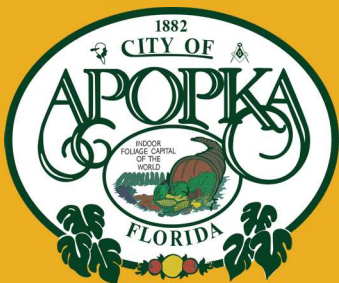


2022

APOPKA, FLORIDA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2022



COVER PHOTO: BILLIE DEAN COMMUNITY CENTER AT ALONZO WILLIAMS PARK

The Billie Dean Community Center at Alonzo Williams Park is a newly constructed building that has a media room equipped with computers, multi-purpose room, kitchen, and restrooms. The outdoor amenities include a multi-age playground, basketball courts, and a multi-purpose field. There are also picnic tables and charcoal grills available for public use.

We are excited to be able to continue to provide lifelong memories at Billie Dean Community Center at Alonzo Williams Park. Billie Dean Community Center at Alonzo Williams Park is located at 225 M A Board Street, Apopka, FL 32703.

For more information, visit <https://www.apopka.gov/Facilities/Facility/Details/Billie-Dean-Community-Center-at-Alonzo-W-19>

CITY OF AOPKA, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2022

Prepared by:
Department of Finance

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CITY OF APOPKA, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

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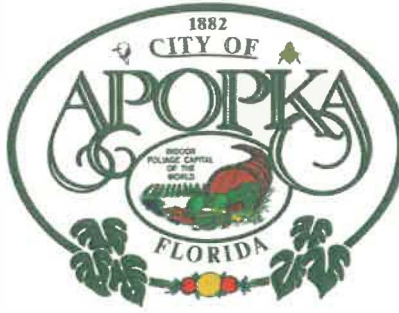
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Introductory Section

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

June 30, 2023

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

The Finance Department is pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Apopka, Florida, for the fiscal year ended September 30, 2022. This report is in accordance with the requirements of the City Charter, Florida Statutes, and Rules of the Florida Auditor General. The CAFR is published to provide the City Council, City staff, citizens, bondholders, and other interested parties with detailed information concerning the financial condition and activities of the City.

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

The City's financial statements have been audited by Mauldin & Jenkins CPAs & Advisors, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2022, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis of the September 30, 2022, financial statements to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement

the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditor.

Profile of the City

The City of Apopka, incorporated in 1882, is located in northwest Orange County within the Orlando Metropolitan Area. The City is the second largest municipality in Orange County and continues to be one of the County's fastest growing municipalities. The City currently occupies a land area of 35.921 square miles and has a population of 57,390. The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

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

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

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

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

Factors Affecting Financial Condition

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

Local economy. The City has been experiencing an economic upturn consistent with other areas of the county. The local economy strongly benefits from its proximity to Orlando and related employment opportunities. Per the United States Department of Labor and as of July 2022, Florida's unemployment rate is 2.7% and the national unemployment rate is 3.5%. Orange County unemployment rate was 3.1%.

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

Currently, the City has approved approximately 11,000 residential units, including multi-family and single-family products, in 2022. There are numerous builders and developers who are in the process of developing those lots or in the process of developing them in the near future.

Industrial warehousing has expanded tremendously in Apopka due to our ideal location. Apopka is considered the gateway to central Florida as evidenced by the amount of development in this sector. With access to SR 429, SR 451, SR 414, US 441 and rail, 20,833,500 square feet of non-residential development has been slated for the City of Apopka by the beginning of 2023 and over 17 million of which composes of industrial uses.

Debt Administration. Since FY 2018 the City has reduced the General Fund outstanding debt by \$11.2 million or 81%.

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

The Apopka Water Reclamation Facility Expansion is fully completed, with the East Wastewater Treatment Plant in full operation, as of June 2019. The West Plant has been taken offline due to a lack of demand. The total cost of the Apopka Water Reclamation Facility Expansion was \$65 million dollars. This cost includes the design, permitting, pre-construction CMAR services, construction of phase I and II, and construction management. The new Wastewater Treatment Plant (East) provides full Biological Nutrient Removal (BNR) technology, which enables the City to comply with the State of Florida Department of Environmental Protection's (FDEP) stringent requirements to remove total nitrogen from the wastewater and improve the quality of reclaimed water for distribution throughout the City's utility service area within the Wekiva River Basin Protection Area. The cost of the West Plant was \$11 million, of which the City received a \$3 million grant from St. John's River Water Management District for the nutrient removal treatment improvement. Completion of this project has also satisfied the consent order agreement requirements between the City and the State of Florida DEP, and bring the City into full compliance with its DEP operating permits.

The City has an agreement with St. John's River Water Management District (the District) to design, permit, and construct a reclaimed water storage and aquifer recharge facility at the Golden Gem property to accommodate future growth. This facility is currently under construction and when fully completed it will have a reclaimed water storage capacity of 352 million gallons. The excavation of the 300-million-gallon pond was completed in March 2021 and it was completely lined in May 2021. The

excavation of the 49-million-gallon pond was completed in June of 2022 and was completely lined in August of 2022.

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

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

The Apopka City Center is a 34.7-acre mixed use development located on the south side of Main Street/US 441 and McGee Avenue. In 2016, the City signed a sale-and-purchase agreement with Taurus Southern Investments, LLC, to develop a 34.7-acre mixed use project. The development agreement for the project required the City to fund the construction of roadway improvements to Main Street/US 441, SR 436, McGee Avenue, and E 6th Street to support the traffic generated by this large development. The interchange redevelopment work included three new traffic signals, pedestrian signals and upgraded crosswalks for higher visibility, sidewalks and roadway widening and upgrades which were fully completed in April 2020. A new traffic signal was installed at Main St. and McGee Ave. to help regulate traffic flow into and out of the development. In November 2021, Taurus sold the apartment site at the southeast corner of E. 6th Street and S. Alabama Ave. to Southwick Commons Ltd. for a 192-unit apartment development. High quality landscaping was installed along McGee Avenue and E 6th Street, creating an attractive area for pedestrians. Oak and Elm trees line both streets and palm trees accented by LED up lighting were placed in the new median on McGee Avenue. The City partnered with Taurus to install a fountain in the new McGee Avenue roundabout. The roundabout has 15' high jets and color changing LED lights, providing a beautiful entryway to the hotel and future development at City Center. The Highland Manor, a historic event venue, remains open and has benefited from having a hotel next door.

Relevant financial policies. The City has established a comprehensive set of financial policies which it uses to achieve and maintain a long-term stable and positive financial condition. Specifically, it provides guidelines for planning and directing the financial affairs of the City. A part of this policy requires the City to annually review its utility rates to ensure that sufficient revenues are generated to cover operating expenses, meet the legal restrictions of all applicable bond covenants, and provide for an adequate level of working capital. Adopted Resolution number 2022-42 establishing a targeted minimum Unassigned Fund Balance in the General Fund of not less than 25% of the current fiscal year operating expenditure and regularly recurring transfers out budgeted for the fund.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Apopka for its CAFR for the fiscal year ended September 30, 2021. This was the thirty-ninth 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 CAFR that satisfies both GAAP and applicable program requirements.

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

Acknowledgements

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

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

Respectfully submitted,



Charles W. Vavrek
Interim City Administrator



Blanche W. Sherman, CPA
Finance Director

CITY OF AOPKA
PRINCIPAL CITY OFFICIALS
FISCAL YEAR ENDED 2022

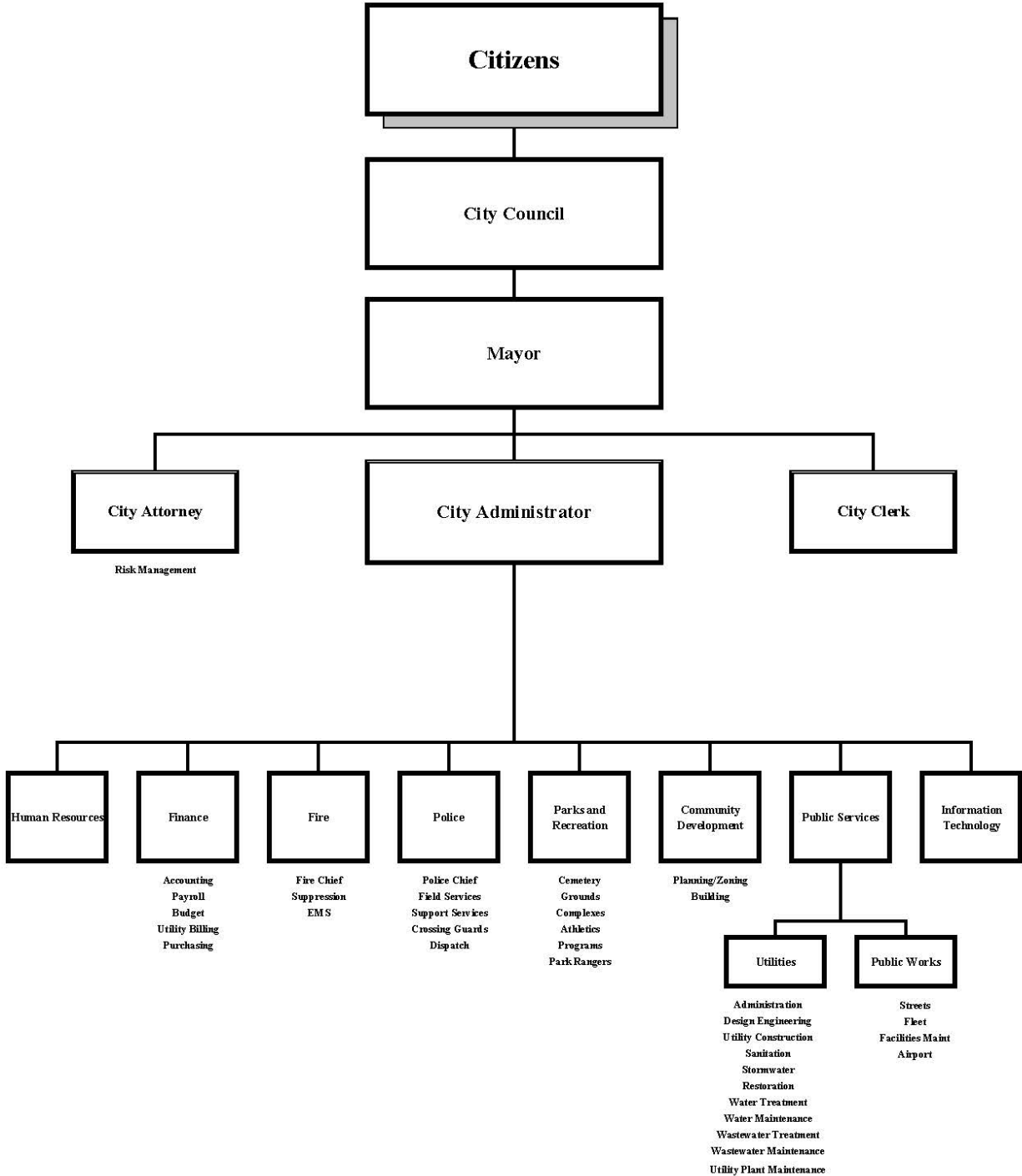
ELECTED OFFICIALS

Mayor	Bryan Nelson
Seat 3 - Vice-Mayor, Commissioner	Kyle Becker
Seat 1 - Commissioner	Alexander Smith
Seat 2 - Commissioner	Diane Velazquez
Seat 4 - Commissioner	Nick Nesta

ADMINISTRATIVE OFFICIALS

City Administrator	Edward Bass, CPA, CGFO
City Attorney	Michael Rodriguez
City Clerk	Susan Bone
Finance Director	Blanche Sherman
Police Chief	Michael McKinley
Fire Chief	Sean Wylam
Community Development Director	James K. Hitt
Human Resources Director	Joseph Patton
Information Technology Director	Robert E. Hippler
Public Services Director	Deodat Budhu
Parks and Recreation Director	Radley Williams

**CITY OF AOPKA
ORGANIZATIONAL CHART**





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Apopka
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morill

Executive Director/CEO

Financial Section

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Apopka, Florida** (the "City"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparisons for the General Fund, Community Redevelopment Fund, Transportation Impact Fees Fund, and Grants Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 18, schedules of net pension liability and related ratios, schedules of contributions, schedule of pension investment returns, and schedule of the City's total OPEB liability and related ratios on pages 65 through 72 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.

Supplementary 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 accompanying combining and individual nonmajor fund financial statements and schedules and schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Bradenton, Florida
June 30, 2023

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CITY OF APOPKA, FLORIDA

**MANAGEMENT’S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

As management of the City of Apopka, Florida, (the “City”), we offer the readers a narrative overview and analysis of the City’s financial activities for the fiscal year ended September 30, 2022. This discussion and analysis is designed to: (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City’s financial activity, (c) identify changes in the City’s financial position, (d) identify any material deviations from the financial plan (the approved budget), and (e) to identify individual fund issues and/or concerns.

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

HIGHLIGHTS

Financial Highlights

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

Net Position					
Fiscal Year 2022					
Governmental	Business-Type		Fiscal Year	Increase	%
Activities	Activities	Total	2021	(Decrease)	Change
\$127,601,544	\$187,397,675	\$314,999,219	\$268,436,429	\$46,562,790	17.35%

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

Revenues					
Fiscal Year 2022					
Governmental	Business-Type		Fiscal Year	Increase	%
Activities	Activities	Total	2021	(Decrease)	Change
\$ 84,295,903	\$ 57,744,919	\$142,040,822	\$101,181,612	\$40,859,210	40.38%

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

Expenditures					
Fiscal Year 2022					
Governmental	Business-Type		Fiscal Year	Increase	%
Activities	Activities	Total	2021	(Decrease)	Change
\$ 70,024,201	\$ 25,453,831	\$ 95,478,032	\$ 76,894,499	\$18,583,533	24.17%

City Highlights

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

CITY OF AOPKA, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2022

USING THIS ANNUAL REPORT

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

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

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

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

Government-Wide Financial Statements

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

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

CITY OF AOPKA, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2022

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

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

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

Fund Financial Statements

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

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

Because the focus of governmental funds are more narrow than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

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

Infrastructure Assets

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

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

CITY OF AOPKA, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2022

Proprietary Funds

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

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

Fiduciary Funds

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

Notes to the Financial Statements

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

Other Information

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

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

Government-Wide Financial Analysis of the City as a Whole

Net Position - As noted previously, net position may serve over time as a useful indicator of a government's financial position. This year, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$314,999,219 on September 30, 2022

Approximately 78% of the City's net position reflect its investment in capital assets (land, equipment, buildings, improvements other than buildings, machinery and equipment, and infrastructure), less any related debt still outstanding used to acquire those assets. The City uses these capital assets to provide services to its citizens; so, consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated to pay for these liabilities.

Net position of the City's governmental activities increased by \$21,324,616 and totaled \$127,601,544 at the end of the fiscal year. Of this amount, the majority is either restricted as to the purposes it can be used for or is invested in capital assets (land, buildings and equipment). Consequently, unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraint established by debt covenants, enabling legislation, or other legal requirements, totaled \$29,459,384 at the end of 2022.

CITY OF AOPKA, FLORIDA

**MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

Net position of the City's business-type activities increased by \$25,238,174, and totaled \$187,397,675 at the end of the fiscal year. Of this amount, approximately 82% is either restricted as to the purposes it can be used for or is invested in capital assets (land, buildings and equipment). Consequently, unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraint established by debt covenants, enabling legislation, or other legal requirements, totaled \$34,087,052 at the end of 2022.

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

**STATEMENT OF NET POSITION
As of September 30**

	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 86,302,614	\$ 51,752,760	\$ 55,686,839	\$ 44,476,261	\$ 141,989,453	\$ 96,229,021
Capital assets	99,239,296	108,302,758	212,369,592	201,723,861	311,608,888	310,026,619
Total assets	<u>185,541,910</u>	<u>160,055,518</u>	<u>268,056,431</u>	<u>246,200,122</u>	<u>453,598,341</u>	<u>406,255,640</u>
Total deferred outflows of resources	29,411,379	11,029,578	5,502,386	1,703,870	34,913,765	12,733,448
Current and other liabilities	14,387,274	13,753,040	7,996,103	8,112,254	22,383,377	21,865,294
Long-term liabilities outstanding	65,167,274	30,558,908	76,336,229	73,244,417	141,503,503	103,803,325
Total liabilities	<u>79,554,548</u>	<u>44,311,948</u>	<u>84,332,332</u>	<u>81,356,671</u>	<u>163,886,880</u>	<u>125,668,619</u>
Total deferred inflows of resources	7,797,197	20,496,220	1,828,810	4,387,820	9,626,007	24,884,040
Net position:						
Net investment in capital assets	96,553,470	105,273,864	146,347,578	142,307,860	242,901,048	247,581,724
Restricted	1,588,690	3,266,563	6,963,045	6,963,045	8,551,735	10,229,608
Unrestricted	29,459,384	(2,263,499)	34,087,052	12,888,596	63,546,436	10,625,097
Total net position	<u>\$ 127,601,544</u>	<u>\$ 106,276,928</u>	<u>\$ 187,397,675</u>	<u>\$ 162,159,501</u>	<u>\$ 314,999,219</u>	<u>\$ 268,436,429</u>

Changes in Net Position - While the statement of net position shows a snapshot of the City's financial position at the end of the fiscal year, the statement of changes in net position provides answers as to the nature and source of those changes. On September 30, 2022, the City's combined net position totaled \$314,999,219 which is an increase of \$46,562,790 over last year's reported \$268,436,429. During this same period, the City's total revenues increased by \$40,859,921 to a total of \$142,040,822.

CITY OF AOPKA, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

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

CHANGES IN NET POSITION						
As of September 30						
	Governmental activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 16,551,964	\$ 10,688,650	\$ 28,082,863	\$ 25,906,974	\$ 44,634,827	\$ 36,595,624
Operating grants and contributions	1,699,638	1,794,795	-	-	1,699,638	1,794,795
Capital grants and contributions	18,284,477	6,361,599	29,272,175	15,802,349	47,556,652	22,163,948
General revenues:					-	-
Property taxes	17,034,620	15,707,816	-	-	17,034,620	15,707,816
Fuel taxes	1,800,543	1,636,566	-	-	1,800,543	1,636,566
Communication services taxes	1,775,951	1,565,936	-	-	1,775,951	1,565,936
½ Cent sales tax	10,122,930	7,486,618	-	-	10,122,930	7,486,618
State shared revenues	3,444,713	2,942,230	-	-	3,444,713	2,942,230
Franchise fees and utility taxes	10,124,898	8,901,202	172,505	96,010	10,297,403	8,997,212
Sale of capital assets	-	13,000	-	-	-	13,000
Unrestricted investment earnings	316,059	216,328	183,044	173,129	499,103	389,457
Miscellaneous revenues	3,140,110	1,477,233	34,332	411,177	3,174,442	1,888,410
Total revenues	<u>84,295,903</u>	<u>58,791,973</u>	<u>57,744,919</u>	<u>42,389,639</u>	<u>142,040,822</u>	<u>101,181,612</u>
Expenses:						
General government	15,747,936	9,435,529	-	-	15,747,936	9,435,529
Public safety	38,957,671	31,482,625	-	-	38,957,671	31,482,625
Physical environment	775,468	558,307	-	-	775,468	558,307
Transportation	8,884,127	6,182,108	-	-	8,884,127	6,182,108
Economic environment	32,977	53,252	-	-	32,977	53,252
Culture and recreation	5,546,941	4,235,587	-	-	5,546,941	4,235,587
Interest on long-term debt	79,081	137,514	-	-	79,081	137,514
Utility system	-	-	20,459,307	19,517,671	20,459,307	19,517,671
Sanitation	-	-	4,994,524	4,907,142	4,994,524	4,907,142
Airport fuel	-	-	-	384,764	-	384,764
Total expenses	<u>70,024,201</u>	<u>52,084,922</u>	<u>25,453,831</u>	<u>24,809,577</u>	<u>95,478,032</u>	<u>76,894,499</u>
Increase (decrease) in net position before transfers	14,271,702	6,707,051	32,291,088	17,580,062	46,562,790	24,287,113
Transfers	7,052,914	7,520,044	(7,052,914)	(7,520,044)	-	-
Increase (decrease) in net position	21,324,616	14,227,095	25,238,174	10,060,018	46,562,790	24,287,113
Net position– beginning,	106,276,928	92,049,833	162,159,501	152,099,483	268,436,429	244,149,316
Net position – September 30	<u>\$127,601,544</u>	<u>\$106,276,928</u>	<u>\$187,397,675</u>	<u>\$162,159,501</u>	<u>\$314,999,219</u>	<u>\$268,436,429</u>

CITY OF AOPKA, FLORIDA

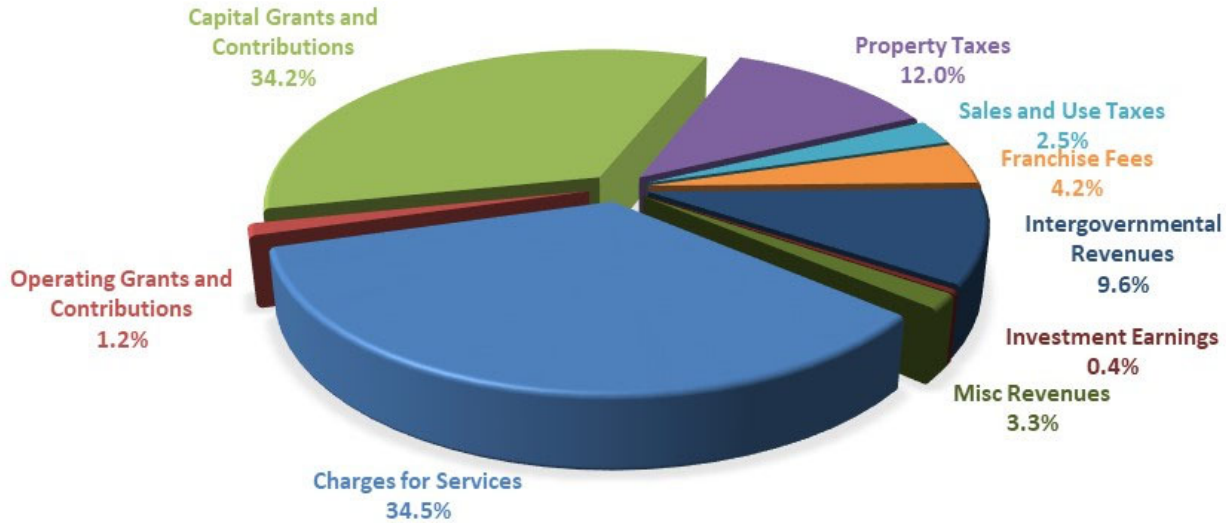
**MANAGEMENT’S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

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

Citywide Source of Revenue

	Fiscal Year 2022		Fiscal Year 2021	
	Revenues	% Of Total	Revenues	% Of Total
Charges for Services	\$ 48,936,827	34.5%	\$ 36,595,624	36.2%
Operating Grants and Contributions	1,699,638	1.2%	1,794,795	1.8%
Capital Grants and Contributions	48,556,652	34.2%	22,163,948	21.9%
Property Taxes	17,034,620	12.0%	15,707,816	15.5%
Sales and Use Taxes	3,576,494	2.5%	3,202,502	3.2%
Franchise Fees	5,995,403	4.2%	8,997,212	8.9%
Intergovernmental Revenues	13,567,643	9.6%	10,428,848	10.3%
Investment Earnings	499,103	0.4%	389,457	0.4%
Misc Revenues	2,174,442	1.5%	1,901,410	3.5%
Total Revenues	\$ 142,040,822	100.0%	\$ 101,181,612	100.0%

CITYWIDE SOURCE OF REVENUE



CITY OF AOPKA, FLORIDA

**MANAGEMENT’S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

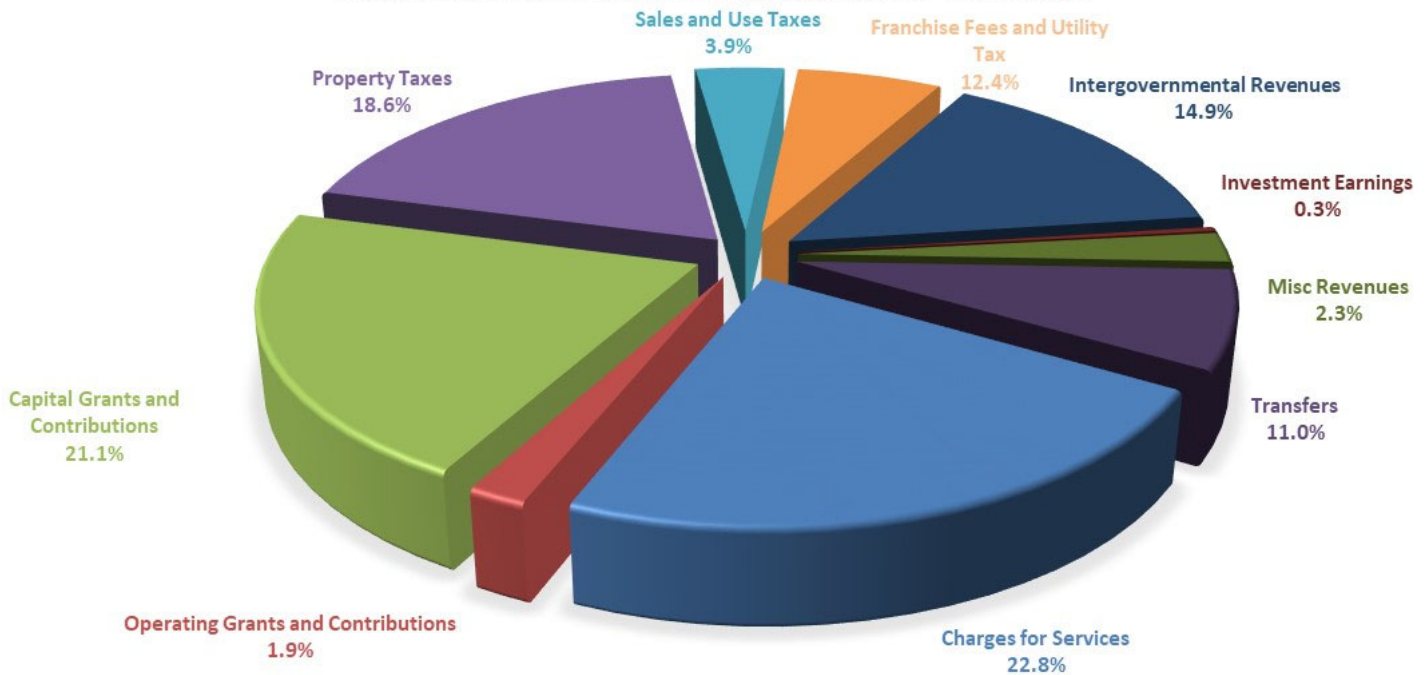
Governmental Activities - Governmental activities increased the City’s net position by \$21,324,616.

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

	Fiscal Year 2022		Fiscal Year 2021	
	Revenues	% Of Total	Revenues	% Of Total
Charges for Services	\$ 20,853,964	22.8%	\$ 10,688,650	16.1%
Operating Grants and Contributions	1,699,638	1.9%	1,794,795	2.7%
Capital Grants and Contributions	19,284,477	21.1%	6,361,599	9.6%
Property Taxes	17,034,620	18.6%	15,707,816	23.7%
Sales and Use Taxes	3,576,494	3.9%	3,202,502	4.8%
Franchise Fees and Utility Tax	5,822,898	6.4%	8,901,202	13.4%
Intergovernmental Revenues	13,567,643	14.9%	10,428,848	15.7%
Investment Earnings	316,059	0.3%	216,328	0.3%
Misc Revenues	2,140,110	2.3%	1,490,233	2.3%
Transfers	7,052,914	7.6%	7,520,044	11.3%
Total Revenues	\$ 91,348,817	100.0%	\$ 66,312,017	100.0%

Revenues by Source – Governmental Activities

GOVERNMENTAL ACTIVITIES SOURCE OF REVENUE



CITY OF AOPKA, FLORIDA

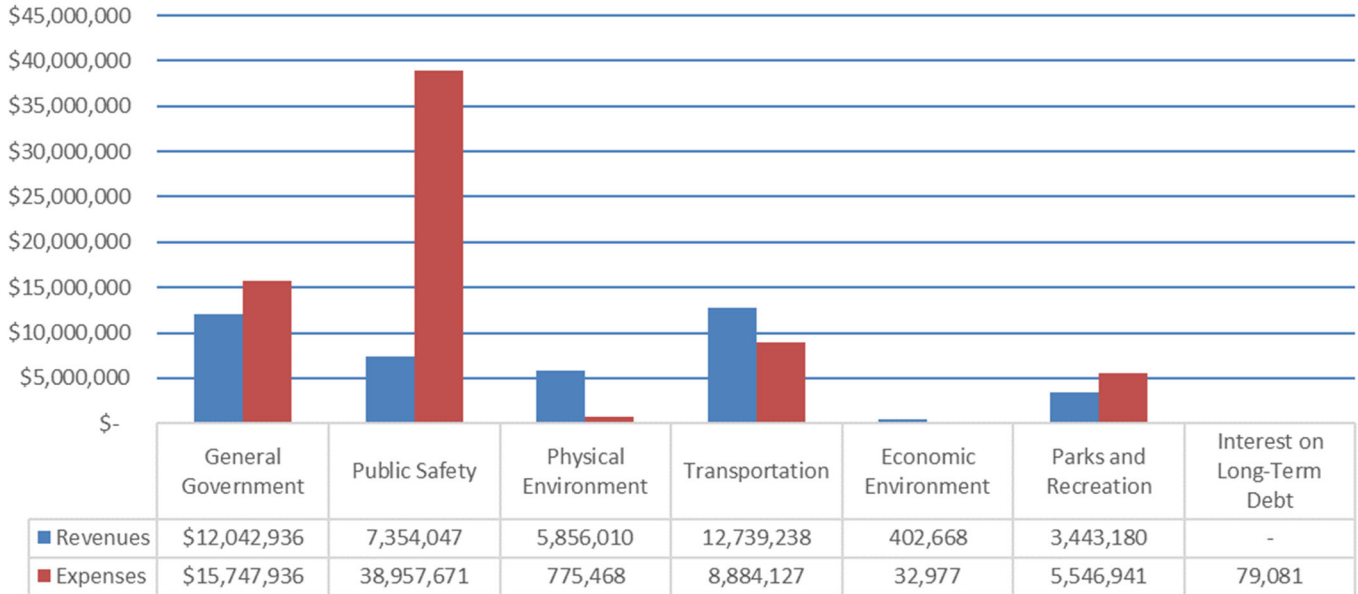
**MANAGEMENT’S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

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

Program Expenses and Program Revenues - Governmental Activities

	Fiscal Year 2022		Fiscal Year 2022	
	Revenues	% of Total	Expenses	% of Total
General Government	\$ 12,042,936	28.8%	\$ 15,747,936	22.5%
Public Safety	7,354,047	17.5%	38,957,671	55.6%
Physical Environment	5,856,010	14.0%	775,468	1.1%
Transportation	12,739,238	30.4%	8,884,127	12.7%
Economic Environment	402,668	1.0%	32,977	0.0%
Parks and Recreation	3,443,180	8.3%	5,546,941	7.9%
Interest on Long-Term Debt	-	0.0%	79,081	0.1%
Totals	\$ 41,838,079	100.0%	\$ 70,024,201	100.0%

Program Revenues and Program Expenses - Governmental Activities



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

Operating expenses of the governmental-type activities increased \$17,939,279 in 2021 to \$70,024,201 as compared to \$52,084,922 in 2021. This increase is primarily due to \$9 million loss on sale of land, \$5 million increase in OPEB and Pension related costs, and \$3 million in other operating expenses. The City continues to remain constant in its efforts to maintain and control costs.

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

CITY OF AOPKA, FLORIDA

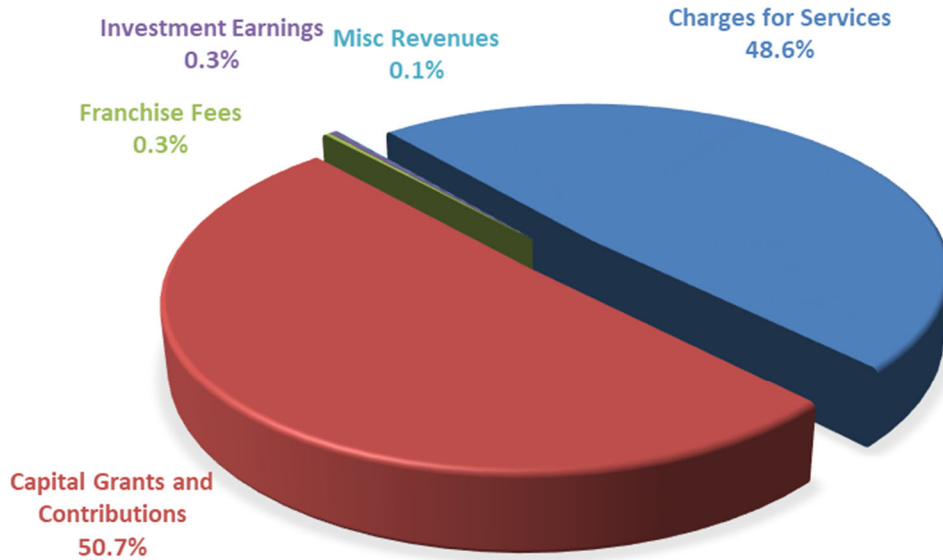
**MANAGEMENT’S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

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

Revenues by Source - Business-Type Activities

	Fiscal Year 2022		Fiscal Year 2021	
	Revenues	% Of Total	Revenues	% Of Total
Charges for Services	\$ 28,082,863	48.6%	\$ 25,906,974	61.1%
Capital Grants and Contributions	29,272,175	50.7%	15,802,349	37.3%
Franchise Fees	172,505	0.3%	96,010	0.2%
Investment Earnings	183,044	0.3%	173,129	0.4%
Misc Revenues	34,332	0.1%	411,177	1.0%
Total Revenues	\$ 57,744,919	100.0%	\$ 42,389,639	100.0%

BUSINESS-TYPE ACTIVITIES SOURCE OF REVENUE



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

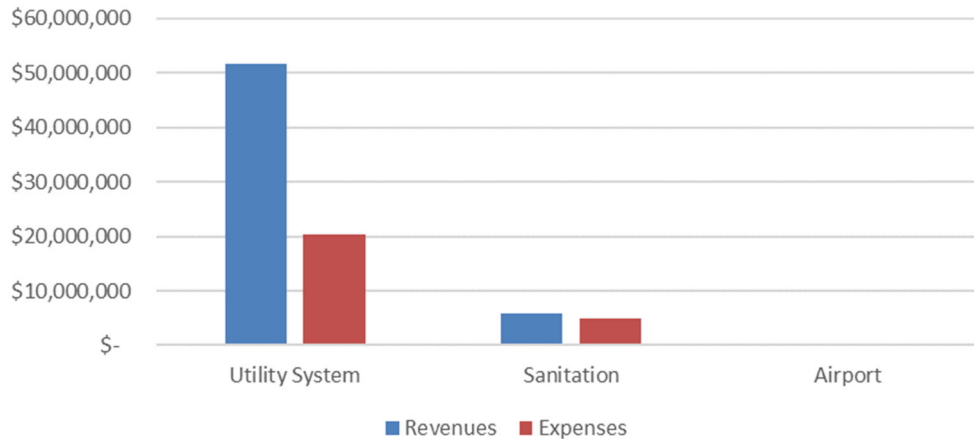
CITY OF APOPKA, FLORIDA

**MANAGEMENT’S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

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

Program Expenses and Program Revenues - Business-Type Activities

	Fiscal Year 2022 Revenues	% of Total	Fiscal Year 2022 Expenses	% of Total
Utility System	\$ 51,586,011	89.9%	\$ 20,459,307	80.4%
Sanitation	5,769,027	10.1%	4,994,524	19.6%
Airport	-	0.0%	-	0.0%
Totals	\$ 57,355,038	100.0%	\$ 25,453,831	100.0%



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

Expenses of the business-type activities, excluding transfers, increased in 2022 to \$25,453,831 as compared to \$24,809,577 in 2021.

Financial Analysis of the City’s Funds

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

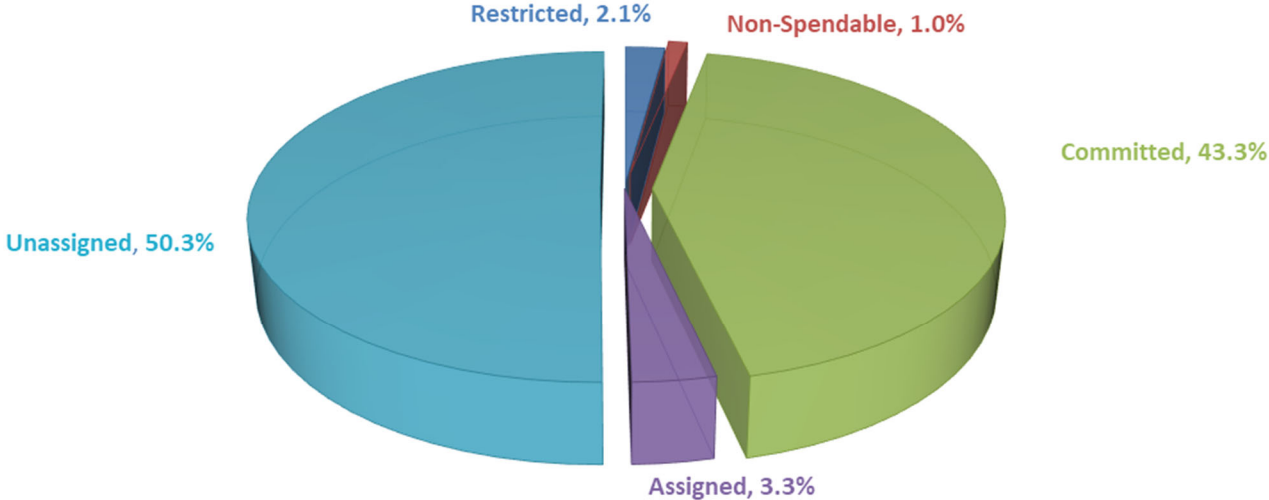
Governmental Funds - The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unreserved fund balance may serve as a useful measure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

As the City completed the current fiscal year, its governmental funds reported a combined fund balance of \$74,186,552, which was \$34,427,835 more than the \$41,712,096 reported last year. Non-spendable fund balance related to inventory and prepaid items was 1.04% totaling \$769,015. Of the total fund balance, \$ 1,588,690 or 2.14% is restricted for specific purposes by bond ordinance, action of law, accounting standard requirements, or other factors outside of the City management. In addition, the City Council has at various times committed certain funds for specific purposes. Committed monies differ from restricted monies in that management can easily change the use for the funds whereas for restricted monies, an outside influence requires the restriction and those amounts cannot be easily changed without violating a bond provision, aspect of law, or accounting standard. At the end of fiscal year 2022, 43.28% or \$32,104,442 of the fund balance was committed. Another 19.54% or \$14,498,525 of this amount is assigned to indicate that it is not available for new spending unless management designates it as unassigned. Approximately 34.00% or \$25,225,880 of the combined fund balance constitutes unassigned fund balance, which is available for spending at the government’s discretion.

CITY OF AOPKA, FLORIDA

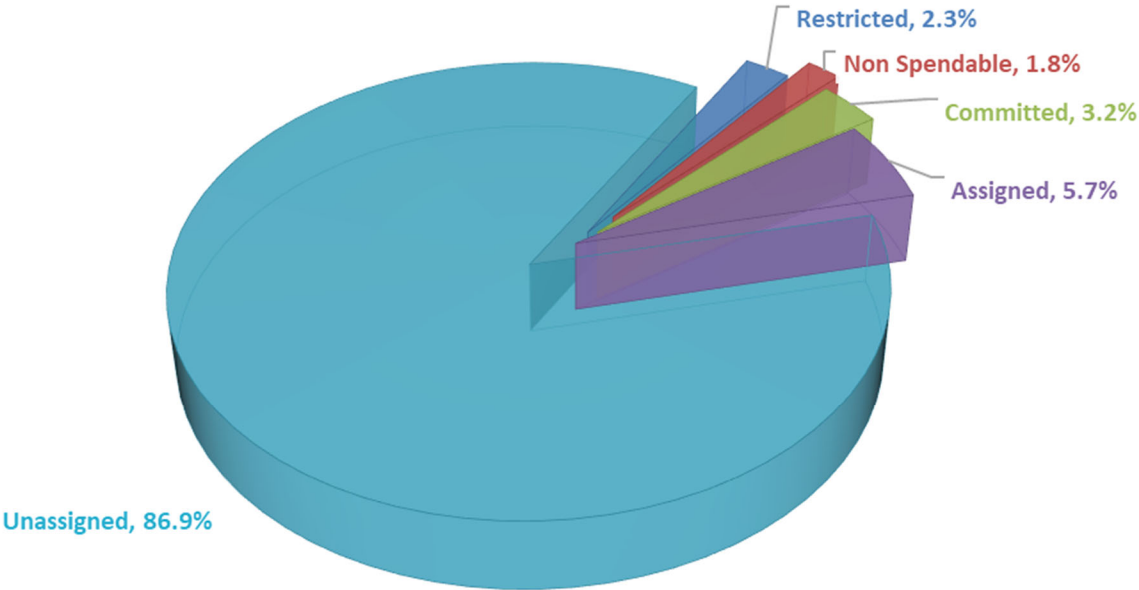
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

GOVERNMENTAL FUNDS - FUND BALANCE



The General Fund is the chief operating fund of the City. As of September 30, 2022, the unassigned fund balance in the General Fund totaled \$24,960,207. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance to total fund expenditures, including transfer out. Unassigned fund balance represents approximately 48% of total General Fund expenditures and transfer out of \$53,741,170. Total fund balance in the General Fund increased by \$20,821,912 during the current fiscal year.

GENERAL FUND - FUND BALANCE ALLOCATION



CITY OF APOPKA, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2022

The significant changes in the General Fund's fund balance is related to the increase in the local government ½ cent sales tax of approximately \$2.7 million, increase in licenses and permits of approximately \$5 million, and proceeds from the sale of property of approximately \$5 million. The increase in revenue was mainly due to the return to more normal levels from the COVID-19 pandemic. Additionally, expenditures decreased \$3.4 million, due to new procedures and processes were implemented to better manage and account for spending.

Management believes an operating reserve equal to three months operating expenses and transfers out in the General Fund should be maintained. At September 30, 2022, the operating reserve calculates to \$13,435,293 and the unassigned fund balance exceeds this reserve amount by \$11,524,914.

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

Unrestricted net position in all proprietary funds at the end of the current fiscal year, as shown on the Proprietary Fund statements, amounted to \$34,087,052 compared to \$12,888,596 in the prior year, which is an increase from the prior year. A significant portion of this unrestricted net position in the Proprietary Funds is related to impact fees and capital contributions for capital projects.

Budgetary Highlights

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

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

Variances in General Fund Revenues compared to Final Budget

General Fund revenues in the current year were \$9.3 million more than the final budget due mainly to increases taxes, licenses and permits, and intergovernmental revenues.

Variances in General Fund Expenditures compared to Final Budget

General Fund expenditures in the current year were \$4.3 million less than budgeted primarily due to the delay of capital projects that were carried over to fiscal year 2023. A portion of this excess will be used to cover carryover purchase orders and capital expenditures into the next fiscal year.

CITY OF AOPKA, FLORIDA

**MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

Capital Assets and Debt Administration

Capital Assets - On September 30, 2022, the City's investment in capital assets for its governmental and business-type activities totaled \$311,608,888. This investment in capital assets, net of depreciation, for all activities is reflected on September 30, 2022 as follows:

	Governmental Activities	Business-Type Activities	Total
Land	\$ 18,151,013	\$ 2,995,161	\$ 21,146,174
Buildings	17,283,409	85,478,703	102,762,112
Improvements	113,708,691	182,356,885	296,065,576
Machinery and Equipment	30,533,607	14,959,627	45,493,234
Automotive Equipment	15,620,154	9,011,078	24,631,232
Construction in Progress	8,913,853	12,288,343	21,202,196
Intangibles	825,090	-	825,090
Total Capital Assets	<u>205,035,817</u>	<u>307,089,797</u>	<u>512,125,614</u>
Less: Accumulated Depreciation	(105,796,521)	(94,720,205)	(200,516,726)
Total Capital Assets - Net	<u>\$ 99,239,296</u>	<u>\$ 212,369,592</u>	<u>\$ 311,608,888</u>

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

Long-Term Debt - At year-end, the City owed \$13,785,826 in principal for notes, financed purchases and bonds outstanding. All of the remaining notes are secured by non-ad-valorem tax revenues. Additionally, the City has a State of Florida Revolving Loan Outstanding for the design and construction of a new waste water treatment plant with an outstanding principal of \$54,513,576.

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

CITY OF APOPKA, FLORIDA

**MANAGEMENT’S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

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

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

	<u>Apopka</u>	<u>Orange County</u>	<u>State of Florida</u>
September 2022	2.3%	3.1%	2.7%
September 2021	5.5%	9.8%	7.9%
Percentage Change	-3.2%	-6.7%	-5.2%

- For 2022, the U.S. Census Bureau estimated the City’s population at approximately 57,017.
- Inflationary trends for Apopka compare favorably to those trends experienced at the state and national levels.
- The economy is showing continued signs of improvement, as revenues appear to be stabilizing and increasing in some areas, and are expected to improve over the long run.
- With respect to non-homestead property, Amendment 1 limits (caps) the annual increase in assessed value for non-homestead property (businesses, industrial property, rental property, second homes, etc.) to ten percent (10%), except for school district taxes. The Amendment also provides a \$25,000 exemption for tangible personal property.

REQUEST FOR INFORMATION

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

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Basic Financial Statements

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CITY OF APOPKA, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 81,651,995	\$ 37,203,082	\$ 118,855,077
Investments	82,696	82,696	165,392
Accounts receivable, net	2,478,606	8,120,995	10,599,601
Due from other governments	1,320,302	-	1,320,302
Prepaid items	451,600	1,127,950	1,579,550
Inventory	317,415	767,536	1,084,951
Restricted cash and cash equivalents	-	8,384,580	8,384,580
Capital assets			
Non-depreciable	27,064,866	15,283,503	42,348,369
Depreciable, net	72,174,430	197,086,089	269,260,519
Total assets	185,541,910	268,056,431	453,598,341
Deferred outflows of resources			
Deferred outflows - debt refunding	-	90,422	90,422
Deferred outflows - pensions	26,444,770	4,572,198	31,016,968
Deferred outflows - OPEB	2,966,609	839,766	3,806,375
Total deferred outflows of resources	<u>29,411,379</u>	<u>5,502,386</u>	<u>34,913,765</u>
Liabilities			
Accounts payable	2,989,590	1,680,345	4,669,935
Accrued liabilities	826,209	373,804	1,200,013
Due to other governments	1,984,295	-	1,984,295
Customer deposits payable	-	1,421,535	1,421,535
Unearned revenue	5,666,910	214,904	5,881,814
Deposits	48,097	-	48,097
Noncurrent liabilities			
Due within one year	2,872,173	4,305,515	7,177,688
Due in more than one year	65,167,274	76,336,229	141,503,503
Total liabilities	<u>79,554,548</u>	<u>84,332,332</u>	<u>163,886,880</u>
Deferred inflows of resources			
Deferred inflows - pensions	2,271,086	264,520	2,535,606
Deferred inflows - OPEB	5,526,111	1,564,290	7,090,401
Total deferred inflows of resources	<u>7,797,197</u>	<u>1,828,810</u>	<u>9,626,007</u>
Net position			
Net investment in capital assets	96,553,470	146,347,578	242,901,048
Restricted for			
Capital projects	1,437,363	6,763,045	8,200,408
Renewal, replacements and improvements	-	200,000	200,000
Street improvements	36,309	-	36,309
Law enforcement	277,358	-	277,358
Fire	32,533	-	32,533
Culture and recreation	70,800	-	70,800
Unrestricted	29,193,711	34,087,052	63,280,763
Total net position	<u>\$ 127,601,544</u>	<u>\$ 187,397,675</u>	<u>\$ 314,999,219</u>

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

CITY OF APOPKA, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Functions/programs							
Governmental activities							
General government	\$ 15,747,936	\$ 10,551,080	\$ -	\$ 1,491,856	\$ (3,705,000)	\$ -	\$ (3,705,000)
Public safety	38,957,671	3,618,220	671,442	3,064,385	(31,603,624)	-	(31,603,624)
Physical environment	775,468	5,269,605	586,405	-	5,080,542	-	5,080,542
Transportation	8,884,127	562,599	35,223	12,141,416	3,855,111	-	3,855,111
Economic environment	32,977	-	402,668	-	369,691	-	369,691
Culture/recreation	5,546,941	852,460	3,900	2,586,820	(2,103,761)	-	(2,103,761)
Interest on long-term debt	79,081	-	-	-	(79,081)	-	(79,081)
Total governmental activities	<u>70,024,201</u>	<u>20,853,964</u>	<u>1,699,638</u>	<u>19,284,477</u>	<u>(28,186,122)</u>	<u>-</u>	<u>(28,186,122)</u>
Business-type activities							
Water	9,023,635	13,449,228	-	13,696,907	-	18,122,500	18,122,500
Sewer	11,435,672	8,864,608	-	15,575,268	-	13,004,204	13,004,204
Sanitation	4,994,524	5,769,027	-	-	-	774,503	774,503
Airport fuel	-	-	-	-	-	-	-
Total business-type activities	<u>25,453,831</u>	<u>28,082,863</u>	<u>-</u>	<u>29,272,175</u>	<u>-</u>	<u>31,901,207</u>	<u>31,901,207</u>
Total primary government	<u>\$ 95,478,032</u>	<u>\$ 48,936,827</u>	<u>\$ 1,699,638</u>	<u>\$ 48,556,652</u>	<u>(28,186,122)</u>	<u>31,901,207</u>	<u>3,715,085</u>
General revenues							
Property taxes					17,034,620	-	17,034,620
Gas taxes					1,800,543	-	1,800,543
Utility tax					5,822,898	-	5,822,898
Communication services tax					1,775,951	-	1,775,951
1/2 cent sales taxes					10,122,930	-	10,122,930
Unrestricted state shared revenues					3,444,713	-	3,444,713
Franchise fees					-	172,505	172,505
Investment earnings					316,059	183,044	499,103
Miscellaneous					2,140,110	-	2,140,110
Gain on sale of capital asset					-	34,332	34,332
Transfers					7,052,914	(7,052,914)	-
Total general revenues and transfers					<u>49,510,738</u>	<u>(6,663,033)</u>	<u>42,847,705</u>
Change in net position					21,324,616	25,238,174	46,562,790
Net position, beginning of year, as restated					106,276,928	162,159,501	268,436,429
Net position, end of year					<u>\$ 127,601,544</u>	<u>\$ 187,397,675</u>	<u>\$ 314,999,219</u>

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

CITY OF AOPKA, FLORIDA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	General Fund	Community Redevelopment Agency	Transportation Impact Fees	Grants	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 41,920,954	\$ 3,227,393	\$ 19,279,617	\$ 5,829,147	\$ 11,394,884	\$ 81,651,995
Investments	82,696	-	-	-	-	82,696
Accounts receivable, net	2,347,013	-	-	-	131,593	2,478,606
Due from other funds	83,066	-	-	-	-	83,066
Due from other governments	1,122,416	-	-	50,195	147,691	1,320,302
Inventory	317,415	-	-	-	-	317,415
Prepaid items	451,600	-	-	-	-	451,600
Total assets	<u>\$ 46,325,160</u>	<u>\$ 3,227,393</u>	<u>\$ 19,279,617</u>	<u>\$ 5,879,342</u>	<u>\$ 11,674,168</u>	<u>\$ 86,385,680</u>
Liabilities, deferred inflows of resources, and fund balances						
Liabilities						
Accounts payable	\$ 223,003	\$ -	\$ 2,099,424	\$ 7,524	\$ 659,639	\$ 2,989,590
Accrued liabilities	789,311	-	-	-	9,859	799,170
Due to other governments	1,984,295	-	-	-	-	1,984,295
Deposits	44,307	-	-	-	3,790	48,097
Unearned revenue	60,765	-	-	5,606,145	-	5,666,910
Due to other funds	-	-	-	-	83,066	83,066
Total liabilities	<u>3,101,681</u>	<u>-</u>	<u>2,099,424</u>	<u>5,613,669</u>	<u>756,354</u>	<u>11,571,128</u>
Deferred inflows of resources						
Unavailable revenue	<u>628,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>628,000</u>
Fund balances						
Nonspendable						
Inventory	317,415	-	-	-	-	317,415
Prepaid items	451,600	-	-	-	-	451,600
Restricted						
Street improvements	-	-	-	-	36,309	36,309
Law enforcement	-	-	-	-	277,358	277,358
Fire	32,533	-	-	-	-	32,533
Culture and recreation	70,800	-	-	-	-	70,800
Capital projects	886,049	-	-	265,673	285,641	1,437,363
Committed						
Transportation improvements	-	-	17,180,193	-	-	17,180,193
Recreation improvements	-	-	-	-	1,863,233	1,863,233
Stormwater improvements	-	-	-	-	562,393	562,393
Community redevelopment	-	3,227,393	-	-	-	3,227,393
Law enforcement	-	-	-	-	554,850	554,850
Impact fees	-	-	-	-	7,338,030	7,338,030
Storage retention	448,534	-	-	-	-	448,534
Tree bank	929,816	-	-	-	-	929,816
Assigned						
Culture and recreation	755,809	-	-	-	-	755,809
Capital projects	13,242,716	-	-	-	-	13,242,716
Insurance	500,000	-	-	-	-	500,000
Unassigned	24,960,207	-	-	-	-	24,960,207
Total fund balances	<u>42,595,479</u>	<u>3,227,393</u>	<u>17,180,193</u>	<u>265,673</u>	<u>10,917,814</u>	<u>74,186,552</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 46,325,160</u>	<u>\$ 3,227,393</u>	<u>\$ 19,279,617</u>	<u>\$ 5,879,342</u>	<u>\$ 11,674,168</u>	<u>\$ 86,385,680</u>

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

CITY OF AOPKA, FLORIDA

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

Total Fund Balances, Total Governmental Funds		\$ 74,186,552	
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
Governmental capital assets	\$ 205,035,817		
Accumulated depreciation	<u>(105,796,521)</u>	99,239,296	
Other long-term assets are not available to pay for current-period expenditures, and therefore, are unavailable in the funds.			
			628,000
Deferred outflows and deferred inflows are not expected to be liquidated with expendable available financial resources and, therefore are not reported in the funds.			
Deferred outflows - OPEB	2,966,609		
Deferred inflows - OPEB	(5,526,111)		
Deferred outflows - pensions	26,444,770		
Deferred inflows - pensions	<u>(2,271,086)</u>	21,614,182	
Certain liabilities are not due and payable in the current period and are therefore not reported in the funds.			
Accrued interest payable	(27,039)		
Notes payable	(1,247,189)		
Financed purchase payable	(1,438,637)		
Compensated absences	(2,503,522)		
Net pension liability	(43,533,812)		
OPEB payable	<u>(19,316,287)</u>	<u>(68,066,486)</u>	
Net position of governmental activities			<u>\$ 127,601,544</u>

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

CITY OF AOPKA, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General Fund	Community Redevelopment Agency	Transportation Impact Fees	Grants	Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 25,646,758	\$ 380,232	\$ -	\$ -	\$ 1,689,147	\$ 27,716,137
Licenses and permits	13,800,034	-	-	-	-	13,800,034
Intergovernmental revenues	15,469,336	402,668	-	1,491,856	-	17,363,860
Charges for services	5,251,311	-	-	-	1,054,440	6,305,751
Fines and forfeitures	421,331	-	-	-	51,099	472,430
Investment earnings	161,491	12,849	64,920	13,885	62,914	316,059
Special assessments	-	-	-	-	165,149	165,149
Impact fees	-	-	12,141,416	-	4,566,576	16,707,992
Miscellaneous revenues	1,447,517	-	-	-	65,473	1,512,990
Total revenues	<u>62,197,778</u>	<u>795,749</u>	<u>12,206,336</u>	<u>1,505,741</u>	<u>7,654,798</u>	<u>84,360,402</u>
Expenditures						
Current						
General government	8,594,523	-	-	33,574	-	8,628,097
Public safety	33,469,519	-	-	-	50,450	33,519,969
Physical environment	253,797	-	-	-	509,917	763,714
Transportation	1,014,102	-	98,870	-	5,430,497	6,543,469
Economic environment	-	32,977	-	-	-	32,977
Culture/recreation	4,460,859	-	-	-	-	4,460,859
Debt service						
Principal retirement	2,136,839	-	-	-	-	2,136,839
Interest	105,235	-	-	-	-	105,235
Capital outlay	2,252,508	160,190	2,799,794	1,139,170	1,427,803	7,779,465
Total expenditures	<u>52,287,382</u>	<u>193,167</u>	<u>2,898,664</u>	<u>1,172,744</u>	<u>7,418,667</u>	<u>63,970,624</u>
Excess of revenues over expenditures	<u>9,910,396</u>	<u>602,582</u>	<u>9,307,672</u>	<u>332,997</u>	<u>236,131</u>	<u>20,389,778</u>
Other financing sources (uses)						
Sale of capital assets	5,031,764	-	-	-	-	5,031,764
Transfers in	7,333,540	-	-	-	1,453,788	8,787,328
Transfers out	(1,453,788)	(8,990)	(120,421)	(13,791)	(137,424)	(1,734,414)
Total other financing sources, net	<u>10,911,516</u>	<u>(8,990)</u>	<u>(120,421)</u>	<u>(13,791)</u>	<u>1,316,364</u>	<u>12,084,678</u>
Change in fund balances	20,821,912	593,592	9,187,251	319,206	1,552,495	32,474,456
Fund balances, beginning of year, restated	21,773,567	2,633,801	7,992,942	(53,533)	9,365,319	41,712,096
Fund balances, end of year	<u>\$ 42,595,479</u>	<u>\$ 3,227,393</u>	<u>\$ 17,180,193</u>	<u>\$ 265,673</u>	<u>\$ 10,917,814</u>	<u>\$ 74,186,552</u>

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

CITY OF APOPKA, 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, 2022**

Net Change in Fund Balances – Total Governmental Funds **\$ 32,474,456**

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

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

Capital outlay	\$ 10,341,517	
Less current year depreciation	<u>(5,480,020)</u>	4,861,497

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of those differences in the treatment of long-term debt and related items.

Repayment of principal of long-term debt		2,136,840
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(64,499)
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.

Pension expense	(2,776,382)	
Change in total OPEB liability	(1,673,522)	
Change in accrued interest	26,154	
Change in compensated absences	<u>265,031</u>	<u>(4,158,719)</u>

Change in net position of governmental activities		<u>\$ 21,324,616</u>
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The accompanying notes to financial statements are an integral part of this statement.

CITY OF AOPKA, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 23,890,247	\$ 23,890,247	\$ 25,646,758	\$ 1,756,511
Licenses and permits	6,971,200	6,971,200	13,800,034	6,828,834
Intergovernmental revenues	11,526,410	11,633,066	15,469,336	3,836,270
Charges for services	5,587,617	5,617,617	5,251,311	(366,306)
Fines and forfeitures	555,300	555,300	421,331	(133,969)
Investment earnings	165,000	165,000	161,491	(3,509)
Miscellaneous revenues	2,490,844	4,098,967	1,447,517	(2,651,450)
Total revenues	<u>\$ 51,186,618</u>	<u>\$ 52,931,397</u>	<u>\$ 62,197,778</u>	<u>\$ 9,266,381</u>
Expenditures				
Current				
General government	9,355,815	9,382,147	8,594,523	787,624
Public safety	35,622,593	36,586,335	33,469,519	3,116,816
Physical environment	210,514	210,514	253,797	(43,283)
Transportation	1,277,260	1,277,260	1,014,102	263,158
Culture and recreation	6,528,653	7,283,358	4,460,859	2,822,499
Debt service				
Principal retirement	-	-	2,136,839	(2,136,839)
Interest	-	-	105,235	(105,235)
Capital outlay	1,828,699	1,828,699	2,252,508	(423,809)
Total expenditures	<u>54,823,534</u>	<u>56,568,313</u>	<u>52,287,382</u>	<u>4,280,931</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,636,916)</u>	<u>(3,636,916)</u>	<u>9,910,396</u>	<u>13,547,312</u>
Other financing sources (uses)				
Sale of capital assets	250,000	250,000	5,031,764	4,781,764
Transfers in	7,090,966	7,090,966	7,333,540	242,574
Transfers out	(3,704,050)	(3,704,050)	(1,453,788)	2,250,262
Total other financing sources, net	<u>3,636,916</u>	<u>3,636,916</u>	<u>10,911,516</u>	<u>7,274,600</u>
Change in fund balances	-	-	20,821,912	20,821,912
Fund balances, beginning of year, as restated	<u>21,773,567</u>	<u>21,773,567</u>	<u>21,773,567</u>	<u>-</u>
Fund balances, end of year	<u>\$ 21,773,567</u>	<u>\$ 21,773,567</u>	<u>\$ 42,595,479</u>	<u>\$ 20,821,912</u>

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

CITY OF APOPKA, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES
BUDGET AND ACTUAL - COMMUNITY REDEVELOPMENT (CRA)
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 393,250	\$ 393,250	\$ 380,232	\$ (13,018)
Intergovernmental	406,750	406,750	402,668	(4,082)
Investment earnings	10,000	10,000	12,849	2,849
Miscellaneous revenues	2,456,270	2,456,270	-	(2,456,270)
Total revenues	<u>3,266,270</u>	<u>3,266,270</u>	<u>795,749</u>	<u>(2,470,521)</u>
Expenditures				
Current				
Economic environment	356,970	356,970	32,977	323,993
Capital outlay	2,909,300	2,909,300	160,190	2,749,110
Total expenditures	<u>3,266,270</u>	<u>3,266,270</u>	<u>193,167</u>	<u>3,073,103</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>602,582</u>	<u>602,582</u>
Other financing uses				
Transfers out	-	-	(8,990)	(8,990)
Total other financing uses	<u>-</u>	<u>-</u>	<u>(8,990)</u>	<u>(8,990)</u>
Change in fund balance	-	-	593,592	593,592
Fund balance, beginning of year	<u>2,633,801</u>	<u>2,633,801</u>	<u>2,633,801</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,633,801</u>	<u>\$ 2,633,801</u>	<u>\$ 3,227,393</u>	<u>\$ 593,592</u>

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

CITY OF APOPKA, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES
BUDGET AND ACTUAL - TRANSPORTATION IMPACT FEES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Impact fees	\$ 2,600,000	\$ 2,600,000	\$ 12,141,416	\$ 9,541,416
Investment earnings	50,000	50,000	64,920	14,920
Miscellaneous revenue	4,863,300	4,906,348	-	(4,906,348)
Total revenues	<u>7,513,300</u>	<u>7,556,348</u>	<u>12,206,336</u>	<u>4,649,988</u>
Expenditures				
Current				
Transportation	255,000	255,000	98,870	156,130
Capital Outlay	7,190,000	7,233,048	2,799,794	4,433,254
Total expenditures	<u>7,445,000</u>	<u>7,488,048</u>	<u>2,898,664</u>	<u>4,589,384</u>
Excess of revenues over expenditures	<u>68,300</u>	<u>68,300</u>	<u>9,307,672</u>	<u>9,239,372</u>
Other financing uses				
Transfers out	(68,300)	(68,300)	(120,421)	(52,121)
Total other financing uses	<u>(68,300)</u>	<u>(68,300)</u>	<u>(120,421)</u>	<u>(52,121)</u>
Change in fund balance	-	-	9,187,251	9,187,251
Fund balance, beginning of year	<u>7,992,942</u>	<u>7,992,942</u>	<u>7,992,942</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ 7,992,942</u>	<u>\$ 7,992,942</u>	<u>\$ 17,180,193</u>	<u>\$ 9,187,251</u>

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

CITY OF APOPKA, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GRANTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental revenue	\$ -	\$ 1,000,000	\$ 1,491,856	\$ 491,856
Investment earnings	-	-	13,885	13,885
Total revenues	<u>-</u>	<u>1,000,000</u>	<u>1,505,741</u>	<u>505,741</u>
Expenditures				
Current				
General government	-	-	33,574	(33,574)
Capital outlay	-	1,392,500	1,139,170	253,330
Total expenditures	<u>-</u>	<u>1,392,500</u>	<u>1,172,744</u>	<u>219,756</u>
Excess of revenues over expenditures	<u>-</u>	<u>(392,500)</u>	<u>332,997</u>	<u>285,985</u>
Other financing uses				
Transfers out	-	-	(13,791)	(13,791)
Total other financing uses	<u>-</u>	<u>-</u>	<u>(13,791)</u>	<u>(13,791)</u>
Change in fund balance	-	(392,500)	319,206	711,706
Fund balance, beginning of year	<u>(53,533)</u>	<u>(53,533)</u>	<u>(53,533)</u>	<u>-</u>
Fund balance, end of year	<u>\$ (53,533)</u>	<u>\$ (446,033)</u>	<u>\$ 265,673</u>	<u>\$ 711,706</u>

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

CITY OF APOPKA, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2022

	Major		Total
	Utility System	Sanitation	
Assets			
Current assets			
Cash and cash equivalents	\$ 37,065,496	\$ 137,586	\$ 37,203,082
Restricted cash and cash equivalents			
Customer utility deposits	1,421,535	-	1,421,535
Renewal, replacements and improvements	200,000	-	200,000
Capital improvements	6,763,045	-	6,763,045
Accounts receivable, net	7,443,222	677,773	8,120,995
Due from other funds	-	-	-
Investments	82,696	-	82,696
Prepays	1,127,950	-	1,127,950
Inventory	767,536	-	767,536
Total current assets	<u>54,871,480</u>	<u>815,359</u>	<u>55,686,839</u>
Noncurrent assets			
Capital assets, non-depreciable	14,797,575	485,928	15,283,503
Capital assets, net	194,435,646	2,650,443	197,086,089
Total noncurrent assets	<u>209,233,221</u>	<u>3,136,371</u>	<u>212,369,592</u>
Total assets	<u>264,104,701</u>	<u>3,951,730</u>	<u>268,056,431</u>
Deferred outflows of resources			
Deferred outflows - debt refunding	90,422	-	90,422
Deferred outflows - pensions	3,623,030	949,168	4,572,198
Deferred outflows - OPEB	686,216	153,550	839,766
Total deferred outflows of resources	<u>4,399,668</u>	<u>1,102,718</u>	<u>5,502,386</u>
Liabilities			
Current liabilities			
Accounts payable	1,489,299	191,046	1,680,345
Current portion of bonds payable	920,000	-	920,000
Current portion of notes payable	3,025,416	-	3,025,416
Accrued liabilities	352,847	20,957	373,804
Compensated absences	281,560	78,539	360,099
Unearned revenue	214,904	-	214,904
Customer deposits payable	1,421,535	-	1,421,535
Total current liabilities	<u>7,705,561</u>	<u>290,542</u>	<u>7,996,103</u>
Noncurrent liabilities			
Compensated absences	69,007	15,666	84,673
Bonds payable, net of current portion	10,678,860	-	10,678,860
Notes payable, net of current portion	51,488,160	-	51,488,160
Net pension liability	6,827,854	1,788,772	8,616,626
Total OPEB liability	4,468,111	999,799	5,467,910
Total non-current liabilities	<u>73,531,992</u>	<u>2,804,237</u>	<u>76,336,229</u>
Total liabilities	<u>81,237,553</u>	<u>3,094,779</u>	<u>84,332,332</u>
Deferred inflows of resources			
Deferred inflows - pension	209,607	54,913	264,520
Deferred inflows - OPEB	1,278,262	286,028	1,564,290
Total deferred inflows of resources	<u>1,487,869</u>	<u>340,941</u>	<u>1,828,810</u>
Net position			
Net investment in capital assets	143,211,207	3,136,371	146,347,578
Restricted for			
Capital improvements	6,763,045	-	6,763,045
Renewal, replacements and improvements	200,000	-	200,000
Unrestricted	35,604,695	(1,517,643)	34,087,052
Total net position	<u>\$ 185,778,947</u>	<u>\$ 1,618,728</u>	<u>\$ 187,397,675</u>

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

CITY OF APOPKA, FLORIDA

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Major		Total
	Utility System	Sanitation	
Operating revenues			
Charges for services			
Water sales	\$ 12,739,866	\$ -	\$ 12,739,866
Sewer sales	8,155,246	-	8,155,246
Sanitation fees	-	5,245,961	5,245,961
Miscellaneous revenues	1,418,724	523,066	1,941,790
Total operating revenues	<u>22,313,836</u>	<u>5,769,027</u>	<u>28,082,863</u>
Operating expenses			
Utility administration	1,168,245	-	1,168,245
Water plant operations	1,383,743	-	1,383,743
Wastewater treatment plant operations	3,830,972	-	3,830,972
Water maintenance	2,204,269	-	2,204,269
Utility billing	1,056,820	-	1,056,820
Wastewater maintenance	2,169,077	-	2,169,077
Operating charges	-	4,776,453	4,776,453
Design engineering	775,189	-	775,189
Depreciation	7,122,987	218,071	7,341,058
Total operating expenses	<u>19,711,302</u>	<u>4,994,524</u>	<u>24,705,826</u>
Operating income	<u>2,602,534</u>	<u>774,503</u>	<u>3,377,037</u>
Nonoperating revenues (expenses)			
Investment earnings	182,161	883	183,044
Franchise fees	-	172,505	172,505
Gain on disposal of capital assets	-	34,332	34,332
Interest expense	(748,005)	-	(748,005)
Total nonoperating revenues (expenses), net	<u>(565,844)</u>	<u>207,720</u>	<u>(358,124)</u>
Income before transfers and contributions	2,036,690	982,223	3,018,913
Capital contributions	29,272,175	-	29,272,175
Transfers in	749	-	749
Transfers out	<u>(6,371,654)</u>	<u>(682,009)</u>	<u>(7,053,663)</u>
Change in net position	24,937,960	300,214	25,238,174
Total net position, beginning of year	160,840,987	1,318,514	162,159,501
Total net position, end of year	<u>\$ 185,778,947</u>	<u>\$ 1,618,728</u>	<u>\$ 187,397,675</u>

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

CITY OF APOPKA, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Major		
	Utility System	Sanitation	Total
Cash flows from operating activities			
Cash received from customers	\$ 18,632,344	\$ 5,751,750	\$ 24,384,094
Cash paid to suppliers for goods and services	(6,912,934)	(3,345,857)	(10,258,791)
Cash paid to employees for services and benefits	(6,235,017)	(1,667,173)	(7,902,190)
Net cash provided by operating activities	<u>5,484,393</u>	<u>738,720</u>	<u>6,223,113</u>
Cash flows from noncapital financing activities			
Transfer to other funds	(6,371,654)	(682,009)	(7,053,663)
Franchise fees	-	172,505	172,505
Transfer from other funds	749	-	749
Net cash used by noncapital financing activities	<u>(6,370,905)</u>	<u>(509,504)</u>	<u>(6,880,409)</u>
Cash flows from capital and related financing activities			
Acquisition and construction of capital assets	(6,510,188)	(404,413)	(6,914,601)
Cash received from sale of capital assets	-	34,332	34,332
Principal paid on bonds payable	(885,000)	-	(885,000)
Principal paid on notes payable	(3,002,946)	-	(3,002,946)
Interest paid	(862,909)	-	(862,909)
Capital contributions - impact fees	17,157,368	-	17,157,368
Capital contributions - grants	1,042,620	-	1,042,620
Net cash provided by (used in) capital and related financing activities	<u>6,938,945</u>	<u>(370,081)</u>	<u>6,568,864</u>
Cash flows from investing activities			
Sale of investments	6,098	-	6,098
Interest received	182,161	883	183,044
Net cash provided by investing activities	<u>188,259</u>	<u>883</u>	<u>189,142</u>
Net change in cash and cash equivalents	6,240,692	(139,982)	6,100,710
Cash and cash equivalents, beginning of year	<u>39,209,384</u>	<u>277,568</u>	<u>39,486,952</u>
Cash and cash equivalents, end of year	<u>\$ 45,450,076</u>	<u>\$ 137,586</u>	<u>\$ 45,587,662</u>
Cash and cash equivalents classified as			
Cash and cash equivalents	\$ 37,065,496	\$ 137,586	\$ 37,203,082
Restricted cash and cash equivalents			
Customer utility deposits	1,421,535	-	1,421,535
Renewal, replacements and improvements	200,000	-	200,000
Capital improvements	6,763,045	-	6,763,045
Total cash and cash equivalents	<u>\$ 45,450,076</u>	<u>\$ 137,586</u>	<u>\$ 45,587,662</u>

(Continued)

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

CITY OF APOPKA, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Major		
	Utility System	Sanitation	Total
Reconciliation of operating income to net cash provided by operating activities			
Operating income	\$ 2,602,534	\$ 774,503	\$ 3,377,037
Adjustment to reconcile operating income to net cash provided by operating activities:			
Depreciation	7,122,987	218,071	7,341,058
Change in operating assets and liabilities:			
(Increase) decrease in assets:			
Accounts receivable	(3,870,899)	(17,277)	(3,888,176)
Due from other governments	-	-	-
Prepays	(1,127,950)	-	(1,127,950)
Inventory	(99,840)	-	(99,840)
Deferred outflows - pension	(3,103,932)	(813,173)	(3,917,105)
Deferred outflows - OPEB	89,516	20,030	109,546
Increase (decrease) in liabilities:			
Accounts payable	101,449	(390,708)	(289,259)
Accrued liabilities	(45,112)	(17,067)	(62,179)
Due to other governments	-	-	-
Compensated absences payable	(14,715)	21,853	7,138
Customer deposits	141,407	-	141,407
Unearned revenue	48,000	-	48,000
Deferred inflows - pension	(2,855,905)	(748,195)	(3,604,100)
Deferred inflows - OPEB	853,997	191,093	1,045,090
Net pension liability	6,199,261	1,624,092	7,823,353
Total OPEB liability	(556,405)	(124,502)	(680,907)
Net cash provided by operating activities	<u>\$ 5,484,393</u>	<u>\$ 738,720</u>	<u>\$ 6,223,113</u>
Noncash investing, capital, and financing activities			
Capital asset contributions from developers	\$ 11,072,187	\$ -	\$ 11,072,187
Amortization of deferred items	(95,876)	-	(95,876)
	<u>\$ 10,976,311</u>	<u>\$ -</u>	<u>\$ 10,976,311</u>

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

CITY OF APOPKA, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
SEPTEMBER 30, 2022

	Pension Trust Fund
Assets	
Contributions receivable	\$ 170,591
Investments, at fair value	
Stable value	10,621,899
U.S. stocks	54,629,342
International stocks	80,942,272
U.S. bonds	19,277,793
Total investments	<u>165,471,306</u>
 Total assets	 <u>\$ 165,641,897</u>
 Net Position	
Restricted for pension benefits	<u>\$ 165,641,897</u>
 Total liabilities and net position	 <u>\$ 165,641,897</u>

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

CITY OF AOPKA, FLORIDA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Pension Trust Fund
Additions	
Contributions	
Employer	\$ 6,503,949
State	981,378
Members	2,106,670
Total contributions	9,591,997
Investment income	
Interest, dividends and other income	2,768,066
Net change in fair value of investments	(42,810,525)
Gain on sale of investments	3,318,219
Net investment income (loss)	(36,724,240)
Total additions	(27,132,243)
Deductions	
Pension benefits	8,516,597
Termination payments	3,186,455
Administrative expenses	278,837
Total deductions	11,981,889
Change in net position	(39,114,132)
Net position, restricted for pension benefits	
Beginning of year	204,756,029
End of year	\$ 165,641,897

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

CITY OF APOPKA, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. The Reporting Entity

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

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

B. Government-Wide and Fund Financial Statements

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

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

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

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

CITY OF AOPKA, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

The following are reported as major governmental funds:

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

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

Transportation Impact Fees Fund – The Transportation Impact Fees fund is used to account for the collection of impact fees collected City.

Grants Fund – The Grants Fund is used to account for the receipts and disbursements related to the City's grant activity.

The following are reported as major enterprise funds:

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

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

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City also reported the following fund types:

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

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

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

As a general rule, the effect of inter-fund activities has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu-of-taxes and other charges between the government’s business-type functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Cash, Cash Equivalents, and Investments

1. Cash and Cash Equivalents

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

2. Deposits

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

At year-end, the carrying amount of the City’s governmental and business-type activities cash and cash equivalents deposits was \$127,396,588 and the depository balances were \$129,501,378. Of that balance, \$129,501,378 is covered by federal depository insurance or by collateral pursuant to the Public Depository Security Act of the State of Florida with the ability to assess member institutions to provide protection. Accordingly, all of the City’s cash deposits are considered to be fully insured.

3. Investments

	Fair Value	Weighted Average Maturity (Years)
Pension Trust Fund Investments:		
Stable Value	\$ 10,621,899	N/A
U.S. Bonds	54,629,342	9.85
U.S. Equities	80,942,272	N/A
International Equities	19,277,793	N/A
Total Investments	\$ 165,471,306	

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

CITY OF AOPKA, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash, Cash Equivalents, and Investments (Continued)

Credit Ratings for Florida Municipal Investment Trust Investments –

Credit Risk for FMIT Funds

<u>Fixed Income Funds:</u>	<u>Fitch Rating</u>
1-3 Year High Quality Bond Fund	AAAf/S2
Intermediate Year High Quality Bond Fund	AAAf/S3

Credit Ratings for Pension Trust Fund Investments –

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

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

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

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

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

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

CITY OF APOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash, Cash Equivalents, and Investments (Continued)

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

- a. Repurchase agreements collateralized by U.S. Treasury Securities and Market-to-Market.
 - Purchased only from authorized dealers, as provided for in this policy.
 - Any authorized institution with which the City transacts repurchase agreements must have on file a fully executed copy of the City's Master Repurchase Agreements.
 - Maximum portfolio mix shall not exceed 25% at any one time.
- b. Securities of, or other interests in, any open-end or closed-end management-type investment company or investment trust registered under the Investment Company Act of 1940, U.S.C. ss. 80a-14 et seq., as amended from time to time, provided the portfolio of such investment company or investment trust is limited to U.S. Government obligations and to repurchase agreements fully collateralized by such U.S. Government obligations and provided such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian (i.e., Mutual Funds). - Portfolio mix shall not exceed 15% at any one time.
- c. The City will invest all checking account balances in accordance with the bank contract then in effect.
- d. The City will not hold or purchase any form of derivatives. A "derivative" is defined as a financial instrument, the value of which depends on, or is derived from the value of one or more underlying assets or index or asset values. The use of reverse repurchase agreements or other forms of leverage is likewise prohibited.

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

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

Foreign Currency Risk – Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of the investment or a deposit. The City's pension plans may have exposure to foreign currency risk to the extent its investments contain non-U.S. dollar denominated holdings in foreign countries. All asset classes may hold non-U.S. securities, depending on portfolio guidelines. At year-end, there were no significant holdings in foreign currencies.

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

CITY OF AOPKA, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash, Cash Equivalents, and Investments (Continued)

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

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

4. Deferred Compensation Plan

The City maintains an Employee Deferred Compensation Plan as a benefit to employees. Investments in the Deferred Compensation Plan are held separately from those of other City funds. As prescribed by the plan documents, the plan administrator is authorized to invest plan assets in obligations of the U.S. Government and various mutual and money market funds, which are held by the plan administrator and not in the City's name. At September 30, 2022 and during the year, Deferred Compensation Plan assets were invested in various mutual funds under a custodial account. The City has no fiduciary responsibility for these accounts.

E. Budgets and Budgetary Accounting

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

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

CITY OF AOPKA, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Receivables

Property Taxes

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State of Florida regulating tax assessments are also designed to assure a consistent property valuation method statewide. State Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The City's current millage rate is 4.2876 mills.

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

Accounts Receivable

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

G. Inventories

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

H. Prepaid Items

Prepays represent payments made to vendors for services that will benefit beyond September 30, 2022. These payments are recorded as expenditures or expenses when consumed, rather than when purchased.

I. Restricted Assets

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

CITY OF APOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets

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

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

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

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

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

L. Amortization of Premiums and Discounts

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

M. Compensated Absences

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

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

CITY OF APOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Compensated Absences (Continued)

A more detailed narrative of the City's policy on paid time-off ("PTO") can be found in the City's Personnel Rules and Regulations.

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

N. Net Pension Liability

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

O. Deferred Outflows of Resources/Deferred Inflows of Resources

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

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

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

CITY OF AOPKA, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Deferred Outflows of Resources/Deferred Inflows of Resources (Continued)

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

P. Fund Equity

Fund balance is reported in the following five components:

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

Spendable Fund Balance

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

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

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

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

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

Q. Grants

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

CITY OF AOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. New Accounting Pronouncement

GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. There was no impact to the City's financial reporting.

NOTE 2 – RECEIVABLES

The following is a detail listing of accounts receivable by type and fund at September 30, 2022:

<u>Description</u>	<u>General</u>	<u>Special Revenue</u>	<u>Enterprise</u>	<u>Total</u>
Receivables:				
Utility accounts billed	\$ 104,922	\$ 115,731	\$ 2,992,111	\$ 3,212,764
Utility accounts billed - non current	-	-	295,862	295,862
Utility unbilled receivables	46,599	-	1,304,435	1,351,034
Other:				
Settlement	628,000	-	-	628,000
Taxes - Franchise and Utility	936,167	-	-	936,167
Impact fees	-	-	4,793,600	4,793,600
Miscellaneous	631,325	15,862	74,431	721,618
Gross receivables	<u>2,347,013</u>	<u>131,593</u>	<u>9,460,439</u>	<u>11,939,045</u>
Less: Allowance for uncollectibles	-	-	(1,339,444)	(1,339,444)
Net total receivables	<u>\$ 2,347,013</u>	<u>\$ 131,593</u>	<u>\$ 8,120,995</u>	<u>\$ 10,599,601</u>

NOTE 3 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Individual fund interfund receivables and payables at September 30, 2022 consist of the following:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 83,066	\$ -
Special Revenue:		
Special Assessment (nonmajor)	-	83,066
Total Interfund Balances	<u>\$ 83,066</u>	<u>\$ 83,066</u>

The interfund receivables and payables related to interfund borrowings to be paid back by the Special Assessment fund.

CITY OF AOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 3 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Interfund transfers for the fiscal year ended September 30, 2022 consist of the following:

	Transfers In	Transfers Out
General Fund	\$ 7,333,540	\$ 1,453,788
Community Redevelopment Agency	-	8,990
Enterprise Funds:		
Utility System	749	6,371,654
Sanitation Fund	-	682,009
Special Revenue:		
Streets Improvement Fund (nonmajor)	1,453,788	-
Transportation Impact Fees (nonmajor)	-	120,421
Recreation Impact Fees (nonmajor)	-	7,100
Fire Impact Fees (nonmajor)	-	15,376
Police Impact Fees (nonmajor)	-	14,702
Stormwater (nonmajor)	-	62,703
Grants (nonmajor)	-	13,791
Police discretionary (nonmajor)	-	1,528
Special Assessment (nonmajor)	-	34,891
Special Assessment Lighting (nonmajor)	-	1,124
Total Interfund Transfers	\$ 8,788,077	\$ 8,788,077

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

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

The use of certain Utility System Fund assets is restricted by specific provisions of the bond resolution authorizing the issuance of the \$18,065,000 Utility Refunding Revenue Bonds, Series 2012. In addition, the City restricts funds available for repayment of deposits, as well as funds required by ordinance to be placed in special construction accounts (repair and maintenance escrow accounts). Restricted assets at September 30, 2021 are as follows:

Customer utility deposits	\$ 1,421,535
Renewal, replacement and improvement	200,000
Capital improvements	6,763,045
Total restricted assets	\$ 8,384,580

CITY OF AOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 5 – CAPITAL ASSETS

	Restated Balance October 1	Increases	Decreases	Transfers	Balance September 30
Governmental Activities					
Capital assets, not being depreciated					
Land	\$ 31,852,975	\$ 222,997	\$(13,924,959)	\$ -	\$ 18,151,013
Construction in progress	3,742,118	5,171,735	-	-	8,913,853
Total capital assets, not being depreciated	<u>35,595,093</u>	<u>5,394,732</u>	<u>(13,924,959)</u>	<u>-</u>	<u>27,064,866</u>
Capital assets, being depreciated					
Buildings	17,030,906	252,503	-	-	17,283,409
Improvements other than buildings	111,440,301	2,268,390	-	-	113,708,691
Machinery and equipment	29,468,358	1,074,054	(8,805)	-	30,533,607
Automotive equipment	14,630,632	1,040,357	(50,835)	-	15,620,154
Intangibles	513,609	311,481	-	-	825,090
Total capital assets, being depreciated	<u>173,083,806</u>	<u>4,946,785</u>	<u>(59,640)</u>	<u>-</u>	<u>177,970,951</u>
Less accumulated depreciation for					
Buildings	(7,132,958)	(334,201)	-	-	(7,467,159)
Improvements other than buildings	(59,064,144)	(3,153,398)	-	-	(62,217,542)
Machinery and equipment	(22,788,392)	(983,139)	8,805	-	(23,762,726)
Automotive equipment	(11,218,136)	(971,639)	50,835	-	(12,138,940)
Intangibles	(172,511)	(37,643)	-	-	(210,154)
Total accumulated depreciation	<u>(100,376,141)</u>	<u>(5,480,020)</u>	<u>59,640</u>	<u>-</u>	<u>(105,796,521)</u>
Total capital assets, being depreciated, net	<u>72,707,665</u>	<u>(533,235)</u>	<u>-</u>	<u>-</u>	<u>72,174,430</u>
Governmental activities capital assets, net	<u>\$ 108,302,758</u>	<u>\$ 4,861,497</u>	<u>\$(13,924,959)</u>	<u>\$ -</u>	<u>\$ 99,239,296</u>

Restatement: The beginning balance for construction in progress was reduced by \$1,793,772 to account for projects overstated before October 1, 2021. The costs of these projects were removed from the total construction in process class. As a result, beginning accounts payable was also decreased by \$1,793,772. There was no impact on net position.

CITY OF APOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 5 – CAPITAL ASSETS (CONTINUED)

	Restated Balance October 1	Increases	Decreases	Transfers	Balance September 30
Business-Type Activities					
Capital assets, not being depreciated					
Land	\$ 3,160,418	\$ 19,158	\$ -	\$ (184,415)	\$ 2,995,161
Construction in progress	6,338,228	5,950,115	-	-	12,288,343
Total capital assets, not being depreciated	<u>9,498,646</u>	<u>5,969,273</u>	<u>-</u>	<u>(184,415)</u>	<u>15,283,504</u>
Capital assets, being depreciated					
Buildings	85,478,703	-	-	-	85,478,703
Improvements other than buildings	170,944,058	11,234,409	-	178,418	182,356,885
Machinery and equipment	14,187,525	783,107	(17,002)	5,997	14,959,627
Automotive equipment	9,047,962	-	(36,884)	-	9,011,078
Total capital assets, being depreciated	<u>279,658,248</u>	<u>12,017,516</u>	<u>(53,886)</u>	<u>184,415</u>	<u>291,806,293</u>
Less accumulated depreciation for					
Buildings	(19,268,580)	(2,472,186)	-	-	(21,740,766)
Improvements other than buildings	(50,597,619)	(3,614,377)	-	-	(54,211,996)
Machinery and equipment	(10,867,484)	(776,076)	17,002	-	(11,626,558)
Automotive equipment	(6,699,350)	(478,419)	36,884	-	(7,140,885)
Total accumulated depreciation	<u>(87,433,033)</u>	<u>(7,341,058)</u>	<u>53,886</u>	<u>-</u>	<u>(94,720,205)</u>
Total capital assets, being depreciated, net	<u>192,225,215</u>	<u>4,676,458</u>	<u>-</u>	<u>184,415</u>	<u>197,086,088</u>
Business-type activities capital assets, net	<u>\$ 201,723,861</u>	<u>\$ 10,645,731</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 212,369,592</u>

Restatement: The beginning balance for construction in progress was reduced by \$10,589,835 to account for projects overstated before October 1, 2021. The costs of these projects were removed from the total construction in process class. As a result, beginning accounts payable was also decreased by \$10,589,835. There was no impact on net position.

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

Governmental Activities

General government	\$ 461,087
Public safety	1,920,379
Transportation	2,215,499
Culture and recreation	883,055
Total depreciation expense, governmental activities	<u>\$ 5,480,020</u>

Business-Type Activities

Utility system	\$ 7,122,987
Sanitation system	218,071
Total depreciation expense, business-type activities	<u>\$ 7,341,058</u>

CITY OF APOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 6 – LONG-TERM LIABILITIES

The following is a summary of long-term liabilities transactions of the City for the year ended September 30, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Revenue notes (direct placement)	\$ 3,028,253	\$ -	\$ (1,781,064)	\$ 1,247,189	\$ 592,189
Financed purchase	1,794,413	-	(355,776)	1,438,637	277,166
Total OPEB liability	21,721,709	2,347,197	(4,752,619)	19,316,287	-
Net pension liability	5,597,662	48,214,696	(10,278,546)	43,533,812	-
Compensated absences	2,768,553	2,247,625	(2,512,656)	2,503,522	2,002,818
Total governmental activities	<u>\$34,910,590</u>	<u>\$52,809,518</u>	<u>\$(19,680,661)</u>	<u>\$68,039,447</u>	<u>\$ 2,872,173</u>
Business-type activities					
Utility revenue bonds	\$ 11,985,000	\$ -	\$ (885,000)	\$ 11,100,000	\$ 920,000
Unamortized bond premium	603,779	-	(104,919)	498,860	-
SRF loan (direct borrowing)	57,516,522	-	(3,002,946)	54,513,576	3,025,416
Total OPEB liability	6,148,817	643,450	(1,324,357)	5,467,910	-
Net pension liability	793,273	9,611,622	(1,788,269)	8,616,626	-
Compensated absences	437,634	428,754	(421,616)	444,772	360,099
Total business-type activities	<u>\$77,485,025</u>	<u>\$10,683,826</u>	<u>\$(7,527,107)</u>	<u>\$80,641,744</u>	<u>\$ 4,305,515</u>

For the governmental activities, claims and judgments, net pension liability other post-employment benefits, and compensated absences are generally liquidated by the General Fund. The net pension liability will be liquidated through employer contributions by the funds where the current employees charge payroll costs, generally the General Fund.

CITY OF AOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 6 – LONG-TERM LIABILITIES (CONTINUED)

Governmental Activities (Direct Placement)

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

Note payable to Hancock Bank (Special Obligation Improvement Revenue Note, Series 2014), payable from the Non-Ad Valorem Revenues of the City. Interest is due semiannually at 1.92% and principal installments are due annually ranging from \$127,000 to \$137,000 through March 1, 2024. This note is serviced by the General Fund. In any event of default, the bank or trustees may either protect and enforce any and all rights under the State of Florida laws and may enforce and compel the performance of all duties required the loan agreement. However, upon the occurrence of an event of default, the bank shall in no event have the right to declare the entire amount of the outstanding Series 2014 note and all accrued interest thereon to be immediately due and payable. Any amount not paid within 15 days of default shall bear interest at the default rate of 5%. 271,000

Governmental Activities (Direct Placement)

Note payable to Zion Bank (Capital Improvement Revenue Note, Series 2018), payable from the Non-Ad Valorem Revenues of the City. Interest is due semiannually at 2.90% and principal installments are due annually ranging from \$127,000 to \$277,000 through June 1, 2025. This note is serviced by the General Fund. In any event of default, the note shall bear interest at the default rate of 4% and all payments made on the note during any such period shall be applied first to interest and then to principal. The City shall reimburse the holder and its agents for all reasonable legal and collection costs to exercise its remedies or collect its payments in the case of an event of default. 856,000

Total governmental activities debt

\$ 1,247,189

Business-Type Activities

Utility System Refunding Revenue Bonds, Series 2012, due in annual installments ranging from \$835,000 to \$1,300,000, plus interest ranging from 2.00% to 5.00%, on various maturities. The Series 2012 Bonds are secured by a pledge and are payable solely from the Pledged Revenues consisting of: (i) the Net Revenues of the System, (ii) the Sewer System Development Charges, (iii) the Water System Development Charges, (iv) the Reuse System Development Charges, and (v) the monies on deposit in various funds and accounts created pursuant to the Series 2012 Bond Resolution, with the exception of the Rebate Fund. Pledged revenues of the water, reuse, and wastewater system for 2019 amounted to \$30,171,429. This debt is serviced by the Utility System Fund. \$11,100,000

Add: Unamortized premium 498,860

Business-Type Activities (Direct Borrowing)

Loan payable to Florida Water Pollution Control Financing Corporation, payable from the Gross Revenues derived yearly from the operation of the Water and Sewer Systems after payment of the Operation and Maintenance Expense and satisfaction of all yearly payments of the Utility System Refunding Revenue Bonds, Series 2012. Interest is due semiannually at 0.685% and principal installments are due semiannually beginning October 15, 2017. This note is serviced by the Utility System Fund. 1,104,373

Loan payable to Florida Water Pollution Control Financing Corporation, payable from the Gross Revenues derived yearly from the operation of the Water and Sewer Systems after payment of the Operation and Maintenance Expense and satisfaction of all yearly payments of the Utility System Refunding Revenue Bonds, Series 2012. Interest is due semiannually at 0.355% and principal installments are due semiannually beginning September 15, 2019. This note is serviced by the Utility System Fund. 53,409,203

Total business-type activities debt

\$66,112,436

CITY OF APOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 6 – LONG-TERM LIABILITIES (CONTINUED)

The debt service required payments to maturity on the City’s outstanding revenue bonds and notes at September 30, 2022 is as follows:

Fiscal Year	Governmental Activities			Business-Type Activities			Business-Type Activities		
	Revenue Notes - Direct Placement			Utility Revenue Bonds			SRF Loans - Direct Borrowing		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 592,189	\$ 28,454	\$ 620,643	\$ 920,000	\$ 402,100	\$ 1,322,100	\$ 3,025,416	\$ 406,840	\$ 3,432,256
2024	392,000	14,496	406,496	950,000	364,550	1,314,550	3,048,364	383,892	3,432,256
2025	263,000	5,713	268,713	995,000	315,925	1,310,925	3,071,493	360,764	3,432,257
2026	-	-	-	1,045,000	270,150	1,315,150	3,094,803	337,454	3,432,257
2027	-	-	-	1,085,000	227,550	1,312,550	3,118,296	313,961	3,432,257
2028-2032	-	-	-	6,105,000	461,875	6,566,875	15,950,387	1,210,895	17,161,282
2033-2037	-	-	-	-	-	-	16,566,055	595,227	17,161,282
2038-2039	-	-	-	-	-	-	6,638,762	61,920	6,700,682
	<u>\$ 1,247,189</u>	<u>\$ 48,663</u>	<u>\$ 1,295,852</u>	<u>\$ 11,100,000</u>	<u>\$ 2,042,150</u>	<u>\$ 13,142,150</u>	<u>\$ 54,513,576</u>	<u>\$ 3,670,953</u>	<u>\$ 58,184,529</u>

Financed Purchases

The City has entered into several agreements detailed below that qualify as financed purchases for accounting purposes. In fiscal year 2022, the City has five such agreements outstanding. The agreements are related to new gurneys for the City’s Public Safety Division and various operating equipment for City operations. The future minimum lease obligations are as follows:

Fiscal Year	Governmental Activities		
	Principal	Interest	Total
2023	\$ 277,166	\$ 26,902	\$ 304,068
2024	282,349	21,719	304,068
2025	287,629	16,440	304,069
2026	293,007	11,061	304,068
2027	298,486	5,582	304,068
	<u>\$ 1,438,637</u>	<u>\$ 81,704</u>	<u>\$ 1,520,341</u>

CITY OF APOPKA, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS SEPTEMBER 30, 2022

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS

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

A. Plan Description and Membership

1. *General Employees' Retirement Plan*

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

All full-time employees who have attained the age of 57 and five years of credited service are entitled to annual benefits of 2.75% of the average of the five final years of salary, times years of credited service, subject to a maximum of 100% of average final compensation in the form of a life annuity, ceasing upon death. Early retirement is available for employees attaining the age of 47 with ten years of service. The early retirement benefit is in the form of a life annuity (options available). A delayed retirement may be elected where the employee remains actively employed and benefits continue to accrue after the normal retirement date. In the event of pre-retirement death and the employee is eligible for normal or early retirement, a beneficiary is eligible to receive a benefit as if the member retired on the date of death. If the employee is not eligible for the normal or early retirement at the time of pre-retirement death, the Plan provides for a refund of any employee contributions. Participation in the Deferred Retirement Option Plan ("DROP") may not exceed 96 months. Each participant in the DROP has an account credited with benefits not received and investment earnings. The DROP balance as of September 30, 2022 is \$295,298.

Vesting in the Plan is as follows:

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

2. *Municipal Police Officers' Retirement Plan*

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

Employees attaining the age of 45 who have completed ten or more years of credited service, or 20 years of credited service regardless of age, are entitled to monthly benefits of 3.6% of their average final compensation times years of credited service for the first ten years of credited service and 4% for each year in excess of ten years. Average final compensation is the average salary for the best three of the five last years immediately preceding retirement or termination. The Plan permits early retirement at the completion of ten years of contributed service and attaining the age of 40 years. Participation in DROP may not exceed 96 months. Each participant in the DROP has an account credited with benefits not received and investment earnings. The DROP balance as of September 30, 2022 is \$1,710,623.

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

CITY OF AOPKA, FLORIDA

NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

A. Plan Description and Membership (Continued)

2. Municipal Police Officers' Retirement Plan (Continued)

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

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

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

3. The Municipal Firefighters' Retirement Plan

The Municipal Firefighters' Retirement Plan ("Plan") was established to conform to provisions of the State of Florida for all sworn full-time firefighters. All of the City's full-time firefighters participate in the Plan. Employees attaining the age of 55 who have completed ten or more credited years of service or with 22 years of credited service are entitled to annual benefits at a rate of 3.0% of their average compensation for the first ten years of service, 3.5% of their average compensation for credited service in excess of ten years but not in excess of 20 years, and 4% of their average compensation in excess of 20 years. The Plan permits early retirement at the completion of ten years of credited service and attaining the age of 50 years. Participation in DROP may not exceed 96 months. Each participant in the DROP has an account credited with benefits not received and investment earnings. The DROP balance as of September 30, 2022 is \$624,047.

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

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

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

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

CITY OF AOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

A. Plan Description and Membership (Continued)

3. The Municipal Firefighters’ Retirement Plan (Continued)

Plan membership for all three City retirement plans as of September 30, 2022 was as follows:

	General Employees'	Police Officers'	Fire Fighters'	Total
Inactive plan members or beneficiaries currently receiving benefits	163	71	19	253
Inactive plan members entitled to but not yet receiving benefits	104	13	50	167
Active plan members	237	96	102	435
Total	504	180	171	855

B. Pension Plan Investments

The Plans’ investment policy is described in Note 1. The following table presents the adopted asset allocation policy as of September 30, 2022 for all plans:

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

For the year ended September 30, 2022, the annual money-weighted rate of return on the Plans’ investments, net of pension investment expense, was -17.7% for the General Employees Plan, -18.6% for the Firefighters’ Plan and -18.0% for the Police Officers’ plan. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The total pension liability was determined by an actuarial valuation as of October 1, 2022 using the following actuarial assumptions applied to all measurement periods:

	General Employees'	Police Officers'	Fire Fighters'
Inflation	2.50%	2.50%	2.50%
Salary increases	5.00%	5.50%	6.00%
Discount rate	7.00%	7.00%	7.00%
Investment rate of return	7.00%	7.00%	7.00%

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

CITY OF AOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

B. Pension Plan Investments (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expended future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in all of the plans' target asset allocations as of September 30, 2022 are summarized as follows:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap Equity	7.50%
Small Cap Equity	8.50%
Mid Cap Equity	8.25%
International Equity	7.00%
Fixed Income	4.30%
Real Estate	6.60%
Stable Value	4.35%

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

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

City's Net Pension Liability	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
General Employees'	\$ 26,297,933	\$ 16,955,187	\$ 9,245,695
Police Officers'	26,650,506	16,756,901	8,626,793
Firefighters'	27,196,916	18,438,350	11,256,708
Total:	\$ 80,145,355	\$ 52,150,438	\$ 29,129,196

C. Contribution Requirements

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

1. General Employees' Retirement Plan

Contributions are established by local ordinance. Employees are required to contribute 4.9% of their annual salary to the plan. The City is required to contribute the amount necessary to meet normal (current year's) costs and to fund the actuarial accrued (past service) liability, if any, over 30 years, adjusted for interest according to the timing of the contributions. The City contributed \$2,316,593 for the year ended September 30, 2022.

CITY OF APOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

C. Contribution Requirements (Continued)

2. Municipal Police Officers' Retirement Plan

Contributions are established by local ordinance and include a 2% premium tax on all casualty insurance policies issued in the City limits. Employees are required to contribute 9% of their annual salary to the plan. The City is required to contribute an actuarially determined rate that includes the state contribution; the current rate is 38.02% of annual covered payroll, subject to a minimum of 4%. Any unfunded accrued liability is amortized over no more than 30 years. The City/State contributed \$2,674,251 for the year ended September 30, 2022.

3. Municipal Firefighters' Retirement Plan

Contributions are established by local ordinance and include a 1.85% excise tax from policyholders on all premiums collected on property fire insurance covering property within the City limits. Employees are required to contribute 9.3% of their salary to the plan. The City is required to contribute an actuarially determined rate that includes the state contribution; the current rate is 29.2% of annual covered payroll, subject to a minimum of 4%. The City/State contributed \$2,494,483 for the year ended September 30, 2022.

Municipalities that have established pension plans complying with the provisions of Chapters 175 and 185, Florida Statutes, and that have enacted appropriate tax legislation are eligible to receive revenues generated from excise taxes on gross receipts of certain insurance premiums from policyholders covering property within the City limits. These are the Firefighters' Pension Fund Excise Tax imposed on the gross receipts of property insurance policy premiums and the Police Officers' Pension Fund Excise Tax imposed on the gross receipts of casualty insurance policy premiums. These revenues, receipted in the City's General Fund and expended as Public Safety activity, are \$565,944 and \$415,434, respectively, for the year ended September 30, 2022.

Insurance premium excise tax revenues collected in the 1997 calendar year represent an initial "frozen" state contribution. Until plan benefits are improved for the police officers' and firefighters' retirement plans, the City's (the sponsor) contributions are determined based upon the lesser of: (1) the actual state contributions received in the plan year, or (2) the "frozen" state contribution amounts. State contributions received in any plan year in excess of the applicable "frozen" state contribution amounts are segregated from plan assets to be used exclusively to fund benefit improvements. These excess state contributions are accumulated in reserve balances titled "Excess State Monies Reserve." There were no applicable "frozen" amounts for the City's plans for the year ended September 30, 2022.

CITY OF AOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

D. Actuarial Methods and Significant Assumptions

	General Employees'	Police Officers'	Firefighters'
Contribution rates:			
Employer	15.83%	38.02%	32.16%
Employee	4.90%	9.00%	9.30%
Valuation date	10/1/2020	10/1/2020	10/1/2020
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method	Changes of assumptions and differences between assumptions and actual experience are recognized over the average of the remaining service lives of all employees that are provided with benefits through the plan. Differences between expected earnings on plan investments and actual investment earnings are recognized over a five-year period. Changes in benefit terms are recognized immediately.		
Actuarial asset valuation method	Contract value with a market value adjustment factor for guaranteed deposit account assets and at market value for separate accounts.		
Actuarial assumptions:			
Investment rate of return	7.00%	7.00%	7.00%
Projected salary increases	5.00%	5.50%	6.00%
(includes inflation at)	2.50%	2.50%	2.50%

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

CITY OF APOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

E. Net Pension Liability and Pension Expense

The following table presents the change in the Net Pension Liability of the City's three pension plans as of the measurement date at September 30, 2022:

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Fire Fighters'</u>	<u>Total</u>
Total pension liability				
Service cost	\$ 1,754,558	\$ 2,390,392	\$ 2,300,685	\$ 6,445,635
Interest	4,844,370	5,252,356	4,280,882	14,377,608
Differences between expected and actual experience	(523,197)	(1,740,502)	(211,118)	(2,474,817)
Changes in actuarial assumptions	-	-	-	-
Benefit payments, including refunds	<u>(4,035,834)</u>	<u>(3,428,447)</u>	<u>(4,238,774)</u>	<u>(11,703,055)</u>
Net change in total pension liability	2,039,897	2,473,799	2,131,675	6,645,371
Total pension liability - beginning	<u>71,189,078</u>	<u>76,718,881</u>	<u>63,239,004</u>	<u>211,146,963</u>
Total pension liability - ending	<u>\$73,228,975</u>	<u>\$79,192,680</u>	<u>\$65,370,679</u>	<u>\$217,792,334</u>
 Plan fiduciary net position				
Contributions - City	\$ 2,316,593	\$ 2,674,251	\$ 2,494,483	\$ 7,485,327
Contributions - Employees	679,039	638,085	789,546	2,106,670
Net investment income	(12,222,169)	(13,401,930)	(11,100,139)	(36,724,238)
Benefit payments, including refunds	(4,035,834)	(3,428,447)	(4,238,774)	(11,703,055)
Administrative expense	<u>(91,972)</u>	<u>(92,788)</u>	<u>(94,077)</u>	<u>(278,837)</u>
Net change in plan fiduciary net position	(13,354,343)	(13,610,829)	(12,148,961)	(39,114,133)
Plan fiduciary net position - beginning	<u>69,628,131</u>	<u>76,046,608</u>	<u>59,081,290</u>	<u>204,756,029</u>
Plan fiduciary net position - ending	<u>\$56,273,788</u>	<u>\$62,435,779</u>	<u>\$46,932,329</u>	<u>\$165,641,896</u>
 City's net pension liability	\$ 16,955,187	\$ 16,756,901	\$ 18,438,350	\$ 52,150,438
Plan fiduciary net position as a percentage of net pension liability	76.85%	78.84%	71.79%	

As of September 30, 2022, the City's total net pension liability amounted to \$52,150,438 for all three defined-benefit pension plans. For the year ended September 30, 2022, the City recognized pension expense of \$2,911,140 related to the General Employees' Retirement Plan, \$3,523,673 related to the Police Officers' Retirement Plan, and \$4,129,047 related to the Firefighters' Retirement Plan, for a total of \$10,563,860 for all three plans.

CITY OF APOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

F. Deferred Outflows and Deferred Inflows of Resources

At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	General Employees'		Police Officers'		Firefighters'		Totals	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 243,454	\$ 123,817	\$ 1,178,935	\$ 432,068	\$ 1,665,669	\$ -	\$ 3,088,058	\$ 555,885
Experience differences	190,390	396,687	682,301	1,540,027	966,494	43,007	1,839,185	1,979,721
Net difference between projected and actual earnings on investments	8,563,001	-	9,845,528	-	7,681,196	-	26,089,725	-
Total	\$ 8,996,845	\$ 520,504	\$ 11,706,764	\$ 1,972,095	\$ 10,313,359	\$ 43,007	\$ 31,016,968	\$ 2,535,606

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

Year ended September 30,	General Employees'	Police Officers'	Fire Fighters'	Totals
2023	\$ 1,962,329	\$ 2,296,449	\$ 2,709,959	\$ 6,968,737
2024	1,330,754	2,016,381	2,273,773	5,620,908
2025	1,771,819	1,662,527	2,269,868	5,704,214
2026	3,411,439	3,759,312	3,019,389	10,190,140
2027	-	-	(2,637)	(2,637)
Total	\$ 8,476,341	\$ 9,734,669	\$ 10,270,352	\$ 28,481,362

G. Combining Fiduciary Statements

The combining statement of fiduciary net position at September 30, 2022 is as follows:

	General Employees'	Police Officers'	Fire Fighters'	Total
Assets				
Cash and cash equivalents	\$ 4,837,423	\$ 4,499,547	\$ 1,284,929	\$ 10,621,899
Investments at fair value	51,376,924	57,881,978	45,590,505	154,849,407
Contributions receivable	59,441	54,255	56,895	170,591
Total assets	56,273,788	62,435,780	46,932,329	165,641,897
Total net position	\$56,273,788	\$62,435,780	\$46,932,329	\$ 165,641,897

CITY OF APOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 7 – EMPLOYEE RETIREMENT SYSTEMS (CONTINUED)

The combining statement of changes in fiduciary net position at September 30, 2022 is as follows:

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Fire Fighters'</u>	<u>Total</u>
Additions				
Contributions:				
Employer contributions	\$ 2,316,593	\$ 2,108,307	\$ 2,079,049	\$ 6,503,949
State contributions	-	565,944	415,434	981,378
Member contributions	<u>679,039</u>	<u>638,085</u>	<u>789,546</u>	<u>2,106,670</u>
Total contributions	<u>2,995,632</u>	<u>3,312,336</u>	<u>3,284,029</u>	<u>9,591,997</u>
Investment income:				
Interest, dividends and other	934,954	1,035,945	797,167	2,768,066
Net appreciation in fair value of investments	(14,449,409)	(15,522,917)	(12,838,199)	(42,810,525)
Gains on sales of investments	<u>1,292,286</u>	<u>1,085,040</u>	<u>940,893</u>	<u>3,318,219</u>
Net investment income	<u>(12,222,169)</u>	<u>(13,401,932)</u>	<u>(11,100,139)</u>	<u>(36,724,240)</u>
Total additions	<u>(9,226,537)</u>	<u>(10,089,596)</u>	<u>(7,816,110)</u>	<u>(27,132,243)</u>
Deductions				
Benefit payments	3,658,667	2,880,807	1,977,123	8,516,597
Termination payments	377,167	547,637	2,261,651	3,186,455
Administrative expenses	<u>91,972</u>	<u>92,788</u>	<u>94,077</u>	<u>278,837</u>
Total deductions	<u>4,127,806</u>	<u>3,521,232</u>	<u>4,332,851</u>	<u>11,981,889</u>
Change in net position	<u>(13,354,343)</u>	<u>(13,610,828)</u>	<u>(12,148,961)</u>	<u>(39,114,132)</u>
Net position restricted for pension benefits				
Beginning of year	<u>69,628,131</u>	<u>76,046,608</u>	<u>59,081,290</u>	<u>204,756,029</u>
End of year	<u>\$56,273,788</u>	<u>\$62,435,780</u>	<u>\$46,932,329</u>	<u>\$ 165,641,897</u>

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

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

Eligibility

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

City of Apopka Municipal Firefighters’ Retirement:

Normal Retirement: Age 55 with 10 years of service or 22 years of service at any age

Early Retirement: Age 50 and the completion of 10 years of service

City of Apopka Municipal General Employees’ Retirement:

Normal Retirement: Age 57 with 5 years of service

Early Retirement: Age 47 and the completion of 10 years of service

CITY OF APOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

City of Apopka Municipal Police Officers’ Retirement:

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

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

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

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

OPEB Coverage

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

Health Insurance Subsidy/Reduced Retiree Contribution

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

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

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

Membership of each plan consist of the following as of September 30, 2021, the date of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	115
Active plan members	529
Total	644

Actuarial Methods and Assumptions

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

Valuation date	September 30, 2021
Measurement date	September 30, 2022
Actuarial cost method	Entry Age Normal
Amortization method	Experience/assumptions gains and losses starting on 10/1/16
Remaining amortization period	11 years closed
Actuarial assumptions:	
Discount rate	4.02%
Projected salary increases	3.50%
Inflation rate	2.50%

CITY OF APOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

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

In the descriptions below:

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

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

In the most current valuation (dated September 30, 2021), the actuarial assumptions used for the calculation of cost and liabilities are as follows:

1. Mortality Rates: Pub-2010 base table scaled generationally using Scale MP-2020
2. Withdrawal Rates: Sample rates of withdrawal for employees:

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

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

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

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

5. Health Care Cost Trend Rate:

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

<u>Expense Type</u>	<u>Select</u>	<u>Ultimate</u>
Pre-medicare medical and Rx benefits	7.00%	4.00%
Medicare benefits	6.00%	4.00%
Stop loss fees	7.00%	4.00%
Administrative fees	4.00%	4.00%

CITY OF APOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

Total OPEB Liability

The City’s total OPEB liability of \$24,784,197 was measured as of September 30, 2022 and was determined by an actuarial valuation as of September 30, 2021.

Changes in Total OPEB Liability

	Total OPEB Liability
Balances at September 30, 2021	\$ 27,870,526
Changes for the year:	
Service cost	2,314,243
Interest	676,404
Differences between expected and actual experience	-
Changes of assumptions	(5,566,210)
Changes of benefit terms	-
Contributions - employer	-
Benefit payments	(510,766)
Net changes	<u>(3,086,329)</u>
Balances at September 30, 2021	<u>\$ 24,784,197</u>

Changes in assumptions reflect a change in the discount rate from 2.26% for the fiscal year ended September 30, 2021 to 4.02% for the fiscal year ended September 30, 2022.

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

The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate of 4.02%:

	<u>1% Decrease (3.02%)</u>	<u>Current Discount Rate (4.02%)</u>	<u>1% Increase (5.02%)</u>
Total OPEB liability	\$ 28,087,000	\$ 24,784,197	\$ 21,997,000

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

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

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates Current</u>	<u>1% Increase</u>
Total OPEB liability	\$ 21,483,000	\$ 24,784,197	\$ 28,803,000

CITY OF AOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

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

OPEB expense for the fiscal year ended September 30, 2022 was \$2,658,000. On September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 265,406	\$ 57,032
Change of assumptions	3,540,969	7,033,369
	<u>\$ 3,806,375</u>	<u>\$ 7,090,401</u>

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

Fiscal Year Ending September 30:	<u>Amount</u>
2023	\$ (332,629)
2024	(332,629)
2025	(332,629)
2026	(332,629)
2027	(332,629)
Thereafter	(1,620,881)

NOTE 9 – RISK MANAGEMENT

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

<u>Type of Coverage</u>	<u>Coverage</u>	<u>Limitations</u>
Property	\$145,344,374	Buildings and Personal Property
	Included	Electrical data processing
	\$25,000,000	Excess Flood, per occurrence
	Included	Radio equipment
	Included	Valuable papers
	Included	A/R, per location to a maximum of \$500,000
Inland Marine	\$50,000,000	Boiler and Machinery
	\$1,950,000	Business income with extra expense
	\$3,985,104	Scheduled Equipment-Items over \$25,000
Automobile	1000000	Unscheduled Equipment-Items under \$25,000
	\$5,000,000	Liability combined single limit, per occurrence
	Statutory	Personal Injury protection
	Excluded	Uninsured/Underinsured motorists bodily injury liability
	Included	Hired and Non-Owned Physical damage
Crime	Included	Hired and Non-Owned Auto Liability
	\$500,000	Employee Dishonesty
	\$500,000	Money & Securities inside and outside
	\$500,000	Forgery or Alteration

CITY OF APOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 9 – RISK MANAGEMENT (CONTINUED)

<u>Type of Coverage</u>	<u>Coverage</u>	<u>Limitations</u>
General Liability	\$5,000,000	Combined single limits, per occurrence Includes premises and products & completed construction
Sexual Harassment	Included	Total policy limit
Public Entity Employment Practices Liability	\$5,000,000	Per occurrence
Cyber Liability	\$2,000,000	Annual aggregate
Treasurer Bond	\$500,000	Per loss
Public Officials Errors and Omissions Liability	\$5,000,000	Each occurrence
	\$5,000,000	Sexual harassment
Law Enforcement Officers Liability	\$5,000,000	Each occurrence
Statutory Death Benefit (Police, Fire, General)	Statutory	Per covered person
Fiduciary Responsibility	\$1,000,000	For all claims
Pollution Liability	\$1,000,000	Each occurrence and aggregate
Underground Storage Tank Pollution Liability	\$1,000,000	Each incident and policy aggregate
Employee Benefits Liability	\$5,000,000	Each Occurrence
Workers Compensation	Statutory	
Employers' Liability	\$1,000,000	Each accident, disease, aggregate by disease
Business Travel Accident	Varies	Varies
Firefighter Cancer	Statutory	
Aircraft/Drone Liability	\$1,000,000	Each occurrence

There have been no significant reductions in insurance coverage during fiscal year 2021-2022. Settled claims have not exceeded the commercial excess coverage in any of the past three years.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Intergovernmental Grants

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

Construction Commitments

As of September 30, 2022, there City's commitments with contractors totaled \$21,767,613 for a number of capital projects.

CITY OF AOPKA, FLORIDA

**NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 11 – RESTATEMENTS

The City has determined that a restatement to beginning net position and fund balance as noted below was required to reflect the correction of errors in the September 30, 2021 financial report. The restatements were required to properly reflect accounts payable for various expenditures, including construction in progress. The restatements are as follows:

	Governmental Activities
Net position, previously reported	\$ 106,117,321
Restatement to correct errors in accounts payable	159,607
Beginning net position, as restated	<u>\$ 106,276,928</u>

	General Fund	Community Redevelopment Agency Fund	Streets Improvement Fund	Transportation Impact Fees Fund	Recreation Impact Fees Fund	Stormwater Fund	Grants Fund
Fund balance, previously reported	\$ 20,918,964	\$ 2,468,913	\$ 1,509,351	\$ 7,796,001	\$ 308,915	\$ 991,361	\$ (97,953)
Restatement to correct errors in accounts payable	854,603	164,888	305,211	196,941	8,659	378,657	44,420
Beginning fund balance, as restated	<u>\$ 21,773,567</u>	<u>\$ 2,633,801</u>	<u>\$ 1,814,562</u>	<u>\$ 7,992,942</u>	<u>\$ 317,574</u>	<u>\$ 1,370,018</u>	<u>\$ (53,533)</u>

NOTE 12 – SUBSEQUENT EVENTS

The City has evaluated subsequent events through June 30, 2023 the date the financial statements were issued.

**Required
Supplementary
Information**

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CITY OF AOPKA, FLORIDA

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

	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Total pension liability									
Service cost	\$ 1,754,558	\$ 1,931,636	\$ 2,289,545	\$ 2,113,188	\$ 2,055,827	\$ 1,775,984	\$ 1,724,102	\$ 1,629,195	\$ 1,564,998
Interest on total pension liability	4,844,370	4,652,586	4,426,029	4,286,621	4,084,632	3,996,514	3,768,999	3,517,510	3,294,972
Differences between expected and actual experience and change in assumptions	(523,197)	166,601	526,737	1,458,372	(127,556)	561,919	144,541	458,032	(54,827)
Benefit payments, including refunds of employee contributions	(4,035,834)	(3,987,073)	(4,023,879)	(3,493,077)	(2,969,739)	(3,149,175)	(2,461,778)	(2,094,964)	(1,663,848)
Net change in total pension liability	<u>2,039,897</u>	<u>2,763,750</u>	<u>3,218,432</u>	<u>4,365,104</u>	<u>3,043,164</u>	<u>3,185,242</u>	<u>3,175,864</u>	<u>3,509,773</u>	<u>3,141,295</u>
Total pension liability - beginning	<u>71,189,078</u>	<u>68,425,328</u>	<u>65,206,896</u>	<u>60,841,792</u>	<u>57,798,628</u>	<u>54,613,386</u>	<u>51,437,522</u>	<u>47,927,749</u>	<u>44,786,454</u>
Total pension liability - ending (a)	<u>\$ 73,228,975</u>	<u>\$ 71,189,078</u>	<u>\$ 68,425,328</u>	<u>\$ 65,206,896</u>	<u>\$ 60,841,792</u>	<u>\$ 57,798,628</u>	<u>\$ 54,613,386</u>	<u>\$ 51,437,522</u>	<u>\$ 47,927,749</u>
Plan fiduciary net position									
Contributions - City	\$ 2,316,593	\$ 2,346,366	\$ 2,233,098	\$ 2,311,235	\$ 2,141,587	\$ 2,081,290	\$ 1,777,353	\$ 1,665,895	\$ 1,837,620
Contributions - employee	679,039	629,401	627,418	638,379	620,925	576,071	531,041	512,745	535,334
Net investment income	(12,222,169)	12,229,291	5,185,346	1,914,581	4,198,683	5,610,806	3,337,768	287,819	3,364,185
Benefit payments, including refunds of member contributions	(4,035,834)	(3,987,073)	(4,023,879)	(3,493,077)	(2,969,739)	(3,149,175)	(2,461,778)	(2,094,964)	(1,663,848)
Administrative expenses	(91,972)	(82,591)	(66,788)	(61,798)	(37,175)	(39,716)	(41,665)	(48,635)	(31,939)
Net change in plan fiduciary net position	<u>(13,354,343)</u>	<u>11,135,394</u>	<u>3,955,195</u>	<u>1,309,320</u>	<u>3,954,281</u>	<u>5,079,276</u>	<u>3,142,719</u>	<u>322,860</u>	<u>4,041,352</u>
Plan fiduciary net position - beginning	<u>69,628,131</u>	<u>58,492,737</u>	<u>54,537,542</u>	<u>53,228,222</u>	<u>49,273,941</u>	<u>44,194,665</u>	<u>41,051,946</u>	<u>40,729,086</u>	<u>36,687,734</u>
Plan fiduciary net position - ending (b)	<u>\$ 56,273,788</u>	<u>\$ 69,628,131</u>	<u>\$ 58,492,737</u>	<u>\$ 54,537,542</u>	<u>\$ 53,228,222</u>	<u>\$ 49,273,941</u>	<u>\$ 44,194,665</u>	<u>\$ 41,051,946</u>	<u>\$ 40,729,086</u>
City's net pension liability - ending (a) - (b)	<u>\$ 16,955,187</u>	<u>\$ 1,560,947</u>	<u>\$ 9,932,591</u>	<u>\$ 10,669,354</u>	<u>\$ 7,613,570</u>	<u>\$ 8,524,687</u>	<u>\$ 10,418,721</u>	<u>\$ 10,385,576</u>	<u>\$ 7,198,663</u>
Plan fiduciary net position as a percentage of the total pension liability	76.85%	97.81%	85.48%	83.64%	87.49%	85.25%	80.92%	79.81%	84.98%
Covered payroll	\$ 12,964,293	\$ 12,405,117	\$ 11,720,005	\$ 11,946,517	\$ 11,637,290	\$ 11,041,275	\$ 10,237,967	\$ 9,772,660	\$ 9,817,067
City's net pension liability as a percentage of covered employee payroll	130.78%	12.58%	84.75%	89.31%	65.42%	77.21%	101.77%	106.27%	73.33%

Notes to the Schedule:

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

CITY OF AOPKA, FLORIDA

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

	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Total pension liability									
Service cost	\$ 2,390,392	\$ 2,593,256	\$ 2,547,757	\$ 2,619,329	\$ 2,717,587	\$ 2,422,832	\$ 2,157,662	\$ 1,934,067	\$ 1,885,080
Interest on total pension liability	5,252,356	4,844,099	4,482,173	4,243,435	4,022,868	3,809,955	3,487,029	3,044,711	2,787,119
Change in excess state money	-	-	-	-	-	-	-	80,666	61,888
Changes of benefit terms	-	-	-	-	-	-	-	1,166,703	-
Differences between expected and actual experience and change in assumptions	(1,740,502)	1,471,935	1,076,171	1,303,288	(1,487,919)	504,898	1,030,680	1,160,806	146,571
Benefit payments, including refunds of employee contributions	(3,428,447)	(2,737,348)	(3,127,512)	(2,216,893)	(2,203,819)	(1,975,939)	(2,183,366)	(1,386,946)	(1,403,290)
Net change in total pension liability	2,473,799	6,171,942	4,978,589	5,949,159	3,048,717	4,761,746	4,492,005	6,000,007	3,477,368
Total pension liability - beginning	76,718,881	70,546,939	65,568,350	59,619,191	56,570,474	51,808,728	47,316,723	41,316,716	37,839,348
Total pension liability - ending (a)	\$ 79,192,680	\$ 76,718,881	\$ 70,546,939	\$ 65,568,350	\$ 59,619,191	\$ 56,570,474	\$ 51,808,728	\$ 47,316,723	\$ 41,316,716
Plan fiduciary net position									
Contributions - City	\$ 2,674,251	\$ 2,269,039	\$ 1,683,115	\$ 2,403,937	\$ 2,232,206	\$ 2,191,388	\$ 1,864,064	\$ 1,902,126	\$ 1,856,270
Contributions - state	-	523,892	509,019	-	-	-	-	80,666	61,888
Contributions - employee	638,085	664,572	626,155	729,422	705,904	613,880	640,046	431,461	399,320
Net investment income	(13,401,930)	12,688,524	5,448,082	2,038,402	4,217,439	5,565,273	3,235,121	267,550	3,179,742
Benefit payments, including refunds of member contributions	(3,428,447)	(2,737,348)	(3,127,512)	(2,216,893)	(2,203,819)	(1,975,939)	(2,183,366)	(1,386,946)	(1,403,290)
Administrative expenses	(92,788)	(77,541)	(86,259)	(60,451)	(38,944)	(39,142)	(37,054)	(55,891)	(31,542)
Net change in plan fiduciary net position	(13,610,829)	13,331,138	5,052,600	2,894,417	4,912,786	6,355,460	3,518,811	1,238,966	4,062,388
Plan fiduciary net position - beginning	76,046,608	62,715,470	57,662,870	54,768,453	49,855,667	43,500,207	39,981,396	38,742,430	34,680,042
Plan fiduciary net position - ending (b)	\$ 62,435,779	\$ 76,046,608	\$ 62,715,470	\$ 57,662,870	\$ 54,768,453	\$ 49,855,667	\$ 43,500,207	\$ 39,981,396	\$ 38,742,430
City's net pension liability - ending (a) - (b)	\$ 16,756,901	\$ 672,273	\$ 7,831,469	\$ 7,905,480	\$ 4,850,738	\$ 6,714,807	\$ 8,308,521	\$ 7,335,327	\$ 2,574,286
Plan fiduciary net position as a percentage of the total pension liability	78.84%	99.12%	88.90%	87.94%	91.86%	88.13%	83.96%	84.50%	93.77%
Covered payroll	\$ 6,376,862	\$ 6,376,862	\$ 6,278,157	\$ 6,323,063	\$ 6,811,815	\$ 6,167,707	\$ 6,232,611	\$ 5,592,025	\$ 5,463,618
City's net pension liability as a percentage of covered employee payroll	262.78%	10.54%	124.74%	125.03%	71.21%	108.87%	133.31%	131.17%	47.12%

Notes to the Schedule:

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

CITY OF AOPKA, FLORIDA

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

	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Total pension liability									
Service cost	\$ 2,300,685	\$ 2,172,235	\$ 2,035,748	\$ 1,811,047	\$ 1,729,741	\$ 1,438,974	\$ 1,269,608	\$ 993,460	\$ 1,107,888
Interest on total pension liability	4,280,881	4,025,651	3,663,033	3,455,155	3,162,573	2,940,396	2,699,641	2,396,529	2,284,005
Change in excess state money	-	-	-	-	-	-	-	102,251	115,677
Changes of benefit terms	-	-	-	-	-	-	-	1,449,756	-
Differences between expected and actual experience and change in assumptions	(211,118)	1,007,989	2,163,160	1,671,508	723,304	941,126	541,295	670,993	(461,117)
Benefit payments, including refunds of employee contributions	(4,238,774)	(2,903,261)	(2,467,452)	(2,070,017)	(1,106,825)	(1,157,613)	(1,225,547)	(1,728,061)	(1,294,371)
Net change in total pension liability	2,131,674	4,302,614	5,394,489	4,867,693	4,508,793	4,162,883	3,284,997	3,884,928	1,752,082
Total pension liability - beginning	63,239,005	58,936,391	53,541,902	48,674,209	44,165,416	40,002,533	36,717,536	32,832,608	31,080,526
Total pension liability - ending (a)	\$ 65,370,679	\$ 63,239,005	\$ 58,936,391	\$ 53,541,902	\$ 48,674,209	\$ 44,165,416	\$ 40,002,533	\$ 36,717,536	\$ 32,832,608
Plan fiduciary net position									
Contributions - employer	\$ 2,079,049	\$ 1,773,197	\$ 1,402,329	\$ 1,635,728	\$ 1,481,416	\$ 1,272,669	\$ 936,800	\$ 1,043,401	\$ 1,097,949
Contributions - state	415,434	368,406	330,432	-	-	-	-	102,251	115,677
Contributions - employee	789,546	715,800	910,578	802,599	631,691	650,530	505,327	454,232	527,346
Net investment income (loss)	(11,100,139)	10,476,108	4,260,584	1,571,343	3,253,596	4,279,794	2,479,649	212,672	2,517,705
Benefit payments, including refunds of member contributions	(4,238,774)	(2,903,261)	(2,467,452)	(2,070,017)	(1,106,825)	(1,157,613)	(1,225,547)	(1,728,061)	(1,294,371)
Administrative expenses	(94,077)	(77,703)	(101,969)	(57,040)	(36,310)	(36,316)	(35,109)	(60,040)	(28,402)
Net change in plan fiduciary net position	(12,148,961)	10,352,547	4,334,502	1,882,613	4,223,568	5,009,064	2,661,120	24,455	2,935,904
Plan fiduciary net position - beginning	59,081,290	48,728,743	44,394,241	42,511,628	38,288,060	33,278,996	30,617,876	30,593,421	27,657,517
Plan fiduciary net position - ending (b)	\$ 46,932,329	\$ 59,081,290	\$ 48,728,743	\$ 44,394,241	\$ 42,511,628	\$ 38,288,060	\$ 33,278,996	\$ 30,617,876	\$ 30,593,421
City's net pension liability - ending (a) - (b)	\$ 18,438,350	\$ 4,157,715	\$ 10,207,648	\$ 9,147,661	\$ 6,162,581	\$ 5,877,356	\$ 6,723,537	\$ 6,099,660	\$ 2,239,187
Plan fiduciary net position as a percentage of the total pension liability	71.79%	93.43%	82.68%	82.91%	87.34%	86.69%	83.19%	83.39%	93.18%
Covered payroll	\$ 7,757,654	\$ 7,511,233	\$ 7,380,314	\$ 6,878,300	\$ 6,455,324	\$ 6,759,969	\$ 5,333,015	\$ 4,960,180	\$ 4,701,480
City's net pension liability as a percentage of covered employee payroll	237.68%	55.35%	138.31%	132.99%	95.47%	86.94%	126.07%	122.97%	47.63%

Notes to the Schedule:

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

CITY OF AOPKA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
GENERAL EMPLOYEES' PENSION

	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Actuarially determined contribution	\$ 2,051,667	\$ 2,295,006	\$ 2,095,286	\$ 2,096,466	\$ 1,854,869	\$ 1,826,874	\$ 1,674,255	\$ 1,691,531	\$ 1,767,282
Contributions in relation to the actuarially determined contribution	2,316,593	2,346,366	2,233,098	2,311,235	2,141,587	2,081,290	1,777,353	1,665,895	1,837,620
Contribution deficiency (excess)	\$ (264,926)	\$ (51,360)	\$ (137,812)	\$ (214,769)	\$ (286,718)	\$ (254,416)	\$ (103,098)	\$ 25,636	\$ (70,338)
Covered payroll	\$ 12,964,293	\$ 12,405,117	\$ 11,720,005	\$ 11,946,517	\$ 11,637,290	\$ 11,041,275	\$ 10,237,967	\$ 9,772,660	\$ 9,817,067
Contributions as a percentage of covered payroll	17.87%	18.91%	19.05%	19.35%	18.40%	18.85%	17.36%	17.05%	18.72%

Notes to the Schedule:

Valuation date:	October 1, 2020																		
Funding method:	Entry Age Normal																		
Amortization method:	Changes in assumptions and differences between assumptions and actual experience are recognized over the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees, including retirees). Differences between expected earnings on plan investments and actual investment earnings are recognized over a five-year period. Changes in benefit terms are recognized immediately.																		
Asset valuation method:	Assets are valued at contract value with a market value adjustment factor for the Guaranteed Deposit Account Assets, and at market value for Separate Accounts, which is considered the best representation of Fair Value. The market value of the Guranteed Deposit Account is an estimate only and not the result of the precise calculation which would be done at contract discontinuance or to measure the impact of excess withdrawals in any calendar year.																		
Inflation:	2.25%																		
Salary increases:	Salary is assumed to increase at the rate of 5.50%																		
Interest rate:	7.00% per year																		
Retirement age:	Age 57 with 5 years of Credited Service. Also, any member who has reached Normal Retirement is assumed not to retire within the next year. Vested termination participants are assumed to commence benefits on Normal Retirement Date.																		
Early retirement:	Commencing with attainment fo Early Retirement Status (age 47 with 10 years of service), members are assumed to retire with an immediate subsidized benefit at the rate of 2% per year.																		
Mortality:	RP-2000 Male Disabled set back 4 yrs, Female Disabled set forward 2 yrs																		
Termination and disability rate table:	<table border="1"> <thead> <tr> <th>Age</th> <th>% Terminating During the Year</th> <th>% Becoming Disabled During the Year</th> </tr> </thead> <tbody> <tr> <td>20</td> <td>38.60%</td> <td>0.07%</td> </tr> <tr> <td>30</td> <td>19.40%</td> <td>0.11%</td> </tr> <tr> <td>40</td> <td>7.30%</td> <td>0.19%</td> </tr> <tr> <td>50</td> <td>2.70%</td> <td>0.51%</td> </tr> <tr> <td>60</td> <td>1.20%</td> <td>1.66%</td> </tr> </tbody> </table>	Age	% Terminating During the Year	% Becoming Disabled During the Year	20	38.60%	0.07%	30	19.40%	0.11%	40	7.30%	0.19%	50	2.70%	0.51%	60	1.20%	1.66%
Age	% Terminating During the Year	% Becoming Disabled During the Year																	
20	38.60%	0.07%																	
30	19.40%	0.11%																	
40	7.30%	0.19%																	
50	2.70%	0.51%																	
60	1.20%	1.66%																	

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

CITY OF AOPKA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
POLICE OFFICERS' PENSION

	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Actuarially determined contribution	\$ 2,468,289	\$ 2,254,270	\$ 2,230,734	\$ 2,403,676	\$ 2,133,870	\$ 1,908,003	\$ 1,684,763	\$ 1,714,708	\$ 1,724,146
Contributions in relation to the actuarially determined contribution	2,674,251	2,792,931	2,192,134	2,403,937	2,232,206	2,191,388	1,864,064	1,902,126	1,856,270
Contribution deficiency (excess)	\$ (205,962)	\$ (538,661)	\$ 38,600	\$ (261)	\$ (98,336)	\$ (283,385)	\$ (179,301)	\$ (187,418)	\$ (132,124)
Covered payroll	\$ 6,488,750	\$ 6,376,862	\$ 6,278,157	\$ 6,323,063	\$ 6,811,815	\$ 6,167,707	\$ 6,232,611	\$ 5,592,025	\$ 5,463,618
Contributions as a percentage of covered payroll	41.21%	43.80%	34.92%	38.02%	32.77%	35.53%	29.91%	34.01%	33.98%

Notes to the Schedule:

Valuation date:	October 1, 2022
Funding method:	Entry Age Normal
Amortization method:	Changes in assumptions and differences between assumptions and actual experience are recognized over the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees, including retirees). Differences between expected earnings on plan investments and actual investment earnings are recognized over a five-year period. Changes in benefit terms are recognized immediately.
Asset valuation method:	Assets are valued at contract value with a market value adjustment factor for the Guaranteed Deposit Account Assets, and at market value for Separate Accounts, which is considered the best representation of Fair Value. The market value of the Guranteed Deposit Account is an estimate only and not the result of the precise calculation which would be done at contract discontinuance or to measure the impact of excess withdrawals in any calendar year.
Inflation:	2.25%
Salary increases:	Salary is assumed to increase at the rate of 5.50%
Interest rate:	7.00% per year
Retirement age:	Age 45 with 10 years of Credited Service, or 20 years of service regardless of age.
Early retirement:	Commencing with attainment fo Early Retirement Status (age 40 with 10 years of service), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.
Mortality:	RP-2000 Generational projected with Scale BB
Termination and disability rate table:	

Age	% Terminating During the Year	% Becoming Disabled During the Year
20	6.00%	0.09%
30	5.00%	0.12%
40	2.60%	0.21%
50	0.80%	0.54%
60	0.20%	2.70%

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

CITY OF AOPKA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
FIREFIGHTERS' PENSION

	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Actuarially determined contribution	\$ 2,267,340	\$ 1,813,777	\$ 1,560,189	\$ 1,465,055	\$ 1,225,046	\$ 1,093,683	\$ 761,586	\$ 974,234	\$ 1,072,495
Contributions in relation to the actuarially determined contribution	2,494,483	2,141,603	1,732,761	1,635,728	1,481,416	1,272,669	936,800	1,043,401	1,097,949
Contribution deficiency (excess)	\$ (227,143)	\$ (327,826)	\$ (172,572)	\$ (170,673)	\$ (256,370)	\$ (178,986)	\$ (175,214)	\$ (69,167)	\$ (25,454)
Covered payroll	\$ 7,757,654	\$ 7,511,233	\$ 7,380,314	\$ 6,878,300	\$ 6,455,324	\$ 6,759,969	\$ 5,333,015	\$ 4,960,180	\$ 4,701,480
Contributions as a percentage of covered payroll	32.16%	28.51%	23.48%	23.78%	22.95%	18.83%	17.57%	21.04%	23.35%

Notes to the Schedule: 0.292271349

Valuation date:
Funding method:

October 1, 2022
Entry Age Normal

Amortization method:

Changes in assumptions and differences between assumptions and actual experience are recognized over the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active and inactive employees, including retirees).

Differences between expected earnings on plan investments and actual investment earnings are recognized over a five-year period. Changes in benefit terms are recognized immediately.

Asset valuation method:

Assets are valued at contract value with a market value adjustment factor for the Guaranteed Deposit Account Assets, and at market value for Separate Accounts, which is considered the best representation of Fair Value. The market value of the Guranteed Deposit Account is an estimate only and not the result of the precise calculation which would be done at contract discontinuance or to measure the impact of excess withdrawals in any calendar year.

Inflation:

2.25%

Salary increases:
Interest rate:

Salary is assumed to increase at the rate of 5.50%
7.00% per year

Retirement age:

Age 55 with 10 years of Credited Service, or 22 years regardless of age.

Early retirement:

Commencing with attainment fo Early Retirement Status (age 50 with 10 years of service), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.

Mortality:

RP-2000 Generational projected with Scale BB

Termination and disability rate table:

Age	% Terminating During the Year	% Becoming Disabled During the Year
20	6.00%	0.09%
30	5.00%	0.12%
40	2.60%	0.21%
50	0.80%	0.54%
60	0.20%	2.70%

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

CITY OF AOPKA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION INVESTMENT RETURNS

	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
General Employees:									
Annual money-weighted rate of return, net of investment expenses	-17.7%	21.1%	9.6%	3.6%	8.5%	12.8%	8.2%	0.7%	9.1%
Police Officers:									
Annual money-weighted rate of return, net of investment expenses	-18.0%	20.8%	9.5%	3.7%	8.4%	12.7%	8.1%	0.7%	9.1%
Firefighters:									
Annual money-weighted rate of return, net of investment expenses	-18.6%	21.0%	9.6%	3.7%	8.4%	12.7%	8.1%	0.7%	9.0%

Notes to the Schedules:

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

CITY OF AOPKA, FLORIDA

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

	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>
Service cost	\$ 2,314,243	\$ 1,816,494	\$ 1,863,901	\$ 1,281,375	\$ 1,394,359
Interest	676,404	580,093	671,503	813,644	831,014
Changes of benefit terms	-	-	-	-	(489,765)
Differences between expected and actual experience	-	(70,612)	-	408,869	-
Changes of assumptions	(5,566,210)	1,372,537	(807,869)	3,747,182	(1,280,794)
Benefit payments	(510,766)	(520,070)	(832,020)	(725,685)	(777,330)
Net change in total OPEB liability	(3,086,329)	3,178,442	895,515	5,525,385	(322,516)
Total OPEB liability - beginning	<u>27,870,526</u>	<u>24,692,084</u>	<u>23,796,569</u>	<u>18,271,184</u>	<u>18,593,700</u>
Total OPEB liability - ending	<u>\$ 24,784,197</u>	<u>\$ 27,870,526</u>	<u>\$ 24,692,084</u>	<u>\$ 23,796,569</u>	<u>\$ 18,271,184</u>
Covered employee payroll (projected)	\$ 38,619,000	\$ 37,494,037	\$ 32,486,000	\$ 31,387,625	\$ 23,957,000
City's total OPEB liability as a percentage of covered employee payroll	64.18%	74.33%	76.01%	75.82%	76.27%

Notes to the Schedule:

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

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

Combining and Individual Fund Statements and Schedules

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CITY OF APOPKA, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	Special Revenue Funds								Total Nonmajor Governmental Funds	
	Streets Improvement	Law Enforcement Trust	Recreation Impact Fees	Stormwater	Special Assessment	Special Assessment Lighting	Police Discretionary	Fire Impact Fees		Police Impact Fees
Assets										
Cash and cash equivalents	\$ 265,640	\$ 278,304	\$ 1,863,233	\$ 716,084	\$ 370,811	\$ 8,461	\$ 554,321	\$ 3,791,168	\$ 3,546,862	\$ 11,394,884
Accounts receivable, net	129,553	-	-	1,511	-	-	529	-	-	131,593
Due from other governments	147,691	-	-	-	-	-	-	-	-	147,691
Total assets	<u>\$ 542,884</u>	<u>\$ 278,304</u>	<u>\$ 1,863,233</u>	<u>\$ 717,595</u>	<u>\$ 370,811</u>	<u>\$ 8,461</u>	<u>\$ 554,850</u>	<u>\$ 3,791,168</u>	<u>\$ 3,546,862</u>	<u>\$ 11,674,168</u>
Liabilities and fund balances										
Liabilities										
Accounts payable	\$ 495,292	\$ 946	\$ -	\$ 152,836	\$ 2,104	\$ 8,461	\$ -	\$ -	\$ -	\$ 659,639
Accrued liabilities	7,493	-	-	2,366	-	-	-	-	-	9,859
Deposits	3,790	-	-	-	-	-	-	-	-	3,790
Due to other funds	-	-	-	-	83,066	-	-	-	-	83,066
Total liabilities	<u>506,575</u>	<u>946</u>	<u>-</u>	<u>155,202</u>	<u>85,170</u>	<u>8,461</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>756,354</u>
Fund balances (deficit)										
Restricted	36,309	277,358	-	-	285,641	-	-	-	-	599,308
Committed	-	-	1,863,233	562,393	-	-	554,850	3,791,168	3,546,862	10,318,506
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balances (deficit)	<u>36,309</u>	<u>277,358</u>	<u>1,863,233</u>	<u>562,393</u>	<u>285,641</u>	<u>-</u>	<u>554,850</u>	<u>3,791,168</u>	<u>3,546,862</u>	<u>10,917,814</u>
Total liabilities and fund balances	<u>\$ 542,884</u>	<u>\$ 278,304</u>	<u>\$ 1,863,233</u>	<u>\$ 717,595</u>	<u>\$ 370,811</u>	<u>\$ 8,461</u>	<u>\$ 554,850</u>	<u>\$ 3,791,168</u>	<u>\$ 3,546,862</u>	<u>\$ 11,674,168</u>

CITY OF APOPKA, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Special Revenue Funds								Total Nonmajor Governmental Funds	
	Streets Improvement	Law Enforcement Trust	Recreation Impact Fees	Stormwater	Special Assessment	Special Assessment Lighting	Police Discretionary	Fire Impact Fees		Police Impact Fees
Revenues										
Taxes	\$ 1,689,147	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,689,147
Impact fees	-	-	1,586,820	-	-	-	-	1,510,232	1,469,524	4,566,576
Charges for services	561,330	-	-	466,090	-	-	27,020	-	-	1,054,440
Fines and forfeitures	-	44,242	-	-	-	-	6,857	-	-	51,099
Investment earnings	9,449	807	5,689	5,424	4,879	1,829	2,284	16,600	15,953	62,914
Special assessments	-	-	-	-	61,273	103,876	-	-	-	165,149
Miscellaneous revenues	29,486	-	-	-	-	-	35,987	-	-	65,473
Total revenues	<u>2,289,412</u>	<u>45,049</u>	<u>1,592,509</u>	<u>471,514</u>	<u>66,152</u>	<u>105,705</u>	<u>72,148</u>	<u>1,526,832</u>	<u>1,485,477</u>	<u>7,654,798</u>
Expenditures										
Current										
Public Safety	-	18,141	-	-	-	-	32,309	-	-	50,450
Physical environment	-	-	-	481,779	28,138	-	-	-	-	509,917
Transportation	5,430,497	-	-	-	-	-	-	-	-	5,430,497
Capital Outlay	90,956	234,862	39,750	734,657	-	104,581	-	-	222,997	1,427,803
Total expenditures	<u>5,521,453</u>	<u>253,003</u>	<u>39,750</u>	<u>1,216,436</u>	<u>28,138</u>	<u>104,581</u>	<u>32,309</u>	<u>-</u>	<u>222,997</u>	<u>7,418,667</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,232,041)</u>	<u>(207,954)</u>	<u>1,552,759</u>	<u>(744,922)</u>	<u>38,014</u>	<u>1,124</u>	<u>39,839</u>	<u>1,526,832</u>	<u>1,262,480</u>	<u>236,131</u>
Other Financing Sources (Uses)										
Transfers from other funds	1,453,788	-	-	-	-	-	-	-	-	1,453,788
Transfers to other funds	-	-	(7,100)	(62,703)	(34,891)	(1,124)	(1,528)	(15,376)	(14,702)	(137,424)
Total other financing sources (uses)	<u>1,453,788</u>	<u>-</u>	<u>(7,100)</u>	<u>(62,703)</u>	<u>(34,891)</u>	<u>(1,124)</u>	<u>(1,528)</u>	<u>(15,376)</u>	<u>(14,702)</u>	<u>1,316,364</u>
Net change in fund balance	<u>(1,778,253)</u>	<u>(207,954)</u>	<u>1,545,659</u>	<u>(807,625)</u>	<u>3,123</u>	<u>-</u>	<u>38,311</u>	<u>1,511,456</u>	<u>1,247,778</u>	<u>1,552,495</u>
Fund balances (deficit), beginning, restated	1,814,562	485,312	317,574	1,370,018	282,518	-	516,539	2,279,712	2,299,084	9,365,319
Fund balances, ending	<u>\$ 36,309</u>	<u>\$ 277,358</u>	<u>\$ 1,863,233</u>	<u>\$ 562,393</u>	<u>\$ 285,641</u>	<u>\$ -</u>	<u>\$ 554,850</u>	<u>\$ 3,791,168</u>	<u>\$ 3,546,862</u>	<u>\$ 10,917,814</u>

CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - STREETS IMPROVEMENT FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 1,614,684	\$ 1,614,684	\$ 1,689,147	\$ 74,463
Intergovernmental revenue	-	-	-	-
Charges for services	586,760	586,760	561,330	25,430
Investment earnings	10,000	10,000	9,449	551
Miscellaneous revenues	1,001,449	1,032,261	29,486	(1,002,775)
Total revenues	<u>3,212,893</u>	<u>3,243,705</u>	<u>2,289,412</u>	<u>(902,331)</u>
Expenditures				
Current				
Transportation	3,737,674	5,546,901	5,430,497	116,404
Capital Outlay	1,935,000	156,585	90,956	65,629
Total expenditures	<u>5,672,674</u>	<u>5,703,486</u>	<u>5,521,453</u>	<u>182,033</u>
Deficiency of revenues under expenditures	<u>(2,459,781)</u>	<u>(2,459,781)</u>	<u>(3,232,041)</u>	<u>(720,298)</u>
Other financing sources				
Transfers from other funds	1,459,781	1,459,781	1,453,788	(5,993)
Total other financing sources	<u>1,459,781</u>	<u>1,459,781</u>	<u>1,453,788</u>	<u>(5,993)</u>
Change in fund balance	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>(1,778,253)</u>	<u>(726,291)</u>
Fund balance, beginning of year, as restated	<u>1,814,562</u>	<u>1,814,562</u>	<u>1,814,562</u>	<u>-</u>
Fund balance, end of year	<u>\$ 814,562</u>	<u>\$ 814,562</u>	<u>\$ 36,309</u>	<u>\$ (726,291)</u>

CITY OF APOPKA, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - LAW ENFORCEMENT TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Fines and forfeitures	\$ 60,000	\$ 60,000	\$ 44,242	\$ (15,758)
Investment earnings	600	600	807	207
Miscellaneous revenues	139,400	139,400	-	(139,400)
Total revenues	<u>200,000</u>	<u>200,000</u>	<u>45,049</u>	<u>(154,951)</u>
Expenditures				
Current				
Public Safety	100,000	150,000	18,141	131,859
Capital Outlay	100,000	50,000	234,862	(184,862)
Total expenditures	<u>200,000</u>	<u>200,000</u>	<u>253,003</u>	<u>(53,003)</u>
Change in fund balance	-	-	(207,954)	(207,954)
Fund balance, beginning of year	<u>485,312</u>	<u>485,312</u>	<u>485,312</u>	<u>-</u>
Fund balance, end of year	<u>\$ 485,312</u>	<u>\$ 485,312</u>	<u>\$ 277,358</u>	<u>\$ (207,954)</u>

CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - RECREATION IMPACT FEES FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Other taxes	\$ 500,000	\$ 500,000	\$ 1,586,820	\$ 1,086,820
Investment earnings	2,000	2,000	5,689	3,689
Miscellaneous revenues	-	54,120	-	(54,120)
Total revenues	<u>502,000</u>	<u>556,120</u>	<u>1,592,509</u>	<u>1,036,389</u>
Expenditures				
Capital Outlay	500,000	554,120	39,750	514,370
Total expenditures	<u>500,000</u>	<u>554,120</u>	<u>39,750</u>	<u>514,370</u>
Excess of revenues over expenditures	<u>2,000</u>	<u>2,000</u>	<u>1,552,759</u>	<u>522,019</u>
Other financing uses				
Transfers to other funds	(2,000)	(2,000)	(7,100)	(5,100)
Total other financing uses	<u>(2,000)</u>	<u>(2,000)</u>	<u>(7,100)</u>	<u>(5,100)</u>
Change in fund balance	-	-	1,545,659	1,550,759
Fund balance, beginning of year	<u>317,574</u>	<u>317,574</u>	<u>317,574</u>	<u>-</u>
Fund balance, end of year	<u>\$ 317,574</u>	<u>\$ 317,574</u>	<u>\$ 1,863,233</u>	<u>\$ 1,550,759</u>

CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - STORMWATER FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 496,103	\$ 496,103	\$ 466,090	\$ (30,013)
Investment earnings	16,200	16,200	5,424	(10,776)
Miscellaneous revenues	584,715	584,715	-	(584,715)
Total revenues	<u>1,097,018</u>	<u>1,097,018</u>	<u>471,514</u>	<u>(625,504)</u>
Expenditures				
Current				
Physical environment	428,620	428,620	481,779	(53,159)
Capital Outlay	495,000	495,000	734,657	(239,657)
Total expenditures	<u>923,620</u>	<u>923,620</u>	<u>1,216,436</u>	<u>(292,816)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>173,398</u>	<u>173,398</u>	<u>(744,922)</u>	<u>(918,320)</u>
Other financing uses				
Transfers to other funds	<u>(61,805)</u>	<u>(61,805)</u>	<u>(62,703)</u>	<u>(898)</u>
Total other financing uses	<u>(61,805)</u>	<u>(61,805)</u>	<u>(62,703)</u>	<u>(898)</u>
Change in fund balance	111,593	111,593	(807,625)	(919,218)
Fund balance, beginning of year	<u>1,370,018</u>	<u>1,370,018</u>	<u>1,370,018</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,481,611</u>	<u>\$ 1,481,611</u>	<u>\$ 562,393</u>	<u>\$ (919,218)</u>

CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - SPECIAL ASSESSMENT FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment earnings	\$ 195	\$ 195	\$ 4,879	\$ 4,684
Special assessments	66,303	66,303	61,273	(5,030)
Miscellaneous revenues	-	-	-	-
Total revenues	<u>66,498</u>	<u>66,498</u>	<u>66,152</u>	<u>(346)</u>
Expenditures				
Current				
Physical environment	32,625	57,420	28,138	29,282
Total expenditures	<u>32,625</u>	<u>57,420</u>	<u>28,138</u>	<u>29,282</u>
Excess of revenues over expenditures	<u>33,873</u>	<u>9,078</u>	<u>38,014</u>	<u>28,936</u>
Other financing uses				
Transfers to other funds	(33,873)	(33,873)	(34,891)	(1,018)
Total other financing uses	<u>(33,873)</u>	<u>(33,873)</u>	<u>(34,891)</u>	<u>(1,018)</u>
Change in fund balance	-	(24,795)	3,123	27,918
Fund balance (deficit), beginning of year	<u>282,518</u>	<u>282,518</u>	<u>282,518</u>	<u>-</u>
Fund balance, end of year	<u>\$ 282,518</u>	<u>\$ 257,723</u>	<u>\$ 285,641</u>	<u>\$ 27,918</u>

CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - SPECIAL ASSESSMENT LIGHTING FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Investment earnings	\$ 50	\$ 50	\$ 1,829	\$ 1,779
Special assessments	108,435	108,435	103,876	(4,559)
Total revenues	<u>108,485</u>	<u>108,485</u>	<u>105,705</u>	<u>(2,780)</u>
Expenditures				
Capital Outlay	107,361	107,361	104,581	2,780
Total expenditures	<u>107,361</u>	<u>107,361</u>	<u>104,581</u>	<u>2,780</u>
Excess of revenues over expenditures	<u>1,124</u>	<u>1,124</u>	<u>1,124</u>	<u>-</u>
Other financing sources uses				
Transfer out	(1,124)	(1,124)	(1,124)	-
Total other financing sources uses	<u>(1,124)</u>	<u>(1,124)</u>	<u>(1,124)</u>	<u>-</u>
Change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF APOPKA, FLORIDA

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - POLICE DISCRETIONARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 36,000	\$ 36,000	\$ 27,020	\$ (8,980)
Fines and forfeitures	10,300	10,300	6,857	(3,443)
Investment earnings	2,000	2,000	2,284	284
Miscellaneous revenues	51,700	51,700	35,987	(15,713)
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>72,148</u>	<u>(27,852)</u>
Expenditures				
Current				
Public Safety	50,000	80,000	32,309	47,691
Capital outlay	50,000	20,000	-	20,000
Total expenditures	<u>100,000</u>	<u>100,000</u>	<u>32,309</u>	<u>67,691</u>
Change in fund balance	-	-	38,311	38,311
Fund balance, beginning of year	<u>516,539</u>	<u>516,539</u>	<u>516,539</u>	-
Fund balance, end of year	<u>\$ 516,539</u>	<u>\$ 516,539</u>	<u>\$ 554,850</u>	<u>\$ 38,311</u>

CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - FIRE IMPACT FEES FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Impact fees	\$ 250,000	\$ 250,000	\$ 1,510,232	\$ 1,260,232
Investment earnings	5,000	5,000	16,600	11,600
Total revenues	<u>255,000</u>	<u>255,000</u>	<u>1,526,832</u>	<u>1,271,832</u>
Expenditures				
Current				
Public Safety	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	<u>255,000</u>	<u>255,000</u>	<u>1,526,832</u>	<u>1,271,832</u>
Other financing uses				
Transfers to other funds	(5,000)	(5,000)	(15,376)	(10,376)
Total other financing uses	<u>(5,000)</u>	<u>(5,000)</u>	<u>(15,376)</u>	<u>(10,376)</u>
Change in fund balance	250,000	250,000	1,511,456	1,271,832
Fund balance, beginning of year	<u>2,279,712</u>	<u>2,279,712</u>	<u>2,279,712</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,529,712</u>	<u>\$ 2,529,712</u>	<u>\$ 3,791,168</u>	<u>\$ 1,271,832</u>

CITY OF APOPKA, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - POLICE IMPACT FEES FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Impact fees	\$ 250,000	\$ 250,000	\$ 1,469,524	\$ 1,219,524
Investment earnings	5,000	5,000	15,953	10,953
Total revenues	<u>255,000</u>	<u>255,000</u>	<u>1,485,477</u>	<u>1,230,477</u>
Expenditures				
Current				
Public Safety	220,000	220,000	-	220,000
Total expenditures	<u>220,000</u>	<u>220,000</u>	<u>-</u>	<u>220,000</u>
Excess of revenues over expenditures	<u>35,000</u>	<u>35,000</u>	<u>1,485,477</u>	<u>1,450,477</u>
Other financing uses				
Transfers to other funds	(5,000)	(5,000)	(14,702)	(9,702)
Total other financing uses	<u>(5,000)</u>	<u>(5,000)</u>	<u>(14,702)</u>	<u>(9,702)</u>
Change in fund balance	30,000	30,000	1,470,775	1,440,775
Fund balance, beginning of year	<u>2,299,084</u>	<u>2,299,084</u>	<u>2,299,084</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,329,084</u>	<u>\$ 2,329,084</u>	<u>\$ 3,769,859</u>	<u>\$ 1,440,775</u>

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Statistical Section

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

Contents

Financial Trends (Pages 86 – 90) (Tables 1 – 4)

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

Revenue Capacity (Pages 91 – 94) (Tables 5 – 8)

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

Debt Capacity (Pages 95 – 97) (Tables 9 – 11)

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

Demographics and Economic Information (Pages 98 – 100) (Tables 12 – 14)

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

Operating Information (Pages 101 and 102) (Tables 15 and 16)

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

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

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CITY OF AOPKA, FLORIDA

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 86,764,954	\$ 89,327,168	\$ 88,573,433	\$ 87,116,986	\$ 89,746,404	\$ 88,591,298	\$ 91,827,298	\$ 95,134,678	\$ 103,480,092	\$ 96,553,470
Restricted	2,174,523	2,156,922	1,907,822	2,482,323	2,398,096	2,237,460	3,310,865	3,108,351	3,266,563	1,854,363
Unrestricted	11,647,104	8,864,250	(214,724)	(9,422,061)	(10,749,809)	(13,022,296)	(11,600,719)	(6,193,196)	(469,727)	29,193,711
Total governmental activities net position	\$ 100,586,581	\$ 100,348,340	\$ 90,266,531	\$ 80,177,248	\$ 81,394,691	\$ 77,806,462	\$ 83,537,444	\$ 92,049,833	\$ 106,276,928	\$ 127,601,544
Business-type activities										
Net investment in capital assets	\$ 85,141,627	\$ 84,626,587	\$ 100,656,361	\$ 103,140,729	\$ 122,538,179	\$ 124,589,796	\$ 115,386,750	\$ 119,123,757	\$ 131,718,025	\$ 146,347,578
Restricted	10,337,621	10,762,602	745,661	481,441	281,441	481,441	481,441	481,441	6,963,045	6,963,045
Unrestricted	18,362,898	19,309,266	17,057,907	17,018,263	4,846,807	4,345,777	25,567,173	32,494,285	23,478,431	34,087,052
Total business-type activities net position	\$ 113,842,146	\$ 114,698,455	\$ 118,459,929	\$ 120,640,433	\$ 127,666,427	\$ 129,417,014	\$ 141,435,364	\$ 152,099,483	\$ 162,159,501	\$ 187,397,675
Primary government										
Net investment in capital assets	\$ 171,906,581	\$ 173,953,755	\$ 189,229,794	\$ 190,257,715	\$ 212,284,583	\$ 213,181,094	\$ 207,214,048	\$ 214,258,435	\$ 235,198,117	\$ 242,901,048
Restricted	12,512,144	12,919,524	2,653,483	2,963,764	2,679,537	2,718,901	3,792,306	3,589,792	10,229,608	8,817,408
Unrestricted	30,010,002	28,173,516	16,843,183	7,596,202	(5,903,002)	(8,676,519)	13,966,454	26,301,089	23,008,704	63,280,763
Total primary government net position	\$ 214,428,727	\$ 215,046,795	\$ 208,726,460	\$ 200,817,681	\$ 209,061,118	\$ 207,223,476	\$ 224,972,808	\$ 244,149,316	\$ 268,436,429	\$ 314,999,219

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	\$ 6,148,920	\$ 6,377,891	\$ 6,511,974	\$ 10,551,924	\$ 10,450,176	\$ 8,064,330	\$ 9,050,051	\$ 7,260,763	\$ 9,595,136	\$ 15,747,936
Public safety	26,038,039	25,985,190	27,864,802	33,942,557	29,189,880	32,665,170	35,025,328	33,237,246	31,482,625	38,957,671
Physical environment	-	-	305,767	152,252	335,011	2,566,149	414,286	247,148	558,307	775,468
Transportation	5,781,288	8,093,858	5,595,625	5,661,534	6,129,087	8,287,064	7,469,837	8,664,378	6,182,108	8,884,127
Economic environment	236,843	251,577	228,422	241,467	283,246	61,391	27,826	69,110	53,252	32,977
Culture and recreation	3,802,962	3,985,137	3,971,409	3,973,536	3,899,524	4,422,038	4,408,527	3,858,925	4,235,587	5,546,941
Interest on long-term debt	440,843	341,785	279,351	260,543	227,858	200,959	297,136	309,644	137,514	79,081
Total governmental activities expenses	42,448,895	45,035,438	44,757,350	54,783,813	50,514,782	56,267,101	56,692,991	53,647,214	52,244,529	70,024,201
Business-type activities:										
Utility system	15,066,790	15,019,098	16,036,573	15,312,542	13,309,805	17,787,110	16,384,968	23,805,465	19,517,671	20,459,307
Sanitation	3,397,745	3,453,253	3,642,605	3,884,273	3,165,186	3,876,225	3,794,914	5,229,012	4,907,142	4,994,524
Airport fuel	-	-	538,306	323,139	330,662	306,182	368,577	413,803	384,764	-
Total business-type activities expenses	18,464,535	18,472,351	20,217,484	19,519,954	16,805,653	21,969,517	20,548,459	29,448,280	24,809,577	25,453,831
Total primary government expenses	\$ 60,913,430	\$ 63,507,789	\$ 64,974,834	\$ 74,303,767	\$ 67,320,435	\$ 78,236,618	\$ 77,241,450	\$ 83,095,494	\$ 77,054,106	\$ 95,478,032
Program revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,935,229	\$ 3,922,155	\$ 3,539,928	\$ 4,312,503	\$ 5,035,980	\$ 3,135,861	\$ 4,585,932	\$ 4,698,423	\$ 5,826,994	\$ 10,551,080
Public safety	4,989,182	1,937,810	1,775,398	1,249,905	1,309,862	1,460,059	2,032,713	2,800,778	2,903,540	3,618,220
Physical environment	-	-	-	-	-	-	-	799,580	865,076	5,269,605
Transportation	959,100	2,117,946	-	-	-	-	-	599,426	571,673	562,599
Economic environment	401,239	2,019,389	2,377,976	2,950,407	3,003,569	2,902,402	2,379,202	-	-	-
Culture and recreation	891,315	813,576	696,455	814,376	677,164	601,012	619,343	314,568	521,367	852,460
Operating grants and contributions	8,468,829	1,283,718	993,788	1,510,310	1,444,573	2,486,138	2,092,443	1,279,043	1,794,795	1,699,638
Capital grants and contributions	1,904,213	1,855,694	2,345,941	2,026,202	3,526,959	1,618,099	7,129,053	5,657,298	6,361,599	19,284,477
Total governmental activities program revenues	19,549,107	13,950,288	11,729,486	12,863,703	14,998,107	12,203,571	18,838,686	16,149,116	18,845,044	41,838,079
Business-type activities:										
Charges for services:										
Utility system:										
Water sales	5,548,701	5,541,172	5,749,002	5,991,860	8,762,951	6,571,038	7,051,974	8,602,524	12,159,358	13,449,228
Sewer sales	5,537,939	5,691,201	5,984,903	6,116,096	6,648,905	6,803,852	7,164,913	8,438,236	8,503,812	8,864,607
Reclaimed water sales	2,491,136	2,661,176	2,705,534	3,124,269	1,435,435	3,171,280	3,503,156	4,041,584	-	-
Sanitation:										
Sanitation fees	3,707,525	3,827,349	3,983,825	4,153,099	4,422,879	4,438,662	4,585,363	4,672,787	4,774,378	5,245,961
Fines	-	-	-	-	-	-	-	110,670	96,023	523,066
Airport Fuel										
Fuel Sales	-	-	507,464	337,697	336,510	296,033	361,215	469,783	373,403	-
Operating grants and contributions	-	-	4,693,320	1,020,976	764,302	-	-	-	-	-
Capital grants and contributions	4,059,847	4,088,784	5,831,362	5,395,043	5,678,396	8,054,900	14,219,066	19,029,137	15,802,349	29,272,175
Total business-type activities program revenues	21,345,148	21,809,682	29,455,410	26,139,040	28,049,378	29,335,765	36,885,687	45,364,721	41,709,323	57,355,037
Total primary government program revenues	\$ 40,894,255	\$ 35,759,970	\$ 41,184,896	\$ 39,002,743	\$ 43,047,485	\$ 41,539,336	\$ 55,724,373	\$ 61,513,837	\$ 60,554,367	\$ 99,193,116
Net (expense)/revenue										
Governmental activities	\$ (22,899,788)	\$ (31,085,150)	\$ (33,027,864)	\$ (41,920,110)	\$ (35,516,675)	\$ (44,063,530)	\$ (37,854,305)	\$ (37,498,098)	\$ (33,399,485)	\$ (28,186,122)
Business-type activities	2,880,613	3,337,331	9,237,926	6,619,086	11,243,725	7,366,248	16,337,228	15,916,441	16,899,746	31,901,206
Total primary government net expense	\$ (20,019,175)	\$ (27,747,819)	\$ (23,789,938)	\$ (35,301,024)	\$ (24,272,950)	\$ (36,697,282)	\$ (21,517,077)	\$ (21,581,657)	\$ (16,499,739)	\$ 3,715,084

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General revenues and other changes										
In net position										
Governmental activities:										
Taxes										
Property taxes	\$ 6,473,486	\$ 6,789,004	\$ 6,994,987	\$ 7,874,031	\$ 9,880,495	\$ 11,012,577	\$ 12,440,816	\$ 13,796,237	\$ 15,707,816	\$ 17,034,620
Franchise taxes, utility taxes and communication services tax	8,450,604	16,713,171	17,645,762	16,147,299	17,978,174	19,892,104	20,806,645	20,269,428	20,895,986	21,166,492
Gasoline taxes	1,412,722	1,433,900	1,497,364	1,448,906	1,623,250	1,683,683	1,788,078	1,593,561	1,636,566	1,800,543
Sale of capital assets	81,374	11,444	5,845	-	-	-	680,677	22,224	13,000	-
Miscellaneous revenues	561,578	235,911	208,132	246,351	1,253,931	384,910	410,689	1,379,455	1,477,233	2,140,110
Investment earnings	95,308	98,712	102,482	129,577	155,322	387,975	536,145	403,569	216,328	316,059
Transfers	3,678,430	3,899,130	4,133,060	5,984,663	5,842,946	7,114,053	6,922,237	6,241,453	7,520,044	7,052,914
Total governmental activities	20,753,502	29,181,272	30,587,632	31,830,827	36,734,118	40,475,302	43,585,287	43,705,927	47,466,973	49,510,738
Business-type activities:										
Sale of capital assets	16,238	12,287	-	-	-	-	-	21,052	411,177	34,332
Investment earnings	84,191	104,448	99,269	112,761	113,538	143,501	440,657	423,699	173,129	183,044
Franchise taxes	42,346	36,636	37,729	47,338	63,538	78,548	71,550	75,070	96,010	172,505
Miscellaneous revenues	1,355,953	1,264,737	1,297,947	1,385,982	1,448,139	1,276,343	2,091,152	-	-	-
Transfers	(3,678,430)	(3,899,130)	(4,133,060)	(5,984,663)	(5,842,946)	(7,114,053)	(6,922,237)	(6,241,453)	(7,520,044)	(7,052,914)
Total business-type activities	(2,179,702)	(2,481,022)	(2,698,115)	(4,438,582)	(4,217,731)	(5,615,661)	(4,318,878)	(5,721,632)	(6,839,728)	(6,663,033)
Total primary government	18,573,800	26,700,250	27,889,517	27,392,245	32,516,387	34,859,641	39,266,409	37,984,295	40,627,245	42,847,705
Change in net position										
Governmental activities	\$ (2,146,286)	\$ (1,903,878)	\$ (2,440,232)	\$ (10,089,283)	\$ 1,217,443	\$ (3,588,228)	\$ 5,730,982	\$ 6,207,829	\$ 14,067,488	\$ 21,324,616
Business-type activities	700,911	856,309	6,539,811	2,180,504	7,025,994	1,750,587	12,018,350	10,194,809	10,060,018	25,238,173
Total primary government	\$ (1,445,375)	\$ (1,047,569)	\$ 4,099,579	\$ (7,908,779)	\$ 8,243,437	\$ (1,837,641)	\$ 17,749,332	\$ 16,402,638	\$ 24,127,506	\$ 46,562,789

CITY OF APOPKA, FLORIDA

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

	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	\$ 215,035	\$ 225,526	\$ 89,421	\$ 91,118	\$ 99,328	\$ 111,331	\$ 105,711	\$ 92,466	\$ 439,921	\$ 769,015
Restricted	964,801	1,017,749	956,252	759,251	661,521	687,275	796,724	874,849	989,382	989,382
Committed	703,445	512,591	979,146	784,439	750,930	1,074,938	1,328,513	985,141	1,378,350	1,378,350
Assigned	854,823	854,541	855,809	855,809	855,809	855,809	855,809	855,809	2,430,514	14,498,525
Unassigned	8,788,248	8,228,167	8,993,373	8,076,023	9,913,103	10,184,693	12,386,080	14,948,265	15,680,797	24,960,207
Total General Fund	<u>\$ 11,526,352</u>	<u>\$ 10,838,574</u>	<u>\$ 11,874,001</u>	<u>\$ 10,566,640</u>	<u>\$ 12,280,691</u>	<u>\$ 12,914,046</u>	<u>\$ 15,472,837</u>	<u>\$ 17,756,530</u>	<u>\$ 20,918,964</u>	<u>\$ 42,595,479</u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 394	\$ 841	\$ -	\$ -	\$ -
Restricted	1,209,722	1,139,173	951,570	1,723,072	1,736,575	1,550,185	2,514,141	2,233,502	2,277,181	864,981
Committed	11,174,083	9,560,679	10,472,918	12,502,585	12,497,874	12,215,055	14,036,685	14,769,326	16,660,525	30,726,092
Unassigned	-	-	(199,710)	(160,202)	(128,207)	(1,941,870)	(71,724)	(220,445)	(97,953)	-
Total all other governmental funds	<u>\$ 12,383,805</u>	<u>\$ 10,699,852</u>	<u>\$ 11,224,778</u>	<u>\$ 14,065,455</u>	<u>\$ 14,106,242</u>	<u>\$ 11,823,764</u>	<u>\$ 16,479,943</u>	<u>\$ 16,782,383</u>	<u>\$ 18,839,753</u>	<u>\$ 31,591,073</u>

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

	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	\$ 13,656,428	\$ 13,821,953	\$ 14,265,977	\$ 14,720,245	\$ 17,499,600	\$ 18,780,588	\$ 20,758,050	\$ 21,962,946	\$ 27,735,943	\$ 27,716,137
Licenses, fees and permits	5,346,169	5,689,506	5,925,542	5,505,925	6,855,004	5,716,168	6,974,564	7,637,427	8,803,517	13,800,034
Intergovernmental revenues	7,908,753	8,432,322	9,050,848	9,313,030	3,331,797	11,426,573	14,854,621	11,450,956	12,084,164	17,363,860
Charges for services	4,295,677	4,645,228	3,840,745	3,679,022	10,507,000	3,778,925	4,322,624	4,677,062	5,225,220	6,305,751
Fines and forfeitures	2,588,781	1,597,545	1,957,258	2,386,499	3,434,861	2,156,740	1,598,682	390,716	366,511	472,430
Investment earnings	95,309	98,712	102,482	129,577	155,322	387,975	536,146	403,569	216,328	316,059
Special assessments	-	-	65,148	65,070	65,094	65,190	64,936	64,999	64,549	165,149
Impact fees	1,425,055	2,252,481	1,201,311	1,550,869	2,287,390	1,489,938	4,634,881	4,953,668	6,187,811	16,707,992
Miscellaneous revenues	1,070,763	892,989	690,711	933,413	1,751,079	1,885,419	1,865,232	636,580	716,991	1,512,990
Total revenues	36,386,935	37,430,736	37,100,022	38,283,650	45,887,147	45,687,516	55,609,736	52,177,923	61,401,034	84,360,402
Expenditures										
General government	5,008,060	7,702,765	5,829,309	7,921,687	8,391,320	7,580,579	7,470,266	8,374,222	8,937,053	8,628,097
Public safety	23,071,274	24,219,905	24,791,883	27,370,853	32,563,882	29,551,614	30,028,067	29,066,651	30,720,852	33,519,969
Physical environment	-	-	509,614	195,367	354,847	2,511,747	271,377	287,088	564,627	763,714
Transportation	3,669,943	3,969,041	4,097,371	3,377,495	7,264,173	4,766,150	4,871,379	7,092,148	4,596,357	6,543,469
Economic environment	199,791	208,436	228,422	241,467	283,246	61,391	27,826	69,110	53,252	32,977
Culture and recreation	3,057,061	3,314,348	3,272,959	3,639,456	3,713,298	3,265,265	3,498,445	3,669,255	3,666,903	4,460,859
Capital outlay	4,011,144	4,166,380	-	-	-	6,596,438	5,280,370	5,561,548	12,256,666	7,779,465
Debt service:										
Principal retirement	2,506,019	4,431,604	1,661,862	2,047,926	2,520,917	3,094,685	3,572,137	2,710,908	2,753,078	2,136,839
Interest and fiscal charges	499,535	431,184	299,374	276,541	251,560	292,552	297,136	228,479	165,486	105,235
Issuance costs	42,500	-	-	-	-	-	-	-	-	-
Total expenditures	42,065,327	48,443,663	40,690,794	45,070,792	55,343,243	57,720,421	55,317,003	57,059,409	63,714,274	63,970,624
Excess of revenues over (under) expenditures	(5,678,392)	(11,012,927)	(3,590,772)	(6,787,142)	(9,456,096)	(12,032,905)	292,733	(4,881,486)	(2,313,240)	20,389,778
Other financing sources (uses)										
Note proceeds	2,260,500	4,147,929	960,000	1,825,000	2,400,000	2,805,000	-	-	-	-
Transfers in	5,013,804	4,863,012	5,065,882	7,378,888	6,924,332	8,822,533	8,546,273	7,530,656	10,071,076	8,787,328
Transfers (out)	(1,335,374)	(963,882)	(932,822)	(1,394,225)	(1,081,386)	(1,708,480)	(1,624,036)	(1,289,203)	(2,551,032)	(1,734,414)
Sale of capital assets	-	-	58,065	-	-	-	-	22,224	13,000	5,031,764
Capital leases proceeds	-	-	-	510,795	2,967,988	464,729	-	-	-	-
Total other financing sources (uses)	5,938,930	8,047,059	5,151,125	8,320,458	11,210,934	10,383,782	6,922,237	6,263,677	7,533,044	12,084,678
Net change in fund balances	\$ 260,538	\$ (2,965,868)	\$ 1,560,353	\$ 1,533,316	\$ 1,754,838	\$ (1,649,123)	\$ 7,214,970	\$ 1,382,191	\$ 5,219,804	\$ 32,474,456
Debt service as a percentage of noncapital expenditures	7.9%	11.0%	4.8%	5.2%	5.0%	6.6%	7.7%	6.0%	6.0%	4.2%

CITY OF AOPKA, FLORIDA

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

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Total Assessed Value	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2013	\$ 1,872,903	\$ 708,303	\$ 116,618	\$ 2,697,824	\$ 757,328	\$ 1,940,496	3.5164
2014	1,803,977	762,590	166,731	2,733,298	801,139	1,932,159	3.5161
2015	2,005,159	776,287	215,802	2,997,248	825,329	2,171,919	3.4727
2016	2,113,495	893,438	248,369	3,255,302	821,722	2,433,580	3.2876
2017	2,333,224	923,495	241,368	3,498,087	842,021	2,656,066	3.2876
2018	2,554,539	1,011,089	264,258	3,829,886	876,406	2,953,480	3.7876
2019	2,927,353	991,995	293,426	4,212,774	1,002,953	3,209,821	4.0376
2020	3,170,123	1,081,620	294,177	4,545,920	1,041,798	3,504,122	4.0376
2021	3,852,181	784,055	294,177	4,930,413	1,111,405	3,819,008	4.2876
2022	5,340,810	2,113,356	294,177	7,748,343	1,254,210	6,494,133	4.1876

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

CITY OF APOPKA, FLORIDA

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

Fiscal Year	City Direct Rates		Overlapping Rates			
	Basic Rate	Total Direct Rate	Orange County	Orange County School Board	St. John's Water Management District	Library
2013	3.5161	3.5161	4.4347	8.4780	0.3313	0.3748
2014	3.4727	3.4727	4.4347	8.3620	0.3283	0.3748
2015	3.2876	3.2876	4.4347	8.4740	0.3164	0.3748
2016	3.2876	3.2876	4.4347	8.2180	0.3023	0.3748
2017	3.7876	3.7876	4.4347	7.8110	0.2724	0.3748
2018	3.7876	3.7876	4.4347	7.4700	0.2724	0.3748
2019	4.0376	4.0376	4.4347	7.2990	0.2562	0.3748
2020	4.0376	4.0376	4.4347	7.1090	0.2414	0.3748
2021	4.2876	4.2876	4.4347	6.8570	0.2287	0.3748
2022	4.1876	4.1876	4.4347	6.4620	0.1974	0.3748

Source: Orange County Property Appraiser's Office

CITY OF AOPKA, FLORIDA

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

Taxpayer	2022			2013		
	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
RK Pointe at East Shore DST	\$ 74,382,933	1	1.15%			
Oakmont Apopka Road LLC	48,930,104	2	0.75%	\$ 11,154,422	4	0.17%
MRAD Phase 1 LLC	47,047,159	3	0.72%			
BEL APOPKA, LLC	39,703,725	4	0.61%			
MDC COAST 16 LLC	35,464,851	5	0.55%			
GFI APOPKA REALTY LLC	32,535,528	6	0.50%			
650 Hermit Smith Rd LLC	32,277,526	7	0.50%			
Woolbright Wekiva LLC	31,519,125	8	0.49%	13,150,913	2	0.20%
Embarq Corp	29,863,005	9	0.46%			
Dogwood Propco FL III LP	25,105,444	10	0.39%			
Embarq (Sprint United Mgmt Co.)				17,659,604	1	0.27%
TWC Ninety One LTD				12,837,982	3	0.20%
Apopka Associates 2006 LLC				10,448,432	5	0.16%
Wal-Mart Stores East LP				9,629,859	6	0.15%
Palm Key II Limited Partnership				9,312,706	7	0.14%
Lowe's Home Centers Inc				8,805,446	8	0.14%
QRS 10-18 FL, Inc.				8,712,505	9	0.13%
BRE DDT Piedmont Plaza, LLC				7,812,957	10	0.12%
Total	\$ 322,446,467		6.11%	\$ 109,524,826		1.68%

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

CITY OF APOPKA, FLORIDA

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

Fiscal Year	Total Tax Levy For Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 6,800,777	\$ 6,648,428	97.76%	\$ 29,207	\$ 6,677,635	98.19%
2014	6,949,031	6,754,188	97.20%	34,816	6,789,004	97.70%
2015	7,129,637	6,754,188	94.73%	34,816	6,789,004	95.22%
2016	8,003,262	7,833,130	97.87%	40,901	7,874,031	98.39%
2017	10,070,026	9,873,451	98.05%	7,044	9,880,495	98.12%
2018	11,191,541	10,998,668	98.28%	13,910	11,012,578	98.40%
2019	13,158,440	12,668,440	96.28%	17,204	12,685,644	96.41%
2020	14,286,330	13,584,117	95.08%	8,274	13,592,391	95.14%
2021	16,428,778	15,885,801	96.69%	165,109	16,050,910	97.70%
2022	17,637,030	16,977,832	96.26%	69,125	17,046,957	96.65%

Source: Orange County Tax Collector's Office
* Includes CRA Ad Valorem Taxes

CITY OF AOPKA, FLORIDA

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

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾
	Bonds Payable	Notes Payable	Financed Purchases	Utility Revenue Bonds	Notes Payable			
2013	\$ 184,500	\$ 7,900,500	\$ 3,439,297	\$ 17,435,000	\$ -	\$ 30,315,123	2.43%	\$ 687
2014	153,750	11,086,872	-	16,725,000	1,100,000	30,398,618	2.19%	666
2015	656,185	10,460,622	-	17,660,334	982,000	31,284,141	2.15%	672
2016	502,973	9,926,372	410,256	16,703,511	740,000	28,283,112	2.19%	591
2017	335,000	10,148,890	3,189,810	14,480,000	7,843,273	35,996,973	2.73%	724
2018	170,000	10,540,592	3,149,726	15,860,128	26,214,220	55,934,666	3.80%	1,082
2019	-	7,669,156	2,617,494	14,983,887	25,930,122	51,200,659	3.26%	958
2020	-	5,376,230	2,199,514	13,561,102	60,496,577	81,633,423	1.94%	1,522
2021	-	3,028,253	1,794,413	12,588,779	57,516,522	74,927,967	2.25%	1,339
2022	-	1,247,189	1,438,637	11,598,860	54,513,576	68,299,402	1.99%	1,615

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

⁽¹⁾ See Schedule 14 for personal income and population data.

CITY OF APOPKA, FLORIDA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 SEPTEMBER 30, 2022
 (Table 10)

Governmental Unit	Net Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
Orange County School District**	\$ 1,034,451,545	2.45%	\$ 25,352,847
City Direct Debt (Governmental Activities)	2,685,826	100%	2,685,826
Total Direct and Overlapping Debt			\$ 28,038,673

Source:

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

Note:

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

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

CITY OF APOPKA, FLORIDA
PLEGDED REVENUE COVERAGE
LAST TEN FISCAL YEARS
(Table 11)

Fiscal Year	Utility Revenue Bonds					
	Utility Service Charges ⁽¹⁾	Less: Operating Expenses ⁽²⁾	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2013	\$ 17,195,808	\$ 10,285,915	\$ 6,909,893	\$ 630,000	\$ 761,099	4.97
2014	17,130,614	10,421,678	6,708,936	710,000	623,400	5.03
2015	19,542,432	10,900,642	8,641,790	725,000	609,200	6.48
2016	20,627,268	10,988,999	9,638,269	750,000	576,200	7.27
2017	23,830,106	12,582,754	11,247,352	770,000	564,950	8.43
2018	24,080,220	17,219,932	6,860,288	-	267,075	25.69
2019	31,640,254	11,317,481	20,322,773	800,000	267,075	19.05
2020	29,683,677	19,008,254	10,675,423	835,000	489,625	8.06
2021	37,173,401	21,353,221	15,820,180	860,000	464,200	11.95
2022	51,576,632	19,890,602	31,686,030	885,000	433,600	24.03

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

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

Source: City of Apopka Finance Department.

CITY OF APOPKA, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Table 12)

Year	Population	Personal Income	Per Capita Personal Income	Median Age	Unemployment Rate
2013	44,129	\$ 1,245,100	\$ 28.215	35.4	5.6%
2014	45,669	1,385,049	30.328	34.1	5.1%
2015	46,571	1,454,785	31.238	34.1	4.2%
2016	47,826	1,291,828	27.011	36.6	4.0%
2017	49,750	1,320,826	26.549	36.6	3.9%
2018	51,676	1,473,851	28.521	37.3	3.2%
2019	53,447	1,571,342	29.400	37.5	4.4%
2020	53,632	1,586,595	29.583	37.3	5.5%
2021	55,496	1,673,814	30.161	38.0	5.0%
2022	42,278	1,358,096	32,123	37.3	5.9%

Sources: U.S. Census Bureau and www.bebr.ufl.edu

CITY OF APOPKA, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Table 13)

Employer	2022			2013		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Walt Disney World	77,000	1	32.66%			
AdventHealth Orlando (Formerly Florida Health	35,000	2	14.85%			
Orange County Schools	25,125	3	10.66%	1,323	2	3.18%
Universal Orlando Resort	25,000	4	10.60%			
Orlando Health	23,000	5	9.76%			
Orange County Government	18,000	6	7.63%			
Publix	15,500	7	6.57%	170	8	41.00%
Westgate Resorts	10,000	8	4.24%			
City of Orlando	2,250	9	0.95%			
Coca-Cola	1,700	10	0.72%			
Century Link (formerly Embarq & Sprint)				2,000	1	4.80%
Wal-Mart Supercenter				587	3	1.41%
Triquint (formerly SawTek)				419	4	1.01%
City of Apopka				380	5	0.91%
Florida Living Nursing Center				275	6	0.66%
Florida Hospital - Apopka				274	7	0.66%
Sunbelt Living Center				143	9	0.34%
Home Depot				127	10	0.30%
Total	232,575		98.65%	5,698		13.68%

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

CITY OF AOPKA, FLORIDA

FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (Table 14)

Function	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
Administration	11	10	11	11	10	7	5	9	11	17
Finance & Utility Billing	9	8	9	11	11	15	15	15	15	11
Human resources	3	3	3	4	4	5	5	3	4	4
Planning	8	8	7	8	11	10	10	10	9	5
Building	6	6	6	7	7	9	9	9	8	9
IT	7	7	5	6	7	7	7	7	6	7
Police										
Officers	90	90	90	97	107	108	112	112	115	114
Civilians	35	31	32	37	37	43	40	41	37	32
Fire										
Firefighters and officers	75	78	77	81	100	108	108	108	105	104
Civilians	6	2	3	2	2	2	2	2	2	0
Sanitation	16	18	17	18	18	18	18	18	20	17
Other public works										
Administration	9	9	8	9	9	9	9	9	4	5
Engineering	6	7	7	8	7	8	8	7	7	4
Purchasing	-	-	-	-	-	-	-	-	-	0
Construction	7	7	7	13	9	9	9	9	17	
Water	22	21	19	17	18	23	23	22	7	1
Wastewater	20	21	19	20	23	24	24	26	24	14
Plant maintenance						11	11	11	8	13
Facilities maintenance	-	-	-	-	2	2	2	2	3	19
Restoration	-	-	-	-	4	4	4	4	2	10
Fleet	11	11	9	13	13	13	13	13	11	10
Streets	9	7	8	16	18	18	18	18	21	5
Cemetery	2	2	2	2	2	2	2	2	2	2
Parks and recreation	28	25	28	20	19	20	20	20	15	40
Total	380	371	367	400	438	475	474	477	453	443

Source: City Finance Department

CITY OF APOPKA, FLORIDA

OPERATIONS INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Table 15)

Function/Program	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Physical arrests	1,011	1,505	1,426	1,311	1,232	1,236	1,298	953	970	1,522
Parking violations	424	152	177	235	51	77	169	61	33	23
Traffic violations	3,636	3,459	3,522	2,058	0	2,568	2,519	2,183	2,783	3,809
Red Light Violations	27,630	22,283	23,204	31,773	26,602	34,282	8,014	-	-	-
Fire										
Emergency responses	4,973	5,298	5,563	6,523	7,532	8,484	8,876	8,222	9,392	10,037
Fires extinguished	103	110	107	138	137	136	134	164	136	211
Inspections	2,120	2,740	2,738	2,706	2,680	2,750	2,764	1,258	2,710	2,379
Refuse collection										
Refused collected (tons per day)	60.3	86.6	91.2	96.0	100	102	102	110	117	112
Recyclables collected (tons per day)	5.8	5.8	5.2	4.0	6	6	7	7.0	7	6
Other public works										
Street resurfacing (miles)	-	2	-	2	4	5	2	3	-	10
Parks and recreation										
Athletic leagues	10	7	7	7	7	7	8	5	10	7
Tathletic leagues participants	2,375	2,415	2,395	2,453	3,552	2,572	2,227	2,030	4,927	2,405
Senior and Adult programs	10	13	11	13	18	19	21	21	19	25
Children's programs	5	6	6	7	7	9	9	4	2	9
Facility rental permits	3,327	3,423	3,368	3,393		1,687	1,998	447	630	363
Water										
New connections	405	427	356	670	198	434	651	651	781	656
Average daily consumption (millions of gallons)	6.79	6.82	7.16	8.00	8	8	8	9	9	9
Peak daily consumption (millions of gallons)	11.02	9.69	10.88	11.00	11	15	16	13	13	14
Wastewater										
Average daily sewage treatment (millions of gallons)	2.76	2.89	3.07	3.00	3	3	3	3	3	
Reclaimed Water										
New connections	261	409	300	402	136	306	355	393	620	656
Average daily consumption (millions of gallons)	5.49	5.64	6.10	7.00	7	7	7	8	8	8
Peak daily consumption (millions of gallons)	9.39	9.62	11.00	11.00	4	17	17	13	13	12

Sources: Various City departments.

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

CITY OF AOPKA, FLORIDA

CAPITAL ASSETS STATISTICS BY FUNCTION
 LAST TEN FISCAL YEARS
 (Table 16)

Function/Program	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	105	105	105	108	108	108	110	112	112	122
Fire stations	4	4	4	4	4	4	6	6	6	6
Refuse collection:										
Collection trucks	15	19	19	19	19	19	19	23	23	22
Other public works										
Street (miles)	203	266	300	303	306	378	191	196	202	210
Streetlights	134	134	134	134	134	134	134	134	134	134
Traffic signals	32	33	34	34	34	34	34	33	38	38
Parks and recreation										
Acreage	265.18	265.18	265.18	265.00	265.00	265.00	265.00	265.00	329.13	329.13
Playgrounds	7	7	7	7	7	7	7	7	7	8
Baseball/softball diamonds	14	14	14	14	14	14	14	14	14	14
Soccer/football fields	16	16	16	16	16	16	16	16	16	16
Community centers	4	4	4	4	4	4	4	4	4	4
Water										
Water mains (miles)	270	313	337	341	346	341	357	366	374	392
Fire hydrants	1,435	1,691	1,781	1,813	1,840	1,847	1,888	1,888	1,988	2,018
Total system capacity (millions of gallons)	46.84	46.84	46.84	46.84	47.00	47.00	47.00	51.00	51.00	16.00
Wastewater										
Sanitary sewers (miles)	219	245	250	254	258	267	271	281	286	305
Storm sewers (miles)	96	125	109	111	114	117	117	125	114	119
Treatment capacity (millions of gallons)	5	5	5	5	5	5	5	5	5	8
Lift stations	113	115	116	120	123	137	145	168	155	162
Reclaimed Water										
Reclaimed water mains (miles)	126	130	133	137	141	160	162	168	170	203
Total system capacity (millions of gallons)	26	26	26	31	31	31	31	31	31	19

Sources: Various City departments.

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OTHER REPORTS

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Apopka, Florida (the "City"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 30, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

City's Response to Finding

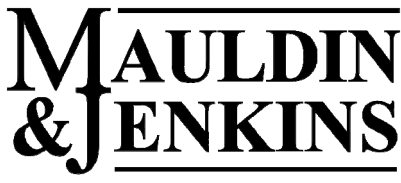
The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

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

Bradenton, Florida
June 30, 2023



CPAs & ADVISORS

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Apopka, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of *Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Bradenton, Florida
June 30, 2023

CITY OF APOPKA, FLORIDA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	AL Number	Contract Grant Number	Expenditures	Passed Through to Subrecipients
Federal Expenditures				
Department of Economic Opportunity				
Community Development Block Grant	14.228	22DB-OP-06-58-02-H10	\$ 5,774	\$ -
Department of Environmental Protection				
Passed through the Florida Department of Environmental Protection Outdoor Recreation Acquisition, Development and Planning	15.916	LW741	1,000,000	-
Department of Justice				
FY2020 Byrne JAGC Passthrough Grant	16.738	2021-JAGC-ORANG-6-3B-007	11,095	-
2022 Bulletproof Vest Grant	16.71	22029881	12,884	-
FY2021 Byrne JAG DOJ Grant	16.738	15BJA-21-GG-01364-JAGX	17,656	-
Total Department of Justice			<u>41,635</u>	
Department of Transportation				
Passed through the Florida Department of Transportation Apopka Distracted Driving Program	20.600	DD-2022-00032	21,579	-
Heavy Enforcement of Aggressive Traffic	20.600	SC-2022-00031	47,479	-
Florida Bicycle Pedestrian Initiative	20.616	433144-1-8404	1,859	-
Arresting Impaired Motorists	20.616	M5HVE-2022-00030	10,789	-
Total Department of Transportation			<u>81,706</u>	-
United States Department of Treasury				
Coronavirus State and Local Fiscal Recovery Funds	21.027		<u>1,441,662</u>	-
Total expenditures of Federal Awards			<u>\$ 2,570,777</u>	

NOTES:

The Schedule of Expenditures of Federal Awards is a summary of the activity of the City's Federal financial assistance presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The information in the schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

CITY OF APOPKA, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

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

Unmodified

Internal control over financial reporting:
Material weaknesses identified?

X yes no

Significant deficiencies identified not considered to be material weaknesses?

yes X none reported

Noncompliance material to financial statements noted?

yes X no

Federal Programs and State Financial Assistance Projects

Internal control over major federal programs:
Material weaknesses identified?

yes X no

Significant deficiencies identified not considered to be material weaknesses?

yes X none reported

Type of auditor's report issued on compliance for major federal programs?

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

yes X no

Assistance Listing Number

Name of Federal Program or Cluster

15.916

Outdoor Recreation Acquisition, Development and Planning

21.027 - COVID-19

Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B federal programs:

\$750,000

Auditee qualified as low-risk auditee?

yes X no

State Financial Assistance Projects

There was not an audit of major state financial assistance projects as of September 30, 2022 due to the total amount expended being less than \$750,000.

CITY OF APOPKA, FLORIDA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

2022-001 Prior Period Adjustment

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

Condition: During year-end close process, the City identified expenditures that were accrued as of September 30, 2021, but not incurred. An adjustment was required to increase the beginning net position of the City's governmental activities, and several governmental funds (see below) funds. No impact on the Utility Fund's net position was noted, however, beginning balances of construction in progress and accounts payable were reduced.

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

Effect: Adjustments were required to be posted to increase net position of the governmental activities (\$159,607), and fund balance of the General Fund (\$854,603), Community Redevelopment Fund (\$164,888), Streets Improvement Fund (\$305,211), Transportation Impact Fees Fund (\$196,941), Recreation Impact Fees Fund (\$8,659), Stormwater Fund (\$378,657), and Grants Fund (\$44,420)

Recommendation: We recommend the City evaluate its period closing process to ensure subsidiary ledger reconciliations are being performed timely, properly, and are being reviewed by appropriate levels of management, to ensure that financial statements properly present the financial position and results of operations of the City of Apopka (the "City") in accordance with generally accepted accounting principles (GAAP).

Management's Response: Former Finance Department personnel improperly accrued liabilities for expenditures where a purchase order was in place, but no expenditure was incurred. Additionally, during the initial review of assets that belong to the City. The City has updated its year-end close process to ensure a review of all accruals is performed verify the accuracy of items accrued.

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

Not applicable.

CITY OF APOPKA, FLORIDA

SCHEDULE OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED SEPTEMBER 30, 2022

2021-001 Audit Adjustments

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

Condition: During testing of the City's accounts receivable and premium tax revenues, we noted that certain entries provided during the prior year audit related to intergovernmental receivables and revenues were not properly posted by management, causing journal entries to be posted to these accounts, along with fund balance within the General Fund. Additionally, during testing of the City's cash, we noted that, while the bank accounts were reconciled within the pooled cash fund, an adjustment to the interfund allocation of the cash balances was required to ensure each fund's allocation of the pooled cash was accurate. Both entries were required to ensure the financial statements were free from material misstatement.

Status: Resolved.



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the City of Apopka, Florida (the "City"), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 30, 2023.

Auditor's Responsibility

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

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in these reports, which are dated June 30, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

Special District Component Units

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

Additional Matters

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

Purpose of this Letter

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

Mauldin & Jenkins, LLC

Bradenton, Florida
June 30, 2023



INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the City of Apopka, Florida's (the "City") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2022. Management of the City is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

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

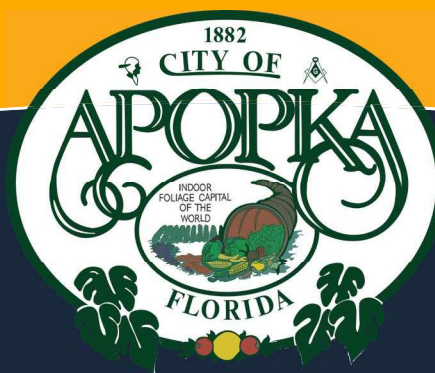
In our opinion, the City complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2022.

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

Bradenton, Florida
June 30, 2023

Mauldin & Jenkins, LLC

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CITY OF APOPKA

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