u>2,155,284</u>	<u>(13,878,851)</u>
Nonoperating Revenues (Expenses)			
Investment Income/(Loss)	26,270	25,704	72,149
Interest Expense	-	(73,917)	(105,434)
Local Option Gas Tax	-	-	2,087,628
Operating Grants	-	-	8,372,896
Transfer of Capital Assets and Long-Term Liabilities	-	-	(700,047)
Total Nonoperating Revenues (Expenses)	<u>26,270</u>	<u>(48,213)</u>	<u>9,727,192</u>
Income/(Loss) Before Capital Contributions and Transfers	<u>(182,718)</u>	<u>2,107,071</u>	<u>(4,151,659)</u>
Transfers			
Transfers in	-	6,400	2,813,712
Transfers (out)	(58,466)	(1,867,235)	(2,781,743)
Total Transfers	<u>(58,466)</u>	<u>(1,860,835)</u>	<u>31,969</u>
Change in Net Position	<u>(241,184)</u>	<u>246,236</u>	<u>(4,119,690)</u>
Net Position - Beginning of Year, as Previously Reported	3,506,366	2,038,214	77,722,696
Restatement	(451,322)	(173,397)	(4,639,778)
Net Position - Beginning of Year, as Restated	<u>3,055,044</u>	<u>1,864,817</u>	<u>73,082,918</u>
Net Position - End of Year	<u>\$ 2,813,860</u>	<u>\$ 2,111,053</u>	<u>\$ 68,963,228</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Regional Transit System Fund	Stormwater Management Utility Fund	Ironwood Golf Course Fund
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 18,661,032	\$ 9,962,715	\$ -
Cash Received from Other Governments	10,404,047	56,477	-
Cash Paid to Suppliers	(8,275,865)	(2,408,677)	-
Cash Paid to Employees	(17,082,733)	(4,512,979)	-
Cash Paid for Interfund Services	(1,746,522)	(930,322)	-
Net Cash Provided (Used) by Operating Activities	<u>1,959,959</u>	<u>2,167,214</u>	<u>-</u>
Cash Flows from Noncapital Financing Activities			
Interfund Borrowing	(842,901)	(815,402)	-
Transfers from Other Funds	1,254,966	231,523	-
Transfers to Other Funds	(411,272)	(389,102)	(3,401)
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>793</u>	<u>(972,981)</u>	<u>(3,401)</u>
Cash Flows from Capital and Related Financing Activities			
Principal Repayments on Long-Term Debt	-	(187,505)	-
Interest Paid on Long-Term Debt	-	(31,517)	-
Acquisition and Construction of Capital Assets	(1,964,252)	(503,939)	-
Net Cash (Used) in Capital and Related Financing Activities	<u>(1,964,252)</u>	<u>(722,961)</u>	<u>-</u>
Cash Flows from Investing Activities			
Interest Received	-	20,175	-
Net Cash Provided by Investing Activities	<u>-</u>	<u>20,175</u>	<u>-</u>
Net Increase (Decrease) in Cash	(3,500)	491,447	(3,401)
Cash - Beginning of Year	<u>3,750</u>	<u>3,346,380</u>	<u>3,401</u>
Cash - End of Year	<u>\$ 250</u>	<u>\$ 3,837,827</u>	<u>\$ -</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Florida Building Code Enforcement Fund	Solid Waste Fund	Total Nonmajor Enterprise Fund
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 2,963,199	\$ 12,273,757	\$ 43,860,703
Cash Received from Other Governments	-	-	10,460,524
Cash Paid to Suppliers	(347,026)	(7,045,487)	(18,077,055)
Cash Paid to Employees	(2,405,882)	(1,356,665)	(25,358,259)
Cash Paid for Interfund Services	(362,353)	(380,368)	(3,419,565)
Net Cash Provided (Used) by Operating Activities	<u>(152,062)</u>	<u>3,491,237</u>	<u>7,466,348</u>
Cash Flows from Noncapital Financing Activities			
Interfund Borrowing	12,281	(832,140)	(2,478,162)
Transfers from Other Funds	-	6,400	1,492,889
Transfers to Other Funds	(58,466)	(1,867,235)	(2,729,476)
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(46,185)</u>	<u>(2,692,975)</u>	<u>(3,714,749)</u>
Cash Flows from Capital and Related Financing Activities			
Principal Repayments on Long-Term Debt	-	(130,278)	(317,783)
Interest Paid on Long-Term Debt	-	(73,917)	(105,434)
Acquisition and Construction of Capital Assets	-	-	(2,468,191)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>(204,195)</u>	<u>(2,891,408)</u>
Cash Flows from Investing Activities			
Interest Received	26,270	25,704	72,149
Net Cash Provided (Used) by Investing Activities	<u>26,270</u>	<u>25,704</u>	<u>72,149</u>
Net Increase (Decrease) in Cash	(171,977)	619,771	932,340
Cash - Beginning of Year	<u>6,637,858</u>	<u>4,495,115</u>	<u>14,486,504</u>
Cash - End of Year	<u>\$ 6,465,881</u>	<u>\$ 5,114,886</u>	<u>\$ 15,418,844</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Continued)

	Regional Transit System Fund	Stormwater Management Utility Fund	Ironwood Golf Course Fund
	<u> </u>	<u> </u>	<u> </u>
<u>Cash and Cash Equivalents Classified as</u>			
Cash and Cash Equivalents	\$ 250	\$ -	\$ -
Equity in Pooled Cash and Investments	-	3,837,827	-
Total	<u>\$ 250</u>	<u>\$ 3,837,827</u>	<u>\$ -</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</u>			
Operating Income (Loss)	\$ (15,509,233)	\$ (315,914)	\$ -
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Intergovernmental Revenues	10,404,047	56,477	-
Depreciation and Amortization	4,961,113	1,560,782	-
(Increase)/Decrease in Receivables	2,589,231	720,068	-
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	65,620	(150,544)	-
Increase/(Decrease) in Compensated Absences	96,144	57,538	-
Pension Expense Adjustment	(733,966)	237,931	-
OPEB Expense Adjustment	87,003	876	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,959,959</u>	<u>\$ 2,167,214</u>	<u>\$ -</u>
Noncash Capital, Investing and Financing Activities			
Transfer of Ironwood Golf Course Noncash Assets and Liabilities to Governmental Activities	\$ -	\$ -	\$ (561,706)
Conversion of Net Pension Liability to Interfund Borrowing	16,740,989	4,505,961	-

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Concluded)

	Florida Building Code Enforcement Fund	Solid Waste Fund	Total Nonmajor Enterprise Fund
<u>Cash and Cash Equivalents Classified as</u>			
Cash and Cash Equivalents	\$ -	\$ -	\$ 250
Equity in Pooled Cash and Investments	6,465,881	5,114,886	15,418,594
Total	<u>\$ 6,465,881</u>	<u>\$ 5,114,886</u>	<u>\$ 15,418,844</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</u>			
Operating Income (Loss)	\$ (208,988)	\$ 2,155,284	\$ (13,878,851)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Intergovernmental Revenues	-	-	10,460,524
Depreciation and Amortization	4,015	24,267	6,550,177
(Increase)/Decrease in Receivables	(109,651)	1,303,195	4,502,843
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	51,269	(318,121)	(351,776)
Increase/(Decrease) in Compensated Absences	18,320	26,664	198,666
Pension Expense Adjustment	97,278	290,870	(107,887)
OPEB Expense Adjustment	(4,305)	9,078	92,652
Net Cash Provided (Used) by Operating Activities	<u>\$ (152,062)</u>	<u>\$ 3,491,237</u>	<u>\$ 7,466,348</u>
Noncash Capital, Investing and Financing Activities			
Transfer of Ironwood Golf Course Noncash Assets and Liabilities to Governmental Activities	\$ -	\$ -	\$ (561,706)
Conversion of Net Pension Liability to Interfund Borrowing	2,436,639	1,360,858	25,044,447

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

The City maintains the following Internal Service Funds:

General Insurance Fund - to account for costs associated with administering a self-insurance plan for worker's compensation, automobile, and general liability benefits. The plan is externally administered.

Employees Health and Accident Benefits Fund - to account for costs associated with administering a self-insurance plan for employees' and retirees' health and accident claims. The plan is externally administered for an annually contracted amount, which is based upon volume of claims.

Fleet Management Fund - to account for the costs of vehicle acquisition and replacements and operating a maintenance facility for vehicles used by various City departments.

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2020

	General Insurance Fund	Employees Health and Accident Benefits Fund	Fleet Management Fund	Totals
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 400,000	\$ 122,000	\$ 419,876	\$ 941,876
Equity in Pooled Cash and Investments	10,430,870	15,848,943	6,844,188	33,124,001
Due from Other Funds	133,864	-	-	133,864
Inventories	-	-	231,082	231,082
Prepaid Expenses	23,204	-	-	23,204
Total Current Assets	10,987,938	15,970,943	7,495,146	34,454,027
Noncurrent Assets:				
Capital Assets (Net of Accumulated Depreciation):				
Buildings	-	-	2,817,041	2,817,041
Improvements Other than Buildings	-	-	880,636	880,636
Machinery and Equipment	-	-	12,333,456	12,333,456
Infrastructure	-	-	817,363	817,363
Capital Assets (Nondepreciable):				
Land	-	-	631,563	631,563
Total Noncurrent Assets	-	-	17,480,059	17,480,059
Total Assets	10,987,938	15,970,943	24,975,205	51,934,086
Deferred Outflows of Resources				
Accumulated Decrease in Fair Value of Hedging Derivatives	-	-	154,119	154,119
Deferred Amounts Related to Pensions	317,853	35,548	458,706	812,107
Deferred Amounts Related to OPEB	72,221	6,748	101,323	180,292
Total Deferred Outflows of Resources	390,074	42,296	714,148	1,146,518
Liabilities				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	7,172,519	1,317,139	534,473	9,024,131
Due to Other Funds	3,192	-	37,857	41,049
Current Portion of Long-Term Debt	3,128	109	3,443	6,680
Total Current Liabilities	7,178,839	1,317,248	575,773	9,071,860
Noncurrent Liabilities:				
Fair Value of Derivative Instruments	-	-	154,119	154,119
Long-Term Debt	78,204	2,734	86,083	167,021
Net Pension Liability	218,124	24,393	314,782	557,299
Net OPEB Liability	15,558	1,455	21,829	38,842
Total Liabilities	7,490,725	1,345,830	1,152,586	9,989,141
Deferred Inflows of Resources				
Deferred Amounts Related to Pensions	17,914	2,004	25,853	45,771
Deferred Amounts Related to OPEB	109,089	10,192	153,047	272,328
Total Deferred Inflows of Resources	127,003	12,196	178,900	318,099
Net Position				
Net Investment in Capital Assets	-	-	17,480,059	17,480,059
Unrestricted	3,760,284	14,655,213	6,877,808	25,293,305
Total Net Position	\$ 3,760,284	\$ 14,655,213	\$ 24,357,867	\$ 42,773,364

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	General Insurance Fund	Employees Health and Accident Benefits Fund	Fleet Management Fund	Totals
Operating Revenues				
Sales and Service Charges	\$ 6,017,556	\$ 6,483,805	\$ 9,340,371	\$ 21,841,732
Employer Contributions	-	16,599,035	-	16,599,035
Employee Contributions	-	7,051,958	-	7,051,958
Other Operating Revenues	1,189,031	1,324,850	89,637	2,603,518
Total Operating Revenues	<u>7,206,587</u>	<u>31,459,648</u>	<u>9,430,008</u>	<u>48,096,243</u>
Operating Expenses				
Operations and Maintenance	5,098,949	134,886	3,588,423	8,822,258
Administrative and General	-	120,178	-	120,178
Depreciation and Amortization	-	-	3,005,799	3,005,799
Benefits Paid and Other Expenses	-	26,706,115	-	26,706,115
Total Operating Expenses	<u>5,098,949</u>	<u>26,961,179</u>	<u>6,594,222</u>	<u>38,654,350</u>
Operating Income (Losses)	<u>2,107,638</u>	<u>4,498,469</u>	<u>2,835,786</u>	<u>9,441,893</u>
Nonoperating Revenues				
Investment Income	46,021	81,015	30,586	157,622
Total Nonoperating Revenues	<u>46,021</u>	<u>81,015</u>	<u>30,586</u>	<u>157,622</u>
Income (Loss) Before Capital Contributions and Transfers	<u>2,153,659</u>	<u>4,579,484</u>	<u>2,866,372</u>	<u>9,599,515</u>
Transfers				
Transfers in	-	-	350,806	350,806
Transfers (out)	(43,494)	(3,470)	(56,716)	(103,680)
Total Transfers	<u>(43,494)</u>	<u>(3,470)</u>	<u>294,090</u>	<u>247,126</u>
Change in Net Position	2,110,165	4,576,014	3,160,462	9,846,641
Net Position - Beginning of Year	<u>1,650,119</u>	<u>10,079,199</u>	<u>21,197,405</u>	<u>32,926,723</u>
Net Position - End of Year	<u>\$ 3,760,284</u>	<u>\$ 14,655,213</u>	<u>\$ 24,357,867</u>	<u>\$ 42,773,364</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	General Insurance Fund	Employees Health and Accident Benefits Fund	Fleet Management Fund	Totals
Cash Flow from Operating Activities				
Cash Received for Interfund Services	\$ 6,017,556	\$ 30,134,927	\$ 9,341,968	\$ 45,494,451
Cash Received from Customers	1,189,031	1,324,850	89,637	2,603,518
Cash Paid to Suppliers	(5,270,964)	(26,802,280)	(3,340,498)	(35,413,742)
Cash Paid to Employees	(1,459,133)	(140,530)	(2,155,947)	(3,755,610)
Cash Paid for Interfund Services	-	(120,178)	-	(120,178)
Net Cash Provided (Used) by Operating Activities	<u>476,490</u>	<u>4,396,789</u>	<u>3,935,160</u>	<u>8,808,439</u>
Cash Flows from Noncapital and Related Financing Activities				
Interfund Borrowing	636,437	-	1,141,093	1,777,530
Transfers from Other Funds	-	-	350,806	350,806
Transfers to Other Funds	(43,494)	(3,470)	(56,717)	(103,681)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>592,943</u>	<u>(3,470)</u>	<u>1,435,182</u>	<u>2,024,655</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition and Construction of Capital Assets	-	-	(2,614,576)	(2,614,576)
Net Cash Flows Used by Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>(2,614,576)</u>	<u>(2,614,576)</u>
Cash Flows from Investing Activities				
Interest Received	46,021	81,015	30,586	157,622
Net Cash Provided by Investing Activities	<u>46,021</u>	<u>81,015</u>	<u>30,586</u>	<u>157,622</u>
Net Increase in Cash	1,115,454	4,474,334	2,786,352	8,376,140
Cash - Beginning of Year	<u>9,715,416</u>	<u>11,496,609</u>	<u>4,477,712</u>	<u>25,689,737</u>
Cash - End of Year	<u>\$ 10,830,870</u>	<u>\$ 15,970,943</u>	<u>\$ 7,264,064</u>	<u>\$ 34,065,877</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020
(Concluded)

	General Insurance Fund	Employees Health and Accident Benefits Fund	Fleet Management Fund	Totals
<u>Cash and Cash Equivalents Classified as</u>				
Cash and Cash Equivalents	\$ 400,000	\$ 122,000	\$ 419,876	\$ 941,876
Equity in Pooled Cash and Investments	10,430,870	15,848,943	6,844,188	33,124,001
Total	<u>\$ 10,830,870</u>	<u>\$ 15,970,943</u>	<u>\$ 7,264,064</u>	<u>\$ 34,065,877</u>
<u>Reconciliation of Operating Income (Loss)</u>				
<u>to Net Cash Provided (Used)</u>				
<u>by Operating Activities</u>				
Operating Income (Loss)	\$ 2,107,638	\$ 4,498,469	\$ 2,835,786	\$ 9,441,893
Adjustments to Reconcile Operating Income				
(Loss) to Net Cash Provided (Used) by				
Operating Activities:				
Depreciation and Amortization	-	-	3,005,799	3,005,799
(Increase)/Decrease in Receivables	-	129	1,597	1,726
(Increase)/Decrease in Inventories	-	-	(38,358)	(38,358)
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	(204,637)	4,192	322,721	122,276
Increase/(Decrease) in Compensated Absences	25,830	1,273	9,214	36,317
Pension Expense Adjustment	(1,447,925)	(108,669)	(2,194,419)	(3,751,013)
OPEB Expense Adjustment	(4,416)	1,395	(7,180)	(10,201)
Net Cash Provided (Used) by Operating Activities	<u>\$ 476,490</u>	<u>\$ 4,396,789</u>	<u>\$ 3,935,160</u>	<u>\$ 8,808,439</u>

FIDUCIARY FUNDS

TRUST FUNDS

Trust Funds are used to account for public employee retirement systems and the other post-employment benefit trust fund.

The City maintains the following Trust Funds:

Employees' Pension Fund - to account for the accumulation of resources to be used for pension and disability payments to participants of the City's Employees' Pension Plan.

Police Officers' and Firefighters' Consolidated Retirement Fund - to account for the accumulation of resources to be used for pension and disability payments to participants of the City's Consolidated Police Officers' and Firefighters' Retirement Plan.

Other Post-Employment Benefits (OPEB) Fund - to account for the accumulation of resources to be used for the City's portion of the premium cost for providing health insurance to the City's retired employees participating in the OPEB plan.

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION AND OPEB TRUST FUNDS
SEPTEMBER 30, 2020

	Employees' Pension Fund	Police Officers' and Firefighters' Consolidated Retirement Fund	Other Post- Employment Benefits (OPEB) Fund	Totals
Assets				
Cash and Cash Equivalents	\$ 21,514,055	\$ 10,282,092	\$ 1,226,403	\$ 33,022,550
Equity in Pooled Cash and Investments	162,660,043	52,160,848	2,706,774	217,527,665
Contributions Receivable	-	3,141,731	-	3,141,731
Investments, at Fair Value:				
Equities	348,045,909	162,874,036	48,235,657	559,155,602
Limited Partnerships Units	8	48,495,573	7,856,198	56,351,779
Real Estate	24,540,990	16,492,922	-	41,033,912
Mutual Funds	2,168,432	176,460	-	2,344,892
Fixed Income:				
Government Bonds	4,278,718	4,803,385	735,986	9,818,089
Corporate Bonds	7,259,276	-	670,299	7,929,575
Mortgage and Asset Backed Securities	7,515,400	-	745,102	8,260,502
Total Investments, at Fair Value	<u>393,808,733</u>	<u>232,842,376</u>	<u>58,243,242</u>	<u>684,894,351</u>
Total Assets	<u>577,982,831</u>	<u>298,427,047</u>	<u>62,176,419</u>	<u>938,586,297</u>
Liabilities				
Accounts Payable and Accrued Liabilities	<u>58,045</u>	<u>1,508,484</u>	<u>167,166</u>	<u>1,733,695</u>
Total Liabilities	<u>58,045</u>	<u>1,508,484</u>	<u>167,166</u>	<u>1,733,695</u>
Net Position Restricted for Pension and OPEB Benefits	<u>\$ 577,924,786</u>	<u>\$ 296,918,563</u>	<u>\$ 62,009,253</u>	<u>\$ 936,852,602</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION AND OPEB TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Employees' Pension Fund	Police Officers' and Firefighters' Consolidated Retirement Fund	Other Post- Employment Benefits (OPEB) Fund	Totals
Additions				
Contributions:				
Employer Contributions	\$ 177,683,605	\$ 55,051,055	\$ 2,557,953	\$ 235,292,613
Employee Contributions	5,248,553	2,121,251	3,404,162	10,773,966
Total Contributions	182,932,158	57,172,306	5,962,115	246,066,579
Investment Income:				
Net Appreciation/(Depreciation) in Fair Value of Investments	13,669,886	14,417,498	(334,514)	27,752,870
Dividends and Interest	5,959,364	3,268,626	1,340,426	10,568,416
Total Investment Income	19,629,250	17,686,124	1,005,912	38,321,286
(Less Investment Expense)	(1,875,493)	(458,579)	(403,065)	(2,737,137)
Net Investment Income (Loss)	17,753,757	17,227,545	602,847	35,584,149
Total Additions	200,685,915	74,399,851	6,564,962	281,650,728
Deductions				
Benefit Payments	37,040,991	19,930,330	8,225,362	65,196,683
Refunds of Contributions	426,631	257,945	-	684,576
Administrative Expenses	580,524	712,544	10,943	1,304,011
Total Deductions	38,048,146	20,900,819	8,236,305	67,185,270
Change in Net Position	162,637,769	53,499,032	(1,671,343)	214,465,458
Net Position - Beginning of Year	415,287,017	243,419,531	63,680,596	722,387,144
Net Position - End of Year	\$ 577,924,786	\$ 296,918,563	\$ 62,009,253	\$ 936,852,602

STATISTICAL SECTION

STATISTICAL SECTION SUMMARY

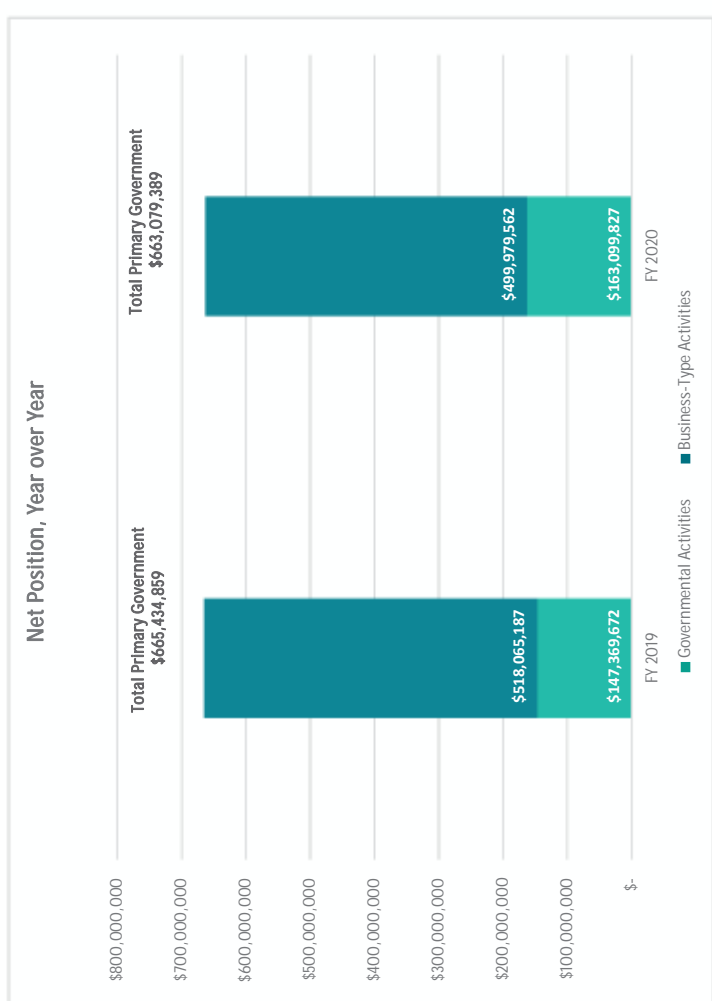
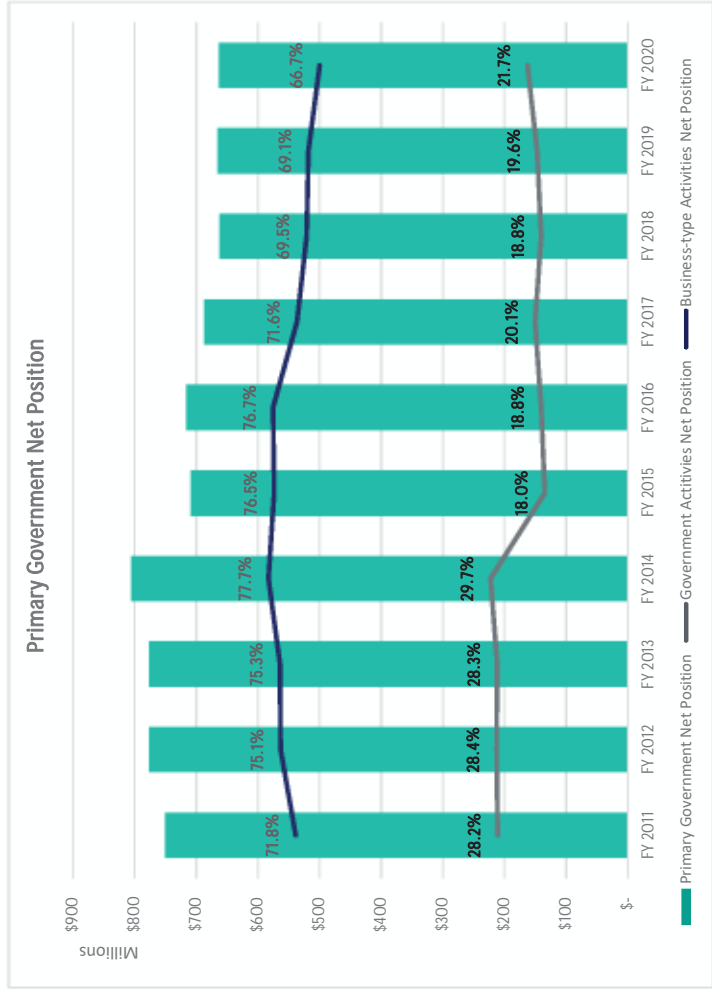
This part of the City of Gainesville, Florida's comprehensive annual financial report presents additional information to assist users in understanding how the information provided in the financial statements, note disclosures, and required supplementary information impacts the City's overall financial health.

Schedules	Page
Financial Trends	218
These schedules provide financial trend information, which shows how the City's financial performance has changed over time.	
Revenue Capacity	223
These schedules provide additional information about Property Tax and Utility Revenues, the City's most significant local revenue sources.	
Debt Capacity	231
These schedules provide detailed information about the City's current levels of outstanding debt, and can help the financial statement user assess the City's ability to issue additional debt in the future.	
Demographic and Economic Information	234
These schedules present demographic and economic indicators to assist the financial statement user in understanding the environment in which the City's financial activities occur.	
Operating Information	236
These schedules contain service and infrastructure data to help the financial statement user understand how the information in the City's financial statements relates to the services the City provides.	

Financial Trends

City of Gainesville
Net Position By Component
Last Ten Fiscal Years
 (accrual basis of accounting)

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Governmental activities:										
Invested in capital assets, net of related debt	\$ 127,383,906	\$ 133,198,609	\$ 147,982,728	\$ 163,117,931	\$ 167,469,862	\$ 190,440,482	\$ 195,530,215	\$ 215,537,449	\$ 231,629,237	\$ 219,965,625
Restricted	66,834,959	63,041,610	52,874,367	42,462,127	53,090,288	41,905,152	47,526,431	37,526,544	39,962,136	46,097,158
Unrestricted	17,050,427	16,993,135	11,105,349	17,334,531	(85,660,620)	(91,445,398)	(92,364,875)	(112,356,716)	(24,221,701)	(102,962,956)
Total governmental activities net position	\$ 211,269,292	\$ 213,233,354	\$ 211,962,444	\$ 222,914,589	\$ 134,899,530	\$ 140,900,236	\$ 150,691,771	\$ 140,707,277	\$ 147,369,672	\$ 163,099,827
Business-type activities:										
Invested in capital assets, net of related debt	\$ 350,932,231	\$ 368,031,597	\$ 362,288,572	\$ 387,916,136	\$ 379,583,536	\$ 361,120,054	\$ 326,814,049	\$ 369,448,747	\$ 336,512,272	\$ 282,222,324
Restricted	84,940,717	85,067,843	88,409,575	60,971,377	78,925,696	82,756,292	60,698,691	44,988,255	57,389,249	86,837,857
Unrestricted	102,951,974	110,159,236	113,807,683	134,105,632	115,418,059	131,653,410	149,330,297	106,765,463	124,163,666	130,919,381
Total business-type activities net position	\$ 538,824,922	\$ 563,258,676	\$ 564,475,800	\$ 582,993,145	\$ 573,927,291	\$ 575,529,756	\$ 536,843,037	\$ 521,202,465	\$ 518,065,187	\$ 499,979,562
Total primary government:										
Invested in capital assets, net of related debt	\$ 478,316,137	\$ 501,230,206	\$ 510,241,300	\$ 551,034,067	\$ 547,053,398	\$ 551,560,536	\$ 522,344,264	\$ 584,986,196	\$ 568,141,509	\$ 502,187,949
Restricted	151,775,676	148,109,453	141,283,942	103,433,504	132,015,984	124,661,444	108,225,122	82,514,799	97,351,385	132,935,015
Unrestricted	120,002,401	127,152,371	124,913,002	151,440,163	29,757,439	40,208,012	56,965,422	(5,591,253)	(58,035)	27,956,425
Total primary government net position	\$ 750,094,214	\$ 776,492,030	\$ 776,438,244	\$ 805,907,734	\$ 708,826,821	\$ 716,429,992	\$ 687,534,808	\$ 661,909,742	\$ 665,434,869	\$ 663,079,389



**City of Gainesville
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)**

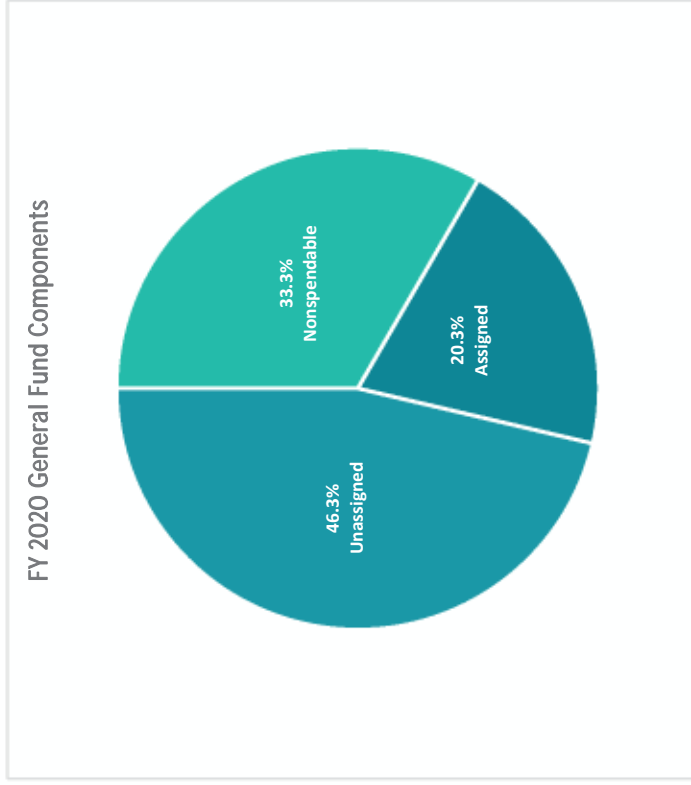
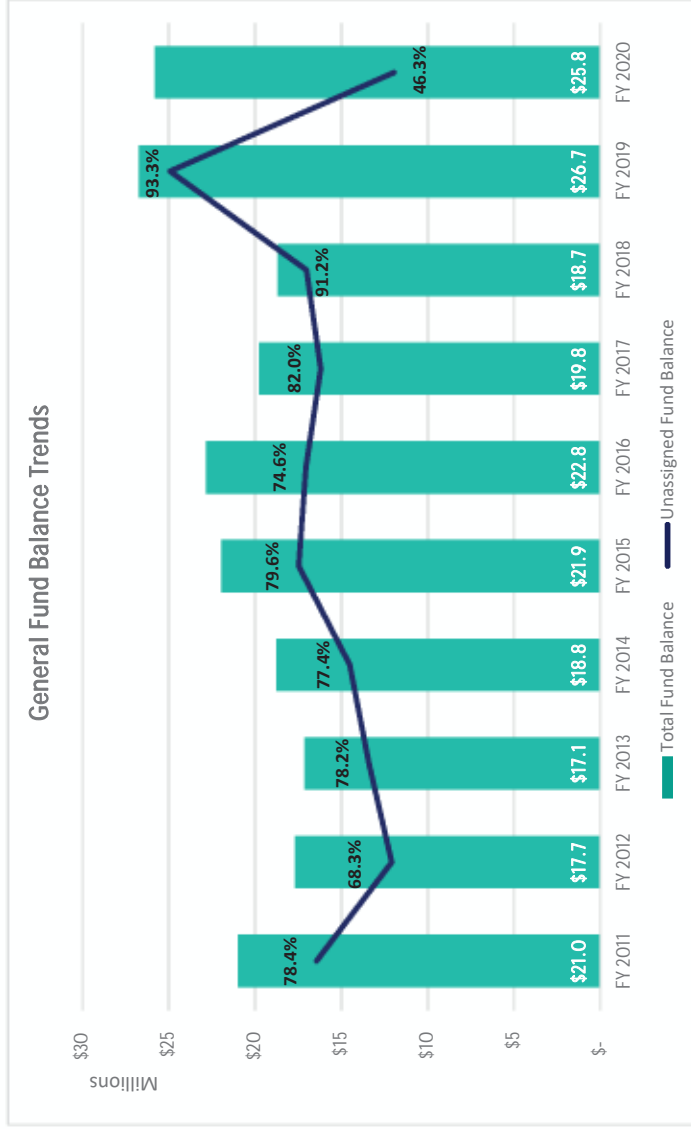
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Expenses					
Governmental activities:					
General government	\$ 18,698,649	\$ 16,546,820	\$ 17,814,078	\$ 16,176,189	\$ 20,042,296
Public safety	57,166,952	59,735,600	62,938,271	64,021,054	58,122,081
Physical environment	1,116,462	2,218,153	3,799,039	2,871,836	1,007,994
Transportation	13,982,396	18,686,598	18,410,169	15,142,893	18,412,980
Economic environment	6,402,656	9,164,986	6,809,885	8,602,592	5,930,125
Human services	1,250,715	581,239	384,825	2,216,579	1,726,374
Culture & recreation	8,433,374	9,705,943	9,551,902	9,332,876	11,042,060
Interest on long-term debt	7,580,944	7,390,511	7,248,291	6,711,350	7,216,312
Total governmental activities expenses	114,632,148	124,029,850	126,956,460	125,075,369	123,500,222
Business-type activities:					
Electric	\$ 228,544,484	\$ 221,494,502	\$ 227,350,282	\$ 291,110,843	\$ 313,776,108
Gas	24,336,197	21,898,283	21,436,501	22,764,377	23,086,959
Water	22,945,996	24,458,151	24,988,038	25,516,070	25,990,135
Wastewater	27,068,964	27,072,938	27,618,138	27,740,855	27,852,572
GRUCOM	10,907,359	11,160,732	10,504,492	11,761,638	13,733,955
Regional transit system	20,196,358	21,458,507	23,167,649	24,279,240	26,170,257
Stormwater management	5,030,742	6,376,271	6,283,365	6,351,290	6,574,131
Ironwood golf course	1,419,653	1,454,435	1,401,017	1,456,632	1,573,460
Florida building code enforcement	2,263,325	2,156,163	2,042,119	2,306,430	2,324,819
Solid waste	7,320,642	7,377,876	7,237,205	7,594,037	8,623,125
Total business-type activities expenses	350,033,720	344,907,858	352,028,806	420,881,412	449,705,521
Total primary government expenses	\$ 464,665,868	\$ 468,937,708	\$ 478,985,266	\$ 545,956,781	\$ 573,205,743
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 10,434,927	\$ 10,701,617	\$ 11,418,234	\$ 13,124,551	\$ 12,900,012
Public safety	8,696,812	7,945,799	8,238,633	8,399,721	9,105,760
Other charges for services	3,427,670	4,500,224	3,769,211	3,962,570	6,233,296
Operating grants and contributions	8,405,085	8,537,676	8,170,095	7,036,634	7,169,569
Capital grants and contributions	7,130,480	2,862,493	7,570,791	5,061,574	3,999,209
Total governmental activities program revenues	38,094,974	34,547,809	39,166,964	37,585,050	39,407,846
Business-type activities:					
Charges for services:					
Electric	250,057,292	230,805,656	228,822,572	268,774,902	277,077,555
Other utilities	101,100,900	96,875,398	97,083,057	99,880,653	101,823,558
Other charges for services	30,630,504	32,257,122	33,332,016	34,576,794	36,298,907
Operating grants and contributions	5,886,603	6,384,981	14,074,581	25,213,077	9,435,118
Capital grants and contributions	5,146,531	7,148,130	3,004,490	5,658,720	1,962,901
Total business-type activities program revenues	392,821,830	373,471,287	376,316,716	434,104,146	426,598,039
Total primary government program revenues	\$ 430,916,804	\$ 408,019,096	\$ 415,483,680	\$ 471,689,196	\$ 466,005,885
Net (Expense)/Revenue					
Governmental activities	\$ (76,537,174)	\$ (89,482,041)	\$ (87,789,496)	\$ (87,490,319)	\$ (84,092,376)
Business-type activities	42,788,110	28,563,429	24,287,910	13,222,734	(23,107,482)
Total primary government net revenue	\$ (33,749,064)	\$ (60,918,612)	\$ (63,501,586)	\$ (74,267,585)	\$ (107,199,858)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Property taxes	\$ 26,833,852	\$ 25,871,976	\$ 26,077,888	\$ 26,476,044	\$ 28,558,490
Other taxes	25,444,169	21,952,397	21,899,384	21,516,536	21,359,992
State revenue sharing	3,653,017	3,712,905	3,723,420	3,945,358	4,214,442
Investment gain (loss)	2,317,663	3,556,870	(4,908,204)	6,061,874	4,712,920
Other revenues	3,082,853	2,993,407	2,826,862	3,495,904	3,849,507
Total governmental activities	61,331,554	58,087,555	49,619,350	61,495,716	62,695,351
Business-type activities:					
Interest	9,242,257	9,234,751	6,653,021	6,871,499	12,109,749
Other revenues	19,357,072	23,308,136	7,175,429	39,459,939	51,373,445
Total business-type activities	28,599,329	32,542,887	13,828,450	46,331,438	63,483,194
Total primary government	\$ 89,930,883	\$ 90,630,442	\$ 63,447,800	\$ 107,827,154	\$ 126,178,545
Changes in Net Position (including transfers, special items and extraordinary items)					
Governmental activities	\$ 20,422,375	\$ 5,278,076	\$ (1,270,910)	\$ 12,571,251	\$ 14,225,269
Business-type activities	35,759,444	24,433,754	1,217,124	20,988,318	4,753,418
Total primary government	\$ 56,181,819	\$ 29,711,830	\$ (53,786)	\$ 33,559,569	\$ 18,978,687

City of Gainesville
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Expenses					
Governmental activities:					
General government	\$ 23,812,563	\$ 13,257,529	\$ 22,040,757	\$ 25,208,259	\$ 24,762,040
Public safety	72,097,913	60,307,834	63,936,193	66,448,738	74,628,943
Physical environment	637,207	1,820,004	412,777	924,738	1,139,174
Transportation	5,723,450	17,941,779	19,259,842	20,935,955	21,368,976
Economic environment	1,393,939	8,879,794	5,756,671	6,355,726	5,794,136
Human services	7,397,884	1,340,199	1,758,977	2,085,523	2,324,313
Culture & recreation	7,113,163	17,049,901	12,182,553	12,885,544	14,609,745
Interest on long-term debt	8,802,512	6,374,794	7,309,426	6,677,648	8,082,573
Total governmental activities expenses	126,978,631	126,971,834	132,657,196	141,522,131	152,709,900
Business-type activities:					
Electric	\$ 322,959,616	\$ 331,139,770	\$ 288,723,340	\$ 285,520,258	\$ 263,210,539
Gas	21,999,919	21,284,174	21,383,577	21,562,120	19,169,278
Water	28,179,472	32,390,604	31,267,572	34,949,820	34,827,176
Wastewater	32,454,104	37,417,260	38,712,044	39,832,387	42,514,875
GRUCOM	12,491,683	12,358,447	12,119,479	12,953,026	14,734,804
Regional transit system	28,302,063	33,640,219	31,230,329	35,586,285	30,292,140
Stormwater management	7,504,695	8,877,317	8,902,706	10,209,606	8,940,956
Ironwood golf course	1,701,930	1,632,760	1,731,357	1,740,464	-
Florida building code enforcement	2,661,425	2,656,233	3,105,149	3,350,486	3,136,150
Solid waste	9,002,895	8,099,106	7,579,142	7,582,318	8,795,609
Total business-type activities expenses	467,257,802	489,495,890	444,754,695	453,686,770	425,621,527
Total primary government expenses	\$ 594,236,433	\$ 616,467,724	\$ 577,411,891	\$ 595,208,901	\$ 578,331,427
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 10,423,187	\$ 11,795,746	\$ 11,697,361	\$ 12,862,527	\$ 9,316,300
Public safety	8,464,495	7,640,035	11,390,344	11,191,303	12,960,704
Other charges for services	5,180,923	4,892,481	4,416,822	5,177,764	6,585,434
Operating grants and contributions	8,809,447	6,822,748	4,818,258	6,993,144	13,240,004
Capital grants and contributions	1,698,750	2,634,365	712,441	1,258,828	-
Total governmental activities program revenues	34,576,802	33,785,375	33,035,226	37,483,566	42,102,442
Business-type activities:					
Charges for services:					
Electric	276,623,151	293,065,520	272,311,406	293,883,795	273,794,885
Other utilities	103,207,375	108,125,440	110,891,490	113,920,161	116,775,211
Other charges for services	37,515,391	37,606,459	38,921,856	40,155,745	39,347,799
Operating grants and contributions	5,828,801	10,315,741	13,120,255	8,687,312	8,372,896
Capital grants and contributions	5,305,542	13,089,525	1,484,306	3,970,981	7,638,795
Total business-type activities program revenues	428,480,260	462,202,685	436,729,313	460,617,994	445,929,586
Total primary government program revenues	\$ 463,057,062	\$ 495,988,060	\$ 469,764,539	\$ 498,101,560	\$ 488,032,028
Net (Expense)/Revenue					
Governmental activities	\$ (92,401,829)	\$ (93,186,459)	\$ (99,621,970)	\$ (104,038,565)	\$ (110,607,458)
Business-type activities	(38,777,542)	(27,293,205)	(8,025,382)	6,931,224	20,308,059
Total primary government net revenue	\$ (131,179,371)	\$ (120,479,664)	\$ (107,647,352)	\$ (97,107,341)	\$ (90,299,399)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Property taxes	\$ 29,161,493	\$ 31,116,558	\$ 34,925,769	\$ 35,133,195	\$ 36,693,311
Other taxes	21,670,989	22,105,551	31,468,891	34,820,642	34,677,577
State revenue sharing	4,316,493	4,648,650	4,841,716	5,055,719	4,691,438
Investment gain (loss)	4,176,684	443,618	1,797,724	2,963,042	743,962
Other revenues	3,567,795	8,127,699	4,584,282	2,983,670	4,825,168
Total governmental activities	62,893,454	66,442,076	77,618,382	80,956,268	81,631,456
Business-type activities:					
Interest	19,569,675	5,234,036	8,324,132	4,875,231	3,111,544
Other revenues	56,319,413	61,488,630	21,858,387	11,262,279	2,087,628
Total business-type activities	75,889,088	66,722,666	30,182,519	16,137,510	5,199,172
Total primary government	\$ 138,782,542	\$ 133,164,742	\$ 107,800,901	\$ 97,093,778	\$ 86,830,628
Changes in Net Position (including transfers, special items and extraordinary items)					
Governmental activities	\$ 6,000,706	\$ 9,791,535	\$ 15,242,097	\$ 15,833,297	\$ 9,977,076
Business-type activities	1,602,465	2,893,543	(15,088,548)	(15,846,860)	(13,445,847)
Total primary government	\$ 7,603,171	\$ 12,685,078	\$ 153,549	\$ (13,563)	\$ (3,468,771)

City of Gainesville
Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
General Fund:										
Nonspendable	\$ 3,474,278	\$ 3,363,691	\$ 2,959,587	\$ 2,753,498	\$ 2,487,568	\$ 2,238,498	\$ 1,959,310	\$ 1,647,816	\$ 1,359,332	\$ 8,595,707
Assigned	1,060,672	2,236,549	772,730	1,494,098	1,985,914	3,551,786	1,607,428	-	432,146	5,246,913
Unassigned	16,433,938	12,087,485	13,408,146	14,520,395	17,476,507	17,050,156	16,199,506	17,023,490	24,926,872	11,949,372
Total General Fund	\$ 20,968,888	\$ 17,687,725	\$ 17,140,463	\$ 18,767,991	\$ 21,949,989	\$ 22,840,440	\$ 19,766,244	\$ 18,671,306	\$ 26,718,350	\$ 25,791,992
All Other Governmental Funds:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 973,501	\$ 973,501	\$ 973,501	\$ 973,501	\$ 973,501	\$ 138,494,121
Restricted	70,813,952	64,831,266	56,363,125	45,981,942	40,819,050	36,886,125	42,831,122	48,991,566	43,861,891	53,521,232
Committed	782,237	782,237	901,448	1,361,332	2,714,703	3,684,544	4,186,209	4,284,750	4,943,264	6,570,937
Assigned	10,370,993	16,633,174	12,555,440	9,632,021	31,481,786	29,243,195	25,434,776	13,929,331	12,550,970	17,774,857
Unassigned	(29,288)	(3,067,169)	(2,499,106)	(2,121,436)	(1,734,610)	(1,571,393)	(1,815,726)	(1,613,819)	(1,620,060)	(3,522,639)
Total All Other Governmental Funds	\$ 81,937,894	\$ 79,179,508	\$ 67,320,907	\$ 54,853,859	\$ 74,254,430	\$ 69,215,972	\$ 71,609,882	\$ 66,565,329	\$ 60,709,566	\$ 212,838,508



Note: - Nonspendable fund balance increased in fiscal year 2020 due to long-term receivables from other funds, with the majority attributed to amounts due to governmental funds from enterprise funds for their portion of the Special Obligation Revenue Bonds Series 2020 and the Pension Obligation Bonds Series 2003.

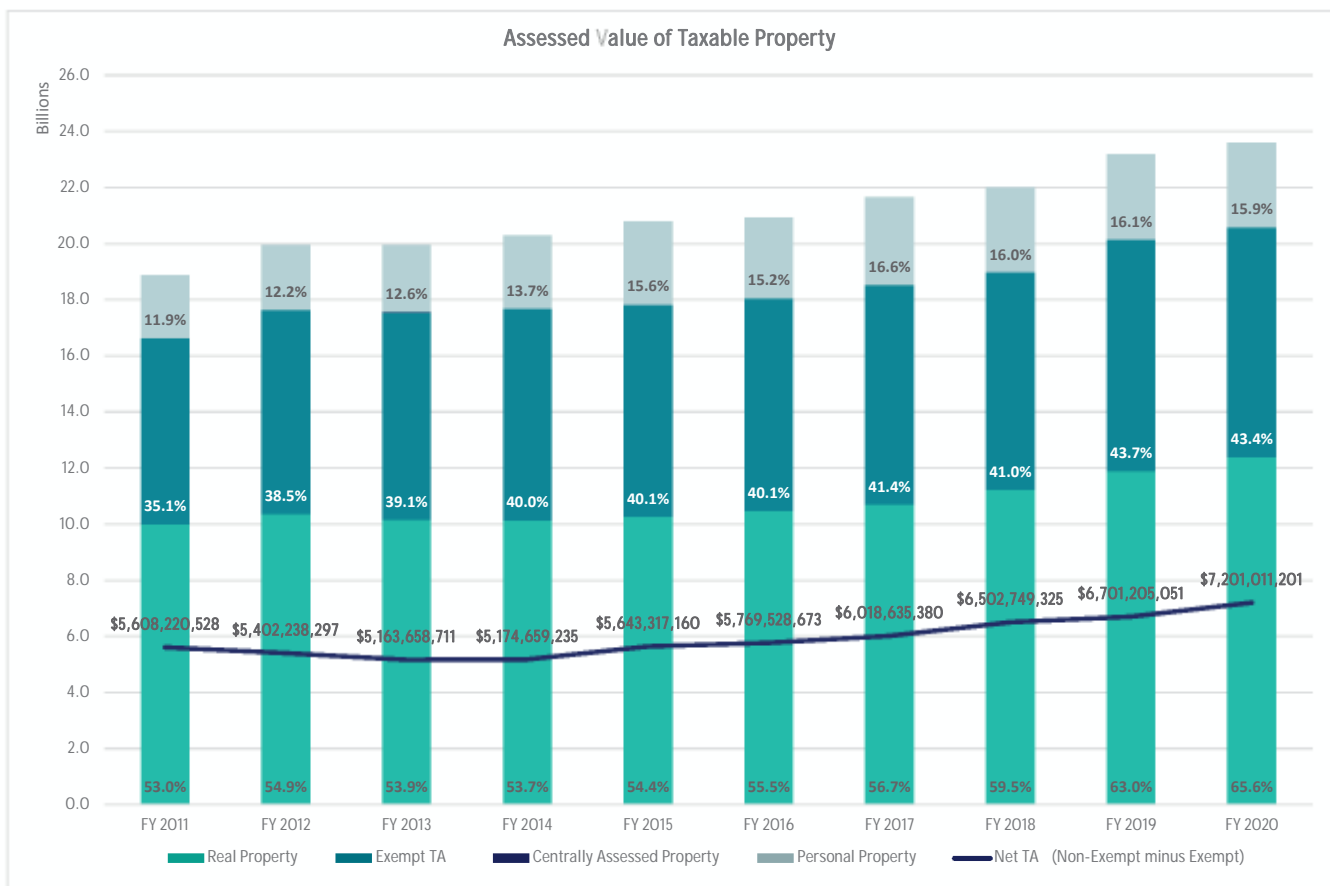
City of Gainesville
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenues										
Taxes	\$ 49,781,834	\$ 45,404,192	\$ 45,099,581	\$ 44,949,416	\$ 46,728,963	\$ 45,455,100	\$ 51,600,589	\$ 60,430,912	\$ 63,906,128	\$ 62,275,640
Licenses and permits	832,814	866,236	899,441	950,644	965,536	943,444	5,901,029	7,371,636	7,385,069	9,516,520
Intergovernmental	28,665,033	24,685,016	29,719,620	27,502,531	26,925,019	26,204,076	26,303,362	25,320,730	24,745,097	30,469,146
Charges for services	13,375,534	15,054,350	14,389,653	15,533,253	17,043,277	16,977,893	12,076,001	12,574,128	15,834,004	16,215,542
Fines and forfeitures	2,629,506	1,796,110	1,985,956	1,824,055	2,145,183	1,483,244	1,160,249	1,345,009	1,170,166	1,040,266
Miscellaneous	3,936,894	4,450,048	(1,599,295)	7,020,048	7,224,161	5,592,138	3,186,221	4,606,410	3,586,821	2,383,348
Total Revenues	99,221,615	92,255,952	90,494,956	97,780,363	101,032,139	96,655,895	100,227,451	111,648,825	116,627,285	121,900,462
Expenditures										
General government	\$ 14,707,657	\$ 14,999,927	\$ 14,857,602	\$ 15,191,905	\$ 15,432,428	\$ 16,769,826	\$ 17,882,912	\$ 18,721,311	\$ 20,828,242	\$ 38,474,266
Public safety	54,085,573	55,405,967	57,644,637	60,050,160	57,211,291	58,725,485	60,949,388	63,611,488	60,845,007	126,859,238
Physical environment	746,462	1,020,714	3,422,270	2,345,811	728,714	179,148	1,638,851	390,832	610,720	2,697,510
Transportation	13,165,523	12,481,951	12,117,326	13,493,390	14,799,718	14,357,357	13,506,968	12,199,626	13,101,026	21,726,970
Economic environment	9,040,688	7,961,882	7,324,538	8,322,502	5,679,667	6,110,015	8,449,753	5,592,127	5,600,703	6,754,563
Human services	1,123,442	554,740	390,769	819,536	1,379,014	1,354,828	1,342,820	1,725,801	2,020,873	2,315,594
Culture and recreation	7,683,761	7,998,869	8,282,530	8,138,572	8,758,008	10,795,803	9,697,565	9,266,636	10,437,575	17,340,821
Debt service:										
Principal	9,192,493	10,332,810	9,886,531	12,884,423	6,084,283	6,205,471	7,512,126	8,200,392	7,856,848	8,236,319
Interest	7,489,706	7,283,092	7,127,610	6,803,431	6,946,531	6,963,319	6,129,579	7,216,512	6,307,227	7,396,571
Advance refunding escrow	-	-	-	-	-	2,027,758	-	-	-	-
Bond issuance costs	-	67,243	-	41,837	242,746	78,691	-	-	-	1,211,583
Capital outlay	15,369,816	17,741,445	21,958,840	18,682,145	10,242,908	19,494,913	10,296,971	38,501,041	24,878,392	13,728,239
Total Expenditures	132,605,121	135,848,640	143,012,653	146,773,712	127,505,308	143,062,614	137,406,933	165,425,766	152,486,613	246,741,674
Excess of revenues under expenditures	(33,383,506)	(43,592,688)	(52,517,697)	(48,993,349)	(26,473,169)	(46,406,719)	(37,179,482)	(53,776,941)	(35,859,328)	(124,841,212)
Other Financing Sources (Uses)										
Debt issuance	-	9,960,000	-	14,715,000	12,435,000	18,600,000	-	10,365,000	-	214,615,000
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	1,309,981
Bond premium/(discount)	-	-	-	-	947,278	-	-	-	-	-
Transfers in	54,072,623	67,533,715	61,955,075	59,810,683	71,442,628	63,795,920	59,041,563	75,105,237	77,418,056	78,209,629
Transfers out	(18,433,071)	(30,755,032)	(21,843,241)	(21,656,854)	(35,769,168)	(28,212,063)	(22,542,367)	(37,832,787)	(38,401,084)	(40,203,724)
Payments to refunded bond escrow agent	-	(6,230,000)	-	(14,715,000)	-	(11,925,145)	-	-	-	-
Total other financing sources (uses)	35,639,552	40,508,683	40,111,834	38,153,829	49,055,738	42,258,712	36,499,196	47,637,450	39,016,972	253,930,886
Net change in fund balances	\$ 2,256,046	\$ (3,084,005)	\$ (12,405,863)	\$ (10,839,520)	\$ 22,582,569	\$ (4,148,007)	\$ (680,286)	\$ (6,139,491)	\$ 3,157,644	\$ 129,089,674
Debt service as a percentage of noncapital expenditures	14.80%	14.33%	13.22%	15.92%	11.22%	11.47%	10.88%	11.84%	11.08%	6.70%

Revenue Capacity

City of Gainesville
Assessed Value of Taxable Property
Last Ten Fiscal Years

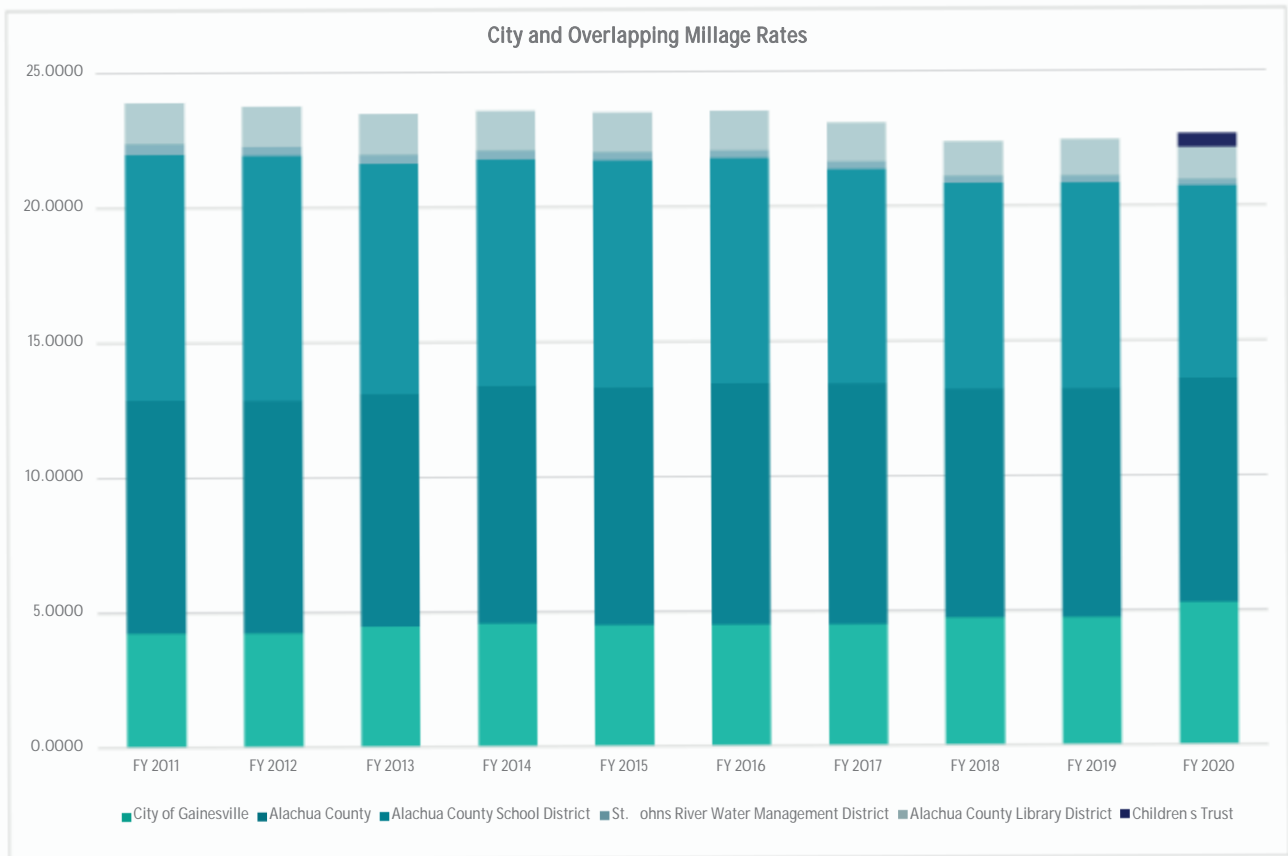
Fiscal Year Ended September 30	Tax Year	Real Property	Personal Property	Centrally Assessed Property	Non-Exempt Taxable Assessed Value (TAV)	Exempt TAV	Net TAV (Non-Exempt minus Exempt)	Net TAV as a Percentage of Non-Exempt TAV
2011	2010	\$10,001,618,912	\$2,241,373,073	\$987,726	\$12,243,979,711	\$6,635,759,183	\$5,608,220,528	45.8%
2012	2011	\$10,365,540,710	\$2,305,791,865	\$1,095,688	\$12,672,428,263	\$7,270,189,966	\$5,402,238,297	42.6%
2013	2012	\$10,167,342,922	\$2,384,662,208	\$1,073,991	\$12,553,079,121	\$7,389,420,410	\$5,163,658,711	41.1%
2014	2013	\$10,137,347,950	\$2,585,758,997	\$2,138,554	\$12,725,245,501	\$7,550,586,266	\$5,174,659,235	40.7%
2015	2014	\$10,267,624,130	\$2,940,131,808	\$2,210,823	\$13,209,966,761	\$7,566,649,601	\$5,643,317,160	42.7%
2016	2015	\$10,470,875,230	\$2,874,527,289	\$2,251,700	\$13,347,654,219	\$7,578,125,546	\$5,769,528,673	43.2%
2017	2016	\$10,703,714,054	\$3,131,399,275	\$2,303,808	\$13,837,417,137	\$7,818,781,757	\$6,018,635,380	43.5%
2018	2017	\$11,228,542,921	\$3,015,426,727	\$2,335,112	\$14,246,304,760	\$7,743,555,435	\$6,502,749,325	45.6%
2019	2018	\$11,896,134,467	\$3,047,796,037	\$2,424,391	\$14,946,354,895	\$8,245,149,844	\$6,701,205,051	44.8%
2020	2019	\$12,387,697,214	\$3,009,637,656	\$2,337,700	\$15,399,672,570	\$8,198,661,369	\$7,201,011,201	46.8%



Source: Alachua County Property Appraiser, www.acpafil.org

City of Gainesville
Property Tax Rates - City and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Tax Year	City of Gainesville	Alachua County	Alachua County School District	Overlapping Rates			Overlapping Rates
					St. Johns River Water Management District	Alachua County Library District	Children's Trust	
2011	2010	4.2544	8.6263	9.1070	0.4158	1.4736	0.0000	23.8771
2012	2011	4.2544	8.5956	9.0920	0.3313	1.4790	0.0000	23.7523
2013	2012	4.4946	8.5956	8.5490	0.3313	1.4768	0.0000	23.4473
2014	2013	4.5780	8.7990	8.4020	0.3283	1.4588	0.0000	23.5661
2015	2014	4.5079	8.7990	8.4100	0.3164	1.4588	0.0000	23.4921
2016	2015	4.5079	8.9545	8.3240	0.3023	1.4538	0.0000	23.5425
2017	2016	4.5079	8.9290	7.9360	0.2885	1.4121	0.0000	23.0735
2018	2017	4.7474	8.4648	7.6250	0.2724	1.2655	0.0000	22.3751
2019	2018	4.7474	8.4648	7.6250	0.2724	1.3371	0.0000	22.4467
2020	2019	5.2974	8.2829	7.1440	0.2414	1.1825	0.5000	22.6482



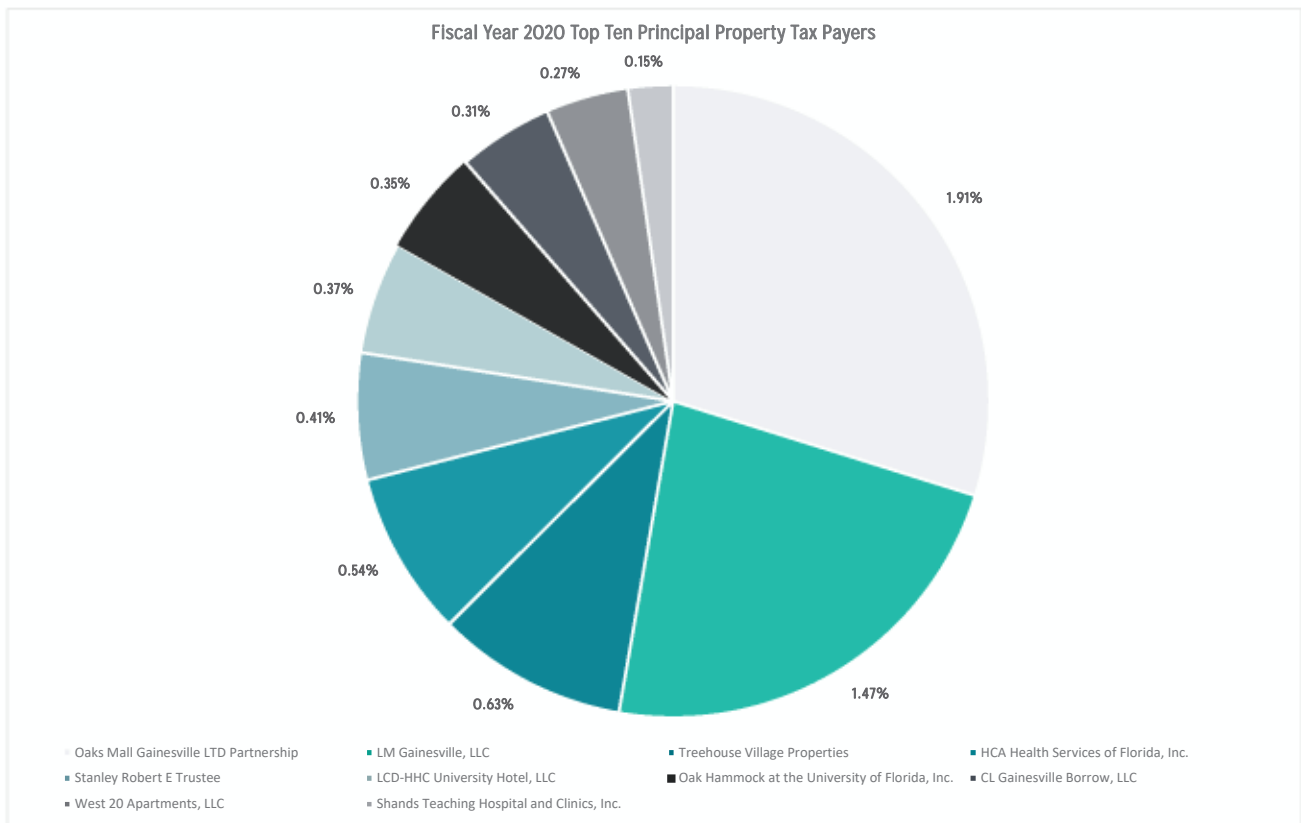
Notes:

- Millage rate is per \$1,000 assessed property value.
- Overlapping rates include those rates of other local and county governments that apply to property owners within the city.
- The City is serviced by two water management districts: St. Johns River Water Management (95%) and Suwannee River Water Management (5%). The millage rates for FY 2020 for both districts were 0.2414 and 0.3840 respectively.
- The City's property tax rate is limited to a maximum millage rate of 10.0000.

Source: Alachua County Property Appraiser

City of Gainesville
Top Ten Principal Property Tax Payers
Reporting Fiscal Year (FY 2020) and Ten Years Ago (FY 2010)

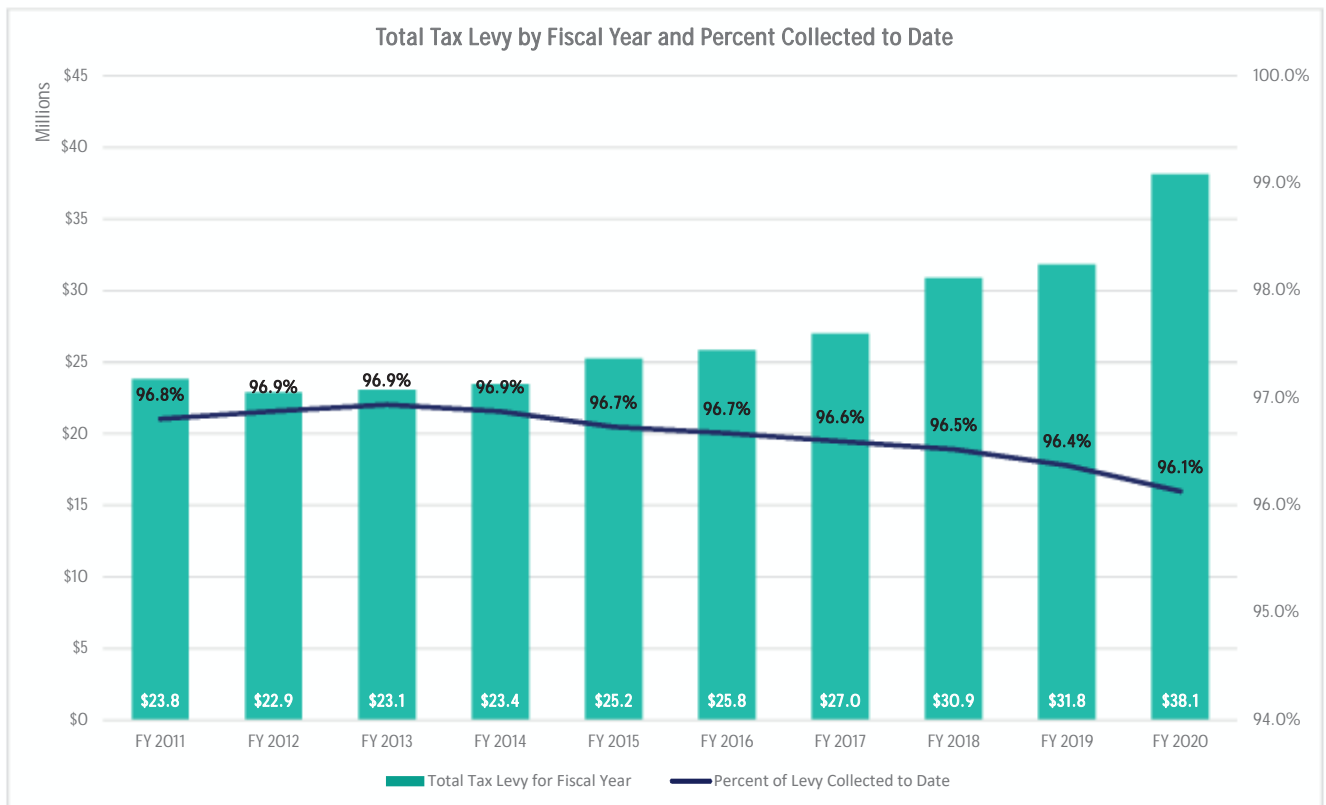
Tax Payer	Fiscal Year 2020		Fiscal Year 2010	
	Total Assessed Value	% of Total Taxable Assessed Value	Total Assessed Value	% of Total Taxable Assessed Value
Oaks Mall Gainesville LTD Partnership	\$285,000,000	1 1.91%	\$132,538,470	1 2.36%
LM Gainesville, LLC	\$219,102,000	2 1.47%		
Treehouse Village Properties	\$93,519,300	3 0.63%		
HCA Health Services of Florida, Inc.	\$80,639,275	4 0.54%	\$67,934,000	2 1.21%
Stanley Robert E Trustee	\$61,933,061	5 0.41%		
LCD-HHC University Hotel, LLC	\$54,991,800	6 0.37%		
Oak Hammock at the University of Florida, Inc.	\$51,603,001	7 0.35%	\$64,307,230	3 1.15%
CL Gainesville Borrow, LLC	\$46,397,900	8 0.31%		
West 20 Apartments, LLC	\$40,411,000	9 0.27%		
Shands Teaching Hospital and Clinics, Inc.	\$22,015,288	10 0.15%		
CoxCom, LLC			\$46,255,803	4 0.82%
S Clar Butler Properties Land, Trust			\$45,006,500	5 0.80%
Bellsouth Telecommunication, Inc.			\$43,025,564	6 0.77%
ELPF Gainesville LLP, LIC Gainesville			\$39,733,700	7 0.71%
Florida Power Corp			\$36,580,652	8 0.65%
Inland America Lodging, Gainesville, LLC			\$33,533,600	9 0.60%
Gainesville Place, LLC			\$31,785,650	10 0.57%
Total Top Ten Principal Property Tax Payers	\$955,612,625	6.39%	\$540,701,169	9.64%
Total Taxable Assessed Value	\$14,946,354,895		\$5,609,091,710	



Source: Alachua County Property Appraiser, www.acpaf1.org

City of Gainesville
Property Tax Levies and Collections
Last Ten Fiscal Years

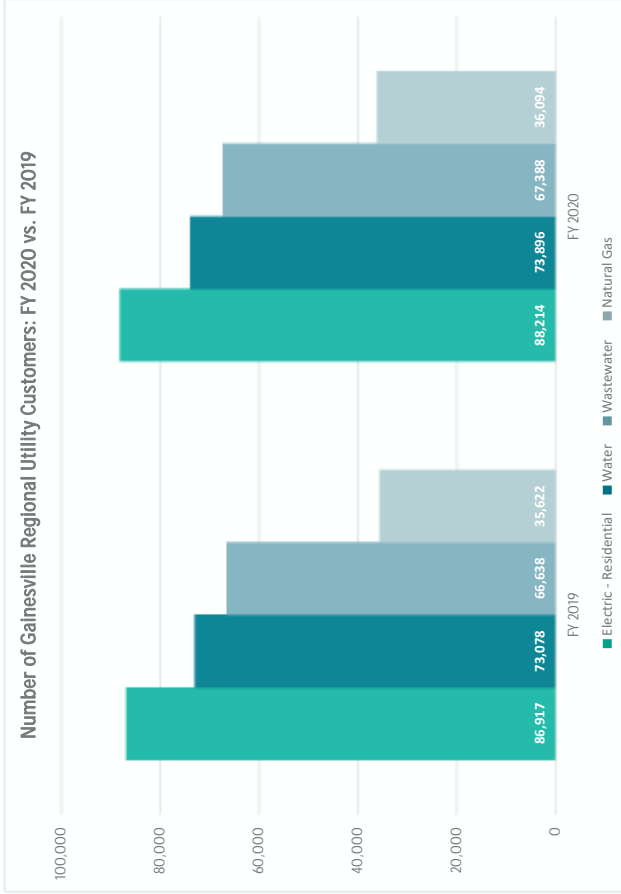
Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collected Within the Fiscal Year of the Levy		Total Collections to Date		
		Amount	Percent of Levy	Collections in Subsequent Years	Amount	Percent of Levy
2011	\$23,802,971	\$23,007,885	96.7%	\$34,674	\$23,042,559	96.8%
2012	\$22,865,258	\$22,085,295	96.6%	\$65,772	\$22,151,067	96.9%
2013	\$23,067,467	\$22,259,404	96.5%	\$101,709	\$22,361,113	96.9%
2014	\$23,448,285	\$22,573,803	96.3%	\$141,706	\$22,715,509	96.9%
2015	\$25,246,211	\$24,342,225	96.4%	\$78,800	\$24,421,025	96.7%
2016	\$25,841,246	\$24,924,172	96.5%	\$57,299	\$24,981,471	96.7%
2017	\$26,983,821	\$26,030,596	96.5%	\$34,581	\$26,065,177	96.6%
2018	\$30,871,988	\$29,766,402	96.4%	\$32,023	\$29,798,425	96.5%
2019	\$31,835,258	\$30,675,142	96.4%	\$4,972	\$30,680,114	96.4%
2020	\$38,111,708	\$36,636,996	96.1%	N/A	\$36,636,996	96.1%



Source: Alachua County Tax Collector

City of Gainesville
Gainesville Regional Utility Base - Number of Customers and Sales Quantities
Last Ten Fiscal Years

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Number of Customers										
Electric - Residential	81,900	82,039	82,440	83,117	83,796	84,069	85,229	86,952	86,917	88,214
Electric - Non-Residential	10,372	10,422	10,467	10,602	10,677	10,726	11,043	11,220	11,244	11,942
Water	68,952	69,329	69,847	70,300	70,903	71,546	72,136	73,043	73,078	73,896
Wastewater	62,164	62,536	63,001	63,501	64,121	64,781	65,591	66,483	66,638	67,388
Natural Gas	33,208	33,264	33,465	33,780	34,152	34,496	34,942	35,389	35,622	36,094
Sales										
Electric - Residential (gigawatt hours)	821	754	752	772	793	819	797	822	844	845
Electric - Non-Residential (gigawatt hours)	967	945	930	942	951	978	963	989	1,151	1,088
Water - gallons (millions)	7,775	7,369	6,964	6,822	6,786	6,837	7,211	6,922	7,096	7,114
Wastewater - gallons (millions)	4,666	4,706	4,603	4,528	4,491	4,510	4,657	4,969	4,692	4,614
Natural Gas therms (millions)	22	18	19	21	21	20	20	23	21	21



Notes:
- Number of customers represents all utility customers both inside and outside City limits.
- Net revenue excludes telecommunications

Source: Gainesville Regional Utility

**City of Gainesville
Gainesville Regional Utility Rates
Past Ten Years**

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Electric										
Residential Service - Standard										
Customer Charge (per month)	\$8.45	\$8.67	\$8.67	\$11.90	\$12.75	\$14.25	\$14.25	\$14.25	\$14.25	\$15.00
Energy Charge (per Wh) ²										
0-250 Wh	0.0320	0.0340	0.0340	0.0390	0.0310					
250-750 Wh	0.0680	0.0680	0.0680	0.0500	0.0420					
over 750 Wh	0.1020	0.1020	0.1020	0.0940	0.0840					
<i>Beginning in FY2016</i>										
0-850 Wh						0.0430	0.0430	0.0440	0.0702	0.0745
over 850 Wh						0.0640	0.0640	0.0660	0.0930	0.0987
Residential Service - Peak Periods										
Customer Charge (per month)	\$17.60	\$17.60	\$17.60	\$17.60	n/a	n/a	n/a	n/a	n/a	n/a
Energy Charge (per Wh) ²										
On-Peak	0.139000	0.139000	0.139000	0.139000	n/a	n/a	n/a	n/a	n/a	n/a
Off-Peak	0.035000	0.035000	0.035000	0.035000	n/a	n/a	n/a	n/a	n/a	n/a
General Service Non-Demand & Demand < 50 kW										
Customer Charge (per month)	\$26.00	\$26.00	\$26.00	\$30.00	\$29.50	\$29.50	\$29.50	\$29.50	\$29.50	\$31.00
Energy Charge (per Wh) ²										
0-1500 Wh	0.08000	0.08000	0.08000	0.07600	0.06900	0.06900	0.06900	0.07000	0.09260	0.09840
over 1500 Wh	0.10800	0.10800	0.10800	0.10600	0.10000	0.10000	0.10000	0.10300	0.12320	0.13090
General Service Demand - 50kW > Demand < 1000 kW										
Customer Charge (per month)	\$50.00	\$50.00	\$50.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Demand Charge (per W)	9.25	9.25	9.25	9.25	8.50	8.50	8.50	8.50	9.50	10.15
Energy Charge (per Wh) ²	0.05100	0.05100	0.05100	0.04500	0.04000	0.04000	0.04000	0.04120	0.06170	0.06530
Large Power Service - Demand > 1000 kW										
Customer Charge (per month)	\$300.00	\$300.00	\$300.00	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00	\$350.00
Demand Charge (per W)	9.25	9.25	9.25	9.25	8.50	8.50	8.50	8.50	9.75	10.30
Energy Charge (per Wh) ²	0.04600	0.04600	0.04600	0.04050	0.03600	0.03600	0.03600	0.03700	0.05770	0.06110
Water										
Residential Service										
Customer Charge (per month)	\$7.75	\$8.65	\$8.70	\$9.00	\$9.20	\$9.20	\$9.45	\$9.45	\$9.45	\$9.45
Usage Charge (per Gal) ³										
1,000 - 4,000	1.99	2.05	2.20	2.30	2.35	2.35	2.45	2.45	2.45	2.47
5,000 - 16,000	3.65	3.65	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.77
Over 17,000	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.04
Non-Residential Service										
Customer Charge (per month)	\$7.75	\$8.65	\$8.70	\$9.00	\$9.20	\$9.20	\$9.45	\$9.45	\$9.45	\$9.45
Usage Charge (per Gal)	3.40	3.65	3.75	3.80	3.85	3.85	3.85	3.85	3.85	3.87
Irrigation Service										
Customer Charge (per month)	\$7.75	\$8.65	\$8.70	\$9.00	\$9.20	\$9.20	\$9.45	\$9.45	\$9.45	\$9.45
Usage Charge (per Gal)										
1,000 - 12,000	3.65	3.65	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.77
13,000 or more	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.04
Non-residential	4.40	4.40	4.45	4.50	4.55	4.60	4.60	4.60	4.60	4.62
University of Florida										
Customer Charge (per month)	\$7.75	\$8.65	\$8.70	\$9.00	\$9.20	\$9.20	\$9.45	\$9.45	\$9.45	\$9.45
Usage Charge (per Gal)										
On-Campus	1.67	2.17	2.16	2.18	2.22	2.30	2.84	2.29	2.43	2.53
Off-Campus	2.57	3.21	3.13	2.77	2.64	2.91	3.67	2.83	3.21	3.56
City of Alachua										
Customer Charge (per month)	\$7.75	\$8.65	\$8.70	\$9.00	\$9.20	\$9.20	\$9.45	\$9.45	\$9.45	\$9.45
Usage Charge (per Gal)	1.62	1.62	1.62	1.62	1.62	1.62	1.62	1.62	1.62	1.62
Wastewater										
Residential Service										
Customer Charge (per month)	\$6.50	\$7.40	\$7.40	\$7.85	\$8.40	\$9.00	\$9.10	\$9.10	\$9.10	\$9.10
Usage Charge (per Gal)	5.29	5.50	5.80	5.85	6.05	6.20	6.30	6.30	6.30	6.33
Residential not connected, but required to be by ordinance										
Customer Charge (per month)	\$32.95	\$34.90	\$36.40	\$37.10	\$38.65	\$40.00	\$40.60	\$40.60	\$40.60	\$40.75
Residential, on wells, flat rate Multi-family										
Customer Charge (per month)	\$6.50	\$7.40	\$7.40	\$7.85	\$8.40	\$9.00	\$9.10	\$9.10	\$9.10	\$9.10
Usage Charge- flat rate (per month)	26.45	27.50	29.00	29.25	30.25	31.00	31.50	31.50	31.50	31.65

City of Gainesville
Gainesville Regional Utility Rates
Past Ten Years

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Wastewater										
Non-Residential Service										
Customer Charge (per month)	\$6.50	\$7.40	\$7.40	\$7.85	\$8.40	\$9.00	\$9.10	\$9.10	\$9.10	\$9.10
Non-Residential Service										
Usage Charge (per Gal)	5.29	5.50	5.80	5.85	6.05	6.20	6.30	6.30	6.30	6.33
Natural Gas										
Residential Service										
Customer Charge (per month)	\$9.52	\$9.52	\$9.52	\$9.52	\$9.75	\$9.75	\$9.75	\$9.75	\$9.75	\$9.75
Energy Charge (per therm) ¹	0.48300	0.48300	0.47370	0.48200	0.50200	0.54000	0.63000	0.63000	0.63000	0.63400
MGP (per therm)	0.04340	0.05050	0.05050	0.05050	0.05660	0.05660	0.05560	0.05560	0.05560	0.05560
General Firm Service										
Customer Charge (per month)	\$35.00	\$35.00	\$35.00	\$40.00	\$40.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
Energy Charge (per therm) ¹	0.34300	0.34300	0.34300	0.34300	0.36500	0.38000	0.44000	0.44000	0.44000	0.44260
MGP (per therm)	0.04340	0.05050	0.05050	0.05000	0.05560	0.05560	0.05560	0.05560	0.05560	0.05560
Large Volume Service										
Customer Charge (per month)	\$375.00	\$375.00	\$375.00	\$375.00	\$375.00	\$400.00	\$400.00	\$400.00	\$400.00	\$400.00
Energy Charge (per therm) ¹	0.15730	0.15730	0.20394	0.20394	0.20500	0.23000	0.27000	0.27000	0.27000	0.27120
MGP (per therm)	0.04340	0.05050	0.05050	0.05050	0.05560	0.05560	0.05560	0.05560	0.05560	0.05560
Liquid Propane (LP) Service										
Customer Charge (per month)	\$9.52	\$9.52	\$9.52	\$9.52	\$9.75	\$9.75	\$9.75	\$9.75	\$9.75	\$9.75
Energy Charge (per gallon)										
3-yr recovery	0.64513	0.64513	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
5-yr recovery	0.59513	0.59513	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
7-yr recovery	0.57013	0.57013	0.63846	0.64676	0.66676	0.70476	n/a	n/a	n/a	n/a
7-yr recovery	0.52513	0.52513	0.59346	0.60176	0.62176	0.65976	n/a	n/a	n/a	n/a
Basic (no recovery)	n/a	n/a	0.56346	0.57176	0.59176	0.62976	0.71976	0.71976	0.71976	0.72376

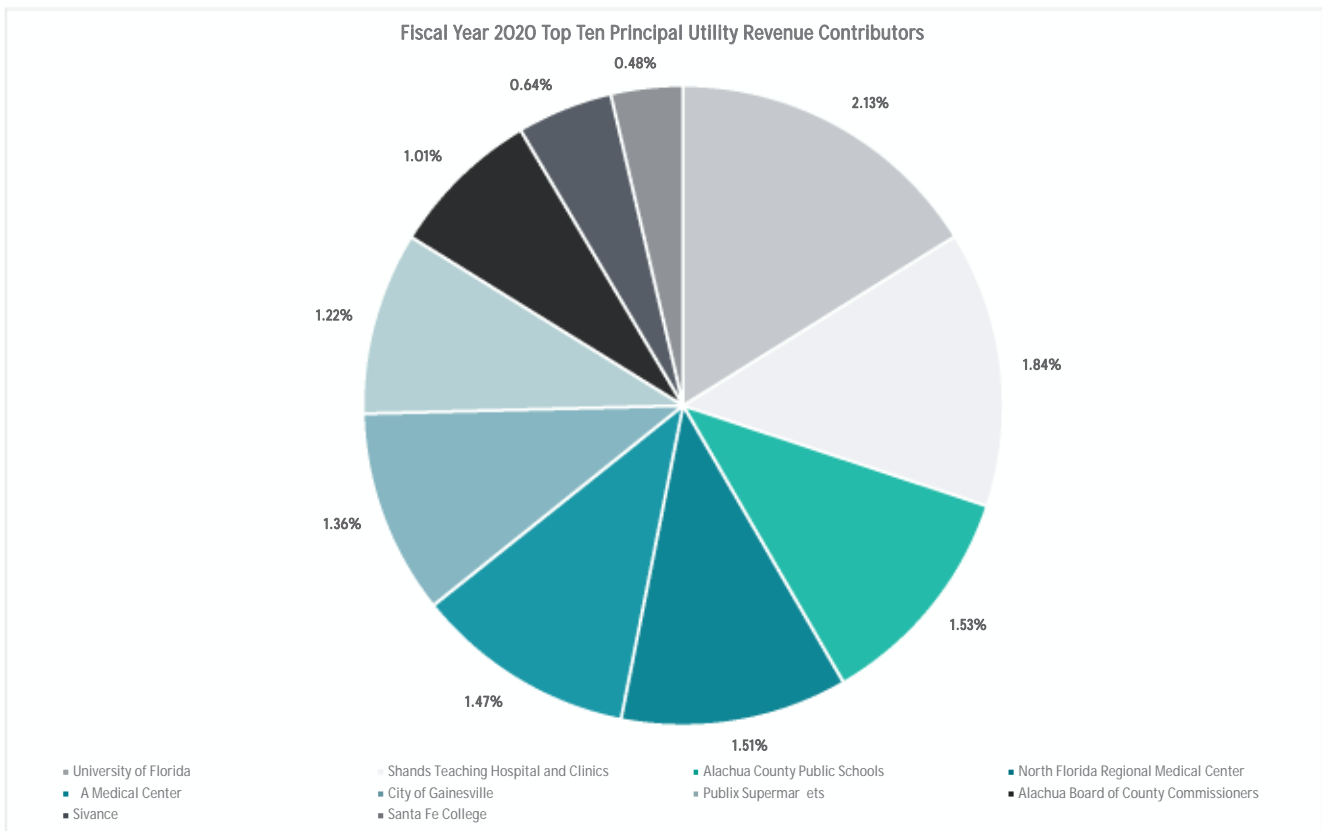
Notes:

- (1) Includes \$0.06906 per therm of fuel
- (2) Includes 6.5 mills/ Wh of fuel
- (3) Effective October 1, 2013

Source: Gainesville Regional Utility

City of Gainesville
Principal Utility Revenue Contributors
Reporting Fiscal Year (FY 2020) and Ten Years Ago (FY 2010)

Customer	Fiscal Year 2020			Fiscal Year 2010		
	Payments		% of Total Net Revenue	Payments		% of Total Net Revenue
University of Florida	\$8,425,027	1	2.13%	\$6,893,887	1	1.83%
Shands Teaching Hospital and Clinics	\$7,279,128	2	1.84%	\$4,614,942	7	1.23%
Alachua County Public Schools	\$6,036,698	3	1.53%	\$6,760,249	2	1.80%
North Florida Regional Medical Center	\$5,989,401	4	1.51%	\$4,775,406	6	1.27%
A Medical Center	\$5,817,642	5	1.47%	\$5,275,925	4	1.40%
City of Gainesville	\$5,396,841	6	1.36%	\$5,097,256	5	1.35%
Publix Supermarkets	\$4,819,101	7	1.22%	\$4,432,455	8	1.18%
Alachua Board of County Commissioners	\$4,010,700	8	1.01%	\$5,308,356	3	1.41%
Sivance	\$2,530,968	9	0.64%			
Santa Fe College	\$1,902,058	10	0.48%	\$2,179,252	10	0.58%
Florida Department of Children and Families				\$4,432,455	9	1.18%
Total of Top Ten Utility Revenue Contributors	\$52,207,564		13.20%	\$49,770,183		13.22%
	Total Net Revenue			\$395,465,175		



Source: Gainesville Regional Utility Financial Statements for the periods ended September 30, 2020 and September 30, 2010: Schedules of Combined Net Revenues in Accordance with Bond Resolution

Debt Capacity

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

Year	Debt Presented by Governmental and Business-Type Activities										
	Governmental Activities					Business-Type Activities					Total
	Bonds	Notes	Lease	Bonds	Notes	Lease	Government	% of Personal Income	Per Capita	% of Personal Income	Per Capita
2011	\$141,168,262	\$11,128,468	\$594,846	\$946,381,178	\$65,690,256	\$0	\$1,164,963,010	25.41%	\$9,365	25.41%	\$9,365
2012	\$125,440,277	\$20,643,225	\$517,414	\$918,731,703	\$65,337,135	\$0	\$1,130,669,754	23.99%	\$9,125	23.99%	\$9,125
2013	\$117,168,774	\$19,326,461	\$436,681	\$923,700,771	\$64,974,623	\$0	\$1,125,607,310	23.86%	\$9,049	23.86%	\$9,049
2014	\$92,086,614	\$32,562,746	\$352,505	\$896,179,836	\$66,181,064	\$99,410,828	\$1,186,773,593	24.55%	\$9,444	24.55%	\$9,444
2015	\$100,957,376	\$30,991,592	\$264,740	\$924,958,029	\$70,811,880	\$977,280,085	\$2,105,263,702	42.35%	\$16,453	42.35%	\$16,453
2016	\$93,276,839	\$38,508,036	\$173,550	\$907,065,208	\$65,189,668	\$959,678,852	\$2,063,892,153	40.90%	\$16,047	40.90%	\$16,047
2017	\$88,616,606	\$35,650,967	\$78,141	\$888,442,387	\$64,254,397	\$941,269,071	\$2,018,311,569	38.44%	\$15,547	38.44%	\$15,547
2018	\$84,326,481	\$42,091,460	\$0	\$1,618,098,385	\$93,000,000	\$0	\$1,837,516,326	35.34%	\$14,004	35.34%	\$14,004
2019	\$81,461,956	\$37,907,275	\$0	\$1,789,681,008	\$4,593,326	\$0	\$1,913,643,565	35.21%	\$14,381	35.21%	\$14,381
2020	\$301,381,768	\$41,335,977	\$0	\$1,756,835,654	\$3,448,444	\$0	\$2,103,001,843	38.89%	\$15,567	38.89%	\$15,567

Fiscal Year	Debt Presented by City Government and Gainesville Regional Utilities										
	Gainesville					Gainesville Regional Utilities					
	City Government	Regional Utilities	Primary Government	Government	% of Personal Income	Per Capita	% of Personal Income	Government	Regional Utilities	% of Personal Income	Per Capita
2011	\$152,891,576	\$1,012,071,434	\$1,164,963,010	\$1,164,963,010	3.33%	\$1,229	10.43%	\$1,164,963,010	\$1,164,963,010	10.43%	\$3,845
2012	\$146,600,916	\$984,068,838	\$1,130,669,754	\$1,130,669,754	3.11%	\$1,183	9.79%	\$1,130,669,754	\$1,130,669,754	9.79%	\$3,724
2013	\$136,931,916	\$988,675,394	\$1,125,607,310	\$1,125,607,310	2.90%	\$1,101	9.79%	\$1,125,607,310	\$1,125,607,310	9.79%	\$3,713
2014	\$125,001,865	\$1,061,771,728	\$1,186,773,593	\$1,186,773,593	2.59%	\$995	10.36%	\$1,186,773,593	\$1,186,773,593	10.36%	\$3,984
2015	\$132,213,708	\$1,973,049,994	\$2,105,263,702	\$2,105,263,702	2.66%	\$1,033	18.83%	\$2,105,263,702	\$2,105,263,702	18.83%	\$7,313
2016	\$131,958,425	\$1,931,933,728	\$2,063,892,153	\$2,063,892,153	2.62%	\$1,026	18.54%	\$2,063,892,153	\$2,063,892,153	18.54%	\$7,273
2017	\$124,345,714	\$1,893,965,855	\$2,018,311,569	\$2,018,311,569	2.37%	\$958	16.95%	\$2,018,311,569	\$2,018,311,569	16.95%	\$6,855
2018	\$126,417,941	\$1,711,098,385	\$1,837,516,326	\$1,837,516,326	2.43%	\$963	15.81%	\$1,837,516,326	\$1,837,516,326	15.81%	\$6,266
2019	\$119,369,231	\$1,918,236,891	\$2,037,606,122	\$2,037,606,122	2.20%	\$897	17.17%	\$2,037,606,122	\$2,037,606,122	17.17%	\$7,014
2020	\$342,717,745	\$2,106,450,287	\$2,449,168,032	\$2,449,168,032	6.34%	\$2,537	18.96%	\$2,449,168,032	\$2,449,168,032	18.96%	\$7,590

Notes:

- Details regarding the City's outstanding debt may be found in the Notes to the Financial Statements.
- The debt ratios for the primary government include both General Government and Gainesville Regional Utilities. These ratios are shown separately as well to provide more meaningful information.

Sources:

- Personal income information was obtained from the Bureau of Economic Analysis
- Population figures were obtained from the Bureau of Economic and Business Research
- Customer information was obtained from Gainesville Regional Utilities

City of Gainesville
Direct and Overlapping Governmental Activities Debt
As of September 30, 2020

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Alachua County Board of County Commissioners			
Public Improvement Revenue Note, 2014	\$ 5,206,000	44.35%	\$ 2,308,977
Capital Improvement Revenue Note, 2015A	2,380,000	44.35%	1,055,583
Public Improvement Revenue Refunding Note, 2015B	9,834,000	44.35%	4,361,598
Public Improvement Revenue Refunding Note, 2016	12,920,000	44.35%	5,730,308
Gas Tax Ban Note, 2016	2,129,000	44.35%	944,259
Public Improvement Revenue Note, 2017	1,510,000	44.35%	669,719
Public Improvement Revenue Refunding Note, 2017	1,956,000	44.35%	867,530
Local Option Gas Tax Revenue Note, 2018	11,715,000	44.35%	5,195,864
Capital Improvement Revenue Note, 2020A	3,750,000	44.35%	1,663,209
Capital Improvement Revenue Note, 2020B	50,001	44.35%	22,177
Capital Improvement Revenue Note, 2020C	1,000,000	44.35%	443,522
School Board of Alachua County			
Certificates of Participation	\$ 134,323,642	39.97%	\$ 53,688,771
Premium on Certificates of Participation	19,299,979	39.97%	7,714,146
Notes Payable	8,037,063	39.97%	3,212,391
Subtotal, Overlapping Debt			\$ 87,878,053
City Governmental Activities Direct Debt			\$ 342,717,745
City Total Direct and Overlapping Governmental Activities Debt			\$ 430,595,798

Notes:

- Alachua County Taxable value: \$16,235,962,239
- Alachua County School District Taxable value: \$18,016,170,374
- City of Gainesville Taxable value: \$7,201,011,201
- Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.
- The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by dividing the portion of another government unit's taxable value that is within the City's boundaries and dividing it by each unit's total taxable value.

Sources:

- Florida Department of Revenue Ad valorem valuation and Tax Data Book, Tax Year 2020 Final Report
- Alachua County Board of County Commissioners and Alachua County School Board Annual Financial Statement for the period ended June 30, 2020

City of Gainesville
Pledged Revenue Coverage
Last Ten Fiscal Years

		State Guaranteed Entitlement Revenue Bonds				Gainesville Regional Utilities Revenue Bonds				
		State Guaranteed Entitlement		Debt Service		Net Available		Debt Service		
Fiscal Year	Revenue	Principal	Interest	Coverage	Revenues (see note 1)	Less: Operating Expenses (see note 2)	Revenues	Principal	Interest	Coverage
2011	\$1,100,340	\$735,000	\$309,362	1.0536	\$376,167,181	\$222,620,162	\$153,547,019	\$31,055,000	\$32,952,046	2.3989
2012	\$1,100,340	\$770,000	\$272,683	1.0553	\$356,680,648	\$207,130,769	\$149,549,879	\$31,900,000	\$31,855,940	2.3457
2013	\$1,100,340	\$810,000	\$234,813	1.0531	\$356,409,450	\$214,466,006	\$141,943,444	\$31,900,000	\$21,964,939	2.6352
2014	\$1,100,340	\$850,000	\$194,313	1.0536	\$412,169,722	\$255,797,502	\$156,372,220	\$26,845,000	\$23,392,328	3.1127
2015	\$1,100,340	\$890,000	\$151,813	1.0562	\$439,576,909	\$270,982,823	\$168,594,086	\$49,020,000	\$22,227,180	2.3663
2016	\$1,100,340	\$935,000	\$104,088	1.0589	\$453,177,915	\$280,634,777	\$172,543,138	\$16,805,000	\$21,544,385	4.4992
2017	\$1,100,340	\$1,000,000	\$55,000	1.0430	\$473,426,619	\$331,097,206	\$142,329,413	\$23,135,000	\$38,892,441	2.2946
2018	\$1,095,000	\$255,146	\$839,854	1.0000	\$409,003,588	\$293,014,320	\$115,989,268	\$24,020,000	\$46,618,627	1.6420
2019	\$1,095,000	\$240,265	\$854,735	1.0000	\$411,774,937	\$394,817,611	\$16,957,326	\$187,910,000	\$64,300,221	0.0672
2020	\$1,095,000	\$226,260	\$868,740	1.0000	\$398,359,397	\$319,382,738	\$78,976,659	\$33,015,000	\$69,209,863	0.7726

Notes:

(1) Gainesville Regional Utilities revenues include electric, gas, water, wastewater and telecommunications charges to customers, other utilities revenues (including fees for connection, installation and back flow prevention), rate stabilization transfers, and interest income (excluding interest income earned on construction funds).

- Includes revenue of \$249,220,553 from leaseback transaction. The coverage ratio excluding the revenue from the leaseback would be 2.42.

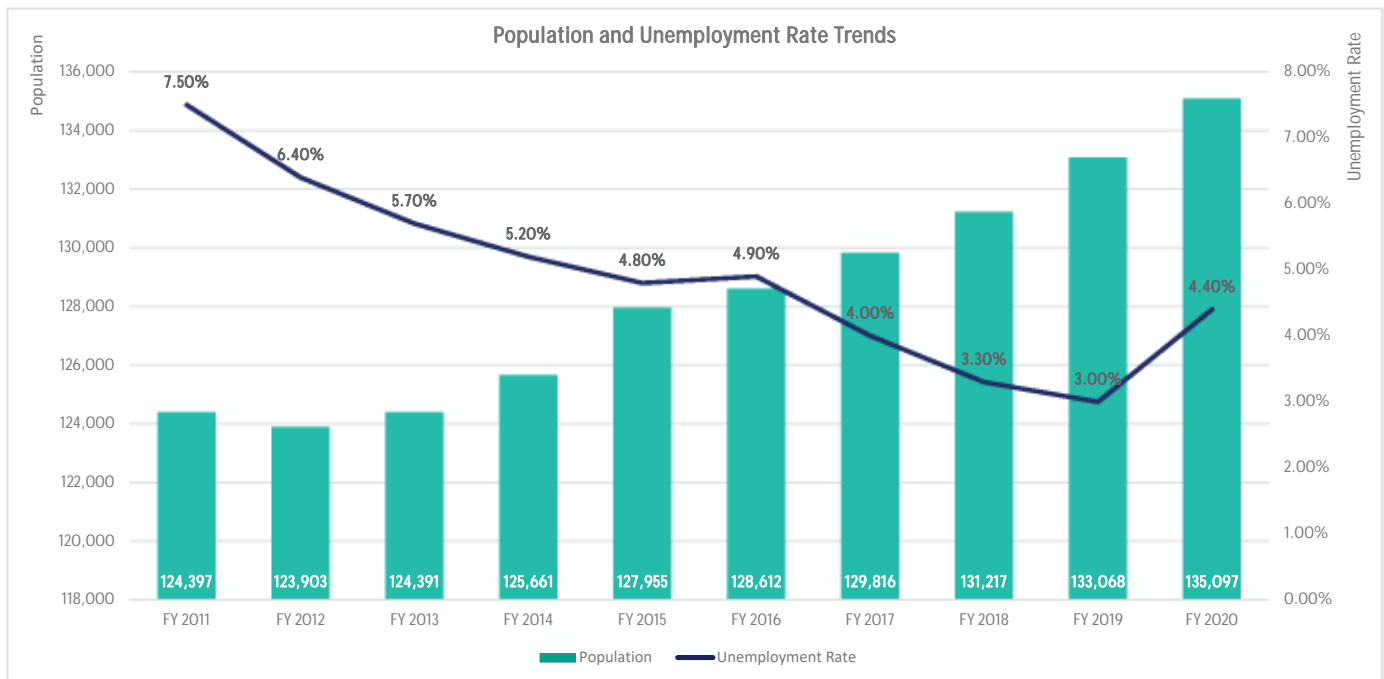
- Operating expenses exclude depreciation and debt service charges.

Source: Gainesville Regional Utilities Financial Statements

Demographic and Economic Information

City of Gainesville
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age (Alachua County)	Public School Enrollment (Alachua County)	Unemployment Rate
2011	124,397	9,386,000,000	75,452	30.5	28,085	7.50%
2012	123,903	9,819,000,000	79,247	30.8	27,491	6.40%
2013	124,391	10,514,601,000	84,529	25.8	27,506	5.70%
2014	125,661	10,255,284,000	81,611	25.8	27,390	5.20%
2015	127,955	10,619,747,010	82,996	25.8	27,802	4.80%
2016	128,612	10,725,944,480	83,398	25.7	27,343	4.90%
2017	129,816	11,352,822,000	87,453	26.6	26,881	4.00%
2018	131,217	11,863,698,990	90,413	31.3	28,836	3.30%
2019	133,068	11,983,398,000	90,055	33.2	29,460	3.00%
2020	135,097	11,537,300,000	85,400	31.7	29,845	4.40%

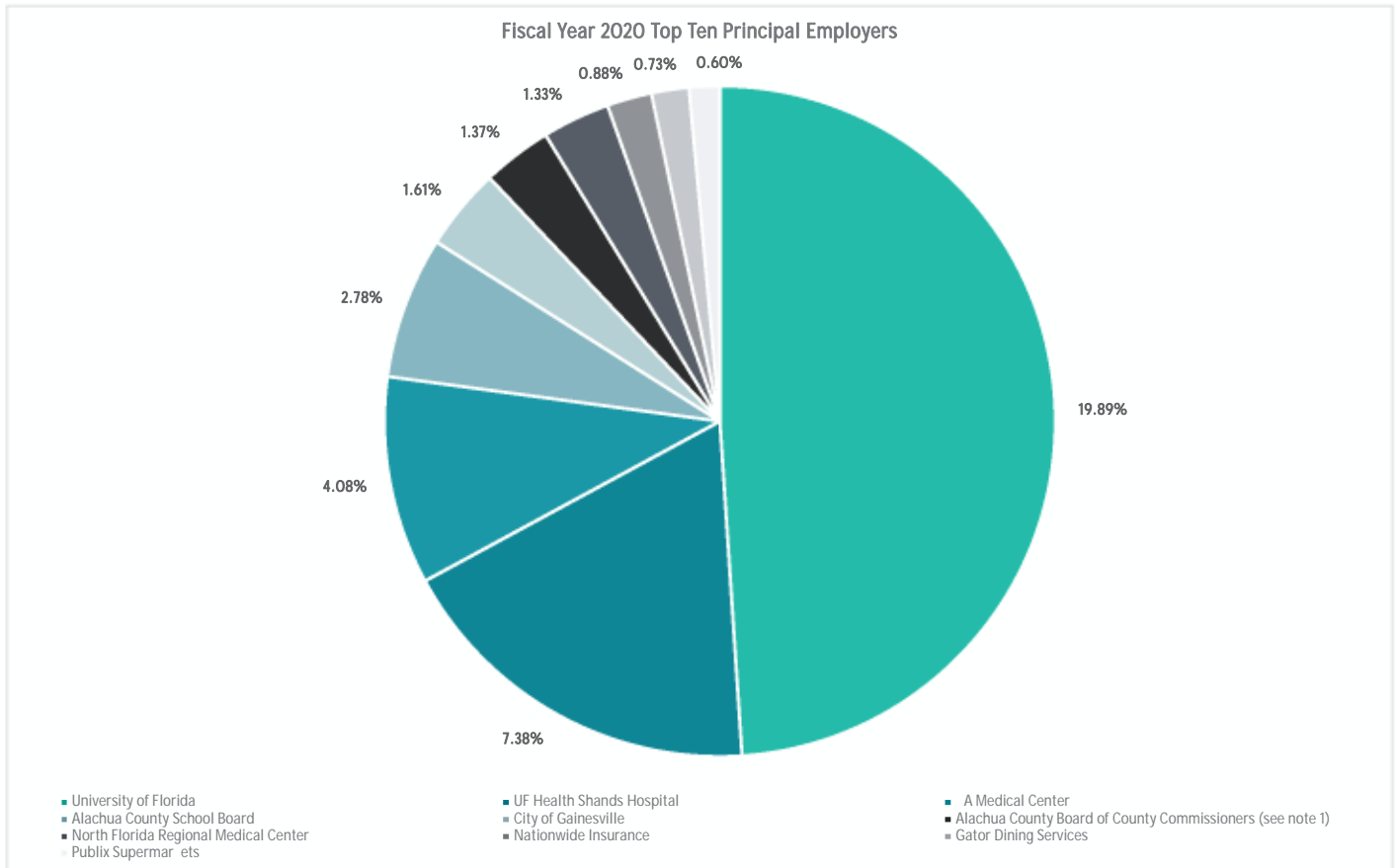


Sources:

- Population: University of Florida Bureau of Economic and Business Research (calendar year basis)
- Personal Income: Bureau of Economic Analysis (calendar year basis)
- County Median Age: University of Florida Bureau of Economic Business Research (calendar year basis)
- Public School Enrollment: Alachua County School Board
- Unemployment Rate: U.S. Bureau of Labor Statistics - employment rate at September of each fiscal year

City of Gainesville
Top Ten Principal Employers
Reporting Fiscal Year (FY 2020) and Ten Years Ago (FY 2010)

Customer	Fiscal Year 2020			Fiscal Year 2010		
	Number of Employees		% of Total Labor Force	Number of Employees		% of Total Labor Force
University of Florida	29,876	1	19.89%	14,723	1	10.60%
UF Health Shands Hospital A Medical Center	11,077	2	7.38%	12,588	2	9.06%
Alachua County School Board	6,127	3	4.08%	4,317	3	3.11%
Alachua County School Board	4,180	4	2.78%	4,299	4	3.09%
City of Gainesville	2,417	5	1.61%	2,132	5	1.53%
Alachua County Board of County Commissioners (see note 1)	2,051	6	1.37%	1,995	7	1.44%
North Florida Regional Medical Center	1,990	7	1.33%	1,700	8	1.22%
Nationwide Insurance	1,320	8	0.88%	1,300	9	0.94%
Gator Dining Services	1,100	9	0.73%			
Publix Supermarkets	900	10	0.60%	2,056	6	1.48%
Santa Fe College				796	10	0.57%
Total of Top Ten Principal Employers	61,038		40.64%	45,906		33.04%
Total Labor Force	150,175			138,952		



Notes:

(1) Alachua County Board of County Commissioners FY 2020 FTE represents FY 2019 FTE count as FY 2020 data was not available at the time this report was issued.

Source: U.S. Bureau of Labor Statistics, Civilian Labor Force in Gainesville, FL (MSA) GAIN512LFN , retrieved from FRED, Federal Reserve Bank of St. Louis <https://fred.stlouisfed.org/series/GAIN512LFN>, April 14, 2021, Gainesville Chamber of Commerce and the Budget & Finance Department

Operating Information

City of Gainesville
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Charter Offices										
City Attorney's Office	15.00	17.00	17.00	18.00	17.00	17.00	17.00	16.00	16.00	16.00
City Auditor's Office	4.50	4.50	4.50	4.50	4.50	4.50	5.50	5.50	6.00	7.00
City Clerk	6.50	5.50	5.50	5.50	5.00	5.00	5.00	6.00	9.00	10.00
City Commission	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
City Manager	1,272.75	1,270.21	1,267.24	1,307.75	1,295.80	1,315.05	1,353.25	1,382.62	1,469.75	1,494.75
Equality and Inclusion, Office of	6.00	6.00	6.00	7.00	7.00	9.00	8.00	8.00	8.50	11.00
General Manager for Utilities	842.60	866.30	860.60	824.80	840.30	814.10	831.00	837.30	864.40	871.00
Total Full-time Equivalent	2,154.35	2,176.51	2,167.84	2,174.55	2,176.60	2,171.65	2,226.75	2,262.42	2,380.65	2,416.75
% General Government	60.9%	60.2%	60.3%	62.1%	61.4%	62.5%	62.7%	63.0%	63.7%	64.0%

The City Manager oversees the following Functions/Programs:

General Government										
Administrative Services	4.00	4.00	4.00	4.00	3.70	3.70	3.65	0.00	0.00	0.00
Budget & Finance	37.00	37.00	37.00	37.00	37.00	36.50	38.50	40.50	42.50	40.50
City Manager's Office	6.00	7.00	7.00	7.00	6.35	6.35	10.35	10.35	10.00	9.00
Communications and Engagement	4.00	4.00	4.00	4.00	4.50	4.00	5.00	13.90	8.50	9.50
Human Resources	15.00	16.00	16.00	17.00	16.00	16.00	25.00	25.00	27.00	27.00
Risk Management	15.00	16.00	16.00	16.50	16.50	16.50	16.50	16.50	16.50	16.50
Strategic Initiatives	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.00	8.00
Technology and Innovation	17.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00	10.00	12.00
Public Safety										
Police										
Sworn Officers	301.00	301.00	301.00	306.00	305.00	307.00	308.00	303.00	297.00	295.00
Civilians	80.00	80.00	80.00	85.00	83.00	86.00	89.00	94.00	104.00	111.00
Fire Rescue										
Sworn Officers	158.00	158.00	158.00	166.00	167.00	166.00	167.00	169.00	188.00	189.00
Civilians	7.00	7.00	7.00	8.00	7.00	8.00	7.00	10.00	9.00	9.00
Physical Environment										
Codes Enforcement	16.00	16.08	16.08	16.02	16.02	16.30	16.30	16.70	18.70	18.70
Planning & Development Services	38.50	39.50	39.50	40.50	40.50	41.50	49.50	51.00	51.00	51.50
Public Works	161.87	163.38	163.38	162.38	157.38	158.75	159.00	164.00	155.00	166.50
Facilities Management	48.38	48.38	48.38	22.00	22.00	22.00	23.00	24.00	31.00	31.00
Transportation										
Fleet Management	0.00	0.00	0.00	25.38	25.38	25.00	26.00	26.00	29.00	29.00
Regional Transit System	262.50	272.50	269.50	289.50	289.50	296.50	298.50	304.25	303.00	307.00
Transportation & Mobility	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	26.00	27.00
Economic Environment										
Housing and Community Development	1.70	1.57	1.60	1.57	2.00	1.57	1.57	1.13	1.13	1.13
Community Development Block Grant	8.30	8.30	8.30	8.41	7.98	8.13	8.13	8.17	8.17	8.17
Community Reinvestment Area	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Economic Development	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00
Culture & Recreation										
Parks, Recreation and Cultural Affairs	80.50	78.50	78.50	79.50	77.00	83.25	89.25	88.13	115.25	117.25

Notes:

- In 2014 the General Services Department was restructured into Facilities Management and Fleet Management.

Source: Budget & Finance Department and Gainesville Regional Utility

City of Gainesville
Operating Indicators by Functional Department
Last Ten Fiscal Years

	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Budget & Finance Department - Purchasing										
Dollar amount of purchasing card expenditures	\$3,898,638	\$4,167,550	\$4,450,648	\$4,139,136	\$4,159,386	\$4,491,334	\$4,364,407	\$4,308,507	\$5,377,610	\$5,401,950
Number of purchasing card transactions	14,971	14,917	15,191	14,586	15,888	17,341	16,227	16,011	17,716	14,707
Average number of days for a formal bid process	53	53	53	45	45	45	45	45	45	45
Fire & Rescue Department - Fire & EMS										
Total incidents per 1,000 population served	99.60	114.30	118.01	143.92	147.66	147.79	143.43	145.70	142.50	136.29
Total Non-EMS incidents per 1,000 population served	27.90	23.15	24.74	17.19	17.84	28.34	26.37	24.18	24.00	22.95
Total arson incidents per 10,000 population served	0.00	1.13	1.29	1.84	1.02	1.02	0.77	1.16	0.15	0.11
90th percentile Turnout Time for Fire Apparatus to EMS Incidents (minutes : seconds)	1:08	1:18	1:27	1:34	1:21	1:15	1:20	1:21	1:13	1:12
90th percentile Turnout Time for Fire Apparatus to Building Fires (minutes : seconds)	1:26	1:27	1:28	1:41	1:34	1:31	1:32	1:31	1:22	1:24
90th percentile Travel Time for Fire Apparatus to EMS Incidents (minutes : seconds)	7:27	7:04	7:47	6:37	6:42	6:50	6:40	6:38	6:40	6:45
90th percentile Travel Time for First Arriving at Building Fires (minutes : seconds)	6:21	6:20	6:33	6:24	5:59	5:26	5:21	5:22	5:51	5:25
Housing and Community Development Department										
Homes purchased or constructed (see Note 2)	7	26	12	8	14	14	15	13	12	0
Properties rehabilitated (see Note 2)	50	48	40	30	28	13	16	22	30	14
Families served through housing programs (see Note 2)	314	367	344	210	175	164	263	203	292	143
Police Department										
Police 911 calls received	136,085	137,943	132,229	121,872	157,685	162,375	161,201	160,867	92,762	89,542
Part I violent crimes reported per 1,000 population	7.26	7.33	6.37	6.56	6.64	7.00	7.33	6.88	6.98	7.71
% of Part I violent crimes cleared	62.6%	62.2%	64.6%	63.8%	76.4%	66.9%	55.5%	65.7%	42.7%	45.6%
Part I property crimes reported per 1,000 population	42.17	42.08	40.88	37.70	34.88	38.51	36.81	36.97	35.41	31.81
% of Part I property crimes cleared	29.9%	30.4%	31.2%	31.1%	36.5%	32.6%	20.7%	29.2%	26.6%	18.2%
Injury-producing traffic accidents per 1,000 population	6.42	6.80	11.21	6.77	14.23	7.63	8.07	9.23	12.63	14.67
Traffic fatalities per 1,000 population	0.05	0.07	0.02	0.08	0.11	0.12	0.12	0.11	0.12	0.10
Moving violation citations issued per 1,000 population	215.89	214.18	208.44	198.72	159.43	117.31	179.89	153.75	56.26	58.22
Driving Under the Influence (DUI) arrests per 1,000 population	3.88	2.50	2.93	2.38	2.37	1.40	1.76	1.83	0.84	0.59
Public Works Department - Sanitation: Refuse & Recycling										
Average accounts served per on-route hour	138	133	133	139	136	134	101	126	100	109
Tons of refuse collected & disposed	18,274	19,856	20,081	20,522	20,827	20,679	20,688	20,679	19,751	24,174
Tons yard waste collected & composted	7,814	8,325	8,576	9,079	9,127	9,886	8,612	9,176	8,471	11,255
Tons recycling materials collected	4,890	4,795	4,912	5,043	4,809	4,833	4,964	4,912	5,056	5,390
Complaints per 1,000 accounts	48	50	54	119	120	156	156	138	149	176
Transportation & Mobility Department - Fleet Operations										
Average age of police vehicles (months)	46	49	53	49	48	54	58	46	45	59
Average age of fire apparatus (months)	107	79	120	128	102	101	95	99	112	103
Hours billed as a percentage of hours available	95.2%	82.7%	80.3%	78.0%	83.0%	86.0%	84.0%	85.0%	78.6%	74.5%
No. of work orders completed - police vehicles	1,063	1,362	1,220	1,243	1,159	1,246	1,179	1,195	1,618	1,411
No. of work orders completed - fire apparatus	235	160	174	190	213	217	236	214	360	305
Total vehicle and heavy equipment work orders	7,466	8,243	8,175	9,397	8,262	7,937	7,720	7,973	7,559	6,667
Transportation & Mobility Department - Highway and Road Maintenance										
Number of potholes repaired	10,940	2,630	2,360	6,094	4,609	1,358	1,279	2,835	1,478	583
% lane miles assessed as satisfactory or better	71.5%	73.7%	72.0%	75.0%	74.0%	73.7%	73.7%	73.7%	75.0%	73.0%
Number of linear miles swept	11,998	13,668	14,337	14,337	13,894	13,894	3,473	14,042	4,007	4,427
Gainesville Regional Utility										
Electric - Residential customers	81,900	82,039	82,440	83,117	83,796	85,229	86,952	86,952	86,917	88,214
Electric - Commercial & Industrial customers	10,372	10,422	10,467	10,602	10,677	11,043	11,220	11,220	11,244	11,942
Water customers	68,952	69,329	69,847	70,300	70,903	72,136	73,043	73,043	73,078	73,896
Wastewater customers	62,164	62,536	63,001	63,501	64,121	65,591	66,483	66,483	66,638	67,388
Natural Gas customers	33,208	33,264	33,465	33,780	34,152	34,942	35,389	35,389	35,622	36,094

Notes:
(1) In 2011 the Fire department adopted a new reporting software for tracking operational indicators using the 90th percentile. The 90th percentile is the performance baseline that indicates that 90% of the performance occurs below an indicated amount of time.
(2) Due to the impacts of the COVID-19 pandemic, many Housing and Community Development funding sources were reallocated to emergency assistance programs, such as the GN Cares About Neighbors and Coronavirus Relief Fund (CRF) Utility Assistance programs. As a result of the reassignment of funding and staffing within the Housing and Community Development Division to meet these programmatic needs, the annual housing program numbers are lower than typical for fiscal year 2020. During fiscal year 2020, Housing and Community Development served 423 families through the CRF Utility Assistance Program.

Sources: City Departments and Gainesville Regional Utility

City of Gainesville
Capital Asset Statistics by Functional Department
Last Ten Fiscal Years

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Fire Department - Fire & EMS											
Total number of fire apparatus	13	14	14	14	14	15	17	21	21	24	22
Average age of fire apparatus (in months)	106	107	79	120	128	102	101	95	95	112	113
Average annual mileage per fire apparatus	13,912	8,345	8,561	8,244	7,819	7,521	7,306	7,053	7,106	4,811	5,932
Number of fire stations	7	8	8	8	8	8	9	9	9	9	9
Parks and Recreation Department											
Par acres per 1,000 population	20.28	21.56	21.64	21.55	21.34	27.13	27.06	25.58	25.50	26.99	26.62
Total par acres (see note 1)	2,681	2,681	2,681	2,681	2,681	3,471	3,481	3,321	3,346	3,591	3,596
Number of Recreation/community centers	8	8	8	8	8	8	8	8	8	10	10
Number of Athletic fields	35	35	36	36	24	24	24	24	24	31	31
Number of Play structures	98	98	98	98	96	96	96	96	96	96	97
Number of Tennis courts	23	23	23	23	23	23	23	23	23	23	23
Number of Baseball courts	23	23	23	23	23	23	23	23	23	25	29
Number of Swimming pools	3	3	3	3	3	3	3	3	3	3	3
Miles of bicycle, walking, and hiking trails (see note 2)	37.4	49.8	50.9	50.9	51.0	52.4	52.4	31.4	31.4	39.5	39.5
Police Department											
Number of police vehicles - marked	210	227	232	222	239	238	250	265	265	251	245
Average age of police vehicles (in months)	50	46	49	53	49	48	54	58	58	45	53
Average annual mileage per police vehicle	8,472	9,087	10,783	9,180	9,411	8,396	7,764	7,070	7,268	6,960	6,684
Transportation & Mobility Department - Fleet Operations											
<i>Light vehicles:</i>											
Number	339	616	574	670	877	1,330	1,330	1,314	1,314	972	987
Number using alternative fuel	4	40	52	136	172	216	301	309	309	11	11
Average age (in months)	78	73	73	79	86	103	96	106	106	111	108
<i>Medium-duty vehicles:</i>											
Number	82	68	120	122	127	180	172	178	176	206	212
Average age (in months)	68	72	91	98	101	103	112	121	116	137	133
<i>Heavy-duty vehicles:</i>											
Number	107	90	96	46	47	48	58	46	46	132	122
Average age (in months)	89	103	78	72	88	99	95	112	112	129	132
<i>Heavy equipment:</i>											
Number	13	14	18	75	90	18	17	23	20	20	30
Average age (in months)	67	126	121	172	130	149	145	138	136	108	104
Transportation & Mobility Department - Highway and Road Maintenance											
Total paved lane miles maintained	773	773	777	857	778	789	789	789	789	789	789
Traffic Signals within City Limits (see note 3)	n/a	n/a	n/a	n/a	n/a	173	175	177	180	180	181
Transportation & Mobility Department - Regional Transit System											
Number of buses	105	106	116	123	123	128	128	131	131	136	136
Number of buses using alternative fuel	3	0	0	0	0	0	0	0	0	0	0
Average age of buses (in months)	82	88	77	89	98	107	106	130	123	123	132
Gainesville Regional Utility											
<i>Electricity:</i>											
Combined system net capability (megawatts)	611	616	610	532	523	525	521	525	525	598	635
Distribution - overhead (circuit miles)	575	575	568	567	564	562	560	558	562	562	552
Distribution - underground (circuit miles)	838	849	846	850	852	857	866	871	857	857	898
Number of Distribution substations	11	11	11	11	11	11	11	10	10	10	10
<i>Natural Gas:</i>											
Distribution mains (miles)	742	747	752	758	766	774	781	789	774	774	805
Number of Delivery points	6	5	5	6	6	6	6	6	6	6	6
<i>Water:</i>											
FDEP permitted treatment capacity (mgd)	54	54	54	54	54	54	54	54	54	54	54
Storage capacity (million gallons)	19.5	19.5	18.5	18.5	18.5	18.5	18.5	18.5	18.5	18.5	18.5
Consumptive Use Permit (mgd)	29.9	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
Distribution mains (miles)	1,106	1,115	1,128	1,130	1,139	1,141	1,141	1,169	1,145	1,145	1,145
Number of Supply wells	16	16	16	16	16	16	16	16	16	15	15
<i>Wastewater:</i>											
Gravity mains (miles)	612	618	629	630	631	633	636	661	634	634	673
Force mains (miles)	137	139	139	139	139	140	142	153	141	141	153
Number of Lift stations	164	164	165	165	165	167	168	170	168	168	170
Treatment capacity (million gallons per day)	22.4	22.4	22.4	22.4	22.4	22.4	22.4	22.4	22.4	22.4	22.4
<i>GRUCom:</i>											
Fiber optic cable (miles)	351	389	420	449	438	473	513	528	528	526	559
Maximum bandwidth (2.5 gigabits/second) 10gbs	OC-192	OC-192	OC-192	OC-192	OC-192	OC-192	OC-192	OC-192	OC-192	OC-192	OC-192
Number of On-net locations	454	524	503	523	555	577	625	752	752	752	752

- Notes:**
- (1) Par acreage changes: In 2017, Par acreage decreased by 200 acres due to the Wacahoota property disposition, increased by 36 acres with the addition of Colclough Pond and increased 3.5 acres due to the addition of 29th Road. In 2018, acreage increased by 23.39 and 2.16 acres with addition of Forest Park and Northside Park, respectively. In 2019, acreage increased by 245 acres due to addition of Four Creeks Preserve. In 2020, acreage 2020 increased by 4.64 acres due to the addition of Smokey Bear Park.
- (2) Miles of trail does not include approximately 71 miles of paved multi-use trails within the City.
- (3) Data prior to FY 2015 for traffic signals not available.

Sources: City Departments and Gainesville Regional Utility

SINGLE AUDIT SECTION

PURVIS GRAY

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

Honorable Mayor and City Commissioners
City of Gainesville, Florida

We have examined the City of Gainesville's (the City) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2020. Management of the City is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the City complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2020.

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



April 15, 2021
Gainesville, Florida

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

Honorable Mayor and City Commissioners
City of Gainesville, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the remaining fund information of City of Gainesville, Florida (the City) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 15, 2021. Our report includes a reference to other auditors who audited the financial statements of the Utility, as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2020-01 and 2020-02 to be material weaknesses.

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City of Gainesville, 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***

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2020-03 and 2020-04 to be significant deficiencies.

Compliance and Other Matters

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

City's Response to Findings

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

Purpose of this Report

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



April 15, 2021
Gainesville, Florida

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2020

Federal Grantor/Program Title	Federal CFDA Number	Contract/Grant No.	Expenditures	Program Total	Cluster Total	Federal Amount Provided to Subrecipients
U.S. Department of Agriculture						
Hurricane Irma - Erosion Control - Stabilization	10.923	NR184209XXXXC015	\$ 493,473			
U.S. Department of Housing and Urban Development						
Community Development Block Grant - Entitlement Program	14.218	B-14-18/MC-12-0007	1,034,519			\$ 80,326
HOME Investment Partnership Grant	14.239	M-14-18/MC-12-0206	141,656			21,052
U.S. Department of the Interior						
Passed Through Florida Department of State: Historic Preservation Funds Grants-in-Aid	15.904	18.h.sm.200.056	33,279			
U.S. Department of Justice						
Missing Children's Assistance:						
2015 HERO Child Rescue - Enhancing Forensic Capacity	16.543	2015-MC-FX-K011	(909)			
2018 Internet Crimes Against Children	16.543	2018-MC-FX-K050	338,570	337,661		
Office on Violence Against Women (OVW) FY15 Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590	2015-WE-AX-0033	104,896			104,896
Juvenile Mentoring Program	16.726	2018-JU-FX-0006	13,450			
Edward Byrne Memorial Justice Assistance:						
Edward Byrne Memorial Justice Assistance - FY16	16.738	2016-DJ-BX-1078	212			
Edward Byrne Memorial Justice Assistance - FY18	16.738	2018-DJ-BX-0799	1,815			1,815
Edward Byrne Memorial Justice Assistance - FY19	16.738	2019-DJ-BX-0845	14,350			
Passed Through Florida Department of Law Enforcement:						
2019 Problem Oriented Police Grant (POP)	16.738	2019-JAGC-ALAC-6-N2-167	562			
Mobile Speed Trailer/Message Board	16.738	2019-JAGC-8-N2-168	16,054	32,993		
U.S. Marshalls Regional Fugitive Task Force	16.XXX	MOU	3,668			
U.S. Marshalls Service Project Grace 2.0	16.XXX	MOU	2,761			
DEA Overtime Reimbursement	16.XXX	MOU	35,281			
Federal Equitable Sharing Proceeds	16.922	N/A	215,072			

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2020
(Continued)

Federal Grantor/Program Title	Federal CFDA Number	Contract/Grant No.	Expenditures	Program Total	Cluster Total	Federal Amount Provided to Subrecipients
U.S. Department of Transportation						
Federal Transit Formula Grants:						
FY13 Urbanized Area Formula Grant - Revised Apportionment	20.507	FL-2018-032-00	\$ 18,715			
FY15 Urbanized Area Formula Grant	20.507	FL-90-X889	15,534			
FY16 Urbanized Area Formula Grant	20.507	FL-2016-026	7,203			
FY17 Urbanized Area Formula Grant	20.507	FL-2018-009-00	185,595			
FY18 Urbanized Area Formula Grant	20.507	FL-2018-094	1,511,987			
FY19 Urbanized Area Formula Grant	20.507	FL-2019-091	1,180,168			
FY20 Urbanized Area Formula Grant	20.507	FL-2020-108	1,800,000			
FY20 Section 5307 CARES Act Funds	20.507	FL-2020-030	607,456	\$ 5,326,658		
Buses and Bus Facilities Formula Program:						
FY15 - Section 5339 Capital Assistance	20.526	FL-2018-073-00	9,063			
FY20 - Section 5339 Capital Assistance	20.526	FL-2020-005-00	3,500	12,563		
Total Federal Transit Cluster (20.507, 20.526)						
Passed Through Florida Department of Transportation:						
Highway Planning and Construction:						
LAP-PD&E Study SW 62nd Blvd/4 - Lane Arterial Connector	20.205	211365-6-28-01-03	39,193			
LAP-PD&E NW 19th Ln Bike Lane and Sidewalks	20.205	G0J57/437333-1-38-02	646			
LAP-PD&E SW Williston Rd to SW 35th Place	20.205	G0J43/433989-1-38-02	479			
NE 18th Ave - Metcalfe Sidewalk	20.205	G0U36/439495-1-38-01	4,149			
LAP-SW 62nd Blvd Connector	20.205	G1A85/211365-1-38-01	29,758	74,225		
Formula Grants for Rural Areas and Tribal Transit Program:						
FY18/19 Paratransit Trips in Rural Areas	20.509	G1712/427250-1-84-19	3,197			
Non-Urbanized Alachua County	20.509	G0WQ4/427250-1-84-18	93,918			
FY20 - Section 5311 CARES Act	20.509	G1M45/447445-1-84-01	14,709	111,824		
Enhanced Mobility of Seniors and Individuals with Disabilities:						
NOGA Sec. 5310 - ADA Capital Assistance	20.513	435210-8-93-07	66,159			
FY18/19 - Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	G1694/442577-1-84-02	8,567	74,726		
State and Community Highway Safety:						
FY19 Motorcycle/Scooter Safety and Education Program	20.600	G1044/MC-19-10-06	523			
FY19 Distracted Driver Program Protection	20.600	G1032/DD-19-04-05	(995)			
FY20 Motorcycle/Scooter Safety and Education Program	20.600	G1E15/MC-20-10-06	10,813			
FY20 Distracted Driver Program Protection	20.600	G1D72/DD-20-04-06	3,981	14,322		
National Priority Safety Programs:						
Safe Gator	20.616	G1E98/M5HVE-20-06-15	4,364			
						\$ 5,339,221

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2020
(Continued)

Federal Grantor/Program Title	Federal CFDA Number	Contract/Grant No.	Expenditures	Program Total	Cluster Total	Federal Amount Provided to Subrecipients
U.S Department of the Treasury						
Passed Through Florida Housing Finance Corporation: Coronavirus Relief Funds	21.019	118-2020	\$ 1,545			
National Science Foundation						
Computer and Information Science and Engineering: Smart and Connected Communities	47.070	1922782	93,087			
Executive Office of the President - Office of National Drug Policy						
High Intensity Drug Trafficking Areas (HIDTA) Program: Passed Through St. Johns County Sheriff Office: Highway Interdiction	95.001	G15/16NF0001A	13,392			
Passed Through Alachua County Sheriff's Office Cadet Initiative	95.001	G17NF0001A	41,557	\$ 54,949		
Department of Homeland Security - Federal Emergency Management Agency						
Passed Through State of Florida, Division of Emergency Management: Disaster Grants - Public Assistance	97.036	4337DR	1,344,064			
Hurricane Irma Disaster Declaration	97.036	4337DR	3,701,405			
Hurricane Irma Disaster Declaration (GRU)	97.036	17-PA-W1-03-11-13-126	84,911	5,130,380		
Hurricane Hermine Disaster Declaration (GRU)						
Department of Homeland Security						
Homeland Security Grant Program: 2019 State Homeland Security Grant Program	97.067	EMW-2018-SS-00064-S01/ 19-DS-01-03-11-01-212	46,340			
Passed Through Florida Department of Emergency Management: HazMat Sustainment and Maintenance Equipment Staffing for Adequate Fire and Emergency Response (SAFER)	97.067	R0040/EMW-2019-SS-00049	780	47,120		
	97.083	EMW-2017-FH-00344	791,549			
Total Expenditures of Federal Awards			<u>\$ 14,186,021</u>			

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2020
(Concluded)

State Grantor/Program Title	State CSFA Number	Contract/Grant No.	Expenditures	Program Total
Florida Department of Environmental Protection				
Florida Springs Grant Program - Oakmont Reclaimed Water Main Extension, Phase 3	37.052	LP6103N	\$ 480,205	
Florida Housing Finance Corporation				
SHIP 2017 - 2020	40.901	N/A	530,758	
Department of State				
Division of Cultural Affairs General Program Support	45.061	20.C.PS.114.496	17,341	
Department of Transportation				
FY18/19 Commuter Assistance Program	55.007	G1549/443706-1-84-01	104,552	
FY19/20 Commuter Assistance Program/Ride Share	55.007	G1B19/445622-1-84-19	103,280	\$ 207,832
Public Transit Block Grant - FY 19/20	55.010	G1F03/411757-1-84-20	2,139,730	
Public Transit Service Development Program:				
FY17/18 - Autonomous Bus	55.012	G0270/43307-6-1-84-01	145,095	
FY17/18 - Route 800	55.012	G0R17/441839-1-84-18	6,134	
FY17/18 - Route 33	55.012	G1803/441702-1-84-19	132,596	
FY17/18 - Route 601	55.012	G1786/445133-1-84-19	48,006	
FY18/19 - Route 800	55.012	G1784/441839-1-84-19	11,278	
FY18/19 - Route 300	55.012	G1787/439980-1-84-19	13,202	
FY17/18 - Holiday Bus Service	55.012	G1785/439977-1-84-19	13,045	369,356
Total Expenditures of State Awards			\$ 3,745,222	

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020
CITY OF GAINESVILLE, FLORIDA**

Note 1 - Significant Accounting Policies

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state grant activity of the City of Gainesville, Florida and is presented in accordance with the requirements of 2 CFR Part 200 *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and *the Florida Single Audit Act*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The schedule is prepared using the modified accrual basis of accounting.

Note 2 - Sub Recipients

The City provided federal awards to sub recipients as follows:

	<u>Federal CFDA</u>		
Community Development Block Grant – Entitlement Program	14.218	\$	80,326
Sub Recipients:			
Alachua Organization for Rural Needs, Inc.			
Black on Black Crime Task Force			
Central Florida Community Action Agency, Inc.			
Elder Care of Alachua County, Inc.			
Family Promise of Gainesville, Florida			
Gardenia Garden, Inc.			
Girl Scouts of Gateway Council, Inc.			
Girls Place, Inc.			
Helping Hands Clinic, Inc.			
Neighborhood Housing & Development Corp.			
St. Francis House, Inc.			
Transitional Living of North Central Florida			
HOME Investment Partnership Grant	14.239	\$	21,052
Sub Recipients:			
Alachua Habitat for Humanity, Inc.			
Gainesville Housing Development and Management Corp.			
Neighborhood Housing & Development Corp.			
Rebuilding Together North Central Florida			
OVW FY 15 Grant	16.590	\$	104,896
Sub Recipients:			
Alachua County Board of County Commissioners			
Black on Black Crime Task Force			
FY15 JAG Grant	16.738	\$	1,815
Sub Recipients:			
Alachua County Sheriff's Office			

Note 3 - Indirect Costs

The City has not elected to use the 10% de minimis cost rate as covered in the 200.414 indirect (F&A) costs.

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

Honorable Mayor and City Commissioners
City of Gainesville, Florida

Report on Compliance for Each Major Federal Program and State Project

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

Management’s Responsibility

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

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the City’s major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General*. Those standards, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the 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 and state project. However, our audit does not provide a legal determination of the City’s compliance.

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Honorable Mayor and City Commissioners
City of Gainesville, Florida

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

Opinion on Each Major Federal Program and State Project

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

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



April 15, 2021
Gainesville, Florida

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

Part I – Summary of Auditor’s Results

- 1) The auditor’s report on the basic financial statements contained unmodified opinions.
- 2) The audit disclosed material weaknesses and significant deficiencies in internal control over financial reporting.
- 3) No instances of noncompliance considered material to the financial statements were disclosed by the audit.
- 4) The audit did not report significant deficiencies or disclose material weaknesses in internal control over the major federal programs and state projects.
- 5) The auditor’s report on compliance for the major federal programs and state projects was unmodified.
- 6) The audit did not disclose findings relative to the major federal programs and major state projects.
- 7) The City's major programs/projects were:

<u>Federal Programs</u>	<u>CFDA No.</u>
Federal Transit Cluster:	
Federal Transit Formula Grants	20.507
Bus and Bus Facilities Formula Program	20.526
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083
<u>State Projects</u>	<u>CSFA No.</u>
Public Transit Block Grant Program	55.010

- 8) A threshold of \$750,000 was used to distinguish between Type A and Type B programs for federal programs and \$750,000 was used for state projects.
- 9) The City did not qualify as a low-risk auditee as that term is defined in the Uniform Guidance.

Part II – Financial Statement Findings

■ **2020-01 Bank Reconciliations (Material Weakness)**

Condition: Bank reconciliations were not completed on a timely basis during the year, and included unreconciled differences. Additionally, we noted that certain transactions, such as credit card receipts, are not reconciled monthly, but rather unreconciled differences are carried forward and adjusted each month by the monthly net activity of those transactions, so discrepancies may exist that are not identified and investigated.

Criteria: Timely and accurate bank reconciliations are a key component of internal control over multiple financial reporting processes, including cash receipting, cash disbursements, and payroll functions, as one of the means of detecting potential errors or irregularities.

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

Effect: Lack of timely and accurate bank reconciliations could result in errors or irregularities not being detected in a timely basis.

Recommendation: We recommend the City implement procedures to ensure that all bank accounts are reconciled within the following month, and that any identified discrepancies be properly investigated and corrected.

■ **2020-02 Financial Close and Reporting (Material Weakness)**

Condition: During our audit we identified several accounts which were materially misstated, including revenue, accounts receivable, expenditures/expenses, accounts payable, debt, capital assets, and equity, resulting in many material audit adjustments. Additionally, the City recorded two prior period adjustments to correct errors related to the allocation of the Taxable Pension Obligation Bonds, Series 2003A to its enterprise funds, and to record accreted interest for the Taxable Pension Obligation Bonds, Series 2003A capital appreciation bonds.

Criteria: Proper internal control over financial reporting should be designed to allow management or employees to prevent, or detect and correct, material misstatements on a timely basis. Auditors are prohibited from acting as a segment of the City's internal control over financial reporting.

Cause: Several account balances were not reconciled to subsidiary ledgers during the year or at year-end in preparation for the audit. The finance department continues to experience significant turnover resulting in limited staff availability to perform the necessary reconciliations and a significant loss of institutional knowledge.

Effect: If the errors corrected by audit adjustments had not been detected during our audit, which is designed only to provide reasonable assurance the financial statements are fairly presented, the City's financial statements would have been materially misstated.

Recommendation: We recommend that financial close and reporting processes be documented and periodically reviewed to ensure consistency in the implementation of those processes.

■ **2020-03 Schedule of Expenditures of Federal Awards and State Financial Assistance (Significant Deficiency)**

Condition: Near completion of the audit, management identified \$4,266,520 of federal and state grant expenditures related to the Utility that had been inadvertently left off the City's Schedule of Expenditures of Federal Awards and State Financial Assistance (SEFA). Additionally, \$612,489 of expenditures were incorrectly included on the SEFA.

Criteria: Per Uniform Guidance, Section 200.510(b), the auditee must prepare a Schedule of Federal Awards for the period covered by the auditee's financial statements which must include total Federal Awards expended as determined in accordance with Section 200.502.

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

Cause: The Grants Fiscal Coordinator resigned prior to the audit and the City lacked sufficient resources to complete a timely review of the SEFA.

Effect: Errors in the SEFA affect the accuracy of information reported to the federal government in the City's data collection form. In addition, appropriate major program determination by the auditor is dependent upon the accuracy and completeness of the information included in the SEFA.

Recommendation: We recommend staff review SEFA to ensure all grant expenditures are properly included and have fully executed grant agreements.

■ **2020-04 Accounting for Grant Activity (Significant Deficiency)**

Condition: During the audit we noted that the City had not accrued revenues for certain expenditure-driven grants, resulting in an understatement of \$1,853,148 in grants receivables and revenues in the government-wide financial statements, and grants receivables and deferred inflows of resources in the governmental fund financial statements.

Criteria: In accordance with GASB 33, *Accounting and Financial Reporting for Nonexchange Transactions*, revenues for certain grants should be recorded when all applicable eligibility requirements are met and the resources are available. When an asset is recorded in governmental fund financial statements but the revenue is not available, GASB 65, *Items Previously Reported as Assets and Liabilities*, requires the government to report a deferred inflow of resources until such time as the revenue becomes available.

Cause: The Grants Fiscal Coordinator resigned prior to the audit and the City lacked sufficient resources to complete a reconciliation of grant revenues to expenditures for expenditure-driven grants.

Effect: If the errors corrected by audit adjustments had not been detected during our audit, which is designed only to provide reasonable assurance that the financial statements are fairly presented, the City's financial statements would have been materially misstated.

Recommendation: We recommend that staff reconcile grant revenues to grant expenditures at the end of the reporting period and investigate variances to identify any potential adjustments.

Part III – Findings and Questioned Costs – Federal Programs and State Projects

None reported.

MANAGEMENT LETTER

Honorable Mayor and City Commissioners
City of Gainesville, Florida

Report on the Financial Statements

We have audited the basic financial statements of the City of Gainesville, Florida (the City), as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated April 15, 2021. Our report on the basic financial statements included a reference to the report of other auditors who issued separate communications relative to Gainesville Regional Utilities.

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 of Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated April 15, 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.

Tabulation of Uncorrected Audit Findings		
Current Year Finding #	2018-19 FY Finding #	2017-18 FY Finding #
2020-01	2018-01	2018-01
2020-02	2018-02	2018-02
2020-05	2018-04	2018-04

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MANAGEMENT LETTER

Official Title and Legal Authority

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

Financial Condition and Management

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

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 recommendations:

■ 2020-05 Segregation of Duties

Effective internal controls over financial reporting require that the functions of authorizing transactions, custody of assets and recording of transactions be separated in order to provide reasonable assurance that assets are adequately safeguarded and transactions are properly authorized, executed and recorded in accordance with the assertions of management. During the year we noted the following financial reporting processes that lacked adequate segregation of incompatible duties:

- *Payroll*—Members of the payroll division are able to make corrections to an employees' time as may be necessary to ensure payroll is processed timely and accurately. However, there is no process in place to review changes made by members of the payroll division, making it possible for them to adjust their own time.
- *Payroll*—Departmental timekeepers enter employee time into the remote time entry system. A secondary review and approval of each batch is performed to ensure no timekeeper is able to approve his or her own time. However, there are no controls in place to prevent timekeepers from changing pay rates in the system within their department.
- *Journal Entries*—The City's internal control process over journal entry reporting properly includes a secondary review of journal entries before they are posted into the system. However, the system itself does not prevent one person from posting a journal entry, and there is no review of the entries posted to ensure that all were properly approved. Since the accounting system does not allow the City to limit the ability of one person to post a journal entry without secondary review, we recommend that all entries posted in the system be reviewed periodically to ensure all were properly reviewed.

Honorable Mayor and City Commissioners
City of Gainesville, Florida

MANAGEMENT LETTER

We noted several mitigating controls exist. However, detection controls are not as effective as preventive controls. We recommend that the City review its processes and separate incompatible duties when possible.

■ **2020-06 Building Permit Revenue Reconciliation**

The City's building permit collections are processed through a point-of-sale system that does not interface with the accounting ERP system. We were unable to obtain a report of building permits issued during the year that agreed to the revenues recorded in the general ledger. While this is not an unusual occurrence for governments, generally due to the timing differences of revenue recognition, we recommend that staff reconcile these two reports to ensure that revenues recorded in the general ledger are accurate and complete.

Special District Component Units

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

Additional Matters

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

Purpose of this Letter

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

Thank you for the cooperation and courtesies extended to us during the course of our audit. We have sincerely enjoyed our association with the City and look forward to a continuing relationship. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



April 15, 2021
Gainesville, Florida



City of Gainesville

Budget and Finance Department

April 15, 2021

Honorable Sherrill F. Norman, CPA
Auditor General, State of Florida
Local Government Audits/342
Claude Pepper Building, Room 401
11 West Madison Street
Tallahassee, FL 32399-1450

RE: Management Response to the Independent Auditor's Report and Management Letter for the Annual Comprehensive Financial Report for the period ended September 30, 2020

Dear Ms. Norman:

This letter is in response to the 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 and the Management Letter. The audit report disclosed three findings from the fiscal year ended September 30, 2018 that have yet to be cleared and three new findings from the current audit year, as described below.

2020-01 Bank Reconciliations (2018-01)

Condition: Bank reconciliations were not completed on a timely basis during the year, and included unreconciled differences. Additionally, we noted that certain transactions, such as credit card receipts, are not reconciled monthly, but rather unreconciled differences are carried forward and adjusted each month by the monthly net activity of those transactions, so discrepancies may exist that are not identified and investigated.

Criteria: Timely and accurate bank reconciliations are a key component of internal control over multiple financial reporting processes, including cash receipting, cash disbursements, and payroll functions, as one of the means of detecting potential errors or irregularities.

Effect: Lack of timely and accurate bank reconciliations could result in errors or irregularities not being detected in a timely basis.

Recommendation: We recommend the City implement procedures to ensure that all bank accounts are reconciled within the following month, and that any identified discrepancies be properly investigated and corrected.

Management Response: Management is aware of this issue. The current bank reconciliation process is manual. Since the fiscal year 2018 annual audit, the Accounting Division has experienced turnover in all positions. In fiscal year 2021, an additional accountant position was added however, that new position and one other remains vacant as of the date of this letter. The Accounting Division is currently experiencing challenges with filling the two remaining vacant positions. In order to address the long term vacancies, during fiscal year 2021, Management hired an experienced certified public accountant to provide supplemental assistance in this area and the Accounting Division has implemented a formal review process with a target to complete monthly reconciliations within 45 days of month end. To date, bank reconciliations are complete for the first four months of the current fiscal year and the period 5 reconciliation is currently being finalized. Additionally, the City is implementing a new ERP system in July 2021 which will provide for daily transaction recording which will support a 45-day bank reconciliation target. Further, the City is conducting a succession planning evaluation being led by the independent internal auditor's office and that report and future action items is expected May 2021.

2020-02 Financial Close and Reporting (2018-02)

Condition: During our audit we identified several accounts which were materially misstated, including revenue, accounts receivable, expenditures/expenses, accounts payable, debt, capital assets, and equity, resulting in many material audit adjustments. Additionally, the City recorded two prior period adjustments to correct errors related to the allocation of the Taxable Pension Obligation Bonds, Series 2003A to its enterprise funds, and to record accreted interest for the Taxable Pension Obligation Bonds, Series 2003A capital appreciation bonds.

Criteria: Proper internal control over financial reporting should be designed to allow management or employees to prevent, or detect and correct, material misstatements on a timely basis. Auditors are prohibited from acting as a segment of the City's internal control over financial reporting.

Cause: Several account balances were not reconciled to subsidiary ledgers during the year or at year-end in preparation for the audit. The finance department continues to experience significant turnover resulting in limited staff availability to perform the necessary reconciliations and a significant loss of institutional knowledge.

Effect: If the errors corrected by audit adjustments had not been detected during our audit, which is designed only to provide reasonable assurance the financial statements are fairly presented, the City's financial statements would have been materially misstated.

Recommendation: We recommend that financial close and reporting processes be documented and periodically reviewed to ensure consistency in the implementation of those processes.

Management Response: Management is aware of this issue. Since the fiscal year 2018 annual audit, the Accounting Division has experienced turnover in all positions. In fiscal year 2021, an additional accountant position was added however, that new position and one other remains vacant as of the date of this letter. The Accounting Division is currently experiencing challenges with filling the two remaining vacant positions. In order to address the long term vacancies, during fiscal year 2021, Management hired an experienced certified public accountant to provide supplemental assistance in this area. At this time, staff is focused on

ensuring that financial transactions are recorded properly and that the general ledger is closed on a monthly basis. The Accounting Division is in process of implementing a formal reconciliation process with a target to complete monthly reconciliations within 45 days of month end. Additionally, the City is implementing a new ERP system in July 2021 which will simplify the closing and monthly reporting process. Lastly, the City now has in place an internal controls team (management function) and an internal audit office (independent function) that assess the effectiveness and efficiency of financial reporting controls. Audit of financial reporting and process controls will start August 2021 and will be led by the independent internal audit office.

2020-03 Schedule of Expenditures of Federal Awards and State Financial Assistance

Condition: Near completion of the audit, management identified \$4,266,520 of federal and state grant expenditures related to the Utility that had been inadvertently left off the City's Schedule of Expenditures of Federal Awards and State Financial Assistance (SEFA). Additionally, \$612,489 of expenditures were incorrectly included on the SEFA.

Criteria: Per Uniform Guidance, Section 200.510(b), the auditee must prepare a Schedule of Federal Awards for the period covered by the auditee's financial statements which must include total Federal Awards expended as determined in accordance with Section 200.502.

Cause: The Grants Fiscal Coordinator resigned prior to the audit and the City lacked sufficient resources to complete a timely review of the SEFA.

Effect: Errors in the SEFA affect the accuracy of information reported to the federal governmental in the City's data collection form. In addition, appropriate major program determination by the auditor is dependent upon the accuracy and completeness of the information included in the SEFA.

Recommendation: We recommend staff review SEFA to ensure all grant expenditures are properly included and have fully executed grant agreements.

Management Response: Management is aware of this issue. In early fiscal year 2021, the Grants Fiscal Coordinator, responsible for all grant accounting and preparing, reconciling and reporting on the SEFA, resigned from their role and that position remains vacant as of the date of this letter. Management has been working to address this particular vacancy by searching for certified public accountants who have governmental accounting grant experience to support this area. Additionally, the City is implementing a new ERP system in July 2021 which will provide system controls and automated reporting for the SEFA.

2020-04 Accounting for Grant Activity

Condition: During the audit we noted that the City had not accrued revenues for certain expenditure-driven grants, resulting in an understatement of \$1,853,148 in grants receivables and revenues in the government-wide financial statements, and grants receivables and deferred inflows of resources in the governmental fund financial statements.

Criteria: In accordance with GASB 33, Accounting and Financial Reporting for Nonexchange Transactions, revenues for certain grants should be recorded when all applicable eligibility requirements are met and the resources are available. When an asset is recorded in governmental fund

financial statements but the revenue is not available, GASB 65, Items Previously Reported as Assets and Liabilities, requires the government to report a deferred inflow of resources until such time as the revenue becomes available.

Cause: The Grants Fiscal Coordinator resigned prior to the audit and the City lacked sufficient resources to complete a reconciliation of grant revenues to expenditures for expenditure-driven grants.

Effect: If the errors corrected by audit adjustments had not been detected during our audit, which is designed only to provide reasonable assurance that the financial statements are fairly presented, the City's financial statements would have been materially misstated.

Recommendation: We recommend that staff reconcile grant revenues to grant expenditures at the end of the reporting period and investigate variances to identify any potential adjustments.

Management Response: Management is aware of this issue. In early fiscal year 2021, the Grants Fiscal Coordinator, responsible for all grant accounting and preparing, reconciling and reporting on the SEFA, resigned from their role and that position remains vacant as of the date of this letter. Management has been working to address this particular vacancy by searching for certified public accountants who have governmental accounting grant experience to support this area. Additionally, the City is implementing a new ERP system in July 2021 which will provide improvements to the grant accounting process, including automation of billing and reporting. Additionally, the City's independent internal audit office conducted a Grant Administration Consultation ([report dated March 22, 2021](#)) which includes recommendations such as implementing a uniform grant administration procedure, improving regular grant related communications with stakeholders, and implementing full capabilities of the new ERP system are being worked on.

2020-05 Segregation of Duties (2018-04)

Effective internal controls over financial reporting require that the functions of authorizing transactions, custody of assets and recording of transactions be separated in order to provide reasonable assurance that assets are adequately safeguarded and transactions are properly authorized, executed and recorded in accordance with the assertions of management. During the year we noted the following financial reporting processes that lacked adequate segregation of incompatible duties:

- Payroll—Members of the payroll division are able to make corrections to an employees' time as may be necessary to ensure payroll is processed timely and accurately. However, there is no process in place to review changes made by members of the payroll division, making it possible for them to adjust their own time.
- Payroll—Departmental timekeepers enter employee time into the remote time entry system. A secondary review and approval of each batch is performed to ensure no timekeeper is able to approve his or her own time. However, there are no controls in place to prevent timekeepers from changing pay rates in the system within their department.
- Journal Entries—The City's internal control process over journal entry reporting properly includes a secondary review of journal entries before they are posted into the system. However, the system itself does not prevent one person from posting a journal entry, and there is no review of the entries posted to ensure that all were properly approved. Since the accounting system does not allow the

City to limit the ability of one person to post a journal entry without secondary review, we recommend that all entries posted in the system be reviewed periodically to ensure all were properly reviewed.

We noted several mitigating controls exist. However, detection controls are not as effective as preventive controls. We recommend that the City review its processes and separate incompatible duties when possible.

Management Response: Management is aware of these issues. The City's current financial system is very limiting and does not allow for these security levels to be built in for both payroll and journal entry review. The City is implementing a new ERP system in July 2021 which will include the recommended segregation of duties. Once this financial system transition is complete, these findings will be resolved. In the meantime:

- Payroll time entry for payroll staff is reviewed and entered by two separate persons outside of the financial system.
- The current journal entry process includes a manual review by two separate persons, one of which is the Accounting Manager, before they are entered into the financial system by a third separate person.

2020-06 Building Permit Revenue Reconciliation

The City's building permit collections are processed through a point-of-sale system that does not interface with the accounting ERP system. We were unable to obtain a report of building permits issued during the year that agreed to the revenues recorded in the general ledger. While this is not an unusual occurrence for governments, generally due to the timing differences of revenue recognition, we recommend that staff reconcile these two reports to ensure that revenues recorded in the general ledger are accurate and complete.

Management Response: Management agrees with the finding and will implement regular reconciliation between the point-of-sale system and the general ledger.

Sincerely,



Cintya G. Ramos
Finance Director