

# 2021

City of Alachua, Florida

## Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2021

**CITY OF ALACHUA, FLORIDA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

Prepared by:  
Finance and Administrative Services

**CITY OF ALACHUA, FLORIDA  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021**

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## **INTRODUCTORY SECTION**

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## City of Alachua

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Mayor and City Commissioners

Gib Coerper, Mayor  
Shirley Green Brown, Vice-Mayor  
Gary Hardacre, Commissioner  
Dayna Miller, Commissioner  
Robert Wilford, Commissioner

Mike DaRoza, City Manager  
Marian Rush, City Attorney



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Alachua  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2020

*Christopher P. Morill*

Executive Director/CEO





# City of Alachua

MAYOR GIB COERPER  
Vice-Mayor Shirley Green Brown  
Commissioner Gary Hardacre  
Commissioner Dayna Miller  
Commissioner Robert Wilford

OFFICE OF THE CITY MANAGER  
MIKE DAROZA

March 30, 2022

The Honorable Mayor  
Members of the City of Alachua Commission  
Citizens of the City of Alachua, Florida

Dear Honorable Mayor Coerper:

The Annual Financial Report of the City of Alachua, Florida (the "City") for the fiscal year ended September 30, 2021, is respectfully submitted as required by Florida Statutes. This report was prepared by the City's Finance and Administrative Services Department in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of licensed certified public accountants. The responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data presented in this report is accurate in all material respects, that it is presented in a manner designed to fairly set forth the financial position as measured by the financial activities of its various funds, and all disclosures that are necessary to enable the reader to gain a general understanding of the City's financial activities have been included.

## INDEPENDENT AUDIT

Purvis, Gray and Company, a firm of licensed certified public accountants, has audited the City's basic financial statements. The goal of an independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence of supporting amounts and disclosures in the basic financial statements; assessing 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 an unmodified opinion that the City's basic financial statements for the fiscal year ended September 30, 2021, are presented fairly and in conformity with GAAP.

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GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement 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. The remainder of this letter provides an overview of the City government, as well as local economic conditions and prospects for the future.

## **PROFILE OF THE GOVERNMENT**

The City of Alachua is geographically located in North Central Florida. The City’s boundaries encompass about 36.5 square miles. Alachua was established in 1884 on a railroad line, after the railroad had bypassed nearby Newnansville, Florida. Alachua got a post office in 1887, and was officially incorporated on April 12, 1905, at which time it had a population of 526 people. According to the University of Florida Bureau of Economic and Business Research (BEBR), the City’s population was approximately 10,756 as of September 30, 2021. The City has a charter government structure approved by referendum of the electors pursuant to the Constitution and laws of the State of Florida. The City operates under the City Manager form of government with a commission comprised of an elected Mayor and four elected Commissioners. The elections are non-partisan and each Commissioner represents the entire City.

## ***REPORTING ENTITY AND ITS SERVICES***

The City provides a variety of services including road maintenance, utility (electric, water and wastewater) services, police, community development, solid waste collection (via contract) and recreational-cultural activities. Fire protection is provided within municipal boundaries by Alachua County and is funded through a county-imposed assessment.

This Annual Financial Report includes the funds of the primary government and the following component units:

- The Community Redevelopment Agency (CRA). The CRA is a separate legal entity created in accordance with Chapter 163, Florida Statutes to carry out community redevelopment activities and is a blended component unit of the City due to the existence of a financial benefit/burden relationship. The City Commission sits as the board of this organization and approves its budget.

## ***ACCOUNTING SYSTEM AND BUDGETARY CONTROL***

In developing and evaluating the City’s accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the

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cost of a control should not exceed the benefits likely to be derived therefrom and the evaluation of costs and benefits requires estimates and judgments by management. We believe all internal control evaluations occur within this framework and that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The annual budget serves as the foundation for the City's financial planning and control. All departments and component units of the City are required to submit requests for appropriation to the City's Finance and Administrative Services Department. The City Manager submits to the City Commission a proposed operating budget by fund, except for the General Fund which is at the department level, for the fiscal year commencing the following October 1. The City Commission is required to hold public hearings on the proposed budget and to adopt the final budget no later than September 30, the close of the City's fiscal year. The budget is legally enacted through the passage of a resolution and adoption of the budget document. Management may not make changes to the adopted budget without the approval of a majority vote of the City Commission. Budgets are monitored at varying levels of detail; however, budgetary control is legally maintained at the fund level, except for the General Fund which is maintained at the department level.

### ***MAJOR FUND PRESENTATION***

An important element of the financial reporting model is the focus on reporting significant financial activity by fund type, with emphasis on major funds in both governmental and proprietary fund financial statements. In following GASB 34, the City is required to separate major funds from non-major funds. Only major funds are shown separately in the basic financial statements, while non-major funds are combined together and reported as a single column. Non-major funds are disclosed separately in the combining and individual fund financial statements and schedules section of this report.

GASB requires that the General Fund always be considered a major fund. The statement also requires other governmental and enterprise funds to be shown as major funds if they meet the following criteria:

- Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of the individual governmental or enterprise fund are at least ten percent (10%) of the corresponding total of all funds of that category; and,
- Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of the individual governmental or enterprise fund are at least five percent (5%) of the total for all governmental and enterprise funds combined.

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## **ECONOMIC CONDITION AND OUTLOOK**

### ***LOCAL ECONOMY***

The area's economy is expanding as evidenced by the City's growth indicators, particularly, those related to infrastructure (water and wastewater) connections when compared to prior levels. This growth comes as a result of increased demand for utility services. The City continues to pursue increasing the commercial, technology and industrial customer base by attracting firms to locate their enterprises within City limits. This helps create additional jobs and provides for a stable tax base.

The City's major challenges are to provide the infrastructure and services needed to maintain the quality of life, which has attracted considerable growth to our community. History has shown that great emphasis on support systems such as transportation, potable water, wastewater and electric capacity must be balanced carefully with quality of life amenities that include parks, recreation and cultural opportunities in order to maintain the natural beauty and attractiveness of a community. For our City, these natural attributes take shape as tree canopies, and rolling green fields for agriculture, which provide the great atmosphere of North Central Florida living.

### ***LONG-TERM FINANCIAL PLANNING***

In order to meet the service demands of residents, businesses and visitors, the City continues to address the long-term financing necessary in order to fund capital projects essential to the creation, improvement, enhancement and preservation of public facilities and infrastructure.

The City's Fiscal Year 2020-2021 five-year Capital Improvement Plan (CIP), covering the period from October 1, 2020 through September 30, 2025, has earmarked funding estimated at \$25.6 million for 53 projects throughout the City. Electric utility system projects account for the largest portion of the total Capital Improvement Plan funding at \$10.1 million or 39.2%. Public Works projects are the second largest, accounting for \$4.6 million, or 17.8%, and Water utility system projects are the third largest accounting for \$3.9 million, or 15.33%, of the Capital Improvement Plan.

City utility revenues (capital facility charges, utility charges, etc.) represent the largest share of funding for the five-year Capital Improvement Plan, accounting for 67.6% of the value. Loans represent 2.4% of CIP funding. General government funding for the CIP is 15.0% and the remaining 15.0% of the funding is provided by Federal, State, Local, Tax Increment, assessment, and private sources.

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## **MAJOR INITIATIVES**

### ***ECONOMIC ENVIRONMENT***

The Community Redevelopment Agency (CRA) continued the implementation of the recommendations of the CRA Market Study & Economic Development Implementation Plan. Branding and marketing efforts continue in order to promote business within the CRA area. Marketing costs were approximately \$33,664.

The downtown parking lot construction project has received a \$150,000 USDA grant and it is anticipated to commence during FY 2021-2022.

### ***TRANSPORTATION***

The City's major transportation-related efforts during FY 2021-2022 centered around continuation of normal annual maintenance of City streets. Most of the roadway improvement funding for FY 2021-2022 is being retained to supplement a Community Development Block Grant (CDBG) – Neighborhood Revitalization category application for segments of NW 125 St., NW 148 Ave., NW 147 Ln., NW 122 Terr., NW 121 Terr., NW 148 Pl., and NW 147 Pl.

### ***GENERAL GOVERNMENT***

Much of fiscal year 2020-2021 was focused on administering and managing open grant contracts with expenses totaling approximately \$721 thousand. City staff also began the site prep process related to the placement of a 2,000 square foot maintenance facility at the Hal Brady Recreation Complex and substantially completed the finishing of the build-out at City Hall estimated at approximately \$400,000.

### ***PUBLIC SAFETY***

The Alachua Police Department continued to upgrade its technology and equipment in order to more efficiently process operations of the department. Equipment purchased included four vehicles and seventeen ballistic vest replacements. Additionally, two new dispatch consoles were acquired at a cost of approximately \$82,000. The total cost for these enhancements was slightly below \$600,000.

### ***HUMAN SERVICES***

In fiscal year 2020-2021, the City was the recipient of an additional \$100,060 in grant funding from Children's Trust of Alachua County (CTAC). The CTAC is dedicated funding intended to provide for the well-being of children in Alachua County. The City has programmed this funding towards the provision of youth enrichment and tutoring programs for children of this community and \$128,523 was expended during this fiscal year.

### ***RECREATION AND CULTURE***

This year marked a return of cultural events and activities that had ceased during the pandemic. These included both musical events and theatre performances at the Legacy Park amphitheater and at the multi-purpose center. Over \$27,000 was expended on these activities along with the provision of Zumba classes. Additionally, a 15-passenger van was purchased for \$36,724.

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## **PHYSICAL ENVIRONMENT**

Improvement and expansion of infrastructure continues to be at the forefront of the City's utilities activities. The electric utility substantially construction of a second substation. This substation will allow energy to be received through Duke Energy transmission lines from several wholesale providers. This project provides diversification of power sources, redundancy and the necessary infrastructure for future City growth and development. Anticipated total construction costs are approximately \$5.7 million with almost \$3.5 million having been expended in fiscal year 2020-2021.

Additionally, the water and sewer line project, for which a \$4.5 million bank note was obtained in FY 2018-2019, was completed along US Highway 441. This infrastructure improves existing infrastructure and enables future growth along this corridor. Total spent on this project during FY 2020-2021 was approximately \$863 thousand.

## **RELEVANT FINANCIAL INFORMATION**

The readers of this report should also review the MD&A. The MD&A gives basic financial information about the City and a summary of the City's activities. The Government-wide Financial Statements, consisting of a Statement of Net Position and a Statement of Activities, offer an across-the-board financial depiction of the City, divided between governmental and business-type activities.

These statements are prepared by distinguishing functions of the City that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recoup all or a sizeable portion of their costs through user fees and charges. The fund financial statements provide data about the City's funds and are created from the City's accounting reports. Governmental funds are accounted for on the modified accrual basis, where revenues are recorded when they become measurable and available, and expenses are generally recorded when the related fund liability is incurred, except for debt service expenditures, compensated absences, and claims and judgments. Proprietary funds are accounted for using the accrual basis of accounting. Under this method, revenues are recorded when they are earned and expenses are recorded when the related liability is incurred. This City's fiscal year is from October 1 through September 30.

## **AWARDS AND ACKNOWLEDGEMENTS**

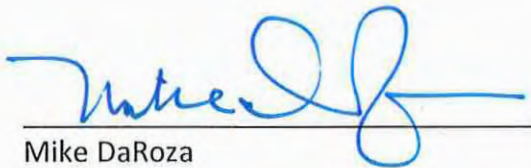
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Alachua for its Annual Financial Report for the fiscal year ended September 30, 2020. This was the eleventh consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

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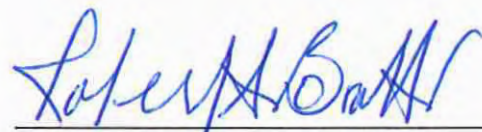
A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we will submit it to the GFOA to determine its eligibility for another certificate.

The preparation of the Annual Financial Report was made possible through the efficient, dedicated and professional efforts of the entire staff of the Finance and Administrative Services Department. The substantial amount of year-end closing procedures required prior to the audit, could not have been completed without much hard work and personal sacrifice. Each member of the department has our sincere appreciation for the contributions made to assist in the preparation of this report. Sincere appreciation is also expressed to the Mayor, Commissioners, Department Directors, and all City employees for their cooperation and assistance in all matters pertaining to the financial affairs of the City.

Respectfully submitted,

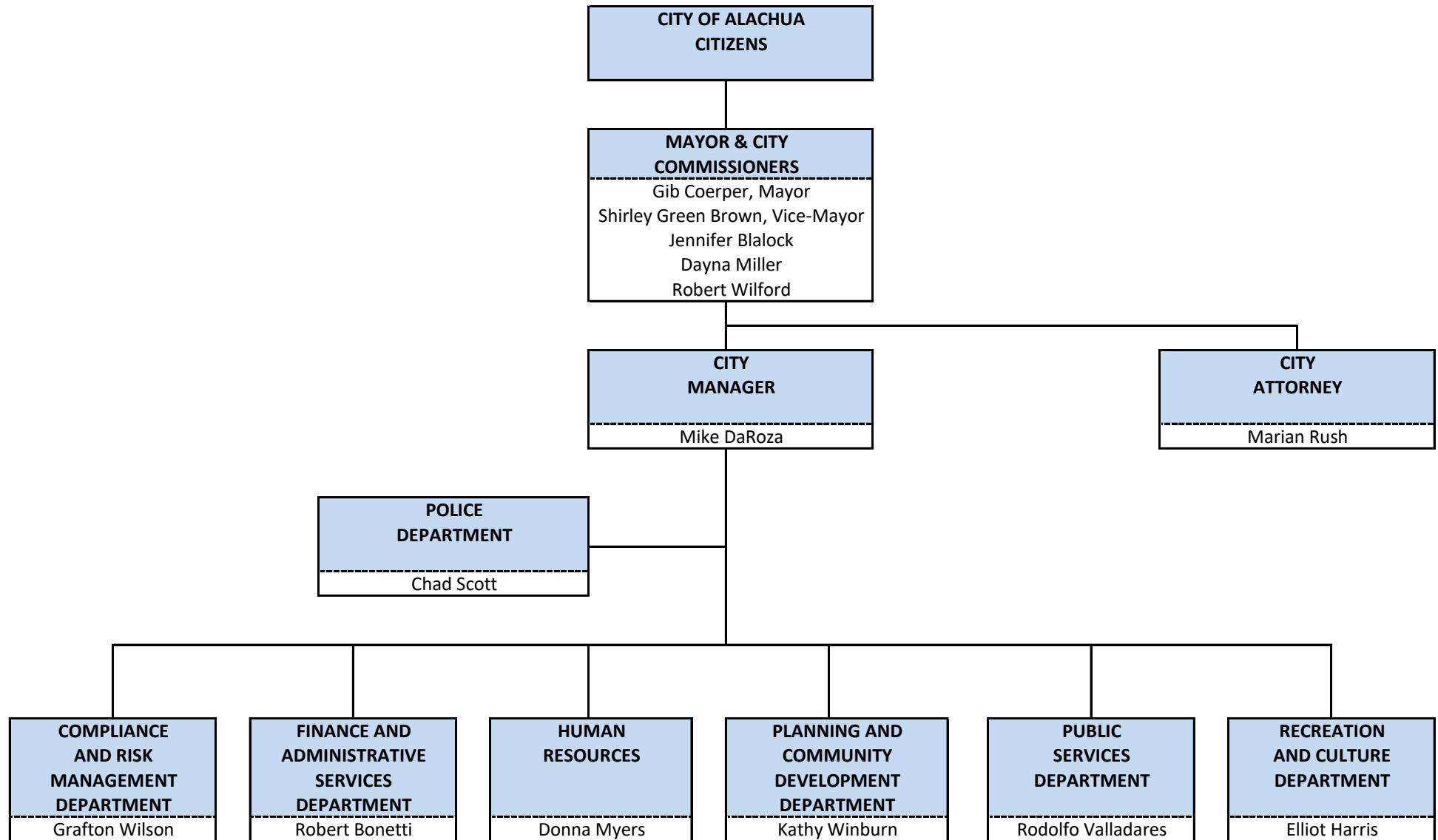


Mike DaRoza  
City Manager



Robert A. Bonetti  
Finance & Administrative Services Director

**CITY OF ALACHUA ORGANIZATIONAL CHART**





## **FINANCIAL SECTION**

## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor, City Commissioners, and  
City Manager  
Alachua, Florida

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alachua, Florida (the City), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

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

### CERTIFIED PUBLIC ACCOUNTANTS

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purvisgray.com

Members of American and Florida Institutes of Certified Public Accountants

An Independent Member of the BDO Alliance USA

Honorable Mayor, City Commissioners, and  
City Manager  
Alachua, Florida

## INDEPENDENT AUDITOR'S REPORT

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of change in other postemployment benefit and related ratios, schedules of proportionate share of the net pension liability, and schedule of contributions on pages 4 through 15 and 59 through 63 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual non-major fund financial statements and budgetary schedules, and statistical section; are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and budgetary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional

Honorable Mayor, City Commissioners, and  
City Manager  
Alachua, Florida

### INDEPENDENT AUDITOR'S REPORT

procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and budgetary schedules are fairly stated in all material respects in relation to the 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 March 30, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.



March 30, 2022  
Gainesville, Florida

**CITY OF ALACHUA, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021**

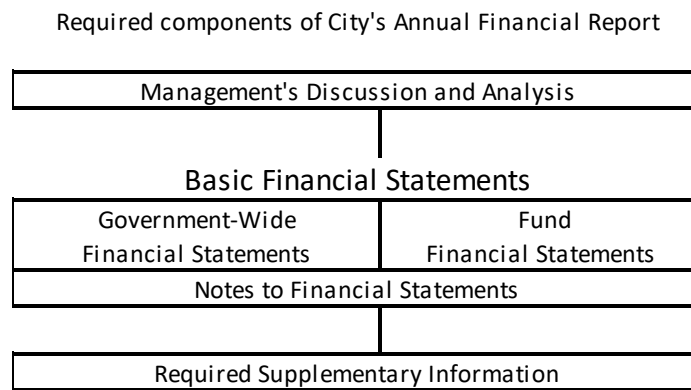
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The City of Alachua's (the City) Management's Discussion and Analysis (MD&A) is designed to: (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the City's financial statements (beginning on page 16). Please note the City provides prior year comparative financial information as required by Governmental Accounting Standards Board (GASB) Statement No. 34.

**Financial Highlights**

The following chart is provided to assist in understanding the component parts of the financial statements:



**Government-Wide Financial Statements**

- The City of Alachua's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at September 30, 2021, by \$83.9 million, which is a 5.08% increase from the previous year. Unrestricted net position was at \$7.2 million, which is a 2.37% decrease from the previous year.
- The City's total net position increased by \$4,061,865 over the prior reported period. Despite the property tax rate remaining at 5.3900 mills, an increased net position was achieved, primarily, through an increase in assets resulting from infrastructure expansion and net operating activity.
- The City of Alachua's total long-term debt (due in more than one year) decreased by \$1,294,079 during the current fiscal year. This decrease is due to the reduction of outstanding debt as a result of the normal debt payments.
- Other Postemployment Benefits (OPEB), Net Pension Liability, and Compensated Absences decreased by \$7,844,313 due, primarily, to an decrease in the Net Pension Liability.
- Total net position (\$83.9 million) is comprised of the following:
  1. The \$75.8 million net investment in capital assets includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of those capital assets.

**CITY OF ALACHUA, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021**

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2. \$0.9 million of net position is restricted by constraints imposed from outside of the City such as debt covenants, grantors, laws, or regulations, or by enabling legislation.
3. \$7.2 million of unrestricted net position.

#### Fund Financial Statements

- At September 30, 2021, the City's governmental funds reported combined ending fund balances of \$7.3 million, an increase of \$1.38 million, in comparison with the prior fiscal year. This increase is the result of net operating revenues and expenditures coupled with a reduction in advances to other funds.
- Governmental fund revenues were \$12,926,967 or \$4.5 million less than the previous fiscal year. This was the result of prior year completion of the Florida Job Growth Grant (\$5.4 million). General Fund revenues, however, increased by \$965 thousand, primarily, due to an increase of revenues resulting from property taxes and intergovernmental revenues.

#### **Overview of the Financial Statements**

This MD&A is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of the following components: (1) government-wide financial statements, (2) fund financial statements, (3) notes to the financial statements, and (4) required supplementary information. 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, and consist of the following two statements:

- The *statement of net position* presents information on all of the City's assets, liabilities, deferred outflows of resources, and deferred inflows of resources, with the difference between these elements 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 strengthening or weakening.
- The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year, focusing on both the gross and net costs of various activities, both governmental and business-type, that are supported by the government's general tax and other revenues. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

Both of these 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, and parks and recreation. The business-type activities of the City include physical environment (electric, water, wastewater, and mosquito control utilities).

The government-wide financial statements include not only the City itself (known as the primary government), but also one component unit. The Community Redevelopment Agency, a legally separate entity created by the City Commission has been reported in the basic financial statements as a special revenue fund (pages 18 and 20).

The government-wide financial statements can be found on pages 16-17 of this report.

**CITY OF ALACHUA, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2021**

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**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 City funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The City does not report any fiduciary funds.

**Fund Financial Statements**

	<b>Governmental Funds</b>	<b>Proprietary Funds</b>
Scope	Includes the City's basic services such as police, cultural activities, traffic control, and parks.	Services provided by the City that are operated similar to private businesses and for which the City charges a fee.
Examples	Police, street maintenance, parks, recreational activities.	Electric, water, sewer, mosquito control.
Required financial statements	Balance sheet; Statement of revenues, expenditures, and changes in fund balances.	Statement of net position; Statement of revenues, expenses and changes in net position; Statement
Accounting basis and measurement focus	Modified accrual accounting and current financial resources	Accrual accounting and economic resources focus.
Type of asset/liability information	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital	All assets and liabilities, both financial and capital, and short and long-term.
Type of inflow/outflow information	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter.	All revenues and expenses during the year, regardless of when cash is received or paid.

**Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental 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 the *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. Because of the different measurement focus (current financial resources versus total economic resources), a reconciliation of the governmental fund Balance Sheet to the government-wide Statement of Net Position and a reconciliation of the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances to the government-wide Statement of Activities is provided (see pages 19 and 21) to facilitate the comparison between governmental funds and governmental activities. The flow of current financial resources will reflect bond proceeds and inter-fund transfers as other financial sources

**CITY OF ALACHUA, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2021**

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as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations (bonds and others) into the Governmental Activities column (in the Government-wide statements).

The City reports fifteen (15) 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 which is considered to be a major fund. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for non-major governmental funds is provided in the form of *combining statements* in the supplementary information section of this report.

The City adopts an annual budget for its general, special revenue, debt service, and capital projects funds. Budgetary comparison schedules have been provided as required supplementary information for the General Fund to demonstrate budgetary compliance. Budgetary comparison schedules have been provided for all of the other governmental funds that have adopted budgets in the supplementary information section.

The basic governmental fund statements can be found on pages 18 and 20 of this report.

***Proprietary Funds***

The City maintains two different types of proprietary funds. *Enterprise Funds* are used to report business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Public Utilities System (Electric, Water, Wastewater, and Mosquito Control). *Internal Service Funds* are used to accumulate and allocate costs internally among the City's various functions. The City uses an *Internal Service Fund* to account for its Utility Billing, Utility Administration, Utility Operations, Utility Safety Operations, Warehouse Operations, and Distribution and Collection Operations. These services have been included within the government-wide financial statements as business-type activities.

Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The Enterprise Fund financial statements provide separate information for the Public Utility System. The Internal Service Fund is also presented in the proprietary fund financial statements. The basic proprietary fund financial statements can be found on pages 22-27.

**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 28 through 58 of this report.

**Other Information**

The combining statements referred to earlier, present a more detailed view of the non-major governmental funds. Also included are budgetary comparison schedules for the debt service, special revenue, and capital project funds. The combining statements and budgetary comparisons can be found on pages 64 through 78 of this report.

***Government-Wide Financial Analysis***

Net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$83.9 million at the close of the fiscal year ended September 30, 2021.

A portion of the City's net position, \$878,224, represents resources that are subject to external restriction on how they may be used.



**CITY OF ALACHUA, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
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The largest portion of the City's net position (\$75,867,107 or 90%) reflects its investment in capital assets (e.g., land, infrastructure, buildings and equipment), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; 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.

Reported below is a condensed Statement of Net Position to demonstrate the changes from year to year. For more detailed information, see the Statement of Net Position on page 16.

**City of Alachua**  
**Statement of Net Position**  
**As of September 30, 2021 and 2020**

	Governmental Activities		Business-type Activities		Total		Total % Change 2020-2021
	2021	2020	2021	2020	2021	2020	
Current Assets & Other Assets	\$ 7,876,951	7,566,998	16,777,030	18,846,733	24,653,981	26,413,731	-6.66%
Capital Assets	51,828,558	51,469,434	51,738,712	47,785,691	103,567,270	99,255,125	4.34%
<b>Total Assets</b>	<b>\$ 59,705,509</b>	<b>59,036,432</b>	<b>68,515,742</b>	<b>66,632,424</b>	<b>128,221,251</b>	<b>125,668,856</b>	<b>2.03%</b>
Deferred Outflows	\$ 2,176,041	3,035,949	700,400	981,583	2,876,441	4,017,532	-28.40%
<b>Total Assets and Deferred Outflows</b>	<b>\$ 61,881,550</b>	<b>62,072,381</b>	<b>69,216,142</b>	<b>67,614,007</b>	<b>131,097,692</b>	<b>129,686,388</b>	<b>1.09%</b>
Long-Term Liabilities Outstanding	\$ 16,106,849	22,539,410	16,908,600	19,614,431	33,015,449	42,153,841	-21.68%
Other liabilities	790,180	1,088,514	7,104,718	6,363,342	7,894,898	7,451,856	5.95%
<b>Total Liabilities</b>	<b>\$ 16,897,029</b>	<b>23,627,924</b>	<b>24,013,318</b>	<b>25,977,773</b>	<b>40,910,347</b>	<b>49,605,697</b>	<b>-17.53%</b>
Deferred Inflows	\$ 4,688,375	139,754	1,544,643	48,475	6,233,018	188,229	3211.40%
<b>Total Liabilities and Deferred Inflows</b>	<b>\$ 21,585,404</b>	<b>23,767,678</b>	<b>25,557,961</b>	<b>26,026,248</b>	<b>47,143,365</b>	<b>49,793,926</b>	<b>-5.32%</b>
Net Position							
Net Investment in Capital Assets	\$ 39,709,937	38,811,346	36,157,170	32,375,147	75,867,107	71,186,493	6.58%
Restricted	878,224	824,515	-	497,822	878,224	1,322,337	-33.59%
Unrestricted	(292,015)	(1,331,158)	7,501,011	8,714,790	7,208,996	7,383,632	-2.37%
<b>Total Net Position</b>	<b>\$ 40,296,146</b>	<b>38,304,703</b>	<b>43,658,181</b>	<b>41,587,759</b>	<b>83,954,327</b>	<b>79,892,462</b>	<b>5.08%</b>

**Normal Impacts**

There are six (6) basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

- Net Results of Activities: will impact (increase/decrease) current assets and liabilities, and unrestricted net position.
- Borrowing of Capital: will increase current assets and long-term debt.
- Spending Borrowed Proceeds on New Capital: will reduce current assets and increase capital assets with a secondary impact being that an increase in invested capital assets, and an increase in related net debt will not change the net investment in capital assets.
- Spending of Non-Borrowed Current Assets on New Capital: will reduce current assets, increase capital assets, reduce unrestricted net position, and increase net investment in capital assets.
- Principal Payment on Debt: will reduce current assets and reduce long-term debt, reduce unrestricted net position, and increase net investment in capital assets.
- Reduction of Capital Assets through Depreciation: will reduce net investment in capital assets.

**CITY OF ALACHUA, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2021**

City of Alachua  
**Changes in Net Position**  
**For the Years Ended September 30, 2021 and 2020**

	Governmental Activities		Business-type Activities		Totals		Totals % change 2020-2021
	2021	2020	2021	2020	2021	2020	
<b>Revenues:</b>							
Program Revenues:							
Charges for Services	\$ 2,338,615	1,966,101	20,108,440	18,881,960	22,447,055	20,848,061	7.67%
Operating Grants and Contributions	508,954	277,541	15,000	6,266	523,954	283,807	84.62%
Capital Grants and Contributions	1,207,760	7,004,740	138,665	-	1,346,425	7,004,740	-80.78%
General Revenues:							
Property Tax	4,726,998	4,489,384	-	-	4,726,998	4,489,384	5.29%
Utility Tax	1,608,171	1,481,057	-	-	1,608,171	1,481,057	8.58%
Other Tax	1,045,226	981,161	-	-	1,045,226	981,161	6.53%
Intergovernmental	1,019,001	790,075	-	-	1,019,001	790,075	28.98%
Other	62,942	131,812	6,161	114,495	69,103	246,307	-71.94%
Total Revenues	\$ 12,517,667	17,121,871	20,268,266	19,002,721	32,785,933	36,124,592	-9.24%
<b>Expenses:</b>							
General Government	\$ 4,279,253	4,312,382	-	-	4,279,253	4,312,382	-0.77%
Public Safety	3,808,353	4,448,401	-	-	3,808,353	4,448,401	-14.39%
Physical Environment	739,350	709,120	-	-	739,350	709,120	4.26%
Transportation	1,319,813	1,132,041	-	-	1,319,813	1,132,041	16.59%
Economic Environment	366,847	348,111	-	-	366,847	348,111	5.38%
Human Services	129,547	51,787	-	-	129,547	51,787	150.15%
Parks and Recreation	1,545,586	1,354,105	-	-	1,545,586	1,354,105	14.14%
Electric	-	-	11,363,594	10,973,016	11,363,594	10,973,016	3.56%
Water and Sewer	-	-	4,716,240	4,496,164	4,716,240	4,496,164	4.89%
Mosquito Control	-	-	46,369	41,531	46,369	41,531	11.65%
Interest on Long-Term Debt	409,116	425,762	-	-	409,116	425,762	-3.91%
Total Expenses	\$ 12,597,865	12,781,709	16,126,203	15,510,711	28,724,068	28,292,420	1.53%
Increase (Decrease) in Net Position Before Transfers	\$ (80,198)	4,340,162	4,142,063	3,492,010	4,061,865	7,832,172	-48.14%
Transfers	\$ 2,071,641	2,067,677	(2,071,641)	(2,067,677)	-	-	0.00%
Increase (Decrease) in Net Position	\$ 1,991,443	6,407,839	2,070,422	1,424,333	4,061,865	7,832,172	-48.14%
Net Position - Beginning	38,304,703	31,896,864	41,587,759	40,163,426	79,892,462	72,060,290	10.87%
Adjustment to Net Position	-	-	-	-	-	-	0.00%
Net Position - Beginning, as Restated	38,304,703	31,896,864	41,587,759	40,163,426	79,892,462	72,060,290	10.87%
Net Position - Ending	\$ 40,296,146	38,304,703	43,658,181	41,587,759	83,954,327	79,892,462	5.08%

**Government-Wide Net Position**

The City's total net position at the end of fiscal year 2021 improved by \$4,061,865 resulting from an increase of \$1,991,443 in governmental activities and an increase of \$2,070,442 in business-type activities.

**Governmental Activities**

The City's net position within governmental activities was improved by \$1,991,443 during fiscal year 2021. This net position increase was, primarily, the result of an increase within governmental sources of funding.

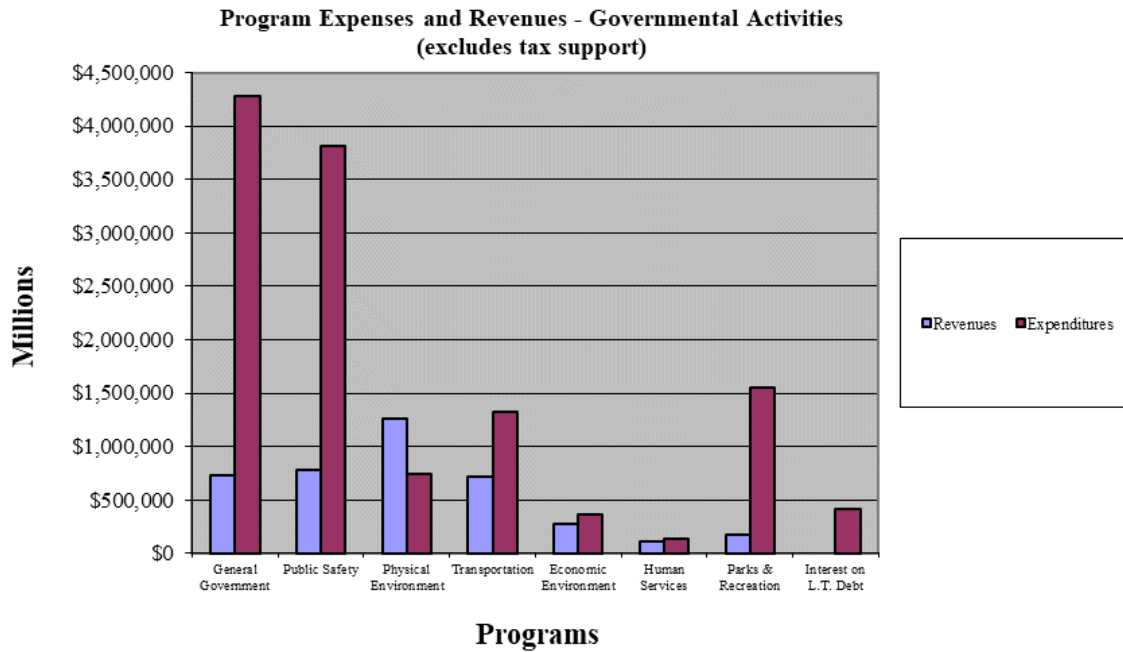
Major changes in revenues were caused by the following:

- For fiscal year ending September 30, 2021, property taxes increased by \$237,614, primarily, due to the increased property valuation. Exclusive of the prior year's Florida Job Growth revenue (\$5.4 million), other taxes increased by \$191,179 and intergovernmental revenues increased by \$228,926.

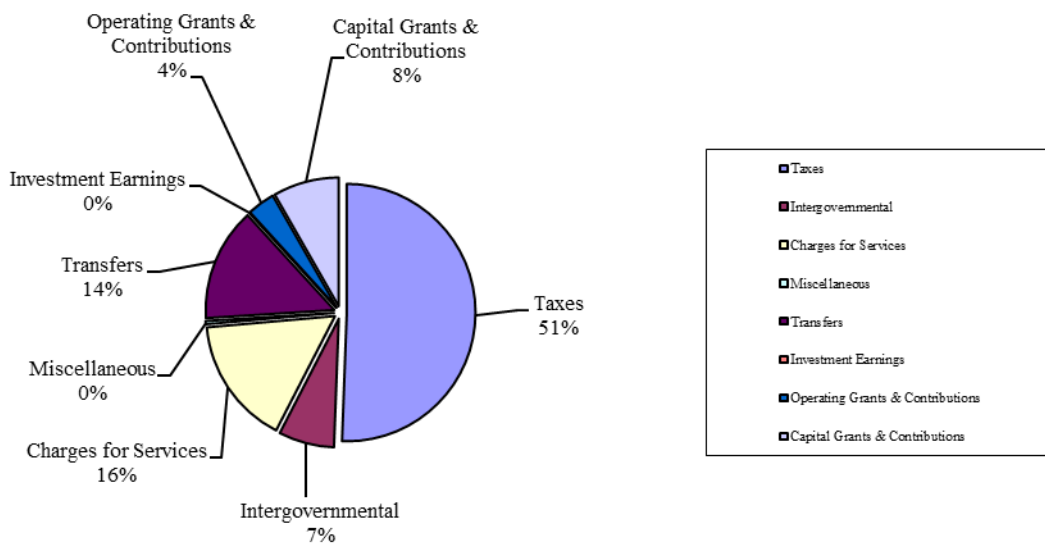
**CITY OF ALACHUA, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021**

Major changes in expenses were caused by the following:

- Expenses for governmental activities experienced a decrease of \$183,844. This decrease was the result of reduced capital outlay expenditures.



**Revenue by Source - Governmental Activities**



**CITY OF ALACHUA, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021**

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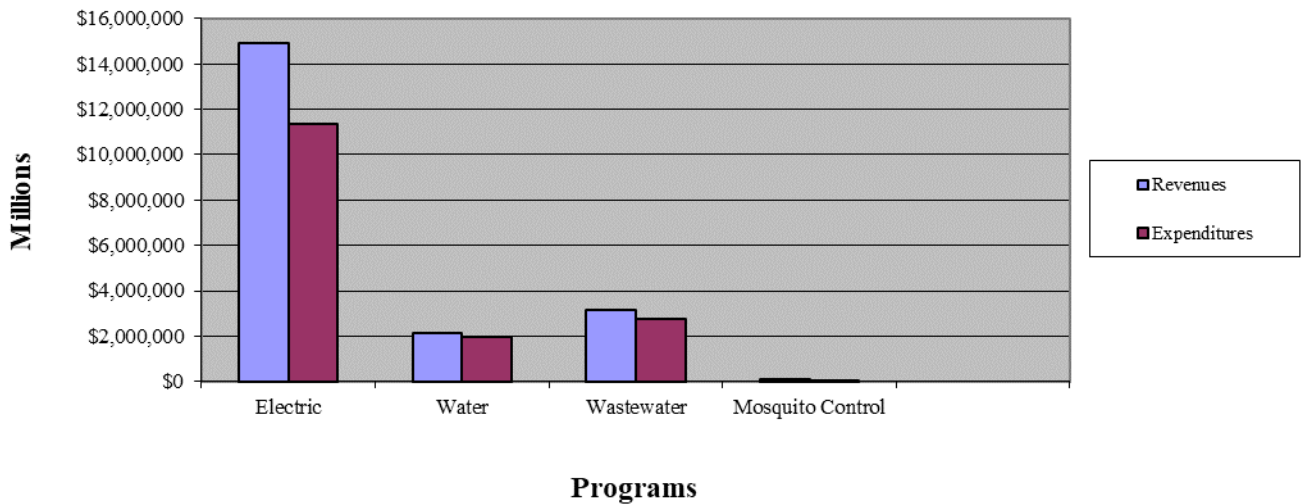
**Business-Type Activities**

The City's net position within business-type activities was improved by \$2,070,422 during fiscal year 2021.

Net position increased due to overall increases in revenues. Charges for services increased by \$1,226,480. Other revenues decreased by \$108,334 in 2021. Business-type expenses increased by \$615,492 largely due to utility system capital project expenses during the fiscal year.

- The Electric Utility of the City operates at 7.2/12.47kV. The City purchases power from Gainesville Regional Utilities (GRU) at two different locations. The majority of the customers are supplied from the Alachua Substation, which is connected to GRU's 138 kV transmission system. The second point of services, identified as Hague Point of Service, exists as a distribution source supplied by GRU. A newly constructed and second substation (Legacy Substation) is scheduled to come online during the upcoming 2021-2022 fiscal year.
- The Water Utility obtains its water supply from the upper portion of the Floridan Aquifer. Three wells with depths of approximately 365 feet withdraw water from the Ocala limestone and discharge it into the City's distribution system. The quality of the City's water supply is such that chlorination and fluoridation are the only treatments required prior to distribution. The system's wells range in age from 29 to 52 years old.
- Wastewater generated through the utility is collected through a gravity sewer system and pumped to the City's wastewater treatment plant. The collected wastewater is treated in an activated sludge treatment facility, which has a current capacity of 1,500,000 gallons per day. The effluent from the treatment facility is chlorinated and disposed of by spray irrigation, and is also resold as reclaimed water.

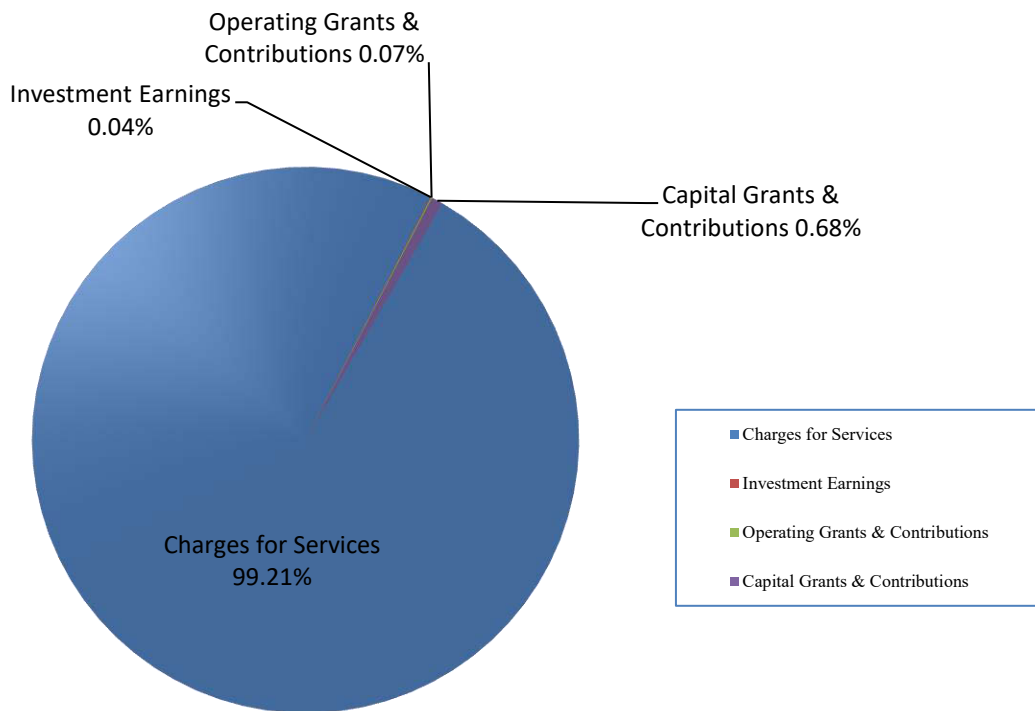
**Expenses and Program Revenues - Business-Type Activities**



**CITY OF ALACHUA, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021**

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**Revenue By Source-Business-Type Activities**



**Fund Financial Analysis**

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

**Governmental Funds**

The primary purpose 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, *assigned and unassigned fund balance* may serve as a useful measure of a government's net resources, available for spending, at the end of the fiscal year.

As of the end of fiscal year 2021, the City's governmental funds reported combined ending fund balances of \$7,299,863, an increase of \$1,376,145 in comparison with the prior year.

**Major Funds**

The General Fund is the only major governmental fund.

The General Fund is the chief operating fund of the City. The General Fund had a decrease in fund balance of \$170,726. This decrease resulted, primarily, increases in personnel-related costs as compared to fiscal year 2020. The total fund balance was \$6,977,328 of which \$3,888,829 was unassigned. The cash balance at the end of the year was \$5,592,248. 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 revenues. Unassigned fund balance represents 36.8% of the total General Fund operating revenue, while total fund balance represents 66.1% of that same figure. The Government Finance Officers Association (GFOA), Best Practices guidelines calls for an unassigned fund balance level of two (2) months of operating revenues. Total fund balance

**CITY OF ALACHUA, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2021**

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includes committed, restricted, assigned, and unassigned fund balances.

**Proprietary Funds**

The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail. The Electric, Water and Wastewater Funds are reported as major funds.

The major utility system funds are used to account for the operations of the City's electric, water, and wastewater utilities. Each utility operates like a business, where the rates established by the City generally generate sufficient funds to pay the costs of current operations and provide for long-term asset acquisitions. Total assets and deferred outflows of resources as of September 30, 2021, were \$64.8 million, total liabilities and deferred inflows were \$21.8 million. Net position was \$42.9 million.

**General Fund Budgetary Highlights with Variances**

The General Fund operating budget was \$9,787,466 at the beginning of fiscal year 2021. The final amended budget amount of \$9,976,724 was brought about by the following amendments:

- \$16,488: Increase to provide budget for expenses of the Alachua Police Department related to an Edward Byrne Memorial Justice Assistance Grant (JAG).
- \$172,770: Increase due to unanticipated intergovernmental revenue (\$100,170) and protective inspection services (\$72,600) to provide for additional project costs and for inspection costs related to development.

**General Fund Actual Results Highlights with Variances**

At September 30, 2021, the City's General Fund experienced a positive variance between its final operating revenue budget and actual operating revenue in the amount of \$586,861. This was due to increased taxes, permits and fees related to development and higher levels of intergovernmental revenues relative to the budgetary forecast. The City's General Fund experienced a positive variance between its final operating expenditure budget and actual operating expenditures in the amount of \$839,660. This was primarily due to unspent operating and capital expense appropriations in general government, public safety and transportation.

**CITY OF ALACHUA, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2021**

**Capital Asset and Debt Administration**

The City's capital assets for its governmental and business-type activities as of September 30, 2021, totaled \$103.5 million (net of accumulated depreciation), and includes land, buildings, improvements other than buildings, equipment, infrastructure, and construction in progress.

**City of Alachua**  
**Capital Assets**  
**(in thousands)**

	Governmental		Business-type		Total		Total %
	Activities		Activities				Change
	2021	2020	2021	2020	2021	2020	2020-2021
Land	\$ 7,841	7,841	586	586	8,427	8,427	0.0%
Buildings	16,784	16,793	9,972	9,972	26,756	26,765	0.0%
Improvements other than buildings	13,647	12,902	8,594	7,823	22,241	20,725	7.3%
Infrastructure	21,952	14,845	48,220	43,124	70,172	57,969	21.1%
Furniture, fixtures, and equipment	4,299	4,809	3,844	3,462	8,143	8,271	-1.5%
Construction in progress	3,154	9,216	6,713	7,244	9,867	16,460	-40.1%
Less: Accumulated Depreciation	(15,849)	(14,937)	(26,191)	(24,426)	(42,040)	(39,363)	6.8%
<b>Total Assets</b>	<b>\$ 51,828</b>	<b>51,469</b>	<b>51,738</b>	<b>47,785</b>	<b>103,566</b>	<b>99,254</b>	<b>4.3%</b>

The City of Alachua continued to focus on expanding and maintaining its current infrastructure capabilities, both in governmental and business-type activities.

Major capital asset events during the current fiscal year for governmental activities included construction to finish a buildout at City Hall, commencement of a natural stormwater filtration system at Mill Creek Sink, roadway improvements to NW 144<sup>th</sup> Street, NW 143<sup>rd</sup> Place, NW 147<sup>th</sup> Avenue and construction of facilities maintenance shed at the Hal Brady Recreation Center.

Major capital asset events for the business-type activities included the construction of the new electrical Legacy substation.

Additional information on the City's capital assets can be found in Note 6 starting on page 39 of this report.

**Long-Term Debt**

At the end of fiscal year 2021, the City had total long-term debt outstanding of approximately \$27.7 million. The City's debt represents bonds, notes, and loans secured by specific revenue sources (i.e., revenue bonds/notes).

**CITY OF ALACHUA, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2021**

	Governmental		Business-type		Total		Total %
	Activities		Activities				Change
	2021	2020	2021	2020	2021	2020	2020-2021
Revenue Bonds	\$ 11,925,453	12,171,487	4,254,106	4,340,996	16,179,559	16,512,483	-2.0%
Revenue Notes	193,168	286,601	4,110,000	4,500,000	4,303,168	4,786,601	-10.1%
Loans	-	200,000	7,217,436	7,495,158	7,217,436	7,695,158	-6.2%
<b>Total Debt</b>	<b>\$ 12,118,621</b>	<b>12,658,088</b>	<b>15,581,542</b>	<b>16,336,154</b>	<b>27,700,163</b>	<b>28,994,242</b>	<b>-4.5%</b>

The City's outstanding principal debt decreased \$1,294,079 during fiscal year 2021. Debt activity included normal principal/interest payments.

Additional information on the City's debt can be found in Note 7 starting on page 40 of this report.

**Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for the Gainesville MSA at September 30, 2021, was 5.2%, which includes the City of Alachua. This is a 21% increase from the previous fiscal year's rate of 4.3%.
- The final certified citywide taxable value of property increased to \$907 million, representing an increase of 5.87%.
- The population increased approximately 2.7% from the prior year to an estimate of 10,756 at September 30, 2021.
- During the current fiscal year, ad valorem taxes increased by \$237,614 to \$4,489,384 due to increased property valuations. The ad valorem tax rate was 5.3900 mills.

**Requests for Information**

This financial report is designed to present users with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions concerning any of the information provided in this report or need additional financial information, contact the Finance and Administrative Services, P.O. Box 9, Alachua, Florida, 32616-0009. Additional information can be found on our website: [www.cityofalachua.com](http://www.cityofalachua.com).



## **BASIC FINANCIAL STATEMENTS**

**CITY OF ALACHUA, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2021**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and Cash Equivalents	\$ 5,884,328	\$ 9,538,925	\$ 15,423,253
Receivables, Net of Allowance	187,739	3,296,214	3,483,953
Due from Other Governments	216,352	-	216,352
Inventories	4,961	1,296,932	1,301,893
Prepaid and Other Assets	123,082	140,242	263,324
Restricted Assets:			
Cash and Cash Equivalents	1,224,825	2,740,381	3,965,206
Capital Assets Not Being Depreciated:			
Land	7,841,280	586,447	8,427,727
Construction in Progress	3,154,281	6,713,351	9,867,632
Depreciable Capital Assets, Net	40,832,997	44,438,914	85,271,911
Internal Balances	235,664	(235,664)	-
<b>Total Assets</b>	<b>59,705,509</b>	<b>68,515,742</b>	<b>128,221,251</b>
<b>Deferred Outflows of Resources</b>			
OPEB Related	51,535	24,235	75,770
Pension Related	2,124,506	676,165	2,800,671
<b>Total Deferred Outflows of Resources</b>	<b>2,176,041</b>	<b>700,400</b>	<b>2,876,441</b>
<b>Liabilities</b>			
Accounts Payable	215,691	1,399,425	1,615,116
Accrued Expenses	308,503	86,445	394,948
Due to Other Governments	4,827	79,760	84,587
Accrued Interest Payable	1,429	-	1,429
Unearned Revenue	48,067	-	48,067
Rate Stabilization Credit	-	3,488,186	3,488,186
Liabilities Payable from Restricted Assets:			
Accrued Interest Payable	211,663	207,442	419,105
Customer Deposit	-	1,843,460	1,843,460
Non-Current Liabilities:			
Due Within One Year	638,821	902,496	1,541,317
Due in More Than One Year	12,064,702	14,926,104	26,990,806
Net Pension Liability	3,197,407	983,163	4,180,570
Other Postemployment Benefits Liability	205,919	96,837	302,756
<b>Total Liabilities</b>	<b>16,897,029</b>	<b>24,013,318</b>	<b>40,910,347</b>
<b>Deferred Inflows of Resources</b>			
OPEB Related	28,412	13,362	41,774
Pension Related	4,659,963	1,531,281	6,191,244
<b>Total Deferred Inflows of Resources</b>	<b>4,688,375</b>	<b>1,544,643</b>	<b>6,233,018</b>
<b>Net Position</b>			
Net Investment in Capital Assets	39,709,937	36,157,170	75,867,107
Restricted for:			
Economic Environment	738,568	-	738,568
Physical Environment	103,632	-	103,632
Parks and Recreation	22,994	-	22,994
Law Enforcement	13,030	-	13,030
Unrestricted	(292,015)	7,501,011	7,208,996
<b>Total Net Position</b>	<b>\$ 40,296,146</b>	<b>\$ 43,658,181</b>	<b>\$ 83,954,327</b>

See accompanying notes.



**CITY OF ALACHUA, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	<u>General</u>	<u>Non-Major Governmental</u>	<u>Total Governmental Funds</u>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 5,592,248	\$ 1,516,905	\$ 7,109,153
Receivables:			
Accounts, Net of Allowance	96,420	9,253	105,673
Taxes	39,546	-	39,546
Franchise Fees	42,520	-	42,520
Due from Other Governments	114,236	102,116	216,352
Inventory	-	4,961	4,961
Prepaid Items	122,420	652	123,072
Advances to Other Funds	1,511,784	-	1,511,784
Other Assets	10	-	10
<b>Total Assets</b>	<u>7,519,184</u>	<u>1,633,887</u>	<u>9,153,071</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	189,054	26,637	215,691
Accrued Liabilities	299,908	8,595	308,503
Due to Other Governments	4,827	-	4,827
Unearned Revenue	48,067	-	48,067
Advances from Other Funds	-	1,276,120	1,276,120
<b>Total Liabilities</b>	<u>541,856</u>	<u>1,311,352</u>	<u>1,853,208</u>
<b>Fund Balances</b>			
Non-Spendable:			
Prepays	122,420	652	123,072
Inventory	-	4,961	4,961
Advances to Other Funds	1,511,784	-	1,511,784
Restricted for:			
Law Enforcement	-	13,030	13,030
Physical Environment	-	103,632	103,632
Economic Environment	-	738,568	738,568
Parks and Recreation	-	22,994	22,994
Assigned for:			
Subsequent Year Budget	1,454,295	-	1,454,295
Debt Service	-	537,640	537,640
Unassigned	3,888,829	(1,098,942)	2,789,887
<b>Total Fund Balances</b>	<u>6,977,328</u>	<u>322,535</u>	<u>7,299,863</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 7,519,184</u>	<u>\$ 1,633,887</u>	<u>\$ 9,153,071</u>

See accompanying notes.

**CITY OF ALACHUA, FLORIDA**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2021**

**Fund Balance - Total Governmental Funds** \$ 7,299,863

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

Capital assets reported for governmental activities are not financial resources and, therefore, are not reported in the governmental funds:

Cost of Assets	\$ 67,678,027	
(Accumulated Depreciation)	<u>(15,849,469)</u>	51,828,558

Long-term liabilities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year-end consist of:

2016 Capital Improvement and Refunding Bonds	(11,312,575)	
Bond Issuance Premium	(612,878)	
2013 Redevelopment Note	(193,168)	
Compensated Absences	<u>(584,902)</u>	(12,703,523)

Other postemployment benefits liability does not require the use of current financial resources and, therefore, is not reported as a liability in the governmental funds. (205,919)

The Net Pension Obligation is reported in the government-wide financial statements but not reported in the governmental fund financial statements. (3,197,407)

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 Outflows Related to Pensions	2,124,506	
Deferred Inflows Related to Pensions	(4,659,963)	
Deferred Outflows Related to OPEB	51,535	
Deferred Inflows Related to OPEB	<u>(28,412)</u>	(2,512,334)

Interest on long-term debt is accrued as a liability in the statement of net position, but is not recognized in the governmental funds until paid:

Accrued Interest Payable		<u>(213,092)</u>
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**Net Position of Governmental Activities** \$ 40,296,146

See accompanying notes.

**CITY OF ALACHUA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>General</u>	<u>Non-Major Governmental</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>			
Taxes	\$ 6,977,372	\$ 684,554	\$ 7,661,926
Permits, Fees, and Special Assessments	787,149	10,614	797,763
Intergovernmental Revenues	1,304,384	1,603,928	2,908,312
Charges for Services	1,414,253	45,674	1,459,927
Fines and Forfeitures	40,762	5,546	46,308
Investment Income	4,816	591	5,407
Miscellaneous	34,849	12,475	47,324
<b>Total Revenues</b>	<u>10,563,585</u>	<u>2,363,382</u>	<u>12,926,967</u>
<b>Expenditures</b>			
Current:			
General Government	4,131,805	-	4,131,805
Public Safety	3,769,386	2,090	3,771,476
Physical Environment	709,238	30,058	739,296
Transportation	684,572	-	684,572
Economic Environment	10,077	305,653	315,730
Human Services	-	129,547	129,547
Parks and Recreation	1,135,982	1,000	1,136,982
Debt Service:			
Principal	-	515,433	515,433
Interest and Fiscal Charges	-	440,173	440,173
Capital Outlay	1,316,369	441,080	1,757,449
<b>(Total Expenditures)</b>	<u>(11,757,429)</u>	<u>(1,865,034)</u>	<u>(13,622,463)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,193,844)</u>	<u>498,348</u>	<u>(695,496)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	2,000,000	1,048,523	3,048,523
Transfers (out)	(976,882)	-	(976,882)
<b>Total Other Financing Sources (Uses)</b>	<u>1,023,118</u>	<u>1,048,523</u>	<u>2,071,641</u>
<b>Net Change in Fund Balance</b>	(170,726)	1,546,871	1,376,145
<b>Fund Balance, Beginning of Year</b>	<u>7,148,054</u>	<u>(1,224,336)</u>	<u>5,923,718</u>
<b>Fund Balance, End of Year</b>	<u>\$ 6,977,328</u>	<u>\$ 322,535</u>	<u>\$ 7,299,863</u>

See accompanying notes.

**CITY OF ALACHUA, 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, 2021**

**Net Change in Fund Balance - Total Governmental Funds** \$ 1,376,145

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

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense:

Expenditures for Capital Assets	\$ 1,757,449	
Depreciation Expense	<u>(1,730,705)</u>	26,744

Donations of capital assets are not recorded in governmental funds.

However, in the statement of activities, the fair values of those assets are recorded as revenue. 365,583

Certain revenues in the Statement of Activities are not considered available current financial resources and, therefore, are not reported as revenue in the governmental funds until received. (774,883)

Governmental funds report proceeds from sales of capital assets as current financial resources. The gain or loss on disposal of capital assets is not reflected in the governmental funds:

Loss on Disposal of Capital Assets		(33,201)
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Repayment of long-term liabilities are expenditures in the governmental funds but the repayment reduces long-term liabilities in the statement of net position. 515,433

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:

Amortization of Premium	24,033	
Change in Accrued Interest Payable	7,024	
Change in Compensated Absences Liability	<u>20,266</u>	51,323

The net change in other postemployment benefit obligation liability and deferred inflows and outflows related to pensions is reported in the statement of activities, but not in the fund statements. (27,670)

The net change in the net pension liability and deferred inflows and outflows related to pensions is reported in the statement of activities, but not in the fund statements. 491,969

**Change in Net Position of Governmental Activities** \$ 1,991,443

See accompanying notes.

**CITY OF ALACHUA, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2021**

	<b>Business-Type Activities - Enterprise Funds</b>					<b>Business-Type Activities Internal Service Fund</b>	
	<b>Major Funds</b>			<b>Non-Major Fund</b>	<b>Total</b>		
	<b>Electric</b>	<b>Water</b>	<b>Wastewater</b>	<b>Mosquito Control</b>	<b>Enterprise Funds</b>		
<b>Assets</b>							
Current Assets:							
Cash and Cash Equivalents	\$ 8,108,274	\$ 166,798	\$ 719,774	\$ 158,547	\$ 9,153,393	\$ 385,532	
Receivables, Net of Allowance	2,548,324	261,443	477,684	5,715	3,293,166	3,048	
Prepaid Items	11,231	10,924	24,177	163	46,495	27,765	
Inventories	1,158,043	126,277	12,612	-	1,296,932	-	
Due from Other Funds	-	-	-	-	-	-	
<b>Total Current Assets</b>	<b>11,825,872</b>	<b>565,442</b>	<b>1,234,247</b>	<b>164,425</b>	<b>13,789,986</b>	<b>416,345</b>	
Non-Current Assets:							
Restricted Assets:							
Cash and Cash Equivalents	1,220,351	545,365	900,297	-	2,666,013	74,368	
<b>Total Restricted Assets</b>	<b>1,220,351</b>	<b>545,365</b>	<b>900,297</b>	<b>-</b>	<b>2,666,013</b>	<b>74,368</b>	
Capital Assets:							
Land	92,630	-	163,310	-	255,940	330,507	
Construction in Progress	6,420,744	157,687	130,380	-	6,708,811	4,540	
Property, Plant and Equipment	17,326,885	10,547,441	36,702,032	125,966	64,702,324	5,927,921	
(Accumulated Depreciation)	(9,030,932)	(5,170,547)	(11,140,750)	(77,418)	(25,419,647)	(771,684)	
<b>Total Net Capital Assets</b>	<b>14,809,327</b>	<b>5,534,581</b>	<b>25,854,972</b>	<b>48,548</b>	<b>46,247,428</b>	<b>5,491,284</b>	
Other Assets:							
Advances to Other Funds	1,662,343	-	-	61,793	1,724,136	215,065	
Unamortized Bond Issuance Cost	-	-	-	-	-	65,982	
<b>Total Other Assets</b>	<b>1,662,343</b>	<b>-</b>	<b>-</b>	<b>61,793</b>	<b>1,724,136</b>	<b>281,047</b>	
<b>Total Non-Current Assets</b>	<b>17,692,021</b>	<b>6,079,946</b>	<b>26,755,269</b>	<b>110,341</b>	<b>50,637,577</b>	<b>5,846,699</b>	
<b>Total Assets</b>	<b>29,517,893</b>	<b>6,645,388</b>	<b>27,989,516</b>	<b>274,766</b>	<b>64,427,563</b>	<b>6,263,044</b>	
<b>Deferred Outflows of Resources</b>							
OPEB Related	5,571	1,393	2,507	-	9,471	14,764	
Pension Related	197,552	37,556	79,793	1,696	316,597	359,568	
<b>Total Deferred Outflows of Resources</b>	<b>203,123</b>	<b>38,949</b>	<b>82,300</b>	<b>1,696</b>	<b>326,068</b>	<b>374,332</b>	
<b>Total Assets and Deferred Outflows</b>	<b>29,721,016</b>	<b>6,684,337</b>	<b>28,071,816</b>	<b>276,462</b>	<b>64,753,631</b>	<b>6,637,376</b>	

See accompanying notes.



**CITY OF ALACHUA, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2021**  
*(Concluded)*

	<u>Business-Type Activities - Enterprise Funds</u>					<b>Business-Type Activities</b>	
	<u>Major Funds</u>			<u>Non-Major Fund</u>	<u>Total</u>		<u>Internal Service Fund</u>
	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>	<u>Mosquito Control</u>	<u>Enterprise Funds</u>		
<b>Liabilities</b>							
Current Liabilities:							
Accounts Payable	\$ 1,338,738	\$ 35,255	\$ 10,452	\$ 65	\$ 1,384,510	\$ 14,915	
Accrued Expenses	23,881	5,524	11,485	600	41,490	44,955	
Due to Other Governments	79,760	-	-	-	79,760	-	
Rate Stabilization Credit	3,488,186	-	-	-	3,488,186	-	
Compensated Absences	29,504	6,151	28,268	-	63,923	59,605	
Current Portion of Long-Term Debt	-	-	-	-	-	89,489	
Payable from Restricted Assets:							
Accrued Interest Payable	-	33,805	99,269	-	133,074	74,368	
Current Portion of Long-Term Debt	-	202,500	486,979	-	689,479	-	
<b>Total Current Liabilities</b>	<b>4,960,069</b>	<b>283,235</b>	<b>636,453</b>	<b>665</b>	<b>5,880,422</b>	<b>283,332</b>	
Non-Current Liabilities:							
Advances from Other Funds	-	892,749	1,282,116	-	2,174,865	-	
Other Postemployment Benefits Liability	22,261	5,565	10,018	-	37,844	58,993	
Compensated Absences	29,504	6,151	28,270	-	63,925	59,605	
Net Pension Liability	319,648	45,929	91,535	4,250	461,362	521,801	
Long-Term Debt	-	1,852,500	8,785,457	-	10,637,957	4,164,617	
Payable from Restricted Assets:							
Customer Deposits	1,220,351	309,060	314,049	-	1,843,460	-	
<b>Total Non-Current Liabilities</b>	<b>1,591,764</b>	<b>3,111,954</b>	<b>10,511,445</b>	<b>4,250</b>	<b>15,219,413</b>	<b>4,805,016</b>	
<b>Total Liabilities</b>	<b>6,551,833</b>	<b>3,395,189</b>	<b>11,147,898</b>	<b>4,915</b>	<b>21,099,835</b>	<b>5,088,348</b>	
<b>Deferred Inflows of Resources</b>							
OPEB Related	3,072	768	1,382	-	5,222	8,140	
Pension Related	402,655	97,351	214,808	1,351	716,165	815,116	
<b>Total Deferred Inflows of Resources</b>	<b>405,727</b>	<b>98,119</b>	<b>216,190</b>	<b>1,351</b>	<b>721,387</b>	<b>823,256</b>	
<b>Net Position</b>							
Net Investment in Capital Assets	14,809,327	3,479,581	16,582,536	48,548	34,919,992	1,237,178	
Unrestricted	7,954,130	(288,552)	125,191	221,648	8,012,417	(511,406)	
<b>Total Net Position</b>	<b>22,763,457</b>	<b>3,191,029</b>	<b>16,707,727</b>	<b>270,196</b>	<b>42,932,409</b>	<b>725,772</b>	
<b>Total Liabilities, Deferred Inflows, and Net Position</b>	<b>\$ 29,721,017</b>	<b>\$ 6,684,337</b>	<b>\$ 28,071,815</b>	<b>\$ 276,462</b>	<b>\$ 64,753,631</b>	<b>\$ 6,637,376</b>	
<b>Net Position - Above</b>					<b>\$ 42,932,409</b>		
Internal Service Fund Net Position in the Enterprise Funds					725,772		
<b>Net Position of Business-Type Activities</b>					<b>\$ 43,658,181</b>		

See accompanying notes.

**CITY OF ALACHUA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>Business-Type Activities - Enterprise Funds</b>					<b>Business-Type Activities Internal Service Fund</b>	
	<b>Major Funds</b>			<b>Non-Major Fund</b>	<b>Total</b>		
	<b>Electric</b>	<b>Water</b>	<b>Wastewater</b>	<b>Mosquito Control</b>	<b>Enterprise Funds</b>		
<b>Operating Revenues</b>							
Charges for Services	\$ 14,852,176	\$ 2,072,493	\$ 3,074,199	\$ 61,889	\$ 20,060,757	\$ -	
Interfund Charges	-	-	-	-	-	2,084,697	
Other Operating Revenue	47,683	-	-	-	47,683	5,533	
<b>Total Operating Revenues</b>	<b>14,899,859</b>	<b>2,072,493</b>	<b>3,074,199</b>	<b>61,889</b>	<b>20,108,440</b>	<b>2,090,230</b>	
<b>Operating Expenses</b>							
Electric Power Expenses:							
Purchased Power	8,275,054	-	-	-	8,275,054	-	
Personal Services	903,542	235,629	437,671	1,488	1,578,330	1,656,300	
Contractual Services	395,660	85,611	142,260	-	623,531	145,919	
Supplies	76,799	25,698	89,603	19,953	212,053	85,640	
Repairs and Maintenance	194,805	22,235	143,897	498	361,435	174,046	
Billing and Administrative	728,413	940,444	403,840	12,000	2,084,697	-	
Depreciation	488,453	221,693	934,842	9,129	1,654,117	183,343	
Other Expenses	127,420	149,510	270,273	656	547,859	164,832	
<b>(Total Operating Expenses)</b>	<b>(11,190,146)</b>	<b>(1,680,820)</b>	<b>(2,422,386)</b>	<b>(43,724)</b>	<b>(15,337,076)</b>	<b>(2,410,080)</b>	
<b>Operating Income</b>	<b>3,709,713</b>	<b>391,673</b>	<b>651,813</b>	<b>18,165</b>	<b>4,771,364</b>	<b>(319,850)</b>	
<b>Non-Operating Revenues (Expenses)</b>							
Investment Earnings	4,261	534	987	66	5,848	313	
Intergovernmental Revenue	-	-	-	15,000	15,000	-	
Interest and Fiscal Charges	-	(67,449)	(244,555)	-	(312,004)	(139,847)	
Gain (Loss) on Disposal of Capital Assets	(12,825)	(637)	(3,964)	-	(17,426)	-	
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(8,564)</b>	<b>(67,552)</b>	<b>(247,532)</b>	<b>15,066</b>	<b>(308,582)</b>	<b>(139,534)</b>	
<b>Income Before Capital Contributions and Transfers</b>	<b>3,701,149</b>	<b>324,121</b>	<b>404,281</b>	<b>33,231</b>	<b>4,462,782</b>	<b>(459,384)</b>	

See accompanying notes.

**CITY OF ALACHUA, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**  
*(Concluded)*

	<u>Business-Type Activities - Enterprise Funds</u>					<b>Business-Type Activities Internal Service Fund</b>
	<u>Major Funds</u>			<u>Non-Major Fund</u>	<u>Total</u>	
	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>	<u>Mosquito Control</u>	<u>Enterprise Funds</u>	
<b>Contributions and Transfers</b>						
Capital Contributions	\$ -	\$ 47,182	\$ 91,483	\$ -	\$ 138,665	\$ -
Transfers (out)	(2,000,000)	-	(71,641)	-	(2,071,641)	-
<b>Total Contributions and Transfers</b>	<u>(2,000,000)</u>	<u>47,182</u>	<u>19,842</u>	<u>-</u>	<u>(1,932,976)</u>	<u>-</u>
<b>Change in Net Position</b>	1,701,149	371,303	424,123	33,231	2,529,806	(459,384)
<b>Net Position, Beginning of Year</b>	<u>21,062,308</u>	<u>2,819,726</u>	<u>16,283,604</u>	<u>236,965</u>	<u>40,402,603</u>	<u>1,185,156</u>
<b>Net Position, End of Year</b>	<u>\$ 22,763,457</u>	<u>\$ 3,191,029</u>	<u>\$ 16,707,727</u>	<u>\$ 270,196</u>	<u>\$ 42,932,409</u>	<u>\$ 725,772</u>
<b>Change in Net Position - Above</b>					\$ 2,529,806	
Internal Service Fund Activities in the Enterprise Funds					(459,384)	
<b>Change in Net Position of Business-Type Activities</b>					<u>\$ 2,070,422</u>	

See accompanying notes.

**CITY OF ALACHUA, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>Business-Type Activities - Enterprise Funds</b>					<b>Business-Type Activities Internal Service Fund</b>	
	<b>Major Funds</b>			<b>Non-Major Fund</b>	<b>Total</b>		
	<b>Electric</b>	<b>Water</b>	<b>Wastewater</b>	<b>Mosquito Control</b>	<b>Enterprise Funds</b>		
<b>Cash Flows from Operating Activities</b>							
Receipts from Customers	\$ 15,033,133	\$ 2,038,922	\$ 2,933,169	\$ 58,879	\$ 20,064,103	\$ -	
Receipts from Interfund Services Provided	-	-	-	-	-	2,111,366	
Cash from Other Sources	47,683	-	-	-	47,683	5,533	
Payments to Suppliers for Goods and Services	(8,831,280)	(267,597)	(646,201)	(20,708)	(9,765,786)	(562,541)	
Payments for Interfund Services Used	(728,413)	(940,444)	(403,840)	(12,000)	(2,084,697)	-	
Payments to Employees for Services	(954,792)	(253,379)	(456,359)	(1,620)	(1,666,150)	(1,743,128)	
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>4,566,331</b>	<b>577,502</b>	<b>1,426,769</b>	<b>24,551</b>	<b>6,595,153</b>	<b>(188,770)</b>	
<b>Cash Flows from Non-Capital Financing Activities</b>							
Loans/Advances and Repayments from (to) Other Funds	120,000	(60,000)	(286,873)	15,000	(211,873)	-	
Transfers in (out)	(2,000,000)	-	(71,641)	-	(2,071,641)	-	
<b>Net Cash Provided by (Used in) Non-Capital Financing Activities</b>	<b>(1,880,000)</b>	<b>(60,000)</b>	<b>(358,514)</b>	<b>15,000</b>	<b>(2,283,514)</b>	<b>-</b>	
<b>Cash Flows from Capital and Related Financing Activities</b>							
Acquisition and Construction of Capital Assets	(4,410,998)	(736,295)	(541,212)	-	(5,688,505)	(119,413)	
Capital Contributions	-	47,182	91,483	15,000	153,665	-	
Debt Principal Payments	-	(195,000)	(472,722)	-	(667,722)	(86,890)	
Debt Interest Payments and Other Charges	-	(70,657)	(250,269)	-	(320,926)	(141,797)	
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<b>(4,410,998)</b>	<b>(954,770)</b>	<b>(1,172,720)</b>	<b>15,000</b>	<b>(6,523,488)</b>	<b>(348,100)</b>	
<b>Cash Flows from Investing Activities</b>							
Interest Received	4,261	534	987	66	5,848	313	
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>4,261</b>	<b>534</b>	<b>987</b>	<b>66</b>	<b>5,848</b>	<b>313</b>	
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(1,720,406)</b>	<b>(436,734)</b>	<b>(103,478)</b>	<b>54,617</b>	<b>(2,206,001)</b>	<b>(536,557)</b>	
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>11,049,031</b>	<b>1,148,897</b>	<b>1,723,549</b>	<b>103,930</b>	<b>14,025,407</b>	<b>996,457</b>	
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 9,328,625</b>	<b>\$ 712,163</b>	<b>\$ 1,620,071</b>	<b>\$ 158,547</b>	<b>\$ 11,819,406</b>	<b>\$ 459,900</b>	

See accompanying notes.

**CITY OF ALACHUA, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**  
*(Concluded)*

	<u>Business-Type Activities - Enterprise Funds</u>					<u>Business-Type Activities Internal Service Fund</u>
	<u>Major Funds</u>			<u>Non-Major Fund</u>	<u>Total</u>	
	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>	<u>Mosquito Control</u>	<u>Enterprise Funds</u>	
<b><u>Reconciliation of Cash and Cash Equivalents to Statement of Net Position</u></b>						
Current Assets:						
Cash and Cash Equivalents	\$ 8,108,274	\$ 166,798	\$ 719,774	\$ 158,547	\$ 9,153,393	\$ 385,532
Restricted Assets:						
Cash and Cash Equivalents	-	-	-	-	-	-
<b>Total</b>	<b><u>\$ 9,328,625</u></b>	<b><u>\$ 712,163</u></b>	<b><u>\$ 1,620,071</u></b>	<b><u>\$ 158,547</u></b>	<b><u>\$ 11,819,406</u></b>	<b><u>\$ 459,900</u></b>
<b><u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</u></b>						
Operating Income (Loss)	\$ 3,709,713	\$ 391,673	\$ 651,813	\$ 18,165	\$ 4,771,364	\$ (319,850)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:						
Depreciation	488,453	221,693	934,843	9,129	1,654,118	183,343
(Increase) Decrease in:						
Accounts Receivable, Net	(160,277)	(57,866)	(162,887)	(3,010)	(384,040)	26,669
Prepaid Items	(1,022)	(289)	(1,916)	(15)	(3,242)	(778)
Inventory	(85,559)	(11,024)	(3,007)	-	(99,590)	-
Increase (Decrease) in:						
Accounts Payable	323,551	25,535	2,109	(187)	351,008	6,398
Accrued Expenses	1,488	1,234	1,867	600	5,189	2,276
Due to Other Governments	2,240	-	-	-	2,240	-
Rate Stabilization Credit	326,682	-	-	-	326,682	-
Compensated Absences	(10,588)	(7,861)	2,927	-	(15,522)	(9,413)
Customer Deposits	12,312	24,295	21,857	-	58,464	-
Net Pension Liability	(42,173)	(10,266)	(22,886)	(131)	(75,456)	(86,439)
OPEB Liability	1,511	378	2,049	-	3,938	9,024
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b><u>\$ 4,566,331</u></b>	<b><u>\$ 577,502</u></b>	<b><u>\$ 1,426,769</u></b>	<b><u>\$ 24,551</u></b>	<b><u>\$ 6,595,153</u></b>	<b><u>\$ (188,770)</u></b>

See accompanying notes.

**CITY OF ALACHUA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**Note 1 - Summary of Significant Accounting Policies**

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

**Reporting Entity**

The City is a political subdivision of the State of Florida, established in 1905 under the legal authority of Chapter 165, Florida Statutes, and is located in Alachua County. The legislative branch of the City is composed of a five-member elected commission. The City Commission is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the City Manager, who is appointed by the Commission.

The City's major operations include various utility services, electric, water and wastewater, as well as police protection, road and street maintenance, parks, recreation, and other general government services. Fire services are provided by Alachua County by means of a property assessment. The City leases the fire station and equipment to Alachua County at no cost. Sanitation services are provided by a private company, but billed by the City to its customers. The City retains an administrative fee on sanitation services.

In accordance with the Codification of Governmental Accounting and Financial Reporting Standards, the accompanying financial statements include all funds for which the City is financially accountable. The City has also considered all other potential organizations for which the nature and significance of their relationships with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. GASB has set forth criteria for consideration in determining financial accountability. These criteria include appointing a majority of an organization's governing body and: (1) the ability of the City to impose its will on that organization; or, (2) the potential for that organization to provide specific benefits to or impose specific financial burdens on the City. Other considerations are whether the organization is legally separate, whether the City holds the corporate powers of the organization, and whether there is fiscal dependency by the organization on the City.

■ **Community Redevelopment Agency**

The Community Redevelopment Agency (the CRA) was created by the City Commission in 1982 pursuant to Ordinance 82-5 to carry out the community redevelopment purposes of Florida Statute, Chapter 163. Subsequent amendments were made to the CRA through Ordinances 98-14, 98-24, 99-03, and 13-07. The City Council serves as the CRA board and the City maintains operational responsibility for the CRA's activity. Although legally separate, the CRA is appropriately blended as a governmental fund type component unit into the primary government. Separate financial statements for the CRA are prepared and are available by contacting the City at P.O. Box 9, Alachua, FL 32616.

**CITY OF ALACHUA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the City. For the most part, the effect of the interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses 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 and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

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

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, such as in grants and similar items, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded and the availability criteria. In the other, monies are virtually unrestricted as to purpose of expenditure, and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible to accrual criteria are met.

**CITY OF ALACHUA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

Licenses and permits, fines and forfeitures, charges for sales and services (other than utility), and miscellaneous revenues are generally recorded as revenue when received in cash, because they are generally not measurable until actually received. Utility services, investment earnings, franchise fees, and utility taxes are recorded as earned, since they are measurable and available.

Property taxes are recognized as revenue at the time an enforceable legal claim is established. This is determined to occur November 1, of each year. The assessment roll is validated July 1, and the millage resolution is approved by September 30. The City's property tax becomes a lien on October 1, and the tax is levied by Alachua County each November 1, for real and personal property located in the City. Property taxes are due before April 1, with the maximum discount available, if payment is made on or before November 30. If payment remains delinquent, a tax certificate for the full amount of any unpaid taxes is sold no later than June 1. Under this arrangement, there are no property tax receivables at the end of the fiscal year on September 30.

The government reports the following major governmental funds:

■ **General Fund**

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

The government reports the following major proprietary funds:

■ **Electric Fund**

The Electric Fund accounts for the revenues and expenses associated with the City's electric utility service.

■ **Water Fund**

The Water Fund accounts for the revenues and expenses associated with the City's water distribution system.

■ **Wastewater Fund**

The Wastewater Fund accounts for the revenues and expenses associated with the City's wastewater treatment plant, wastewater pumping stations, and collection system.

In addition, the government reports the following fund type:

■ **Internal Service Fund**

The Internal Service Fund accounts for goods or services provided by programs that provide support to the Electric, Water, Wastewater, and Mosquito Control Funds. These activities include Utility Administration, Utility Operations, Utility Billing, Warehouse Operations, Water Distribution and Collection, Safety and Compliance, Information Technology, and the Operations Center Capital Projects divisions.



**CITY OF ALACHUA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* 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 City's enterprise funds also recognize as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity**

■ **Deposits and Investments**

The City maintains a cash pool that is available for use by all funds. Interest income earned as a result of pooling is distributed monthly to the appropriate funds based on average daily balances.

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and highly liquid instruments with original maturities of three months or less from the date of acquisition.

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as qualified public depositories, a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral for their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions providing full insurance for public deposits. The City had deposits only with qualifying institutions as of September 30, 2021.

Investments of the City are held in the Florida PRIME portion of the State Investment Pool. These investments are classified as cash and cash equivalents and reported at amortized cost, which approximates fair value.

■ **Receivable and Payables**

Outstanding balances between funds are reported as "due to/from other funds" or "advances to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Receivables are reported net of an allowance of uncollectibles. The City has recorded a \$36,098 allowance for uncollectibles in the Electric Fund and \$56,140 in the General Fund.

**CITY OF ALACHUA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

■ **Inventory**

Inventories are valued at cost, which approximates market value, using the first-in, first-out (FIFO) method. Generally, the costs of governmental fund type inventories are recorded as expenditures when consumed (consumption method) rather than when purchased.

■ **Prepays**

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. Prepaid items are accounted for by use of the consumption method.

■ **Restricted Assets**

Certain resources are set aside for debt reserves, customer deposits, unspent bond proceeds, and other purposes. These resources are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants, ordinances, or regulations.

■ **Capital Assets**

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

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

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

Buildings	10-50 Years
Improvements	10-35 Years
Infrastructure	40-55 Years
Furniture, Fixtures, and Equipment	3-20 Years

■ **Compensated Absences**

Accumulated unpaid vacation time, compensatory time, and sick time amounts, including the related direct and incremental salary-related payments, accrues in the enterprise funds, and appear as increases in salary expenses in the proprietary financial statements. In the governmental funds, these costs are recognized when payments are made to employees or when the costs mature as a result of an employee resignation or retirement. All vacation, compensatory and sick pay accrues when incurred in the government-wide financial statements.

**CITY OF ALACHUA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

■ **Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities and business-type activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the bond premium or discount. Bond issuance costs are expensed when incurred, with the exception of bond insurance, which is amortized over the term of the related debt.

In the fund financial statements, governmental fund types record bond premiums and discounts, as well as bond issuance costs in the year incurred. The face amount of debt issued is reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

■ **Deferred Inflows and Outflows of Resources**

Deferred outflows of resources represent a consumption of net assets applies to future periods and will not be recognized as an outflow of resources until that future time. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources until that future time. Deferred outflows have a positive effect on net position, similar to assets, while deferred inflows have a negative effect on net position, similar to liabilities. The City reports deferred outflows of resources related to unamortized refunding losses, as well as pension and OPEB related deferred inflows and outflows of resources.

- **Unavailable Revenues**—In the governmental funds, revenues not received within the City’s availability period are considered unavailable and, therefore, reported as a deferred inflow. 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.
- **Pension and OPEB Related**—The difference between expected and actual experience with regard to economic or demographic factors and changes to assumption in the measurement of total pension and OPEB liability, the differences between expected and actual earnings on pension plan and OPEB investments, and the change in the proportionate share of the net pension liability and OPEB liability resulting from a change in proportion are reported as deferred inflows or outflows of resources, to be recognized in expense. Contributions made subsequent to the measurement date, but prior to the reporting date, are reported as deferred outflows of resources.

■ **Fund Balance**

Fund balance classifications comprise a hierarchy based primarily on the extent to which the organization is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components: non-spendable, restricted, committed, assigned, and unassigned:

**CITY OF ALACHUA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

- **Non-Spendable**—This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash; or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items and principal (corpus) of an endowment fund. On the governmental funds balance sheet, the prepaid balances reported is offset by a non-spendable fund balance classification which indicates it does not constitute “available spendable resources” even though it is a component of current assets.
- **Restricted**—This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments); or (b) by law through constitutional provisions or enabling legislation.
- **Committed**—This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (i.e., by ordinance) of the organization’s governing authority (the City Council). These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action employed to constrain those amounts.
- **Assigned**—This component of fund balance consists of amounts that the City intends to use for a specific purpose as determined by the City Council in accordance with the City’s fiscal policies. In addition, residual balances in capital projects and debt service funds are considered assigned for the general purpose of the respective fund, as approved by the City Council through the budget process.
- **Unassigned**—This classification is used for: (a) deficit unrestricted fund balances in any governmental fund; or (b) fund balances within the general fund that are not restricted, committed, or assigned.

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

■ **Net Position**

Net position invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position invested in capital assets, net of related debt excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws, or regulations. Net position not reported as net position invested in capital assets, net of related debt or restricted net position, are reported as unrestricted net position.

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

**CITY OF ALACHUA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**Accounting Estimates**

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

**Upcoming Governmental Accounting Standards Board (GASB) Pronouncements**

GASB has issued new accounting and financial reporting pronouncements which will become effective for the City's 2022 fiscal year reporting period:

- GASB Statement No. 87 – *Leases*, changes the accounting and financial reporting related to lease agreements for both lessees and lessors. Upon adoption, there will no longer be a distinction between the traditional capital and operating leases. The new guidance establishes that leases are a financing arrangement for the right to use an underlying asset.

**Note 2 - Stewardship, Compliance, and Accountability**

**Budgetary Information**

The City's procedures in preparing and adopting the annual budgets are as follows:

- The City Manager is responsible for preparing a proposed operating budget for the upcoming year prior to September 30 that includes estimated revenues, proposed expenditures, and other financing sources and uses.
- Two public hearings are held to obtain taxpayer comments and suggestions. The budget is enacted through passage of a resolution.
- The City Manager is authorized to transfer budgeted amounts within any department, but may not revise total departmental expenditures without the approval of the City Commission.
- The budget is prepared by fund, function, and department. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level for the general fund and the fund level for all other governmental funds.
- Unused appropriations lapse at the end of the year.
- Budgets are adopted on a basis consistent with GAAP.

Budgeted amounts in the accompanying financial statements are as originally adopted, or as amended by the appropriate authority.

**CITY OF ALACHUA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve a portion of the applicable appropriation, is employed throughout the fiscal year as an operating tool for budgeted funds. Encumbrances outstanding at year-end are reported as assigned, committed, or restricted fund balance in the governmental funds.

**Deficit Fund Equity**

At September 30, 2021, the following funds had deficit fund balances:

<u>Fund</u>	<u>Type</u>	<u>Deficit</u>
Wild Spaces Public Places	Non-Major Governmental	\$ (1,076,319)
Mill Creek Sink Fund	Non-Major Governmental	(19,023)
CDBG Economic Development	Non-Major Governmental	(3,600)

The City anticipates that the deficit in the Wild Spaces Public Places fund will be recovered with sales tax receipts. The deficits from the Mill Creek Sink and CDBG Economic Development funds will be recovered through future grant reimbursements.

**Note 3 - Cash, Cash Equivalents, and Investments**

Deposits and investments as of September 30, 2021, are classified in the accompanying financial statements as follows:

<b>Statement of Net Position</b>	
Cash and Cash Equivalents	\$ 15,320,451
Restricted:	
Cash and Cash Equivalents	<u>4,068,008</u>
<b>Total Cash and Investments</b>	<u>\$ 19,388,459</u>

Deposits and investments consist of the following:

Cash Deposits	\$ 18,318,492
Investments	<u>1,069,967</u>
<b>Total Cash and Investments</b>	<u>\$ 19,388,459</u>

**Deposits**

All of the City's cash deposits are held in banks that qualify as a public depository under the *Florida Security for Public Deposits Act* as required by Chapter 280, Florida Statutes. Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledged level. The pledging level may range from 25% to 125% depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. In event of default by a qualified public depository, all claims for public deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool. Therefore, all cash and time deposits held by banks are fully insured and collateralized.

**CITY OF ALACHUA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**Investments**

The City's investment are summarized below, at September 30, 2021:

	<u>Fair Value</u>	<u>FMV Level</u>
Florida PRIME, at Amortized Costs	\$ 1,069,967	N/A

**Fair Market Value Hierarchy**

Investments, including derivative instruments that are not hedging derivatives, are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value; Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

**Florida PRIME**

The City's investments in the Florida Prime Investment Pool (Florida PRIME) are similar to money market funds in which units are owned in the fund rather than the underlying investments. Florida PRIME is administered by the Florida State Board of Administration (SBA), which provides regulatory oversight. These investments are reported at amortized cost and meet the requirements of GASB Statement No. 31, as amended by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, which establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. There is no limitation or restrictions on withdrawals from Florida PRIME; although in the occurrence of an event that has a material impact on liquidity or operations of the trust fund, the funds' executive director may limit contributions to or withdrawals from the trust fund for a period of 48 hours.

*Credit Risk*—The City's policy limits investments of governmental and business-type funds to U.S. Treasury and agency obligations, federal instrumentalities, interest-bearing time deposit or saving accounts, repurchase agreements, money market funds, and intergovernmental investment pools. Investments in mutual funds must maintain a rating of AAm or AAm-G or better by Standard & Poor's, or the equivalent by another rating agency. Florida PRIME is rated by Standards & Poor's and has a rating at September 30, 2021, of AAAM.

*Interest Rate Risk*—The City's investment policy permits the investment of current operating funds with maturities of no longer than two years. Investments of non-operating funds such as bond reserves shall have a term appropriate to the need for funds and in accordance with debt covenants, but not exceeding five years. Custodians are primarily bank trust departments, insurance companies, brokerage firms, the State of Florida, and SBA. The dollar weighted-average days to maturity (WAM) of the Florida PRIME at September 30, 2021, is 49 days. The weighted average life (WAL) of Florida PRIME at September 30, 2021, is 64 days.

*Custodial Credit Risk*—For an investment, custodial credit risk is the risk that in the event of failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City generally utilizes third party custodians to help manage custodial credit risk.

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*Concentration of Credit Risk*—The City’s investment policy requires diversification of investments in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. All of the City’s investments are in external investment pools.

**Note 4 - Restricted Assets**

Restricted cash and investments at September 30, 2021, are as follows:

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
<b>Cash and Cash Equivalents</b>		
Debt Service Reserve and Sinking Funds	\$ -	\$ 269,343
Cash with Fiscal Agent	441,063	627,578
Customer Deposit	-	1,843,460
Economic Environment	737,646	-
Parks and Recreation	3,843	-
Physical Environment	13,733	-
Infrastructure	8,429	-
Other	<u>20,111</u>	<u>-</u>
<b>Net Restricted Cash and Cash Equivalents</b>	<u>\$ 1,224,825</u>	<u>\$ 2,740,381</u>

**Note 5 - Inventory**

Inventory at September 30, 2021, consists of the following:

<b>Governmental Activities</b>		<b>Balance</b>
Lightpoles and Globes	\$	4,961
<b>Total</b>	<u>\$</u>	<u>4,961</u>
 <b>Business-Type Activities</b>		<b>Balance</b>
Electric Utility Supplies	\$	643,176
Transformers		437,693
Meters		77,174
Water/Wastewater Supplies		<u>138,889</u>
<b>Total</b>	<u>\$</u>	<u>1,296,932</u>



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**Note 6 - Capital Assets**

The following is a summary of changes in capital assets for the governmental activities for the year ended September 30, 2021:

	Beginning Balance	Increases	(Decreases)	Ending Balance
<b>Governmental Activities</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 7,841,280	\$ -	\$ -	\$ 7,841,280
Construction in Progress	9,215,831	680,579	(6,742,129)	3,154,281
Total Capital Assets Not Being Depreciated	<u>17,057,111</u>	<u>680,579</u>	<u>(6,742,129)</u>	<u>10,995,561</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	16,793,257	-	(9,334)	16,783,923
Improvements Other Than Building	12,902,137	744,955	-	13,647,092
Infrastructure	14,845,340	7,106,711	-	21,952,051
Furniture, Fixtures, and Equipment	4,809,068	332,915	(842,583)	4,299,400
Total Capital Assets Being Depreciated	<u>49,349,802</u>	<u>8,184,581</u>	<u>(851,917)</u>	<u>56,682,466</u>
Less Accumulated Depreciation:				
Building	(3,131,712)	(334,146)	2,469	(3,463,389)
Improvements Other Than Buildings	(2,320,853)	(472,668)	-	(2,793,521)
Infrastructure	(6,549,737)	(440,911)	-	(6,990,648)
Furniture, Fixtures, and Equipment	(2,935,177)	(482,980)	816,246	(2,601,911)
Total Accumulated Depreciation	<u>(14,937,479)</u>	<u>(1,730,705)</u>	<u>818,715</u>	<u>(15,849,469)</u>
Total Capital Assets Being Depreciated, Net	<u>34,412,323</u>	<u>6,453,876</u>	<u>(33,202)</u>	<u>40,832,997</u>
<b>Governmental Activities Capital Depreciated, Net</b>	<u>\$ 51,469,434</u>	<u>\$ 7,134,455</u>	<u>\$ (6,775,331)</u>	<u>\$ 51,828,558</u>

The following is a summary of changes in capital assets for the business-type activities for the year ended September 30, 2021:

	Beginning Balance	Increases	(Decreases)	Ending Balance
<b>Business-Type Activities</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 586,447	\$ -	\$ -	\$ 586,447
Construction in Progress	7,243,594	4,777,637	(5,307,880)	6,713,351
Total Capital Assets Not Being Depreciated	<u>7,830,041</u>	<u>4,777,637</u>	<u>(5,307,880)</u>	<u>7,299,798</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	9,972,016	-	-	9,972,016
Improvements Other Than Building	7,823,498	788,444	(17,870)	8,594,072
Infrastructure	43,123,554	5,115,387	(19,100)	48,219,841
Furniture, Fixtures, and Equipment	3,462,099	435,464	(53,247)	3,844,316
Total Capital Assets Being Depreciated	<u>64,381,167</u>	<u>6,339,295</u>	<u>(90,217)</u>	<u>70,630,245</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(4,342,248)	(210,885)	-	(4,553,133)
Improvements Other Than Building	(3,107,143)	(321,844)	3,901	(3,425,086)
Infrastructure	(14,458,883)	(1,068,024)	18,463	(15,508,444)
Furniture, Fixtures, and Equipment	(2,517,243)	(236,708)	49,283	(2,704,668)
Total Accumulated Depreciation	<u>(24,425,517)</u>	<u>(1,837,461)</u>	<u>71,647</u>	<u>(26,191,331)</u>
Total Capital Assets Being Depreciated, Net	<u>39,955,650</u>	<u>4,501,834</u>	<u>(18,570)</u>	<u>44,438,914</u>
<b>Total Business-Type Activities Capital Assets, Net</b>	<u>\$ 47,785,691</u>	<u>\$ 9,279,471</u>	<u>\$ (5,326,450)</u>	<u>\$ 51,738,712</u>

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Depreciation expense was charged to functions of the governmental activities as follows:

<b>Governmental Activities</b>	
General Government	\$ 307,355
Public Safety	289,111
Physical Environment	54
Transportation	647,135
Economic Environment	53,829
Parks and Recreation	<u>433,221</u>
<b>Total</b>	<u>\$ 1,730,705</u>

Depreciation expense was charged to functions of the Business-Type activities as follows:

<b>Business-Type Activities</b>	
Electric	\$ 488,453
Water	221,693
Wastewater	934,842
Mosquito	9,129
Internal Service	<u>183,343</u>
<b>Total</b>	<u>\$ 1,837,460</u>

**Note 7 - Long-Term Liabilities**

**Governmental Activities**

The following schedule summarizes the changes in the City's governmental long-term liabilities during the year ended September 30, 2021:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Section 108 Government Guaranteed Participation Certificates, Series HUD 2015A	\$ 200,000	\$ -	\$ (200,000)	\$ -	\$ -
Capital Improvement and Refunding Revenue Bonds, Series 2016	11,534,575	-	(222,000)	11,312,575	229,400
Plus Premium	636,912	-	(24,034)	612,878	24,034
2013 Redevelopment Note	286,601	-	(93,433)	193,168	95,518
Compensated Absences	<u>605,168</u>	<u>556,855</u>	<u>(577,121)</u>	<u>584,902</u>	<u>289,869</u>
<b>Total</b>	<u>\$ 13,263,256</u>	<u>\$ 556,855</u>	<u>\$ (1,116,588)</u>	<u>\$ 12,703,523</u>	<u>\$ 638,821</u>

■ **Section 108 Government Guaranteed Participation Certificates, Series HUD 2015A – Direct Placement**

On August 2, 2001, the City executed a loan agreement with the U.S. Department of Housing and Urban Development (the Sponsor) to borrow \$2,250,000 from the Sponsor's \$313,756,000 Section 108 Government Guaranteed Participation Certificates, Series HUD 2001A. The Sponsor guarantees timely payment of the notes issued by local governmental agencies. The City used the proceeds of the note to repay the outstanding balances on its Taxable Sales Tax Revenue Note, Series 1999A, and Sales Tax Revenue Note, Series 1999B and finance other costs related to economic development. On May 28, 2015, the remaining principal balance was refinanced with Section 108 Government Guaranteed Participation Certificates, Series HUD 2015A. This refinancing was made at the request of the Sponsor and had no significant changes to annual debt service or economic gains to disclose.

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The note is secured by the City’s local government half-cent sales tax, utility franchise fees, and state revenue sharing. Principal is payable annually and interest semiannually for twenty years. Interest accrues at the certificates’ rates which vary from 0.28% to 2.35% over the life of the note.

■ **Redevelopment Revenue Note, Series 2013 – Direct Placement**

On May 23, 2013, the City executed a loan agreement with BB&T Governmental Finance for the purposes of funding or financing redevelopment activities within the Redevelopment District. The City is required to expend the funds, together with the investment earnings thereon, within three years of the date of issue to pay the costs of the redevelopment project according to the City’s Redevelopment Plan.

The note is secured by a lien upon the tax increment revenues of the Redevelopment District. Interest is payable semiannually for ten years on June 1 and December 1 at a fixed interest rate of 2.22%. Principal payments are also due semiannually on June 1 and December 1.

■ **Capital Improvement Revenue and Revenue Refunding Bonds, Series 2016 – Direct Placement**

On April 11, 2016, the City issued bonds in the amount of \$16,545,000 to pay the cost of: (1) the construction of the new recreation facility at Legacy Park, including the acquisition and installation of furniture, fixtures, and equipment; (2) the construction of the City’s new operations center, including acquisition and installation of furniture, fixtures, and equipment; (3) the refunding of the City’s outstanding Capital Improvement and Refunding Revenue Bonds, Series 2006; and (4) to pay certain costs of issuance incurred with respect to the issue.

The bonds are secured by a covenant to budget and pledge of the legally available non-ad valorem revenues of the City. Interest is payable semiannually on April 1 and October 1, each year at interest rates ranging from 3.00% to 5.00%. Principal payments are due annually on October 1 with a maturity date of October 1, 2046.

■ **Compensated Absences**

Compensated absences reported as governmental activities in the statement of net position are liquidated by the fund which pays the employee’s payroll expenses.

The following schedule summarizes the retirement of the governmental long-term debt by fiscal year (excluding compensated absences):

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 348,952	\$ 421,352	\$ 770,304
2023	521,285	403,495	924,780
2024	442,134	381,424	823,558
2025	460,634	360,056	820,690
2026	479,134	337,764	816,898
2027-2031	2,776,772	1,338,929	4,115,701
2032-2036	3,279,972	847,039	4,127,011
2037-2041	1,596,472	480,723	2,077,195
2042-2046	1,855,472	215,347	2,070,819
2047-2051	357,794	6,494	364,288
<b>Total</b>	<u>\$ 12,118,621</u>	<u>\$ 4,792,623</u>	<u>\$ 16,911,244</u>

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**Business-Type Activities**

The following schedule summarizes the changes in the City’s business-type long-term liabilities during the year ended September 30, 2021:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
2009 State Revolving Fund Loan – Florida Department of Environmental Protection	\$ 7,495,161	\$ -	\$ (277,725)	\$ 7,217,436	\$ 284,479
2016 Capital Improvement and Refunding Revenue Bonds, Series 2016 Plus Premium	4,105,425	-	(78,000)	4,027,425	80,600
Capital Improvement Revenue Note, Series 2019	235,568	-	(8,887)	226,681	8,889
Compensated Absences	4,500,000	-	(390,000)	4,110,000	405,000
<b>Total</b>	<u>\$ 16,608,147</u>	<u>\$ 264,262</u>	<u>\$ (1,043,809)</u>	<u>\$ 15,828,600</u>	<u>\$ 902,496</u>

■ **2009 State Revolving Fund Loan – Florida Department of Environmental Protection – Direct Borrowing**

In June 2009, the City authorized a loan agreement to finance construction costs related to the wastewater control facility in the amount of \$10,000,000 with additional increases in 2010 and 2011 of \$10,000,000 and \$550,074, respectively. The total loan was \$20,550,074, of which \$11,841,733 was forgiven pursuant to the loan agreement. Principal and interest are payable semiannually on November 15 and May 15 of each year until all amounts due under the agreement have been fully paid. Interest is payable at rates ranging from 2.24% to 2.67%.

Net utility revenues of the system and excise taxes are pledged as collateral for the loan. These pledged revenues are subordinate to the Utility Acquisition Bonds, Series 1993 and the Utility Systems Utility Revenue Bonds, Series 2013.

■ **Capital Improvement Revenue and Revenue Refunding Bonds, Series 2016 – Direct Placement**

On April 11, 2016, the City issued bonds in the amount of \$16,545,000 to pay the cost of: (1) the construction of the new recreation facility at Legacy Park, including the acquisition and installation of furniture, fixtures, and equipment; (2) the construction of the City’s new operations center, including acquisition and installation of furniture, fixtures, and equipment; (3) the refunding of the City’s outstanding Capital Improvement and Refunding Revenue Bonds, Series 2006; and (4) to pay certain costs of issuance incurred with respect to the issue.

The bonds are secured by a covenant to budget and pledge of the legally available non-ad valorem revenues of the City. Interest is payable semiannually on April 1 and October 1, each year at interest rates ranging from 3.00% to 5.00%. Principal payments are due annually on October 1 with a maturity date of October 1, 2046.

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■ **Capital Improvement Revenue Note, Series 2019 – Direct Placement**

On January 14, 2019, the City adopted Resolution R-19-03, authorizing the issuance of the Capital Improvement Revenue Note, Series 2019. The note was issued at a par amount of \$4,500,000 to finance the cost of certain capital improvements related to the City’s water and wastewater capital improvement projects. Revenues pledged to cover the debt service related to the note include all Non-Ad Valorem Revenues of the City. The note carries a fixed interest rate of 3.29% payable semiannually on April 1 and October 1 of each year with a maturity date of October 1, 2035.

The following schedule summarizes the principal retirement for bonds and notes for business-type debt by fiscal year (excluding compensated absences liability):

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 778,968	\$ 448,142	\$ 1,227,110
2023	650,681	425,588	1,076,269
2024	674,262	404,250	1,078,512
2025	698,017	382,086	1,080,103
2026	726,949	359,007	1,085,956
2027-2031	3,951,647	1,430,149	5,381,796
2032-2036	4,563,503	812,960	5,376,463
2037-2041	2,704,699	314,071	3,018,770
2042-2046	654,146	75,663	729,809
2047-2051	178,670	2,282	180,952
<b>Total</b>	<u>\$ 15,581,542</u>	<u>\$ 4,654,198</u>	<u>\$ 20,235,740</u>

**Interest**

During the year, the City incurred \$892,024 of interest costs.

**Debt Covenants**

The City has covenanted to establish and collect fees from users of the Utility System (gross revenues of the System, as defined in the bond ordinance) sufficient to pay the costs of operation and maintenance of the System (as defined in the bond ordinance) plus 100% of the bond service requirements for that year. In addition, the rate covenants require the City to establish and collect fees from users of the System and excise taxes sufficient to pay the costs of operation and maintenance of the System plus 120% of the bond service requirements.

The debt purchase agreement rate covenant requires that the City establish and collect fees from users of the System sufficient to provide supplemental pledged revenues (as defined in the debt purchase agreement) equal to or exceeding 115% of the State Revolving Fund (SRF) loan debt service requirements.

The City has also covenanted to establish a special fund called the “Bond and Interest Sinking Fund,” to be used exclusively for debt service payments on certain bonds.

As of September 30, 2021, the City has met its debt covenants.

**CITY OF ALACHUA, FLORIDA**  
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**Note 8 - Pledged Revenues**

The City has pledged certain revenues to repay bonds and notes outstanding as of September 30, 2021. The following table reports the revenues, sometimes net of related operating expenses, pledged for each debt issue, the amounts of such revenues received in the current year, the current year principal and interest paid on the debt, the approximate percentage of each revenue which is pledged to meet the debt obligation, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2021:

<u>Pledged Revenue</u>	<u>Description of Bonds</u>	<u>Revenue Received</u>	<u>Principal and Interest Paid</u>	<u>Estimated Percentage Pledged</u>	<u>Outstanding Principal and Interest</u>	<u>Pledged Through</u>
Non-Ad Valorem	Capital Improvement and Refunding Revenue Bonds, Series 2016	\$ 7,464,006	\$ 650,876	9%	\$ 21,809,234	2047
Non-Ad Valorem	Capital Improvement Revenue Note Series, 2019	\$ 7,464,006	\$ 531,635	7%	\$ 5,152,766	2035
Incremental Tax Revenue	2013 Redevelopment Note	\$ 470,975	\$ 99,279	21%	\$ 198,559	2023
Net Utility Revenues	State Revolving Fund Loan - 2009	\$ 6,360,245	\$ 457,343	7%	\$ 9,146,206	2041

Non-ad valorem revenues consist of local government half-cent sales tax, franchise fees, solid waste disposal fees, occupational license taxes, local communication services tax, guaranteed entitlement funds, utility tax, mobile home license fees, alcoholic beverages license fees, fines and forfeitures, licenses and permits, certain fees and charges, and surplus utility revenues.

**Note 9 - Interfund Receivables, Payables, and Transfers**

The following is a summary of interfund receivables and payables at September 30, 2021:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Non-Major Governmental Funds	\$ 1,276,120
General Fund	Water Utility	235,664
Electric Utility	Water Utility	380,227
Electric Utility	Wastewater Utility	1,282,116
Non-Major Enterprise Fund	Water Utility	61,793
Internal Service Fund	Water Utility	215,065
<b>Total</b>		<u>\$ 3,450,985</u>

The outstanding balances between funds result from the time lag between the dates that: (1) interfund goods and services are provided, or reimbursable expenditures occur; (2) transactions are recorded in the accounting system; and (3) payments between funds are made. Additionally, certain interfund loans were made to fund deficit unrestricted equity in pooled cash. All outstanding interfund balances are reported as long-term advances as of September 30, 2021.

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Interfund Transfers:

<u>Transfers (Out)</u>	<u>Transfers In</u>		
	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total</u>
General Fund	\$ -	\$ 976,882	\$ 976,882
Electric Utility	2,000,000	-	2,000,000
Wastewater Utility	-	<u>71,641</u>	<u>71,641</u>
<b>Total</b>	<u>\$ 2,000,000</u>	<u>\$ 1,048,523</u>	<u>\$ 3,048,523</u>

Transfers are normally recurring and are approved by the City commission during the budget process. A transfer in the amount of \$2,000,000 from the Electric Fund to the General Fund is in support of general government operations to the extent moneys are available after paying operating expenses and debt service on outstanding bonds. A transfer in the amount of \$976,882 from the General Fund to the Non-Major Governmental Funds is for debt service and the City's required portion of tax incremental funding and additional funding for construction projects being completed by the Community Redevelopment Agency. A transfer in the amount of \$71,641 from the Wastewater Utility Fund to the Non-Major Governmental Fund is for debt service.

**Note 10 - Contingent Liabilities**

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

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

**Note 11 - Restricted Net Position**

Net position is restricted within governmental activities as follows:

	<u>Governmental Activities</u>
Economic Environment	\$ 738,568
Law Enforcement	13,030
Physical Environment	103,632
Parks and Recreation	<u>22,994</u>
<b>Total</b>	<u>\$ 878,224</u>

The City's restricted net position includes \$738,568 restricted by enabling legislation.

**CITY OF ALACHUA, FLORIDA**  
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**Note 12 - Power Purchase Agreements**

**City of Gainesville**

The City entered into a wholesale electric service contract with the City of Gainesville, Florida, on January 21, 1987, for the purchase of the majority of the City's electric power requirements beginning January 6, 1988. The City constructed a 138 x 69 - 12.47Y/7.2kV substation to receive the power, which was placed into operation on that date. The substation is located in such a manner that the City has reasonable access to the transmission lines of both the City of Gainesville and Duke Energy of Florida. A portion of the substation is owned by the City of Gainesville. The initial term of the contract was five years, with options for additional annual extensions. The contract was renegotiated on October 2, 1992, and extended for an additional fifteen years, beginning on December 31, 1992, with automatic extensions for succeeding periods of one year each. This contract was amended again on November 22, 2010, extending the contract for an initial ten-year term, with automatic extensions for up to three succeeding periods of one year each. Effective April 1, 2016, the City renewed its wholesale electric contract with the City of Gainesville. Provisions of the new agreement changed the pricing structure to a flat fifty-eight dollars per megawatt/hour. The City's purchased power agreement with the City of Gainesville ends on March 31, 2022. Total payments to the City of Gainesville for 2021 were \$8,021,578.

**Florida Municipal Power Agency (FMPA)**

Effective July 26, 2021, the City entered into an agreement for FMPA to provide wholesale electric service to the Legacy Substation Load commencing on April 1, 2022 through December 31, 2027.

**St. Lucie No. 2 Power Purchase Agreement**

The City has negotiated a long-term agreement with Florida Power and Light Corporation through FMPA to purchase 0.3044 megawatts of generating capacity and a corresponding amount of energy monthly from the St. Lucie No. 2 nuclear generating plant. The plant became operational in 1984. Total payments for 2021 were \$222,878.

**FMPA Solar Power Project**

Effective May 16, 2018, the City entered into a solar project power sales contact with FMPA. As a participant in the project, the City is entitled to receive nine megawatts of electric power generated by the project. The project is currently under construction and is expected to become commercially operational June 2023. Also effective May 16, 2018, the City entered into an agreement with FMPA for the repurchase of the City's solar project entitlement until March 31, 2022.

**Note 13 - Defined Benefit Pension Plan**

**General Information about the Florida Retirement System (FRS)**

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the HIS Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.



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Essentially all regular employees of the City are eligible to enroll as members of the State-administered FRS. Provisions relating to FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112 Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer defined-benefit plans and other non-integrated programs. An annual comprehensive 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](http://www.dms.myflorida.com)).

The City's pension expense totaled \$387,611 for the fiscal year ended September 30, 2021. This included \$172,360 of expenses related to the FRS Pension Plan and \$215,251 related to the Health Insurance Subsidy Plan (HIS).

**FRS Pension Plan**

*Plan Description.* The FRS Pension Plan (the Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. The general classes of membership applicable to the City are as follows:

- *Regular Class*—Members of the FRS who do not qualify for membership in the other classes.
- *Elected Officer Class*—Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)*—Members in senior management level positions.
- *Special Risk Class*—Members who are employed in special risk careers, such as law enforcement or fire rescue, and meet the criteria to qualify for this class.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Members of the Plan may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

**CITY OF ALACHUA, FLORIDA  
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DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

*Benefits Provided.* Benefits under the 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 class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

<b>Class, Initial Enrollment, and Retirement Age/Years of Service</b>	<b>Percent Value</b>
<b><i>Regular Class Members Initially Enrolled Before July 1, 2011:</i></b>	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
<b><i>Regular Class Members Initially Enrolled on or After July 1, 2011:</i></b>	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
<b><i>Elected Officers</i></b>	<b>3.00</b>
<b><i>Senior Management Service Class</i></b>	<b>2.00</b>
<b><i>Special Risk Regular</i></b>	
Service from December 1, 1970 through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

**CITY OF ALACHUA, FLORIDA**  
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Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates for FRS during the City’s 2020-21 fiscal year were as follows:

<u>Class</u>	<u>Year Ended June 30, 2021</u>		<u>Year Ended June 30, 2022</u>	
	<u>Percent of Gross Salary</u>		<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer<sup>(1)</sup></u>	<u>Employee</u>	<u>Employer<sup>(1)</sup></u>
Regular	3.00	8.28	3.00	9.10
Elected Officers	3.00	47.46	3.00	49.70
Senior Management Service	3.00	25.57	3.00	27.29
Special Risk Regular	3.00	22.73	3.00	24.17
DROP	N/A	15.32	N/A	16.68

<sup>(1)</sup> These rates include the normal cost and unfunded actuarial liability contributions but do not include the contribution for the Retiree Health Insurance Subsidiary of 1.66% and the fee of 0.06% for administration of the FRS Investment Plan and provision of education tools for both plans.

The City’s contributions to the Plan totaled \$880,333 for the fiscal year ended September 30, 2021. This excludes the HIS defined benefit pension plan contributions.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At September 30, 2021, the City reported a liability of \$1,745,582 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The City’s proportionate share of the net pension liability was based on the City’s contributions during the Plan’s fiscal year relative to the contributions of all participating members in the same fiscal year. At June 30, 2021, the City’s proportionate share increased .0007706450% from its proportion measured as of June 30, 2020.

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>(Deferred Inflows of Resources)</u>
Employer Contributions after Measurement Date	\$ 269,484	\$ -
Difference Between Expected and Actual Experience	299,195	-
Changes of Assumptions	1,194,413	-
Changes in Proportion and Difference Between City’s Contributions and Proportionate Share of Contributions	561,487	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	6,089,896
<b>Total</b>	<u>\$ 2,324,579</u>	<u>\$ 6,089,896</u>

**CITY OF ALACHUA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

The deferred outflows of resources related to pensions, totaling \$269,484, resulting from the City's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending September 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending	Amount
2022	\$ (645,285)
2023	(801,353)
2024	(1,129,687)
2025	(1,497,983)
2026	39,507
<b>Total</b>	<b>\$ (4,034,801)</b>

*Actuarial Assumptions.* The total pension liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.25% Average, Including Inflation
Discount Rate	6.80%
Investment Rate of Return	7.00%

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

The actuarial assumptions used in the July 1, 2021, valuation were based on the results of the actuarial experience study of the FRS for the period July 1, 2013 – June 30, 2018.

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

Asset Class	Annual Target Allocation <sup>(1)</sup>	Annual Arithmetic Return	Geometric Return	Standard Deviation
Cash	1.0%	2.1%	2.1%	1.1%
Fixed Income	20.0%	3.8%	3.7%	3.3%
Global Equity	54.2%	8.2%	6.7%	17.8%
Real Estate	10.3%	7.1%	6.2%	13.8%
Private Equity	10.8%	11.7%	8.5%	26.4%
Strategic Investments	3.7%	5.7%	5.4%	8.4%
<b>Total</b>	<b>100%</b>			
Assumed Inflation – Mean			2.4%	1.2%

<sup>(1)</sup> As Outlined in the FRS Pension Plan's Investment Policy.

**CITY OF ALACHUA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

Discount Rate. The discount rate used to measure the total pension liability 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 discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate was 6.80% in the July 1, 2021, valuation.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.

The following presents the City’s proportionate share of the net pension liability calculated using the discount rate of 6.80%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	<b>1% Decrease (5.80%)</b>	<b>Current Discount Rate (6.80%)</b>	<b>1% Increase (7.80%)</b>
City’s Proportionate Share of the Net Pension Liability	\$ 7,806,360	\$ 1,745,582	\$ (3,320,549)

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 Annual Comprehensive Financial Report.

**HIS Pension Plan**

Plan Description. The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services.

Benefits Provided. For the fiscal year ended September 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS-participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the Plan fiscal years ending June 30, 2021 and 2020, the contribution rates were both 1.66% of payroll, pursuant to Section 112.363, Florida Statutes. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

**CITY OF ALACHUA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

The City's contributions to the HIS Plan totaled \$116,683 for the fiscal year ended September 30, 2021.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At September 30, 2021, the City reported a net pension liability of \$2,434,988 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The City's proportionate share of the net pension liability was based on the City's contributions during the Plan's fiscal year relative to the contributions of all participating members in the same fiscal year. At June 30, 2021, the City's proportionate share increased 0.0004832442% from its proportionate share measured as of June 30, 2020.

The City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Employer Contributions after Measurement Date	\$ 31,997	\$ -
Difference Between Expected and Actual Experience	81,481	1,020
Changes of Assumptions	191,336	100,328
Changes in Proportion and Difference between City Contributions and Proportionate Share of Contributions	168,740	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	<u>2,538</u>	<u>-</u>
<b>Total</b>	<u>\$ 476,092</u>	<u>\$ 101,348</u>

The deferred outflows of resources related to pensions, totaling \$31,997, resulting from City contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending</u>	<u>Amount</u>
2022	\$ 89,191
2023	55,897
2024	65,724
2025	68,813
2026	51,459
Thereafter	<u>11,663</u>
<b>Total</b>	<u>\$ 342,747</u>

**CITY OF ALACHUA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

*Actuarial Assumptions.* The total pension liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.25% Average, Including Inflation

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

The actuarial assumptions used in the July 1, 2021, valuation were based on the results of the actuarial experience study of the FRS for the period July 1, 2013 – June 30, 2018.

*Discount Rate.* The discount rate used to measure the total pension liability was 2.16%. 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 presents the City’s proportionate share of the net pension liability calculated using the discount rate of 2.16%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
City’s Proportionate Share of the Net Pension Liability	\$ 2,815,082	\$ 2,434,988	\$ 2,123,586

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

**FRS - Defined Contribution Pension Plan**

The City contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA’s annual financial statements and in the State of Florida Annual Comprehensive Financial Report. Service retirement benefits are based upon the value of the member’s account upon retirement.

**CITY OF ALACHUA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
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As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member’s accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the investment members’ accounts (employer and employee) during the 2020-21 fiscal year were as follows:

Class	Percent of Gross Compensation
FRS, Regular	6.30%
FRS, Elected County Officers	11.34%
FRS, Senior Management Service	7.67%
FRS, Special Risk Regular	14.00%

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-Vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended September 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the City.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The City’s Investment Plan expense totaled \$105,084 for the fiscal year ended September 30, 2021.



**CITY OF ALACHUA, FLORIDA  
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SEPTEMBER 30, 2021**

**Note 14 - Other Postemployment Benefits (OPEB)**

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

The City subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. The City does not offer any explicit subsidies for retiree coverage. Retirees are assumed to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The authority for establishing and amending the funding policy rests with the City Council. The OPEB Plan does not issue a stand-alone financial report.

Membership of the Plan consisted of the following:

<u>Date of Actuarial Valuation</u>	<u>September 30, 2019</u>
Retirees and Beneficiaries Receiving Benefits	1
Active Plan Members	<u>130</u>
<b>Total</b>	<u><u>131</u></u>

**Changes in the Total OPEB Plan Liability**

The following table shows the change in the City's OPEB Plan liability:

	<u>Increase/ (Decrease) in Total OPEB Liability</u>
<b>Reporting Period Ending September 30, 2020</b>	<u>\$ 236,161</u>
Changes for the Year:	
Service Cost	28,250
Interest	9,390
Changes of Assumptions	33,226
Benefit Payments	<u>(4,271)</u>
Net Changes	<u>66,595</u>
<b>Reporting Period Ending September 30, 2021</b>	<u><u>\$ 302,756</u></u>

As of September 30, 2021, the total OPEB Plan liability was \$302,756, and assets held in trust were \$0, resulting in a funded ratio of 0 percent. The covered payroll (annual payroll of active participating employees) was \$6,837,698, and the ratio of the total OPEB Plan liability to the covered payroll was 4.43%. Covered Employee Payroll was projected two years forward from the valuation date of September 30, 2019 for the reporting period ending September 30, 2021.

**CITY OF ALACHUA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

**Actuarial Assumptions and Methods**

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

Demographic assumptions employed in the actuarial valuation were the same as those employed in the July 1, 2018, actuarial valuation of the Florida Retirements System (FRS) Benefit Pension Plan.

The mortality rates are mandated by Chapter 2015-157, Florida Statutes for pension plans. This law mandates the use of the assumptions used in either of the two most recent valuations of the FRS. The rates are those outlined in Milliman’s July 1, 2018, FRS valuation report.

Healthcare inflation rates reflect recent healthcare trend rate surveys, blended with the long-term rates from the Getzen model published by the Society of Actuaries.

The discount rate used has been updated to utilize the mandated discount rate based on the 20-year Municipal Bond Rate as of the measurement date, as required under GASB Statement No. 75.

The valuation results were calculated using the Entry Age cost method. This is required cost method under GASB Statement Nos. 74 and 75 standards.

On September 30, 2021, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 30,536
Changes of Assumptions	69,329	11,237
Employer Contributions Subsequent to the Measurement Date	<u>6,441</u>	<u>-</u>
<b>Total</b>	<u>\$ 75,770</u>	<u>\$ 41,773</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>Year Ended September 30,</u>	<u>Amount</u>
2022	\$ 3,731
2023	3,731
2024	3,731
2025	3,731
2026	3,731
Thereafter	8,901

**CITY OF ALACHUA, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2021**

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

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

	1% Decrease 1.14%	Current Discount Rate 2.14%	1% Increase 3.14%
<b>Total OPEB Liability</b>	\$ 326,472	\$ 302,756	\$ 279,504

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

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

	1% Decrease 3.00%-6.50%	Healthcare Cost Trend 4.00%-7.50%	1% Increase 5.00%-8.50%
<b>Total OPEB Liability</b>	\$ 257,202	\$ 302,756	\$ 358,207

**Note 15 - Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City carries insurance. The City has not had any significant reduction in insurance coverage and the amounts of insurance settlements have not exceeded insurance coverage for any of the last three years. Insurance against losses is provided by Florida Municipal Investment Trust for the following types of risk:

■ **Florida Municipal Insurance Trust**

- Workers' Compensation and Employer's Liability
- General Liability and Automobile Liability
- Real and Personal Property Damage
- Automobile Physical Damage
- Public Employees' Blanket Bond
- Boiler Officials' Liability
- Law Enforcement Officers' Professional Liability and Other Mandated Coverage
- Accidental Death and Dismemberment
- Auxiliary Reserve Policy

The City's coverage for workers' compensation is under a retrospectively related policy. Premiums are accrued based on the ultimate cost to date of the City's experience.

**CITY OF ALACHUA, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2021**

**Note 16 - Commitments and Contingencies**

As of September 30, 2021, the City had the following commitments related to significant unfinished projects:

	<b>Expended as of September 30, 2021</b>	<b>Remaining Commitment</b>
Mill Creek Sink Water Quality Improvements	\$ 644,694	\$ 888,712
Electrical Substation Design/Construction	5,000,119	182,434
Hal Brady Recreation Ctr. Maintenance Shed	79,334	44,436
CDBG-ED High Point Crossing	98,097	6,300
<b>Total</b>	<b>\$ 5,822,244</b>	<b>\$ 1,121,882</b>

The City utilizes encumbrance accounting in its governmental funds. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which a purchase order, contract, or other commitment is issued. Unexpended items at year-end must be reappropriated in the subsequent year.

In 2018 the City was awarded \$6,755,000 of Florida Job Growth funds from the Florida Department of Economic Development for the San Felasco Parkway Improvements Project. The funds come with certain return on investment criteria, including specified amounts of job creation and job retention, which must be met by the ten-year anniversary of the project’s completion. Failure to meet any of the return on investment criteria could require the City to repay all or a portion of the awarded funds.

In early 2020, an outbreak of a novel strain of coronavirus (COVID-19) emerged globally. As a result, events have occurred domestically in the United States and globally, including mandates from federal, state, and local authorities that, at the time, lead to an overall decline in economic activity and significant changes to the City’s operations as a result of various restrictions, including travel restrictions, restrictions on public gatherings, and stay-at-home orders. Although the City, by and large, experienced a return to pre-COVID financial conditions during 2021, slight impacts to operations remain, particularly relating to the lead-time and cost of procurement.

**Note 17 - Subsequent Events**

Subsequent to September 30, 2021, the City completed construction of the Legacy Substation in November 2021. The Legacy Substation is a looped 69kV to 12.5kV substation with a modified ring bus arrangement located on the western side of the City. This newly constructed substation is receiving electric power delivery from the City of Gainesville by way of Duke Energy transmission lines. Upon termination of the power agreement with the City of Gainesville on March 31, 2022, electric power delivery to this substation will be provided by the Florida Municipal Power Agency (FMPPA). The City has also entered into a wholesale electric service contract with Florida Power and Light for the purchase of electric power delivery to the Alachua Substation commencing after the termination of the power agreement with the City of Gainesville on March 22, 2022.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF ALACHUA, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 6,780,419	\$ 6,780,419	\$ 6,977,372	\$ 196,953
Permits, Fees, and Special Assessments	624,515	624,515	787,149	162,634
Intergovernmental Revenues	1,002,937	1,119,595	1,304,384	184,789
Charges for Services	1,295,495	1,368,095	1,414,253	46,158
Fines and Forfeitures	27,000	27,000	40,762	13,762
Investment Income	30,000	30,000	4,816	(25,184)
Miscellaneous	27,100	27,100	34,849	7,749
<b>Total Revenues</b>	<u>9,787,466</u>	<u>9,976,724</u>	<u>10,563,585</u>	<u>586,861</u>
<b>Expenditures</b>				
Current:				
General Government:				
Legislative	131,915	136,438	136,438	-
Executive	785,309	826,663	812,152	14,511
Finance	1,984,697	2,139,656	2,042,199	97,457
Information Technology	527,701	527,701	514,094	13,607
Legal	187,920	242,920	233,860	9,060
Planning and Zoning	969,942	969,942	912,297	57,645
Other	376,763	330,159	319,951	10,208
Public Safety:				
Police	3,727,478	3,793,966	3,734,891	59,075
Protective Inspections	223,384	295,984	225,070	70,914
Physical Environment:				
Solid Waste	712,850	723,020	709,240	13,780
Transportation:				
Streets and Roads	1,361,892	1,361,892	920,318	441,574
Economic Environment	-	10,077	10,077	-
Parks and Recreation	1,218,630	1,236,554	1,186,842	49,712
Reserve for Contingency	200,000	2,117	-	2,117
<b>(Total Expenditures)</b>	<u>(12,408,481)</u>	<u>(12,597,089)</u>	<u>(11,757,429)</u>	<u>839,660</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(2,621,015)</u>	<u>(2,620,365)</u>	<u>(1,193,844)</u>	<u>1,426,521</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	2,000,000	2,000,000	2,000,000	-
Transfers (out)	(976,238)	(976,888)	(976,882)	6
<b>Total Other Financing Sources (Uses)</b>	<u>1,023,762</u>	<u>1,023,112</u>	<u>1,023,118</u>	<u>6</u>
<b>Net Change in Fund Balance</b>	(1,597,253)	(1,597,253)	(170,726)	1,426,527
<b>Fund Balance, Beginning of Year</b>	<u>5,310,105</u>	<u>5,310,105</u>	<u>7,148,054</u>	<u>1,837,949</u>
<b>Fund Balance, End of Year</b>	<u>\$ 3,712,852</u>	<u>\$ 3,712,852</u>	<u>\$ 6,977,328</u>	<u>\$ 3,264,476</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGE IN OTHER POSTEMPLOYMENT BENEFIT (OPEB)**  
**LIABILITY AND RELATED RATIOS**  
**LAST 10 FISCAL YEARS**  
**CITY OF ALACHUA, FLORIDA**

<b>Reporting Period Ending Measurement Date</b>	<b>9/30/2021 9/30/2020</b>	<b>9/30/2020 9/30/2019</b>	<b>9/30/2019 9/30/2018</b>	<b>9/30/2018 9/30/2017</b>
<b>Changes for the Year:</b>				
Service Cost	\$ 28,250	\$ 19,067	\$ 19,968	\$ 21,024
Interest	9,390	9,118	7,584	6,074
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	-	(40,714)	-	-
Changes of Assumptions	33,226	53,674	(9,227)	(9,152)
Benefit Payments	(4,271)	(7,987)	(7,361)	(6,769)
<b>Net Change in Total OPEB Liability</b>	<b>66,595</b>	<b>33,158</b>	<b>10,964</b>	<b>11,177</b>
<b>Total OPEB Liability - Beginning</b>	<b>236,161</b>	<b>203,003</b>	<b>192,039</b>	<b>180,862</b>
<b>Total OPEB Liability - Ending</b>	<b>\$ 302,756</b>	<b>\$ 236,161</b>	<b>\$ 203,003</b>	<b>\$ 192,039</b>
<b>Covered-Employee Payroll*</b>	<b>\$ 6,837,698</b>	<b>\$ 6,574,710</b>	<b>\$ 6,240,140</b>	<b>\$ 6,000,134</b>
<b>Sponsor's Total OPEB Liability as Percentage of Covered-Employee Payroll</b>	<b>4.43%</b>	<b>3.59%</b>	<b>3.25%</b>	<b>3.20%</b>

\* Covered-Employee Payroll was projected one year forward from the valuation date for the reporting period ending September 30, 2021.

**Notes to Schedules**

*Changes of Assumptions*

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period.

The following are the discount rates used in each period:

Fiscal Year 2021	2.14%
Fiscal Year 2020	3.58%
Fiscal Year 2019	4.18%
Fiscal Year 2018	3.64%
Fiscal Year 2017	3.06%

There are no assets accumulated in a trust to pay related benefits.

**CITY OF ALACHUA, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CITY'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY  
FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PENSION PLANS  
LAST 10 FISCAL YEARS\*  
(UNAUDITED)**

**FLORIDA RETIREMENT SYSTEM PENSION PLAN**

	September 30, 2021	September 30, 2020	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015
Proportion of the FRS Net Pension Plan	0.023108466%	0.022337822%	0.020788355%	0.020641302%	0.020019883%	0.018830837%	0.018337949%
Proportionate Share of the FRS Net Pension Plan	\$ 1,745,582	\$ 9,681,541	\$ 7,159,220	\$ 6,217,267	\$ 5,921,747	\$ 4,754,801	\$ 2,368,592
Covered Payroll**	7,092,748	6,722,238	6,241,681	5,939,507	5,642,229	5,284,260	5,024,124
Proportionate Share of the FRS Net Pension Liability as a Percentage of its Covered Payroll	24.61%	144.02%	114.70%	104.68%	104.95%	89.98%	47.14%
<b>FRS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

\* GASB No. 68 was adopted for the 2015 Fiscal Year and 10-year trend information will be developed from 2015 forward.

\*\* The amounts shown above as reported on the date indicated, have a measurement date three months prior. Covered payroll is for the year shown.

**HEALTH INSURANCE SUBSIDY PENSION PLAN**

	September 30, 2021	September 30, 2020	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015
Proportion of the HIS Net Pension Plan	0.019850710%	0.019367462%	0.018662965%	0.018194623%	0.017692579%	0.017117360%	0.017073473%
Proportionate Share of the HIS Net Pension Plan	\$ 2,434,988	\$ 2,364,736	\$ 2,088,199	\$ 1,925,739	\$ 1,891,772	\$ 1,994,957	\$ 1,741,226
Covered Payroll**	7,092,748	6,722,238	6,241,681	5,939,507	5,642,229	5,284,260	5,024,124
Proportionate Share of the HIS Net Pension Liability as a Percentage of its Covered Payroll	34.33%	35.18%	33.46%	32.42%	33.53%	37.75%	34.66%
<b>HIS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	3.65%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

\* GASB No. 68 was adopted for the 2015 Fiscal Year and 10-year trend information will be developed from 2015 forward.

\*\* The amounts shown above as reported on the date indicated, have a measurement date three months prior. Covered payroll is for the year shown.



**CITY OF ALACHUA, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CITY CONTRIBUTIONS  
FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PENSION PLANS  
LAST 10 FISCAL YEARS\***

**FLORIDA RETIREMENT SYSTEM PENSION PLAN**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 880,333	\$ 742,187	\$ 644,589	\$ 588,261	\$ 521,167	\$ 459,220	\$ 447,095
FRS Contribution in Relation to the Contractually Required Contribution	<u>(880,333)</u>	<u>(742,187)</u>	<u>(644,589)</u>	<u>(588,261)</u>	<u>(521,167)</u>	<u>(459,220)</u>	<u>(447,095)</u>
FRS Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll (FYE 9/30)	\$ 7,174,623	\$ 6,770,144	\$ 6,434,997	\$ 5,929,911	\$ 5,783,990	\$ 5,338,129	\$ 5,222,630
FRS Contributions as a Percentage of Covered-Employee Payroll	12%	11%	10%	10%	9%	9%	9%

\* GASB No. 68 was adopted for the 2015 Fiscal Year and 10-year trend information will be developed from 2015 forward.

**HEALTH INSURANCE SUBSIDY PENSION PLAN**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 116,683	\$ 111,606	\$ 103,634	\$ 98,670	\$ 93,634	\$ 87,737	\$ 65,265
HIS Contribution in Relation to the Contractually Required Contribution	<u>(116,683)</u>	<u>(111,606)</u>	<u>(103,634)</u>	<u>(98,670)</u>	<u>(93,634)</u>	<u>(87,737)</u>	<u>(65,265)</u>
HIS Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll (FYE 9/30)	\$ 7,174,623	\$ 6,770,144	\$ 6,434,997	\$ 5,929,911	\$ 5,783,990	\$ 5,338,129	\$ 5,222,630
HIS Contributions as a Percentage of Covered-Employee Payroll	1.63%	1.65%	1.61%	1.66%	1.62%	1.64%	1.25%

\* GASB No. 68 was adopted for the 2015 Fiscal Year and 10-year trend information will be developed from 2015 forward.

**CITY OF ALACHUA, FLORIDA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**SEPTEMBER 30, 2021**

**Note 1 - Basis of Presentation**

The budget was prepared on the modified accrual basis of accounting. The budget was adopted on a basis consistent with generally accepted accounting principles, except as noted below.

Expenditures were controlled at the department level. All annual appropriations lapse at year-end.

**Note 2 - Legally Adopted Budgets**

The City legally adopted budgets for all funds with activity during the year.

**Note 3 - Pension Liability**

**A. Changes in Benefit Terms**

There were no significant changes in benefit terms during the Pension Plan's fiscal year ended June 30, 2021 or 2020.

**B. Changes in Assumption**

- FRS—In the July 1, 2014, actuarial valuation, the inflation rate assumption was decreased from 3.00% to 2.60%, the real payroll growth assumption was decreased from 1.00% to 0.65%, and the overall payroll growth rate assumption was decreased from 4.00% to 3.25%. The long-term expected rate of return decreased from 7.75% to 7.65%.

In the July 1, 2015, actuarial valuation, the long-term expected rate of return, net of investment expense, decreased from 7.65% to 7.60%.

In the July 1, 2016, actuarial valuation, the long-term expected rate of return, net of investment expense, decreased from 7.60% to 7.50%.

In the July 1, 2017, actuarial valuation, the long-term expected rate of return, net of investment expense, decreased from 7.50% to 7.40%.

In the July 1, 2018, actuarial valuation, the long-term expected rate of return, net of investment expense, decreased from 7.40% to 7.20%.

In the July 1, 2019, actuarial valuation, the long-term expected rate of return, net of investment expense, decreased from 7.20% to 6.90%.

In the July 1, 2020, actuarial valuation, the long-term expected rate of return, net of investment expense, decreased from 6.90 to 6.80%.

- HIS—In the July 1, 2014, actuarial valuation, the municipal rate used to determine total pension liability decreased from 4.29% to 3.80%.

In the July 1, 2015, actuarial valuation, the municipal rate used to determine total pension liability decreased from 3.80% to 2.85%.

In the July 1, 2016, actuarial valuation, the municipal rate used to determine total pension liability increased from 2.85% to 3.58%.

In the July 1, 2017, actuarial valuation, the municipal rate used to determine total pension liability increased from 3.58% to 3.87%.

In the July 1, 2018, actuarial valuation, the municipal rate used to determine total pension liability increased from 3.87% to 3.50%.

In the July 1, 2019, actuarial valuation, the municipal rate used to determine total pension liability increased from 3.50% to 2.21%.

In the July 1, 2020, actuarial valuation, the municipal rate used to determine total pension liability increased from 2.21% to 2.16%.

**COMBINING AND INDIVIDUAL FUND INFORMATION AND OTHER  
SUPPLEMENTARY INFORMATION**

## DEBT SERVICE FUND

The *Debt Service Fund* accounts for the resources accumulated and payments made for the principal and interest on long-term debt of government funds.

## SPECIAL REVENUE FUNDS

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

- *Community Redevelopment Fund*—is used to account for the expenditure of incremental tax funds contributed by Alachua County and the City for the CRA district.
- *Wild Spaces Public Places Fund*—is a special revenue fund used to account for the revenues and expenditures of the half-cent discretionary sales surtax for recreation activities.
- The *Additional Court Costs Fund*—is used to account for the revenues and expenditures of funds received from court costs assessed under Florida Statute 318.18(11)(d) for certain non-criminal traffic infractions. These revenues will be used to fund criminal justice education degree programs and training courses.
- The *Donations Fund*—is used to account for the revenues and expenditures of donated funds from private sources for the intended purpose designated by the donor.
- The *Police Explorers Fund*—is used to account for the revenues and expenditures of funds received from the Alachua Police Explorers Program.
- The *TK Basin Special Assessment Fund*—is used to account for the revenues and expenditures of funds received from a special assessment to property owners for stormwater maintenance services.
- The *Children's Trust Grant*—is used to account for the revenues and expenditures of funds received from the Children's Trust of Alachua County.
- The *Tree Bank Fund*—is used to account for revenues and expenditures related to violations of Ordinance 06-11. The revenue received will be used for tree mitigation related to development.

## CAPITAL PROJECT FUNDS

The *Capital Project Funds* are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

- The *San Felasco Conservation Corridor Fund*—is used to account for improvements made to the San Felasco Corridor.
- The *Heritage Oaks Improvement Fund*—is used to account for expenditures for infrastructure improvements in the Heritage Oaks subdivision.
- *Mill Creek Sink Fund*—is used to account for grant revenues and capital expenditures from the Suwannee River Water Management District to ensure safe water recharge of the Florida aquifer.
- *CDBG Economic Development*—is used to account for grant revenues and capital expenditures for project approved under the Community Development Block Grant – Economic Development category.
- The *Florida Job Growth Grant Fund*—is a capital project fund used to account for grant revenues and capital expenditures from the Florida Growth Grant Fund related to the San Felasco Parkway Improvements.

**CITY OF ALACHUA, FLORIDA  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2021**

	<b>Debt Service Fund</b>	<b>Special Revenue Funds</b>	<b>Capital Project Funds</b>	<b>Total</b>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 634,539	\$ 870,094	\$ 12,272	\$ 1,516,905
Accounts Receivable	-	9,253	-	9,253
Due from Other Governments	-	78,680	23,436	102,116
Inventory	-	4,961	-	4,961
Prepaid Items	-	652	-	652
<b>Total Assets</b>	<b>634,539</b>	<b>963,640</b>	<b>35,708</b>	<b>1,633,887</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	-	7,614	19,023	26,637
Accrued Liabilities	-	4,491	4,104	8,595
Advances from Other Funds	96,899	1,152,185	27,036	1,276,120
<b>Total Liabilities</b>	<b>96,899</b>	<b>1,164,290</b>	<b>50,163</b>	<b>1,311,352</b>
<b>Fund Balances</b>				
Non-Spendable:				
Prepays	-	652	-	652
Inventory	-	4,961	-	4,961
Restricted for:				
Law Enforcement	-	13,030	-	13,030
Economic Environment	-	738,568	-	738,568
Physical Environment	-	99,307	4,325	103,632
Parks and Recreation	-	19,151	3,843	22,994
Assigned	537,640	-	-	537,640
Unassigned	-	(1,076,319)	(22,623)	(1,098,942)
<b>Total Fund Balances</b>	<b>537,640</b>	<b>(200,650)</b>	<b>(14,455)</b>	<b>322,535</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 634,539</b>	<b>\$ 963,640</b>	<b>\$ 35,708</b>	<b>\$ 1,633,887</b>

**CITY OF ALACHUA, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>Debt Service Fund</b>	<b>Special Revenue Funds</b>	<b>Capital Project Funds</b>	<b>Total</b>
<b>Revenues</b>				
Taxes	\$ -	\$ 684,554	\$ -	\$ 684,554
Permits, Fees, and Special Assessments	-	10,614	-	10,614
Intergovernmental Revenues	-	396,191	1,207,737	1,603,928
Charges for Services	-	45,674	-	45,674
Fines and Forfeitures	-	5,546	-	5,546
Investment Income	89	500	2	591
Miscellaneous	-	12,475	-	12,475
<b>Total Revenues</b>	<b>89</b>	<b>1,155,554</b>	<b>1,207,739</b>	<b>2,363,382</b>
<b>Expenditures</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	2,090	-	2,090
Physical Environment	-	30,058	-	30,058
Transportation	-	-	-	-
Economic Environment	-	294,856	10,797	305,653
Human Services	-	129,547	-	129,547
Parks and Recreation	-	1,000	-	1,000
Debt Service:				
Principal	422,000	93,433	-	515,433
Interest	434,326	5,847	-	440,173
Capital Outlay	-	-	441,080	441,080
<b>(Total Expenditures)</b>	<b>(856,326)</b>	<b>(556,831)</b>	<b>(451,877)</b>	<b>(1,865,034)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(856,237)</b>	<b>598,723</b>	<b>755,862</b>	<b>498,348</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	857,417	191,106	-	1,048,523
<b>Total Other Financing Sources (Uses)</b>	<b>857,417</b>	<b>191,106</b>	<b>-</b>	<b>1,048,523</b>
<b>Net Change in Fund Balance</b>	<b>1,180</b>	<b>789,829</b>	<b>755,862</b>	<b>1,546,871</b>
<b>Fund Balance, Beginning of Year</b>	<b>536,460</b>	<b>(990,479)</b>	<b>(770,317)</b>	<b>(1,224,336)</b>
<b>Fund Balance, End of Year</b>	<b>\$ 537,640</b>	<b>\$ (200,650)</b>	<b>\$ (14,455)</b>	<b>\$ 322,535</b>

**CITY OF ALACHUA, FLORIDA  
COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS  
SEPTEMBER 30, 2021**

	Community Redevelopment Fund	Wild Spaces Public Places	Additional Court Costs	Donations	Police Explorers	TK Basin Special Assessment	Children's Trust Grant	Tree Bank	Total
<b>Assets</b>									
Cash and Cash Equivalents	\$ 737,646	\$ -	\$ 7,891	\$ 20,111	\$ 5,139	\$ 13,733	\$ -	\$ 85,574	\$ 870,094
Accounts Receivable	5,770	-	-	-	-	-	3,483	-	9,253
Due from Other Governments	2,871	75,809	-	-	-	-	-	-	78,680
Inventory	4,961	-	-	-	-	-	-	-	4,961
Prepaid Items	652	-	-	-	-	-	-	-	652
<b>Total Assets</b>	<b>751,900</b>	<b>75,809</b>	<b>7,891</b>	<b>20,111</b>	<b>5,139</b>	<b>13,733</b>	<b>3,483</b>	<b>85,574</b>	<b>963,640</b>
<b>Liabilities and Fund Balances</b>									
<b>Liabilities</b>									
Accounts Payable	3,228	-	-	960	-	-	3,426	-	7,614
Accrued Liabilities	4,491	-	-	-	-	-	-	-	4,491
Advances from Other Funds	-	1,152,128	-	-	-	-	57	-	1,152,185
<b>Total Liabilities</b>	<b>7,719</b>	<b>1,152,128</b>	<b>-</b>	<b>960</b>	<b>-</b>	<b>-</b>	<b>3,483</b>	<b>-</b>	<b>1,164,290</b>
<b>Fund Balances</b>									
Non-Spendable:									
Prepays	652	-	-	-	-	-	-	-	652
Inventory	4,961	-	-	-	-	-	-	-	4,961
Restricted for:									
Law Enforcement Economic	-	-	7,891	-	5,139	-	-	-	13,030
Environment Physical	738,568	-	-	-	-	-	-	-	738,568
Environment Parks and Recreation	-	-	-	-	-	13,733	-	85,574	99,307
Unassigned	-	(1,076,319)	-	19,151	-	-	-	-	(1,076,319)
<b>Total Fund Balances</b>	<b>744,181</b>	<b>(1,076,319)</b>	<b>7,891</b>	<b>19,151</b>	<b>5,139</b>	<b>13,733</b>	<b>-</b>	<b>85,574</b>	<b>(200,650)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 751,900</b>	<b>\$ 75,809</b>	<b>\$ 7,891</b>	<b>\$ 20,111</b>	<b>\$ 5,139</b>	<b>\$ 13,733</b>	<b>\$ 3,483</b>	<b>\$ 85,574</b>	<b>\$ 963,640</b>

**CITY OF ALACHUA, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Community Redevelopment Fund	Wild Spaces Public Places	Additional Court Costs	Donations	Police Explorers	TK Basin Special Assessment	Children's Trust Grant	Tree Bank	Total
<b>Revenues</b>									
Taxes	\$ -	\$ 684,554	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 684,554
Permits, Fees, and Special Assessments	-	-	-	-	-	10,614	-	-	10,614
Intergovernmental Revenues	282,740	-	-	-	-	-	113,451	-	396,191
Charges for Service	-	-	-	-	-	-	15,072	30,602	45,674
Fines and Forfeitures	-	-	5,446	-	100	-	-	-	5,546
Investment Income	434	-	3	11	-	12	-	40	500
Miscellaneous	12,475	-	-	-	-	-	-	-	12,475
<b>Total Revenues</b>	<b>295,649</b>	<b>684,554</b>	<b>5,449</b>	<b>11</b>	<b>100</b>	<b>10,626</b>	<b>128,523</b>	<b>30,642</b>	<b>1,155,554</b>
<b>Expenditures</b>									
Current:									
General Government	-	-	-	-	-	-	-	-	-
Economic Environment	294,856	-	-	-	-	-	-	-	294,856
Public Safety	-	-	2,090	-	-	-	-	-	2,090
Physical Environment	-	-	-	-	-	17,253	-	12,805	30,058
Transportation	-	-	-	-	-	-	-	-	-
Human Services	-	-	-	1,024	-	-	128,523	-	129,547
Parks and Recreation	-	-	-	1,000	-	-	-	-	1,000
Debt Service:									
Principal	93,433	-	-	-	-	-	-	-	93,433
Interest	5,847	-	-	-	-	-	-	-	5,847
<b>Total (Expenditures)</b>	<b>(394,136)</b>	<b>-</b>	<b>(2,090)</b>	<b>(2,024)</b>	<b>-</b>	<b>(17,253)</b>	<b>(128,523)</b>	<b>(12,805)</b>	<b>(556,831)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(98,487)</b>	<b>684,554</b>	<b>3,359</b>	<b>(2,013)</b>	<b>100</b>	<b>(6,627)</b>	<b>-</b>	<b>17,837</b>	<b>598,723</b>
<b>Other Financing Sources (Uses)</b>									
Transfers in	191,106	-	-	-	-	-	-	-	191,106
<b>Total Other Financing Sources (Uses)</b>	<b>191,106</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>191,106</b>
<b>Net Change in Fund Balances</b>	<b>92,619</b>	<b>684,554</b>	<b>3,359</b>	<b>(2,013)</b>	<b>100</b>	<b>(6,627)</b>	<b>-</b>	<b>17,837</b>	<b>789,829</b>
<b>Fund Balance, Beginning of Year</b>	<b>651,562</b>	<b>(1,760,873)</b>	<b>4,532</b>	<b>21,164</b>	<b>5,039</b>	<b>20,360</b>	<b>-</b>	<b>67,737</b>	<b>(990,479)</b>
<b>Fund Balance, End of Year</b>	<b>\$ 744,181</b>	<b>\$ (1,076,319)</b>	<b>\$ 7,891</b>	<b>\$ 19,151</b>	<b>\$ 5,139</b>	<b>\$ 13,733</b>	<b>\$ -</b>	<b>\$ 85,574</b>	<b>\$ (200,650)</b>



**CITY OF ALACHUA, FLORIDA  
COMBINING BALANCE SHEET  
NON-MAJOR CAPITAL PROJECTS FUNDS  
SEPTEMBER 30, 2021**

	San Felasco Conservation Corridor	Heritage Oaks Improvement	Mill Creek Sink Fund	CDBG Economic Development	Florida Job Growth Grant Fund	Total
<b>Assets</b>						
Cash and Cash Equivalents	\$ 3,843	\$ 8,429	\$ -	\$ -	\$ -	\$ 12,272
Due from Other Governments	-	-	21,639	1,797	-	23,436
<b>Total Assets</b>	<b>3,843</b>	<b>8,429</b>	<b>21,639</b>	<b>1,797</b>	<b>-</b>	<b>35,708</b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts Payable	-	-	19,023	-	-	19,023
Accrued Liabilities	-	4,104	-	-	-	4,104
Advances from Other Funds	-	-	21,639	5,397	-	27,036
<b>Total Liabilities</b>	<b>-</b>	<b>4,104</b>	<b>40,662</b>	<b>5,397</b>	<b>-</b>	<b>50,163</b>
<b>Fund Balances</b>						
Restricted for:						
Physical Environment	-	4,325	-	-	-	4,325
Parks and Recreation	3,843	-	-	-	-	3,843
Unassigned	-	-	(19,023)	(3,600)	-	(22,623)
<b>Total Fund Balances</b>	<b>3,843</b>	<b>4,325</b>	<b>(19,023)</b>	<b>(3,600)</b>	<b>-</b>	<b>(14,455)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,843</b>	<b>\$ 8,429</b>	<b>\$ 21,639</b>	<b>\$ 1,797</b>	<b>\$ -</b>	<b>\$ 35,708</b>

**CITY OF ALACHUA, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	San Felasco Conservation Corridor	Heritage Oaks Improvement	Mill Creek Sink Fund	CDBG Economic Development	Florida Job Growth Grant Fund	Total
<b>Revenues</b>						
Intergovernmental Revenues	\$ -	\$ -	\$ 419,057	\$ 10,797	\$ 777,883	\$ 1,207,737
Investment Income	2	-	-	-	-	2
<b>Total Revenues</b>	<u>2</u>	<u>-</u>	<u>419,057</u>	<u>10,797</u>	<u>777,883</u>	<u>1,207,739</u>
<b>Expenditures</b>						
Economic Environment	-	-	-	10,797	-	10,797
Capital Outlay	-	-	438,080	-	3,000	441,080
<b>(Total Expenditures)</b>	<u>-</u>	<u>-</u>	<u>(438,080)</u>	<u>(10,797)</u>	<u>(3,000)</u>	<u>(451,877)</u>
<b>Net Change in Fund Balances</b>	2	-	(19,023)	-	774,883	755,862
<b>Fund Balance, Beginning of Year</b>	<u>3,841</u>	<u>4,325</u>	<u>-</u>	<u>(3,600)</u>	<u>(774,883)</u>	<u>(770,317)</u>
<b>Fund Balance, End of Year</b>	<u>\$ 3,843</u>	<u>\$ 4,325</u>	<u>\$ (19,023)</u>	<u>\$ (3,600)</u>	<u>\$ -</u>	<u>\$ (14,455)</u>

**CITY OF ALACHUA, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**DEBT SERVICE FUND**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
<b>Revenues</b>			
Investment Income	\$ -	\$ 89	\$ 89
<b>Total Revenues</b>	<u>-</u>	<u>89</u>	<u>89</u>
<b>Expenditures</b>			
Debt Service:			
Principal	429,400	422,000	7,400
Interest and Fiscal Charges	428,776	434,326	(5,550)
<b>(Total Expenditures)</b>	<u>(858,176)</u>	<u>(856,326)</u>	<u>1,850</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(858,176)</u>	<u>(856,237)</u>	<u>1,939</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	857,427	857,417	(10)
<b>Total Other Financing Sources (Uses)</b>	<u>857,427</u>	<u>857,417</u>	<u>(10)</u>
<b>Net Change in Fund Balance</b>	(749)	1,180	1,929
<b>Fund Balance, Beginning of Year</b>	<u>536,460</u>	<u>536,460</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 535,711</u>	<u>\$ 537,640</u>	<u>\$ 1,929</u>

**CITY OF ALACHUA, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS - NON-MAJOR**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Wild Spaces Public Places			Additional Court Costs		
	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
<b>Revenues</b>						
Taxes	\$ 535,793	\$ 684,554	\$ 148,761	\$ -	\$ -	\$ -
Fines and Forfeitures	-	-	-	2,800	5,446	2,646
Investment Income	-	-	-	-	3	3
Miscellaneous	-	-	-	-	-	-
<b>Total Revenues</b>	<u>535,793</u>	<u>684,554</u>	<u>148,761</u>	<u>2,800</u>	<u>5,449</u>	<u>2,649</u>
<b>Expenditures</b>						
Current:						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	6,200	2,090	4,110
Physical Environment	-	-	-	-	-	-
Human Services	-	-	-	-	-	-
Parks and Recreation	535,793	-	535,793	-	-	-
<b>(Total Expenditures)</b>	<u>(535,793)</u>	<u>-</u>	<u>535,793</u>	<u>(6,200)</u>	<u>(2,090)</u>	<u>4,110</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-	684,554	684,554	(3,400)	3,359	6,759
<b>Other Financing Sources (Uses)</b>	-	-	-	-	-	-
<b>Net Change in Fund Balance</b>	-	684,554	684,554	(3,400)	3,359	6,759
<b>Fund Balance, Beginning of Year</b>	-	(1,760,873)	(1,760,873)	4,064	4,532	468
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ (1,076,319)</u>	<u>\$ (1,076,319)</u>	<u>\$ 664</u>	<u>\$ 7,891</u>	<u>\$ 7,227</u>

Donations			Police Explorers		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	100	100
-	11	11	-	-	-
-	-	-	-	-	-
-	11	11	-	100	100
329	-	329	-	-	-
-	-	-	5,000	-	5,000
-	-	-	-	-	-
-	1,024	(1,024)	-	-	-
20,395	1,000	19,395	-	-	-
(20,724)	(2,024)	18,700	(5,000)	-	5,000
(20,724)	(2,013)	18,711	(5,000)	100	5,100
-	-	-	-	-	-
(20,724)	(2,013)	18,711	(5,000)	100	5,100
21,790	21,164	(626)	5,079	5,039	(40)
\$ 1,066	\$ 19,151	\$ 18,085	\$ 79	\$ 5,139	\$ 5,060

**CITY OF ALACHUA, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUNDS - NON-MAJOR**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2021**  
*(Concluded)*

	TK Basin Special Assessment			Children's Trust Grant		
	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
<b>Revenues</b>						
Permits, Fees, and Special Assessments	\$ 10,560	\$ 10,614	\$ 54	\$ -	\$ -	\$ -
Intergovernmental Revenues	-	-	-	83,723	113,451	29,728
Charges for Service	-	-	-	-	15,072	15,072
Miscellaneous Income	-	-	-	-	-	-
Investment Income	30	12	(18)	-	-	-
<b>Total Revenues</b>	<b>10,590</b>	<b>10,626</b>	<b>36</b>	<b>83,723</b>	<b>128,523</b>	<b>44,800</b>
<b>Expenditures</b>						
Current:						
General Government	-	-	-	-	-	-
Economic Environment	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Physical Environment	21,300	17,253	4,047	-	-	-
Transportation	-	-	-	-	-	-
Human Services	-	-	-	-	128,523	(128,523)
Parks and Recreation	3,000	-	3,000	-	-	-
Debt Service:	-	-	-	-	-	-
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Reserve for Contingency	-	-	-	-	-	-
<b>(Total Expenditures)</b>	<b>(24,300)</b>	<b>(17,253)</b>	<b>7,047</b>	<b>-</b>	<b>(128,523)</b>	<b>(128,523)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(13,710)</b>	<b>(6,627)</b>	<b>7,083</b>	<b>83,723</b>	<b>-</b>	<b>(83,723)</b>
<b>Other Financing Sources (Uses)</b>						
Transfers in	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(13,710)</b>	<b>(6,627)</b>	<b>7,083</b>	<b>83,723</b>	<b>-</b>	<b>(83,723)</b>
<b>Fund Balance, Beginning of Year</b>	<b>20,670</b>	<b>20,360</b>	<b>(310)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance, End of Year</b>	<b>\$ 6,960</b>	<b>\$ 13,733</b>	<b>\$ 6,773</b>	<b>\$ 83,723</b>	<b>\$ -</b>	<b>\$ (83,723)</b>

Tree Bank			Community Redevelopment Fund		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
-	\$ -	\$ -	\$ -	\$ -	\$ -
-	30,602	30,602	280,812	282,740	1,928
-	-	-	-	-	-
-	-	-	7,500	434	(7,066)
-	40	40	420	12,475	12,055
-	30,642	30,642	288,732	295,649	6,917
67,735	-	67,735	1,000	-	1,000
-	-	-	330,929	294,856	36,073
-	-	-	-	-	-
-	-	-	800	-	800
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	93,433	93,433	-
-	-	-	5,847	5,847	-
-	-	-	353,206	-	353,206
-	-	-	-	-	-
(67,735)	-	67,735	(785,215)	(394,136)	391,079
(67,735)	30,642	98,377	(496,483)	(98,487)	397,996
-	-	-	190,456	191,106	650
-	-	-	190,456	191,106	650
(67,735)	30,642	98,377	(306,027)	92,619	398,646
67,735	67,737	2	612,862	651,562	38,700
\$ -	\$ 98,379	\$ 98,379	\$ 306,835	\$ 744,181	\$ 437,346

CITY OF ALACHUA, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
CAPITAL PROJECTS FUNDS - NON-MAJOR  
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	San Felasco Conservation Corridor		Variance With Final Budget
	Final Budget	Actual	
<b>Revenues</b>			
Investment Income	\$ -	\$ 2	\$ 2
<b>Total Revenues</b>	<u>-</u>	<u>2</u>	<u>2</u>
<b>Expenditures</b>			
Current:			
Public Safety	3,824	-	3,824
Physical Environment	-	-	-
<b>(Total Expenditures)</b>	<u>(3,824)</u>	<u>-</u>	<u>3,824</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(3,824)</u>	<u>2</u>	<u>3,826</u>
<b>Net Change in Fund Balance</b>	(3,824)	2	3,826
<b>Fund Balance, Beginning of Year</b>	<u>3,824</u>	<u>3,841</u>	<u>17</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ 3,843</u>	<u>\$ 3,843</u>



CITY OF ALACHUA, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
CAPITAL PROJECTS FUNDS - NON-MAJOR  
FOR THE YEAR ENDED SEPTEMBER 30, 2021  
(Continued)

	Heritage Oaks Improvement		Variance With Final Budget
	Final Budget	Actual	
<b>Revenues</b>			
Investment Income (Loss)	\$ -	\$ -	\$ -
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Current:			
Public Safety	-	-	-
Physical Environment	4,325	-	4,325
<b>(Total Expenditures)</b>	<u>(4,325)</u>	<u>-</u>	<u>4,325</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(4,325)</u>	<u>-</u>	<u>4,325</u>
<b>Net Change in Fund Balance</b>	(4,325)	-	4,325
<b>Fund Balance, Beginning of Year</b>	<u>4,326</u>	<u>4,325</u>	<u>(1)</u>
<b>Fund Balance, End of Year</b>	<u>\$ 1</u>	<u>\$ 4,325</u>	<u>\$ 4,324</u>

CITY OF ALACHUA, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
CAPITAL PROJECTS FUNDS - NON-MAJOR  
FOR THE YEAR ENDED SEPTEMBER 30, 2021  
(Continued)

	Mill Creek Sink Fund			CDBG Economic Development		
	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
<b>Revenues</b>						
Intergovernmental Revenues	\$ 716,908	\$ 419,057	\$ (297,851)	\$ (17,097)	\$ 10,797	\$ 27,894
Investment Income	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
<b>Total Revenues</b>	<u>716,908</u>	<u>419,057</u>	<u>(297,851)</u>	<u>(17,097)</u>	<u>10,797</u>	<u>27,894</u>
<b>Expenditures</b>						
Current:						
Transportation	-	-	-	-	-	-
Economic Environment	-	-	-	-	10,797	(10,797)
Parks and Recreation	-	-	-	-	-	-
Capital Outlay	716,908	438,080	278,828	-	-	-
<b>(Total Expenditures)</b>	<u>(716,908)</u>	<u>(438,080)</u>	<u>278,828</u>	<u>-</u>	<u>(10,797)</u>	<u>(10,797)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>(19,023)</u>	<u>(19,023)</u>	<u>(17,097)</u>	<u>-</u>	<u>17,097</u>
<b>Net Change in Fund Balance</b>	-	(19,023)	(19,023)	(17,097)	-	17,097
<b>Fund Balance, Beginning of Year</b>	-	-	-	-	(3,600)	(3,600)
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ (19,023)</u>	<u>\$ (19,023)</u>	<u>\$ (17,097)</u>	<u>\$ (3,600)</u>	<u>\$ 13,497</u>

CITY OF ALACHUA, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
CAPITAL PROJECTS FUNDS - NON-MAJOR  
FOR THE YEAR ENDED SEPTEMBER 30, 2021  
(Concluded)

	Florida Job Growth Grant		Variance With Final Budget
	Final Budget	Actual	
<b>Revenues</b>			
Intergovernmental Revenues	\$ 16,872	\$ 777,883	\$ 761,011
Investment Income	-	-	-
Miscellaneous	-	-	-
<b>Total Revenues</b>	<u>16,872</u>	<u>777,883</u>	<u>761,011</u>
<b>Expenditures</b>			
Current:			
Transportation	-	-	-
Economic Environment	-	-	-
Parks and Recreation	-	-	-
Capital Outlay	16,872	3,000	13,872
<b>(Total Expenditures)</b>	<u>(16,872)</u>	<u>(3,000)</u>	<u>13,872</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>774,883</u>	<u>774,883</u>
<b>Net Change in Fund Balance</b>	-	774,883	774,883
<b>Fund Balance, Beginning of Year</b>	-	(774,883)	(774,883)
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

# STATISTICAL SECTION

## (unaudited)

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

<u>Contents</u>	<u>Page</u>
<b>Financial Trends Information</b>	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	79
<b>Revenue Capacity Information</b>	
These schedules contain information to help the reader assess the factors affecting the City's most significant local revenue source, which is property taxes.	89
<b>Debt Capacity Information</b>	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. The City has no legal debt margin, thus it is not reported in these schedules.	94
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	101
<b>Operating Information</b>	
These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	104

**Sources:** *Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year. The City implemented GASB Statement No. 34 in 2003; schedules presenting government-wide information include information beginning in that year.*

## **FINANCIAL TRENDS INFORMATION**

**Schedule 1**  
**CITY OF ALACHUA, FLORIDA**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**

	Fiscal Year			
	2012	2013	2014	2015
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 14,518,014	15,054,392	15,864,924	17,393,955
Restricted	2,302,270	2,104,955	1,328,668	1,933,806
Unrestricted	2,461,909	3,250,642	3,752,120	810,604
Total governmental activities net position	<u>\$ 19,282,193</u>	<u>20,409,989</u>	<u>20,945,712</u>	<u>20,138,365</u>
<b>Business-type Activities</b>				
Net Investment in Capital Assets	\$ 21,041,023	25,448,736	26,121,070	27,034,352
Restricted	2,927,873	1,067,119	688,818	737,724
Unrestricted	2,992,216	3,139,610	4,979,974	5,141,346
Total business-type activities net position	<u>\$ 26,961,112</u>	<u>29,655,465</u>	<u>31,789,862</u>	<u>32,913,422</u>
<b>Primary Government</b>				
Net Investment in Capital Assets	\$ 35,559,037	40,503,128	41,985,994	44,428,307
Restricted	5,230,143	3,172,074	2,017,486	2,671,530
Unrestricted	5,454,125	6,390,252	8,732,094	5,951,950
Total primary government net position	<u>\$ 46,243,305</u>	<u>50,065,454</u>	<u>52,735,574</u>	<u>53,051,787</u>

**Note:** Net position for FY 2015, in both Governmental and Business-type Activities, includes a prior period adjustment of beginning net position as a result of the GASB 68 implementation. The effect of GASB 68 resulted in a change in net position in Governmental Activities by \$(3,186,541) and in Business-type Activities of \$(807,347).

<b>Fiscal Year</b>					
<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
19,616,277	22,463,590	23,893,386	31,404,781	38,811,346	39,709,937
697,533	965,855	1,118,805	720,643	824,515	877,524
1,596,788	34,697	1,170,134	( 228,560)	( 1,331,158)	( 292,015)
<u>21,910,598</u>	<u>23,464,142</u>	<u>26,182,325</u>	<u>31,896,864</u>	<u>38,304,703</u>	<u>40,295,446</u>
26,925,962	27,105,739	27,305,901	30,545,539	32,375,147	36,157,170
803,328	829,815	845,867	766,948	497,822	-
7,524,704	8,213,058	10,039,192	8,850,939	8,714,790	7,501,011
<u>35,253,994</u>	<u>36,148,612</u>	<u>38,190,960</u>	<u>40,163,426</u>	<u>41,587,759</u>	<u>43,658,181</u>
46,542,239	49,569,329	51,199,287	61,950,320	71,186,493	75,867,107
1,500,861	1,795,670	1,964,672	1,487,591	1,322,337	877,524
9,121,492	8,247,755	11,209,326	8,622,379	7,383,632	7,208,996
<u>57,164,592</u>	<u>59,612,754</u>	<u>64,373,285</u>	<u>72,060,290</u>	<u>79,892,462</u>	<u>83,953,627</u>

**Schedule 2**  
**CITY OF ALACHUA, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**

	Fiscal Year			
	2012	2013	2014	2015
<b>Expenses</b>				
Governmental activities:				
General government	\$ 3,080,777	2,813,888	2,719,659	2,690,754
Public safety	3,009,977	3,085,939	3,164,017	3,215,211
Physical environment	737,191	795,886	789,404	840,642
Transportation	708,219	694,479	758,198	813,619
Economic environment	148,614	176,463	212,978	192,386
Parks and recreation	748,726	758,883	1,318,191	892,715
Human Services	0	0	0	0
Interest on long-term debt	426,780	435,587	418,674	413,851
Total governmental activities expenses	<u>8,860,284</u>	<u>8,761,125</u>	<u>9,381,121</u>	<u>9,059,178</u>
<b>Business-type Activities</b>				
Electric	9,745,061	10,083,138	11,863,813	12,377,194
Water and sewer	4,715,831	3,634,733	3,621,216	3,365,172
Mosquito control	55,105	49,446	53,461	41,815
Total business-type activities	<u>14,515,997</u>	<u>13,767,317</u>	<u>15,538,490</u>	<u>15,784,181</u>
Total primary government expenses	23,376,281	22,528,442	24,919,611	24,843,359
<b>Program Revenues</b>				
Governmental activities:				
Charges for services:				
General government	346,639	495,774	317,475	371,184
Public safety	156,036	54,418	297,144	237,108
Physical environment	816,165	809,118	823,782	842,168
Transportation	12,200	12,565	13,370	14,656
Economic environment	0	0	0	0
Parks and recreation	40,295	32,615	27,243	31,901
Human Services	0	0	0	0
Operating grants and contributions	217,569	270,027	251,953	485,404
Capital grants and contributions	1,033,364	756,335	577,993	1,029,007
Total governmental activities program revenues	<u>\$ 2,622,268</u>	<u>2,430,852</u>	<u>2,308,960</u>	<u>3,011,428</u>
Business-type activities:				
Charges for services:				
Electric	\$ 12,519,393	13,073,827	15,171,323	15,693,189
Water and sewer	2,952,806	3,144,427	3,350,473	3,429,227
Mosquito control	50,073	54,585	56,291	57,115
Operating grants and contributions	0	551,284	24,527	24,527
Capital grants and contributions	138,066	1,321,644	662,887	0
Total business-type activities program revenues	<u>15,660,338</u>	<u>18,145,767</u>	<u>19,265,501</u>	<u>19,204,058</u>
Total primary government program revenues	<u>18,282,606</u>	<u>20,576,619</u>	<u>21,574,461</u>	<u>22,215,486</u>
<b>Net (Expense) Revenue</b>				
Governmental activities	( 6,238,016)	( 6,330,273)	( 7,072,161)	( 6,047,750)
Business-type activities	1,144,341	4,378,450	3,727,011	3,419,877
Total primary government net expense	<u>\$ ( 5,093,675)</u>	<u>( 1,951,823)</u>	<u>( 3,345,150)</u>	<u>( 2,627,873)</u>



Fiscal Year					
2016	2017	2018	2019	2020	2021
3,028,258	3,486,727	3,599,652	3,929,844	4,312,382	4,279,253
3,610,483	4,085,731	3,654,092	4,005,543	4,448,401	3,808,353
828,282	724,084	728,897	697,179	709,120	739,350
918,754	982,780	1,009,907	1,146,987	1,132,041	1,319,813
239,226	237,578	347,468	361,475	348,111	366,847
741,416	730,895	1,113,466	1,240,993	1,354,105	1,545,586
0	0	0	0	51,787	129,547
567,472	472,693	458,943	441,643	425,762	409,116
<u>9,933,891</u>	<u>10,720,488</u>	<u>10,912,425</u>	<u>11,823,664</u>	<u>12,781,709</u>	<u>12,597,865</u>
11,250,351	10,487,281	10,421,132	10,993,671	10,973,016	11,363,594
3,403,639	3,974,417	3,861,470	4,376,020	4,496,164	4,716,240
43,026	33,859	43,389	64,968	41,531	46,369
<u>14,697,016</u>	<u>14,495,557</u>	<u>14,325,991</u>	<u>15,434,659</u>	<u>15,510,711</u>	<u>16,126,203</u>
24,630,907	25,216,045	25,238,416	27,258,323	28,292,420	28,724,068
398,171	356,558	424,864	465,209	499,375	528,747
294,121	334,904	320,734	460,845	557,469	760,854
864,936	805,619	796,313	811,177	819,832	831,301
23,104	33,871	34,790	40,108	41,157	45,230
0	0	0	0	0	0
30,654	34,865	73,653	113,726	48,268	172,483
0	0	0	0	0	0
266,003	300,985	243,010	399,811	277,541	508,954
1,032,140	763,611	1,864,531	5,292,668	7,004,740	1,207,760
<u>2,909,129</u>	<u>2,630,413</u>	<u>3,757,895</u>	<u>7,583,544</u>	<u>9,248,382</u>	<u>4,055,329</u>
15,129,466	13,736,261	14,066,610	14,098,831	14,454,678	14,899,859
3,969,605	3,852,329	4,089,464	4,158,288	4,366,496	5,146,692
57,991	58,909	59,831	60,487	60,786	61,889
0	0	0	75,407	6,266	15,000
0	0	350,000	768,000	0	138,665
<u>19,157,062</u>	<u>17,647,499</u>	<u>18,565,905</u>	<u>19,161,013</u>	<u>18,888,226</u>	<u>20,262,105</u>
<u>22,066,191</u>	<u>20,277,912</u>	<u>22,323,800</u>	<u>26,744,557</u>	<u>28,136,608</u>	<u>24,317,434</u>
( 7,024,762)	( 8,090,075)	( 7,154,530)	( 4,240,120)	( 3,533,327)	( 8,542,536)
4,460,046	3,151,942	4,239,914	3,726,354	3,377,515	4,135,902
<u>( 2,564,716)</u>	<u>( 4,938,133)</u>	<u>( 2,914,616)</u>	<u>( 513,766)</u>	<u>( 155,812)</u>	<u>( 4,406,634)</u>

**Schedule 2 (Concluded)**  
**CITY OF ALACHUA, FLORIDA**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**

	Fiscal Year			
	2012	2013	2014	2015
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Taxes				
Property taxes	\$ 3,695,306	3,650,565	3,650,563	3,638,572
Utility taxes	1,191,592	1,120,707	1,118,050	1,165,926
Discretionary Sales Surtax	0	0	0	0
Communications services taxes	379,347	333,439	313,826	346,275
Local option gas tax	0	0	0	0
Business license tax	49,898	49,723	46,691	49,645
Franchise fees	0	0	0	0
Intergovernmental revenue	600,600	626,460	657,312	703,123
Unrestricted investment earnings	15,289	13,401	8,321	6,617
Miscellaneous	637,528	150,228	114,923	902,230
Capital asset transfers	0	0	0	0
Gain on disposal of capital assets	0	0	0	0
Special item	0	0	0	(3,186,541)
Transfers	1,553,882	1,698,102	1,698,198	1,614,556
<b>Total governmental activities</b>	<b>8,123,442</b>	<b>7,642,625</b>	<b>7,607,884</b>	<b>5,240,403</b>
Business-type activities:				
Unrestricted investment earnings	17,395	11,665	7,330	4,280
Miscellaneous	62,673	80,881	98,254	117,079
Capital asset transfers	0	0	0	0
Gain on disposal of capital assets	0	0	0	0
Special item	0	0	0	(803,120)
Transfers	( 1,553,882)	( 1,698,102)	( 1,698,198)	( 1,614,556)
<b>Total business-type activities</b>	<b>( 1,473,814)</b>	<b>( 1,605,556)</b>	<b>( 1,592,614)</b>	<b>( 2,296,317)</b>
<b>Total primary government</b>	<b>\$ 6,649,628</b>	<b>6,037,069</b>	<b>6,015,270</b>	<b>2,944,086</b>
<b>Change in Net Position</b>				
Governmental activities	\$ 1,885,426	1,312,352	535,723	( 807,347)
Business-type activities	( 329,473)	2,772,894	2,134,397	1,123,560
<b>Total primary government</b>	<b>\$ 1,555,953</b>	<b>4,085,246</b>	<b>2,670,120</b>	<b>316,213</b>

**Note:** Net position for FY 2015, in both Governmental and Business-type Activities, includes a prior period adjustment of beginning net position as a result of the GASB 68 implementation. The effect of GASB 68 resulted in a change in net position in Governmental Activities by \$(3,186,541) and in Business-type Activities of \$(807,347).

Fiscal Year					
2016	2017	2018	2019	2020	2021
3,982,499	4,171,075	4,090,645	4,280,381	4,489,384	4,726,998
1,387,113	1,423,860	1,450,979	1,506,043	1,481,057	1,608,171
0	368,655	605,530	609,820	571,527	684,556
338,750	311,859	323,331	332,749	361,901	321,121
0	0	0	0	0	0
48,398	48,649	49,970	51,497	47,733	39,549
0	0	0	0	0	0
743,242	801,244	823,041	853,502	790,075	1,019,001
25,692	32,812	58,385	114,730	30,281	5,407
194,070	103,364	97,195	140,609	101,531	57,535
0	0	0	0	0	0
0	0	0	0	0	0
(123,628)	0	0	0	0	0
<u>2,200,859</u>	<u>2,382,101</u>	<u>2,362,597</u>	<u>2,065,328</u>	<u>2,067,677</u>	<u>2,071,641</u>
<u>8,796,995</u>	<u>9,643,619</u>	<u>9,861,673</u>	<u>9,954,659</u>	<u>9,941,166</u>	<u>10,533,979</u>
7,166	23,498	99,537	187,324	58,977	6,161
74,219	101,279	58,336	124,115	55,518	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>( 2,200,859)</u>	<u>( 2,382,101)</u>	<u>( 2,362,597)</u>	<u>( 2,065,328)</u>	<u>( 2,067,677)</u>	<u>( 2,071,641)</u>
<u>( 2,119,474)</u>	<u>( 2,257,324)</u>	<u>( 2,204,724)</u>	<u>( 1,753,889)</u>	<u>( 1,953,182)</u>	<u>( 2,065,480)</u>
<u>6,677,521</u>	<u>7,386,295</u>	<u>7,656,949</u>	<u>8,200,770</u>	<u>7,987,984</u>	<u>8,468,499</u>
1,772,233	1,553,544	2,707,143	5,714,539	6,407,839	1,991,443
<u>2,340,572</u>	<u>894,618</u>	<u>2,035,190</u>	<u>1,972,465</u>	<u>1,424,333</u>	<u>2,070,422</u>
<u>4,112,805</u>	<u>2,448,162</u>	<u>4,742,333</u>	<u>7,687,004</u>	<u>7,832,172</u>	<u>4,061,865</u>

**Schedule 3**  
**CITY OF ALACHUA, FLORIDA**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**

	Fiscal Year			
	2012	2013	2014	2015
<b>General Fund</b>				
Nonspendable	\$ 1,768,547	1,819,012	1,411,513	1,726,625
Restricted	15,478	12,626	15,462	26,154
Assigned	157,490	653,673	727,248	549,035
Unassigned	2,384,803	2,689,621	3,434,709	3,324,514
Reserved	0	0	0	0
Unreserved	0	0	0	0
Total general fund	<u>\$ 4,326,318</u>	<u>5,174,932</u>	<u>5,588,932</u>	<u>5,626,328</u>
<b>All Other Governmental Funds</b>				
Nonspendable	\$ 9,549	13,621	23,607	10,999
Restricted	2,453,267	2,072,294	1,459,511	2,065,728
Assigned	0	0	0	0
Unassigned	(1,402,080)	(1,216,869)	(1,282,361)	(1,194,361)
Reserved	0	0	0	0
Unreserved, reported in:				
Special revenue funds	0	0	0	0
Debt service funds	0	0	0	0
Capital projects funds	0	0	0	0
Total all other governmental funds	<u>\$ 1,060,736</u>	<u>869,046</u>	<u>200,757</u>	<u>882,366</u>

Fiscal Year					
2016	2017	2018	2019	2020	2021
1,128,744	627,675	750,470	3,104,103	3,022,285	1,634,204
26,167	10,448	3,693	12,824	12,427	0
2,050,825	306,543	2,354,747	1,228,534	1,597,253	1,454,295
2,931,335	3,813,331	2,774,649	2,705,928	2,516,089	3,888,829
0	0	0	0	0	0
0	0	0	0	0	0
<u>6,137,071</u>	<u>4,757,997</u>	<u>5,883,559</u>	<u>7,051,389</u>	<u>7,148,054</u>	<u>6,977,328</u>
12,226	21,826	5,693	597	589	5,613
4,635,975	955,407	1,115,112	707,819	812,088	878,224
697,959	559,861	494,228	491,462	502,343	537,640
(667,489)	(300,000)	(95,699)	(2,802,715)	(2,539,356)	(1,098,942)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>4,678,671</u>	<u>1,237,094</u>	<u>1,519,334</u>	<u>( 1,602,837)</u>	<u>( 1,224,336)</u>	<u>322,535</u>

**Schedule 4**  
**CITY OF ALACHUA, FLORIDA**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**

	Fiscal Year			
	2012	2013	2014	2015
<b>Revenues</b>				
Taxes	\$ 5,531,359	5,364,716	5,344,809	5,430,545
Permits, fees, and special assessments	410,673	448,531	507,102	495,716
Intergovernmental revenues	1,481,397	1,038,824	1,149,737	1,887,631
Charges for services	918,349	906,021	902,045	947,960
Fines and forfeitures	41,023	48,181	63,393	43,769
Interest	15,289	13,401	8,321	6,617
Miscellaneous	793,738	174,019	171,720	998,455
Total revenues	<u>9,191,828</u>	<u>7,993,693</u>	<u>8,147,127</u>	<u>9,810,693</u>
<b>Expenditures</b>				
General government	2,798,685	2,534,198	2,511,783	2,560,365
Public safety	2,869,912	2,916,255	3,004,179	3,128,641
Physical environment	737,137	795,832	789,349	840,588
Transportation	475,306	473,721	474,618	488,529
Economic environment	136,857	161,923	197,491	172,559
Human Services	0	0	0	0
Parks and recreation	645,313	657,592	710,454	789,635
Debt service:				
Principal	210,000	215,000	304,621	321,840
Interest and fiscal charges	420,787	430,470	421,513	424,885
Capital outlay	1,733,572	1,746,650	1,685,606	1,979,202
Total expenditures	<u>10,027,569</u>	<u>9,931,641</u>	<u>10,099,614</u>	<u>10,706,244</u>
Excess (deficiency) of revenues over (under) expenditures	( 835,741)	( 1,937,948)	( 1,952,487)	( 895,551)
<b>Other Financing Sources (Uses)</b>				
Proceeds from the sale of capital assets	13,220	11,270	0	0
Proceeds from borrowing	0	885,500	0	1,150,000
Payments to refunding bond escrow agent	0	0	0	(1,150,000)
Insurance proceeds	0	0	0	0
Transfers in	3,182,229	2,454,088	2,557,976	2,979,434
Transfers out	( 1,628,347)	( 755,986)	( 859,778)	( 1,364,878)
Total other financing sources (uses)	<u>1,567,102</u>	<u>2,594,872</u>	<u>1,698,198</u>	<u>1,614,556</u>
Net change in fund balances	<u>\$ 731,361</u>	<u>656,924</u>	<u>( 254,289)</u>	<u>719,005</u>
Debt service as a percentage of noncapital expenditures	7.6%	7.9%	8.6%	8.6%

Source: City of Alachua Financial Reports

**Note:**

A) Section 108, Series 2001A loan refinanced in FY 2015.

B) Capital Improvement Revenue and Revenue Refunding Bonds, Series 2016 issued in FY 2016. Issue refunded \$7.1 million of outstanding Capital Improvement and Refunding Revenue Bonds, Series 2006.

Fiscal Year					
2016	2017	2018	2019	2020	2021
6,004,417	6,574,325	6,771,785	7,039,344	7,197,160	7,661,926
491,381	491,187	536,096	564,860	581,834	797,763
1,796,689	1,594,494	1,241,335	3,723,450	8,201,739	2,908,312
1,067,509	982,949	1,060,719	1,217,916	1,312,746	1,459,927
34,312	64,531	29,230	78,810	40,987	46,308
25,692	32,812	58,385	114,730	30,283	5,407
192,843	107,699	89,425	137,858	47,637	47,324
<u>9,612,843</u>	<u>9,847,997</u>	<u>9,786,975</u>	<u>12,876,968</u>	<u>17,412,386</u>	<u>12,926,967</u>
2,741,395	3,064,460	3,156,600	3,332,416	3,604,814	4,131,805
3,283,396	3,555,867	3,133,453	3,261,173	3,513,424	3,771,476
828,228	724,030	728,843	697,125	709,066	739,296
566,945	563,055	562,857	667,209	592,393	684,572
197,743	186,235	294,475	300,062	233,817	315,730
0	0	0	0	51,787	129,547
640,079	592,608	793,078	876,510	954,871	1,136,982
418,711	482,911	534,888	464,197	479,892	515,433
474,815	486,444	489,477	471,882	456,514	440,173
4,339,117	7,395,139	1,048,099	6,826,063	8,408,319	1,757,449
<u>13,490,429</u>	<u>17,050,749</u>	<u>10,741,770</u>	<u>16,896,637</u>	<u>19,004,897</u>	<u>13,622,463</u>
( 3,877,586)	( 7,202,752)	( 954,795)	( 4,019,669)	( 1,592,511)	( 695,496)
0	0	0	0	0	0
13,207,453	0	0	0	0	0
(7,100,000)	0	0	0	0	0
0	0	0	0	0	0
3,437,126	5,478,044	3,398,431	3,015,805	3,033,621	3,048,523
<u>( 1,236,267)</u>	<u>( 3,095,943)</u>	<u>( 1,035,834)</u>	<u>( 950,476)</u>	<u>( 965,944)</u>	<u>( 976,882)</u>
<u>8,308,312</u>	<u>2,382,101</u>	<u>2,362,597</u>	<u>2,065,329</u>	<u>2,067,677</u>	<u>2,071,641</u>
<u>4,430,726</u>	<u>( 4,820,651)</u>	<u>1,407,802</u>	<u>( 1,954,340)</u>	<u>475,166</u>	<u>1,376,145</u>
9.8%	10.0%	10.6%	9.3%	8.8%	8.1%

## **REVENUE CAPACITY INFORMATION**



**Schedule 5**  
**CITY OF ALACHUA**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

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<b>Fiscal Year Ended September 30</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Agricultural Property</b>	<b>Industrial Property</b>
2012	\$ 275,660,490	104,238,080	59,247,070	129,060,290
2013	279,161,950	106,282,970	57,665,520	130,863,550
2014	281,698,170	106,926,610	56,734,615	128,789,230
2015	287,733,692	106,342,560	57,151,050	122,327,400
2016	298,701,155	107,851,700	57,903,000	120,895,840
2017	309,304,486	113,985,346	53,879,730	121,952,410
2018	335,714,108	103,460,140	54,743,787	176,570,660
2019	357,724,814	106,719,620	60,071,970	179,366,290
2020	375,232,012	117,826,179	58,052,873	176,592,913
2021	384,017,832	121,199,899	59,666,304	194,476,724

Source: Alachua County Property Appraiser

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<b>Non-Taxable Real Property</b>	<b>Personal and Centrally Assessed Property</b>	<b>Less: Tax Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>
260,266,024	146,380,912	272,929,424	701,923,442	5.5000
286,179,813	103,588,381	281,978,533	681,763,651	5.5000
285,937,360	108,914,101	281,927,200	687,072,886	5.5000
290,459,714	103,433,849	284,232,894	683,215,371	5.5000
287,466,114	100,745,527	285,472,955	688,090,381	5.9900
291,778,105	107,092,736	286,363,129	711,629,684	5.9900
306,847,540	107,354,328	302,079,280	782,611,283	5.3900
323,835,410	110,932,918	318,382,990	820,268,032	5.3900
329,621,158	124,683,997	325,488,330	856,520,802	5.3900
349,185,630	129,653,433	331,380,488	906,819,334	5.3900

**Schedule 6**  
**CITY OF ALACHUA, FLORIDA**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN FISCAL YEARS**  
(rate per \$1,000 of assessed value)

Fiscal Year Ended Sept. 30,	Direct			Overlapping							
	Basic Rate	General Obligation Debt Service	Total City	Alachua BOCC	Alachua BOCC GO Debt	Alachua County Library District	Library Debt Service	Alachua County Children's Trust	School Board	Suwannee River Water Management District	St. Johns River Water Management District
2012	5.5000	0.0000	5.5000	8.5956	0.2500	1.3638	0.1152	0.0000	9.0920	0.4143	0.3313
2013	5.5000	0.0000	5.5000	8.5956	0.2500	1.3638	0.1130	0.0000	8.5490	0.4143	0.3313
2014	5.5000	0.0000	5.5000	8.7990	0.2500	1.3638	0.0950	0.0000	8.4020	0.4143	0.3283
2015	5.5000	0.0000	5.5000	8.7990	0.2500	1.3638	0.0950	0.0000	8.4100	0.0420	0.3164
2016	5.9900	0.0000	5.9900	8.7950	0.1595	1.4538	0.0900	0.0000	8.3420	0.4104	0.3023
2017	5.9900	0.0000	5.9900	8.9290	0.0000	1.3371	0.0750	0.0000	7.9360	0.4093	0.2885
2018	5.3900	0.0000	5.3900	8.4648	0.0000	1.2655	0.0000	0.0000	7.6250	0.4027	0.2724
2019	5.3900	0.0000	5.3900	8.2829	0.0000	1.2303	0.0000	0.0000	7.2640	0.3948	0.2562
2020	5.3900	0.0000	5.3900	8.2729	0.0000	1.1825	0.0000	0.5000	7.1440	0.3840	0.2414
2021	5.3900	0.0000	5.3900	7.8935	0.0000	1.1289	0.0000	0.5000	6.9150	0.3696	0.2287

Source: Alachua County Property Appraiser

**Schedule 7  
CITY OF ALACHUA, FLORIDA  
PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND NINE YEARS PRIOR**

Taxpayer	Fiscal Year 2021			Fiscal Year 2012		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Wal-Mart Stores East LP	\$ 64,221,673	1	9.15%	\$ 74,789,790	1	10.65%
Dolgencorp, Inc.	56,954,982	2	8.11%	53,558,260	2	7.63%
SNH Medical Office Properties	49,590,500	3	7.07%	10,518,880	5	1.50%
Regeneration Technologies, Inc.	28,363,259	5	4.05%	20,878,920	4	2.97%
Baugh Southeast Cooperative, Inc.	27,414,300	4	3.91%	44,410,560	3	6.33%
Alachua Development, LLC	17,946,388	6	2.56%	7,885,330	7	1.12%
Ology Bioservices, Inc.	11,720,140	7	1.67%	--		0.00%
Waco Properties, Inc.	9,999,008	8	1.43%	7,100,100	8	1.01%
Alachua FL 0716 LLC	8,770,217	9	1.25%	--		0.00%
Lowes Home Centers, Inc.	7,249,843	10	1.04%	9,355,400	6	1.33%
Hunter Marine Corp.				5,651,750	9	0.81%
MAS Holding Company, Inc.				5,274,500	10	0.75%
	<u>\$ 282,230,310</u>		<u>40.24%</u>	<u>\$ 239,423,490</u>		<u>34.10%</u>

Source: Alachua County Tax Collector

**Schedule 8**  
**CITY OF ALACHUA, FLORIDA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended September 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	3,860,579	3,688,577	95.5%	6,729	3,695,307	95.7%
2013	3,749,700	3,612,853	96.4%	37,712	3,650,565	97.4%
2014	3,778,901	3,643,042	96.4%	7,521	3,650,563	96.6%
2015	3,757,685	3,632,904	96.7%	5,669	3,638,573	96.8%
2016	4,130,829	3,975,018	96.2%	7,481	3,982,499	96.4%
2017	4,262,662	4,164,772	97.7%	6,303	4,171,075	97.9%
2018	4,230,837	4,085,398	96.6%	5,247	4,090,645	96.7%
2019	4,404,414	4,296,687	97.6%	(16,306)	4,280,381	97.2%
2020	4,539,399	4,475,397	98.6%	13,987	4,489,384	98.9%
2021	4,892,610	4,719,365	96.5%	7,636	4,727,001	96.6%

**Sources:** City of Alachua Financial System Data  
Department of Revenue  
Alachua County Property Appraiser  
Alachua County Tax Collector

## **DEBT CAPACITY INFORMATION**

**Schedule 9**  
**CITY OF ALACHUA, FLORIDA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities				
	Gen. Govt. Revenue Bonds	Gen. Govt. Participation Certificates	Sales Tax Revenue Notes	Tax Increment Revenue Note	Financing Loans / Capital Leases
2012	\$ 7,478,669	1,390,000	0	0	0
2013	7,379,974	1,275,000	0	885,500	0
2014	7,281,279	1,150,000	0	805,879	500,000
2015	7,177,584	1,015,000	0	724,038	500,000
2016	12,937,326	875,000	0	640,370	680,085
2017	12,839,292	725,000	0	554,834	506,710
2018	12,622,858	560,000	0	467,389	0
2019	12,399,024	385,000	0	377,994	0
2020	12,171,488	200,000	0	286,601	0
2021	11,925,453	0	0	193,169	0

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

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**Business-Type Activities**

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<b>Utility Acquisition Bonds</b>	<b>Utility Refunding Bonds</b>	<b>Utility Revenue Bonds</b>	<b>Loans/ Capital Leases</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita</b>
600,000	5,905,000	286,000	10,193,012	25,852,681	8.14%	2,838
530,000	4,695,000	0	8,362,907	23,128,381	7.00%	2,532
455,000	4,060,000	0	8,411,413	22,663,571	6.41%	2,437
375,000	3,410,000	0	8,345,992	21,547,614	5.86%	2,254
290,000	2,750,000	4,611,853	8,229,683	31,014,317	7.91%	3,135
200,000	2,085,000	4,576,964	8,086,990	29,574,790	7.36%	2,977
105,000	1,405,000	4,500,471	7,917,275	27,577,993	6.51%	2,716
0	710,000	4,421,382	12,220,079	30,513,479	6.95%	2,963
0	0	4,340,996	11,995,158	28,994,243	5.57%	2,769
0	0	4,262,996	11,327,436	27,709,054	5.45%	2,576



**Schedule 10**  
**CITY OF ALACHUA, FLORIDA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF SEPTEMBER 30, 2021**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
<b>Direct:</b>			
Capital Improvement Revenue and Revenue Refunding Bonds, 2016	\$ 11,312,575	100.00%	\$ 11,312,575
Redevelopment Revenue Note, 2013	193,169	100.00%	193,169
<b>Total direct debt</b>			<b>11,505,744</b>
<b>Overlapping:</b>			
Alachua County Board of County Commissioners:			
Public Improvement Revenue Note, 2014	4,207,000	5.59%	234,972
Capital Improvement Revenue Note, 2015A	2,005,000	5.59%	111,984
Public Improvement Revenue Refunding Note, 2015B	8,523,000	5.59%	476,031
Public Improvement Revenue Refunding Note, 2016	9,615,000	5.59%	537,022
Public Improvement Revenue Note, 2017	1,295,000	5.59%	72,329
Capital Improvement Revenue Refunding Note, 2017	1,317,000	5.59%	73,558
Local Option Gas Tax Revenue Note, 2018	10,185,000	5.59%	568,858
Capital Improvement Revenue Note, 2020A	3,420,000	5.59%	191,016
Capital Improvement Revenue Note, 2020B	4,400,000	5.59%	245,751
Capital Improvement Revenue Note, 2020C	12,500,000	5.59%	698,156
Tourist Development Tax Revenue Note, 2021AB	30,000,000	5.59%	1,675,575
School Board of Alachua County:			
Bus Purchase 2020	6,305,230	5.03%	317,365
Certificates of Participation	122,682,196	5.03%	6,175,041
Qualified School Construction Bonds	11,211,997	5.03%	564,341
Build America Bonds	3,384,016	5.03%	170,330
<b>Total overlapping debt</b>	<b>231,050,439</b>		<b>12,112,329</b>
<b>Total direct and overlapping debt</b>	<b>\$ 231,050,439</b>		<b>\$ 23,618,073</b>

**Sources:** City of Alachua Finance Department and the Alachua County Finance Department.

**Notes:**

(1) 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 the businesses of Alachua. 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.

(2) Ratio of assessed valuation of taxable property in overlapping unit to that within the City of Alachua.

**Schedule 11**  
**CITY OF ALACHUA, FLORIDA**  
**PLEDGED-REVENUE COVERAGE**  
**GENERAL GOVERNMENT DEBT**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Pledged Revenue	Section 108 Loan Debt Service		Coverage
		Principal	Interest	
2012	\$ 946,444	110,000	96,130	4.59
2013	966,702	115,000	89,530	4.73
2014	1,006,475	125,000	82,538	4.85
2015	1,057,098	135,000	77,762	4.97
2016	1,133,662	140,000	16,405	7.25
2017	1,190,516	150,000	15,242	7.20
2018	1,235,434	165,000	13,848	6.91
2019	1,310,196	175,000	11,654	7.02
2020	1,272,267	185,000	8,363	6.58
2021	1,428,992	200,000	3,917	7.01

Fiscal Year	Pledged Revenue	Series 2006 Capital Improvement Debt Service		Coverage
		Principal	Interest	
2012	\$ 3,795,453	100,000	324,258	8.95
2013	6,255,215	100,000	320,695	14.87
2014	6,123,156	100,000	316,883	14.69
2015	6,024,910	105,000	312,783	14.42
2016	6,402,248	110,000	304,448	15.45
2017	0	0	0	N/A
2018	0	0	0	N/A
2019	0	0	0	N/A
2020	0	0	0	N/A
2021	0	0	0	N/A

**Notes:**

- (1) Pledged revenue for the Section 108 Loan consists of Half Cent Sales Tax, Franchise Fees, and Guaranteed Entitlement Revenue.
- (2) Original Section 108 Loan Series 2001A was refinanced by HUD in FY 2014-2015.
- (3) Pledged revenue for the Series 2006 bonds consists of various non ad valorem revenue. This issue was in FY 2016 by the covenant-to-budget Series 2016 Capital Improvement and Revenue Refunding bonds.

**Schedule 12**  
**CITY OF ALACHUA, FLORIDA**  
**PLEDGED-REVENUE COVERAGE**  
**SALES TAX REVENUE NOTES**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Sales Tax Revenue	Sales Tax Rev Note-1995 Debt Service			Sales Tax Rev Note-1999A Debt Service		
		Principal	Interest	Coverage	Principal	Interest	Coverage
2012	\$ 0	\$ 0	\$ 0	0.00	\$ 0	\$ 0	0.00
2013	0	0	0	0.00	0	0	0.00
2014	0	0	0	0.00	0	0	0.00
2015	0	0	0	0.00	0	0	0.00
2016	0	0	0	0.00	0	0	0.00
2017	0	0	0	0.00	0	0	0.00
2018	0	0	0	0.00	0	0	0.00
2019	0	0	0	0.00	0	0	0.00
2020	0	0	0	0.00	0	0	0.00
2021	0	0	0	0.00	0	0	0.00

Fiscal Year	Sales Tax Revenue	Sales Tax Rev Note-1999B Debt Service			Sales Tax Rev Note-2000 Debt Service		
		Principal	Interest	Coverage	Principal	Interest	Coverage
2012	\$ 0	\$ 0	\$ 0	0.00	\$ 0	\$ 0	0.00
2013	0	0	0	0.00	0	0	0.00
2014	0	0	0	0.00	0	0	0.00
2015	0	0	0	0.00	0	0	0.00
2016	0	0	0	0.00	0	0	0.00
2017	0	0	0	0.00	0	0	0.00
2018	0	0	0	0.00	0	0	0.00
2019	0	0	0	0.00	0	0	0.00
2020	0	0	0	0.00	0	0	0.00
2021	0	0	0	0.00	0	0	0.00

**Notes:**

(1) The Sales Tax 1995 and 2000 were paid off in Fiscal Year 2006 with proceeds from Series 06 Capital Improvement/Refunding Bonds.

(2) The Sales Tax 1999A and 1999B were paid off in Fiscal Year 2001 with proceeds from Section 108 Loan.

**Schedule 13**  
**CITY OF ALACHUA, FLORIDA**  
**PLEDGED-REVENUE COVERAGE**  
**TAX INCREMENT REVENUE NOTES**  
**LAST TEN FISCAL YEARS**

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Fiscal Year	Tax Increment Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2012	\$ 451,046	0	0	0	N/A
2013	440,175	0	0	0	N/A
2014	445,355	79,622	19,658	99,280	4.49
2015	430,915	81,841	17,439	99,280	4.34
2016	446,504	83,668	15,612	99,280	4.50
2017	461,807	85,535	13,744	99,279	4.65
2018	442,610	87,445	11,835	99,280	4.46
2019	459,275	89,397	9,882	99,279	4.63
2020	466,184	91,392	7,887	99,279	4.70
2021	470,975	93,433	5,847	99,280	4.74

**Notes:**

- (1) The Tax Increment Revenue Notes are backed by the property tax revenue produced by the property tax rate of the City of Alachua and Alachua County applied to the increase in taxable assessed values above the base year taxable assessed valued multiplied by 95%.
- (2) 2000 Tax Increment Note paid off during FY 2010-2011.
- (3) 2013 Redevelopment Note Debt Service payment began in FY 2013-2014.

**Schedule 14**  
**CITY OF ALACHUA, FLORIDA**  
**PLEDGED-REVENUE COVERAGE**  
**UTILITY SYSTEM BONDS**  
**LAST TEN FISCAL YEARS**

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**Net Debt Service Requirements**

<b>Fiscal Year</b>	<b>Net Utility Revenue Available</b>	<b>Excise Taxes</b>	<b>Revenue Available for Debt Service</b>	<b>Total Debt</b>	<b>Coverage</b>
2012	\$ 3,921,653	1,570,939	5,492,592	1,040,865	5.28
2013	4,555,312	1,454,146	6,009,458	1,162,198	5.17
2014	3,840,677	1,431,876	5,272,553	1,000,935	5.27
2015	3,295,525	1,512,201	4,807,726	1,120,818	4.29
2016	3,949,967	1,725,863	5,675,830	1,142,493	4.97
2017	3,042,563	1,735,719	4,778,282	1,158,811	4.12
2018	3,587,827	1,774,310	5,362,137	1,184,685	4.53
2019	3,137,138	1,838,792	4,975,930	1,214,577	4.10
2020	3,711,173	1,842,958	5,554,131	1,132,122	4.91
2021	4,003,398	1,929,292	5,932,690	1,059,513	5.60

**Source:** City of Alachua Financial Statements (Combining Statements of Revenues, Expenses, and Changes In Fund Net Position).

## **DEMOGRAPHIC AND ECONOMIC INFORMATION**

**Schedule 15**  
**CITY OF ALACHUA, FLORIDA**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

<b>Year</b>	<b>City Population</b>	<b>Gainesville MSA Population</b>	<b>Per Capita Personal Income</b>	<b>Total Personal Income</b>	<b>Unemployment Rate</b>
2012	9,108	266,369	34,859	317,495,772	6.90%
2013	9,134	268,232	36,179	330,458,986	4.80%
2014	9,300	270,382	38,045	353,818,500	5.50%
2015	9,561	273,377	38,462	367,735,182	4.20%
2016	9,892	277,163	39,650	392,217,800	4.40%
2017	9,936	280,708	40,444	401,851,584	4.50%
2018	10,155	280,715	41,718	423,646,290	3.40%
2019	10,298	285,072	42,663	439,343,574	2.50%
2020	10,470	289,857	49,689	520,243,830	4.30%
2021	10,756	328,517	47,302	508,780,312	5.20%

**Notes:**

A) Per Capita Personal Income figures are based on Gainesville Metropolitan Statistical Area.

B) Unemployment rate figures are based on the Gainesville Metropolitan Statistical Area.

C) Population estimate as published by University of Florida Bureau of Economic and Business Research (BEBR).

**Schedule 16  
 CITY OF ALACHUA, FLORIDA  
 PRINCIPAL EMPLOYERS  
 CURRENT YEAR AND NINE YEARS PRIOR**

<b>Employer</b>	<b>Fiscal Year 2021</b>			
	<b>Type of Business</b>	<b>Number of Employees</b>	<b>Rank</b>	<b>% of Total</b>
Walmart Distribution Center	Retail	1150	1	30.55%
Dollar General Distribution Center	Retail	864	2	22.95%
Regeneration Technologies, Inc.	Orthopedic/Cardio Implants	345	3	9.17%
School Board of Alachua County	Public Education	284	4	7.55%
Ology Bioservices, Inc.	Biologic Technologies	265	5	7.04%
Publix Supermarkets	Retail	229	6	6.08%
Sandvik Mining & Construction USA, LLC	Manufacturing	192	7	5.10%
Lowe's	Retail	167	8	4.44%
Baugh Southeast Cooperative, Inc. (Sysco)	Retail	136	9	3.61%
City of Alachua	City Government	132	10	3.51%
	Total City Employment	3,764		

**Source:** Individual Employers



Employer	Fiscal Year 2012			
	Type of Business	Number of Employees	Rank	% of Total
Walmart Distribution Center	Retail	736	1	23.90%
Dollar General Distribution Center	Retail	624	2	20.27%
Regeneration Technologies, Inc.	Orthopedic/Cardio Implants	365	3	11.85%
Hunter Marine Corporation	Manufacturing	325	4	10.56%
School Board of Alachua County	Public Education	254	5	8.25%
Sage Software	Healthcare Management	220	6	7.15%
Sandvik Mining & Construction USA, LLC	Manufacturing	150	7	4.87%
State of Florida	State Government	144	8	4.68%
Baugh Southeast Cooperative, Inc.	Retail	132	9	4.29%
Hitchcock & Sons, Inc.	Grocery	129	10	4.19%
	Total City Employment	3,079		

Source: Individual Employers

## **OPERATING INFORMATION**

**Schedule 17**  
**CITY OF ALACHUA, FLORIDA**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES**  
**BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

<b>Program</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
General Administration	18.00	18.00	18.00	19.00	13.00	12.00	13.00	13.00	13.00	13.00
Culture and Recreation	6.00	7.00	7.00	7.00	7.00	5.00	6.00	7.00	8.00	8.00
Finance/Administrative Services	14.00	14.00	14.00	14.00	20.00	25.00	26.00	26.00	27.00	28.00
Police	29.50	29.50	29.50	30.00	31.50	32.50	34.50	34.50	36.50	36.50
Community Development and Planning	10.00	10.00	10.00	10.00	10.50	11.00	13.00	13.00	13.00	13.00
Public Services	38.00	38.00	38.00	37.00	38.00	38.00	40.00	40.00	41.00	43.00
<b>Total</b>	<b>115.50</b>	<b>116.50</b>	<b>116.50</b>	<b>117.00</b>	<b>120.00</b>	<b>123.50</b>	<b>132.50</b>	<b>133.50</b>	<b>138.50</b>	<b>141.50</b>

**Source:** City of Alachua Annual Budget

**Notes:**

- A) Community Development and Planning includes Compliance and Risk Management - 3.5 FTE in FY 2016.
- B) Purchasing, IT, and Facilities consolidated under Finance & Administrative Services during FY 2016.
- C) FTE for Electric System Planner added to Public Services during FY 2016.
- D) Recreation maintenance staff consolidated with Facilities in FY 2017.

**Schedule 18**  
**CITY OF ALACHUA, FLORIDA**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Public Safety:</b>										
Arrests	162	228	161	206	217	247	320	304	228	183
Traffic citations issued	2,307	3,149	3,491	1,941	2,196	1,889	1,144	1,813	1,567	1,861
<b>Planning and Development:</b>										
New local business tax receipts issued	83	73	46	76	58	42	49	54	35	41
Building permits issued	441	489	539	642	605	531	948	668	716	641
<b>Culture and Recreation:</b>										
Participants in Summer Recreation Program	0	0	0	0	0	0	42	165	62	194
<b>Electric Utility:</b>										
Number of residential customers	3,605	3,645	3,721	3,790	3,866	3,855	3,828	3,881	3,901	3,988
Kilowatts per hour sold-residential	39,334,834	39,441,390	41,192,449	42,873,312	44,908,136	49,536,179	43,899,437	45,432,789	44,486,790	46,932,453
Number of commercial customers	819	855	868	845	850	833	939	1,086	1,102	1,134
Kilowatts per hour sold-commercial	78,085,867	73,371,218	75,053,504	76,684,358	76,684,358	88,739,370	85,042,289	86,828,532	77,724,048	86,999,274
<b>Water Utility:</b>										
Number of residential customers	3,166	3,244	3,296	3,377	3,455	3,435	3,481	3,532	3,569	3,676
Gallons sold	208,178,387	184,798,177	205,179,769	181,027,654	195,392,511	239,218,578	190,649,990	203,401,990	210,642,294	201,998,290
Number of commercial customers	493	505	530	534	544	524	526	534	547	570
Gallons sold	162,035,512	146,422,961	150,610,000	160,707,699	183,371,258	151,993,571	185,630,701	192,225,666	184,659,250	196,476,140
<b>Wastewater Utility:</b>										
Number of customers	2,702	2,755	2,820	2,886	2,977	2,953	2,984	3,035	3,073	3,133
Gallons of wastewater billed to customers	251,098,965	240,707,541	240,160,431	238,979,271	239,973,349	271,199,248	266,929,170	281,685,710	271,043,085	285,272,510
<b>Reclaimed Water:</b>										
Number of customers	0	0	1	1	1	1	1	1	1	1
Gallons of wastewater billed to customers	0	0	103,205,640	138,011,490	220,200	58,655,900	177,262,500	173,520,740	25,575	31,930
<b>Solid Waste:</b>										
Number of customers	3,300	3,343	3,411	3,490	3,532	3,554	3,604	3,685	3,695	3,774

**Source:** Various City Departments

**Notes:**

(A) Reclaimed Water became available for sale in Fiscal Year 2014.

**Schedule 19**  
**CITY OF ALACHUA, FLORIDA**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

<b>Function/Program</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Public Safety:										
Police:										
Police stations	1	1	1	1	1	1	1	1	1	1
Police sub-stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Fire stations	1	1	1	1	1	1	1	1	1	1
Public Services:										
Streets (miles)	55.77	48.00	48.00	48.00	48.00	49.10	49.97	52.00	52.00	56.00
Culture and Recreation:										
Parks	6	6	6	6	6	7	7	7	7	7
Tennis courts	2	2	2	2	2	2	2	2	2	2
Ball fields	11	11	11	11	11	11	11	11	11	11
Community centers	3	3	3	3	3	3	3	3	3	3
Skate park	1	1	1	1	1	1	1	1	1	1
Spray pool	1	1	1	1	1	1	1	1	1	1
Electric Utility:										
Substations	1	1	1	1	1	1	1	1	1	1
Water Utility:										
Wells	3	3	3	3	3	3	3	3	3	3
Wastewater Utility:										
Treatment capacity (millions of gallons per day)	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5

**Source:** Various City Departments

**OTHER INDEPENDENT AUDITOR'S  
REPORTS AND SCHEDULES**

**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, City Commissioners, and  
City Manager  
Alachua, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alachua, Florida (the City), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 30, 2022.

**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 the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

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City Manager  
Alachua, Florida

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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



March 30, 2022  
Gainesville, Florida



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

Honorable Mayor, City Commissioners, and  
City Manager  
Alachua, Florida

We have examined the City of Alachua, Florida's (the City) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2021, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

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



March 30, 2022  
Gainesville, Florida

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## MANAGEMENT LETTER

Honorable Mayor, City Commissioners, and  
City Manager  
Alachua, Florida

### Report on the Financial Statements

We have audited the financial statements of the City of Alachua, Florida (the City) as of and for the year ended September 30, 2021, and have issued our report thereon dated March 30, 2022.

### Auditor's Responsibility

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

### Other Reporting Requirements

We have issued our independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of the financial statements performed in accordance with *Government Auditing Standards*; 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 March 30, 2022, 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. There were no such findings in the preceding audit report.

### Official Title and Legal Authority

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

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Honorable Mayor, City Commissioners, and  
City Manager  
Alachua, Florida

## MANAGEMENT LETTER

- 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 did not have any such recommendations.

### Special District Component Units

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

### Specific Information

The required reporting items in accordance with Section 218.39(3)(c), Florida Statutes for the City of Alachua Community Redevelopment Agency (the CRA) have been reported in the separately-issued audited financial statements of the CRA.

### Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate non-compliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. 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, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

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



March 30, 2022  
Gainesville, Florida

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