

2022

City of Gainesville, Florida

Annual Comprehensive
Financial Report

For the Fiscal Year Ended
September 30, 2022

CITY OF GAINESVILLE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2022

Prepared by
Department of Financial Services

INTRODUCTORY SECTION

**CITY OF GAINESVILLE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

TABLE OF CONTENTS

I. INTRODUCTORY SECTION

Table of Contents	i-v
List of City Officials	vi
Letter of Transmittal.....	vii-xii
Certificate of Achievement for Excellence in Financial Reporting	xiii
Organization Chart	xiv

II. FINANCIAL SECTION

Independent Auditor’s Report	1-4
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Management’s Discussion and Analysis	5-15
---	-------------

Basic Financial Statements

Government-Wide Financial Statements:

Statement of Net Position	16-17
Statement of Activities	18

Fund Financial Statements:

Balance Sheet – Governmental Funds.....	19
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	20
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
Statement of Fund Net Position – Proprietary Funds	23-24
Reconciliation of the Statement of Fund Net Position of Proprietary Funds to the Statement of Net Position	25
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	26
Reconciliation of the Statement of Revenues, Expenses, and Changes in Fund Net Position of Proprietary Funds to the Statement of Activities.....	27
Statement of Cash Flows – Proprietary Funds	28-29
Statement of Fiduciary Net Position – Fiduciary Funds.....	30
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	31
Notes to Financial Statements	32-118

**CITY OF GAINESVILLE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

TABLE OF CONTENTS

Required Supplementary Information

Schedule of Revenues and Expenditures – Budget and Actual – General Fund	119
Notes to Schedule of Revenues and Expenditures – Budget and Actual – General Fund	120-121
Schedule of Changes in the Net Pension Liability and Related Ratios – Employees’ Pension Plan	122-123
Schedule of Employer Contributions – Employees’ Pension Plan	124
Schedule of Changes in the Net Pension Liability and Related Ratios – Police Officers’ and Firefighters’ Consolidated Retirement Plan	125-126
Schedule of Employer Contributions – Police Officers’ and Firefighters’ Consolidated Retirement Plan	127
Schedule of Annual Money-Weighted Rate of Return – Pension Plans	128
Schedule of Proportionate Share of the Net Pension Liability and Related Ratios – Florida Retirement System and Health Insurance Subsidy Program	129
Schedule of Employer Contributions – Florida Retirement System and Health Insurance Subsidy Program	130
Schedule of Changes in the Net OPEB Liability and Related Ratios – Other Postemployment Benefits	131
Schedule of Employer Contributions – Other Postemployment Benefits	132
Schedule of Annual Money-Weighted Rate of Return – Other Postemployment Benefits	133

Supplementary Information

Nonmajor Governmental Funds

Combining Balance Sheet – Nonmajor Governmental Funds	134-150
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	151-167
Schedule of Revenues and Expenditures – Budget and Actual:	
Community Development Block Grant	168
Urban Development Action Grant	169
HOME Grant	170
Cultural Affairs	171
State Law Enforcement Contraband Forfeiture	172
Federal Law Enforcement Contraband Forfeiture	173
Police Billable Overtime	174
Street, Sidewalk, and Ditch Improvement	175
Economic Development	176
Miscellaneous Grants	177
Transportation Concurrency Exception Area	178
Water/Wastewater Infrastructure Surcharge	179

**CITY OF GAINESVILLE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

TABLE OF CONTENTS

II. FINANCIAL SECTION

Supplementary Information

Schedule of Revenues and Expenditures – Budget and Actual:

Supportive Housing Investment Partnership (SHIP).....	180
Small Business Loan.....	181
Miscellaneous Special Revenue Fund.....	182
Tree Mitigation.....	183
Evergreen Cemetery.....	184
School Crossing Guard.....	185
Art in Public Places	186
Gainesville Community Reinvestment Area	187
Downtown Redevelopment Tax Increment Fund	188
Fifth Avenue Tax Increment Fund	189
College Park/University Heights Tax Increment Fund.....	190
Eastside Tax Increment Fund	191
ARPA Fund	192
Emergency Disaster	193
Guaranteed Entitlement Revenue and Refunding Bonds 1994	194
Pension Obligation Bond Series 2003A	195
Pension Obligation Bond Series 2003B	196
GPD Energy Conservation Master Capital Lease	197
Capital Improvement Revenue Note Series 2009	198
Revenue Refunding Note Series 2011.....	199
Capital Improvement Revenue Note Series 2011A.....	200
Revenue Refunding Note Series 2014.....	201
Capital Improvement Revenue Bond Series 2014.....	202
Revenue Refunding Note Series 2016A.....	203
Capital Improvement Revenue Note Series 2016B	204
Capital Improvement Revenue Note 2019.....	205
Special Obligation Revenue Bonds Series 2020	206
Capital Improvement Revenue Refunding Note 2021	207

Nonmajor Enterprise Funds

Combining Statement of Fund Net Position – Nonmajor Enterprise Funds.....	208-209
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Nonmajor Enterprise Funds.....	210-211
Combining Statement of Cash Flows – Nonmajor Enterprise Funds.....	212-215

**CITY OF GAINESVILLE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

TABLE OF CONTENTS

<i>Internal Service Funds Descriptions</i>	
Combining Statement of Net Position – Internal Service Funds	216
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Funds	217
Combining Statement of Cash Flows – Internal Service Funds	218-219
<i>Fiduciary Funds Description</i>	
Combining Statement of Fiduciary Net Position – Pension and OPEB Trust Funds	220
Combining Statement of Changes in Fiduciary Net Position – Pension and OPEB Trust Funds	221
III. STATISTICAL SECTION (UNAUDITED)	
Financial Trends Information	
Net Position by Component.....	222
Changes in Net Position	223-224
Fund Balances of Governmental Funds	225
Changes in Fund Balances of Governmental Funds.....	226
Revenue Capacity Information	
Assessed Value of Taxable Property	227
Property Tax Rates – City and Overlapping Governments	228
Top Ten Principal Property Tax Payers in City Limits.....	229
Property Tax Levies and Collections	230
Gainesville Regional Utility Base – Number of Customers and Sales Quantities	231
Gainesville Regional Utility Rates	232-233
Principal Utility Revenue Contributors	234
Debt Capacity Information	
Ratios of Outstanding Debt by Type	235
Direct and Overlapping Governmental Activities Debt	236
Pledged Revenue Coverage	237
Demographic and Economic Information	
Demographic and Economic Statistics.....	238
Top Ten Principal Employers.....	239
Operating Information	
Full-Time Equivalent City Government Employees by Function/Program	240
Operating Indicators by Functional Department.....	241
Capital Asset Statistics by Functional Department	242

**CITY OF GAINESVILLE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

TABLE OF CONTENTS

IV. SINGLE AUDIT SECTION

Independent Accountant’s Report on Compliance with Section 218.415, Florida Statutes	243
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 <i>Government Auditing Standards</i>	244-245
Schedule of Expenditures of Federal Awards and State Financial Assistance	246-249
Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance	250
Independent Auditor’s Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.550, <i>Rules of the Auditor General</i>	251-253
Schedule of Findings and Questioned Costs	254-255
Management Letter	256-258
Management Response	259-261

LIST OF CITY OFFICIALS

As of 9/30/2022

ELECTED OFFICIALS

<i>Lauren Poe</i>	<i>Mayor (At Large)</i>
<i>Reina Saco</i>	<i>Mayor-Commissioner Pro Tem (At Large, Seat A)</i>
<i>Cynthia Moore Chestnut</i>	<i>Commissioner (At Large, Seat B)</i>
<i>Desmon Duncan-Walker</i>	<i>Commissioner (District I)</i>
<i>Harvey Ward</i>	<i>Commissioner (District II)</i>
<i>David Arreola</i>	<i>Mayor-Commissioner Pro Tem (District III)</i>
<i>Adrian Hayes-Santos</i>	<i>Commissioner (District IV)</i>

APPOINTED OFFICIALS

<i>Cynthia Curry</i>	<i>City Manager Interim</i>
<i>Anthony Cunningham</i>	<i>General Manager for Utilities Interim</i>
<i>Daniel Nee</i>	<i>City Attorney Interim</i>
<i>Omichele Gainey</i>	<i>City Clerk</i>
<i>Virginia Bigbie, CPA, CFE</i>	<i>City Auditor</i>
<i>Zeriah Folston</i>	<i>Director of Diversity, Equity and Inclusion Interim</i>

FINANCIAL SERVICES ACCOUNTING DIVISION

<i>Sue Wang, CPA, CPFO</i>	<i>Director of Finance, Acting</i>
<i>Vacant</i>	<i>Controller General Government Finance</i>
<i>Dan Bennett</i>	<i>Accounting Manager</i>
<i>Marsha Lowry</i>	<i>Accountant, Senior</i>
<i>Kristy Fowler</i>	<i>Accountant II</i>
<i>Alison Morris</i>	<i>Accountant II</i>
<i>Steven Lewing</i>	<i>Accountant II</i>
<i>Christina Holmes</i>	<i>Account Clerk, Sr.</i>



City of Gainesville

Office of the City Manager

June 6, 2023

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

Dear Mayor, Commissioners and Neighbors:

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

The Annual Comprehensive Financial Report (ACFR) of the City for the fiscal year ended September 30, 2022 is hereby transmitted. This report consists of management's representations concerning the finances of the City. To provide a reasonable basis for making those representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with U.S. GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Purvis, Gray and Company, LLP, an independent firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 2022, are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions on the City's basic financial statements as of and for the year ended September 30, 2022. The independent auditors' report is presented as the first component of the financial section of this report. The

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

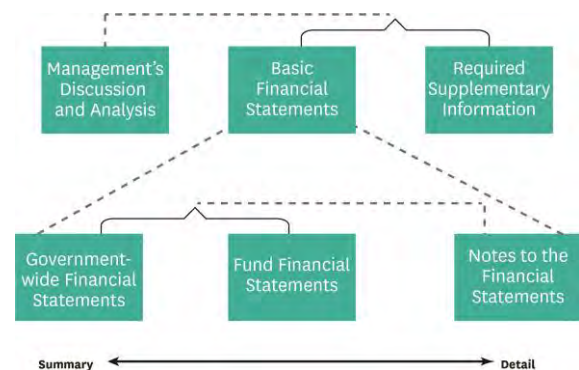
THE REPORT

The ACFR is presented in four sections:

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

This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City’s MD&A can be found immediately following the report of the independent auditors.

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



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

PROFILE OF THE CITY

The City of Gainesville is the most populous city in, and serves as the county seat of, Alachua County. The City also serves as the cultural, educational and commercial center for the North Central Florida region. Gainesville is located midway between the Gulf of Mexico and the Atlantic Ocean and halfway between Miami and Pensacola. There are approximately sixty square miles of land included within the corporate boundaries of the City. As of April 1, 2022, the official population estimate was 145,879 (Bureau of Economic and Business Research - University of Florida, 2022).

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

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

The City has two defined-benefit pension plans: 1) the Employees' Pension Plan (administered by the Mayor and City Commission) and 2) the Police Officers' and Firefighters' Consolidated Pension Plan (administered by a board of trustees composed of members elected by active employees and appointees of the Mayor). The Boards have responsibility for investment of the pension assets and determination of benefits as employees retire or seek other benefits under the plans. For the fiscal year ended September 30, 2022, the plans' net position was just under \$800 million.

The City also administers a single-employer defined benefit postemployment health care plan that covers eligible retired employees. The Retiree Health Care Plan allows employees who retire and meet retirement eligibility requirements under one of the City's retirement plans to continue medical coverage as a

participant in the City’s plan. Administrative costs are financed through investment earnings. For the fiscal year ended September 30, 2022, the plan had a net position of just over \$57 million.

FACTORS AFFECTING ECONOMIC CONDITION

Property Values. The City’s property taxable value for fiscal year 2022 was \$8.1 billion, an increase of 6.6% from prior year, which generated an increase in property tax revenue. The City’s operating tax millage rate increased to 5.5000 in fiscal year 2022 from 5.2974 in fiscal year 2021.

Local economy. The economic landscape in Gainesville continues to be dominated by the government sector. Statistics compiled by the Bureau of Economic and Business Research at the University of Florida indicate that one of every four jobs in Gainesville is provided by the federal, state or local government. This reliance on jobs from other than the private sector tends to modify Gainesville’s reaction to external economic stimuli, such that the local economy grows less rapidly than others during boom periods but also suffers less during economic declines. According to the U.S. Bureau of Labor Statistics September 2022 report, the City’s unemployment rate was 2.6%, lower than the State (2.7%) and national (3.5%) average.

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

Long-term financial planning. Both General Government and the City-owned Utility develop multi-year financial forecasts for both the operating budget and capital improvement plans. The City is proud to maintain investment grade ratings: Aa3 from Moody’s Investor Service and AA from Fitch Ratings, both with a stable outlook. This is a testament to the City’s healthy financial position, prudent fiscal planning with reserve policies. The City’s goal is to obtain the highest investment grade ratings as these ratings indicate to investors that the City is a low-risk investment which translates into lower interest rates and corresponding lower interest payments on debt.

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, a part of the American Rescue Plan (ARPA), delivers \$350 billion to state, local, and Tribal governments across the country to support their response to and recovery from the COVID-19 public health emergency. As of the date of this report, the City received \$32,408,804 to administer by December 31, 2026. As our City continues to recover from the pandemic, we anticipate the City will continue to be one of the best places in the country to raise a family, start or expand a business, invest in real estate, seek high quality, cutting edge health care and enjoy the natural environment. The City is firmly committed to its ongoing reinvestment in our neighborhoods, our public infrastructure and facilities, community builders and our City as a whole.

Financial policies. One of the most important measures of the City’s financial health is its fund balance. The City’s Fund Balance Policy was last updated in September 2021 and is compliant with GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions.” In addition to providing compliance with GASB Statement No. 54, the City’s Fund Balance Policy will assist in stabilizing the long-term financial position of the City by setting standards for the use and replenishment of fund balance reserves. This policy also provides structural balance to the City’s budget by limiting the use of reserves to cover recurring expenditures. The General Fund Balance Policy requires a minimum emergency reserve maintained at 0.015% of the taxable value of all property in the City on January 1st of that fiscal year. As recommended by

the Government Finance Officers’ Association, the City’s fund balance policy provides for the maintenance of an unassigned fund balance for the General Fund of a minimum of two (2) months or 16.7% of and a maximum of three (3) months or 25% of the following year’s budgeted expenditures and transfers. The City ended fiscal year 2022 with a General Fund fund balance of \$179 million; of that amount \$31.3 million is Unassigned. Included in the general fund balance of \$179 million is a \$137.4 million restatement of beginning fund balance for the long-term receivable due from the Utility fund and Nonmajor Enterprise Funds for future pension obligation bonds payments.

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

MAJOR INITIATIVES

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

Our Goals:

-  **Goal 1: Equitable Community**
-  **Goal 2: Sustainable Community**
-  **Goal 3: A Great Place to Live & Experience**
-  **Goal 4: Resilient Local Economy**
-  **Goal 5: “Best in Class” Neighbor Services**

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

Administering the ARPA Program. The City has worked to develop a spending plan for the American Rescue Plan Act of 2022 SLFRF allocation, with the latest spend plan including investments in an East Gainesville including an urgent care center as part of a large economic development initiative, affordable housing initiatives, home energy rehabilitation, public safety community violence interventions, aid to local nonprofit organizations, and homeless outreach.

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

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Gainesville for its ACFR for the fiscal year ended September 30, 2020. The application for fiscal year 2021 ACFR is under review. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

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

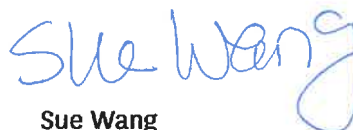
Additionally, the City received the Government Finance Officers Association's Award for Distinguished Budget Presentation for its biennial budget for the period started October 1, 2022. The City of Gainesville has received this award consecutively since the fiscal year beginning October 1, 1984. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

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

Respectfully submitted,



Cynthia W. Curry
City Manager



Sue Wang
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Gainesville
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

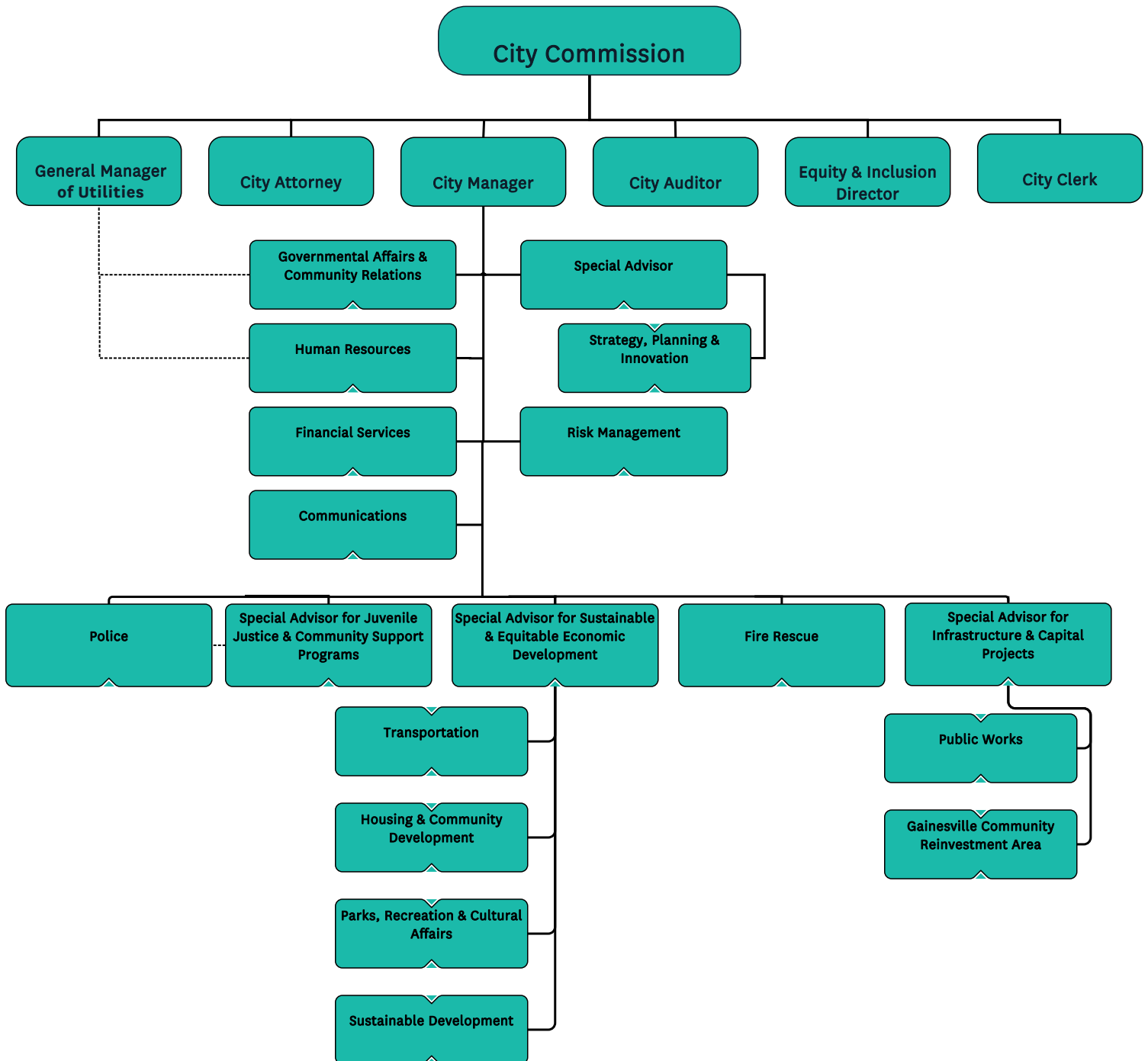
September 30, 2021

Christopher P. Morill

Executive Director/CEO

City of Gainesville

FY2023 Organization Chart
as of August 5, 2022



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners
City of Gainesville, 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 Gainesville, 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 for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Utility Fund, which represent 95 percent, 80 percent, and 89 percent, respectively, of the assets, net position, and revenues of the Business-Type Activities as of September 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Utility Fund, are based solely on the report of the other auditors.

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.

Emphasis of Matter

As discussed in Note 22, the City restated beginning equity due to the reclassification of a long-term interfund receivable from nonmajor governmental funds to the general fund, correction of an error in the interfund receivable beginning balance, and the implementation of a new accounting standard, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando | Lakeland | Tampa

purvisgray.com

Members of American and Florida Institutes of Certified Public Accountants

An Independent Member of the BDO Alliance USA

INDEPENDENT AUDITOR'S REPORT

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 twelve 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.

Honorable Mayor and City Commissioners
City of Gainesville, Florida

INDEPENDENT AUDITOR'S REPORT

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information (as listed in the table of contents) to be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB 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, internal service fund, and fiduciary fund financial statements, individual nonmajor budget to actual schedules, and schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, Rules of the Auditor General 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, internal service fund, and fiduciary fund financial statements, nonmajor fund budget to actual schedules, and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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.

Honorable Mayor and City Commissioners
City of Gainesville, Florida

INDEPENDENT AUDITOR'S REPORT

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 26, 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.

Purvis Gray

May 26, 2023
Gainesville, Florida

Management's Discussion and Analysis

As management of the City of Gainesville (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2022. Management's Discussion and Analysis is designed to: (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position, (d) identify any material deviations from the financial plan, and (e) identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages vii-xii of this report, and the City's financial statements which begin on page 16.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the fiscal year ended September 30, 2022 by \$731,213,520 (net position). This is an increase of \$32,730,235, or 4.7% from fiscal year 2021.
- The City's total net position increased \$32,730,235 as a result of fiscal year 2022 operations.
- As of the close of the fiscal year, the City's governmental funds reported combined ending fund balances of \$268,455,089, an increase of \$12,249,110 over the prior year. Of the total ending fund balances, \$64,143,296 is available for spending at the City's discretion (committed, assigned and unassigned fund balances).
- At the end of the current fiscal year, the unassigned fund balance in the General Fund was \$31,318,746.

Overview of the Financial Statements

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

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

The *statement of net position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the net amount reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

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

Management's Discussion and Analysis

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

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

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

The City maintains sixty-eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund which is considered to be a major fund. Data from the other sixty-seven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 19-22 of this report.

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

Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City maintains five enterprise funds to account for the following operations: utilities (including electric power generation, transmission and distribution, natural gas distribution, water and wastewater treatment, and telecommunications), refuse collection, stormwater management, building code enforcement, and mass transit.

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

Data from the other four proprietary funds are combined into a single, aggregated presentation. The three internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise funds as well as for the internal

Management's Discussion and Analysis

service funds is provided in the form of combining statements elsewhere in this report. The basic proprietary fund financial statements can be found on pages 23-29 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 30-31 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32-118 of this report.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's compliance with its General Fund budget and the City's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required supplementary information can be found on pages 119-133 of this report.

The combining statements referred to earlier in connection with nonmajor governmental and proprietary funds, and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements can be found on pages 134-167 and 208-219 of this report.

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. The City's net position at fiscal year-end is \$731,213,520. The following table provides a detailed overview of the City's net position.

Net Position for Fiscal Year 2022 (ended September 30, 2022)						
	Governmental Activities		Business-Type Activities		Total	
	FY22	FY21	FY22	FY21	FY22	FY21
Current and Other Assets	\$ 353,535,108	\$ 389,870,509	\$ 635,730,970	\$ 586,974,080	\$ 989,266,078	\$ 976,844,589
Capital Assets	256,483,630	260,122,199	1,950,931,167	1,964,180,355	2,207,414,797	2,224,302,554
Total assets	610,018,738	649,992,708	2,586,662,137	2,551,154,435	3,196,680,875	3,201,147,143
Deferred outflows	99,692,220	7,166,309	118,846,994	84,307,211	218,539,214	91,473,520
Long-term liabilities	412,566,900	348,477,546	1,955,450,846	1,931,631,865	2,368,017,746	2,280,109,411
Other liabilities	77,220,837	59,646,905	85,641,009	80,742,087	162,861,846	140,388,992
Total liabilities	489,787,737	408,124,451	2,041,091,855	2,012,373,952	2,530,879,592	2,420,498,403
Deferred inflows	13,990,968	57,733,439	139,136,009	119,436,718	153,126,977	177,170,157
Net position:						
Net investment in capital assets	217,138,863	214,385,691	191,684,185	250,986,050	408,823,048	465,371,741
Restricted	60,767,196	54,659,462	86,184,415	146,684,233	146,951,611	201,343,695
Unrestricted (deficit)	(71,973,806)	(77,744,026)	247,412,667	105,980,693	175,438,861	28,236,667
Total net position	\$ 205,932,253	\$ 191,301,127	\$ 525,281,267	\$ 503,650,976	\$ 731,213,520	\$ 694,952,103

Approximately 55.9% of the City's net position reflects its investment in capital assets (e.g., land, utility plant and equipment, buildings, improvements, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Management's Discussion and Analysis

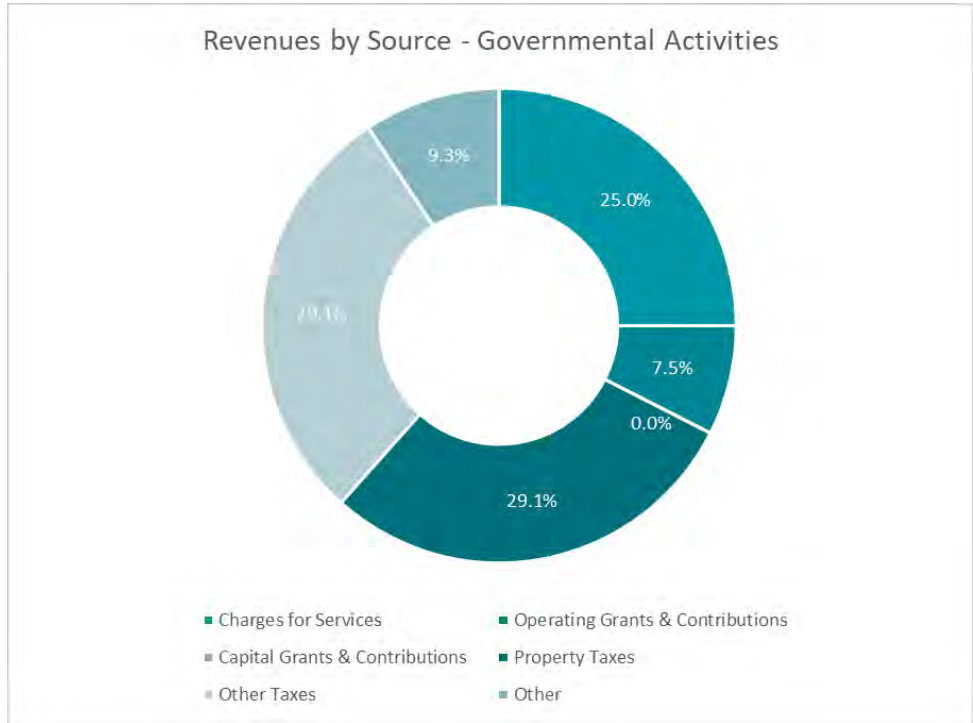
An additional portion of the City's net position, \$146,951,611 or 20.1%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position*, \$175,438,861, may be used to meet the government's ongoing obligations to neighbors and creditors. The following table provides a detailed overview of the City's change in net position fiscal year over fiscal year.

Changes in Net Position for the Fiscal Year Ended September 30, 2022						
	Governmental Activities		Business-Type Activities		Total	
	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021
Revenues:						
Program revenues:						
Charges for Services	\$ 36,586,888	\$ 36,548,286	\$ 565,754,017	\$ 452,027,094	\$ 602,340,905	\$ 488,575,380
Operating Grants and Contributions	10,941,568	9,746,460	13,067,426	22,834,988	24,008,994	32,581,448
Capital Grants and Contributions	13,105	1,149,563	10,231,283	4,686,013	10,244,388	5,835,576
General revenues:						
Property Taxes	42,573,635	38,926,311	-	-	42,573,635	38,926,311
Other Taxes	42,741,158	39,327,335	-	-	42,741,158	39,327,335
State Revenue Sharing	6,939,061	5,482,673	-	-	6,939,061	5,482,673
Investment Gain (Loss)	(89,643)	1,069,501	7,756,214	6,265,018	7,666,571	7,334,519
Other Revenues	6,731,974	3,976,544	2,281,446	2,088,880	9,013,420	6,065,424
Total revenues	146,437,746	136,226,673	599,090,386	487,901,993	745,528,132	624,128,666
Expenses:						
General Government	34,206,797	33,401,384	-	-	34,206,797	33,401,384
Public Safety	78,662,604	57,252,077	-	-	78,662,604	57,252,077
Physical Environment	843,607	1,172,294	-	-	843,607	1,172,294
Transportation	23,091,415	21,557,051	-	-	23,091,415	21,557,051
Economic Environment	8,295,630	5,839,989	-	-	8,295,630	5,839,989
Human Services	1,551,740	2,010,455	-	-	1,551,740	2,010,455
Culture & Recreation	16,911,013	13,748,546	-	-	16,911,013	13,748,546
Interest on Long-Term Debt	8,624,818	12,974,815	-	-	8,624,818	12,974,815
Electric	-	-	349,273,549	281,224,138	349,273,549	281,224,138
Gas	-	-	29,902,975	23,259,945	29,902,975	23,259,945
Water	-	-	39,594,392	32,894,784	39,594,392	32,894,784
Wastewater	-	-	49,842,137	41,930,458	49,842,137	41,930,458
GRUCom	-	-	15,402,148	15,420,363	15,402,148	15,420,363
Regional Transit System	-	-	35,431,614	29,470,397	35,431,614	29,470,397
Stormwater Management	-	-	9,192,531	8,814,470	9,192,531	8,814,470
Florida Building Code Enforcement	-	-	3,531,883	3,223,568	3,531,883	3,223,568
Solid Waste	-	-	8,439,044	8,061,218	8,439,044	8,061,218
Total expenses	172,187,624	147,956,611	540,610,273	444,299,341	712,797,897	592,255,952
Changes in net position before transfers	(25,749,878)	(11,729,938)	58,480,113	43,602,652	32,730,235	31,872,714
Transfers	37,122,612	39,931,238	(37,122,612)	(39,931,238)	-	-
Change in net position	11,372,734	28,201,300	21,357,501	3,671,414	32,730,235	31,872,714
Net position - beginning, as previously reported	191,301,127	163,099,827	503,650,976	499,979,562	694,952,103	663,079,389
Restatement	3,258,392	-	272,790	-	3,531,182	-
Net position - beginning, restated	194,559,519	163,099,827	503,923,766	499,979,562	698,483,285	663,079,389
Net position - ending	\$ 205,932,253	\$ 191,301,127	\$ 525,281,267	\$ 503,650,976	\$ 731,213,520	\$ 694,952,103

Governmental Activities.

- Property tax revenue increased by \$3,647,324, or 9.4% which equates to the expected FY 2022 value provided by the Alachua County Property Appraisers office. As shown in the following chart, for fiscal year 2022, Property Tax Revenue made up 29.1% of Governmental Activity Revenue. Other taxes, such as Utility taxes, made up 29.1% of revenues followed by Charges for Services at 25.0%.

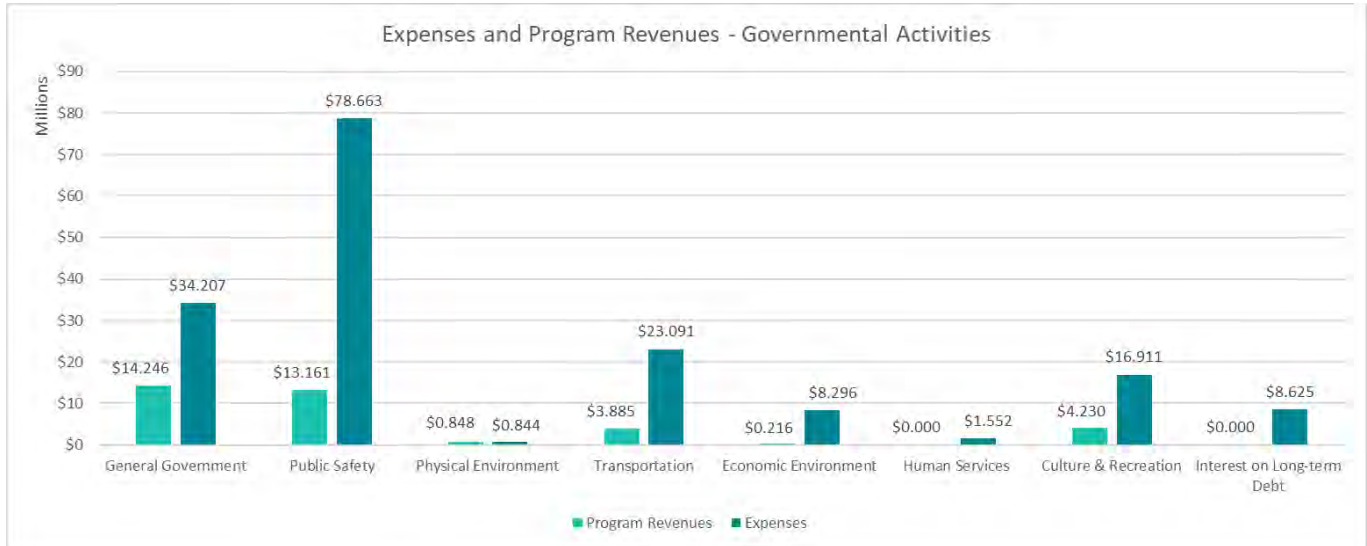
Management's Discussion and Analysis



- Operating grants and contribution revenue increased by \$1,195,108, a 12.3% increase over the prior year. This was attributable to ARPA funds being expended in the current year. Capital grants and contribution revenue decreased by \$1,136,458 due to completed roadway related projects in the prior year.
- Revenues from Investment gains saw a decrease of \$1,159,144 or 108% due to unrealized loss adjustment from unfavorable market conditions in the current year. This was offset by an increase in Other Revenues of \$2,755,429 or 69.3% largely due to the sale of capital assets in the current year.
- Significant increase in pension expenses resulting from unfavorable market condition in fiscal year 2022 largely accounted for expenditure increases from prior year in Public Safety (\$21,410,527 or 37.4%), Transportation (\$1,534,364 or 7.1%), and General Government (\$805,413 or 2.4%). In addition to pension expense increases, Culture and Recreation also saw increase in expenses primarily due to park improvements completed in fiscal year 2022. Economic Environment expenses increased from prior year by \$2,455,641 or 42.0% due to increased development activities with the Gainesville Community Reinvestment Area and Housing and Community Development.
- Human Services expenses decreased by \$458,715 or 22.8% mostly due to more outreach program spending in fiscal year 2022. Physical Environment saw a decrease in expenditures (\$328,687 or 28%) due to more utility assistance spending in fiscal year 2022.

As shown in the following table, and consistent with prior years expenditure trends, fiscal year 2022 expenses were primarily driven by public safety expenses; comprising 45.7% of Governmental Activity expenses.

Management’s Discussion and Analysis



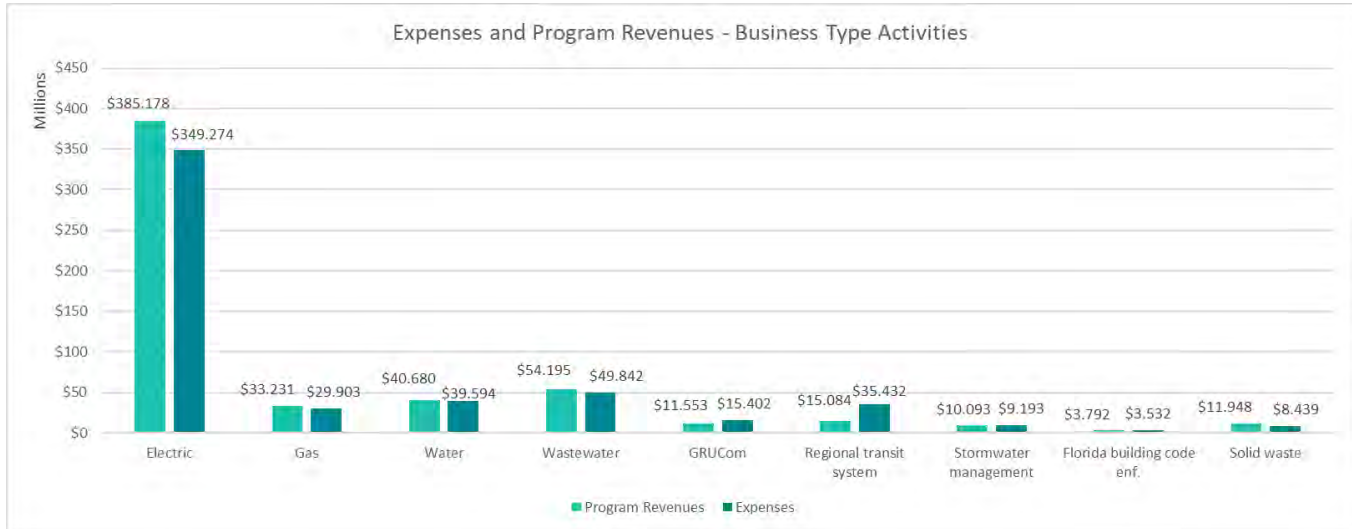
Business-Type Activities.

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

- Gross utility plant in service increased \$106.1 million, or 3.6%, in fiscal year 2022 due primarily to the completion of electric, water and wastewater capital projects.
- Long-term utility debt, including the current portion, decreased \$1.7 million, or .1%, in fiscal year 2022, due to a refunding of the 2007A and 2012A Bond series.
- The Utility is completing remediation efforts at a former manufactured gas plant site. The costs incurred to date total \$28.3 million, and the Utility estimates that total project costs will be approximately \$28.4 million. The Utility accrued a regulatory asset and liability to account for the cost and cost recovery of the expense, which is being recognized as customer revenues are received.
- Sales and service charges increased \$89.6 million or 22.5% in fiscal year 2022. This increase is primarily the result of an increase in electric and wastewater base rates, in addition to an increase in fuel adjustment revenue.
- The Utility’s operating expenses increased \$85.7 million or 25.9% in fiscal year 2022. This increase is due to higher natural gas costs and higher maintenance and supply costs than the prior year.
- The transfer from rate stabilization was \$12.3 million in fiscal year 2022.
- The number of customers for electric services increased 0.8%, water services increased 0.6%, wastewater services increased 0.7%, and gas services increased 0.9% in fiscal year 2022.
- For fiscal year 2022, the Utility implemented increases in the revenue requirement of 7% for the electric system and 5% for the wastewater system.

As shown in the following table, electric related revenues and expenses dominate business-type activity expenditures and revenues, making up 68.1% and 64.6% of these categories respectively in fiscal year 2022.

Management’s Discussion and Analysis



Financial Analysis of the Government’s Funds

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

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

For fiscal year 2022, the City’s governmental funds reported combined ending fund balances of \$268,455,089, an increase of \$12,249,110 in comparison with the prior year combined ending fund balance, as restated. Majority of the increase was due to property tax revenue increase and expenditure savings. Approximately 52.7% or \$141,400,232 of this total amount constitutes nonspendable fund balance, which are amounts that are not in spendable form, primarily comprised of long-term receivables. An additional 23.4% or \$ 62,911,561 is restricted, indicating that funds can only be spent for specific purposes stipulated by external entities. Approximately 13.1% (\$11,788,474 and \$23,404,334, respectively) is committed and assigned for spending at the government’s discretion. The remaining 10.8% or \$ 28,950,488 of fund balance is unassigned to indicate that it has no internal or external restrictions or commitments.

The General Fund is the chief operating fund of the City. At the end of fiscal year 2022, the unassigned fund balance was \$31,318,746, an increase of \$7,520,025 million, or 31.6%, from fiscal year 2021. The total fund balance of \$179,024,172 includes \$133,634,572 for the long-term receivable due from the Utility Fund and Nonmajor Enterprise Funds for future pension obligation bonds payments. This receivable was moved from the Debt Service Funds to the General Fund to more appropriately report nonspendable fund balance in accordance with generally accepted accounting principles.

As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance excluding the long-term receivable to total fund expenditures. Unassigned fund balance is 21.4% of total expenditures and transfers out, while total fund balance without the long-term receivable represents 31.0% of that same amount. The fund balance of the City’s general fund increased \$5,638,469 during the current fiscal year excluding the restatement. The fiscal year 2022 original budget anticipated a fund balance increase of \$364,093. The general fund experienced a positive revenue variance of \$2,314,239 and departmental budgetary savings of \$11,781,207 compared to the final budget. General Government, Transportation, Economic

Management's Discussion and Analysis

Environment, and Human Services all ended with a positive variance in expenditures for the year of at least 10%. Physical Environment had a negative budget variance of \$36,169 or 16.4%.

At the end of fiscal year 2022, the Special Revenue Funds have a total fund balance of \$43,790,607, which represents an increase of \$2,432,255 from last year's balance. The increase in the special revenue funds is primarily driven by development activities in the City and planned expenditures not incurred. At the end of fiscal year 2022, the Debt Service Funds have a total fund balance of \$926,551, including restatement of \$133,634,572 that reduced the beginning fund balance due to reclassification of long-term receivable from the Utility Fund and Nonmajor Enterprise Funds for future Pension Obligation Bonds payment to General Fund, and due to the change in the originally established allocation percentage by the Utility Fund. Fund balance in the capital projects funds increased by \$4,427,712 to end the fiscal year at \$44,713,759. This is mainly due to the timing of Wild Spaces Public Places projects that led to increased fund balance during current year.

General Fund Budget Highlights. The fiscal year 2022 actual revenue was \$109,875,886, an increase of \$1,728,841 over the adopted budget. The fiscal year 2022 actual expenditure of \$115,252,169 is \$7,085,396 below the original adopted budget of \$122,337,565. Budget amendments processed during fiscal year 2022 were routine. The overall revenue variance between the final budget and actual results for the general fund was 2.2%. Intergovernmental revenue had the largest positive variance of \$3,581,182 or 23.2%, and miscellaneous revenue had the largest negative variance to budget of \$867,240 or 31.8%.

Due to regular budget monitoring, most departments ended the fiscal year with expenditures below budgeted amounts. General Government, Public Safety, Transportation, Economic Environment, Human Services, and Culture and Recreation all ended the year with positive variances to budget. Only Physical Environment ended the year with a negative variance to budget, with the percentage variance at 16.4%.

Capital Asset and Debt Administration. The City's investment in capital assets for its governmental and business type activities as of September 30, 2022 totals \$2,206,501,845 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements, machinery and equipment, utility plant and equipment, infrastructure, roads, bike paths, and sidewalks.

Capital Assets for Fiscal Year 2022 (period ended September 30, 2022)							
	Governmental Activities		Business-Type Activities		Total		
	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021	
Land	\$ 36,753,429	\$ 36,753,429	\$ 8,864,610	\$ 8,864,610	\$ 45,618,039	\$ 45,618,039	
Utility Plant & Equipment	-	-	1,746,765,126	1,730,997,681	1,746,765,126	1,730,997,681	
Buildings	48,377,967	50,790,485	33,459,034	34,681,994	81,837,001	85,472,479	
Improvements	18,481,998	19,572,668	1,946,321	2,235,513	20,428,319	21,808,181	
Machinery & Equipment	14,618,698	16,667,860	22,520,988	25,136,093	37,139,686	41,803,953	
Infrastructure	120,367,247	127,612,927	27,156,624	28,554,838	147,523,871	156,167,765	
Construction in Progress	17,466,149	8,724,830	109,723,654	133,709,626	127,189,803	142,434,456	
Leases	418,142	-	494,810	-	912,952	-	
Total Assets, Net	\$ 256,483,630	\$ 260,122,199	\$ 1,950,931,167	\$ 1,964,180,355	\$ 2,207,414,797	\$ 2,224,302,554	

Major capital asset events during the fiscal year include:

- Approximately \$5.3 million in road expansion and construction.
- Wild Spaces Public Places capital expenditures were \$3.3 million, including \$1.5 million for Clarence Kelly Center and \$1.2 million for renovation of the H. Spurgeon Cherry Pool.
- Acquisition of two fire trucks for \$981 thousand and one bus by Regional Transit System for \$1.0 million during fiscal year 2022.
- Hatchet Creek/Forrest Creek Basin Management project of \$1.2 million.

Management’s Discussion and Analysis

- Electric generation capital additions were \$39.3 million for fiscal year 2022. These expenditures included \$9.1 million for the John R. Kelly Generating Station and \$3.9 million for the Customer Information System (CIS).
- Electric transmission and distribution additions were \$14.2 million in fiscal year 2022.
- Water capital additions were \$24.1 million in fiscal year 2022 with \$7.4 million for supply, pumping, and treatment facilities, \$13.3 million for transmission and distribution, and \$2.7 million for CIS.
- Wastewater capital additions were \$35.7 million in fiscal year 2022. This included \$13.1 million on treatment plant improvements, \$17 million in collection improvements, and \$2.5 million for CIS.
- Gas distribution expansion expenditures were \$6.4 million in fiscal year 2022. This expansion included expenditures of \$1.7 million in gas distribution mains, and \$1.2 million for CIS.
- Telecommunications additions for fiber and electronics expansion were \$884 thousand in fiscal year 2022.

Additional information on the City’s capital assets can be found in Note 8 on pages 65-66 of this report.

Bonded Debt. At the end of fiscal year 2022, the City had total bonded debt outstanding of \$2,050,751,043. This entire amount represents bonds secured solely by specified revenue sources (i.e., revenue bonds and notes) and excludes issuance premiums and discounts.

Outstanding Bonded Debt			
	Governmental Activities	Business-Type Activities	Total
Pension Obligation Bonds	\$ 271,474,565	-	\$ 271,474,565
Revenue Bonds and Notes	44,543,905	1,734,732,573	1,779,276,478
Total Debt, Net	\$ 316,018,470	\$ 1,734,732,573	\$ 2,050,751,043

The City’s total bonded debt decreased by approximately \$29.5 million or 1.4% during fiscal year 2022 primarily due to scheduled principal payments.

The City is proud to maintain investment grade ratings: Aa3 from Moody’s Investor Service and AA from Fitch Ratings, both with a stable outlook. The Utility has ratings of Aa3, A, and A+ with Moody’s Investor Service, Standard & Poor’s, and Fitch Ratings, respectively, for utility system revenue bonds. The Utility has ratings of P-1, A-1, and F1+ with Moody’s Investors Service, Standard & Poor’s, and Fitch Ratings, respectively, for commercial paper notes.

Additional information on the City’s long-term debt can be found in Note 13 on pages 89-105 of this report.

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

General Government:

- The City Commission approved a \$16.7 million reduction of General Fund Transfer (renamed Government Services Contribution) for fiscal year 2024 during their April 13, 2023 meeting. City management is currently hosting a series of budget workshops with the City Commission and City departments to review fiscal year 2024 budgets for consideration of expense reductions, realignments to promote efficiencies in program and service delivery and revenue streams, including a likely millage rate increase and identification of potential new sources of non-ad valorem revenue.

The Utility:

- The primary factors currently affecting the utility industry include environmental regulations, Operating, Planning and Critical Infrastructure Protection Standards promulgated by NERC under FERC jurisdiction, and

Management's Discussion and Analysis

the increasing strategic and price differences among various types of fuels. No state or federal legislation is pending or proposed at this time for retail competition in Florida.

- GRU and its operations are subject to federal, state, and local statutory and regulatory requirements with respect to the siting and licensing of facilities, safety and security, air and water quality, land use, and other environmental factors.
- Legislation and regulation at the federal level has been proposed to mandate the use of renewable energy and to constrain the emission of greenhouse gases. GRU's institution of a solar feed-in-tariff, a solar purchased power agreement, and purchase of a 102.5-megawatt biomass fueled power plant will hedge against these uncertainties.
- GRU's long-term energy supply strategy is to provide safe, reliable, cost-effective power, while meeting regulatory requirements. GRU has a diverse portfolio of generation, including renewable energy. The City Commission has directed GRU to achieve a net-zero carbon generation portfolio by 2045. Based on the most recent forecasts, GRU has adequate reserves of generating capacity to meet forecasted loads plus maintaining the regulatory required reserve margin through 2031. This forecast incorporates new population forecasts and changed economic circumstances.

Economic Factors and Next Year's Budgets and Rates. Some of the significant factors considered in preparing the General Government's fiscal year 2023 budget were:

- Property tax is the largest single General Fund revenue source accounting for 30% of General Fund Revenue. The taxable valuation for the City of Gainesville for tax year 2023, for which the fiscal year 2023 Adopted Budget is based on, was \$8,994,835,635 and represents a 11.8% increase over the tax year 2022 tax valuation. New construction assessed value for tax year 2023 totaled \$207,659,249, a decrease over the new construction valuation of \$78.9 million over tax year 2022.
- The fiscal year 2023 Adopted Budget reflects a millage rate of 5.5000, unchanged from the adopted millage rate for fiscal year 2022. The increase in property values is estimated to generate an additional \$4.7 million in property tax revenue in fiscal year 2023.
- The transfer to the General Fund from the Utility (also referred to as the "General Fund Transfer") accounts for approximately 22% of General Fund revenues. Fiscal year 2023 marked the first year of implementing the \$2 million annual reduction the City Commission approved in fiscal year 2022, this reduction generated a General Fund Transfer of \$34,283,000 reflected in the fiscal year 2023 Budget. During fiscal year 2023, staff developed a formula that will further reduce the revenue generated through the transfer for future year's budget. The formula was developed to provide a proxy for property taxes and a franchise fee, the new formula will generate a Government Service Charge of \$15.3 million.
- Utility tax revenues are generated through taxes levied on electric, water and natural gas utility customers who reside within City limits. As part of the fiscal year 2023 budget, the City Commission approved rate increases for electric and wastewater effective in fiscal year 2023 and will generate an estimated \$467,000 in additional revenue during fiscal year 2023.
- Half cent sales tax and state revenue sharing are both funded from the sales taxes collected by the state then allocated to local governments on a formula basis. Half cent sales tax revenue is based on taxes collected within Alachua County while state revenue sharing is based on taxes collected state-wide. While there was modest increase in the local half-cent sales tax, State Revenue Sharing Sales tax experience a significant increase in fiscal year 2023, the fiscal year 2023 adopted budget reflects a return to pre-pandemic economic activity locally while Florida continues to experience a robust rebound as the economic conditions continue to improve.
- On March 10, 2022, the House of Representatives approved a Senate-amended version of President Biden's \$1.9 trillion COVID-19 relief package - the American Rescue Plan. The package includes \$350 billion in aid for state and local governments, along with additional funding for other areas like education, rental assistance and transit. The President signed the bill into law on March 11, 2022. The *American Rescue Plan Act of 2022*

Management's Discussion and Analysis

through the Coronavirus State and Local Fiscal Recovery Funds program, provides \$350 billion in additional funding for state, local, and tribal governments across the country to support their response to and recovery from the COVID-19 public health emergency. The City of Gainesville was awarded \$32,408,804.00. During fiscal year 2023, the City and its partners began deploying those funds for the specific projects approved by the City Commission.

Utility highlights for the fiscal year 2023 budget are as follows:

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

Requests for Information

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

Basic Financial Statements

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

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 2,098,292	\$ 31,631,269	\$ 33,729,561
Investments	2,292,767	-	2,292,767
Equity in Pooled Cash and Investments	208,821,345	22,853,506	231,674,851
Receivables, Net	8,809,694	60,669,003	69,478,697
Internal Balances	126,797,810	(126,797,810)	-
Inventories	467,780	38,045,537	38,513,317
Fuel and Purchased Gas Adjustment	-	23,819,978	23,819,978
Prepays	64,652	5,864	70,516
Other Assets and Regulatory Assets	-	14,126,384	14,126,384
Assets Held for Evidence	670,492	-	670,492
Fair Value of Hedging			
Derivative Instruments	124,194	-	124,194
Restricted Assets:			
Cash and Investments	-	255,062,028	255,062,028
Leases Receivable	3,388,082	20,180,491	23,568,573
Other Noncurrent Assets	-	296,134,720	296,134,720
Capital Assets (Net of Accumulated Depreciation):			
Utility Plant and Equipment	-	1,746,765,126	1,746,765,126
Buildings	48,377,967	33,459,034	81,837,001
Improvements Other than Buildings	18,481,998	1,946,321	20,428,319
Machinery and Equipment	14,618,698	22,520,988	37,139,686
Infrastructure	120,367,247	27,156,624	147,523,871
Leases	418,142	494,810	912,952
Capital Assets (not Depreciated):			
Land	36,753,429	8,864,610	45,618,039
Construction in Progress	17,466,149	109,723,654	127,189,803
Total Assets	610,018,738	2,586,662,137	3,196,680,875
Deferred Outflows of Resources			
Unamortized Loss on Refunding of Bonds	887,244	7,901,144	8,788,388
Accumulated Decrease in Fair Value of Hedging Derivatives	-	2,886,107	2,886,107
Deferred Amounts Related to Pensions	90,949,874	98,207,139	189,157,013
Deferred Amounts Related to OPEB	7,855,102	9,852,604	17,707,706
Total Deferred Outflows of Resources	99,692,220	118,846,994	218,539,214

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

CITY OF GAINESVILLE, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022
(Concluded)

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
Liabilities			
Accounts Payable	\$ 23,720,499	\$ 35,709,127	\$ 59,429,626
Due to Fiduciary Funds	22,152,438	-	22,152,438
Unearned Revenue	31,222,214	824,315	32,046,529
Other Liabilities and Regulatory Liabilities	-	725,838	725,838
Liabilities Payable from Restricted Assets:			
Utility Deposits	-	8,667,130	8,667,130
Accrued Interest Payable	125,686	30,810,576	30,936,262
Other Liabilities Payable from Restricted Assets	-	8,904,023	8,904,023
Long-Term Debt due Within One Year	17,758,262	36,121,936	53,880,198
Long-Term Liabilities due in More than One Year:			
Long-Term Debt due in More than One Year	304,047,244	1,805,913,797	2,109,961,041
Net Pension Liabilities	86,190,784	102,234,462	188,425,246
OPEB Liability	4,570,610	5,732,887	10,303,497
Other Noncurrent Liabilities	-	5,447,764	5,447,764
Total Liabilities	489,787,737	2,041,091,855	2,530,879,592
Deferred Inflows of Resources			
Accumulated Increase in Fair Value of			
Hedging Derivatives	124,194	56,301,376	56,425,570
Rate Stabilization	-	53,535,830	53,535,830
Business Taxes not Yet Earned	670,207	-	670,207
Deferred Amounts Related to Leases	3,321,674	21,373,099	24,694,773
Deferred Amounts Related to Pensions	3,601,665	57,239	3,658,904
Deferred Amounts Related to OPEB	6,273,228	7,868,465	14,141,693
Total Deferred Inflows of Resources	13,990,968	139,136,009	153,126,977
Net Position			
Net Investment in Capital Assets	217,138,863	191,684,185	408,823,048
Restricted for:			
Debt Service	-	31,521,000	31,521,000
Capital Projects	2,757,231	-	2,757,231
Utility Plant Improvement	-	50,057,000	50,057,000
Land Acquisition	1,350,000	-	1,350,000
Community Redevelopment	21,025,413	-	21,025,413
Recreation and Land Conservation	24,174,676	-	24,174,676
Federal and State Grants	1,442,862	-	1,442,862
Public Safety	1,337,731	-	1,337,731
Cemetery Care	1,181,049	-	1,181,049
Transportation	7,498,234	-	7,498,234
Building Code Enforcement	-	3,536,415	3,536,415
Other	-	1,070,000	1,070,000
Unrestricted	(71,973,806)	247,412,667	175,438,861
Total Net Position	\$ 205,932,253	\$ 525,281,267	\$ 731,213,520

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

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

Functions/Programs	Expenses	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities:							
General Government	\$ 34,206,797	\$ 14,245,809	\$ 1,244,131	\$ -	\$ (18,716,857)	\$ -	\$ (18,716,857)
Public Safety	78,662,604	13,160,843	1,712,239	-	(63,789,522)	-	(63,789,522)
Physical Environment	843,607	847,965	-	-	4,358	-	4,358
Transportation	23,091,415	3,885,439	1,493,885	13,105	(17,698,986)	-	(17,698,986)
Economic Environment	8,295,630	216,474	6,051,080	-	(2,028,076)	-	(2,028,076)
Human Services	1,551,740	-	-	-	(1,551,740)	-	(1,551,740)
Culture and Recreation	16,911,013	4,230,358	440,233	-	(12,240,422)	-	(12,240,422)
Interest on Long-Term Debt	8,624,818	-	-	-	(8,624,818)	-	(8,624,818)
Total Governmental Activities	172,187,624	36,586,888	10,941,568	13,105	(124,646,063)	-	(124,646,063)
Business-Type Activities:							
Electric	349,273,549	385,178,484	-	-	-	35,904,935	35,904,935
Gas	29,902,975	33,231,300	-	-	-	3,328,325	3,328,325
Water	39,594,392	40,679,628	-	3,963,542	-	5,048,778	5,048,778
Wastewater	49,842,137	54,195,335	-	5,437,803	-	9,791,001	9,791,001
GRUCom	15,402,148	11,552,842	-	-	-	(3,849,306)	(3,849,306)
Regional Transit System	35,431,614	15,084,296	13,067,426	-	-	(7,279,892)	(7,279,892)
Stormwater Management	9,192,531	10,092,549	-	829,938	-	1,729,956	1,729,956
Florida Building Code Enforcement	3,531,883	3,791,567	-	-	-	259,684	259,684
Solid Waste	8,439,044	11,948,016	-	-	-	3,508,972	3,508,972
Total Business-Type Activities	540,610,273	565,754,017	13,067,426	10,231,283	-	48,442,453	48,442,453
Total Primary Government	712,797,897	602,340,905	24,008,994	10,244,388	(124,646,063)	48,442,453	(76,203,610)
General Revenues							
Property Taxes					42,573,635	-	42,573,635
Utility Taxes					15,393,440	-	15,393,440
Communications Services Tax					3,507,631	-	3,507,631
Local Option Gas Tax					3,394,985	2,281,446	5,676,431
Half-Cent Sales Tax					9,710,300	-	9,710,300
Discretionary Sales Tax					9,858,018	-	9,858,018
State Revenue Sharing					6,939,061	-	6,939,061
Occupational Licenses					876,784	-	876,784
Gain on Sale of Capital Assets					2,419,542	-	2,419,542
Miscellaneous					4,312,432	-	4,312,432
Investment Gain (Loss)					(89,643)	7,756,214	7,666,571
Transfers					37,122,612	(37,122,612)	-
Total General Revenues and Transfers					136,018,797	(27,084,952)	108,933,845
Change in Net Position					11,372,734	21,357,501	32,730,235
Net Position - Beginning of Year					191,301,127	503,650,976	694,952,103
Prior Period Adjustment					3,258,392	272,790	3,531,182
Net Position - Beginning of Year (Restated)					194,559,519	503,923,766	698,483,285
Net Position - End of Year					\$ 205,932,253	\$ 525,281,267	\$ 731,213,520

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

CITY OF GAINESVILLE, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Cash and Cash Equivalents	\$ 3,400	\$ 3,016	\$ 6,416
Investments	-	1,174,048	1,174,048
Equity in Pooled Cash and Investments	52,904,940	124,378,793	177,283,733
Receivables	5,136,884	3,400,527	8,537,411
Lease Receivables	3,388,082	-	3,388,082
Due from Other Funds	153,339,556	2,358	153,341,914
Assets Held for Evidence	-	670,492	670,492
Inventories	74,788	-	74,788
Prepays	35,873	12	35,885
Total Assets	<u>214,883,523</u>	<u>129,629,246</u>	<u>344,512,769</u>
Liabilities			
Accounts Payable and Accrued Liabilities	9,492,844	5,053,159	14,546,003
Due to Fiduciary Funds	22,152,438	-	22,152,438
Due to Other Funds	-	3,653,603	3,653,603
Unearned Revenues	-	31,222,214	31,222,214
Total Liabilities	<u>31,645,282</u>	<u>39,928,976</u>	<u>71,574,258</u>
Deferred Inflows of Resources			
Lease Related	3,321,674	-	3,321,674
Business Taxes not Yet Earned	670,207	-	670,207
Unavailable Revenue	222,188	269,353	491,541
Total Deferred Inflows of Resources	<u>4,214,069</u>	<u>269,353</u>	<u>4,483,422</u>
Fund Balances			
Nonspendable	140,426,731	973,501	141,400,232
Restricted	1,350,000	61,561,561	62,911,561
Committed	-	11,788,474	11,788,474
Assigned	5,928,695	17,475,639	23,404,334
Unassigned	31,318,746	(2,368,258)	28,950,488
Total Fund Balances	<u>179,024,172</u>	<u>89,430,917</u>	<u>268,455,089</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 214,883,523</u>	<u>\$ 129,629,246</u>	<u>\$ 344,512,769</u>

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

CITY OF GAINESVILLE, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

Total Fund Balances: Governmental Funds Balance Sheet		\$ 268,455,089
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$480,215,207 and the accumulated depreciation is \$239,788,729. This excludes internal service fund capital assets which are included in the internal service fund adjustment below.		240,426,478
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the fund financial statements, except when resources have been accumulated in the debt service funds during the current year for payment of principal and interest due one day after the end of the fiscal year. Long-term liabilities of internal service funds are included in the internal service fund adjustment below. Other governmental long-term liabilities at year-end consist of:		
Bonds and Promissory Notes Payable	\$ (316,018,470)	
Leases	(430,413)	
Compensated Absences	(4,602,641)	
Net Pension Liability	(83,563,813)	
Net OPEB Liability	<u>(4,398,971)</u>	(409,014,308)
Deferred outflows and inflows of resources are not available in the current period and, therefore, are not reported in the governmental funds. Deferred outflows and inflows of resources at year-end consist of:		
Deferred Outflow Amount on Debt Refunding	887,244	
Deferred Outflow Amount on Pension Liabilities	88,426,387	
Deferred Inflow Amount on Pension Liabilities	(3,600,192)	
Deferred Outflow Amount on OPEB Liabilities	7,560,119	
Deferred Inflow Amount on OPEB Liabilities	<u>(6,037,648)</u>	87,235,910
Governmental funds do not report a liability for accrued interest until it is due and payable, except when resources have been accumulated in the debt service funds during the current year for payment of principal and interest due one day after the end of the fiscal year.		(125,686)
In fund financial statements, governmental fund types recognize discounts and premiums during the current period as other financing sources and uses. In the government-wide statements, discounts and premiums are applied against bonds payable.		
Premiums		(580,207)
Unavailable revenue is deferred in governmental funds but not in the government-wide financial statements.		491,541
Internal service funds are used by management to charge the costs of fleet management, general insurance, employees health insurance, and retirees health insurance. The assets and liabilities of the internal service funds, including net capital assets of \$16,057,152, compensated absences liabilities of \$173,775, deferred outflows related to pension of \$2,523,487, deferred inflows related to pensions of \$1,471, net pension liability of \$2,626,971, deferred outflows related to OPEB of \$294,985, deferred inflows related to OPEB of \$235,579, and net OPEB liability of \$171,642 are included in governmental activities in the statement of net position.		<u>19,043,436</u>
Net Position of Governmental Activities		<u><u>\$ 205,932,253</u></u>

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

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

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	\$ 63,329,254	\$ 12,275,241	\$ 75,604,495
Permits, Fees, and Special Assessments	10,172,108	-	10,172,108
Intergovernmental	18,984,735	10,212,295	29,197,030
Charges for Services	15,042,599	8,363,975	23,406,574
Fines and Forfeitures	490,646	123,616	614,262
Miscellaneous	1,860,639	2,682,707	4,543,346
Total Revenues	109,879,981	33,657,834	143,537,815
Expenditures			
Current:			
General Government	26,306,979	2,257,793	28,564,772
Public Safety	64,367,570	2,606,260	66,973,830
Physical Environment	289,650	309,301	598,951
Transportation	13,992,000	1,534,002	15,526,002
Economic Environment	558,381	7,416,504	7,974,885
Human Services	2,324	1,505,355	1,507,679
Culture and Recreation	11,441,393	2,725,490	14,166,883
Debt Service:			
Principal	85,269	13,805,600	13,890,869
Interest and Fiscal Charges	14,024	11,998,131	12,012,155
Capital Outlay	124,157	9,646,243	9,770,400
Total Expenditures	117,181,747	53,804,679	170,986,426
(Deficiency) of Revenues (Under) Expenditures	(7,301,766)	(20,146,845)	(27,448,611)
Other Financing Sources (Uses)			
Lease Proceeds	124,157	-	124,157
Sale of Capital Assets	2,086,749	221,684	2,308,433
Transfers in	40,192,899	31,650,211	71,843,110
Transfers (out)	(29,463,570)	(5,114,409)	(34,577,979)
Total Other Financing Sources (Uses)	12,940,235	26,757,486	39,697,721
Net Change in Fund Balances	5,638,469	6,610,641	12,249,110
Fund Balances - Beginning of Year	35,948,269	216,999,318	252,947,587
Prior Period Adjustment	137,437,434	(134,179,042)	3,258,392
Fund Balances - Beginning of Year (Restated)	173,385,703	82,820,276	256,205,979
Fund Balances - End of Year	\$ 179,024,172	\$ 89,430,917	\$ 268,455,089

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

**CITY OF GAINESVILLE, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Net Change in Fund Balances - Total Governmental Funds \$ 12,249,110

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

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

Capital Asset Additions	\$ 9,771,995	
Depreciation Expense	(12,491,470)	
Net Book Value of Disposals	<u>(36,435)</u>	(2,755,910)

Certain revenues reported in the statement of activities are not considered current financial resources until measurable and available, and, therefore, are reported as revenues in governmental funds in a different period. 416,344

The change in the deferred refunding loss has no effect on the current financial resources and, therefore, is not reported in the governmental funds. (246,419)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Lease Proceeds	(124,157)	
Repayment of Principal	<u>13,890,869</u>	13,766,712

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

Accrued Interest Payable	3,586,318	
Amortization of Bond Discounts and Premiums	47,364	
Change in Compensated Absences Payable	(564,153)	
Change in Pension Expense	(14,819,348)	
Change in OPEB Expense	<u>(706,854)</u>	(12,456,673)

Internal service funds are used by management to charge the costs of fleet maintenance and insurance to individual funds. A portion of the net revenue of certain activities of internal service funds is reported in governmental activities. 399,570

Change in Net Position of Governmental Activities \$ 11,372,734

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

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

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Other Enterprise Funds		Totals	Internal Service Funds
	Utility			
Assets				
Cash and Cash Equivalents	\$ 31,631,269	\$ -	\$ 31,631,269	\$ 2,091,876
Investments	-	-	-	1,118,719
Equity in Pooled Cash and Investments	-	22,853,506	22,853,506	31,537,612
Receivables, Net	48,289,509	12,379,494	60,669,003	272,283
Due from Other Funds	-	913,738	913,738	340,413
Inventories	36,198,381	1,847,156	38,045,537	392,989
Fuel and Purchased Gas Adjustment	23,819,978	-	23,819,978	-
Prepays	-	5,865	5,865	28,767
Other Assets and Regulatory Assets	14,126,384	-	14,126,384	-
Fair Value of Hedging				
Derivative Instruments	-	-	-	124,194
Restricted Assets - Cash and Investments	255,062,028	-	255,062,028	-
Total Current Assets	409,127,549	37,999,759	447,127,308	35,906,853
Other Noncurrent Assets	296,134,720	-	296,134,720	-
Leases Receivable	20,180,491	-	20,180,491	-
Capital Assets (Net of Accumulated Depreciation):				
Utility Plant and Equipment	1,747,259,936	-	1,747,259,936	-
Buildings	-	33,459,034	33,459,034	2,625,036
Improvements Other than Buildings	-	1,946,321	1,946,321	743,473
Machinery and Equipment	-	22,520,988	22,520,988	11,312,256
Infrastructure	-	27,156,624	27,156,624	744,824
Capital Assets (not Depreciated):				
Land	-	8,864,610	8,864,610	631,563
Construction in Progress	106,912,358	2,811,296	109,723,654	-
Total Capital Assets	1,854,172,294	96,758,873	1,950,931,167	16,057,152
Total Noncurrent Assets	2,170,487,505	96,758,873	2,267,246,378	16,057,152
Total Assets	2,579,615,054	134,758,632	2,714,373,686	51,964,005
Deferred Outflow of Resources				
Unamortized Loss on Refundings of Bonds	7,901,144	-	7,901,144	-
Accumulated Decrease in Fair Value of Hedging Derivatives	2,886,107	-	2,886,107	-
Deferred Amounts Related to Pensions	77,722,261	20,484,878	98,207,139	2,523,487
Deferred Amounts Related to OPEB	7,207,036	2,645,568	9,852,604	294,985
Total Deferred Outflows of Resources	95,716,548	23,130,446	118,846,994	2,818,472

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

CITY OF GAINESVILLE, FLORIDA
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2022
(Concluded)

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Utility	Other Enterprise Funds	Totals	Internal Service Funds
Liabilities				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 31,042,339	\$ 4,666,788	\$ 35,709,127	\$ 9,174,496
Due to Other Funds	7,359,758	13,233,311	20,593,069	-
Unearned Revenue	-	814,434	814,434	-
Current Portion of Long-Term Debt	35,747,487	374,449	36,121,936	-
Other Liabilities and Regulatory Liabilities	725,838	-	725,838	-
Current Liabilities Payable from Restricted Assets:				
Utility Deposits	8,667,130	-	8,667,130	-
Accrued Interest Payable	30,810,576	-	30,810,576	-
Other Liabilities Payable from Restricted Assets	8,904,023	-	8,904,023	-
Total Current Liabilities	123,257,151	19,088,982	142,346,133	9,174,496
Noncurrent Liabilities:				
Due to Other Funds	102,159,843	28,189,550	130,349,393	-
Long-Term Debt	1,802,398,480	3,168,030	1,805,566,510	173,775
Long-Term Liability - Leases	357,168	-	357,168	-
Other Noncurrent Liabilities and Regulatory Liabilities	5,447,764	-	5,447,764	-
Net OPEB Liability	4,193,523	1,539,364	5,732,887	171,642
Net Pension Liability	80,909,530	21,324,932	102,234,462	2,626,971
Total Noncurrent Liabilities	1,995,466,308	54,221,876	2,049,688,184	2,972,388
Total Liabilities	2,118,723,459	73,310,858	2,192,034,317	12,146,884
Deferred Inflows of Resources				
Accumulated Increase in Fair Value of Hedging Derivatives	56,301,376	-	56,301,376	124,194
Rate Stabilization	53,535,830	-	53,535,830	-
Deferred Amounts Related to Pensions	45,300	11,939	57,239	1,471
Deferred Amounts Related to OPEB Leases	5,755,669	2,112,796	7,868,465	235,579
	21,373,099	-	21,373,099	-
Total Deferred Inflows of Resources	137,011,274	2,124,735	139,136,009	361,244
Net Position				
Net Investment in Capital Assets	97,712,885	93,971,300	191,684,185	16,057,152
Restricted for:				
Debt Service	31,521,000	-	31,521,000	-
Utility Plant Improvement	50,057,000	-	50,057,000	-
Building Code Enforcement	-	3,536,415	3,536,415	-
Other	1,070,000	-	1,070,000	-
Unrestricted	239,235,984	(15,054,230)	224,181,754	26,217,197
Total Net Position	\$ 419,596,869	\$ 82,453,485	\$ 502,050,354	\$ 42,274,349

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

**CITY OF GAINESVILLE, FLORIDA
RECONCILIATION OF THE STATEMENT OF FUND NET POSITION OF
PROPRIETARY FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022**

Total Net Position of Enterprise Funds on the Statement of Net Position of Property Funds	\$	502,050,354
<p>Internal service funds are used by management to charge the costs of fleet management, general insurance, and employee health insurance. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.</p>		
<p>Look-back adjustment for the consolidation of internal service fund activity involving enterprise fund participants.</p>		23,230,913
Net Position of Business-Type Activities	\$	525,281,267

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

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

	Business-Type Activities - Enterprise Funds			Governmental Activities-
	Utility	Other Enterprise Funds	Totals	Internal Service Funds
Operating Revenues				
Sales and Service Charges	\$ 505,869,519	\$ 40,543,516	\$ 546,413,035	\$ 17,742,358
Employer Contributions	-	-	-	18,277,529
Employee Contributions	-	-	-	7,437,181
Other Operating Revenues	18,968,071	372,912	19,340,983	3,157,475
Total Operating Revenues	<u>524,837,590</u>	<u>40,916,428</u>	<u>565,754,018</u>	<u>46,614,543</u>
Operating Expenses				
Operations and Maintenance	278,191,870	43,388,646	321,580,516	8,559,024
Administrative and General	35,350,622	6,261,376	41,611,998	5,888,451
Depreciation and Amortization	103,685,541	7,151,755	110,837,296	3,428,282
Benefits Paid and Other Expenses	-	-	-	26,709,248
Total Operating Expenses	<u>417,228,033</u>	<u>56,801,777</u>	<u>474,029,810</u>	<u>44,585,005</u>
Operating Income (Loss)	<u>107,609,557</u>	<u>(15,885,349)</u>	<u>91,724,208</u>	<u>2,029,538</u>
Nonoperating Revenues (Expenses)				
Investment Income	7,709,066	47,148	7,756,214	(10,764)
Interest Expense	(63,510,409)	(87,684)	(63,598,093)	-
Local Option Gas Tax	-	2,281,446	2,281,446	-
Operating Grants	-	13,897,363	13,897,363	-
Gain on Disposal of Capital Assets	-	-	-	111,109
Other Income (Expense)	(4,563,257)	(6,906)	(4,570,163)	-
Total Nonoperating Revenue (Expenses)	<u>(60,364,600)</u>	<u>16,131,367</u>	<u>(44,233,233)</u>	<u>100,345</u>
Income (Loss) Before Capital Contributions and Transfers	<u>47,244,957</u>	<u>246,018</u>	<u>47,490,975</u>	<u>2,129,883</u>
Capital Contributions and Transfers				
Capital Contributions	9,401,345	-	9,401,345	-
Transfers in	-	2,431,169	2,431,169	676,997
Transfers (out)	(36,283,000)	(3,270,781)	(39,553,781)	(819,516)
Total Capital Contributions and Transfers	<u>(26,881,655)</u>	<u>(839,612)</u>	<u>(27,721,267)</u>	<u>(142,519)</u>
Change in Net Position	<u>20,363,302</u>	<u>(593,594)</u>	<u>19,769,708</u>	<u>1,987,364</u>
Net Position - Beginning of Year	398,960,777	83,047,079	482,007,856	40,286,985
Prior Period Adjustment	272,790	-	272,790	-
Net Position - Beginning of Year (Restated)	399,233,567	83,047,079	482,280,646	40,286,985
Net Position - End of Year	<u>\$ 419,596,869</u>	<u>\$ 82,453,485</u>	<u>\$ 502,050,354</u>	<u>\$ 42,274,349</u>

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

CITY OF GAINESVILLE, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND NET POSITION OF PROPRIETY FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Change in Net Position - Enterprise Funds	\$ 19,769,708
 Internal service funds are used by management to charge the costs of fleet management, general insurance, and employee health insurance. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	
 Look-back adjustment for the consolidation of internal service fund activity involving enterprise fund participants.	 <u>1,587,793</u>
Change in Net Position of Business-Type Activities	 <u><u>\$ 21,357,501</u></u>

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

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

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Utility	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 476,466,430	\$ 41,795,884	\$ 518,262,314	\$ 3,157,479
Cash Received for Interfund Services	-	-	-	43,191,199
Cash Received from Other Governments	-	22,122,499	22,122,499	-
Other Operating Cash Receipts	19,035,756	-	19,035,756	-
Cash Paid to Suppliers	(253,574,387)	(27,362,174)	(280,936,561)	(31,808,139)
Cash Paid to Employees	(69,001,670)	(18,734,956)	(87,736,626)	(2,913,800)
Cash Paid for Interfund Services	(10,945,282)	(6,261,376)	(17,206,658)	(5,888,452)
Net Cash Provided by Operating Activities	<u>161,980,847</u>	<u>11,559,877</u>	<u>173,540,724</u>	<u>5,738,287</u>
Cash Flows from Noncapital Financing Activities				
Interfund Borrowing	-	(2,623,549)	(2,623,549)	(715,388)
Transfers from Other Funds	-	2,431,169	2,431,169	676,997
Transfers to Other Funds	(36,283,000)	(3,270,781)	(39,553,781)	(819,516)
Net Cash (Used) by Noncapital Financing Activities	<u>(36,283,000)</u>	<u>(3,463,161)</u>	<u>(39,746,161)</u>	<u>(857,907)</u>
Cash Flows from Capital and Related Financing Activities				
Proceeds from Interest				
Rebate-Build America Bonds	7,555,768	-	7,555,768	-
Principal Repayments on Long-Term Debt	(66,466,667)	(539,567)	(67,006,234)	-
Interest Paid on Long-Term Debt	(71,061,082)	(87,684)	(71,148,766)	-
Acquisition and Construction of Capital Assets	(92,467,260)	(3,309,024)	(95,776,284)	(2,162,822)
Proceeds from Sale of Capital Assets	-	30,234	30,234	130,805
Proceeds from New Debt and Commercial Paper	30,027,346	-	30,027,346	-
Other Expenses	156,148	-	156,148	-
Net Cash Used by Capital and Related Financing Activities	<u>(192,255,747)</u>	<u>(3,906,041)</u>	<u>(196,161,788)</u>	<u>(2,032,017)</u>
Cash Flows from Investing Activities				
Interest Received	2,630,503	47,147	2,677,650	(10,760)
Purchase of Investments	(242,980,435)	-	(242,980,435)	(1,118,719)
Investment in The Energy Authority	(41,680,346)	-	(41,680,346)	-
Distributions from The Energy Authority	37,261,277	-	37,261,277	-
Proceeds from Investment Maturities	258,437,093	-	258,437,093	-
Net Cash Provided (Used) by Investing Activities	<u>13,668,092</u>	<u>47,147</u>	<u>13,715,239</u>	<u>(1,129,479)</u>
Net Increase (Decrease) in Cash	<u>(52,889,808)</u>	<u>4,237,822</u>	<u>(48,651,986)</u>	<u>1,718,884</u>
Cash - Beginning	<u>125,971,622</u>	<u>18,615,684</u>	<u>144,587,306</u>	<u>31,910,604</u>
Cash - Ending	<u>\$ 73,081,814</u>	<u>\$ 22,853,506</u>	<u>\$ 95,935,320</u>	<u>\$ 33,629,488</u>
Cash and Cash Equivalents Classified as:				
Cash and Cash Equivalents	\$ 31,631,269	\$ -	\$ 31,631,269	\$ 2,091,876
Equity in Pooled Cash and Investments	-	22,853,506	22,853,506	31,537,612
Restricted Assets - Cash and Investments	255,062,028	-	255,062,028	-
Less: Investments	(213,611,483)	-	(213,611,483)	-
Total	<u>\$ 73,081,814</u>	<u>\$ 22,853,506</u>	<u>\$ 95,935,320</u>	<u>\$ 33,629,488</u>

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

CITY OF GAINESVILLE, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Concluded)

	Business-Type Activities -			Governmental
	Enterprise Funds			Activities
	Utility	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	\$ 107,609,557	\$ (15,885,349)	\$ 91,724,208	\$ 2,029,538
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Intergovernmental Revenues	-	22,125,791	22,125,791	-
Depreciation and Amortization	103,685,541	7,151,755	110,837,296	3,428,282
Net Costs to be Recovered in Future Rates	(5,308,072)	-	(5,308,072)	-
(Increase)/Decrease in Receivables	(9,131,368)	876,164	(8,255,204)	(265,871)
(Increase)/Decrease in Prepaids	-	(5,683)	(5,683)	975,797
(Increase)/Decrease in Inventories	(15,047,456)	(222,500)	(15,269,956)	(37,492)
(Increase)/Decrease in Other Assets and Regulatory Assets	(8,424,636)	-	(8,424,636)	-
(Increase)/Decrease in Restricted and Internally Designated Assets	4,653,690	-	4,653,690	-
(Increase)/Decrease in Noncurrent Assets	1,184,761	-	1,184,761	-
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	11,587,615	(6,353,480)	5,234,135	(910,820)
Increase/(Decrease) in Due to Other Funds	1,314,598	-	1,314,598	-
Increase/(Decrease) in Fuel Adjustment	(11,143,886)	-	(11,143,886)	-
Increase/(Decrease) in Other Payables from Restricted Assets	2,070,472	-	2,070,472	-
(Increase)/Decrease in Rate Stabilization	(21,069,969)	-	(21,069,969)	-
Pension Expense Adjustment	-	3,639,750	3,639,750	512,036
OPEB Expense Adjustment	-	233,429	233,429	6,817
Net Cash Provided by Operating Activities	\$ 161,980,847	\$ 11,559,877	\$ 173,540,724	\$ 5,738,287
Noncash Capital, Investing and Financing Activities				
Contribution of Capital Assets	\$ 9,401,345	\$ -	\$ 9,401,345	\$ -
Net Costs Recoverable in Future Years	(5,308,072)	-	(5,308,072)	-
Change in Long-Term Lease Receivable	1,294,353	-	1,294,353	-
Change in Long-Term Lease Liability	(1,477,850)	-	(1,477,850)	-
Change in Utility Plant in Service	328,939	-	328,939	-
Change in Ineffective Portion of Hedging Derivatives	856,347	-	856,347	-
Change in Accumulated Decrease in Fair Value of Hedging Derivatives - Interest Rate Swaps	65,046,296	-	65,046,296	-
Change in Accumulated Increase in Fair Value of Hedging Derivatives - Fuel Options and Futures	56,301,376	-	56,301,376	124,194
Change in Fair Value of Investments	(18,010,224)	-	(18,010,224)	-
Change in Fair Value of Derivatives	(122,204,019)	-	(122,204,019)	-
Change in Premium/Discount	(11,632,960)	-	(11,632,960)	-
Unamortized Debt Issuance Costs	446,428	-	446,428	-
Unamortized Loss on Refunding of Bonds	1,156,930	-	1,156,930	-
Change in General Employees Pension Plan	(303,845)	-	(303,845)	-
Other Noncash Capital, Investing and Financing Activities	1,863,107	-	1,863,107	-
Net Noncash Capital, Investing and Financing Activities	\$ (22,241,849)	\$ -	\$ (22,241,849)	\$ 124,194

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

**CITY OF GAINESVILLE, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2022**

	Pension and OPEB Trust Funds
Assets	
Cash and Cash Equivalents	\$ 13,657,273
Dividends and Interest Receivable	731,475
Due From State of Florida	1,586,531
Due From City of Gainesville	22,152,438
Investments, at Fair Value:	
Equities	681,165,322
Limited Partnership Units	41,554,885
Real Estate	89,521,596
Fixed Income:	
Government Bonds	2,043,521
Corporate Bonds	2,145,177
Mortgage and Asset Backed Securities	2,427,908
Total Investments, at Fair Value	818,858,409
Total Assets	856,986,126
 Liabilities	
Accounts Payable and Accrued Liabilities	1,101,646
Total Liabilities	1,101,646
 Net Position	
Restricted for:	
Pension Benefits	798,696,268
OPEB	57,188,212
Total Net Position	\$ 855,884,480

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

CITY OF GAINESVILLE, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Pension and OPEB Trust Funds
Additions	
Contributions:	
Employer Contributions	\$ 10,529,741
Employee Contributions	10,884,847
Total Contributions	21,414,588
Investment Income:	
Net Appreciation in Fair Value of Investments	(230,746,164)
Dividends and Interest	24,501,787
Total Investment Income	(206,244,377)
(Less Investment Expense)	(4,230,222)
Net Investment Income	(210,474,599)
Total Additions	(189,060,011)
Deductions	
Benefit Payments	68,529,805
Refunds of Contributions	1,306,566
Administrative Expenses	1,165,546
Total Deductions	71,001,917
Change in Net Position	(260,061,928)
Net Position - Beginning of Year	1,115,946,408
Net Position - End of Year	\$ 855,884,480

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Note 1 - Summary of Significant Accounting Policies

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

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

A. Reporting Entity

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

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

Blended Component Units

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

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Neither Heartwood Association nor Cornerstone Association had any significant financial activity during the fiscal year ended September 30, 2022; therefore, no financial information has been presented. The associations do not issue separate financial statements.

The City is also financially accountable for the legally separate trust funds of the Employees' Pension Plan, Consolidated Police Officers' and Firefighters' Retirement Plan, and Retiree Health Insurance Program, reported as fiduciary component units. The City has a financial burden relative to the defined benefit plans as it is legally obligated or has otherwise assumed the obligation to make contributions to the plans. The Board of Directors of the Employees' Pension Plan and Retiree Health Insurance Program are appointed by the City Commission. The Consolidated Police Officers' and Firefighters' Retirement Plan is considered to be fiscally dependent on the City.

Related Organizations

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

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

Joint Ventures

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

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

Government-Wide Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes or other items not properly included among program revenues are reported as general revenues.

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

Fund Financial Statements

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

The City reports the following major governmental funds:

- The *General Fund* is the City's primary operating fund. It accounts for all resources traditionally associated with governments except those accounted for in another fund.

The City reports one major proprietary fund:

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

Additionally, the City reports the following fund types:

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

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

C. Measurement Focus and Basis of Accounting

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

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

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

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

Cash and Cash Equivalents

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

Investments

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

Inventories and Prepaid Items

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

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

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

Capital Assets

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

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

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

Depreciation of utility plant is computed using the straight-line method over estimated service lives ranging from two to 83 years. The overall depreciation rate was 3.26% for the period ending September 30, 2022.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. In accordance with GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, Gainesville Regional Utilities (GRU) stopped accruing allowance for funds used during construction in fiscal year 2022.

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

Contributions in Aid of Construction

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

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Hedging Derivative Instruments

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

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

Regulatory Assets and Liabilities

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

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

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

Long-Term Obligations

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

Compensated Absences

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

Deferred Outflows/Inflows of Resources

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

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

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

- *Rate stabilization*—the Utility designs its rates to recover costs of providing services. In order to stabilize future rate increases or decreases, GRU determines a rate stabilization amount to be charged or credited to revenues on an annual basis. These amounts are reflected as increases or decreases in deferred inflows of resources – rate stabilization in the statement of net position.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- *Business taxes not yet earned*—business taxes are due to the City on October 1 for the fiscal year beginning that day. Payments received prior to that date are recorded as a deferred inflow of resources.
- *Accumulated increase in fair value of hedging derivatives*—for effective hedging transactions, hedge accounting is applied, and fair market value changes are recorded on the statement of net position as either a deferred inflow of resources or a deferred outflow of resources until such time that the transaction ends.
- *Pension and OPEB related*—decreases in the net pension and OPEB liability resulting from changes of assumptions, differences between projected and actual earnings on plan investments, and differences between expected and actual experience with regard to economic or demographic factors in the measurement of total pension and OPEB liability are reported as deferred inflows of resources, to be recognized as a decrease in expense as disclosed in Note 10 – Retirement Plans and Note 11 – Other Postemployment Benefits (OPEB) Plan.

Net Pension and OPEB Liabilities

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

Net Position

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

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

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Fund Balance

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

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

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

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Reserve Policy

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

In order to establish a minimum cash threshold for emergencies, an emergency reserve shall be maintained at 0.015% of the taxable value of all property in the City on January 1 of that fiscal year. Additionally, for each fiscal year, the unassigned fund balance of the General Fund will be a minimum of two months, or 16.7%, and a maximum of three months, or 25%, of the following year's budgeted expenditures and transfers. This target is not inclusive of any nonspendable, restricted, committed, or assigned, reserve amounts.

The General Fund unassigned fund balance will not be used to solve recurring revenue shortfalls. Any excess General Fund undesignated, unreserved fund balance remaining after meeting the maximum financial reserves requirements must be appropriated to finance any one-time expenses, as determined by the City Commission.

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

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

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

E. Revenues and Expenditures/Expenses

Program Revenues

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Property Taxes

Ad valorem property tax revenue is recognized as revenue in the fiscal year for which taxes are levied, measurable and available. Only property taxes collected within sixty days after year-end are recognized as revenue. The total millage levy is assessed at 5.5000 mills per \$1,000.

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

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

The Alachua County Tax Collector (the Tax Collector) bills and collects ad valorem taxes for the City. Florida Statutes provide for tax discounts for installment prepayments or full payments before certain dates. Installment prepayment dates and discounts of each installment (one-fourth of estimated taxes) are: June 30 - 6%, September 30 - 4.5%, December 31 - 3% and March 31 - 0%. Full payment dates and discounts are: November 30 - 4%, December 31 - 3%, January 31 - 2%, February 28 - 1% and March 31 - 0%. The Tax Collector remits current taxes collected to the City several times a month during the first two months of the collection period. Thereafter, remittances are made to the City on a monthly basis.

Proprietary Funds Operating and Nonoperating Revenues and Expenses

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

Costs Recoverable in Future Years

The amount by which depreciation on Deerhaven Renewable Generating Station (DHR) exceeds principal repayment on the related bonds is recorded in other operating revenues in the Utility Fund as an amount to be recovered from future revenue. For the fiscal year ended September 30, 2022 that amount was \$5,308,072.

Unbilled Revenues

The Utility Fund accrues revenues for services rendered but not yet billed, which amounted to approximately \$19,772,310 for fiscal year 2022. Unbilled revenue is calculated by prorating cycle billings subsequent to September 30, 2022, according to the number of days applicable to the current fiscal year.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Fuel and Purchased Gas Adjustment

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

Interfund Activity

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

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

F. Use of Estimates

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

G. Budgetary Information

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

H. Leases

Lessee: The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines: (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The City is a lessor for several noncancellable leases. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental fund, and enterprise fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow or resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines: (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses the stated interest rate in the lease agreement if available and if not, utilizes a high-quality municipal bond rate based on the S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices nearest to the date of lease commencement.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The City monitors change in circumstances that would require a remeasurement of its leases and will remeasure the lease asset, receivable, liability and/or deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease liability.

I. Future GASB Pronouncement Implementations

The City is currently evaluating the effects that the following GASB Statement, which will be implemented in future financial statements, will have on its financial statements for subsequent fiscal years:

- *Statement No. 96, Subscription-Based Information Technology Arrangement.*
The requirements of this statement will improve financial reporting by establishing a definition for Subscription-Based Information Technology Arrangement (SBITA)s and providing uniform guidance for accounting and financial reporting for transactions that meet the definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This statement also will enhance the relevance and reliability of a government’s financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government’s SBITA activities and evaluate a government’s obligations and assets resulting from SBITAs. This statement is effective for the 2023 fiscal year and is currently under review and the City will consider the impact, if any, upon financial reporting.

Note 2 - Stewardship, Compliance and Accountability

At September 30, 2022, the following funds had deficit net position or fund balance:

Special Revenue Funds	
HOME Grant	\$ (204,911)
Police Billable Overtime	(467,180)
School Crossing Guard	(10,668)
Miscellaneous Grants	(1,502,645)
Debt Service Funds	
Capital Improvement Revenue Note 2016B	(2,527)
Special Obligation Revenue Bond 2020	(180,327)

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

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

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

The Miscellaneous Grants report deficit fund balances due to expenditures exceeding revenues in the current year, and due to timing differences in revenue recognition for certain grant revenues.

The Capital Improvement Revenue Note 2016B debt service fund has a negative balance due to an additional expenditure in a prior year.

Note 3 - Cash and Investments

Deposits and Investments

Deposits and investments as of September 30, 2022, are classified in the accompanying financial statements as follows:

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

Statement of Net Position

Cash and Cash Equivalents	\$ 33,729,561
Investments	2,292,767
Equity in Pooled Cash and Investments	231,674,851
Restricted Cash and Investments	255,062,028

Statement of Fiduciary Net Position

Cash and Cash Equivalents	13,657,273
Investments:	
Equities	681,165,322
Limited Partnerships	41,554,885
Real Estate	89,521,596
Government Bonds	2,043,521
Corporate Bonds	2,145,177
Mortgage and Asset Backed Securities	2,427,908

Total Cash and Investments	<u><u>\$ 1,355,274,889</u></u>
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Deposits and investments as of September 30, 2022, consist of the following:

Deposits with Financial Institutions	\$ 99,643,623
Investments	<u>1,255,631,266</u>
Total Cash and Investments	<u><u>\$ 1,355,274,889</u></u>

Investment Policies

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

Defined Benefit Pension Investments

These funds represent investments administered by the City's Defined Benefit Pension Fund Investment Managers. They comprise \$776,119,408 of the City's total fair value of investments.

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

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

Equity Funds (Domestic)

- Common Stocks
- Stock Index Futures
- Convertible and Preferred Stocks

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- American Depository Receipts
- Real Estate Investment Trusts (REITs)
- Limited Liability Companies (LLCs)

Equity Funds (International)

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

Fixed Income Funds (Domestic)

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

Fixed Income Funds (International)

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

Cash Equivalents

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

Real Estate and Alternative Assets

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

Pooled or Commingled Funds

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Derivatives

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

Restricted Direct Investments – Prohibited

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

Other Postemployment Benefit (OPEB) Investments

These funds represent investments administered by the City’s OPEB Fund Investment Managers. They comprise \$55,454,193 of the City’s total fair value of investments and are exclusive of the \$942,081 held in cash and cash equivalents by the Trustees. These investments are reported at fair value, which is derived through valuation efforts done by the City’s investment managers in conjunction with the plan custodian. The fair values for the vast majority of these assets are readily available. For those assets whose fair value is less verifiable, the best available information is used. The City maintains separate investment managers for its equity and fixed income portfolios. The managers of these funds are permitted to invest in the following:

Equity Funds (Domestic)

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

Equity Funds (International)

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

Fixed Income Funds (Domestic)

- Must have a rating of investment grade (BBB/Baa) or better
- United States Treasury and Agency Securities

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- Commercial Paper with either a Standard & Poor’s quality rating of A-1 or a Moody’s quality rating of P-1 and a maturity of 270 days or less
- Certificates of Deposit up to the FDIC or FSLIC insurance coverage or any amount fully collateralized by US Government Securities or issued by an institution which is a qualified public depository within the State of Florida
- Corporate Bonds, Mortgage-Backed Securities, or Asset Backed Securities
- Yankee Bonds
- Convertible Securities
- Money Market or Cash Equivalent Securities

Fixed Income Funds (International)

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

Cash Equivalents

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

Real Estate and Alternative Assets

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

Pooled or Commingled Funds

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

Derivatives

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

Restricted Direct Investments – Prohibited

- Short Sales or Margin Transactions
- Investments in Commodities or Commodity Contracts
- Direct loans or extension lines of credit to any interested party
- Letter Stock
- Unregistered securities and private placements (except those regulated by SEC Rule 144a or as specifically permitted by the Board)

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- Investments and assets for which a generally recognized market is not available or for which there is no consistent or generally accepted pricing mechanism, unless specifically permitted by the Board

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

Equity Managers

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

Fixed Income Managers

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

Other than Defined Benefit Pension and OPEB Investments

These funds comprise \$422,938,946 of the City’s total fair value of investments. This figure excludes \$99,019,165 of deposits with financial institutions.

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

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

Florida Statutes and City ordinances authorize the City (excluding Cemetery and the Utility) to invest in the following investments:

- United States Treasury Debt Obligations
- Municipal Debt Obligations with a required AA/Aa2 rating by two or more Nationally Recognized Statistical Rating Organizations (NRSRO)
- United States Agency Securities

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

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

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

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

Custodial Credit Risk

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

Credit Risk

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

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

Defined Benefit Pension Investments

Investment Type	Fair Value	Exempt from Disclosure	AAA	AA	A	BBB	BB
Short Term Investment Funds	\$ 12,715,192	\$ 12,715,192	\$ -	\$ -	\$ -	\$ -	\$ -
Equities	637,185,294	637,185,294	-	-	-	-	-
Limited Partnerships	41,554,885	41,554,885	-	-	-	-	-
Real Estate	79,978,757	79,978,757	-	-	-	-	-
U.S. Treasury/Agency Securities	1,437,126	1,437,126	-	-	-	-	-
Corporate Bonds	1,319,102	-	702,046	71,543	191,034	333,168	21,311
Mortgage/Asset Backed Securities	1,929,052	-	1,026,671	104,624	279,368	487,224	31,165
Totals	\$ 776,119,408	\$ 772,871,254	\$ 1,728,717	\$ 176,167	\$ 470,402	\$ 820,392	\$ 52,476

OPEB Investments

Investment Type	Fair Value	Exempt from Disclosure	AAA	AA	A	BBB
Equities	43,980,028	43,980,028	-	-	-	-
Real Estate	9,542,839	9,542,839	-	-	-	-
U.S. Treasury/Agency Securities	606,395	606,395	-	-	-	-
Corporate Bonds	826,075	-	31,877	32,328	472,766	289,104
Mortgage/Asset Backed Securities	498,856	-	498,856	-	-	-
Totals	\$ 55,454,193	\$ 54,129,262	\$ 530,733	\$ 32,328	\$ 472,766	\$ 289,104

Other than Defined Benefit Pension and OPEB Investments

Investment Type	Fair Value	Average Rating
Florida PRIME	\$ 91,211,571	AAAm
U.S. Treasury Securities	9,336,042	Exempt
Mutual Funds	1,174,064	Exempt
Commercial Paper	99,663,610	(1)
U.S. Agency Securities	191,743,213	(2)
Corporate Bonds	30,929,165	(3)
Totals	\$ 424,057,665	

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- (1) As of September 30, 2022, all of the Utility’s commercial paper investments were rated P-1 or NR by Moody’s Investor Service, A-1 by Standard & Poor’s, and F1, F1+, or NR by Fitch Ratings.
- (2) As of September 30, 2022, the City and Utility’s FFCB, FHLMC, and FHLB were rated Aaa, P-1, or NR by Moody’s Investor Service, AA+, A-1, or NR by Standard & Poor’s, and AAA, AA-, F1+, or NR by Fitch Ratings.
- (3) As of September 30, 2022, all of the Utility’s corporate holdings were rated A3 or better by Moody’s Investor Service, A- or better by Standard & Poor’s, and NR, or A or better by Fitch Ratings.

Concentration of Credit Risk

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

Defined Benefit Pension Investments

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

OPEB Investments

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

Other than Defined Benefit Pension and OPEB Investments

As of September 30, 2022, the City and Utility had more than 5% of the investment portfolio invested with the following issuers:

Issuer	Percent
Federal Home Loan Mortgage Corporation	5.97%
Federal Farm Credit Bank	10.92%
Federal Home Loan Bank	18.13%

Other assets held by the City at September 30, 2022, were in local government investment pools, U.S. Agencies, Mutual Funds, and T-Bills which are exempt from disclosure requirements.

Interest Rate Risk

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

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

United States Treasury Debt Obligations	15 years
Municipal Debt Obligations	7 years
United States Agency Securities	15 years
U.S. Agency Mortgage-Backed Securities	15 years

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

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

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

Defined Benefit Pension Investments

Investment Type	Fair Value	Exempt from Disclosure	< 2 Years	2-5 Years	5-10 Years	> 10 Years
Short Term Investment Funds	\$ 12,715,192	\$ 12,715,192	\$ -	\$ -	\$ -	\$ -
Equities	637,185,294	637,185,294	-	-	-	-
Limited Partnerships	41,554,885	41,554,885	-	-	-	-
Real Estate	79,978,757	79,978,757	-	-	-	-
U.S. Treasury/Agency Securities	1,437,126	-	160,239	471,234	518,084	287,569
Corporate Bonds	1,319,102	-	147,081	432,534	475,536	263,951
Mortgage/Asset Backed Securities	1,929,052	-	215,089	632,536	695,423	386,004
Totals	\$ 776,119,408	\$ 771,434,128	\$ 522,409	\$ 1,536,304	\$ 1,689,043	\$ 937,524

OPEB Investments

Investment Type	Fair Value	Exempt from Disclosure	< 2 Years	2-5 Years	5-10 Years	> 10 Years
Equities	\$ 43,980,028	\$ 43,980,028	\$ -	\$ -	\$ -	\$ -
Real Estate	9,542,839	9,542,839	-	-	-	-
U.S. Treasury/Agency Securities	606,395	-	282,251	303,856	20,288	-
Corporate Bonds	826,075	-	196,899	314,648	314,528	-
Mortgage/Asset Backed Securities	498,856	-	-	-	58,389	440,467
Totals	\$ 55,454,193	\$ 53,522,867	\$ 479,150	\$ 618,504	\$ 393,205	\$ 440,467

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Other than Defined Benefit Pension and OPEB Investments

Investment Type	Fair Value	< 1 Years	1-5 Years
Florida PRIME ⁽¹⁾	\$ 91,211,571	\$ 91,211,571	\$ -
U.S. Treasury Securities	9,336,042	-	9,336,042
Mutual Funds	1,174,064	1,174,064	-
Commercial Paper	99,663,610	99,663,610	-
U.S. Agency Securities	191,743,213	-	191,743,213
Corporate Bonds	30,929,165	-	30,929,165
Totals	\$ 424,057,665	\$ 192,049,245	\$ 232,008,420

⁽¹⁾ The dollar weighted average days to maturity (WAM) of Florida PRIME at September 30, 2022, is 21 days. The weighted average life (WAL) of Florida PRIME at September 30, 2022, is 72 days.

Note 4 - Hedging Activities

Interest Rate Hedges

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

Terms, Fair Values, and Counterparty Credit Ratings – The terms, fair values, and counterparty credit ratings of the outstanding swaps as of September 30, 2022, were as follows:

Associated Bond Issue	2005C*	2006A*	2017B*	2017B*
Notional Amounts	\$10,085,000	\$9,750,000	\$105,000,000	\$45,000,000
Effective Date	11/16/2005	7/6/2006	2/26/2020	4/22/2020
Fixed Payer Rate	3.200%	3.224%	1.760%	1.559%
Variable Receiver Rate		68.00% of		
	60.36% of	10YR LIBOR	70.00% of	70.00% of
	10YR LIBOR	Less 0.3635%	1MO LIBOR	1MO LIBOR
Fair Value	(\$133,784)	(\$143,131)	\$11,977,590	\$6,170,428
Termination Date	10/1/2026	10/1/2026	10/1/2044	10/1/2044
Counterparty Credit Rating	Aa2/A+/AA	Aa2/AA-	A1/A+/A+	Aa3/A+/A+

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Associated Bond Issue	2017C*	2014A*	2019A*
Notional Amounts	\$115,000,000	\$34,025,000	\$153,820,000
Effective Date	1/1/2020	10/1/2024	10/1/2029
Fixed Payer Rate	1.410%	1.054%	1.171%
Variable Receiver Rate	70.00% of 1MO LIBOR	70.00% of 1MO LIBOR	70.00% of 1MO LIBOR
Fair Value	\$14,833,617	\$3,560,570	\$13,402,922
Termination Date	10/1/2047	10/1/2044	10/1/2047
Counterparty Credit Rating	Aa3/A+/A+	Aa2/A+/AA-	Aa2/A+/AA-

* See "Basis Risk" section below for details.

Fair Value – All of the swap agreements, except for the 2005C and 2006A swap, had a positive fair value as of September 30, 2022. The swaps with the positive fair values have a higher variable receiver interest rate as compared to their fixed payer interest rate due to an increasing interest rate environment.

	Fair Value of Interest Rate Swaps at September 30, 2022	Changes in Fair Value	Changes in Deferred (Inflow)/ Outflow	Changes in Regulatory (Assets)/Liabilities for Ineffective Instruments
2005C	\$ (133,784)	\$ 411,029	\$ -	\$ (411,029)
2006A	(143,131)	445,752	-	(445,752)
2017B	11,977,590	17,795,752	(17,795,752)	-
2017B	6,170,428	7,347,975	(7,347,975)	-
2017C	14,833,617	20,585,654	(20,585,654)	-
2014A	3,560,570	2,352,566	(2,352,566)	-
2019A	13,402,922	6,366,951	(6,366,951)	-
	<u>\$ 49,668,212</u>	<u>\$ 55,305,679</u>	<u>\$ (54,448,898)</u>	<u>\$ (856,781)</u>

Interest Rate Swap Payments – Debt service requirements on the interest rate swaps using interest rates in effect at September 30, 2022, are as follows:

Year Ending September 30,	Debt Service
2023	\$ (1,546,291)
2024	(1,573,014)
2025	(1,990,486)
2026	(2,006,927)
2027	(2,023,645)
2028-2032	(14,651,032)
2032-2037	(17,391,833)
2038-2042	(16,528,971)
2043-2047	(11,188,789)
Total	<u>\$ (68,900,988)</u>

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Credit Risk – As of September 30, 2022, although most of the fair value of the interest rate swaps was positive, the Utility has structured its swap agreements to minimize credit risk. To mitigate the potential for credit risk, the Utility has negotiated additional termination event and collateralization requirements in the event of a ratings downgrade. Failure to deliver the Collateral Agreement to the Utility as negotiated and detailed in the Schedule to the International Swaps and Derivative Agreements (ISDA) master agreement for each counterparty would constitute an event of default with respect to that counterparty.

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

- The 2005 Series C Swap is exposed to basis risk through the potential mismatch of 60.36% of 10-year LIBOR and the variable 31-day rollover rate. As a result, savings may not be realized. As of September 30, 2022, the 10-year LIBOR rate was at 3.798%.
- The 2006 Series A Swap is exposed to basis risk through the potential mismatch of 68% of 10-year LIBOR less .36% and the variable 31-day rollover rate. As a result, savings may not be realized.
- The 2007 Series A and the 2008 Series B Swaps are exposed to the difference between SIFMA and the variable 31-day rollover rate. On April 29, 2022, the 2007 Series A swap with outstanding notional of \$132,170,000 and the 2008 Series B swaps with outstanding notional of \$90,000,000 were terminated with proceeds from the issuance of the 2022 Series B Bonds, a direct placement with Bank of America, N.A. The termination of these swaps along with their respective variable rate demand obligations (VRDO), 2007 Series A Bonds and 2008 series B Bonds generated a present value savings of \$4,088,915. Included in the transaction are the termination payments on the swaps, \$18,604,633 for the 2007 Series A Swap and \$11,626,273 for the 2008 Series B Swap. The total termination fee of \$30,230,906 is treated as a regulatory asset.
- The 2017 Series B Swap is exposed to the difference between 70% of the one-month LIBOR and 80% of the one-month LIBOR plus bank fee. As a result, savings may not be realized. As of September 30, 2022, the one-month LIBOR rate was 3.14271%.
- The 2017 Series C Swap was exposed to the difference between 70% of the one-month LIBOR and 80% of the one-month LIBOR plus bank fee. On August 16, 2022, a swap authorizing resolution, No. 2022-261, amended the terms and conditions of confirmation reference No. MS46729 dated December 18, 2019. In anticipation of the expected cessation of the LIBOR benchmark on June 30, 2023, Citibank amended the terms from LIBOR to SOFR index. The 2017 Series C Swap will be exposed to the difference between 70% of the ten-year SOFR and 80% of the one-month LIBOR plus bank fee. The new index for the 2017 Series C is 70% of the ten-year SOFR index less .355%. Cashflows using the new index will start on April 1, 2023. As of September 30, 2022, the one-month LIBOR rate was 3.14271%.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- The 2014 Series A and the 2019 Series A Swaps are forward starting swaps with effective dates of October 1, 2024, and October 1, 2029, respectively. They will be exposed to the difference between 70% of the one-month LIBOR and the variable rollover rate.

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

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

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

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

Effectiveness – Of the interest rate swap agreements, five have been deemed effective, while two have been deemed ineffective as of September 30, 2022. The ineffective portion related to interest rate swap agreements is recorded as a regulatory asset in the amount of \$276,915 as of September 30, 2022.

The unrealized gain on interest rate swap agreements was \$55,305,679 representing an increase in fair value of hedging derivatives at September 30, 2022. There were no realized gains or losses related to interest rate swaps as of September 30, 2022.

Fuel Hedges

Natural Gas

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

Realized gains related to gas hedging positions were recorded as a reduction to fuel costs of \$5,277,004 for September 30, 2022. Unrealized gains and losses related to gas hedging agreements are deferred in a regulatory account and recognized in earnings as fuel costs are incurred. The Utility incurred a net change in fair value for fuel hedges of \$3,470,143 as of September 30, 2022.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Petroleum Fuel

The City utilizes futures contracts, maintained with a Futures Commission Merchant (broker) to hedge the effects of fluctuations in the prices of gasoline and diesel fuels. The fuel hedging program is designed to minimize large budget variances resulting from the volatility of fuel prices. The maximum allowed hedge maturity is 24 months and maximum hedge ratio is 100% of forecasted consumption. The program is primarily overseen by the City's Risk Oversight Committee.

Realized gains related to these fuel hedging positions were recorded as a reduction of fuel costs of \$2,045,256 for the fiscal year ended September 30, 2022. The unrealized gain related to the fuel hedging agreement in the amount of \$124,194 is reported as a deferred inflow of resources on the statement of net position.

Note 5 - Fair Value Measurements

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

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

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

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs that reflect the City's own assumptions about factors that market participants would use in pricing the asset or liability (including assumptions about risk).

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

Real estate investments are valued by market assumptions provided by the individual managers of each fund. The managers determine the fair value of the underlying investments of the fund then allocate their fair value to the City's investments based on the percentage of ownership it has in the fund. For

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

investments in certain entities that calculate net asset value (NAV) that do not have a readily determinable fair value, the City is permitted to report fair value on the NAV per share as a practical expedient, where certain conditions are met. Such measurements are included within the disclosure, but should not be classified as Level 1, Level 2, or Level 3 within the hierarchy.

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

Defined Benefit Pension Investments

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level	Investments			
Short Term Investment Funds	\$ 12,715,192	\$ 12,715,192	\$ -	\$ -
Equities	637,185,294	637,185,294	-	-
U.S. Treasury/Agency Securities	1,437,126	1,437,126	-	-
Mortgage/Asset Backed Securities	1,929,052	-	1,929,052	-
Corporate Bonds	1,319,102	-	1,262,702	56,400
Total Investments by Fair Value Level	\$ 654,585,766	\$ 638,622,420	\$ 3,191,754	\$ 56,400
	Total	Unfunded	Redemption	Redemption
Investments Measured at NAV	Investments	Commitments	Frequency	Notice Period
Real Estate Strategies ¹	\$ 79,978,757	\$ -	Daily, Quarterly	Next Day, 1-90 Days, Subjective
Alternative Investments ²	41,554,885	-	Monthly, Quarterly, or Biannual	10-40 Days, Subjective
Total Investments Measured at NAV	121,533,642	-		
Total Investments	\$ 776,119,408			

¹ *Real Estate Strategies* – This type includes four commingled real estate funds comprised of diversified commercial and residential real estate investments. Participation in these investments is through commingled funds with ownership measured in shares of the funds. These investments typically provide daily or quarterly liquidity with redemption requests processed the following day or within 1-90 days, subject to certain restrictions and the availability of cash. On March 20, 2020, the Principal U.S. Property Account applied a redemption limitation that provides for redemptions on a pro rata basis as cash balances become available for distribution. The Defined Benefit Pension Investments had no redemptions in queue as of September 30, 2022.

² *Alternative Investments* – This type includes four funds with a variety of investments including structured credit investments, high yield credit investments, and residential bridge loans, which offer attractive risk/return profiles, and provide portfolio diversification. Participation in these funds is through a collective trust, commingled funds, and limited partnerships, with ownership measured in shares of the collective trust, commingled funds, or partners’ capital. These investments typically provide monthly, quarterly, or biannual liquidity with redemption requests required 10-40 days prior to trade settlement date, subject to certain restrictions and the availability of cash.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

OPEB Investments

	September 30, 2022	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Equities	\$ 43,980,028	\$ 43,980,028	\$ -	\$ -
U.S. Treasury/Agency Securities	606,395	606,395	-	-
Mortgage/Asset Backed Securities	498,856	-	-	498,856
Corporate Bonds	826,075	-	826,075	-
Total Investments by Fair Value Level	\$ 45,911,354	\$ 44,586,423	\$ 826,075	\$ 498,856
Investments Measured at NAV	Total Investments	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Real Estate Strategies ¹	\$ 9,542,839	\$ -	Quarterly	60 Day Written, Subjective
Total Investments Measured at NAV	9,542,839	-		
Total Investments	\$ 55,454,193			

¹ *Real Estate Strategies* – This type includes one core private real estate fund comprised of commercial and residential real estate investments as of September 30, 2022. Participation in this fund is through a limited partnership with ownership measured in shares of partners’ capital. These holdings are typically illiquid with redemption requests permitted with 60 days written notice prior to the end of the quarter, subject to certain restrictions and the availability of cash.

Other than Defined Benefit Pension and OPEB Investments

Investments by Fair Value	September 30, 2022	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
U.S. Treasury Securities	\$ 9,336,042	\$ -	\$ 9,336,042	\$ -
U.S. Agency Securities	191,743,213	-	191,743,213	-
Corporate Bonds	30,929,165	-	30,929,165	-
Mutual Funds	1,174,064	1,174,064	-	-
Effective Fuel Hedging Derivatives	3,594,337	-	3,594,337	-
Total Investments at Fair Value Level	\$ 236,776,821	\$ 1,174,064	\$ 235,602,757	\$ -
Liabilities				
Effective Interest Rate Swaps	49,945,127	-	49,945,127	-
Ineffective Interest Rate Swaps	(276,915)	-	(276,915)	-
Total Financial Instruments	\$ 49,668,212	\$ -	\$ 49,668,212	\$ -

The City’s investment in Florida PRIME is administered by the State Board of Administration (SBA) and represents an investment in a pool of investments whereby the City owns a share of the respective pool, not the underlying securities. The City’s investment in Florida PRIME qualifies under the provisions of

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

GASB Statement No. 79 to be measured at amortized cost for financial reporting purposes. As of September 30, 2022, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

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

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

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

Note 6 - Investment in The Energy Authority

The Utility has an equity investment in The Energy Authority (TEA), a power marketing corporation comprised of seven municipal utilities as of September 30, 2022: Municipal Electric Authority of Georgia, Jacksonville Electric Authority (Florida), South Carolina Public Service Authority, Nebraska Public Power District, GRU, City Utilities of Springfield (Missouri), and American Municipal Power, Inc. (Ohio). TEA provides energy products and resource management services to equity members and nonmembers and allocates transaction savings and operating expenses to equity members pursuant to Settlement Procedures under the Operating Agreement.

In the Statement of Revenues, Expenses, and Changes in Net Position, the Utility's sales to and purchases from TEA are recorded in sales and service charges and operations and maintenance expenses, respectively. Sales to TEA were \$13,886,323 and purchases from TEA were \$6,966,575 for the year ended September 30, 2022. The Utility's equity interest was 5.9% for fiscal year 2022 and accounted for using the equity method of accounting. As of September 30, 2022, the Utility's investment in TEA was \$8,502,381.

Through a combination of agreements, the Utility guaranteed credit received by TEA for \$37,900,000 as of September 30, 2022. TEA evaluates its credit needs periodically and requests equity members to adjust their guarantees accordingly. The guarantee agreements are intended to provide credit support for TEA when entering into transactions on behalf of equity members. Such guarantees are within the scope of GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, and would require the equity members to make payments to TEA's counterparties if TEA failed to deliver energy, capacity, or natural gas as required by contract, or if TEA failed to make payment for the purchases of such commodities. If guarantee payments are required, the Utility has rights with other equity members that such payments be apportioned based on certain criteria. The guarantees generally have

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

indefinite terms; however, the Utility can terminate its guarantee obligations by providing notice to counterparties and others, as required by the agreements. Such terminations would not pertain to any transactions TEA entered into prior to notice being given. As of September 30, 2022, the Utility had not recorded a liability related to these guarantees.

The table below contains unaudited condensed financial information for TEA for the nine months ended September 30, 2022:

Condensed Statement of Operations	(In Thousands)
Total Revenue	\$ 3,912,598
Total Cost of Sales and Expense	<u>(3,638,084)</u>
Operating Income	274,514
Nonoperating Income (Expense)	<u>506</u>
Change in Net Position	275,020
Net Position, Beginning of Period	123,866
Capital Contributions	85
Member Distributions	<u>(254,430)</u>
Net Position, End of Period	<u><u>\$ 144,541</u></u>
Condensed Balance Sheet	
Assets:	
Current Assets	\$ 699,272
Noncurrent Assets	<u>68,677</u>
Total Assets	<u><u>767,949</u></u>
Liabilities:	
Current Liabilities	589,538
Noncurrent Liabilities	<u>33,870</u>
Total Liabilities	<u>623,408</u>
Total Net Position	<u>144,541</u>
Total Liabilities and Net Position	<u><u>\$ 767,949</u></u>

As of September 30, 2022, the Utility's accounts receivable due from TEA totaled approximately \$2,456,684.

Note 7 - Receivables

Amounts receivable are aggregated into a single accounts receivable (net of allowance for doubtful accounts) line for certain funds and aggregated columns. Below is the detail of receivables for the governmental and business-type activities as September 30, 2022:

	Governmental Activities			
	General Fund	Nonmajor Governmental Funds	Internal Service Funds	Governmental Activities
Accounts Receivable, Gross	\$ 3,207,100	\$ 393,762	\$ 272,838	\$ 3,873,700
Allowance	<u>(1,827,911)</u>	<u>(164,972)</u>	<u>(555)</u>	<u>(1,993,438)</u>
Net Accounts Receivable	1,379,189	228,790	272,283	1,880,262
Due from Other Governments	3,757,695	3,171,737	-	6,929,432
Total Receivables	<u><u>\$ 5,136,884</u></u>	<u><u>\$ 3,400,527</u></u>	<u><u>\$ 272,283</u></u>	<u><u>\$ 8,809,694</u></u>

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

	Business-Type Activities		
	Utility	Nonmajor	Business-
	Fund	Enterprise	Type
	Funds	Activities	
Accounts Receivable, Gross	\$ 48,679,405	\$ 4,861,355	\$ 53,540,760
Allowance	(389,896)	(261,987)	(651,883)
Net Accounts Receivable	48,289,509	4,599,368	52,888,877
Due from Other Governments	-	7,780,126	7,780,126
Total Receivables	\$ 48,289,509	\$ 12,379,494	\$ 60,669,003

Note 8 - Capital Assets

Capital asset activity for the fiscal year ended September 30, 2022, was as follows:

	(Restated)	Increases	Decreases	Ending
	Beginning			
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 36,753,429	\$ -	\$ -	\$ 36,753,429
Construction in Progress	8,724,830	9,290,580	(549,261)	17,466,149
Total Capital Assets, Not Being Depreciated	45,478,259	9,290,580	(549,261)	54,219,578
Capital Assets, Being Depreciated:				
Buildings	92,120,329	-	-	92,120,329
Improvements Other than Buildings	36,126,037	645,387	-	36,771,424
Machinery and Equipment	58,285,099	2,404,256	(2,566,931)	58,122,424
Infrastructure	278,422,574	-	-	278,422,574
Leases	402,499	124,157	-	526,656
Total Capital Assets, Being Depreciated	465,356,538	3,173,800	(2,566,931)	465,963,407
Less Accumulated Depreciation:				
Buildings	(41,329,844)	(2,412,518)	-	(43,742,362)
Improvements Other than Buildings	(16,553,369)	(1,736,057)	-	(18,289,426)
Machinery and Equipment	(41,617,239)	(4,416,983)	2,530,496	(43,503,726)
Infrastructure	(150,809,647)	(7,245,680)	-	(158,055,327)
Leases	-	(108,514)	-	(108,514)
Total Accumulated Depreciation	(250,310,099)	(15,919,752)	2,530,496	(263,699,355)
Total Capital Assets Being Depreciated, Net	215,046,439	(12,745,952)	(36,435)	202,264,052
Governmental Activities Capital Assets, Net	\$ 260,524,698	\$ (3,455,372)	\$ (585,696)	\$ 256,483,630

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

	(Restated) Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 8,864,610	\$ -	\$ -	\$ 8,864,610
Construction in Progress	133,709,626	103,130,999	(127,116,971)	109,723,654
Total Capital Assets, Not Being Depreciated	142,574,236	103,130,999	(127,116,971)	118,588,264
Capital Assets, Being Depreciated:				
Utility Plant and Equipment	2,952,151,221	127,163,473	(21,086,252)	3,058,228,442
Buildings	45,699,935	-	-	45,699,935
Improvements Other than Buildings	4,509,189	-	-	4,509,189
Machinery and Equipment	65,646,974	1,641,424	(1,013,767)	66,274,631
Infrastructure	55,573,117	-	-	55,573,117
Leases	705,862	52,876	-	758,738
Total Capital Assets, Being Depreciated	3,124,286,298	128,857,773	(22,100,019)	3,231,044,052
Less Accumulated Depreciation:				
Utility Plant and Equipment	(1,221,153,540)	(103,331,890)	13,022,114	(1,311,463,316)
Buildings	(11,017,941)	(1,222,960)	-	(12,240,901)
Improvements Other than Buildings	(2,273,676)	(289,192)	-	(2,562,868)
Machinery and Equipment	(40,510,881)	(4,241,389)	998,627	(43,753,643)
Infrastructure	(27,018,279)	(1,398,214)	-	(28,416,493)
Leases	(156,263)	(107,665)	-	(263,928)
Total Accumulated Depreciation	(1,302,130,580)	(110,591,310)	14,020,741	(1,398,701,149)
Total Capital Assets Being Depreciated, Net	1,822,155,718	18,266,463	(8,079,278)	1,832,342,903
Business-Type Activities Capital Assets, Net	\$ 1,964,729,954	\$ 121,397,462	\$ (135,196,249)	\$ 1,950,931,167

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

Governmental Activities	
General Government	\$ 450,197
Public Safety	2,893,843
Transportation	7,104,129
Economic Environment	78,082
Culture and Recreation	1,965,219
Depreciation on Capital Assets Held by the City's Internal Service Funds is Charged to the Various Functions Based on Their Usage of the Assets	<u>3,428,282</u>
Total	\$ 15,919,752
Business-Type Activities	
Utility	\$ 103,439,555
Regional Transit System	5,593,487
Stormwater	1,532,137
Florida Building Code Enforcement	1,822
Solid Waste	<u>24,309</u>
Total	\$ 110,591,310

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Note 9 - Accounts Payable and Other Liabilities

Accounts payable and other liabilities as of September 30, 2022 consist of the following:

	Governmental Activities			
	General	Nonmajor	Internal	Governmental
	Fund	Governmental	Service	Governmental
		Funds	Funds	Activities
Accounts Payable	\$ 4,586,367	\$ 2,676,787	\$ 570,436	\$ 7,833,590
Fuels Payable	-	-	-	-
Retainage Payable	22,380	450,521	-	472,901
Payroll and Related Liabilities	4,496,262	881,061	123,029	5,500,352
Insurance Claims and Reserves	-	-	8,481,031	8,481,031
Due to Other Governments	11,975	6,366	-	18,341
Deposits	292,674	282,018	-	574,692
Assets Held in Evidence	83,186	670,492	-	753,678
Total Accounts Payable and Other Liabilities	\$ 9,492,844	\$ 4,967,245	\$ 9,174,496	\$ 23,634,585

	Business-Type Activities		
	Utility	Nonmajor	Business-
	Fund	Enterprise	Type
		Funds	Activities
Accounts Payable	\$ 12,930,371	\$ 3,523,717	\$ 16,454,088
Fuels Payable	18,111,968	-	18,111,968
Retainage Payable	-	58,525	58,525
Payroll and Related Liabilities	-	737,432	737,432
Insurance Claims and Reserves	-	-	-
Due to Other Governments	-	347,114	347,114
Deposits	-	-	-
Assets Held in Evidence	-	-	-
Total Accounts Payable and Other Liabilities	\$ 31,042,339	\$ 4,666,788	\$ 35,709,127

Note 10 - Retirement Plans

The City sponsors and administers two single-employer retirement plans, which are accounted for in separate Pension Trust Funds. Additionally, the City participates in the Florida Retirement System, a single retirement system which consists of two cost-sharing, multiple-employer defined benefit plans, and other non-integrated programs.

A. Employees' Pension Plan

Plan Description—The Employees' Pension Plan (Employees' Plan) is a contributory defined benefit single-employer pension plan that covers all permanent employees of the City, except certain personnel who elected to participate in the Defined Contribution Plan and who were grandfathered into that plan, and police officers and firefighters who participate in the Police Officers' and

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

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

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

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

<u>Date of Hire</u>	<u>Fixed Percent of FAE (Multiplier)</u>	<u>Final Average Earnings</u>
On or Before 10/01/2007	2.0%	Highest of 36 Consecutive Months
10/02/2007 – 10/01/2012	2.0%	Highest of 48 Consecutive Months
On or After 10/02/0012	1.8%	Highest of 60 Consecutive Months

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

Employees are eligible for normal retirement:

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

Employees are eligible for early retirement:

- If the date of hire occurred on or before 10/01/2012, after accruing 15 years of pension service credit and reaching age 55 while still employed.
- If the date of hire was on or after 10/02/2012, after accruing 20 years of pension service credit and reaching age 60 while still employed.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- Under the early retirement option, the benefit is reduced by 5/12 of one percent for each month (5% for each year) by which the retirement date is less than the date the employee would reach age 65.
- Employees receive a deferred vested benefit if they are terminated after accruing five years of pension service credit but prior to eligibility for regular retirement. Those employees will be eligible to receive a benefit starting at age 65.

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

- If the retiree had at least 20 years of credited service prior to 10/01/2012 and at least 20 years, but less than 25 years, of credited service upon retirement, COLA begins after reaching age 62.
- If the retiree had at least 20 years of credited service prior to 10/01/2012 and at least 25 years of credited service upon retirement, COLA begins after reaching age 60.
- If the retiree was hired on or before 10/01/2012 and had less than 20 years of credited service on or before 10/01/2012 and 25 years or more of credited service upon retirement, COLA begins after reaching age 65.
- If the retiree was hired after 10/01/2012 and had 30 years or more of credited service upon retirement, COLA begins after age 65.

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

Death benefits are paid as follows:

- If an active member retires after reaching normal retirement eligibility and had selected a tentative benefit option, benefit payments will be made to the beneficiary in accordance with the option selected.
- If an active member who is married dies after reaching normal retirement eligibility and did not previously select a tentative benefit option, the plan assumes the employee retired the day prior to death and elected the Joint & Survivor option naming their spouse as their beneficiary.
- If an active member who is not married dies after reaching normal retirement eligibility and did not previously select a tentative benefit option, or if an active member dies prior to reaching normal retirement eligibility, or if a nonactive member with a deferred vested benefit dies before age 65, the death benefit is a refund of the member's contributions without interest to the beneficiary on record.

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

- Continuation of retirement benefits after the death of a retiree receiving benefits is contingent on the payment option selected upon retirement. If the retiree has chosen a life annuity and dies prior to receiving benefits greater than the retiree’s contributions to the plan, a lump sum equal to the difference is paid to the beneficiary on record.

Disability benefits are paid to eligible regular employees of the City who become totally and permanently unable to perform substantial work for pay within a 50-mile radius of the home or City Hall, whichever is greater, and who is wholly and continuously unable to perform any and every essential duty of employment, with or without a reasonable accommodation, or of a position to which the employee may be assigned. The basic disability benefit is equal to the greater of the employee’s years of service credit times 2% with a minimum 42% for in line of duty disability and a minimum 25% for other than in line of duty disability, times the employee’s final average earnings as would be otherwise calculated under the plan. The benefit is reduced by any disability benefit percent up to a maximum of 50% multiplied by the monthly Social Security primary insurance amount to which the employee would be initially entitled to as a disabled worker, regardless of application status. The disability benefit is limited to the lesser of \$3,750 per month or an amount equal to the maximum benefit percent, less reductions above and the initially determined wage replacement benefit made under workers’ compensation laws.

Plan Membership—At October 1, 2021, membership consisted of:

Active Plan Members	1,676
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	1,453
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	475
Total	3,604

Contribution Requirements—The contribution requirements of plan members and the City are established and may be amended by City Ordinance approved by the City Commission. The City is required to contribute at an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City contributes the difference between the actuarially determined rate and the contribution rate of employees. Plan members are required to contribute 5% of their annual covered salary. The City’s required contribution rate for fiscal year 2022 was 5.53% of covered payroll. This rate was influenced by the issuance of the Taxable Pension Obligation Bonds, Series 2003A and the Special Obligation Revenue Bonds, Series 2020. Proceeds from these issues were utilized to retire the unfunded actuarial accrued liability at that time in the Employees’ Plan. Differences between the required contribution and actual contribution are due to actual payroll experiences varying from the estimated total payroll used in the generation of the actuarially required contribution rate. Administrative costs are financed through investment earnings.

Net Pension Liability—At September 30, 2022, the City reported a net pension liability for the Employees’ Plan of \$140,224,489. The Employees’ Plan net pension liability was measured as of September 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2021, rolled-forward to the measurement date.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Significant Actuarial Assumptions—The Employees’ Plan total pension liability was determined by an actuarial valuation performed as of October 1, 2021, using the following actuarial methods and assumptions:

Actuarial Assumptions	
Inflation	2.50%
Salary Increases	Service Based
Investment Rate of Return	7.75%
Discount Rate	7.75%

Mortality rates were based on the Pub. H-2010 Mortality Tables. All rates are projected generationally with Mortality Improvement Scale MP-2018. The assumed rates of mortality are mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the FRS. The mortality rates used are those outlined in the July 1, 2021, FRS actuarial valuation report for nonspecial risk lives. For the measurement date 9/30/2022, the investment rate of return assumption was lowered from 7.90% to 7.75%.

Long-Term Expected Rate of Return—The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. For 2022 the inflation rate assumption was 2.50%. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the Employees’ Plan target asset allocation as of September 30, 2022, are summarized in the following table:

	Target Allocation	Long-Term Expected Rate of Return
Domestic Equity	47.00%	7.50%
International Equity	28.00%	8.50%
Domestic Fixed Income	8.00%	2.50%
Real Estate	12.00%	4.50%
Alternative	5.00%	6.99%
Total	100%	

Discount Rate—The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the actuarially determined contribution rates less the member contributions. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Changes in Net Pension Liability—

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at October 1, 2021	\$ 619,495,966	\$ 694,778,852	\$ (75,282,886)
Changes for the Year:			
Service Cost	9,941,415	-	9,941,415
Interest	48,135,336	-	48,135,336
Differences Between Expected and Actual Experience	13,619,109	-	13,619,109
Changes of Assumptions	10,137,250	-	10,137,250
Benefit Payments, Including Refunds of Employee Contributions	(40,258,669)	(40,258,669)	-
Contributions - Employer	-	5,551,544	(5,551,544)
Contributions - Employee	-	5,331,766	(5,331,766)
Net Investment Income	-	(144,078,947)	144,078,947
Administrative Expense	-	(478,628)	478,628
Net Changes	41,574,441	(173,932,934)	215,507,375
Balance at September 30, 2022	<u>\$ 661,070,407</u>	<u>\$ 520,845,918</u>	<u>\$ 140,224,489</u>

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate—*The following presents the net pension liability, calculated using the discount rate of 7.75%, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.75%) or 1 percentage-point higher (8.75%) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Net Pension Liability	<u>\$ 215,356,707</u>	<u>\$ 140,224,489</u>	<u>\$ 77,181,481</u>

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

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources—*For the year ended September 30, 2022, the City recognized pension expense for the Employees' Plan of \$32,665,735. At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to the Employees' Plan from the following sources:

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 13,293,033	\$ 78,510
Changes of Assumptions	10,043,187	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	111,364,405	-
Total	\$ 134,700,625	\$ 78,510

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

Fiscal Year Ending	Pension Expense Amount
2023	\$ 36,574,172
2024	26,682,233
2025	23,640,024
2026	43,766,292
2027	3,959,394
Thereafter	-
Total	\$ 134,622,115

B. Police Officers' and Firefighters' Consolidated Retirement Plan

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

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

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

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

Police Officers are eligible for normal retirement:

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

Police Officers are eligible for early retirement:

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

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

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

For Firefighters, the FAME are the average of pensionable earnings during the 36-month period that produces the highest earnings. For Firefighters, the benefit multiplier is 2.5% for credited service before 10/01/2005, 2.625% for credited service from 10/01/2005 to 12/31/2013 and 2.5% for credited service on and after 01/01/2014. For service earned prior to 01/01/2014, the lesser

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

number of unused sick leave credits earned on or before 12/31/2013 or the unused sick leave bank credits available at the time of retirement may be credited towards the employee's years of service for that calculation. For service earned on or after 01/01/2014, no additional months of service will be credited for unused sick leave credits.

Firefighters are eligible for normal retirement:

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

Employees are eligible for early retirement:

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

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

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

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

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

Death benefits are paid as follows:

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

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

Plan Membership—At October 1, 2021, membership consisted of:

Active Plan Members	389
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	473
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	42
Total	904

Contribution Requirements—The contribution requirements of plan members and the City are established and may be amended by City Ordinance approved by the City Commission in accordance with Part VII, Chapter 112, Florida Statutes. The City is required to contribute at an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Firefighters contribute 9.0% of gross pay and Police Officers contribute 7.5% of gross pay. The City’s contribution rate for fiscal year 2022 was 8.84% of covered payroll for police personnel and 5.73% for

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

fire personnel. This rate was influenced by the issuance of the Taxable Pension Obligation Bonds, Series 2003B and the Special Obligation Revenue Bonds, Series 2020. Differences between the required contribution and actual contribution are due to actual payroll experiences varying from the estimated total payroll used in the generation of the actuarially required contribution rate. Administrative costs are financed through investment earnings.

Net Pension Liability—At September 30, 2022, the City reported a net pension liability for the Consolidated Plan of \$47,428,064. The Consolidated Plan net pension liability was measured as of September 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2021, rolled-forward to the measurement date.

Significant Actuarial Assumptions—The Consolidated Plan total pension liability was determined by an actuarial valuation performed as of October 1, 2021, using the following actuarial methods and assumptions:

<u>Actuarial Assumptions</u>	
Inflation	2.50%
Salary Increases	Service Based
Investment Rate of Return	7.75%
Discount Rate	7.75%

Mortality rates were based on the PubS. H-2010 (Below Median) Combined Fully Generational Mortality Table, set forward one year. 50% of deaths among active members are assumed to be serviced incurred, and 50% are assumed to be non-service incurred. Disabled mortality is based 80% on the PubG. H-2010 Disability Retiree Mortality Table and 20% on the PubS.H-2010 Disability Retiree Mortality Table. All rates are projected generationally with Mortality Improvement Scale MP-2018. The assumed rates of mortality are mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the FRS. The mortality rates used are those outlined in the July 1, 2021 FRS actuarial valuation report for special risk employees with appropriate adjustments made based on plan demographics.

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

Long-Term Expected Rate of Return—The long-term expected rate of return on pension plan investments can be determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. For 2022, the inflation rate assumption of the investment advisor was 2.50%. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Consolidated Plan’s target asset allocation as of September 30, 2022, are summarized in the following table:

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

	Target Allocation	Long-Term Expected Rate of Return
Large Cap Equity	35.00%	7.10%
Small Cap Equity	15.00%	7.00%
International Equity	20.00%	7.60%
Securitized Credit	5.00%	5.00%
High Yield	7.50%	5.70%
Real Estate	17.50%	6.20%
Total	100%	

Discount Rate—The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the actuarially determined contribution rates less the member and state contributions. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability/(Asset)—

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at October 1, 2021	\$ 305,888,606	\$ 348,217,374	\$ (42,328,768)
Changes for the Year:			
Service Cost	4,443,944	-	4,443,944
Interest	23,638,461	-	23,638,461
Share Plan Allocation	447,251	-	447,251
Differences Between Expected and Actual Experience	7,955,203	-	7,955,203
Changes of Assumptions	5,128,200	-	5,128,200
Contributions - Employer	-	1,869,220	(1,869,220)
Contributions - State	-	2,033,782	(2,033,782)
Contributions - Employee	-	2,332,944	(2,332,944)
Benefit Payments, Including Refunds of Employee Contributions	(22,223,037)	(22,223,037)	-
Net Investment Income	-	(54,115,730)	54,115,730
Administrative Expense	-	(589,725)	589,725
Other Adjustments	-	325,736	(325,736)
Net Changes	19,390,022	(70,366,810)	89,756,832
Balance at September 30, 2022	\$ 325,278,628	\$ 277,850,564	\$ 47,428,064

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Sensitivity of the Net Pension Liability to Changes in the Discount Rate—The following presents the net pension liability, calculated using the discount rate of 7.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.75%) or 1 percentage-point higher (8.75%) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Net Pension Liability	\$ 85,646,856	\$ 47,428,064	\$ 15,698,079

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

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources—For the year ended September 30, 2022, the City recognized pension expense for the Consolidated Plan of \$10,679,735. At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to the Consolidated Plan from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 6,721,371	\$ 348,764
Changes of Assumptions	4,949,189	3,009,544
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	42,582,151	-
Total	\$ 54,252,711	\$ 3,358,308

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

Fiscal Year Ending	Pension Expense Amount
2023	\$ 13,489,849
2024	9,827,250
2025	9,492,397
2026	18,084,907
2027	-
Thereafter	-
Total	\$ 50,894,403

C. Florida Retirement System (FRS) Retirement Benefits

Plan Description—The City’s elected officials are eligible to participate in the FRS, a single retirement system administered by the State of Florida, Department of Management Services, Division of Retirement, which consists of two cost-sharing, multiple-employer defined benefit plans and other

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

nonintegrated programs. An annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

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

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

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

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

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

Contribution Requirements—The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The employer's contribution rates for Elected Officials as of September 30, 2022, were 55.34% and 1.66% for FRS and HIS, respectively. The City's contribution for the year ended September 30, 2022, were \$80,880 to the FRS Pension Plan and \$3,858 to the HIS Program.

Pension Liabilities and Pension Expense—The City reported a liability for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2022. The City's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

	<u>FRS</u>	<u>HIS</u>
Net Pension Liability	\$ 705,981	\$ 66,712
Proportion at:		
Current Measurement Date	0.0018973885%	0.0006298578%
Prior Measurement Date	0.0024373223%	0.0007294010%
Pension Expense	\$ 41,876	\$ 1,206

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>FRS</u>		<u>HIS</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Employer Contributions After Measurement Date	\$ 18,966	\$ -	\$ 891	\$ -
Difference Between Expected and Actual Experience	33,530	-	2,025	294
Change of Assumptions	86,944	-	3,824	10,320
Changes of Proportion and Difference Between City Contributions and Proportionate Share of Contributions	6,821	198,840	3,963	12,632
Net Difference Between Projected and Actual Earnings on Pension Investments	46,616	-	97	-
Total	<u>\$ 192,877</u>	<u>\$ 198,840</u>	<u>\$ 10,800</u>	<u>\$ 23,246</u>

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer’s fiscal year-end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2023. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Fiscal Year Ending</u>	<u>FRS Amount</u>	<u>HIS Amount</u>
2023	\$ (9,490)	\$ (3,081)
2024	(30,014)	(1,336)
2025	(60,146)	(1,761)
2026	81,844	(2,577)
2027	(7,123)	(3,228)
Thereafter	-	(1,354)
Total	<u>\$ (24,929)</u>	<u>\$ (13,337)</u>

Actuarial Assumptions—The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2022. For the HIS Program, the total pension liability was determined by an actuarial valuation dated July 1, 2022.

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

	<u>FRS</u>	<u>HIS</u>
Inflation	2.40%	2.40%
Salary Increases	3.25%	3.25%
Investment Rate of Return	6.70%	N/A
Discount Rate	6.70%	3.54%

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

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

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

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	2.6%	2.6%	1.1%
Fixed Income	19.8%	4.4%	4.4%	3.2%
Global Equity	54.0%	8.8%	7.3%	17.8%
Real Estate	10.3%	7.4%	6.3%	15.7%
Private Equity	11.1%	12.0%	8.9%	2.6%
Strategic Investments	3.8%	6.2%	5.9%	7.8%
Assumed Inflation – Mean			2.4%	1.3%

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

Discount Rate—The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.70%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The discount rate used to measure the total pension liability for the HIS Pension Plan was 3.54%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate—The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

<i>FRS</i>	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
City's Proportionate Share of the Net Pension Liability	\$ 1,220,946	\$ 705,981	\$ 275,409

<i>HIS</i>	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
City's Proportionate Share of the Net Pension Liability	\$ 76,324	\$ 66,712	\$ 58,758

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

D. Summary of Defined Benefit Pension Plans

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

Pension Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Employees' Plan	\$ 140,224,489	\$ 134,700,625	\$ 78,510	\$ 32,665,735
Consolidated Plan	47,428,064	54,252,711	3,358,308	10,679,735
FRS (Proportionate Share)	705,981	192,877	198,840	41,876
HIS (Proportionate Share)	66,712	10,800	23,246	1,206
Total	\$ 188,425,246	\$ 189,157,013	\$ 3,658,904	\$ 43,388,552

E. Defined Contribution Pension Plan

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

Funding Policy—The contribution requirements of plan members and the City are established and may be amended by City Ordinance approved by the City Commission in accordance with applicable State Statute. Plan members are required to contribute 5% of their annual covered salary. The City is required to contribute 10% of covered payroll. During fiscal year 2022, plan members contributed \$186,098 and the City contributed \$373,676.

Note 11 - Other Postemployment Benefits (OPEB) Plan

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

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

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

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

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

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

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

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

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

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

Employees Covered by Benefit Terms—At October 1, 2021, the following employees were covered by the benefit terms:

Active Plan Members	2,117
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	1,678
Total	3,795

Contributions—The contribution policy of the City is established and may be amended by the City at any time. The annual contribution consists of the normal cost amount developed annually plus, given there is any unfunded actuarial accrued liability (UAAL), an amount to amortize said UAAL over 10 years from inception. For the 2022 fiscal year, the actuarially determined contribution was \$1,522,447, and the City contributed a total of \$1,522,447 in explicit premiums to the OPEB Plan. The City’s contribution rate is influenced by the issuance of \$35,210,000 Taxable OPEB bonds to retire the UAAL then existing in the Retiree Health Insurance Program Trust Fund.

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

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

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

Net OPEB Liability—At September 30, 2022, the City reported a net OPEB Liability for the Retiree Health Insurance Program of \$10,303,497. The net OPEB liability was measured as of September 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of October 1, 2021, rolled forward to the measurement date.

Significant Actuarial Assumptions—The total OPEB liability was determined by an actuarial valuation performed as of October 1, 2021, using the following actuarial methods and assumptions:

Inflation Rate	3.00%
Salary Increase	Service Based
Investment Return Rate	7.75%
Discount Rate	7.75%
Healthcare Cost Trend Rate	7.30% to 4.50%

All mortality rates were based on the Pub-2010 mortality tables. All mortality rates are those outlined in the Milliman’s July 1, 2021, FRS valuation report. All rates are using mortality improvement scale MP-2018.

Changes since the prior valuation include changes in census data, updated annual per capital claims costs based on plan experience, and updated premium rates to reflect those effective for 2022 fiscal year.

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

The following reflects the current target allocation and expected returns:

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Discount Rate—The discount rate used to measure the total OPEB liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the actuarially determined contribution rates less the member contributions. Based on those assumptions, the Retirement Health Insurance Program Trust Fund fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at October 1, 2021	\$ 65,385,327	\$ 72,950,397	\$ (7,565,070)
Changes for the Year:			
Service Cost	1,317,220	-	1,317,220
Interest	4,741,333	-	4,741,333
Differences Between Expected and Actual Experience	(4,238,579)	-	-
Changes of Assumptions	5,275,406	-	5,275,406
Contributions - Employer	-	1,522,447	(1,522,447)
Net Investment Income	-	(12,280,107)	12,280,107
Net Benefit Payments	(4,988,997)	(4,988,997)	-
Administrative Expense	-	(15,527)	15,527
Net Changes	2,106,383	(15,762,184)	17,868,567
Balance at September 30, 2022	<u>\$ 67,491,710</u>	<u>\$ 57,188,213</u>	<u>\$ 10,303,497</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate—The following presents the net OPEB liability, calculated using the discount rate of 7.75%, as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.75%) or 1 percentage-point higher (8.75%) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Net OPEB Liability	<u>\$ 16,965,112</u>	<u>\$ 10,303,497</u>	<u>\$ 4,950,541</u>

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

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

	1% Decrease	Current Trend Rate	1% Increase
Net OPEB Liability	\$ 3,871,044	\$ 10,303,497	\$ 18,830,929

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

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources—For the year ended September 30, 2022, the City recognized OPEB expense of \$2,841,892.

At 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
Difference Between Expected and Actual Experience	\$ 902,394	\$ 5,551,228
Changes of Assumptions	4,982,817	8,590,465
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	11,822,495	-
Total	\$ 17,707,706	\$ 14,141,693

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

Fiscal Year Ending	OPEB Expense Amount
2023	\$ 2,633,798
2024	1,262,690
2025	(152,510)
2026	1,627,523
2027	(1,953,607)
Thereafter	148,119
Total	\$ 3,566,013

Note 12 - Deferred Compensation Plan

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Note 13 - Long-Term Debt

Governmental Activities

- **\$15,892,220 Guaranteed Entitlement Revenue and Refunding Bonds, Series 1994** – 3.0% - 6.1%, final maturity 2024; payable solely from and secured by a lien upon and pledge of monies from the City’s Guaranteed Entitlement Funds (Intergovernmental Revenues). Current Interest Paying Bonds were paid in full August 1, 2006. For Capital Appreciation Bonds, principal is payable August 1 and February 1 beginning August 1, 2018. Interest accrues to principal and is payable upon maturity or prior redemption. Interest accreted on unmatured bonds through September 30, 2022, is \$1,637,679.
- **\$40,042,953 Taxable Pension Obligation Bonds, Series 2003A** – 1.71% - 6.19%, issued March 14, 2003, final maturity October 2032, payable solely from non-ad valorem revenues. Current Interest Serial Bonds in the amount of \$1,970,000 were paid in full October 1, 2005. For Current Interest Term Bonds in the amount of \$20,125,000, interest is payable semiannually beginning April 1, 2003 and principal is payable annually beginning October 1, 2029. For Capital Appreciation Bonds, in the amount of \$17,947,953, principal is payable annually beginning October 1, 2006. Interest accrues to principal and is payable upon maturity. Interest accreted on unmatured bonds through September 30, 2022 is \$14,867,544. The bonds are not subject to redemption prior to maturity.
- **\$49,851,806 Taxable Pension Obligation Bonds, Series 2003B** – 3.07% - 5.42%, issued March 14, 2003, final maturity October 2033, payable solely from non-ad valorem revenues. Principal payable annually beginning October 1, 2006. Interest payable semi-annually beginning October 1, 2003. The bonds are not subject to redemption prior to maturity.
- **\$14,715,000 Revenue Refunding Note Series 2014** – 2.4% fixed, issued February 14, 2014, final maturity October 1, 2025; payable solely from non-ad valorem revenues. This is a direct borrowing from TD Bank. Proceeds from the Note were used to refinance all of the Capital Improvement Revenue Bond Series 2005 Bonds along with closing costs incurred.
- **\$12,535,000 Capital Improvement Revenue Bonds, Series 2014** – 2.00% - 5.00%, issued December 17, 2014, final maturity October 2034, payable solely from non-ad valorem revenues. Principal payable annually beginning October 1, 2015. Interest payable semi-annually beginning April 1, 2015. The bonds are not subject to redemption prior to maturity. This note also funded an additional \$2,000,000 of capital improvements for which the debt and assets are reported in the Solid Waste enterprise fund.
- **\$10,426,642 Revenue Refunding Note Series 2016A** – 2.3% fixed, issued April 15, 2016, final maturity November 1, 2028; payable solely from non-ad valorem revenues. This is a direct borrowing from TD Bank. Proceeds from the Note were used to refinance all of the First Florida Governmental Financing Commission Loan, Series 2005 and the First Florida Governmental Financing Commission Loan, Series 2007 and partial refunding of the Capital Improvement Revenue Note Series 2009 along with closing costs incurred. This note also funded an additional \$1,543,358 for capital improvements in the Solid Waste and Stormwater Management enterprise funds.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- **\$6,630,000 Capital Improvement Revenue Notes, Series 2016B** – 2.4% fixed, issued April 15, 2016, final maturity October 1, 2031, payable solely from non-ad valorem revenues. Annual principal payments begin on October 1, 2017. Semi-annual interest payments begin November 1, 2016. This is a direct borrowing with TD Bank. Proceeds from the Note are to be used for partial funding of the road resurfacing and repairs and streetscapes.
- **\$8,535,000 Capital Improvement Revenue Note, Series 2019** – 1.97% fixed, issued October 11, 2019 to finance the cost of public safety equipment, vehicles, general capital improvement projects and other capital costs. Payable solely from non-ad valorem revenues with principal payments due annually, beginning October 1, 2020, with a maturity date of October 1, 2034. Interest payments on the note are due semiannually beginning April 1, 2020.
- **\$206,080,000 Taxable Special Obligation Revenue Bonds, Series 2020** – 0.541% - 3.097% issued September 11, 2020 to retire a portion of the net pension liability for the Employees’ Plan and Consolidated Plan. Payable solely from non-ad valorem revenues with principal payments due annually beginning October 1, 2021. Interest is payable semiannually beginning April 1, 2021. Certain of the bonds are subject to redemption prior to the stated dates of maturity.
- **\$11,473,000 Capital Improvement Revenue Refunding Note, Series 2021** – 1.75% fixed, issued April 9, 2021 to refund the Capital Improvement Revenue Bonds, Series 2010 and the Capital Improvement Revenue Note, Series 2017. Payable solely from non-ad valorem revenues with principal payments due annually beginning October 1, 2021, with a maturity date of October 1, 2037. Interest is payable semiannually beginning October 1, 2021. The refunding reduced the City’s total debt service payments by \$1,166,994 and resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,024,871.

Business-Type Activities – Utility Fund

- **\$55,135,000 Utilities System Revenue Bonds, 2005 Series C** – Variable interest rates based on market rates, 2.95% at September 30, 2022, dated November 16, 2005, final maturity October 1, 2026. The 2005 Series C Bonds are subject to redemption at the option of the City at a redemption price of 100% of the principal amount, plus accrued interest to the date of redemption. The 2005 Series C Bonds were issued to refund a portion of the City’s Utilities System Revenue Bonds, 1996 Series A. In August 2012, the 2012 Series B Bonds (\$100,470,000) were issued to partially refund \$17,570,000 of bonds maturing from October 1, 2013 through October 1, 2017. In April 2019, the 2019 Series C Bonds, (\$67,355,000), were issued to partially refund \$18,515,000 of bonds maturing from October 1, 2019 through October 1, 2024. The refunding was to provide near-term debt relief and stabilize cash reserves. Aggregate debt service outstanding before refunding was \$23,960,688 and after refunding was \$3,813,100, a reduction of \$20,147,588 for this series. A Standby Bond Purchase Agreement (SBPA) with Barclays Bank PLC on May 20, 2020, provided an initial fee of 0.38% but has increased to 0.54% due to a rating downgrade from AA- to A by Standard and Poor’s in May 2021. The four-year agreement with Barclay’s Bank PLC is stated to expire May 17, 2024. As of September 30, 2022, the related debt outstanding is \$3,090,000.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- **\$53,305,000 Utilities System Revenue Bonds, 2006 Series A** – Variable interest rates based on market rates, 2.75% at September 30, 2022, dated July 6, 2006, final maturity October 1, 2026. The 2006 Series A Bonds are subject to redemption at the option of the City, in whole or in part, at a redemption price equal to 100% of the principal amount plus accrued interest to the date of redemption. The 2006 Series A Bonds were issued to pay a portion of the cost of acquisition and construction of certain improvements to the City’s utilities system and to refund a portion of the City’s Utilities System Revenue Bonds, 1996 Series A. The 2006 Series A Bonds created a net present value savings of over \$6,200,000, with yearly cash savings ranging from approximately \$371,000 to over \$890,000. In August 2012, the 2012 Series B Bonds (\$100,470,000) were issued to partially refund \$25,930,000 of bonds maturing from October 1, 2013 through October 1, 2020. In April 2019, the 2019 Series C Bonds, (\$67,355,000), were issued to partially refund \$13,905,000 of bonds maturing from October 1, 2019 through October 1, 2024. The refunding was to provide near-term debt relief and stabilize reserves. Aggregate debt service outstanding before refunding was \$19,034,788 and after refunding was \$3,683,475, a reduction of \$15,351,313 for this series. An SBPA with Barclays Bank PLC on May 20, 2020, provided an initial fee of 0.38% but has increased to 0.54% due to a rating downgrade from AA- to A by Standard and Poor’s in May 2021. The four-year agreement with Barclay’s Bank PLC is stated to expire May 17, 2024. As of September 30, 2022, the related debt outstanding is \$2,985,000.

- **\$139,505,000 Utilities System Revenue Bonds, 2007 Series A** – Variable interest rates bonds, dated July 6, 2006, final maturity October 1, 2036. The 2007 Series A Bonds are subject to redemption at the option of the City, in whole or in part, at a redemption price equal to 100% of the principal amount plus accrued interest to the date of redemption. The 2007 Series A Bonds were issued to refund a portion of the City’s Utilities System Revenue Bonds, 2003 Series A and a portion of the City’s Utilities System Revenue Bonds, 2005 Series A. The 2007 Series A Bonds created a net present value savings of over \$8,500,000, with yearly cash savings ranging from \$100,000 to \$500,000. In April 2019, the 2019 Series C Bonds, (\$67,355,000), were issued to partially refund \$8,430,000 of bonds maturing from October 1, 2019, through October 1, 2024. The refunding was to provide debt service relief and increase cash reserves for the next five years. Aggregate debt service outstanding before refunding was \$195,941,100 and after refunding was \$186,562,400, a reduction of \$9,378,700 for this series. On April 29, 2022, the outstanding balance of \$127,750,000 was fully redeemed by the issuance of the 2022 Series B Bonds. The redemption of the 2007 Series A Bonds reduced the portfolio risk by reducing the variable debt allocation and increasing the fixed debt allocation. The redemption of 2007 Series A Bonds and the termination of its associated derivative instrument, 2007 Series A Swap, generated a net present value savings of \$3,032,060. An SBPA with State Street Bank and Trust dated March 1, 2007, with a fee of .69%, and an expiration date of June 30, 2025, was terminated as a result of the redemption.

- **\$90,000,000 Utilities System Revenue Bonds, 2008 Series B** – Variable interest rates bonds, dated February 13, 2008, final maturity October 1, 2038. The 2008 Series B Bonds are subject to redemption prior to maturity at the election of the City in whole or in part, at a redemption price of 100% of the principal amount plus accrued interest to the date of redemption. The 2008 Series B Bonds were issued to pay costs of acquisition and construction of the City’s utilities system. In April 2019, the 2019 Series C Bonds, (\$67,355,000), were issued to partially refund \$14,200,000 of bonds maturing from October 1, 2022 through October 1, 2024. The refunding was to provide debt service relief and

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

increase cash reserves for the next five years. Aggregate debt service outstanding before refunding was \$124,011,500 and after refunding was \$107,454,250, a reduction of \$16,557,250 for this series. On April 29, 2022, the outstanding balance of \$75,800,000 was fully redeemed by issuance of the 2022 Series B bonds. The redemption of the 2008 Series B Bonds reduced the portfolio risk by reducing the variable debt allocation and increasing the fixed debt allocation. The redemption of 2008 Series B Bonds and the termination of its associated derivative instruments, 2008 Series B Swaps, generated a net present value savings of \$1,056,855. An SBPA with Barclays Bank PLC on May 20, 2020, with a fee of .54%, and an expiration date of May 17, 2024, was also terminated as a result of the redemption. As of September 30, 2022, the related debt outstanding is \$0.

- **\$156,900,000 Utilities System Revenue Bonds, 2009 Series B – (Federally Taxable)** – Issuer Subsidy – Build America Bonds – 5.147% – 5.655%, dated September 16, 2009, with final maturity of October 1, 2039. The 2009 Series B Bonds are subject to redemption prior to maturity at the election of the City at a redemption price equal to the greater of 100% of the principal amount, plus accrued and unpaid interest to the date of redemption, or the sum of the present values of the remaining scheduled payments of principal and interest on the bonds to be redeemed discounted to the date of redemption on a semiannual basis plus 12.5 basis points. The 2009 Series B Bonds were issued to pay costs of acquisition and construction of the City’s utility system. On October 28, 2021, a portion of the October 1, 2025, maturity was economically defeased for the purpose of reducing debt service expense using available savings set aside from prior debt restructuring transactions in 2020 as well as savings from the City of Gainesville’s issuance of Pension Obligation Bonds. The cash defeasance targeted reducing spikes in debt service in certain years to a more manageable level. Cashflow savings were targeted for fiscal years 2022-2026 to provide short-term savings in debt service. \$1,130,000 was economically defeased from the October 1, 2025, maturity. The economic defeasance allowed GRU to receive the BABs subsidy and avoid the high cost of the make-whole call redemption and GRU can specifically target a single maturity. The escrow agreement was executed with U.S. Bank N.A. and the account was gross funded at closing. A verification agent was used to confirm cashflows of the defeased debt. The amount of cash deposited into the escrow account to purchase securities was \$1,336,702, which also included a cash deposit of \$28,711. The cashflow in the escrow account has scheduled payment dates from April 1, 2022, through October 1, 2025. The escrow sinking fund includes \$1,130,000 of principal and \$253,346 of defeased interest for a defeased debt service total of \$1,383,346. As of September 30, 2022, the 2009 Series B debt outstanding is \$128,540,000.
- **\$12,930,000 Utilities System Revenue Bonds, 2010 Series A (Federally Taxable)** – 5.87%, dated November 1, 2010, final maturity October 1, 2030. The 2010 Series A Bonds are subject to redemption prior to maturity at the election of the City at a redemption price equal to the greater of 100% of the principal amount, plus accrued and unpaid interest to the date of redemption; or the sum of the present values of the remaining scheduled payments of principal and interest on the bonds to be redeemed discounted to the date of redemption on a semiannual basis plus 12.5 basis points. The 2010 Series A Bonds were issued to: (a) pay costs of acquisition and construction of the City’s utilities system, (b) to provide for the payment of certain capitalized interest on the Taxable 2010 Series A Bonds, and (c) to pay the costs of issuance of the Taxable 2010 Series A Bonds. As of September 30, 2022, the related debt outstanding is \$12,930,000.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- **\$132,445,000 Utilities System Revenue Bonds, 2010 Series B – Issuer Subsidy – Build America Bonds (Federally Taxable)** – 6.02%, dated November 1, 2010, final maturity October 1, 2040. The 2010 Series B Bonds are subject to redemption prior to maturity at the election of the City at a redemption price equal to the greater of 100% of the principal amount, plus accrued and unpaid interest to the date of redemption, or the sum of the present values of the remaining scheduled payments of principal and interest on the bonds to be redeemed discounted to the date of redemption on a semiannual basis plus 12.5 basis points. The 2010 Series B Bonds were issued to: (a) pay costs of acquisition and construction of the City’s utilities system, (b) to provide for the payment of certain capitalized interest on the Taxable 2010 Series B Bonds, and (c) to pay the costs of issuance of the Taxable 2010 Series B Bonds. As of September 30, 2022, the related debt outstanding is \$132,445,000.

- **\$81,860,000 Utilities System Revenue Bonds, 2012 Series A** – 5.00%, dated August 2, 2012, final maturity October 1, 2028. The 2012 Series A Bonds were issued to: (a) provide funds to refund \$1,605,000 in aggregate principal amount of the 2003 Series A Bonds, (b) to provide funds to refund \$78,690,000 in aggregate principal amount of the 2005 Series A Bonds, and (c) to pay cost of issuance of the 2012 Series A Bonds. Those bonds maturing on and after October 1, 2023, are subject to redemption prior to maturity, at a redemption price so specified. On June 30, 2021, a forward bond purchase agreement with Bank of America for \$66,755,000 was executed to refund \$66,075,000 of the 2012 Series A Bonds, starting with maturities on October 1, 2023, through October 1, 2028. The transaction officially closed on July 14, 2022, with proceeds escrowed to the call date on October 1, 2022. The total escrow requirement consisted of \$66,075,000 of principal and \$1,283,788 of interest for a total of \$67,358,788 due on October 1, 2022. The refunding of \$66,075,000 of the 2012 Series A Bonds generated a net present value savings of \$4,891,334. As of September 30, 2022, the related debt outstanding for the 2012 Series A Bonds is \$9,275,000.

- **\$100,470,000 Utilities System Revenue Bonds, 2012 Series B** – Variable interest rates based on market rates, 2.95% at September 30, 2022, dated August 2, 2012, final maturity October 1, 2042. The 2012 Series B Bonds were issued to: (a) refund \$31,560,000 in aggregate principal amount of the 2005 Series B Bonds, (b) provide funds to refund \$17,570,000 in aggregate principal amount of the 2005 Series C Bonds, (c) provide funds to refund \$25,930,000 in aggregate principal amount of the 2006 Series A Bonds, (d) provide funds to refund \$14,405,000 in aggregate principal amount of the 2008 Series A Bonds, and (e) pay costs of issuance of the 2012 Series B Bonds. These bonds mature at various dates through October 1, 2042. The 2012 Series B Bonds are subject to redemption prior to maturity, at a redemption price so specified. In April 2019, the 2019 Series C Bonds, (\$67,355,000), were issued to partially refund \$1,860,000 of bonds maturing from October 1, 2021, through October 1, 2023. The refunding was to provide near-term debt relief and stabilize reserves. Aggregate debt service outstanding before refunding was \$147,105,250 and after refunding was \$145,097,250, a reduction of \$2,008,000 for this series. An SBPA with Barclays Bank PLC on May 20, 2020, provided an initial fee of 0.38% but increased to 0.54% due to a rating downgrade from AA- to A by Standard and Poor’s in May 2021. The four-year agreement with Barclay’s Bank PLC is stated to expire May 17, 2024. As of September 30, 2022, the related debt outstanding is \$98,610,000.

- **\$37,980,000 Utilities System Revenue Bonds, 2014 Series A** – 2.50% – 5.00%, dated December 19, 2014, with final maturity October 1, 2044. The 2014 Series A Bonds were issued to: (a) provide funds for the payment of the cost and acquisition and construction of certain improvements to the System,

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

and (b) pay costs of issuance of the 2014 Series A Bonds. These bonds mature at various dates beginning October 1, 2015, and from October 1, 2021 to October 1, 2034, October 1, 2039, and October 1, 2044. The bonds maturing prior to October 1, 2024 are not subject to redemption prior to maturity. The bonds maturing on and after October 1, 2025, are subject to redemption prior to maturity at the option of the City on and after October 1, 2024, as whole or in part at any time, at a redemption price plus interest so specified. A cancellable forward starting swap agreement with Bank of America, N.A., was entered on April 8, 2020, with cash flows effective on October 1, 2024. Details on the forward starting swap is located in Note 4. As of September 30, 2022, the related debt outstanding is \$36,940,000.

- **\$30,970,000 Utilities System Revenue Bonds, 2014 Series B** – 3.13% – 5.00%, dated December 19, 2014 with final maturity October 1, 2036. The 2014 Series B Bonds were issued to: (a) provide funds to refund \$12,725,000 in aggregate principal amount of a portion of the 2005 Series A Bonds; (b) provide funds to refund \$19,915,000 in aggregate principal amount of a portion of the 2008 Series A Bonds; and (c) pay costs of issuance of the 2014 Series B Bonds. These bonds mature at various dates beginning October 1, 2015, through October 1, 2020, from October 1, 2029, to October 1, 2030, and October 1, 2036. The bonds maturing prior to October 1, 2024, are not subject to redemption prior to maturity. The bonds maturing on and after October 1, 2025, are subject to redemption prior to maturity at the option of GRU on and after October 1, 2024, as whole or in part at any time, at a redemption price plus interest so specified. The 2014 Series B Bonds created a net present value savings of \$1,700,000, with yearly cash savings ranging from approximately \$11,000 to over \$600,000. As of September 30, 2022, the related debt outstanding is \$12,085,000.

- **\$415,920,000 Utilities System Revenue Bonds, 2017 Series A** – 4.00% – 5.00%, dated November 7, 2017, with final maturity on October 1, 2040. The 2017 Series A Bonds were issued concurrently with 2017 Series B and Series C bonds to: (a) finance a portion of the costs of acquisition of the GREC Biomass Plant, and (b) pay cost of issuance. These bonds mature at various dates beginning October 1, 2018 and ending October 1, 2040. The 2017 Series A Bonds were issued at a premium of \$73,205,458 as serial bonds with the first optional call date of October 1, 2027. These bonds are subject to redemption prior to maturity. On October 28, 2021, a portion of the October 1, 2025, and October 1, 2026, maturities were legally defeased for the purpose of reducing outstanding debt using available savings set aside from prior debt restructuring transactions in 2020 as well as savings from the City of Gainesville’s issuance of Pension Obligation Bonds. The cash defeasance targeted reducing spikes in debt service in certain years to a more manageable level. Cashflow savings were targeted for fiscal years 2022-2026 to provide short-term savings in debt service. \$4,220,000 and \$2,965,000 were legally defeased from October 1, 2025, and October 1, 2026, maturities, respectively. The escrow agreement was executed with U.S. Bank N.A. and the account was gross funded at closing. A verification agent was used to confirm cashflows of the defeased debt. The amount of cash for the escrow account to purchase securities was \$8,413,010, which also included a cash deposit of \$197,010. The cashflow in the escrow account has scheduled payment dates from April 1, 2022, through October 1, 2026. The escrow sinking fund includes \$7,185,000 of principal and \$1,585,250 of defeased interest for a defeased debt service total of \$8,770,250. As of September 30, 2022, the related debt outstanding is \$374,980,000.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- **\$45,000,000 Utilities System Revenue Bonds, 2017 Series B** – Variable interest rates based on market rates, 2.8412% at September 30, 2022, dated November 7, 2017, final maturity October 1, 2044, and issued concurrently with 2017 Series A and 2017 Series C Bonds to (a) finance a portion of the costs of acquisition of the GREC Biomass Plant and (b) pay cost of issuance. These bonds are direct placement bonds, and the sale was awarded to Wells Fargo Bank, N.A. initially and expired November 7, 2020. On October 15, 2020, an amendment in the Twenty-Eight Supplemental Resolution was approved to issue ‘Replacement Bonds’ which allows for restating and replacing the original Bond. It allowed for a ‘reduction’ of \$105,000,000 of the original outstanding notional. The new notional of 2017 Series B is \$45,000,000 and the sale was awarded to Wells Fargo Bank, N.A. TD Bank was awarded \$105,000,000 as a direct placement known as the 2020 Series B Bonds. The following are current terms of the agreement with Wells Fargo: (a) GRU pays variable rate at 80% of 1 Month LIBOR, (b) bank fee of 0.64% but has increased to 0.79% due to a rating downgrade from AA- to A by Standard and Poor’s in May 2021, calculated on the basis of 360 days, and (c) LIBOR index floor of 0.10%. The contract termination date is November 1, 2023. These bonds mature at various dates beginning October 1, 2040, with the final maturity date of October 1, 2044. As of September 30, 2022, the related debt outstanding is \$45,000,000.

- **\$115,000,000 Utilities System Revenue Bonds, 2017 Series C** – Variable interest rates based on market rates, 2.7412% at September 30, 2022, dated November 7, 2017, final maturity October 1, 2047, and issued concurrently with 2017 Series A and 2017 Series B Bonds to: (a) finance a portion of the costs of acquisition of the GREC Biomass Plan, and (b) pay cost of issuance. These bonds are direct placement bonds, and the sale was awarded to Bank of America, N.A. initially and expired November 7, 2020. On October 15, 2020, an amendment in the Twenty-Ninth Supplemental Resolution was approved to issue ‘Replacement Bonds’ which allows for restating and replacing the original Bond with the following terms: (a) GRU pays variable rate at 80% of 1 Month LIBOR, (b) bank fee of 0.59% but has increased to 0.69% due to a rating downgrade from AA- to A by Standard and Poor’s in May 2021, calculated on the basis of 360 days, and (c) LIBOR index floor of 0.20%. The contract termination date is November 1, 2023. These bonds mature at various dates beginning October 1, 2044, with the final maturity date of October 1, 2047. As of September 30, 2022, the related debt outstanding is \$115,000,000.

- **\$153,820,000 Utilities System Revenue Bonds, 2019 Series A** – 5.00%, dated April 12, 2019, with final maturity on October 1, 2047. The 2019 Series A Bonds were issued for the primary purpose of: (a) paying the costs of the acquisition, construction, and equipping of certain capital improvements to the System, (b) refunding the outstanding Utilities System Commercial Paper Notes, Series C, and (c) paying costs of issuance of the 2019 Series A Bonds. These bonds were issued at a premium and mature beginning on October 1, 2041 and ending on October 1, 2047. The 2019 Series A Bonds will be subject to redemption prior to maturity at the option of the City on and after October 1, 2029, as a whole or in part at any time, at a redemption price of 100% of the principal amount thereof, plus accrued interest. A cancellable forward starting swap agreement with Wells Fargo Bank, N.A., was entered on April 8, 2020, with cash flows effective on October 1, 2029. As of September 30, 2022, the related debt outstanding is \$153,820,000.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- **\$26,665,000 Utilities System Revenue Bonds, 2019 Series B (Federally Taxable)** – 3.875%, dated April 12, 2019 with final maturity on October 1, 2047. The 2019 Series B Bonds were issued for the primary purpose of: (a) paying the costs of the acquisition, construction, and equipping of certain capital improvements to the System, (b) refunding the outstanding Utilities System Commercial Paper Notes, Series D, (c) refunding all of the Utilities System Revenue Bonds, 2005 Series B (Federally Taxable), and (d) paying costs of issuance of the 2019 Series B Bonds. The refunding aggregate debt service presented a present value dissaving of (\$1,881,311). The 2019 Series B Bonds are term bonds and are subject to redemption through the mandatory sinking fund installments on October 1 in the years starting with 2041 at a redemption price of 100% of the principal amount thereof, plus accrued interest. As of September 30, 2022, the related debt outstanding is \$26,665,000.

- **\$67,355,000 Utilities System Revenue Bonds, 2019 Series C** – Variable interest rates based on market rates, 2.75% at September 30, 2022, dated April 26, 2019 with final maturity October 1, 2047. The 2019 Series C Bonds were issued for the primary purpose of: (a) refunding: (i) \$18,515,000 of the 2005 Series C Bonds, (ii) \$13,905,000 of the 2006 Series A Bonds, (iii) \$8,430,000 of the 2007 Series A Bonds, (iv) \$14,200,000 of the 2008 Series B Bonds, and (v) \$1,860,000 of the 2012 Series B Bonds, (b) paying the costs of the acquisition, construction, and equipping of certain capital improvements to the System, and (c) paying costs of issuance of the 2019 Series C Bonds. The present value savings generated from the partial refunding of the 2005 Series C Bonds, 2006 Series A Bonds, 2007 Series A Bonds, 2008 Series B Bonds, and 2012 Series B Bonds was \$8,118,771. Payment of the principal and interest on the 2019 Series C Bonds will be initially secured by a Letter of Credit (LOC) by Bank of America, N.A. with a fee of 0.35% but has increased to 0.40% due to a rating downgrade from AA- to A by Standard and Poor’s in May 2021. The LOC terminates on April 25, 2022. On March 25, 2022, the First Amendment to the LOC renewed the agreement for a three-year term expiring on April 25, 2025 at a fee of .34%. As of September 30, 2022, the related debt outstanding is \$67,355,000.

- **\$10,715,000 Utilities System Revenue Bonds, 2020 Series A** – 2.06% dated July 7, 2020, with a final maturity October 1, 2034. These 2020 Series A Bonds were issued to: (a) refund the 2010 Series C Bonds on July 7, 2020, and (b) pay cost of issuance. These bonds are direct placement bonds, and the sale was awarded to Bank of America, N.A. with a fixed rate of 2.06%. The 2020 Series A Bonds mature at various dates beginning October 1, 2020, and every year after with final maturity date of October 1, 2034. As of September 30, 2022, the related debt outstanding is \$10,665,000.

- **\$105,000,000 Utilities System Revenue Bonds, 2020 Series B** – Variable interest rates based on market rates, 2.6112% at September 30, 2022, dated November 2, 2020, final maturity October 1, 2044, and originally issued as 2017 Series A concurrently with 2017 Series B and 2017 Series C Bonds to: (a) finance a portion of the costs of acquisition of the GREC Biomass Plant, and (b) pay cost of issuance. These bonds are direct placement bonds, and the sale was awarded to Wells Fargo Bank N.A. initially and expired November 7, 2020. On October 15, 2020, an amendment in the Thirty-Fourth Supplemental Resolution was approved to issue ‘Replacement Bonds’ which allows for restating and replacing the original 2017 Series A with the 2020 Series B and the following terms: (a) GRU pays variable rate at 80% of 1 Month LIBOR (b) bank fee of 0.46% but has increased to 0.56% due to a rating downgrade from AA- to A by Standard and Poor’s in May 2021, calculated on the basis of 360 days, and (c) LIBOR index floor of 0.20%. The contract termination date is November 1, 2023. These bonds mature at various dates beginning October 1, 2040, with final maturity date of October 1, 2044. As of September 30, 2022, the related debt outstanding is \$105,000,000.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- **\$95,760,000 Utilities System Revenue Bonds, 2021 Series A** – 5.00%, dated August 11, 2021, with final maturity on October 1, 2051. The 2021 Series A Bonds were issued as two subseries, \$39,475,000 as subseries A-1, designated as “Green Bonds’ and \$56,285,000 as subseries A-2. The 2021 Series A Bonds were issued for the primary purpose of: (a) paying the cost of the acquisition, construction, and equipping of certain capital improvements to the system, and (b) pay cost of issuance. The “Green Bonds’ have been independently verified by Kestrel Verifiers for certain water distribution and reclamation facility improvements, wastewater collection renewal and replacement, and reclaimed water recharge projects. These bonds mature at various dates beginning October 1, 2042 and ending October 1, 2051. The 2021 Series A Bonds were issued at a premium of \$30,032,591 as term bonds with the first optional call date of October 1, 2031. These bonds are subject to redemption prior to maturity. As of September 30, 2022, the related debt outstanding is \$95,760,000.

- **\$66,755,000 Utilities System Revenue Bonds, 2022 Series A** – 1.51% dated July 14, 2022, with final maturity on October 1, 2028. The 2022 Series A Bonds were issued to (a) refund the 2012 Series A Bonds, and (b) pay cost of issuance. These bonds are tax-exempt, forward delivery direct placement bonds and the sale was awarded to Bank of America, N.A. with a fixed rate of 1.51%. The 2022 Series A Bonds mature at various dates beginning October 1, 2022, and every year after with a final maturity date of October 1, 2028. The refunding of the \$66,075,000 of the 2012 Series A Bonds generated a net present value savings of \$4,891,334. As of September 30, 2022, the related debt outstanding is \$66,755,000.

- **\$234,045,000 Utilities System Revenue Bonds, 2022 Series B** – 2.847% dated April 29, 2022, with final maturity on October 1, 2038. These 2022 Series A Bonds were issued to (a) refund the 2007 Series A Bonds and 2008 Series B Bonds, b) terminate derivative instruments associated with the 2007 Series A Bonds and 2008 Series B Bonds, and (c) pay the cost of issuance. The 2022 Series B Bonds fully redeemed \$127,750,000 of the 2007 Series A Bonds and \$75,800,000 of the 2008 Series B Bonds and terminated \$132,170,000 notional outstanding on the 2007 Series A swap and \$90,000,000 notional outstanding on the 2008 Series B swaps. The net present value savings generated with the issuance of the 2022 Series B Bonds was \$4,088,915. These bonds are direct placement bonds, and the sale was awarded to Bank of America, N.A. with a fixed rate of 2.847%. The 2022 Series B Bonds mature at various dates beginning October 1, 2022, and every year after with final maturity date of October 1, 2038. As of September 30, 2022, the related debt outstanding is \$234,045,000.

- **\$125,000,000 Utilities System Commercial Paper Notes, Series C Notes** – These tax-exempt notes were subordinated debt. On May 17, 2018, the City Commission approved the Fourth Amendment of the Second Supplemental Subordinated Utilities System Revenue Bond Resolution authorizing the issuance of additional Series C Commercial Paper. GRU issued \$40,000,000 in Series C Commercial Paper Notes on July 19, 2018. The Commercial Paper proceeds partially funded the 2018 capital improvement program for the System. On November 30, 2021, the credit agreement with Bank of America, N.A. was renewed for a three-year term at a fee of .43%, with an expiration date of November 30, 2024. The obligation of the bank may be substituted by another bank that meets certain credit standards and which is approved by the Utility and the Agent. Under terms of the agreement, the Utility may borrow up to \$125,000,000 with same day availability ending on the termination date, as defined in the agreement. On April 29, 2022, the \$125,000,000 Utilities System Commercial Paper Notes, Series C Notes, program was closed with Goldman Sachs. It was replaced

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

by the issuance of the 2022 Series A (tax-exempt) and/or B (taxable) revolving line of credit with U.S. Bank N.A. for liquidity reserves. As of September 30, 2022, there were no Series C Notes outstanding due to the closing of the program.

- **\$25,000,000 Utilities System Commercial Paper Notes, Series D Notes** – In June 2000, a Utilities System Commercial Paper Note Program, Series D (taxable) was established in a principal amount not to exceed \$25,000,000. These taxable notes were subordinated debt. On December 16, 2014, the Utility issued \$8,000,000 of Series D Notes to provide funds for the cost of acquisition and construction of certain improvements to the telecommunications system. Liquidity support for the Series D Notes was provided under a long-term credit agreement with State Street Bank and Trust Company that was set to expire on June 30, 2025, which was terminated on April 29, 2022, due to the closing of the \$25,000,000 Utilities System Commercial Paper Notes, Series D Notes program with Goldman Sachs. It was replaced by the issuance of the 2022 Series A (tax-exempt) and/or B (taxable) revolving line of credit with U.S. Bank N.A. for liquidity reserves. As of September 30, 2022, there were no Series D Notes outstanding due to the closing of the program.
- **\$25,000,000 Utilities System Variable Rate Subordinated Utilities System Revenue Bonds, 2018 Series A** – On May 17, 2018, City Commission authorized a revolving line of credit on parity with commercial paper notes to finance from time-to-time tax exempt projects for the capital improvement plan for the electric system. The award of sale of purchase of the 2018 Series A Bond went to STI Institutional & Government, Inc. (SunTrust Bank), terms set forth in the purchase contract in the principal amount not to exceed \$25,000,000. The LOC termination date was extended by an ‘Allonge’ to the Bond to November 30, 2021. The agreement was renewed for three years in the Second ‘Allonge’ and expires on November 30, 2024. The interest rate is based on the Secured Overnight Financing Rate (SOFR) index with the option to elect either daily SOFR or the 30-Day Average. The daily SOFR is adjusted on a daily basis and shall equal 79% of the sum of the index plus 1.85%; calculated on a 360-day basis. The 30-Day Average SOFR is calculated in advance and adjusted in the first day each month. The unused fee (liquidity fee) is .25%. As of September 30, 2022, there were no outstanding draws on this line of credit.
- **\$50,000,000 Utilities System Variable Rate Subordinated Revenue Bond, 2020 Series A** – On April 16, 2020, the City Commission adopted a resolution and authorized a taxable revolving line of credit of \$50,000,000 on parity with commercial paper notes to finance from time to time the taxable cost of projects for electric, water, wastewater, gas, and GRUCom systems. The award of sale of purchase of the 2020 Series A Bond went to Truist Bank, with terms set forth in the purchase contract not to exceed \$50,000,000. The contract expired on April 29, 2022, and was renewed in the Amended and Restated Subordinated Bond Resolution No. 211097, adopted by the City on April 21, 2022. The renewed contract term with Truist Bank is for two years, expiring April 29, 2024. The interest rate is 1 Month SOFR plus .62%, calculated on a 360-day basis. The unused fee (liquidity fee) is 0.30%. As of September 30, 2022, there were no outstanding draws on this line of credit.
- **\$150,000,000 Utilities System Variable Rate Subordinated Revenue Bond, 2022 Series A** – On April 21, 2022, the City Commission adopted resolution, No. 211098, and authorized a tax-exempt and/or a taxable revolving line of credit of \$150,000,000 on parity with commercial paper notes to finance from time to time the cost of projects for electric, water, wastewater, gas, and GRUCom

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

systems. The award of sale of purchase of the 2022 Series A and/or B Bonds went to U.S. Bank National Association, with terms set forth in the purchase contract not to exceed \$150,000,000. The revolving line of credit offers lower annual cost as compared to the commercial paper program and its associated remarketing and liquidity facility costs. The 2022 Series A and/or B LOC replaced the CP programs and its liquidity facilities. The three- year credit agreement is stated to expire on April 29, 2025 with the following terms: a) tax – exempt draws shall bear interest at 80% of the 1 Month Bloomberg Short Term Bank Yield (BSBY) plus .42%, and b) taxable draws shall bear interest at the 1 Month BSBY plus .52%. The unused fee (liquidity fee) is .17%, calculated on a 360-day basis. As of September 30, 2022, there were no outstanding draws on this line of credit.

To further comply with GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, the Utility states Article VIII Events of Default and Remedies of Bondholders, Section 801, in the Second Amended and Restated Utilities System Revenue Bond Resolution adopted September 21, 2017, in order to provide more information as it relates to: (1) events to default with finance-related consequences, (2) termination events, and (3) subjective acceleration clauses.

EVENTS OF DEFAULT AND REMEDIES OF BONDHOLDERS

SECTION 801.Events of Default. If one or more of the following Events of Default shall happen:

- (i) if default shall be made in: (a) the due and punctual payment of the principal or Redemption Price of any Bond (other than Parity Reimbursement Obligations) when and as the same shall become due and payable, whether at maturity or by call or proceedings for redemption, or otherwise, (b) in the due and punctual payment of any amounts due on Parity Reimbursement Obligations (after the lapse of any notice requirements or grace periods, or both, as provided by the applicable Parity Reimbursement Obligation);
- (ii) if default shall be made in the due and punctual payment of any installment of interest on any Bond or the unsatisfied balance of any Sinking Fund Installment, when and as such interest installment or Sinking Fund Installment shall become due and payable;
- (iii) the Revenues in any Fiscal Year shall be inadequate to comply with the requirements of Section 710 hereof, unless the City promptly takes remedial action to ensure compliance thereafter consistent with the determination of the Consulting Engineer rendered pursuant to paragraph 4 of Section 713 hereof;
- (iv) if default shall be made by the City in the performance or observance of any other of the covenants, agreements or conditions on its part in the Resolution or in the Bonds contained, and such default shall have continued for a period of 90 days after written notice specifying such default and requiring that it shall have been remedied and stating that such notice is a “Notice of Default” hereunder is given to the City by the Trustee or to the City and to the Trustee by the Holders of not less than 25% in principal amount of the Bonds Outstanding; provided, however, the City shall not be deemed in default hereunder if such default can be cured within a reasonable period of time and if the City in good faith institutes applicable curative action and within 90 days of such notice diligently pursues such action until the default has been corrected;

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- (v) a court having jurisdiction in the premises shall enter a decree or order providing for relief in respect of the City in an involuntary case under any applicable bankruptcy, insolvency, reorganization or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the City or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and such decree or order shall remain unstayed and in effect for a period of ninety (90) days; or

- (vi) the City shall commence a voluntary case under any applicable bankruptcy, insolvency, reorganization or other similar law now or hereafter in effect, shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the City or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due or shall take any action in furtherance of the foregoing; then, and in each and every such case, so long as such Event of Default shall not have been remedied, unless the principal of all the Bonds shall have already become due and payable, either the Trustee (by notice in writing to the City and the Co-Trustee, if any), or the Holders of not less than 25% in principal amount of the Bonds Outstanding (by notice in writing to the City, the Trustee and the Co-Trustee, if any), may declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and be immediately due and payable, anything in the Resolution or in any of the Bonds contained to the contrary notwithstanding. The right of the Trustee or of the Holders of not less than 25% in principal amount of the Bonds to make any such declaration as aforesaid, however, is subject to the condition that if, at any time after such declaration, but before the Bonds shall have matured by their terms, all overdue installments of interest on the Bonds, together with interest on such overdue installments of interest to the extent permitted by law and the reasonable and proper charges, expenses and liabilities of the Trustee and the Co-Trustee, if any, and all other sums then payable by the City under the Resolution, including, without limitation, Parity Hedging Contract Obligations then due (except the principal of, and interest accrued since the next preceding interest date on, the Bonds due and payable solely by virtue of such declaration), shall either be paid by or for the account of the City or provision satisfactory to the Trustee and the Co-Trustee, if any, shall be made for such payment, and all defaults under the Bonds or under the Resolution (other than the payment of principal and interest due and payable solely by reason of such declaration) shall be made good or be secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Holders of 25% in principal amount of the Bonds Outstanding, by written notice to the City, the Trustee and the Co-Trustee, if any, may rescind such declaration and annul such default in its entirety, or, if the Trustee shall have acted itself, and if there shall not have been theretofore delivered to the Trustee written direction to the contrary by the Holders of 25% in principal amount of the Bonds Outstanding, then any such declaration shall ipso facto be deemed to be rescinded and any such default shall ipso facto be deemed to be annulled, but no such rescission or annulment shall extend to or affect any subsequent default or impair or exhaust any right or power consequent thereon.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Business-Type Activities - Nonutility Notes

- **\$4,312,000 State Revolving Loan – Depot Park Remediation** – In an agreement dated December 9, 2004, the Florida Department of Environmental Protection issued the City a loan not to exceed \$16,360,500 (including \$360,500 of capitalized interest) for remediation of the Depot Park area for stormwater improvements. The loan was amended on September 9, 2008, to reduce the available principal from \$16,000,000 to \$4,312,000 as the Utility chose to withdraw from the program before drawing any funds. The loan is made interest-free but includes a 1.97% annual grant allocation assessment rate and a one-time 2% loan service fee. Repayment began September 2007 and will continue semiannually until the balance is repaid. Payable from non-ad valorem revenues, including stormwater fees. The principal balance outstanding at September 30, 2022, was \$703,952.
- **\$2,000,000 Capital Improvement Revenue Bonds, Series 2014** – 2.00% - 5.00%, issued December 17, 2014, final maturity October 2034, payable solely from non-ad valorem revenues. Principal payable annually on October 1, beginning 2015. Interest payable semi-annually beginning April 1, 2015. The bonds are not subject to redemption prior to maturity. This note also funded an additional \$12,535,000 of capital projects for governmental activities.
- **\$1,543,358 Revenue Refunding Note Series 2016A** – 2.3% fixed, issued April 15, 2016, final maturity November 1, 2028; payable solely from non-ad valorem revenues. This is a direct borrowing from TD Bank. Proceeds from the Note were used to refinance all of the First Florida Governmental Financing Commission Loan, Series 2005 and the First Florida Governmental Financing Commission Loan, Series 2007 and partial refunding of the Capital Improvement Revenue Note Series 2009 along with closing costs incurred. This note also funded an additional \$10,426,642 of capital projects for government activities.

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

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- be deemed in default hereunder if such default can be cured within a reasonable period of time and if the Issuer in good faith institutes appropriate curative action and diligently pursues such action until the default has been corrected.

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

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

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

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

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Debt Service Requirements for Long-Term Debt

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

Year Ending September 30,	Governmental Activities			
	Direct Borrowings and Direct Placements		Bonds	
	Principal	Interest	Principal	Interest
2023	\$ 4,313,922	\$ 690,232	\$ 9,664,485	\$ 11,207,793
2024	4,402,108	594,367	10,470,369	11,345,335
2025	4,491,902	496,727	11,155,148	10,539,550
2026	2,957,686	396,785	12,072,472	10,628,323
2027	2,666,630	338,069	13,044,739	-
2028-2032	10,730,052	915,245	92,911,018	-
2033-2037	4,302,000	198,098	66,635,641	-
2038-2042	-	-	49,695,000	-
2043-2047	-	-	-	-
Total	\$ 33,864,300	\$ 3,629,523	\$ 265,648,872	\$ 43,721,001

Year Ending September 30,	Business-Type Activities			
	Direct Borrowings and Direct Placements		Bonds	
	Principal	Interest	Principal	Interest
2023	\$ 1,710,449	\$ 16,168,919	\$ 29,215,000	\$ 52,769,522
2024	15,271,313	16,815,798	20,765,000	51,445,772
2025	13,870,627	16,552,559	21,835,000	49,947,699
2026	23,402,011	16,164,603	20,410,000	48,501,052
2027	23,642,733	15,640,568	22,255,000	47,507,608
2028-2032	103,561,084	71,153,092	172,105,000	203,818,344
2033-2037	122,899,356	54,756,979	211,255,000	148,110,203
2038-2042	75,635,000	43,850,838	299,515,000	78,833,222
2043-2047	219,180,000	21,765,433	198,075,000	33,867,239
2048-2052	47,435,000	650,603	92,695,000	7,758,329
Total	\$ 646,607,573	\$ 273,519,392	\$ 1,088,125,000	\$ 722,558,990

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

The interest rates used in this table for variable rate debt are those in effect as of September 30, 2022, as described above for each individual issue.

The Utility’s 2009 Series B and 2010 Series B Bonds receive a federal interest subsidy of 33% of the annual interest expense and are assumed to remain at said rate for the duration of the bonds. The subsidy is recorded as nonoperating revenue on the Statement of Revenues, Expenses, and Changes in Fund Net Position.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

For the Utility system VRDO, support is provided in connection with tenders for purchase with various liquidity providers pursuant to SBPAs or credit agreements relating to that series of obligations. The purchase price of the obligations tendered or deemed tendered for purchase is payable solely from the proceeds of the remarketing thereof and moneys drawn under the applicable SBPA or credit agreement. The current stated termination dates of the SBPA and credit agreements range from April 29, 2024 to April 29, 2025. Each of the SBPA and credit agreement termination dates may be extended. At September 30, 2022, there were no outstanding draws under any of the SBPAs. Available credits including interest, under each VRDO are as follows: \$3,126,573 for 2005 Series C, \$3,020,330 for 2006 Series A, \$99,777,111 for 2012 Series B, and \$68,130,044 for 2019 Series C.

The revolving credit agreements with commercial banks to provide liquidity support for its commercial paper notes were terminated on April 29, 2022, along with the programs those facilities support, such as the tax-exempt Commercial Paper Notes Series C and the taxable Commercial Paper Notes Series D.

Pledged Revenues

The 1994 Guaranteed Entitlement Revenue and Refunding Bonds were issued to refund multiple prior issues and to fund road and building construction and repair projects. The issue is secured by a lien upon and pledge of the City's Guaranteed Entitlement Funds. The remaining principal and interest payments on the bond at September 30, 2022 total \$2,190,000, payable semiannually through July 1, 2024. Pledged revenue was \$1,095,000 for fiscal year 2022, which was 100% of the annual debt requirement.

The Utility's revenues net of specified operating expenses are pledged as security of the above Utilities System Revenue Bonds and Commercial Paper Notes. For fiscal year 2022, principal and interest paid was \$107,117,764 and total pledged revenues was \$514,961,596. As of September 30, 2022, annual principal and interest payments are expected to require 18% of pledged revenues on average.

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

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2022, was as follows:

	(Restated)					
	Beginning		Additions	Reductions	Ending	Due within
	Balance				Balance	One Year
Governmental Activities						
Bonds Payable:						
Revenue Bonds and Loans	\$ 10,320,492	\$ -	\$ (1,278,567)	\$ 9,041,925	\$ 770,671	
Accreted Interest	2,355,087	176,956	(894,363)	1,637,680	906,069	
Bond Premium	627,571	-	(47,364)	580,207	-	
Pension Obligation Bonds	271,456,461	-	(14,849,514)	256,606,947	8,893,814	
Accreted Interest	17,736,529	1,456,501	(4,325,412)	14,867,618	2,571,186	
Total Bond Payable	302,496,140	1,633,457	(21,395,220)	282,734,377	13,141,740	
Revenue Note	41,495,634	-	(7,631,334)	33,864,300	4,313,922	
Lease Liability	402,499	124,157	(96,243)	430,413	100,030	
Compensated Absences	4,212,189	6,300,170	(5,735,943)	4,776,416	202,570	
Total	<u>\$ 348,606,462</u>	<u>\$ 8,057,784</u>	<u>\$ (34,858,740)</u>	<u>\$ 321,805,506</u>	<u>\$ 17,758,262</u>	

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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

	(Restated) Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Business-Type Activities					
Bonds Payable:					
Utility Revenue Bonds	\$ 1,733,640,000	\$ 300,800,000	\$ (302,495,000)	\$ 1,731,945,000	\$ 30,580,000
Add: Issuance Premiums	112,666,439	-	(11,632,959)	101,033,480	-
Total Bonds Payable	1,846,306,439	300,800,000	(314,127,959)	1,832,978,480	30,580,000
Other Notes Payable	3,211,487	-	(423,914)	2,787,573	345,449
Lease Liability	560,577	-	(57,544)	503,033	145,864
Compensated Absences	5,555,809	1,442,683	(1,231,845)	5,766,647	5,050,623
Total	<u>\$ 1,855,634,312</u>	<u>\$ 302,242,683</u>	<u>\$ (315,841,262)</u>	<u>\$ 1,842,035,733</u>	<u>\$ 36,121,936</u>

Note 14 - Conduit Debt

The City issued Continuing Care Retirement Community Revenue Refunding Notes 2017A the purpose of providing funds to refinance certain obligations of Oak Hammock at the University of Florida, Inc. (the Borrower). The note is payable solely from revenues of the Borrower. As of September 30, 2022, the aggregate principal amount remaining on the note is \$14,485,000.

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

Note 15 - Fund Balance Classification and Restricted Net Position

Fund balances for major and nonmajor governmental funds as of September 30, 2022, are classified as follows:

	General Fund	Nonmajor Governmental Funds	Totals
Nonspendable			
Inventory and Prepaids	\$ 110,661	\$ -	\$ 110,661
Long-Term Receivable	140,316,070	-	140,316,070
Cemetery Trust	-	973,501	973,501
Total Nonspendable	<u>140,426,731</u>	<u>973,501</u>	<u>141,400,232</u>
Restricted for			
Cemetery Trust	-	207,548	207,548
City Building Improvements	-	663,123	663,123
Community Redevelopment	-	21,184,222	21,184,222
Cultural Events	-	32,697	32,697
Equipment Replacements	-	2,827,000	2,827,000
Homeless Assistance	-	69,173	69,173
Housing and Community Development	-	995,265	995,265
Land Acquisitions	1,350,000	179,908	1,529,908
Police Mentoring Programs	-	177,202	177,202
Police Programs	-	802,623	802,623
Recreation Facilities	-	22,319,373	22,319,373
Recreation Programs	-	1,795,502	1,795,502
Road Improvements	-	2,809,703	2,809,703
Transportation Improvements	-	7,498,222	7,498,222
Total Restricted	<u>1,350,000</u>	<u>61,561,561</u>	<u>62,911,561</u>

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

	General Fund	Nonmajor Governmental Funds	Totals
Committed for			
Cultural Events	\$ -	\$ 333,934	\$ 333,934
Economic Development	-	170,993	170,993
Homeless Assistance	-	1,447,190	1,447,190
Housing and Community Development	-	244,266	244,266
Neighborhood Improvements	-	1,768,784	1,768,784
Tree Mitigation	-	7,823,307	7,823,307
Total Committed	-	11,788,474	11,788,474
Assigned for			
City Building Improvements	-	2,363,885	2,363,885
Debt Service Principal and Interest	-	1,109,404	1,109,404
Depot Avenue Project	-	609,022	609,022
Economic Development	-	747,405	747,405
Equipment Replacement	-	1,033,697	1,033,697
Fire Station	-	208,459	208,459
Homeless Assistance	-	1,401,043	1,401,043
Information Technologies	-	1,735,683	1,735,683
Land Acquisitions	-	150,984	150,984
Other Purposes	-	980,829	980,829
Public Safety	-	1,494,810	1,494,810
Road Improvements	-	5,510,963	5,510,963
Streetscapes	-	8,448	8,448
Subsequent Budget	5,928,695	-	5,928,695
Traffic Signals	-	121,007	121,007
Total Assigned	5,928,695	17,475,639	23,404,334
Total Unassigned	31,318,746	(2,368,258)	28,950,488
Total Fund Balances	\$ 179,024,172	\$ 89,430,917	\$ 268,455,089

Restricted Net Position

The government-wide statement of net position reports \$60,767,196 of restricted net position, of which \$41,190,482 is restricted by enabling legislation.

Note 16 - Interfund Receivables, Payables, Advances and Transfers

Due to/from Other Funds

	Due from			
	Utility	Nonmajor Governmental	Nonmajor Enterprise	Due from Other Funds
Due to				
General	\$ 108,265,450	\$ 3,653,603	\$ 41,420,503	\$ 153,339,556
Utility	-	-	-	-
Nonmajor Governmental	-	-	2,358	2,358
Internal Service	340,413	-	-	340,413
Nonmajor Enterprise	913,738	-	-	913,738
Total Due to Other Funds	\$ 109,519,601	\$ 3,653,603	\$ 41,422,861	\$ 154,596,065

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

An interfund payable in the amount of \$13,212,451 from nonmajor enterprise funds to the General Fund resulted from Regional Transit System overdrawing their share of the pooled cash account. The \$3,653,603 due to the General Fund from nonmajor governmental funds is an interfund payable resulting from certain funds overdrawing their share of the pooled cash account. Approximately \$6.7 million of this balance is not expected to be paid within one year.

The Utility Fund and nonmajor enterprise funds recorded a due to the General Fund of \$133,616,070, for their share of the pension contribution expense related to Pension Obligation Bonds, Series 2003A and Special Obligation Revenue Bond, Series 2020, with \$129,559,064 not expected to be paid within one year.

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

Interfund Transfers

	Transfers from					Total Transfers In
	General	Utility	Nonmajor Governmental	Internal Service	Nonmajor Enterprise	
Transfers to						
General	\$ -	\$ 36,283,000	\$ 3,287,027	\$ 222,873	\$ 399,999	\$ 40,192,899
Nonmajor Governmental	28,182,786	-	-	596,643	2,870,782	31,650,211
Internal Service	-	-	676,997	-	-	676,997
Nonmajor Enterprise	1,280,785	-	1,150,384	-	-	2,431,169
Total Transfers Out	<u>\$ 29,463,571</u>	<u>\$ 36,283,000</u>	<u>\$ 5,114,408</u>	<u>\$ 819,516</u>	<u>\$ 3,270,781</u>	<u>\$ 74,951,276</u>

The Utility transfer totaling \$36,283,000 to the General Fund is based on a formula adopted by the City Commission and is predominantly tied to the Utility's revenue generation. For more detail on the formula, refer to the separately issued financial statements for the Utility. The General Fund transferred \$28,182,786 to Nonmajor Governmental Funds, mainly the Debt Service Funds for scheduled debt service payments. Other interfund transfers were made in the normal course of operations and are consistent with the activities of the fund making the transfer.

Note 17 - Leases

Lessee

Governmental Activities

The city leases several buildings for the Gainesville Police Department, a lease for a temporary Fire Station, and a lease for storage space. These are all considered building rental agreements. The City also leases GPS units for the Gainesville Police Department. The City's leased assets and accumulated amortization are included in Note 8 Capital Assets under the general asset class.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Lease agreements in which the City is a lessee are summarized as follows:

Description	Lease Inception Date	End Date	Monthly Payment Amount	Interest Rate	Initial Lease Liability	Balance 9/30/2022
GPD - Special Investigations						
Building Lease	2/1/2020	4/30/2024	\$ 4,041	3.50%	\$ 119,957	\$ 74,585
Creative Warehouse - Storage	10/21/2020	10/31/2025	1,025	3.50%	46,874	35,901
Temporary Fire Station Space	10/1/2021	9/30/2028	1,312	3.50%	124,157	112,204
GPD - Internal Affairs						
Building Lease	6/1/2019	5/31/2029	2,053	3.50%	225,670	201,059
GPS Trackers for Vehicles	9/1/2021	8/31/2024	300	3.50%	9,997	6,664
Total Lease Agreements					<u>\$ 526,655</u>	<u>\$ 430,413</u>

Governmental Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	\$ 100,030	\$ 13,472	\$ 113,502
2024	85,036	10,000	95,036
2025	57,948	7,666	65,614
2026	50,908	5,734	56,642
2027	54,150	3,917	58,067
2028-2029	82,341	2,260	84,601
Total Governmental	<u>\$ 430,413</u>	<u>\$ 43,049</u>	<u>\$ 473,462</u>

Business-Type Activities

The Utility leases communication tower antenna ground space, fiber optics and equipment from third parties. Lease terms range from 1 to 6 years. Several leases have an option to extend the lease term after completion of the contracted term. The incremental borrowing rate was 3.5% as of September 30, 2022. The Utility leased assets and accumulated amortization are included in Note 8 Capital Assets under the general asset class. There were no commitments prior to the commencement of the lease contracts, and no lease impairments as of September 30, 2022.

Principal and Interest Requirements to Maturity

Business-Type Activities			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	\$ 145,864	\$ 15,272	\$ 161,136
2024	147,682	10,137	157,819
2025	69,696	6,039	75,735
2026	59,670	3,942	63,612
2027	49,075	1,930	51,005
2028	31,046	455	31,501
Total Business-Type	<u>\$ 503,033</u>	<u>\$ 37,775</u>	<u>\$ 540,808</u>

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Lessor

Governmental Activities

The City leases several City-owned buildings and properties. Lease agreements in which the City is the lessor are summarized as follows:

Description	Lease Inception Date	GASB 87 Contract End Date	Annual Payment Amount	Interest Rate	Initial Lease Receivable	Revenue Recognized 2022
Downtown Parking Garage Space	1/7/2020	12/31/2026	\$ 7,907	3.50%	\$ 37,979	\$ 7,234
Building Space - 606 SE Depot Ave	9/4/2018	9/30/2027	25,667	3.50%	1,710,547	285,091
Building Space - 185 E. University Ave	8/10/2021	7/31/2036	31,905	3.50%	450,986	30,404
Building Space - 60 SW 2nd Street	10/22/2021	8/31/2031	22,802	3.50%	341,302	28,442
Building Space - 201 Depot Avenue	6/23/2022	6/30/2037	67,500	3.50%	969,898	16,165
Building Space - NE Corner of SE 1st Ave	12/10/2021	9/30/2028	15,732	3.50%	103,612	14,802
SW Downtown Parking Garage Space	4/9/2018	12/31/2026	23,013	3.50%	110,542	21,056
Total Lessor Agreements					<u>\$ 3,724,866</u>	<u>\$ 403,194</u>

Description	Lease Inception Date	Deferred Inflow 9/30/2022	Lease Receivable Balance 9/30/2022	Additional Terms
Downtown Parking Garage Space	1/7/2020	\$ 30,745	\$ 31,181	Lessee has 2 extension options for 2 years each
Building Space - 606 SE Depot Ave	9/4/2018	1,425,458	1,453,243	Lessee has 2 extension options for 2 years each
Building Space - 185 E. University Ave	8/10/2021	420,582	433,086	Lessee has 2 extension options for 5 years each
Building Space - 60 SW 2nd Street	10/22/2021	312,860	330,179	Lessee has 1 extension option for 4 years
Building Space - 201 Depot Avenue	6/23/2022	953,733	958,640	Lessee has 2 extension options for 5 years each
Building Space - NE Corner of SE 1st Ave	12/10/2021	88,810	90,998	Lessee has 1 extension option for 5 years
SW Downtown Parking Garage Space	4/9/2018	89,486	90,755	Lessee has 2 extension options for 2 years each
Total Lessor Agreements		<u>\$ 3,321,674</u>	<u>\$ 3,388,082</u>	

Utility Fund

GRU leases communication tower antenna space to various third-party wireless communications service providers on eleven communication towers and two water towers throughout our service territory. Two of the five transmitter sites for the countywide public safety radio system are also located on these communication towers.

GRU lease contract terms vary from 1 to 31 years, which includes options to extend. There was no receipt of variable or other lease payment prior to the commencement of the contracts. The incremental borrowing rate was 3.5% as of September 30, 2022. The total lease interest was \$760,391 for September 30, 2022, and the lease revenue was \$1,440,977 for September 30, 2022. Recognition of deferred inflows of resources related to future lease revenues for tower leasing was \$21,373,099 for September 30, 2022.

Note 18 - Commitments and Contingencies

Legal Matters—Legal cases arise in the normal course of operations. Management considered the following matter to be significant for individual disclosure:

On October 7, 2015, a City-owned vehicle driven by a City employee collided with a vehicle. In February 2016, the plaintiff filed suit against the City employee, personally, and added the City as a defendant in June 2017. The trial was conducted in early May 2021. The jury reached a verdict of \$120,000,000 against

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

the City. The trial court denied the City's motion for a new trial, but granted a remittitur, reducing the overall award to \$18,319,181. The plaintiff rejected the remittitur and filed a notice of appeal. Briefs have been filed with Florida's 1st District Court of Appeal, and oral argument was scheduled for Wednesday, January 25, 2023. On January 18, 2023, however, the First DCA issued an order cancelling the oral argument and relinquishing jurisdiction to the trial court to enter a Final Judgment. On January 30, 2023, the trial court entered the judgment, so that the appellate proceedings may go forward with a new date for oral argument. The new judgment prepared by the plaintiff prompted a City's motion to dismiss plaintiff's appeal. The City's appeal persists. Once judgment is entered, regardless of the amount, execution will lie only in the amount of the \$200,000 sovereign immunity cap.

To the extent any potential judgment above \$200,000 exists after all appeals are exhausted, the plaintiff may file a claims bill to collect the excess from the City. Any claims bill must be heard and approved by both houses of the Florida Legislature and signed by the Governor. In the event a claims bill is approved directing the City to appropriate and pay plaintiff a sum in excess of \$200,000, the City plans to cover such liability with currently available utility system operating funds or through a borrowing. In the event a claims bill is approved directing the City to appropriate and pay plaintiff a sum in excess of \$200,000, the City plans to request the Legislature structure such payment over a term of years that would allow the City to cover such liability with currently available operating funds or through a borrowing.

Utility Industry

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

The role of municipalities as telecommunications providers pursuant to the *1996 Federal Telecommunications Act* resulted in a number of state-level legislative initiatives across the nation to curtail this activity. In Florida, this issue culminated in the passage, in 2005, of legislation codified in Section 350.81, Florida Statutes (Section 350.81) that defined the conditions under which municipalities are allowed to provide retail telecommunications services. Although GRU has special status as a grandfathered entity under this legislation, the provision of certain additional retail telecommunications services by the Utility would implicate certain requirements of Section 350.81. Management does not expect that any required compliance with the requirements of Section 350.81 would have a material adverse effect on the operations or financial condition of GRUCom.

Environmental and Other Natural Resource Regulations

GRU and its operations are subject to federal, state, and local environmental regulations which include, among other things, control of emissions of particulates, mercury, acid gases, SO₂ and NO_x into the air; discharges of pollutants, including heat, into surface or ground water; the disposal of wastes and reuse of products generated by wastewater treatment and combustion processes; management of hazardous materials; and the nature of waste materials discharged into the wastewater system's collection facilities. Environmental regulations generally are becoming more numerous and more stringent and, as a result, may substantially increase the costs of the Utility's services by requiring changes in the operation of existing facilities as well as changes in the location, design, construction, and operation of new facilities (including both facilities that are owned and operated by GRU as well as facilities that are owned and

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

operated by others, from which the Utility purchases output, services, commodities, and other materials). There is no assurance that the facilities in operation, under construction, or contemplated will always remain subject to the regulations currently in effect or will always be in compliance with future regulations. Compliance with applicable regulations could result in increases in the costs of construction and/or operation of affected facilities, including associated costs such as transmission and transportation, as well as limitations on the operation of such facilities. Failure to comply with regulatory requirements could result in reduced operating levels or the complete shutdown of those facilities not in compliance, as well as the imposition of civil and criminal penalties.

Internal Combustion Engine MACT

On August 10, 2022, the Environmental Protection Agency (EPA) finalized amendments to the final rule dated January 30, 2013. The EPA published a final rule for the National Emissions Standards for Hazardous Air Pollutants for Reciprocating Internal Combustion Engines, which covers existing stationary spark ignition reciprocating internal combustion engines located at major sources of hazardous air pollutant emissions such as power plant sites. This final rule, which clarifies and finalizes the classification of emergency engines and the limitations on the hours of operation in non-emergency situations, became effective on August 10, 2022. The amended rule requires an updated reduction of emissions requirements of hazardous air pollutants from covered engines. Several of GRU's reciprocating engines are covered by this new rule, and all are in full compliance.

Climate Change

On June 19, 2019, the EPA issued the final Affordable Clean Energy (ACE) rule to replace the Clean Power Plan (CPP) to restore the rule of law and empowers states to continue to reduce emissions while providing affordable and reliable energy. The ACE adheres to the *Clean Air Act* and gives states the regulatory certainty they need to continue to reduce emissions and provide a dependable, diverse, and affordable supply of electricity. The ACE rule establishes emissions guidelines for states to use to limit carbon dioxide emissions (CO₂) at their coal-fired power plants. Specifically, ACE identifies heat rate improvements as the best system of emission reduction (BSER) for CO₂ from coal-fired plants, and these improvements can be made at individual facilities. Also contained in the rule are new implementing regulations for ACE and future existing source rules under *Clean Air Act* Section 111(d). These guidelines will inform states as they set unit-specific standards of performance. The states will have three years to submit plans, which is in line with planning timelines under the *Clean Air Act*.

On January 19, 2021, the D.C. Circuit vacated the Affordable Clean Energy rule and remanded it to the EPA for further proceedings consistent with its opinion. On June 30, 2022, the Supreme Court issued a landmark decision that Congress did not give the EPA the authority under Section 111 of the *Clean Air Act* to set emission standards for existing power plants that prescribe the market share of certain types of power generation. The Court reversed the D.C. Circuit ruling striking down the Trump-era ACE Rule, which repealed the Obama-era CPP and replaced it with more limited regulations of CO₂ emissions from existing power plants.

On Sept 19 2022, based on the Supreme Court's June 30 decision reversing and remanding the DC Circuit's decision, the DC Circuit ordered the parties to file Motions to govern further proceedings. On October 3, 2022, EPA/DOJ, along with the states, industry and NGOs, filed a Joint Motion, requesting that the DC Circuit (a) withdraw its March 5, 2021 Partial Mandate, (b) issue a new Partial Mandate denying the

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

challenges to the CPP repeal and granting the challenges to the revisions to the 111(d) implementing rules, and (c) place the remaining, unresolved challenges to the ACE Rule in abeyance until EPA promulgates a replacement rule.

On October 27, 2022, the DC Circuit issued an Order granting the Joint Motion, as described above. Accordingly, the CPP is repealed, the 111(d) implementing rules are vacated, and the remaining challenges to the ACE rule are in abeyance until EPA promulgates a replacement rule (a proposal is still expected in March 2023).

Coal Combustion Products

The EPA published a final rule (40 CFR 257), effective October 14, 2015, to regulate the disposal of coal combustion residuals (CCR) as solid waste under subtitle D of the *Resource Conservation and Recovery Act* (RCRA). The rule includes national minimum criteria for existing and new CCR landfills and existing and new CCR surface impoundments. GRU is subject to the requirements of the promulgated rule that are applicable to CCR ponds and landfill at Deerhaven if the fuel burned consists of more than 50% coal on a total heat or mass input basis.

On August 28, 2020, EPA's Closure Part A rule was published in the Federal Register with the final rule effective date of September 28, 2020. As part of this rule revision, EPA required the closure of all unlined CCR surface impoundments. Therefore, if GRU combusts more than 50% coal, GRU will need to install a lined surface impoundment, or line (i.e., retrofit) the existing surface impoundment system, which is currently undergoing closure.

Storage Tanks

GRU is required to demonstrate financial responsibility for the costs of corrective actions and compensation of third parties for bodily injury and property damage arising from releases of petroleum products and hazardous substances from storage tank systems. GRU has 11 fuel oil storage tanks. The South Energy Center has two underground distillate (No. 2) oil tanks. The J. R. Kelly Station (JRK) has four above-ground distillate oil tanks, which are out of service, and two above-ground No. 6 oil tanks, which are also out of service. DH has one above-ground distillate and two above-ground No. 6 oil tanks, one of which is out of service.

All of GRU's fuel storage tanks have secondary containment and/or interstitial monitoring as required by regulations, and the Utility is insured for the requisite amounts.

Remediation Sites

Several site investigations have been completed at the JRK Station, most recently in September 2020. According to previous assessments, the horizontal extent of impacted soils extends from the northern containment wall of the above-ground storage tanks (ASTs) to the wastewater filter beds and from the old plant building to Sweetwater Branch Creek. The results of the most recent soil assessment documented the presence of Benzo(a)pyrene in one soil sample at a concentration greater than its default commercial/industrial direct exposure-based soil cleanup target levels (SCTLs). Four of the soil samples contained Benzo(a)pyrene equivalents at concentrations greater than its default commercial/industrial direct exposure based SCTLs. In addition, two of the soil samples contained total recoverable petroleum hydrocarbons (TRPH) at concentrations greater than its default commercial/industrial direct exposure based SCTLs.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

The Florida Department of Environmental Protection (FDEP) had requested a supplemental site assessment (SSA) be conducted to assess the nature and extent of non-aqueous phase liquids (NAPL), soil impacts, and groundwater quality impacts at the J.R. Kelly site. ECT conducted a supplemental site assessment and submitted the results to the FDEP in the June 2022 Supplemental Site Assessment Report. On July 19, 2022, the FDEP sent a response letter requesting additional assessment to complete delineation of target analytes at the J.R. Kelly Generating Station site. This additional assessment is in progress.

Following the submittal of the August 2013 No Further Action Proposal, the FDEP prepared comments regarding the No Further Action Proposal and provided them to GRU in a letter dated January 10, 2014. In August of 2014, GRU provided responses to the FDEP's January 2014 comment letter. In March of 2016, an attempt was made to meet with the FDEP, but a time was not set up for the meeting. The delay in responding to GRU's comments was due in part to the FDEP's waiting on resolution of the request to use an active hydraulic containment system as an engineering control. Ultimately, the FDEP rejected the use of the active containment system as an engineering control. On April 17, 2017, the FDEP provided comments on GRU's August 2014 response to the FDEP's January 2014 comment letter. The FDEP requested further assessment of the extent of No. 6 fuel oil in the subsurface. GRU's response proposed additional soil investigation to assess the extent of No. 6 fuel oil, both as a non-aqueous phase liquid and as stained soils. GRU also proposed temporarily shutting down the groundwater recovery system and evaluating whether free product returns to the wells. This information will be used to evaluate what actions will be needed to recover free product, if any is detected.

The results of the additional assessment were submitted to FDEP with the findings that the extent of impact has not been fully defined. FDEP has requested GRU conduct additional assessment such that complete delineation is achieved, and a Remedial Action Plan (RAP) can be developed to address all impacts to all media.

Water Use Restrictions

Pursuant to Florida law, a water management district in Florida may mandate restrictions on water use for non-essential purposes when it determines such restrictions are necessary. The restrictions may be either temporary or permanent. The St. Johns River Water Management District (SJRWMD) has mandated permanent district-wide restrictions on residential and commercial landscape irrigation. The restrictions limit irrigation to no more than two days per week during Daylight Savings Time and one day per week during Eastern Standard Time. The restrictions apply to centralized potable water as provided by the Utility as well as private wells. All irrigation between the hours of 10:00 a.m. and 4:00 p.m. is prohibited.

In addition, in April 2010, the County adopted, and the City subsequently opted into, an Irrigation Ordinance that codified the above-referenced water restrictions, which promote and encourage water conservation. County personnel enforce this ordinance, which further assists in reducing water use and thereby extending the Utility's water supply.

The SJRWMD and the Suwannee River Water Management District (SRWMD) each have promulgated regulations referred to as "Year-Round Water Conservation Measures" for the purpose of increasing long-term water use efficiency through regulatory means. In addition, the SJRWMD and the SRWMD each have promulgated regulations referred to as a "Water Shortage Plan" for the purpose of allocating and

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

conserving the water resources during periods of water shortage and maintaining a uniform approach towards water use restrictions. Each Water Shortage Plan sets forth the framework for imposing restrictions on water use for non-essential purposes when deemed necessary by the applicable water management district.

On August 7, 2012, in order to assist the SJRWMD and the SRWMD in the implementation and enforcement of such Water Conservation Measures and such Water Shortage Plans, the Board of County Commissioners of Alachua County enacted an ordinance creating year-round water conservation measures and water shortage regulations (the "County Water Use Ordinance"), thereby making such Water Conservation Measures and such Water Shortage Plans applicable to the unincorporated areas of the County. On December 20, 2012, the City Commission adopted a resolution to opt into the County's year-round water conservation measures and water shortage regulations ordinances in order to give the Alachua County Environmental Protection Department the authority to enforce water shortage orders and water shortage emergencies within the City.

The St. Johns River Water Management District issued GRU consumptive use permit (CUP) number 11339-6 (GRU CUP) on September 10, 2014. The GRU CUP authorizes GRU to withdraw 10,950.0 million gallons per year (30.0 million gallons per day, or MGD, annual average) for public water supply purposes through September 10, 2034.

By an Order dated May 11, 2021, the District determined that Lakes Brooklyn and Lake Geneva were not meeting (i.e., were below) the new minimum flows and levels (MFLs) rule. Withdrawals authorized by individual consumptive use permits, individually or cumulatively, were in violation of the MFLs for Lakes Brooklyn and Lake Geneva. Per an agreement fully executed on August 6, 2021, GRU elected to participate financially in the construction, operation, and maintenance of the Black Creek Water Resource Development Project (Black Creek WRD) to address GRU's impacts to the Lakes Brooklyn and Geneva MFLs.

Per the fully executed agreement, GRU agreed to pay 0.25 feet of lift or \$2,094,444 based on the 0.1-foot lake level increase construction cost estimate, along with GRU's share of the Black Creek WRD operation and maintenance costs of \$616,330, for a combined total of \$2,710,774, to be paid in two installments. The payments are to be delivered, in escrow, to the Florida Department of Financial Services (DFS), per the terms of the Escrow Agreement between GRU, the District, and DFS. Each installment represents one-half of GRU's total proportional share of the Black Creek WRD construction costs of \$1,047,222, and the operation and maintenance costs of \$308,165, for a combined total of \$1,355,387.

On October 28, 2021, per the terms of the Escrow Agreement, GRU delivered, in escrow, the first payment of \$1,355,387 to the Florida Department of Financial Services. Per the fully executed agreement, the final installment for the remaining construction costs of \$1,047,222 and the remaining operation and maintenance costs of \$308,165 shall not exceed the combined total of \$1,355,387. GRU will deliver, in escrow, the final payment of \$1,355,387 to the Florida Department of Financial Services no later than November 1, 2023.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Manufactured Gas Plant

Gainesville's natural gas system originally distributed blue water gas, which was produced in town by gasification of coal using distillate oil. Although manufactured gas was replaced by pipeline gas in the mid-1950's, coal residuals and spilt fuel contaminated soils remain on and adjacent to the manufactured gas plant (MGP) site. When the natural gas system was purchased, GRU assumed responsibility for the investigation and remediation of environmental impacts related to the operation of the former MGP. GRU has pursued recovery for the MGP from past insurance policies and, to date, has recovered \$2,204,402 from such policies. GRU received final approval of its Remedial Action Plan which included the excavation and landfilling of impacted soils. This plan was implemented pursuant to a Brownfield Site Rehabilitation Agreement with the State.

Following remediation, the property has been redeveloped by the City as a park with storm water ponds, nature trails, and recreational space, all of which were considered in the remediation plan's design. The duration of the groundwater monitoring program is unknown, and that timeframe is open to the results of the sampling data.

Based upon GRU's analysis of the cost to clean up this site, GRU has accrued a liability to reflect the costs associated with the cleanup effort. During fiscal years 2022 and 2021, expenditures which reduced the liability balance were \$1,207,435 and \$1,249,001, respectively. The reserve balance at September 30, 2022 and 2021, was \$939,000 and \$845,000, respectively.

GRU is recovering the costs of this cleanup through customer charges. A regulatory asset was established for the recovery of remediation costs from customers. Customer billings were \$1,207,435 and \$1,249,001 as of September 30, 2022 and 2021, respectively. The regulatory asset balance was \$7,483,066 and \$8,573,827 as of September 30, 2022 and 2021, respectively.

Although some uncertainties associated with environmental assessment and remediation activities remain, GRU believes that the current provision for such costs is adequate and additional costs, if any, will not have an adverse material effect on GRU's financial position, results of operations, or liquidity.

Purchase Commitments

On July 16, 2020, the City Commission approved a Power Purchase Agreement for solar electric to add 50 megawatts of solar generation to our service area by December 2022. On July 21, 2020, GRU entered into a 20-year contract with the option for two additional five-year terms and a purchase opportunity at years 8, 12, and 16, and at change in control. GRU is currently in the process of negotiating amendments to the Power Purchase Agreement to extend the commercial operation date until the fourth quarter of calendar year 2024 or the first quarter of calendar year 2025, and to expand the facility size from 50 megawatts of solar generation to 74.9 megawatts to mitigate cost impacts. This will enable us to provide GRU customers with affordable solar power while taking the next steps toward meeting the City Commission's goal of 100 percent renewable by 2045. GRU will own all green environmental attributes (renewable energy credits).

Note 19 - Tax Abatements

The City is party to Development Agreements with various developers to redevelop properties within the four former Community Redevelopment Agency (CRA) districts. The Development Agreements are agreements between the City and a developer to construct multi-family units with the potential of

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

commercial space in the building being constructed. In return, the City agrees to annually reimburse the developer a Tax Increment Recapture based on the increase of assessed value of the development as determined by the Alachua County Property Appraiser.

For fiscal year ended September 30, 2022, the City paid the following Tax Increment Recapture amounts for the following projects:

- \$220,571 of Tax Increment Fund Incentive Reimbursement for a façade and streetscape project located in the CRA’s 5th Avenue/Pleasant Street District.
- \$386,328 of Tax Increment Fund Incentive Reimbursement for the Downtown Redevelopment Area.

Note 20 - Risk Management

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

All funds participate in the general insurance program. The Utility reimburses the City for premiums and claims paid on its behalf and maintains its own insurance reserve for the self-insured portion. In 2022, the Utility adjusted the liability to align with a three-year average of outstanding claims. All claims for fiscal year 2022 were paid from current year’s revenues.

Changes in General Insurance Claims Liability—

Utility Fund (Business-Type Activities)

	<u>Beginning of Fiscal Year Liability</u>	<u>Incurred</u>	<u>Payments and Reduction of Reserve</u>	<u>End of Fiscal Year Liability</u>
2021-2022	\$ 3,337,000	\$ 1,502,726	\$ (2,879,726)	\$ 1,960,000
2020-2021	\$ 3,337,000	\$ 698,566	\$ (698,566)	\$ 3,337,000

**CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

Internal Service Fund (Governmental Activities)

	<u>Beginning of Fiscal Year Liability</u>	<u>Incurred</u>	<u>Payments</u>	<u>End of Fiscal Year Liability</u>
2021-2022	\$ 6,854,000	\$ 2,659,202	\$ (2,592,436)	\$ 6,920,766
2020-2021	\$ 6,854,000	\$ 1,628,518	\$ (1,628,518)	\$ 6,854,000

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

Changes in Employee Health and Accident Insurance Claims Liability—

	<u>Beginning of Fiscal Year Liability</u>	<u>Incurred</u>	<u>Payments</u>	<u>End of Fiscal Year Liability</u>
2021-2022	\$ 1,310,671	\$ 25,230,291	\$ (24,980,697)	\$ 1,560,265
2020-2021	\$ 1,310,671	\$ 26,710,701	\$ (26,710,701)	\$ 1,310,671

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

Note 21 - Subsequent Events

Partial Debt Defeasance

On October 26, 2022, GRU executed a partial legal defeasance of the 2017 Series A bonds in the amount of \$3,460,000. The funds used to partially defease those bonds were savings generated by the GRU 2020 debt restructuring transactions as well as the 2020 Pension Obligation Bond issuance by the City's General Government as directed by the City Commission during the approval of these transactions.

Future Debt Issuance

On December 15, 2022, the City Commission approved resolution number 2022-788, authorizing: (i) the amendment of the existing 2019A Forward Starting Swap with Wells Fargo Bank to moderate the interest rate fluctuations with the proposed 2023 fixed rate bond issue, and (ii) the entering into of a new forward starting swap to moderate interest rate fluctuations on the expected future issuance of bonds that will refund the 2019 Series A bonds.

CITY OF GAINESVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

On December 21, 2022, GRU closed on: (i) re-purposed the existing \$153,820,000 forward starting swap on the 2019 Series A bonds with a swap with Wells Fargo at a new fixed-payer rate of 1.949%, and (ii) re-hedged the 2019 Series A bonds with a forward starting swap in the amount of \$153,820,000 with Barclays at a fixed payer rate of 2.586%.

Note 22 - Restatement of Beginning Fund Balance/Net Position

The City moved the interfund receivable recorded in the debt service funds, a long-term advance to other funds, to the general fund so that the nonspendable fund balance classification could be better aligned with the requirements of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Nonspendable fund balance classification includes the long-term amount of loans and notes receivable, unless the proceeds from their collection are restricted, committed, or assigned. Since by definition all loans notes receivable reported in other governmental funds are restricted, committed, or assigned, the general fund is the only fund that can report nonspendable fund balance.

In addition, the allocation of the Pension Obligation Bonds to the Utility Fund was changed last year due to a change in estimate. However, in the current year, management determined the prior year change in allocation was an error and reverted back to the originally established allocation percentage. As a result, the City’s governmental activities were restated to correct the prior year change in allocation. There is no change to the Utility’s net position as there is an offsetting pension regulatory asset that was also adjusted.

The City’s Utility Fund presents separately issued comparative financial statements and accordingly retroactively applied the accounting changes related to GASB Statement No. 87, *Leases*, to prior periods presented.

	Fund Balance as Previously Reported	Due from Restatement	Change in Allocation %	Fund Balance as Restated
Governmental Funds				
Pension Obligation Bond Series 2003A	\$ 20,555,984	\$ (20,648,939)	\$ 287,602	\$ 194,647
Special Obligations Revenue Bonds 2020	113,799,197	(116,788,495)	2,970,790	(18,508)
General Fund	35,948,269	137,437,434	-	173,385,703
Total	\$ 170,303,450	\$ -	\$ 3,258,392	\$ 173,561,842
	Net Position as Previously Reported	Change in Allocation %	GASB Statement No. 87 Utility Fund	Net Position as Restated
Governmental Activities	\$ 191,310,127	\$ 3,258,392	-	\$ 194,568,519
Business-Type Activities	503,650,976	-	272,790	503,923,766

Required Supplementary Information

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amount		Actual	Variance with
	Original	Final		Final Budget
				Positive/(Negative)
Revenues				
Taxes	\$ 63,061,472	\$ 63,061,472	\$ 63,329,254	\$ 267,782
Licenses and Permits	10,868,497	10,676,915	10,172,108	(504,807)
Intergovernmental	16,438,909	15,403,553	18,984,735	3,581,182
Charges for Services	15,671,993	14,792,739	15,042,599	249,860
Fines and Forfeitures	903,184	903,184	490,646	(412,538)
Miscellaneous	1,202,990	2,723,784	1,856,544	(867,240)
Total Revenues	108,147,045	107,561,647	109,875,886	2,314,239
Expenditures				
General Government	27,802,638	33,702,968	24,821,156	8,881,812
Public Safety	64,053,992	64,839,153	64,264,236	574,917
Physical Environment	7,200	220,992	257,161	(36,169)
Transportation	16,305,405	15,564,860	13,949,147	1,615,713
Economic Environment	935,637	640,204	558,381	81,823
Human Services	15,000	132,408	-	132,408
Culture and Recreation	13,217,693	11,932,791	11,402,088	530,703
Total Expenditures	122,337,565	127,033,376	115,252,169	11,781,207
(Deficiency) Revenue				
(Under) Expenditures	(14,190,520)	(19,471,729)	(5,376,283)	14,095,446
Other Financing Sources (Uses)				
Lease Income	-	-	-	-
Lease Proceeds	-	-	124,157	124,157
Sale of Capital Assets	-	-	2,086,749	2,086,749
Transfers in	37,165,743	37,722,656	38,514,315	791,659
Transfers (out)	(22,611,130)	(23,499,812)	(29,245,002)	(5,745,190)
Total Other Financing Sources (Uses)	14,554,613	14,222,844	11,480,219	(2,742,625) ⁽²⁾
Net Changes in Fund Balance	\$ 364,093	\$ (5,248,885)	\$ 6,103,936	\$ 11,352,821

Reconciliation to GAAP Basis Statement of Revenues, Expenditures, and Changes in Fund Balance:

	Total Revenues	Total Expenditures	Other Financing Sources/(Uses)	Net Change in Fund Balance
Budgetary Basis	\$ 109,875,886	\$ (115,252,169)	\$ 11,480,219	\$ 6,103,936
Perspective Differences ⁽¹⁾	4,095	(1,929,578)	1,460,016	(465,467)
GAAP Basis	\$ 109,879,981	\$ (117,181,747)	\$ 12,940,235	\$ 5,638,469

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

(2) Actual expenditures exceed budget due to accounting adjustment to move the POB bonds due from Utility Fund and Nonmajor Enterprise funds to the General Fund.

CITY OF GAINESVILLE, FLORIDA
NOTES TO SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND
SEPTEMBER 30, 2022

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

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

The City Manager has the authority to amend appropriations within and among the various departments and projects within a fund, except the Law Enforcement Contraband Forfeiture Trust Funds, consistent with legal requirements, in order to achieve the general objectives contemplated in fund level budgets. Interfund transfers (except for short-term loans and their settlements) and intrafund transfers within the Law Enforcement Contraband Forfeiture Funds require prior approval of the City Commission. Transfers concerning personnel can be made as long as the total number of permanent positions approved in the budget is not exceeded.

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

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

Excess of Expenditures Over Budget Appropriations in Individual Funds

For the year ended September 30, 2022, the following budgetary funds had an excess of expenditures over appropriations:

- General Fund – The general fund transfers out exceeded final budgeted appropriations by \$1,813,049. This was due to audit adjustments being identified and posted after the time period for amending the final budget had passed.

CITY OF GAINESVILLE, FLORIDA
NOTES TO SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND
SEPTEMBER 30, 2022

- Special Obligation Revenue Bonds Series 2020 Fund – total expenditures of the fund exceeded final budgeted appropriations by \$1,168,544, due to the October 1, 2022 debt service payment recorded for accounting purposes, but not budgeted until the following year.

- Capital Improvement Revenue Refunding Note 2021 Fund – total expenditures of the fund exceeded final budgeted appropriations by \$267,790, due to the October 1, 2022 debt service payment recorded for accounting purposes, but not budgeted until the following year.

REQUIRED SUPPLEMENTARY INFORMATION

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total Pension Liability				
Service Costs	\$ 9,941,415	\$ 9,191,329	\$ 8,697,546	\$ 7,962,015
Interest	48,135,336	46,718,121	45,457,275	43,726,387
Differences Between Expected and Actual Experience	13,619,109	922,294	(157,018)	6,644,543
Transfer from Disability Plan	-	-	-	-
Changes of Assumptions	10,137,250	574,399	-	6,062,725
One Time Adjustment for DROP Account Balances	-	-	-	-
Contributions - Buy Back	-	-	195,500	121,500
Benefit Payments, Including Refunds of Employee Contributions	<u>(40,258,669)</u>	<u>(40,174,943)</u>	<u>(37,279,075)</u>	<u>(35,568,906)</u>
Net Change in Total Pension Liability	41,574,441	17,231,200	16,914,228	28,948,264
Total Pension Liability - Beginning	<u>619,495,966</u>	<u>602,264,766</u>	<u>585,350,538</u>	<u>556,402,274</u>
Total Pension Liability - Ending (a)	<u>\$ 661,070,407</u>	<u>\$ 619,495,966</u>	<u>\$ 602,264,766</u>	<u>\$ 585,350,538</u>
Plan Fiduciary Net Position				
Employer Contributions	\$ 5,551,544	\$ 5,461,714	\$ 177,683,605	\$ 16,939,286
Employee Contributions	5,331,766	5,307,109	5,053,053	4,602,400
Contributions - Buy Back	-	-	195,500	121,500
Net Investment Income	(144,078,947)	144,933,044	17,060,129	(2,731,366)
Transfer from Disability Plan	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(40,258,669)</u>	<u>(37,766,711)</u>	<u>(37,279,075)</u>	<u>(35,568,906)</u>
Administrative Expense	<u>(478,628)</u>	<u>(593,485)</u>	<u>(563,047)</u>	<u>(584,033)</u>
Net Change in Plan Fiduciary Net Position	<u>(173,932,934)</u>	<u>117,341,671</u>	<u>162,150,165</u>	<u>(17,221,119)</u>
Plan Fiduciary Net Position - Beginning	<u>694,778,852</u>	<u>577,437,181</u>	<u>415,287,016</u>	<u>432,508,135</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 520,845,918</u>	<u>\$ 694,778,852</u>	<u>\$ 577,437,181</u>	<u>\$ 415,287,016</u>
City's Net Pension (Asset)/Liability - Ending (a)-(b)	<u>\$ 140,224,489</u>	<u>\$ (75,282,886)</u>	<u>\$ 24,827,585</u>	<u>\$ 170,063,522</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.79%	112.15%	95.88%	70.95%
Annual Covered Payroll	\$ 106,635,320	\$ 106,142,180	\$ 101,061,060	\$ 92,048,000
Net Pension Liability as a Percentage of Covered Payroll	131.50%	(70.93%)	24.57%	184.76%

Notes to Schedule

- For measurement date 9/30/2022, investment rate was reduced from 7.90% to 7.75%
- For the measurement date of 9/30/2021, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rate used in Milliman's July 1, 2021, FRS valuation report for non special-risk employees.
- For measurement date 9/30/2019, investment rate was reduced from 8.00% to 7.90%; inflation assumption rate was lowered from 3.75% to 2.50%.

REQUIRED SUPPLEMENTARY INFORMATION

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability					
Service Costs	\$ 8,196,544	\$ 8,355,553	\$ 7,789,638	\$ 7,153,541	\$ 6,612,646
Interest	42,877,827	39,934,706	38,189,162	35,741,289	36,171,225
Differences Between Expected and Actual Experience	(5,088,593)	7,646,058	1,125,190	1,954,558	1,105,967
Transfer from Disability Plan	-	-	-	2,455,848	-
Changes of Assumptions	5,721,214	21,041,875	4,860,706	15,880,346	-
One Time Adjustment for DROP Account Balances	-	10,038,916	-	-	-
Contributions - Buy Back	89,300	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(33,106,728)</u>	<u>(34,963,352)</u>	<u>(37,252,988)</u>	<u>(28,306,207)</u>	<u>(31,819,142)</u>
Net Change in Total Pension Liability	18,689,564	52,053,756	14,711,708	34,879,375	12,070,696
Total Pension Liability - Beginning	<u>537,712,710</u>	<u>485,658,954</u>	<u>470,947,246</u>	<u>436,067,871</u>	<u>423,997,175</u>
Total Pension Liability - Ending (a)	<u>\$ 556,402,274</u>	<u>\$ 537,712,710</u>	<u>\$ 485,658,954</u>	<u>\$ 470,947,246</u>	<u>\$ 436,067,871</u>
Plan Fiduciary Net Position					
Employer Contributions	\$ 16,372,689	\$ 14,654,934	\$ 13,481,032	\$ 11,746,935	\$ 11,519,431
Employee Contributions	4,317,403	4,829,122	7,947,069	4,429,289	4,260,476
Contributions - Buy Back	89,300	-	-	-	-
Net Investment Income	49,219,793	58,605,302	39,190,078	(2,486,089)	34,176,892
Transfer from Disability Plan	-	-	-	2,320,442	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(33,106,728)</u>	<u>(38,469,162)</u>	<u>(37,252,988)</u>	<u>(28,306,207)</u>	<u>(26,161,924)</u>
Administrative Expense	<u>(697,884)</u>	<u>(604,905)</u>	<u>(670,867)</u>	<u>(580,988)</u>	<u>(613,886)</u>
Net Change in Plan Fiduciary Net Position	36,194,573	39,015,291	22,694,324	(12,876,618)	23,180,989
Plan Fiduciary Net Position - Beginning	<u>396,313,562</u>	<u>357,298,271</u>	<u>334,603,947</u>	<u>347,480,565</u>	<u>324,299,576</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 432,508,135</u>	<u>\$ 396,313,562</u>	<u>\$ 357,298,271</u>	<u>\$ 334,603,947</u>	<u>\$ 347,480,565</u>
City's Net Pension (Asset)/Liability - Ending (a)-(b)	<u>\$ 123,894,139</u>	<u>\$ 141,399,148</u>	<u>\$ 128,360,683</u>	<u>\$ 136,343,299</u>	<u>\$ 88,587,306</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.73%	73.70%	73.57%	71.05%	79.68%
Annual Covered Payroll	\$ 89,976,976	\$ 91,143,976	\$ 80,223,575	\$ 79,930,261	\$ 81,654,532
Net Pension Liability as a Percentage of Covered Payroll	137.70%	155.14%	160.00%	170.58%	108.49%

Notes to Schedule

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

- For measurement date 9/30/2018, investment rate was reduced from 8.10% to 8.00%.
- For measurement date 9/30/2017, investment rate was reduced from 8.20% to 8.10%.
- For measurement date 9/30/2016, investment rate was reduced from 8.30% to 8.20%.
- For measurement date 9/30/2015, investment rate was reduced from 8.40% to 8.30%.

*GASB Statement No. 68 was implemented in 2015. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

REQUIRED SUPPLEMENTARY INFORMATION

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

Fiscal Year Ended September 30,	Actuarially Determined Contributions	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Total Contributions as a percentage of Covered Payroll
2022	\$ 5,551,544	\$ 5,551,544	\$ -	\$ 106,635,320	5.21%
2021	5,461,275	5,461,714	(439)	106,142,180	5.15%
2020	19,011,264	177,683,605	(158,672,341)	101,061,060	175.82%
2019	16,939,286	16,939,286	-	92,048,000	18.40%
2018	16,777,348	16,372,689	404,659	89,976,976	18.20%
2017	14,654,934	14,654,934	-	91,143,976	16.08%
2016	13,481,032	13,481,032	-	80,223,575	16.80%
2015	13,211,521	12,224,716	986,805	79,930,261	15.29%
2014	12,700,223	11,995,271	704,952	81,654,532	14.69%

Notes to Schedule

Valuation Date: 10/1/2020

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Individual entry age, normal cost
Amortization Method	Level percentage, closed
Remaining Amortization Period	30 years
Asset Valuation Method	Actuarial value, based on 5-year recognition of returns greater or less than the
Investment Return Rate	7.90%, net of investment related expenses
Salary Increase Rate	3.00%-5.00%
Payroll Growth	2.92%
Mortality Rates	PubG.H-2010 for Employees and Healthy Retirees. All rates are projected generationally with Mortality Improvement Scale MP-2018.

*GASB Statement No. 68 was implemented in 2015. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

REQUIRED SUPPLEMENTARY INFORMATION

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total Pension Liability				
Service Costs	\$ 4,443,944	\$ 4,235,165	\$ 3,905,032	\$ 3,757,740
Interest	23,638,461	23,425,956	22,777,676	22,397,470
Change in Excess State Money	-	-	-	(951,203)
Share Plan Allocation	447,251	398,142	890,108	951,203
Differences Between Expected and Actual Experience	7,955,203	159,551	501,678	(1,185,483)
Changes of Assumptions	5,128,200	(4,514,316)	-	3,102,805
Contributions - Buy Back	-	-	7,400	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(22,223,037)</u>	<u>(20,223,626)</u>	<u>(20,188,276)</u>	<u>(19,538,102)</u>
Net Change in Total Pension Liability	19,390,022	3,480,872	7,893,618	8,534,430
Total Pension Liability - Beginning	<u>305,888,606</u>	<u>302,407,734</u>	<u>294,514,116</u>	<u>285,979,686</u>
Total Pension Liability - Ending (a)	<u>\$ 325,278,628</u>	<u>\$ 305,888,606</u>	<u>\$ 302,407,734</u>	<u>\$ 294,514,116</u>
Plan Fiduciary Net Position				
Employer Contributions	\$ 1,869,220	\$ 2,048,850	\$ 51,905,342	\$ 4,958,811
State Contributions	2,033,782	1,537,422	3,141,731	-
Employee Contributions	2,332,944	2,314,580	2,113,851	1,946,523
Contributions - Buy Back	-	-	7,400	-
Net Investment Income	(54,115,730)	66,246,836	17,227,545	3,521,972
Benefit Payments, Including Refunds of Employee Contributions	<u>(22,223,037)</u>	<u>(20,223,626)</u>	<u>(20,188,276)</u>	<u>(19,538,102)</u>
Administrative Expense	<u>(589,725)</u>	<u>(622,712)</u>	<u>(708,558)</u>	<u>(771,292)</u>
Other	<u>325,736</u>	<u>(2,754)</u>	<u>-</u>	<u>91,875</u>
Net Change in Plan Fiduciary Net Position	<u>(70,366,810)</u>	<u>51,298,596</u>	<u>53,499,035</u>	<u>(9,790,213)</u>
Plan Fiduciary Net Position - Beginning	<u>348,217,158</u>	<u>296,918,562</u>	<u>243,431,612</u>	<u>253,221,825</u>
Adjustment to Beginning of Year	216	-	(12,085)	-
Plan Fiduciary Net Position - Ending (b)	<u>\$ 277,850,564</u>	<u>\$ 348,217,158</u>	<u>\$ 296,918,562</u>	<u>\$ 243,431,612</u>
City's Net Pension (Asset)/ Liability - Ending (a)-(b)	<u>\$ 47,428,064</u>	<u>\$ (42,328,552)</u>	<u>\$ 5,489,172</u>	<u>\$ 51,082,504</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.42%	113.84%	98.18%	82.66%
Annual Covered Payroll	\$ 28,686,181	\$ 28,654,045	\$ 26,077,644	\$ 24,058,071
Net Pension Liability as a Percentage of Covered Payroll	165.33%	(147.72%)	21.05%	212.33%

Notes to Schedule

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

- For measurement date 9/30/2022, investment rate was reduced from 7.90% to 7.75%.
- For measurement date 9/30/2021, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS Valuation Report for special risk employees.
- For measurement date 9/30/2019, investment rate was reduced from 8.00% to 7.90%.

REQUIRED SUPPLEMENTARY INFORMATION

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability					
Service Costs	\$ 3,682,078	\$ 4,254,335	\$ 3,812,252	\$ 4,094,841	\$ 3,730,365
Interest	21,993,597	21,463,554	20,156,185	23,375,806	19,299,422
Change in Excess State Money	-	-	-	-	-
Share Plan Allocation	-	-	-	-	-
Differences Between Expected and Actual Experience	(2,419,821)	2,311,687	(6,006,515)	(140,568)	-
Changes of Assumptions	4,612,282	2,158,450	2,719,455	2,608,508	2,523,158
Contributions - Buy Back	-	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(19,464,524)</u>	<u>(16,100,144)</u>	<u>(15,444,821)</u>	<u>(17,602,583)</u>	<u>(12,898,782)</u>
Net Change in Total Pension Liability	8,403,612	14,087,882	5,236,556	12,336,004	12,654,163
Total Pension Liability - Beginning	<u>277,576,074</u>	<u>263,488,192</u>	<u>258,251,636</u>	<u>245,915,632</u>	<u>233,261,469</u>
Total Pension Liability - Ending (a)	<u>\$ 285,979,686</u>	<u>\$ 277,576,074</u>	<u>\$ 263,488,192</u>	<u>\$ 258,251,636</u>	<u>\$ 245,915,632</u>
Plan Fiduciary Net Position					
Employer Contributions	\$ 4,507,892	\$ 4,294,312	\$ 3,716,354	\$ 3,682,847	\$ 3,855,020
State Contributions	1,366,304	1,254,172	1,242,740	1,269,827	1,259,995
Employee Contributions	1,963,471	2,024,693	2,093,074	1,972,417	2,067,685
Contributions - Buy Back	-	-	-	-	-
Net Investment Income	24,056,126	31,854,789	22,310,321	(93,259)	21,911,535
Benefit Payments, Including Refunds of Employee Contributions	<u>(19,464,524)</u>	<u>(16,100,144)</u>	<u>(15,444,821)</u>	<u>(17,602,583)</u>	<u>(12,898,782)</u>
Administrative Expense	<u>(699,346)</u>	<u>(564,203)</u>	<u>(585,416)</u>	<u>(609,229)</u>	<u>(609,264)</u>
Other	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	11,729,923	22,763,619	13,332,252	(11,379,980)	15,586,189
Plan Fiduciary Net Position - Beginning	241,763,801	219,000,182	205,667,930	217,047,910	201,461,721
Adjustment to Beginning of Year	<u>(271,899)</u>	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	<u>\$ 253,221,825</u>	<u>\$ 241,763,801</u>	<u>\$ 219,000,182</u>	<u>\$ 205,667,930</u>	<u>\$ 217,047,910</u>
City's Net Pension (Asset)/ Liability - Ending (a)-(b)	<u>\$ 32,757,861</u>	<u>\$ 35,812,273</u>	<u>\$ 44,488,010</u>	<u>\$ 52,583,706</u>	<u>\$ 28,867,722</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.55%	87.10%	83.12%	79.64%	88.26%
Annual Covered Payroll	\$ 25,263,376	\$ 25,501,291	\$ 23,885,642	\$ 25,539,198	\$ 24,364,333
Net Pension Liability as a Percentage of Covered Payroll	129.67%	140.43%	186.25%	205.89%	118.48%

Notes to Schedule

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

- For measurement date 9/30/2018, investment rate was reduced from 8.10% to 8.00%.
- For measurement date 9/30/2017, investment rate was reduced from 8.20% to 8.10%.
- For measurement date 9/30/2016, investment rate was reduced from 8.30% to 8.20%.
- For measurement date 9/30/2015, investment rate was reduced from 8.40% to 8.30%.

*GASB Statement No. 68 was implemented in 2015. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

REQUIRED SUPPLEMENTARY INFORMATION

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

Fiscal Year Ended September 30,	Actuarially Determined Contributions	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Total Contributions as a percentage of Covered Payroll
2022	\$ 1,869,220	\$ 1,869,220	\$ -	\$ 28,686,181	6.52%
2021	2,048,850	2,048,850	-	28,654,054	7.15%
2020	5,680,398	51,905,342	(46,224,944)	26,077,644	199.04%
2019	4,958,811	4,958,811	-	24,058,071	20.61%
2018	4,507,892	4,507,892	-	25,263,376	17.84%
2017	4,294,312	4,294,312	-	25,501,291	16.84%
2016	3,716,354	3,716,354	-	23,885,642	15.56%
2015	3,682,847	3,682,847	-	25,539,198	14.42%
2014	3,855,020	3,855,020	-	24,364,333	15.82%

Notes to Schedule

Valuation Date: 10/1/2020

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Individual entry age, normal cost
Amortization Method	Level percentage, closed
Remaining Amortization Period	30 years
Asset Valuation Method	Actuarial value, based on 5-year recognition of returns greater or less than the assumed investment return
Investment Return Rate	7.90%, net of investment related expenses
Salary Increase Rate	Police Officers: 3.0% - 6.0%; Firefighters: 2.0% - 5.0%
Payroll Growth	3.0% per year for projecting aggregate payroll; 2.75% for determining amortization payments towards the unfunded accrued liability
Mortality Rates	PubS.H-2010 for Employees and Retirees, All rates are projected generationally with Mortality Improvement Scale MP-2018

*GASB Statement No. 68 was implemented in 2015. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

REQUIRED SUPPLEMENTARY INFORMATION

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

Fiscal Year	Annual Money-Weighted Rate of Return on Pension Plan Investments	
	Employees' Pension Plan	Consolidated Plan
2022	-20.77%	-15.40%
2021	25.46%	17.80%
2020	4.11%	7.10%
2019	(0.64%)	1.30%
2018	12.63%	10.22%
2017	11.84%	11.20%
2016	11.84%	11.20%
2015	(0.74%)	0.00%
2014	10.61%	11.01%

*GASB Statement No. 68 was implemented in 2015. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

REQUIRED SUPPLEMENTARY INFORMATION

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

		FLORIDA RETIREMENT SYSTEM (FRS)							
		2022	2021	2020	2019	2018	2017	2016	2015
Employer's Proportion of the Net									
Pension Liability		0.0018974%	0.0024373%	0.0026964%	0.0028433%	0.0028149%	0.0026950%	0.0033806%	0.0030857%
Employer's Proportionate Share of the									
Net Pension Liability		\$ 705,981	\$ 184,112	\$ 1,168,671	\$ 979,195	\$ 847,873	\$ 797,444	\$ 853,598	\$ 398,554
Employer's Covered Payroll		\$ 229,578	\$ 258,253	\$ 252,289	\$ 249,819	\$ 237,711	\$ 202,289	\$ 229,337	\$ 178,193
Employer's Proportionate Share of the									
Net Pension Liability as a Percentage									
of its Covered Payroll		307.51%	71.29%	463.23%	391.96%	356.68%	394.21%	372.20%	223.66%
Plan Fiduciary Net Position as a									
Percentage of the Total Pension Liability		82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%
		HEALTH INSURANCE SUBSIDY PROGRAM (HIS)							
		2022	2021	2020	2019	2018	2017	2016	2015
Employer's Proportion of the Net									
Pension Liability		0.0006299%	0.0007294%	0.0007268%	0.0007467%	0.0007276%	0.0006345%	0.0007428%	0.0007603%
Employer's Proportionate Share of the									
Net Pension Liability		\$ 66,712	\$ 89,472	\$ 88,738	\$ 83,552	\$ 77,015	\$ 67,846	\$ 86,570	\$ 77,534
Employer's Covered Payroll		\$ 229,578	\$ 258,253	\$ 252,289	\$ 249,819	\$ 237,711	\$ 202,289	\$ 229,337	\$ 178,193
Employer's Proportionate Share of the									
Net Pension Liability as a Percentage									
of its Covered Payroll		29.06%	34.65%	35.17%	33.45%	32.40%	33.54%	37.75%	43.51%
Plan Fiduciary Net Position as a									
Percentage of the Total Pension Liability		4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

Notes to Schedules

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

*GASB Statement No. 68 was implemented in 2015. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

REQUIRED SUPPLEMENTARY INFORMATION

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

FLORIDA RETIREMENT SYSTEM (FRS)

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 80,880	\$ 87,405	\$ 90,261	\$ 89,357	\$ 81,218	\$ 76,047	\$ 78,365	\$ 80,376
Contributions in Relation to the Contractually Required Contribution	(80,880)	(87,405)	(90,261)	(89,357)	(81,218)	(76,047)	(78,365)	(80,376)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's Covered Payroll	\$ 232,410	\$ 241,084	\$ 253,072	\$ 252,952	\$ 237,711	\$ 222,289	\$ 218,313	\$ 197,229
Contributions as a Percentage of Covered Payroll	34.80%	36.25%	35.67%	35.33%	34.17%	34.21%	35.90%	40.75%

HEALTH INSURANCE SUBSIDY PROGRAM (HIS)

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 3,858	\$ 4,002	\$ 4,201	\$ 4,199	\$ 3,946	\$ 3,690	\$ 3,624	\$ 3,274
Contributions in Relation to the Contractually Required Contribution	(3,858)	(4,002)	(4,201)	(4,199)	(3,946)	(3,690)	(3,624)	(3,274)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's Covered Payroll	\$ 232,410	\$ 241,084	\$ 253,072	\$ 252,952	\$ 237,711	\$ 222,289	\$ 218,313	\$ 197,229
Contributions as a Percentage of Covered Payroll	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%

*GASB Statement No. 68 was implemented in 2015. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

REQUIRED SUPPLEMENTARY INFORMATION

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability						
Service Costs	\$ 1,317,220	\$ 1,488,138	\$ 1,742,093	\$ 1,591,950	\$ 1,467,084	\$ 1,282,158
Interest	4,741,333	4,977,350	6,093,319	5,887,782	5,676,583	5,274,094
Differences Between Expected and Actual Experience	(4,238,579)	-	(3,069,055)	-	3,158,374	(914,359)
Changes of Assumptions	5,275,406	-	(13,744,743)	625,481	675,415	559,493
Gross Benefit Payments	(8,209,132)	(8,426,856)	(8,225,362)	(7,676,658)	-	-
Retiree Contributions	3,220,135	3,330,813	3,404,162	3,173,162	(4,354,263)	(4,109,173)
Net Change in Total OPEB Liability	2,106,383	1,369,445	(13,799,586)	3,601,717	6,623,193	2,092,213
Total OPEB Liability - Beginning	65,385,327	64,015,882	77,815,468	74,213,751	67,590,558	65,498,345
Total OPEB Liability - Ending (a)	<u>\$ 67,491,710</u>	<u>\$ 65,385,327</u>	<u>\$ 64,015,882</u>	<u>\$ 77,815,468</u>	<u>\$ 74,213,751</u>	<u>\$ 67,590,558</u>
Plan Fiduciary Net Position						
Employer Contributions	\$ 1,522,447	\$ 1,924,061	\$ 2,557,953	\$ 2,348,167	\$ 2,016,572	\$ 1,622,729
Net Investment Income	(12,280,107)	14,120,107	602,848	(1,550,570)	6,250,519	6,550,405
Gross Benefit Payments	(8,209,132)	(8,426,856)	(8,225,362)	(7,676,658)	(4,354,263)	(4,109,173)
Retiree Contributions	3,220,135	3,330,813	3,404,162	3,173,162	-	-
Administrative Expense	(15,527)	(6,982)	(4,661)	(19,078)	(13,890)	(6,082)
Net Change in Plan Fiduciary Net Position	(15,762,184)	10,941,143	(1,665,060)	(3,724,977)	3,898,938	4,057,879
Plan Fiduciary Net Position - Beginning	72,950,397	62,009,254	63,674,314	67,399,291	63,500,353	59,442,474
Plan Fiduciary Net Position - Ending (b)	<u>\$ 57,188,213</u>	<u>\$ 72,950,397</u>	<u>\$ 62,009,254</u>	<u>\$ 63,674,314</u>	<u>\$ 67,399,291</u>	<u>\$ 63,500,353</u>
City's Net OPEB (Asset)/ Liability - Ending (a)-(b)	<u>\$ 10,303,497</u>	<u>\$ (7,565,070)</u>	<u>\$ 2,006,628</u>	<u>\$ 14,141,154</u>	<u>\$ 6,814,460</u>	<u>\$ 4,090,205</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.73%	111.57%	96.87%	81.83%	90.82%	93.95%
Annual Covered Payroll	\$ 141,701,253	\$ 156,333,484	\$ 148,889,032	\$ 124,457,080	\$ 118,530,552	\$ 122,798,859
Net OPEB Liability as a Percentage of Covered Payroll	7.27%	(4.84%)	1.35%	11.36%	5.75%	3.33%

Notes to Schedule

Differences Between Expected and Actual Experience - This reflects the impact of changes to the census date from prior valuations.

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

The following are the discount rates used in each period:

September 30, 2022	7.75%
September 30, 2020	7.90%
September 30, 2019	7.90%
September 30, 2018	8.00%

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

*GASB Statement No. 75 was implemented in 2017. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

REQUIRED SUPPLEMENTARY INFORMATION

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

Fiscal Year Ended September 30,	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Total Contributions as a percentage of Covered Payroll
2022	\$ -	\$ 1,522,447	(1,522,447)	\$ 141,701,253	1.07%
2021	-	1,924,061	(1,924,061)	156,333,484	1.23%
2020	-	2,557,953	(2,557,953)	148,889,032	1.72%
2019	767,613	2,348,167	(1,580,554)	124,457,080	1.89%
2018	731,060	2,016,572	(1,285,512)	118,530,552	1.70%
2017	616,087	1,622,729	(1,006,642)	122,798,859	1.32%

Notes to Schedule

Valuation Date: 10/1/2021

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Individual entry age, normal cost
Amortization Method	Level percentage, closed
Remaining Amortization Period	30 years
Asset Valuation Method	Market Value of Assets
Discount Rate	7.75% per year assumed investment return rate
Salary Increase Rate	Police Officers: 3.0% - 6.0%; Firefighters: 2.0% - 5.0%
Payroll Growth	3.00%
Health Care Inflation	Medical Claims (Pre-65) 7.30% - 4.50%, (Post-65) 4.30% - 4.50%
Mortality Rates	All mortality rates were based on the PUB-2010 mortality tables. All mortality rates are those outlined in Milliman's July 1, 2021 Florida Retirement System (FRS) valuation report. All rates are using mortality improvement scale MP-2018.

*GASB Statement No. 75 was implemented in 2017. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

REQUIRED SUPPLEMENTARY INFORMATION

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

Fiscal Year	Annual Money-Weighted Rate of Return on OPEB Plan Investments
2022	-17.88%
2021	25.08%
2020	0.25%
2019	(2.41%)
2018	9.97%
2017	11.25%

Note to Schedule

*GASB Statement No. 75 was implemented in 2017. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

Supplementary Information

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

The City of Gainesville, Florida (the City) maintains the following Special Revenue Funds:

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

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

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

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

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

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

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

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

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

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

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

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

SPECIAL REVENUE FUNDS

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

American Rescue Plan Act (ARPA) - to account for grant funds provided through the American Rescue Act of 2021 to help state and local governments cover increased expenditures, replenish lost revenue, and mitigate economic harm from the COVID-19 pandemic.

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

DEBT SERVICE FUNDS

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

The City of Gainesville, Florida (the City) maintains the following Debt Service Funds:

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

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

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

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

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

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

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

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

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

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

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

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

Special Obligations Revenues Bonds Series 2020 - to account for funds to accumulate the debt service requirements of the Special Obligation Revenue Bonds (Pension Obligation Bonds) of 2020.

Revenue Refunding Note Series 2021 - to account for funds to accumulate the debt service requirements for the Refunding Note of 2021.

CAPITAL PROJECTS FUNDS

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

The City of Gainesville, Florida (the City) maintains the following Capital Projects Funds:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CAPITAL PROJECTS FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	Special Revenue Funds			
	Community Development Block Grant	Urban Development Action Grant	Home Grant	Cultural Affairs
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Equity in Pooled Cash and Investments	-	303,463	-	335,119
Receivables	640,627	-	430,657	1,720
Due from Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	640,627	303,463	430,657	336,839
Liabilities				
Accounts Payable and Accrued Liabilities	281,936	-	356,298	2,906
Due to Other Funds	306,506	-	252,597	-
Unearned Revenues	-	-	-	-
Total Liabilities	588,442	-	608,895	2,906
Deferred Inflows of Resources				
Unavailable Revenue	33,165	-	26,673	-
Total Deferred Inflows of Resources	33,165	-	26,673	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	19,020	303,463	-	-
Committed	-	-	-	333,933
Assigned	-	-	-	-
Unassigned	-	-	(204,911)	-
Total Fund Balances	19,020	303,463	(204,911)	333,933
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 640,627	\$ 303,463	\$ 430,657	\$ 336,839

**CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Continued)**

	Special Revenue Funds			
	State Law Enforcement Contraband Forfeiture	Federal Law Enforcement Contraband Forfeiture	Police Billable Overtime	Street, Sidewalk, and Ditch Improvement
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Equity in Pooled Cash and Investments	190,113	800,046	-	191,062
Receivables	-	-	210,292	3,098
Due from Other Funds	-	-	2,358	-
Assets Held for Evidence	670,492	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	860,605	800,046	212,650	194,160
Liabilities				
Accounts Payable and Accrued Liabilities	672,903	-	44,567	-
Due to Other Funds	-	-	507,468	-
Unearned Revenues	-	-	-	3,458
Total Liabilities	672,903	-	552,035	3,458
Deferred Inflows of Resources				
Unavailable Revenue	-	-	127,795	-
Total Deferred Inflows of Resources	-	-	127,795	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	187,702	800,046	-	190,702
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	(467,180)	-
Total Fund Balances	187,702	800,046	(467,180)	190,702
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 860,605	\$ 800,046	\$ 212,650	\$ 194,160

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Continued)

	Special Revenue Funds			
	Economic Development	Miscellaneous Grants	Transportation Concurrency Exception Area	Water/ Wastewater Infrastructure Surcharge
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ 3,000	\$ -
Investments	-	-	-	-
Equity in Pooled Cash and Investments	183,598	-	7,627,870	3,266,961
Receivables	453	1,017,027	18,597	36,907
Due from Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Prepaid Expenses	-	12	-	-
Total Assets	184,051	1,017,039	7,649,467	3,303,868
Liabilities				
Accounts Payable and Accrued Liabilities	13,058	166,159	151,233	-
Due to Other Funds	-	2,299,640	-	87,892
Unearned Revenues	-	-	-	-
Total Liabilities	13,058	2,465,799	151,233	87,892
Deferred Inflows of Resources				
Unavailable Revenue	-	53,885	-	-
Total Deferred Inflows of Resources	-	53,885	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	7,498,234	-
Committed	170,993	-	-	3,215,976
Assigned	-	-	-	-
Unassigned	-	(1,502,645)	-	-
Total Fund Balances	170,993	(1,502,645)	7,498,234	3,215,976
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 184,051	\$ 1,017,039	\$ 7,649,467	\$ 3,303,868

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Continued)

	Special Revenue Funds			
	SHIP	Small Business Loan	Miscellaneous Special Revenue Fund	Tree Mitigation
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Equity in Pooled Cash and Investments	977,658	244,266	1,220,441	7,812,067
Receivables	-	-	180,617	19,892
Due from Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	977,658	244,266	1,401,058	7,831,959
Liabilities				
Accounts Payable and Accrued Liabilities	1,412	-	279,983	8,653
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	1,412	-	279,983	8,653
Deferred Inflows of Resources				
Unavailable Revenue	-	-	26,445	-
Total Deferred Inflows of Resources	-	-	26,445	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	976,246	-	-	-
Committed	-	244,266	-	7,823,306
Assigned	-	-	1,094,630	-
Unassigned	-	-	-	-
Total Fund Balances	976,246	244,266	1,094,630	7,823,306
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 977,658	\$ 244,266	\$ 1,401,058	\$ 7,831,959

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Continued)

	Special Revenue Funds			
	Evergreen Cemetery	School Crossing Guard	Art in Public Places	Gainesville Community Reinvestment Area
Assets				
Cash and Cash Equivalents	\$ 16	\$ -	\$ -	\$ -
Investments	1,174,048	-	-	-
Equity in Pooled Cash and Investments	6,986	-	32,664	14,616,317
Receivables	-	51	33	37,912
Due from Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	1,181,050	51	32,697	14,654,229
Liabilities				
Accounts Payable and Accrued Liabilities	-	-	-	435,384
Due to Other Funds	-	10,719	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	10,719	-	435,384
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	973,501	-	-	-
Restricted	207,549	-	32,697	14,218,845
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	(10,668)	-	-
Total Fund Balances	1,181,050	(10,668)	32,697	14,218,845
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,181,050	\$ 51	\$ 32,697	\$ 14,654,229

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Continued)

	Special Revenue Funds			
	Downtown Redevelopment Tax Increment Fund	Fifth Avenue Tax Increment Fund	College Park Tax Increment Fund	Eastside Tax Increment Fund
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Equity in Pooled Cash and Investments	2,975,187	445,607	4,010,592	56,429
Receivables	7,741	1,123	10,220	500
Due from Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	<u>2,982,928</u>	<u>446,730</u>	<u>4,020,812</u>	<u>56,929</u>
Liabilities				
Accounts Payable and Accrued Liabilities	683,989	13,000	1,446	1,019
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>683,989</u>	<u>13,000</u>	<u>1,446</u>	<u>1,019</u>
Deferred Inflows of Resources				
Unavailable Revenue	-	1,390	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>1,390</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	2,298,939	432,340	4,019,366	55,910
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>2,298,939</u>	<u>432,340</u>	<u>4,019,366</u>	<u>55,910</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,982,928</u>	<u>\$ 446,730</u>	<u>\$ 4,020,812</u>	<u>\$ 56,929</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Continued)

	Special Revenue Funds		Debt Service Funds	
	American Rescue Plan Act (ARPA)	Emergency Disaster	Guaranteed Entitlement Rev and Refunding Bonds 1994	Pension Obligation Bond Series 2003A
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Equity in Pooled Cash and Investments	31,841,215	875,769	9,889	141,449
Receivables	-	-	-	3,317
Due from Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	31,841,215	875,769	9,889	144,766
Liabilities				
Accounts Payable and Accrued Liabilities	619,881	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenues	31,218,756	-	-	-
Total Liabilities	31,838,637	-	-	-
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	2,578	-	-	-
Committed	-	-	-	-
Assigned	-	875,769	9,889	144,766
Unassigned	-	-	-	-
Total Fund Balances	2,578	875,769	9,889	144,766
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 31,841,215	\$ 875,769	\$ 9,889	\$ 144,766

**CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Continued)**

	Debt Service Funds			
	Pension Obligation Bond Series 2003B	GPD Energy Conservation Master Capital Lease	Capital Improvement Revenue Note Series 2009	Revenue Refunding Note Series 2011
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Equity in Pooled Cash and Investments	133,805	192	12,581	12,904
Receivables	-	66	31	-
Due from Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	<u>133,805</u>	<u>258</u>	<u>12,612</u>	<u>12,904</u>
Liabilities				
Accounts Payable and Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	133,805	258	12,612	12,904
Unassigned	-	-	-	-
Total Fund Balances	<u>133,805</u>	<u>258</u>	<u>12,612</u>	<u>12,904</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 133,805</u>	<u>\$ 258</u>	<u>\$ 12,612</u>	<u>\$ 12,904</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Continued)

	Debt Service Funds			
	Capital Improvement Revenue Note Series 2011A	Revenue Refunding Note Series 2014	Capital Improvement Revenue Bond Series 2014	Revenue Refunding Note Series 2016A
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Equity in Pooled Cash and Investments	21,278	86,869	211,963	257,598
Receivables	54	94	52	-
Due from Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	21,332	86,963	212,015	257,598
Liabilities				
Accounts Payable and Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	21,332	86,963	212,015	257,598
Unassigned	-	-	-	-
Total Fund Balances	21,332	86,963	212,015	257,598
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 21,332	\$ 86,963	\$ 212,015	\$ 257,598

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Continued)

	Debt Service Funds			
	Capital Improvement Revenue Note 2016B	Capital Improvement Revenue Note 2019	Special Obligation Revenue Bonds Series 2020	Revenue Refunding Note Series 2021
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Equity in Pooled Cash and Investments	-	2,486	-	217,363
Receivables	-	-	2,456	389
Due from Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	<u>-</u>	<u>2,486</u>	<u>2,456</u>	<u>217,752</u>
Liabilities				
Accounts Payable and Accrued Liabilities	-	-	-	-
Due to Other Funds	2,527	-	182,783	2,975
Unearned Revenues	-	-	-	-
Total Liabilities	<u>2,527</u>	<u>-</u>	<u>182,783</u>	<u>2,975</u>
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	2,486	-	214,777
Unassigned	(2,527)	-	(180,327)	-
Total Fund Balances	<u>(2,527)</u>	<u>2,486</u>	<u>(180,327)</u>	<u>214,777</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ -</u>	<u>\$ 2,486</u>	<u>\$ 2,456</u>	<u>\$ 217,752</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Continued)

	Capital Projects Funds			
	General Capital Projects	Public Improvement Construction Fund	Greenspace and Community Improvement	Capital Projects Fund 02
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Equity in Pooled Cash and Investments	3,767,516	966	150,600	15,070
Receivables	-	-	385	131
Due from Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	<u>3,767,516</u>	<u>966</u>	<u>150,985</u>	<u>15,201</u>
Liabilities				
Accounts Payable and Accrued Liabilities	30,491	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>30,491</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	3,737,025	966	150,985	15,201
Unassigned	-	-	-	-
Total Fund Balances	<u>3,737,025</u>	<u>966</u>	<u>150,985</u>	<u>15,201</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 3,767,516</u>	<u>\$ 966</u>	<u>\$ 150,985</u>	<u>\$ 15,201</u>

**CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Continued)**

	Capital Projects Funds			
	Fifth Ave/ Pleasant St Rehab Proj. Fund 02	FFGFC 05 Capital Projects	Capital Improvement Revenue Bond (CIRB) 2005	Campus Development Agreement
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Equity in Pooled Cash and Investments	8,426	109,247	207,930	1,196,024
Receivables	22	278	529	3,049
Due from Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	<u>8,448</u>	<u>109,525</u>	<u>208,459</u>	<u>1,199,073</u>
Liabilities				
Accounts Payable and Accrued Liabilities	-	-	-	14,434
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,434</u>
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	8,448	109,525	208,459	1,184,639
Unassigned	-	-	-	-
Total Fund Balances	<u>8,448</u>	<u>109,525</u>	<u>208,459</u>	<u>1,184,639</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 8,448</u>	<u>\$ 109,525</u>	<u>\$ 208,459</u>	<u>\$ 1,199,073</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Continued)

	Capital Projects Funds			
	Energy Conservation	Add'l 5 Cents Local Option Gas Tax (LOGT)	Add'l 5 Cents Gas Tax (LOGT) CIRN 2009	Traffic Management System
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Equity in Pooled Cash and Investments	77	2,650,818	607,475	120,699
Receivables	26	9,138	1,547	307
Due from Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	103	2,659,956	609,022	121,006
Liabilities				
Accounts Payable and Accrued Liabilities	-	117,445	-	-
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	117,445	-	-
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	2,542,511	-	-
Committed	-	-	-	-
Assigned	103	-	609,022	121,006
Unassigned	-	-	-	-
Total Fund Balances	103	2,542,511	609,022	121,006
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 103	\$ 2,659,956	\$ 609,022	\$ 121,006

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Continued)

	Capital Projects Funds			
	Wild Spaces Public Places 1/2 Cent Sales Tax	Wild Spaces Public Places Land Acq.	Senior Recreation Center	Capital Improvement Revenue Bond 2010
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Equity in Pooled Cash and Investments	1,414	179,450	23,956	358,729
Receivables	3	458	60	942
Due from Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	1,417	179,908	24,016	359,671
Liabilities				
Accounts Payable and Accrued Liabilities	-	-	-	10,530
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	-	-	10,530
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	1,417	179,908	24,016	69,173
Committed	-	-	-	-
Assigned	-	-	-	279,968
Unassigned	-	-	-	-
Total Fund Balances	1,417	179,908	24,016	349,141
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,417	\$ 179,908	\$ 24,016	\$ 359,671

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Continued)

	Capital Projects Funds			
	Capital Improvement Revenue Note 2011	Facilities Maintenance Recurring	Equipment Replacement	Roadway Resurfacing Program
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Equity in Pooled Cash and Investments	903	1,853,459	976,728	3,633,212
Receivables	2	2,744	2,565	5,927
Due from Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	905	1,856,203	979,293	3,639,139
Liabilities				
Accounts Payable and Accrued Liabilities	-	10,650	6,197	34,379
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	10,650	6,197	34,379
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	905	1,845,553	973,096	3,604,760
Unassigned	-	-	-	-
Total Fund Balances	905	1,845,553	973,096	3,604,760
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 905	\$ 1,856,203	\$ 979,293	\$ 3,639,139

**CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Continued)**

	Capital Projects Funds			
	Capital Improvement Revenue Bond Series 2014	Capital Improvement Beazer Settlement	Capital Imp Revenue Note 2016B Add'l 5 Cent Gas Tax	Capital Improvement Revenue Note 2017
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-
Equity in Pooled Cash and Investments	551,869	21,924	794,692	225,099
Receivables	1,406	55	2,394	573
Due from Other Funds	-	-	-	-
Assets Held for Evidence	-	-	-	-
Prepaid Expenses	-	-	-	-
Total Assets	553,275	21,979	797,086	225,672
Liabilities				
Accounts Payable and Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenues	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	49,047	-	76,489	-
Committed	-	-	-	-
Assigned	504,228	21,979	720,597	225,672
Unassigned	-	-	-	-
Total Fund Balances	553,275	21,979	797,086	225,672
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 553,275	\$ 21,979	\$ 797,086	\$ 225,672

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(Concluded)

	Capital Projects Funds			Total Nonmajor Governmental Funds
	Wild Spaces Public Places 1/2 Cent Sales Tax 2017-2025	Wild Spaces Public Places Joint Projects	Capital Improvement Revenue Note 2019	
Assets				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 3,016
Investments	-	-	-	1,174,048
Equity in Pooled Cash and Investments	22,452,024	1,793,856	3,554,823	124,378,793
Receivables	730,327	4,675	9,058	3,400,527
Due from Other Funds	-	-	-	2,358
Assets Held for Evidence	-	-	-	670,492
Prepaid Expenses	-	-	-	12
Total Assets	23,182,351	1,798,531	3,563,881	129,629,246
Liabilities				
Accounts Payable and Accrued Liabilities	1,092,118	3,028	60	5,053,159
Due to Other Funds	496	-	-	3,653,603
Unearned Revenues	-	-	-	31,222,214
Total Liabilities	1,092,614	3,028	60	39,928,976
Deferred Inflows of Resources				
Unavailable Revenue	-	-	-	269,353
Total Deferred Inflows of Resources	-	-	-	269,353
Fund Balances				
Nonspendable	-	-	-	973,501
Restricted	22,089,737	1,795,503	3,490,123	61,561,561
Committed	-	-	-	11,788,474
Assigned	-	-	73,698	17,475,639
Unassigned	-	-	-	(2,368,258)
Total Fund Balances	22,089,737	1,795,503	3,563,821	89,430,917
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 23,182,351	\$ 1,798,531	\$ 3,563,881	\$ 129,629,246

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

	Special Revenue Funds			
	Community Development Block Grant	Urban Development Action Grant	Home Grant	Cultural Affairs
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,054,679	-	403,689	-
Charges for Services	-	-	-	513,423
Fines and Forfeitures	-	-	-	-
Miscellaneous	15,944	-	133,179	62,506
Total Revenues	1,070,623	-	536,868	575,929
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	1,090,429	-	476,410	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	486,035
Debt Service:				
Principal	-	-	-	10,973
Interest and Fiscal Charges	-	-	-	1,327
Capital Outlay	-	-	-	-
Total Expenditures	1,090,429	-	476,410	498,335
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,806)	-	60,458	77,594
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Transfers in	-	-	-	15,700
Transfers (out)	-	-	-	(7,648)
Total Other Financing Sources (Uses)	-	-	-	8,052
Net Change in Fund Balances	(19,806)	-	60,458	85,646
Fund Balances, Beginning of Year	38,826	303,463	(265,369)	248,287
Prior Period Adjustment	-	-	-	-
Fund Balances, Beginning of Year (Restated)	38,826	303,463	(265,369)	248,287
Fund Balances, End of Year	\$ 19,020	\$ 303,463	\$ (204,911)	\$ 333,933

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Special Revenue Funds			
	State Law Enforcement Contraband Forfeiture	Federal Law Enforcement Contraband Forfeiture	Police Billable Overtime	Street, Sidewalk, and Ditch Improvement
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	740,116	-
Fines and Forfeitures	-	57,490	-	-
Miscellaneous	-	-	-	472
Total Revenues	-	57,490	740,116	472
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	17,809	57,750	972,620	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	17,809	57,750	972,620	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(17,809)	(260)	(232,504)	472
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(103,340)	-	-	-
Total Other Financing Sources (Uses)	(103,340)	-	-	-
Net Change in Fund Balances	(121,149)	(260)	(232,504)	472
Fund Balances, Beginning of Year	308,851	800,306	(234,676)	190,230
Prior Period Adjustment	-	-	-	-
Fund Balances, Beginning of Year (Restated)	308,851	800,306	(234,676)	190,230
Fund Balances, End of Year	\$ 187,702	\$ 800,046	\$ (467,180)	\$ 190,702

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Special Revenue Funds			
	Economic Development	Miscellaneous Grants	Transportation Concurrency Exception Area	Water/ Wastewater Infrastructure Surcharge
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	6,250	1,840,023	-	-
Charges for Services	-	-	2,066,031	735,606
Fines and Forfeitures	-	-	-	-
Miscellaneous	442	33,042	18,414	6,645
Total Revenues	6,692	1,873,065	2,084,445	742,251
Expenditures				
Current:				
General Government	55,856	91,975	-	-
Public Safety	-	1,075,954	-	-
Physical Environment	-	-	-	309,301
Transportation	-	246,196	95,303	-
Economic Environment	-	50,000	-	-
Human Services	-	-	-	-
Culture and Recreation	-	192,320	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	-	359,711	1,406,732	-
Total Expenditures	55,856	2,016,156	1,502,035	309,301
Excess (Deficiency) of Revenues Over (Under) Expenditures	(49,164)	(143,091)	582,410	432,950
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Transfers in	12,000	239,931	-	-
Transfers (out)	-	(330,781)	-	-
Total Other Financing Sources (Uses)	12,000	(90,850)	-	-
Net Change in Fund Balances	(37,164)	(233,941)	582,410	432,950
Fund Balances, Beginning of Year	208,157	(1,268,704)	6,915,824	2,783,026
Prior Period Adjustment	-	-	-	-
Fund Balances, Beginning of Year (Restated)	208,157	(1,268,704)	6,915,824	2,783,026
Fund Balances, End of Year	\$ 170,993	\$ (1,502,645)	\$ 7,498,234	\$ 3,215,976

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Special Revenue Funds			
	SHIP	Small Business Loan	Miscellaneous Special Revenue Fund	Tree Mitigation
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	595,001	-	36,145	-
Charges for Services	-	-	70,295	-
Fines and Forfeitures	-	-	20,624	-
Miscellaneous	40,600	-	599,035	1,804,017
Total Revenues	635,601	-	726,099	1,804,017
Expenditures				
Current:				
General Government	-	-	542,855	-
Public Safety	-	-	236,032	-
Physical Environment	-	-	-	-
Transportation	-	-	-	54,950
Economic Environment	566,065	-	795	54,778
Human Services	-	-	1,505,355	-
Culture and Recreation	-	-	69,801	7,820
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	566,065	-	2,354,838	117,548
Excess (Deficiency) of Revenues Over (Under) Expenditures	69,536	-	(1,628,739)	1,686,469
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Transfers in	-	-	1,586,500	-
Transfers (out)	-	-	(26,390)	-
Total Other Financing Sources (Uses)	-	-	1,560,110	-
Net Change in Fund Balances	69,536	-	(68,629)	1,686,469
Fund Balances, Beginning of Year	906,710	244,266	1,163,259	6,136,837
Prior Period Adjustment	-	-	-	-
Fund Balances, Beginning of Year (Restated)	906,710	244,266	1,163,259	6,136,837
Fund Balances, End of Year	\$ 976,246	\$ 244,266	\$ 1,094,630	\$ 7,823,306

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Special Revenue Funds			
	Evergreen Cemetery	School Crossing Guard	Art in Public Places	Gainesville Community Reinvestment Area
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	3,991,460
Charges for Services	27,900	-	-	-
Fines and Forfeitures	-	45,502	-	-
Miscellaneous	(475,936)	(31)	3,977	38,958
Total Revenues	(448,036)	45,471	3,977	4,030,418
Expenditures				
Current:				
General Government	-	-	-	84,405
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	3,980,533
Human Services	-	-	-	-
Culture and Recreation	226	-	7,406	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	-	-	-	156,447
Total Expenditures	226	-	7,406	4,221,385
Excess (Deficiency) of Revenues Over (Under) Expenditures	(448,262)	45,471	(3,429)	(190,967)
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Transfers in	-	-	39,600	3,534,842
Transfers (out)	(180,000)	-	-	(755,646)
Total Other Financing Sources (Uses)	(180,000)	-	39,600	2,779,196
Net Change in Fund Balances	(628,262)	45,471	36,171	2,588,229
Fund Balances, Beginning of Year	1,809,312	(56,139)	(3,474)	11,630,616
Prior Period Adjustment	-	-	-	-
Fund Balances, Beginning of Year (Restated)	1,809,312	(56,139)	(3,474)	11,630,616
Fund Balances, End of Year	\$ 1,181,050	\$ (10,668)	\$ 32,697	\$ 14,218,845

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Special Revenue Funds			
	Downtown			
	Redevelopment	Fifth Avenue	College Park	Eastside
	Tax Increment	Tax Increment	Tax Increment	Tax Increment
	Fund	Fund	Fund	Fund
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	8,645	1,660	9,942	904
Total Revenues	8,645	1,660	9,942	904
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	925,335	222,089	8,061	42,009
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	925,335	222,089	8,061	42,009
Excess (Deficiency) of Revenues Over (Under) Expenditures	(916,690)	(220,429)	1,881	(41,105)
Other Financing Sources (Uses)				
Sale of Capital Assets	-	12,500	-	209,184
Transfers in	-	-	-	-
Transfers (out)	-	-	-	(209,184)
Total Other Financing Sources (Uses)	-	12,500	-	-
Net Change in Fund Balances	(916,690)	(207,929)	1,881	(41,105)
Fund Balances, Beginning of Year	3,215,629	640,269	4,017,485	97,015
Prior Period Adjustment	-	-	-	-
Fund Balances, Beginning of Year (Restated)	3,215,629	640,269	4,017,485	97,015
Fund Balances, End of Year	\$ 2,298,939	\$ 432,340	\$ 4,019,366	\$ 55,910

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Special Revenue Funds		Debt Service Funds	
	American Rescue Plan Act (ARPA)	Emergency Disaster	Guaranteed Entitlement Rev and Refunding Bonds 1994	Pension Obligation Bond Series 2003A
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,190,048	-	1,095,000	-
Charges for Services	-	-	-	1,960,740
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	-	1,671
Total Revenues	1,190,048	-	1,095,000	1,962,411
Expenditures				
Current:				
General Government	888,984	-	-	-
Public Safety	93,526	-	-	-
Physical Environment	-	-	-	-
Transportation	94,268	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	200,637	1,017,858
Interest and Fiscal Charges	-	-	894,363	3,382,917
Capital Outlay	113,269	-	-	-
Total Expenditures	1,190,047	-	1,095,000	4,400,775
Excess (Deficiency) of Revenues Over (Under) Expenditures	1	-	-	(2,438,364)
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Transfers in	-	-	-	2,388,483
Transfers (out)	-	(650,000)	-	-
Total Other Financing Sources (Uses)	-	(650,000)	-	2,388,483
Net Change in Fund Balances	1	(650,000)	-	(49,881)
Fund Balances, Beginning of Year	2,577	1,525,769	9,889	20,555,984
Prior Period Adjustment	-	-	-	(20,361,337)
Fund Balances, Beginning of Year (Restated)	2,577	1,525,769	9,889	194,647
Fund Balances, End of Year	\$ 2,578	\$ 875,769	\$ 9,889	\$ 144,766

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Debt Service Funds			
	Pension Obligation Bond Series 2003B	GPD Energy Conservation Master Capital Lease	Capital Improvement Revenue Note Series 2009	Revenue Refunding Note Series 2011
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	128	31	-
Total Revenues	-	128	31	-
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	1,725,000	-	-	675,000
Interest and Fiscal Charges	1,904,276	-	-	15,930
Capital Outlay	-	-	-	-
Total Expenditures	3,629,276	-	-	690,930
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,629,276)	128	31	(690,930)
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Transfers in	3,629,276	-	-	690,930
Transfers (out)	-	(38,538)	-	-
Total Other Financing Sources (Uses)	3,629,276	(38,538)	-	690,930
Net Change in Fund Balances	-	(38,410)	31	-
Fund Balances, Beginning of Year	133,805	38,668	12,581	12,904
Prior Period Adjustment	-	-	-	-
Fund Balances, Beginning of Year (Restated)	133,805	38,668	12,581	12,904
Fund Balances, End of Year	\$ 133,805	\$ 258	\$ 12,612	\$ 12,904

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Debt Service Funds			
	Capital Improvement Revenue Note Series 2011A	Revenue Refunding Note Series 2014	Capital Improvement Revenue Bond Series 2014	Revenue Refunding Note Series 2016A
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	53	174	39	-
Total Revenues	53	174	39	-
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	1,490,000	551,798	1,071,334
Interest and Fiscal Charges	-	148,440	333,345	174,970
Capital Outlay	-	-	-	-
Total Expenditures	-	1,638,440	885,143	1,246,304
Excess (Deficiency) of Revenues Over (Under) Expenditures	53	(1,638,266)	(885,104)	(1,246,304)
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Transfers in	-	1,638,440	885,142	1,246,304
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	1,638,440	885,142	1,246,304
Net Change in Fund Balances	53	174	38	-
Fund Balances, Beginning of Year	21,279	86,789	211,977	257,598
Prior Period Adjustment	-	-	-	-
Fund Balances, Beginning of Year (Restated)	21,279	86,789	211,977	257,598
Fund Balances, End of Year	\$ 21,332	\$ 86,963	\$ 212,015	\$ 257,598

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Debt Service Funds			
	Capital Improvement Revenue Note 2016B	Capital Improvement Revenue Note 2019	Special Obligation Revenue Bonds Series 2020	Revenue Refunding Note Series 2021
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	2,067,315	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	-	-	1,337	488
Total Revenues	-	-	2,068,652	488
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	410,000	515,000	5,415,000	723,000
Interest and Fiscal Charges	117,120	148,735	4,681,185	195,523
Capital Outlay	-	-	-	-
Total Expenditures	527,120	663,735	10,096,185	918,523
Excess (Deficiency) of Revenues Over (Under) Expenditures	(527,120)	(663,735)	(8,027,533)	(918,035)
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Transfers in	527,120	663,735	7,865,714	918,523
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	527,120	663,735	7,865,714	918,523
Net Change in Fund Balances	-	-	(161,819)	488
Fund Balances, Beginning of Year	(2,527)	2,486	113,799,197	214,289
Prior Period Adjustment	-	-	(113,817,705)	-
Fund Balances, Beginning of Year (Restated)	(2,527)	2,486	(18,508)	214,289
Fund Balances, End of Year	\$ (2,527)	\$ 2,486	\$ (180,327)	\$ 214,777

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Capital Projects Funds			
	General Capital Projects	Public Improvement Construction Fund	Greenspace and Community Improvement	Capital Projects Fund 02
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	182,549	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	12,897	-	393	219
Total Revenues	195,446	-	393	219
Expenditures				
Current:				
General Government	115,895	-	-	-
Public Safety	33,495	-	-	-
Physical Environment	-	-	-	-
Transportation	187,268	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	5,580	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	336,658	-	5,580	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(141,212)	-	(5,187)	219
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Transfers in	2,307,107	-	-	-
Transfers (out)	(791,374)	-	-	(54,877)
Total Other Financing Sources (Uses)	1,515,733	-	-	(54,877)
Net Change in Fund Balances	1,374,521	-	(5,187)	(54,658)
Fund Balances, Beginning of Year	2,362,504	966	156,172	69,859
Prior Period Adjustment	-	-	-	-
Fund Balances, Beginning of Year (Restated)	2,362,504	966	156,172	69,859
Fund Balances, End of Year	\$ 3,737,025	\$ 966	\$ 150,985	\$ 15,201

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Capital Projects Funds			
	Fifth Ave/ Pleasant St Rehab Proj. Fund 02	FFGFC 05 Capital Projects	Capital Improvement Revenue Bond (CIRB) 2005	Campus Development Agreement
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	21	270	523	2,916
Total Revenues	21	270	523	2,916
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	14,433
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	14,433
Excess (Deficiency) of Revenues Over (Under) Expenditures	21	270	523	(11,517)
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	21	270	523	(11,517)
Fund Balances, Beginning of Year	8,427	109,255	207,936	1,196,156
Prior Period Adjustment	-	-	-	-
Fund Balances, Beginning of Year (Restated)	8,427	109,255	207,936	1,196,156
Fund Balances, End of Year	\$ 8,448	\$ 109,525	\$ 208,459	\$ 1,184,639

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Capital Projects Funds			
	Energy Conservation	Add'l 5 Cents Local Option Gas Tax (LOGT)	Add'l 5 Cents Gas Tax (LOGT) CIRN 2009	Traffic Management System
Revenues				
Taxes	\$ -	\$ 2,417,223	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	51	50,528	1,502	298
Total Revenues	51	2,467,751	1,502	298
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	-	2,145,265	-	-
Total Expenditures	-	2,145,265	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	51	322,486	1,502	298
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(15,384)	(1,534,434)	-	-
Total Other Financing Sources (Uses)	(15,384)	(1,534,434)	-	-
Net Change in Fund Balances	(15,333)	(1,211,948)	1,502	298
Fund Balances, Beginning of Year	15,436	3,754,459	607,520	120,708
Prior Period Adjustment	-	-	-	-
Fund Balances, Beginning of Year (Restated)	15,436	3,754,459	607,520	120,708
Fund Balances, End of Year	\$ 103	\$ 2,542,511	\$ 609,022	\$ 121,006

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Capital Projects Funds			
	Wild Spaces Public Places 1/2 Cent Sales Tax	Wild Spaces Public Places Land Acq.	Senior Recreation Center	Capital Improvement Revenue Bond 2010
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	3	444	59	1,023
Total Revenues	3	444	59	1,023
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	-	-	-	43,505
Total Expenditures	-	-	-	43,505
Excess (Deficiency) of Revenues Over (Under) Expenditures	3	444	59	(42,482)
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	3	444	59	(42,482)
Fund Balances, Beginning of Year	1,414	179,464	23,957	391,623
Prior Period Adjustment	-	-	-	-
Fund Balances, Beginning of Year (Restated)	1,414	179,464	23,957	391,623
Fund Balances, End of Year	\$ 1,417	\$ 179,908	\$ 24,016	\$ 349,141

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Capital Projects Funds			
	Capital Improvement Revenue Note 2011	Facilities Maintenance Recurring	Equipment Replacement	Roadway Resurfacing Program
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	2	1,541	2,966	4,437
Total Revenues	2	1,541	2,966	4,437
Expenditures				
Current:				
General Government	-	352,660	81,760	-
Public Safety	-	42,088	55,136	-
Physical Environment	-	-	-	-
Transportation	-	13,120	-	826,898
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	19,639	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	-	23,842	6,170	-
Total Expenditures	-	431,710	162,705	826,898
Excess (Deficiency) of Revenues Over (Under) Expenditures	2	(430,169)	(159,739)	(822,461)
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Transfers in	-	1,379,483	-	2,072,069
Transfers (out)	-	(100,000)	-	(36,053)
Total Other Financing Sources (Uses)	-	1,279,483	-	2,036,016
Net Change in Fund Balances	2	849,314	(159,739)	1,213,555
Fund Balances, Beginning of Year	903	996,239	1,132,835	2,391,205
Prior Period Adjustment	-	-	-	-
Fund Balances, Beginning of Year (Restated)	903	996,239	1,132,835	2,391,205
Fund Balances, End of Year	\$ 905	\$ 1,845,553	\$ 973,096	\$ 3,604,760

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Capital Projects Funds			
	Capital Improvement Revenue Bond Series 2014	Capital Improvement Beazer Settlement	Capital Imp Revenue Note 2016B Add'l 5 Cent Gas Tax	Capital Improvement Revenue Note 2017
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Miscellaneous	1,364	54	159,516	556
Total Revenues	1,364	54	159,516	556
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	1,566	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	136,620	-	1,417,190	-
Total Expenditures	136,620	-	1,418,756	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(135,256)	54	(1,259,240)	556
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	(220,809)	-
Total Other Financing Sources (Uses)	-	-	(220,809)	-
Net Change in Fund Balances	(135,256)	54	(1,480,049)	556
Fund Balances, Beginning of Year	688,531	21,925	2,277,135	225,116
Prior Period Adjustment	-	-	-	-
Fund Balances, Beginning of Year (Restated)	688,531	21,925	2,277,135	225,116
Fund Balances, End of Year	\$ 553,275	\$ 21,979	\$ 797,086	\$ 225,672

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Concluded)

	Capital Projects Funds			Total Nonmajor Governmental Funds
	Wild Spaces Public Places 1/2 Cent Sales Tax 2017-2025	Wild Spaces Public Places Joint Projects	Capital Improvement Revenue Note 2019	
Revenues				
Taxes	\$ 9,858,018	\$ -	\$ -	\$ 12,275,241
Intergovernmental	-	-	-	10,212,295
Charges for Services	-	-	-	8,363,975
Fines and Forfeitures	-	-	-	123,616
Miscellaneous	120,490	5,301	8,996	2,682,706
Total Revenues	9,978,508	5,301	8,996	33,657,833
Expenditures				
Current:				
General Government	-	-	43,403	2,257,793
Public Safety	-	-	21,850	2,606,260
Physical Environment	-	-	-	309,301
Transportation	-	-	-	1,534,002
Economic Environment	-	-	-	7,416,504
Human Services	-	-	-	1,505,355
Culture and Recreation	1,933,647	3,016	-	2,725,490
Debt Service:				
Principal	-	-	-	13,805,600
Interest and Fiscal Charges	-	-	-	11,998,131
Capital Outlay	3,511,045	326,447	-	9,646,243
Total Expenditures	5,444,692	329,463	65,253	53,804,679
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,533,816	(324,162)	(56,257)	(20,146,846)
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	-	221,684
Transfers in	9,312	-	-	31,650,211
Transfers (out)	-	(59,950)	-	(5,114,408)
Total Other Financing Sources (Uses)	9,312	(59,950)	-	26,757,487
Net Change in Fund Balances	4,543,128	(384,112)	(56,257)	6,610,641
Fund Balances, Beginning of Year	17,546,609	2,179,615	3,620,078	216,999,318
Prior Period Adjustment	-	-	-	(134,179,042)
Fund Balances, Beginning of Year (Restated)	17,546,609	2,179,615	3,620,078	82,820,276
Fund Balances, End of Year	\$ 22,089,737	\$ 1,795,503	\$ 3,563,821	\$ 89,430,917

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 1,054,679	\$ 3,684,217	\$ (2,629,538)
Miscellaneous	15,944	-	15,944
Total Revenues	<u>1,070,623</u>	<u>3,684,217</u>	<u>(2,613,594)</u>
Expenditures			
Economic Environment	1,090,429	3,641,356	2,550,927
Total Expenditures	<u>1,090,429</u>	<u>3,641,356</u>	<u>2,550,927</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(19,806)</u>	<u>42,861</u>	<u>(62,667)</u>
Other Financing Sources			
Transfers (out)	-	(42,861)	42,861
Total Other Financing Sources	<u>-</u>	<u>(42,861)</u>	<u>42,861</u>
Net Change in Fund Balances	<u>\$ (19,806)</u>	<u>\$ -</u>	<u>\$ (19,806)</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
URBAN DEVELOPMENT ACTION GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Culture and Recreation	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers (out)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
HOME GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 403,689	\$ 1,120,648	\$ (716,959)
Miscellaneous	133,179	-	133,179
Total Revenues	<u>536,868</u>	<u>1,120,648</u>	<u>(583,780)</u>
Expenditures			
Economic Environment	476,410	1,119,398	642,988
Total Expenditures	<u>476,410</u>	<u>1,119,398</u>	<u>642,988</u>
(Deficiency) of Revenues (Under) Expenditures	<u>60,458</u>	<u>1,250</u>	<u>59,208</u>
Other Financing Sources (Uses)			
Transfers (out)	-	(1,250)	1,250
Total Other Financing Sources (Uses)	<u>-</u>	<u>(1,250)</u>	<u>1,250</u>
Net Change in Fund Balances	<u>\$ 60,458</u>	<u>\$ -</u>	<u>\$ 60,458</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CULTURAL AFFAIRS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$ 513,423	\$ 504,912	\$ 8,511
Miscellaneous	62,506	81,506	(19,000)
Total Revenues	<u>575,929</u>	<u>586,418</u>	<u>(10,489)</u>
Expenditures			
Culture and Recreation	486,035	563,892	77,857
Debt Service:			
Principal	10,973	-	(10,973)
Interest	1,327	-	(1,327)
Total Expenditures	<u>498,335</u>	<u>563,892</u>	<u>65,557</u>
(Deficiency) of Revenues (Under) Expenditures	<u>77,594</u>	<u>22,526</u>	<u>55,068</u>
Other Financing Sources (Uses)			
Transfers In	15,700	15,700	-
Transfers (out)	(7,648)	-	(7,648)
Total Other Financing Sources (Uses)	<u>8,052</u>	<u>15,700</u>	<u>(7,648)</u>
Net Change in Fund Balances	<u>\$ 85,646</u>	<u>\$ 38,226</u>	<u>\$ 47,420</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
STATE LAW ENFORCEMENT CONTRABAND FORFEITURE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	Variance with Final Budget Positive (Negative)
Revenues			
Miscellaneous	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Public Safety	17,809	226,538	208,729
Total Expenditures	<u>17,809</u>	<u>226,538</u>	<u>208,729</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(17,809)</u>	<u>(226,538)</u>	<u>208,729</u>
Other Financing Sources (Uses)			
Transfers (out)	(103,340)	-	(103,340)
Total Other Financing Sources (Uses)	<u>(103,340)</u>	<u>-</u>	<u>(103,340)</u>
Net Change in Fund Balances	<u>\$ (121,149)</u>	<u>\$ (226,538)</u>	<u>\$ 105,389</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
FEDERAL LAW ENFORCEMENT CONTRABAND FORFEITURE
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Actual</u>	<u>Budget</u>	Variance with Final Budget Positive (Negative)
Revenues			
Fines and Forfeitures	\$ 57,490	\$ -	\$ 57,490
Total Revenues	<u>57,490</u>	<u>-</u>	<u>57,490</u>
Expenditures			
Public Safety	57,750	153,758	96,008
Total Expenditures	<u>57,750</u>	<u>153,758</u>	<u>96,008</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(260)</u>	<u>(153,758)</u>	<u>153,498</u>
Net Change in Fund Balances	<u>\$ (260)</u>	<u>\$ (153,758)</u>	<u>\$ 153,498</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
POLICE BILLABLE OVERTIME
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Actual</u>	<u>Budget</u>	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$ 740,116	\$ 675,766	\$ 64,350
Total Revenues	<u>740,116</u>	<u>675,766</u>	<u>64,350</u>
Expenditures			
Public Safety	972,620	1,231,766	259,146
Total Expenditures	<u>972,620</u>	<u>1,231,766</u>	<u>259,146</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(232,504)</u>	<u>(556,000)</u>	<u>323,496</u>
Net Change in Fund Balance	<u>\$ (232,504)</u>	<u>\$ (556,000)</u>	<u>\$ 323,496</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
STREET, SIDEWALK, AND DITCH IMPROVEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 472	\$ 3,400	\$ (2,928)
Total Revenues	<u>472</u>	<u>3,400</u>	<u>(2,928)</u>
Expenditures			
Transportation	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>472</u>	<u>3,400</u>	<u>(2,928)</u>
Net Change in Fund Balance	<u>\$ 472</u>	<u>\$ 3,400</u>	<u>\$ (2,928)</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental Revenue	\$ 6,250	\$ 6,250	\$ -
Miscellaneous	442	-	442
Total Revenues	<u>6,692</u>	<u>6,250</u>	<u>442</u>
Expenditures			
General Government	55,856	-	(55,856)
Economic Environment	-	122,667	122,667
Total Expenditures	<u>55,856</u>	<u>122,667</u>	<u>66,811</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(49,164)</u>	<u>(116,417)</u>	<u>67,253</u>
Other Financing Sources (Uses)			
Transfers in	12,000	12,000	-
Total Other Financing Sources (Uses)	<u>12,000</u>	<u>12,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (37,164)</u>	<u>\$ (104,417)</u>	<u>\$ 67,253</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
MISCELLANEOUS GRANTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 1,840,023	\$ 22,404,538	\$ (20,564,515)
Miscellaneous	33,042	-	33,042
Total Revenues	<u>1,873,065</u>	<u>22,404,538</u>	<u>(20,531,473)</u>
Expenditures			
General Government	91,975	463,324	371,349
Public Safety	1,189,683	3,579,597	2,389,914
Physical Environment	-	399,783	399,783
Transportation	492,178	17,032,402	16,540,224
Economic Environment	50,000	147,000	97,000
Culture and Recreation	192,320	691,582	499,262
Total Expenditures	<u>2,016,156</u>	<u>22,313,688</u>	<u>20,297,532</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(143,091)</u>	<u>90,850</u>	<u>(233,941)</u>
Other Financing Sources (Uses)			
Transfers In	239,931	239,932	(1)
Transfers (Out)	(330,781)	(330,782)	1
Total Other Financing Sources (Uses)	<u>(90,850)</u>	<u>(90,850)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (233,941)</u>	<u>\$ -</u>	<u>\$ (233,941)</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
TRANSPORTATION CONCURRENCY EXCEPTION AREA
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Actual</u>	<u>Budget</u>	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$ 2,066,031	\$ 1,698,870	\$ 367,161
Miscellaneous	18,414	-	18,414
Total Revenues	<u>2,084,445</u>	<u>1,698,870</u>	<u>385,575</u>
Expenditures			
Transportation	1,502,035	8,530,810	7,028,775
Total Expenditures	<u>1,502,035</u>	<u>8,530,810</u>	<u>7,028,775</u>
(Deficiency) of Revenues (Under) Expenditures	<u>582,410</u>	<u>(6,831,940)</u>	<u>7,414,350</u>
Net Change in Fund Balance	<u>\$ 582,410</u>	<u>\$ (6,831,940)</u>	<u>\$ 7,414,350</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
WATER/WASTEWATER INFRASTRUCTURE SURCHARGE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$ 735,606	\$ -	\$ 735,606
Miscellaneous	6,645	-	6,645
Total Revenues	<u>742,251</u>	<u>-</u>	<u>742,251</u>
Expenditures			
Physical Environment	309,301	3,257,014	2,947,713
Total Expenditures	<u>309,301</u>	<u>3,257,014</u>	<u>2,947,713</u>
(Deficiency) of Revenues (Under) Expenditures	<u>432,950</u>	<u>(3,257,014)</u>	<u>3,689,964</u>
Other Financing Sources (Uses)			
Transfers in	-	550,000	(550,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>550,000</u>	<u>(550,000)</u>
Net Change in Fund Balance	<u>\$ 432,950</u>	<u>\$ (2,707,014)</u>	<u>\$ 3,139,964</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
SUPPORTIVE HOUSING INVESTMENT PARTNERSHIP (SHIP)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 595,001	\$ 1,775,567	\$ (1,180,566)
Miscellaneous	40,600	-	40,600
Total Revenues	<u>635,601</u>	<u>1,775,567</u>	<u>(1,139,966)</u>
Expenditures			
Economic Environment	566,065	1,795,479	1,229,414
Total Expenditures	<u>566,065</u>	<u>1,795,479</u>	<u>1,229,414</u>
(Deficiency) of Revenues (Under) Expenditures	<u>69,536</u>	<u>(19,912)</u>	<u>89,448</u>
Net Change in Fund Balance	<u>\$ 69,536</u>	<u>\$ (19,912)</u>	<u>\$ 89,448</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
SMALL BUSINESS LOAN
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
General Government	-	250,000	250,000
Total Expenditures	<u>-</u>	<u>250,000</u>	<u>250,000</u>
(Deficiency) of Revenues (Under) Expenditures	<u>-</u>	<u>(250,000)</u>	<u>250,000</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (250,000)</u>	<u>\$ 250,000</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
MISCELLANEOUS SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 36,145	\$ 9,601	\$ 26,544
Charges for Services	70,295	5,765	64,530
Fines and Forfeitures	20,624	-	20,624
Miscellaneous	599,035	806,539	(207,504)
Total Revenues	<u>726,099</u>	<u>821,905</u>	<u>(95,806)</u>
Expenditures			
Current:			
General Government	542,855	555,066	12,211
Public Safety	236,032	629,306	393,274
Physical Environment	-	17,578	17,578
Economic Environment	795	-	(795)
Human Services	1,505,355	2,302,505	797,150
Culture and Recreation	69,801	322,118	252,317
Total Expenditures	<u>2,354,838</u>	<u>3,826,573</u>	<u>1,471,735</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(1,628,739)</u>	<u>(3,004,668)</u>	<u>1,375,929</u>
Other Financing Sources (Uses)			
Transfers in	1,586,500	1,586,500	-
Transfers (out)	(26,390)	(26,390)	-
Total Other Financing Sources (Uses)	<u>1,560,110</u>	<u>1,560,110</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (68,629)</u>	<u>\$ (1,444,558)</u>	<u>\$ 1,375,929</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
TREE MITIGATION
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Actual</u>	<u>Budget</u>	Variance with Final Budget Positive (Negative)
Revenues			
Miscellaneous	\$ 1,804,017	\$ 732,129	\$ 1,071,888
Total Revenues	<u>1,804,017</u>	<u>732,129</u>	<u>1,071,888</u>
Expenditures			
Transportation	54,950	708,943	653,993
Economic Environment	54,778	-	(54,778)
Culture and Recreation	7,820	68,950	61,130
Total Expenditures	<u>117,548</u>	<u>777,893</u>	<u>660,345</u>
(Deficiency) of Revenues (Under) Expenditures	<u>1,686,469</u>	<u>(45,764)</u>	<u>1,732,233</u>
Net Change in Fund Balance	<u>\$ 1,686,469</u>	<u>\$ (45,764)</u>	<u>\$ 1,732,233</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
EVERGREEN CEMETERY
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Charges for Services	\$ 27,900	\$ -	\$ 27,900
Miscellaneous	(475,936)	59,194	(535,130)
Total Revenues	<u>(448,036)</u>	<u>59,194</u>	<u>(507,230)</u>
Expenditures			
Culture and Recreation	226	126,359	126,133
Total Expenditures	<u>226</u>	<u>126,359</u>	<u>126,133</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(448,262)</u>	<u>(67,165)</u>	<u>(381,097)</u>
Other Financing Sources (Uses)			
Transfers (out)	(180,000)	(160,000)	(20,000)
Total Other Financing Sources (Uses)	<u>(180,000)</u>	<u>(160,000)</u>	<u>(20,000)</u>
Net Change in Fund Balance	<u>\$ (628,262)</u>	<u>\$ (227,165)</u>	<u>\$ (401,097)</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
SCHOOL CROSSING GUARD
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Fines and Forfeitures	\$ 45,502	\$ 40,000	\$ 5,502
Miscellaneous	(31)	-	(31)
Total Revenues	<u>45,471</u>	<u>40,000</u>	<u>5,471</u>
Expenditures			
Public Safety	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>45,471</u>	<u>40,000</u>	<u>5,471</u>
Other Financing Sources (Uses)			
Transfers (out)	-	(40,000)	40,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>(40,000)</u>	<u>40,000</u>
Net Change in Fund Balance	<u>\$ 45,471</u>	<u>\$ -</u>	<u>\$ 45,471</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
ART IN PUBLIC PLACES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 3,977	\$ -	\$ 3,977
Total Revenues	<u>3,977</u>	<u>\$ -</u>	<u>3,977</u>
Expenditures			
Culture and Recreation	7,406	39,600	32,194
Total Expenditures	<u>7,406</u>	<u>39,600</u>	<u>32,194</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(3,429)</u>	<u>(39,600)</u>	<u>36,171</u>
Other Financing Sources			
Transfers in	39,600	39,600	-
Total Other Financing Sources	<u>39,600</u>	<u>39,600</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 36,171</u>	<u>\$ -</u>	<u>\$ 36,171</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GAINESVILLE COMMUNITY REINVESTMENT AREA
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 3,991,460	\$ 3,991,460	\$ -
Miscellaneous	38,958	-	38,958
Total Revenues	<u>4,030,418</u>	<u>3,991,460</u>	<u>38,958</u>
Expenditures			
General Government	84,405	58,994	(25,411)
Economic Environment	4,136,980	15,578,358	11,441,378
Total Expenditures	<u>4,221,385</u>	<u>15,637,352</u>	<u>11,415,967</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(190,967)</u>	<u>(11,645,892)</u>	<u>11,454,925</u>
Other Financing Sources (Uses)			
Transfers in	3,534,842	3,534,842	-
Transfers (out)	(755,646)	-	(755,646)
Total Other Financing Sources (Uses)	<u>2,779,196</u>	<u>3,534,842</u>	<u>(755,646)</u>
Net Change in Fund Balance	<u>\$ 2,588,229</u>	<u>\$ (8,111,050)</u>	<u>\$ 10,699,279</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
DOWNTOWN REDEVELOPMENT TAX INCREMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 8,645	\$ -	\$ 8,645
Total Revenues	<u>8,645</u>	<u>-</u>	<u>8,645</u>
Expenditures			
Economic Environment	925,335	3,187,398	2,262,063
Total Expenditures	<u>925,335</u>	<u>3,187,398</u>	<u>2,262,063</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(916,690)</u>	<u>(3,187,398)</u>	<u>2,270,708</u>
Net Change in Fund Balance	<u>\$ (916,690)</u>	<u>\$ (3,187,398)</u>	<u>\$ 2,270,708</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
FIFTH AVENUE TAX INCREMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 1,660	\$ -	\$ 1,660
Total Revenues	<u>1,660</u>	<u>-</u>	<u>1,660</u>
Expenditures			
Economic Environment	222,089	592,725	370,636
Total Expenditures	<u>222,089</u>	<u>592,725</u>	<u>370,636</u>
Other Financing Sources (Uses)			
Sale of Capital Assets	12,500		12,500
Total Other Financing Sources (Uses)	<u>12,500</u>	<u>-</u>	<u>12,500</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(207,929)</u>	<u>(592,725)</u>	<u>384,796</u>
Net Change in Fund Balance	<u>\$ (207,929)</u>	<u>\$ (592,725)</u>	<u>\$ 384,796</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
COLLEGE PARK/UNIVERSITY HEIGHTS TAX INCREMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 9,942	\$ -	\$ 9,942
Total Revenues	<u>9,942</u>	<u>-</u>	<u>9,942</u>
Expenditures			
Economic Environment	8,061	3,977,438	3,969,377
Total Expenditures	<u>8,061</u>	<u>3,977,438</u>	<u>3,969,377</u>
(Deficiency) of Revenues (Under) Expenditures	<u>1,881</u>	<u>(3,977,438)</u>	<u>3,979,319</u>
Net Change in Fund Balance	<u>\$ 1,881</u>	<u>\$ (3,977,438)</u>	<u>\$ 3,979,319</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
EASTSIDE TAX INCREMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 904	\$ 209,184	\$ (208,280)
Total Revenues	<u>904</u>	<u>209,184</u>	<u>(208,280)</u>
Expenditures			
Economic Environment	42,009	85,557	43,548
Total Expenditures	<u>42,009</u>	<u>85,557</u>	<u>43,548</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(41,105)</u>	<u>123,627</u>	<u>(164,732)</u>
Other Financing Sources (Uses)			
Sale of Capital Assets	209,184	-	209,184
Transfers (out)	(209,184)	(209,184)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(209,184)</u>	<u>209,184</u>
Net Change in Fund Balance	<u>\$ (41,105)</u>	<u>\$ (85,557)</u>	<u>\$ 44,452</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
ARPA FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 1,190,048	\$ -	\$ 1,190,048
Total Revenues	<u>1,190,048</u>	<u>-</u>	<u>1,190,048</u>
Expenditures			
General Government	888,984	21,340,377	20,451,393
Public Safety	206,795	1,921,483	1,714,688
Transportation	94,268	1,250,000	1,155,732
Total Expenditures	<u>1,190,047</u>	<u>24,511,860</u>	<u>23,321,813</u>
(Deficiency) of Revenues (Under) Expenditures	<u>1</u>	<u>(24,511,860)</u>	<u>(24,511,861)</u>
Net Change in Fund Balance	<u>\$ 1</u>	<u>\$ (24,511,860)</u>	<u>\$ (24,511,861)</u>

**CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
EMERGENCY DISASTER
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses)			
Transfers (out)	<u>(650,000)</u>	<u>(650,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(650,000)</u>	<u>(650,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (650,000)</u>	<u>\$ (650,000)</u>	<u>\$ -</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GUARANTEED ENTITLEMENT REVENUE AND REFUNDING BONDS 1994
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 1,095,000	\$ 1,095,000	\$ -
Total Revenues	<u>1,095,000</u>	<u>1,095,000</u>	<u>-</u>
Expenditures			
Debt Service:			
Principal	200,637	200,637	-
Interest	894,363	894,363	-
Total Expenditures	<u>1,095,000</u>	<u>1,095,000</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
PENSION OBLIGATION BOND SERIES 2003A
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Charges for Services	\$ 1,960,740	\$ 2,600,761	\$ (640,021)
Miscellaneous	1,671	895,935	(894,264)
Total Revenues	<u>1,962,411</u>	<u>3,496,696</u>	<u>(1,534,285)</u>
Expenditures			
Debt Service:			
Principal	1,017,858	1,017,858	-
Interest	3,382,917	3,382,917	-
Total Expenditures	<u>4,400,775</u>	<u>4,400,775</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(2,438,364)</u>	<u>(904,079)</u>	<u>(1,534,285)</u>
Other Financing Sources (Uses)			
Transfers in	2,388,483	904,079	1,484,404
Total Other Financing Sources (Uses)	<u>2,388,483</u>	<u>904,079</u>	<u>1,484,404</u>
Net Change in Fund Balance	<u>\$ (49,881)</u>	<u>\$ -</u>	<u>\$ (49,881)</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
PENSION OBLIGATION BOND SERIES 2003B
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ -	\$ 5,000	\$ (5,000)
Total Revenues	<u>-</u>	<u>5,000</u>	<u>(5,000)</u>
Expenditures			
Debt Service:			
Principal	1,725,000	1,725,000	-
Interest	1,904,276	1,904,276	-
Total Expenditures	<u>3,629,276</u>	<u>3,629,276</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(3,629,276)</u>	<u>(3,624,276)</u>	<u>(5,000)</u>
Other Financing Sources (Uses)			
Transfers in	3,629,276	3,629,276	-
Total Other Financing Sources (Uses)	<u>3,629,276</u>	<u>3,629,276</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ (5,000)</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GPD ENERGY CONSERVATION MASTER CAPITAL LEASE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 128	\$ -	\$ 128
Total Revenues	<u>128</u>	<u>-</u>	<u>128</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>128</u>	<u>-</u>	<u>128</u>
Other Financing Sources (Uses)			
Transfer (Out)	(38,538)	-	(38,538)
Total Other Financing Sources (Uses)	<u>(38,538)</u>	<u>-</u>	<u>(38,538)</u>
Net Change in Fund Balance	<u>\$ (38,410)</u>	<u>\$ -</u>	<u>\$ (38,410)</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE NOTE SERIES 2009
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Actual	Budget	Variance with Final Budget Positive (Negative)
Revenues			
Miscellaneous	\$ 31	\$ -	\$ 31
Total Revenues	31	-	31
Total Expenditures	-	-	-
(Deficiency) of Revenues (Under) Expenditures	31	-	31
Net Change in Fund Balance	\$ 31	\$ -	\$ 31

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
REVENUE REFUNDING NOTE SERIES 2011
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ -	\$ 2,000	\$ (2,000)
Total Revenues	<u>-</u>	<u>2,000</u>	<u>(2,000)</u>
Expenditures			
Current:			
General Government	-	2,000	2,000
Debt Service:			
Principal	675,000	675,000	-
Interest	15,930	15,930	-
Total Expenditures	<u>690,930</u>	<u>692,930</u>	<u>2,000</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(690,930)</u>	<u>(690,930)</u>	<u>-</u>
Other Financing Sources (Uses)			
Transfers in	690,930	690,930	-
Total Other Financing Sources (Uses)	<u>690,930</u>	<u>690,930</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE NOTE SERIES 2011A
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 53	\$ -	\$ 53
Total Revenues	<u>53</u>	<u>-</u>	<u>53</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>53</u>	<u>-</u>	<u>53</u>
Net Change in Fund Balance	<u>\$ 53</u>	<u>\$ -</u>	<u>\$ 53</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
REVENUE REFUNDING NOTE SERIES 2014
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 174	\$ -	\$ 174
Total Revenues	<u>174</u>	<u>-</u>	<u>174</u>
Expenditures			
Debt Service:			
Principal	1,490,000	1,490,000	-
Interest	148,440	148,440	-
Total Expenditures	<u>1,638,440</u>	<u>1,638,440</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(1,638,266)</u>	<u>(1,638,440)</u>	<u>174</u>
Other Financing Sources (Uses)			
Transfers in	1,638,440	1,638,440	-
Total Other Financing Sources (Uses)	<u>1,638,440</u>	<u>1,638,440</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 174</u>	<u>\$ -</u>	<u>\$ 174</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE BOND SERIES 2014
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 39	\$ -	\$ 39
Total Revenues	<u>39</u>	<u>-</u>	<u>39</u>
Expenditures			
Debt Service:			
Principal	551,798	551,798	-
Interest	333,345	333,345	-
Total Expenditures	<u>885,143</u>	<u>885,143</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(885,104)</u>	<u>(885,143)</u>	<u>39</u>
Other Financing Sources (Uses)			
Transfers in	885,142	885,142	-
Total Other Financing Sources (Uses)	<u>885,142</u>	<u>885,142</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 38</u>	<u>\$ (1)</u>	<u>\$ 39</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
REVENUE REFUNDING NOTE SERIES 2016A
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Debt Service:			
Principal	1,071,334	1,165,000	93,666
Interest	174,970	190,268	15,298
Total Expenditures	<u>1,246,304</u>	<u>1,355,268</u>	<u>108,964</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(1,246,304)</u>	<u>(1,355,268)</u>	<u>108,964</u>
Other Financing Sources (Uses)			
Transfers in	1,246,304	1,355,268	(108,964)
Total Other Financing Sources (Uses)	<u>1,246,304</u>	<u>1,355,268</u>	<u>(108,964)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE NOTE SERIES 2016B
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Debt Service:			
Principal	410,000	410,000	-
Interest	117,120	117,120	-
Total Expenditures	<u>527,120</u>	<u>527,120</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(527,120)</u>	<u>(527,120)</u>	<u>-</u>
Other Financing Sources (Uses)			
Transfers in	527,120	527,120	-
Total Other Financing Sources (Uses)	<u>527,120</u>	<u>527,120</u>	<u>-</u>
Net Change in Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE NOTE 2019
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Debt Service:			
Principal	515,000	515,000	-
Interest	148,735	148,735	-
Total Expenditures	<u>663,735</u>	<u>663,735</u>	<u>-</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(663,735)</u>	<u>(663,735)</u>	<u>-</u>
Other Financing Sources (Uses)			
Transfers in	663,735	663,735	-
Total Other Financing Sources (Uses)	<u>663,735</u>	<u>663,735</u>	<u>-</u>
Net Change in Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
SPECIAL OBLIGATION REVENUE BONDS SERIES 2020
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Charges for Services	\$ 2,067,315	\$ -	\$ 2,067,315
Miscellaneous	1,337	-	1,337
Total Revenues	<u>2,068,652</u>	<u>-</u>	<u>2,068,652</u>
Expenditures			
Debt Service:			
Principal	5,415,000	4,235,000	(1,180,000)
Interest Expense	4,681,185	4,692,641	11,456
Total Expenditures	<u>10,096,185</u>	<u>8,927,641</u>	<u>(1,168,544)</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(8,027,533)</u>	<u>(8,927,641)</u>	<u>900,108</u>
Other Financing Sources (Uses)			
Transfers in	7,865,714	8,927,641	(1,061,927)
Total Other Financing Sources (Uses)	<u>7,865,714</u>	<u>8,927,641</u>	<u>(1,061,927)</u>
Net Change in Fund Balance	<u>\$ (161,819)</u>	<u>\$ -</u>	<u>\$ (161,819)</u>

Note: Actual expenditures exceeded budget due to the October 1, 2022, debt service payment recorded for accounting purposes, but not budgeted until the following fiscal year.

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE REFUNDING NOTE 2021
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Miscellaneous	\$ 488	\$ -	\$ 488
Total Revenues	<u>488</u>	<u>-</u>	<u>488</u>
Expenditures			
Debt Service:			
Principal	723,000	555,148	(167,852)
Interest Expense	195,523	95,585	(99,938)
Total Expenditures	<u>918,523</u>	<u>650,733</u>	<u>(267,790)</u>
(Deficiency) of Revenues (Under) Expenditures	<u>(918,035)</u>	<u>(650,733)</u>	<u>(267,302)</u>
Other Financing Sources (Uses)			
Transfers in	918,523	650,733	267,790
Total Other Financing Sources (Uses)	<u>918,523</u>	<u>650,733</u>	<u>267,790</u>
Net Change in Fund Balance	<u>\$ 488</u>	<u>\$ -</u>	<u>\$ 488</u>

Note: Actual expenditures exceeded budget due to the October 1, 2022 debt, service payment recorded for accounting purposes, but not budgeted until the following fiscal year.

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations: (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The City of Gainesville, Florida (the City) maintains the following nonmajor Enterprise Funds:

Regional Transit System Fund - to account for the operations of the City's mass transit system, funded by user fees and state and federal grants.

Stormwater Management Utility Fund - to account for the operations of a program designed to maintain, replace, and expand the City's stormwater related infrastructure, funded by user fees.

Florida Building Code Enforcement Fund - to account for the operations of the City's code enforcement operations, funded by building permit revenues.

Solid Waste Fund - to account for the City's refuse and recycling collection program. The refuse and recycling collections are performed by private contractors and are funded through user fees.

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2022

	Regional Transit System Fund	Stormwater Management Utility Fund	Florida Building Code Enforcement Fund
Assets			
Equity in Pooled Cash and Investments	\$ -	\$ 7,541,744	\$ 7,030,852
Receivables	12,229,905	104,404	17,738
Due from Other Funds	-	276,097	-
Inventories	1,847,156	-	-
Prepaid Expense	4,426	833	606
Total Current Assets	14,081,487	7,923,078	7,049,196
Capital Assets (Net of Accumulated Depreciation):			
Buildings	31,794,942	1,274,110	-
Improvements Other than Buildings	1,941,205	5,116	-
Machinery and Equipment	22,209,752	260,873	3,493
Infrastructure	-	27,156,624	-
Capital Assets (not Depreciated):			
Land	4,690,877	4,154,002	-
Construction in Progress	-	2,811,296	-
Total Capital Assets	60,636,776	35,662,021	3,493
Total Noncurrent Assets	60,636,776	35,662,021	3,493
Total Assets	74,718,263	43,585,099	7,052,689
Deferred Outflows of Resources			
Deferred Amounts Related to Pensions	14,545,424	3,316,960	1,717,158
Deferred Amounts Related to OPEB	1,796,921	443,834	243,541
Total Deferred Outflows of Resources	16,342,345	3,760,794	1,960,699
Liabilities			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	2,537,498	563,440	489,647
Due to Other Funds	13,233,311	-	-
Unearned Revenue	814,434	-	-
Current Portion of Long-Term Liabilities	16,754	205,984	3,984
Total Current Liabilities	16,601,997	769,424	493,631
Noncurrent Liabilities:			
Advances from Other Funds	18,985,683	5,002,820	2,742,547
Long-Term Liabilities	391,154	1,002,493	112,520
Net OPEB Liability	1,045,567	258,250	141,708
Net Pension Liability	15,141,909	3,452,983	1,787,577
Total Noncurrent Liabilities	35,564,313	9,716,546	4,784,352
Total Liabilities	52,166,310	10,485,970	5,277,983
Deferred Inflows of Resources			
Deferred Amounts Related to Pensions	8,478	1,933	1,001
Deferred Amounts Related to OPEB	1,435,053	354,453	194,496
Total Deferred Inflows of Resources	1,443,531	356,386	195,497
Net Position			
Net Investment in Capital Assets	60,636,776	34,648,720	3,493
Restricted	-	-	3,536,415
Unrestricted	(23,186,009)	1,854,817	-
Total Net Position	\$ 37,450,767	\$ 36,503,537	\$ 3,539,908

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2022
(Concluded)

	Solid Waste Fund	Total Nonmajor Enterprise Fund
Assets		
Equity in Pooled Cash and Investments	\$ 8,280,910	\$ 22,853,506
Receivables	27,447	12,379,494
Due from Other Funds	637,641	913,738
Inventories	-	1,847,156
Prepaid Expense	-	5,865
Total Current Assets	8,945,998	37,999,759
Capital Assets (Net of Accumulated Depreciation):		
Buildings	389,982	33,459,034
Improvements Other than Buildings	-	1,946,321
Machinery and Equipment	46,870	22,520,988
Infrastructure	-	27,156,624
Capital Assets (not Depreciated):		
Land	19,731	8,864,610
Construction in Progress	-	2,811,296
Total Capital Assets	456,583	96,758,873
Total Noncurrent Assets	456,583	96,758,873
Total Assets	9,402,581	134,758,632
Deferred Outflows of Resources		
Deferred Amounts Related to Pensions	905,336	20,484,878
Deferred Amounts Related to OPEB	161,272	2,645,568
Total Deferred Outflows of Resources	1,066,608	23,130,446
Liabilities		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	1,076,203	4,666,788
Due to Other Funds	-	13,233,311
Unearned Revenue	-	814,434
Current Portion of Long-Term Debt	147,727	374,449
Total Current Liabilities	1,223,930	19,088,982
Noncurrent Liabilities:		
Advances from Other Funds	1,458,500	28,189,550
Long-Term Liabilities	1,661,863	3,168,030
Net OPEB Liability	93,839	1,539,364
Net Pension Liability	942,463	21,324,932
Total Noncurrent Liabilities	4,156,665	54,221,876
Total Liabilities	5,380,595	73,310,858
Deferred Inflows of Resources		
Deferred Amounts Related to Pensions	527	11,939
Deferred Amounts Related to OPEB	128,794	2,112,796
Total Deferred Inflows of Resources	129,321	2,124,735
Net Position		
Net Investment in Capital Assets	(1,317,689)	93,971,300
Restricted	-	3,536,415
Unrestricted	6,276,962	(15,054,230)
Total Net Position	\$ 4,959,273	\$ 82,453,485

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Regional Transit System Fund	Stormwater Management Utility Fund	Florida Building Code Enforcement Fund
Operating Revenues			
Licenses and Permits	\$ -	\$ -	\$ 3,771,996
Sales and Service Charges	14,798,347	10,027,046	-
Other Operating Revenues	285,949	65,503	19,571
Total Operating Revenues	<u>15,084,296</u>	<u>10,092,549</u>	<u>3,791,567</u>
Operating Expenses			
Operations and Maintenance	26,826,888	6,257,670	2,930,134
Administrative and General	2,891,251	1,731,652	630,786
Depreciation and Amortization	5,593,487	1,532,137	1,822
Total Operating Expenses	<u>35,311,626</u>	<u>9,521,459</u>	<u>3,562,742</u>
Operating Income (Loss)	<u>(20,227,330)</u>	<u>571,090</u>	<u>228,825</u>
Nonoperating Revenues (Expenses)			
Investment Income/(Loss)	(3,753)	15,067	16,148
Interest Expense	(21)	(23,710)	-
Gain (Loss) on Disposal of Capital Assets	(6,906)	-	-
Local Option Gas Tax	2,281,446	-	-
Operating Grants	13,067,426	829,937	-
Total Nonoperating Revenues (Expenses)	<u>15,338,192</u>	<u>821,294</u>	<u>16,148</u>
Income/(Loss) Before Capital Contributions and Transfers	<u>(4,889,138)</u>	<u>1,392,384</u>	<u>244,973</u>
Transfers			
Transfers in	1,274,385	1,150,384	-
Transfers (out)	(854,442)	(408,526)	(107,238)
Total Transfers	<u>419,943</u>	<u>741,858</u>	<u>(107,238)</u>
Change in Net Position	(4,469,195)	2,134,242	137,735
Net Position - Beginning of Year	<u>41,919,962</u>	<u>34,369,295</u>	<u>3,402,173</u>
Net Position - End of Year	<u>\$ 37,450,767</u>	<u>\$ 36,503,537</u>	<u>\$ 3,539,908</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Concluded)

	Solid Waste Fund	Total Nonmajor Enterprise Fund
Operating Revenues		
Licenses and Permits	\$ -	\$ 3,771,996
Sales and Service Charges	11,946,127	36,771,520
Other Operating Revenues	1,889	372,912
Total Operating Revenues	<u>11,948,016</u>	<u>40,916,428</u>
Operating Expenses		
Operations and Maintenance	7,373,954	43,388,646
Administrative and General	1,007,687	6,261,376
Depreciation and Amortization	24,309	7,151,755
Total Operating Expenses	<u>8,405,950</u>	<u>56,801,777</u>
Operating Income (Loss)	<u>3,542,066</u>	<u>(15,885,349)</u>
Nonoperating Revenues (Expenses)		
Investment Income/(Loss)	19,686	47,148
Interest Expense	(63,953)	(87,684)
Gain (Loss) on Disposal of Capital Assets	-	(6,906)
Local Option Gas Tax	-	2,281,446
Operating Grants	-	13,897,363
Total Nonoperating Revenues (Expenses)	<u>(44,267)</u>	<u>16,131,367</u>
Income/(Loss) Before Capital Contributions and Transfers	<u>3,497,799</u>	<u>246,018</u>
Transfers		
Transfers in	6,400	2,431,169
Transfers (out)	(1,900,575)	(3,270,781)
Total Transfers	<u>(1,894,175)</u>	<u>(839,612)</u>
Change in Net Position	1,603,624	(593,594)
Net Position - Beginning of Year	<u>3,355,649</u>	<u>83,047,079</u>
Net Position - End of Year	<u>\$ 4,959,273</u>	<u>\$ 82,453,485</u>

**CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Regional Transit System Fund	Stormwater Management Utility Fund
Cash Flows from Operating Activities		
Cash Received from Customers	\$ 16,018,954	\$ 10,082,532
Cash Received from Other Governments	21,292,562	829,937
Cash Paid to Suppliers	(18,291,746)	(2,356,326)
Cash Paid for Interfund Services	(2,891,251)	(1,731,652)
Cash Paid to Employees	(12,616,186)	(3,338,654)
Net Cash Provided (Used) by Operating Activities	3,512,333	3,485,837
Cash Flows from Noncapital Financing Activities		
Interfund Borrowing	(2,199,746)	(205,810)
Transfers from Other Funds	1,274,385	1,150,384
Transfers to Other Funds	(854,442)	(408,526)
Net Cash Provided by (Used in) Noncapital Financing Activities	(1,779,803)	536,048
Cash Flows from Capital and Related Financing Activities		
Principal Repayments on Long-Term Debt	(119,534)	(191,129)
Interest Paid on Long-Term Debt	(21)	(23,710)
Acquisition and Construction of Capital Assets	(1,641,424)	(1,667,600)
Proceeds from Sale of Capital Assets	30,234	-
Net Cash (Used) in Capital and Related Financing Activities	(1,730,745)	(1,882,439)
Cash Flows from Investing Activities		
Interest Received	(3,753)	15,067
Net Cash Provided by Investing Activities	(3,753)	15,067
Net Increase (Decrease) in Cash	(1,968)	2,154,513
Cash - Beginning of Year	1,968	5,387,231
Cash - End of Year	\$ -	\$ 7,541,744

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Florida Building Code Enforcement Fund	Solid Waste Fund	Total Nonmajor Enterprise Fund
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 3,773,829	\$ 11,920,569	\$ 41,795,884
Cash Received from Other Governments	-	-	22,122,499
Cash Paid to Suppliers	(614,649)	(6,099,453)	(27,362,174)
Cash Paid for Interfund Services	(630,786)	(1,007,687)	(6,261,376)
Cash Paid to Employees	(1,782,627)	(997,489)	(18,734,956)
Net Cash Provided (Used) by Operating Activities	<u>745,767</u>	<u>3,815,940</u>	<u>11,559,877</u>
Cash Flows from Noncapital Financing Activities			
Interfund Borrowing	(79,926)	(138,067)	(2,623,549)
Transfers from Other Funds	-	6,400	2,431,169
Transfers to Other Funds	(107,238)	(1,900,575)	(3,270,781)
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(187,164)</u>	<u>(2,032,242)</u>	<u>(3,463,161)</u>
Cash Flows from Capital and Related Financing Activities			
Principal Repayments on Long-Term Debt	-	(228,904)	(539,567)
Interest Paid on Long-Term Debt	-	(63,953)	(87,684)
Acquisition and Construction of Capital Assets	-	-	(3,309,024)
Proceeds from Sale of Capital Assets	-	-	30,234
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>	<u>(292,857)</u>	<u>(3,906,041)</u>
Cash Flows from Investing Activities			
Interest Received	16,147	19,686	47,147
Net Cash Provided (Used) by Investing Activities	<u>16,147</u>	<u>19,686</u>	<u>47,147</u>
Net Increase (Decrease) in Cash	574,750	1,510,527	4,237,822
Cash - Beginning of Year	<u>6,456,102</u>	<u>6,770,383</u>	<u>18,615,684</u>
Cash - End of Year	<u>\$ 7,030,852</u>	<u>\$ 8,280,910</u>	<u>\$ 22,853,506</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Continued)

	Regional Transit System Fund	Stormwater Management Utility Fund
	Fund	Fund
<u>Cash and Cash Equivalents Classified as:</u>		
Equity in Pooled Cash and Investments	\$ -	\$ 7,541,744
Total	\$ -	\$ 7,541,744
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</u>		
Operating Income (Loss)	\$ (20,227,330)	\$ 571,090
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Intergovernmental Revenues	21,292,562	833,229
Depreciation and Amortization	5,593,487	1,532,137
(Increase)/Decrease in Receivables	934,658	(13,309)
(Increase)/Decrease in Inventories and Prepays	(231,068)	(833)
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	(6,425,943)	(144,126)
Pension Expense Adjustment	2,419,612	672,653
OPEB Expense Adjustment	156,355	34,996
Net Cash Provided (Used) by Operating Activities	\$ 3,512,333	\$ 3,485,837

**CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Concluded)**

	Florida Building Code Enforcement Fund	Solid Waste Fund	Total Nonmajor Enterprise Fund
<u>Cash and Cash Equivalents Classified as:</u>			
Equity in Pooled Cash and Investments	\$ 7,030,852	\$ 8,280,910	\$ 22,853,506
Total	\$ 7,030,852	\$ 8,280,910	\$ 22,853,506
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	\$ 228,825	\$ 3,542,066	\$ (15,885,349)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Intergovernmental Revenues	-	-	22,125,791
Depreciation and Amortization	1,822	24,309	7,151,755
(Increase)/Decrease in Receivables	(17,738)	(27,447)	876,164
(Increase)/Decrease in Inventories and Prepays	3,718	-	(228,183)
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	148,257	68,332	(6,353,480)
Pension Expense Adjustment	352,704	194,781	3,639,750
OPEB Expense Adjustment	28,179	13,899	233,429
Net Cash Provided (Used) by Operating Activities	\$ 745,767	\$ 3,815,940	\$ 11,559,877

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

The City of Gainesville, Florida (the City) maintains the following Internal Service Funds:

General Insurance Fund - to account for costs associated with administering a self-insurance plan for worker's compensation, automobile, and general liability benefits. The plan is externally administered.

Employees Health and Accident Benefits Fund - to account for costs associated with administering a self-insurance plan for employees' and retirees' health and accident claims. The plan is externally administered for an annually contracted amount, which is based upon volume of claims.

Fleet Management Fund - to account for the costs of vehicle acquisition and replacements and operating a maintenance facility for vehicles used by various City departments.

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2022

	General Insurance Fund	Employees Health and Accident Benefits Fund	Fleet Management Fund	Totals
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 333,234	\$ 120,000	\$ 1,638,642	\$ 2,091,876
Investments	-	-	1,118,719	1,118,719
Equity in Pooled Cash and Investments	8,002,304	12,611,790	10,923,518	31,537,612
Receivables	223,997	18,717	29,569	272,283
Due from Other Funds	42,903	-	297,510	340,413
Inventories	-	-	392,989	392,989
Prepaid Expenses	23,721	4,000	1,046	28,767
Fair Value of Hedging Derivative Instruments	-	-	124,194	124,194
Total Current Assets	8,626,159	12,754,507	14,526,187	35,906,853
Noncurrent Assets:				
Capital Assets (Net of Accumulated Depreciation):				
Buildings	-	-	2,625,036	2,625,036
Improvements Other than Buildings	-	-	743,473	743,473
Machinery and Equipment	-	-	11,312,256	11,312,256
Infrastructure	-	-	744,824	744,824
Capital Assets (Non-Depreciable):				
Land	-	-	631,563	631,563
Total Noncurrent Assets	-	-	16,057,152	16,057,152
Total Assets	8,626,159	12,754,507	30,583,339	51,964,005
Deferred Outflows of Resources				
Deferred Amounts Related to Pensions	1,025,042	165,719	1,332,726	2,523,487
Deferred Amounts Related to OPEB	78,920	12,522	203,543	294,985
Total Deferred Outflows of Resources	1,103,962	178,241	1,536,269	2,818,472
Liabilities				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	7,034,926	1,559,508	580,062	9,174,496
Total Current Liabilities	7,034,926	1,559,508	580,062	9,174,496
Noncurrent Liabilities:				
Long-Term Liabilities	77,595	6,307	89,873	173,775
Net OPEB Liability	45,920	7,287	118,435	171,642
Net Pension Liability	1,067,079	172,513	1,387,379	2,626,971
Total Liabilities	8,225,520	1,745,615	2,175,749	12,146,884
Deferred Inflows of Resources				
Accumulated Increase in Fair Value of Hedging Derivatives				
	-	-	124,194	124,194
Deferred Amounts Related to Pensions	597	97	777	1,471
Deferred Amounts Related to OPEB	63,027	9,999	162,553	235,579
Total Deferred Inflows of Resources	63,624	10,096	287,524	361,244
Net Position				
Net Investment in Capital Assets	-	-	16,057,152	16,057,152
Unrestricted	1,440,977	11,177,037	13,599,183	26,217,197
Total Net Position	\$ 1,440,977	\$ 11,177,037	\$ 29,656,335	\$ 42,274,349

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General Insurance Fund	Employees Health and Accident Benefits Fund	Fleet Management Fund	Totals
Operating Revenues				
Sales and Service Charges	\$ 6,261,702	\$ -	\$ 11,480,656	\$ 17,742,358
Employer Contributions	-	18,277,529	-	18,277,529
Employee Contributions	-	7,437,181	-	7,437,181
Other Operating Revenues	1,017,225	1,893,755	246,495	3,157,475
Total Operating Revenues	<u>7,278,927</u>	<u>27,608,465</u>	<u>11,727,151</u>	<u>46,614,543</u>
Operating Expenses				
Operations and Maintenance	4,281,890	268,089	4,009,045	8,559,024
Administrative and General	4,046,225	1,067,319	774,907	5,888,451
Depreciation and Amortization	-	-	3,428,282	3,428,282
Benefits Paid and Other Expenses	-	26,709,248	-	26,709,248
Total Operating Expenses	<u>8,328,115</u>	<u>28,044,656</u>	<u>8,212,234</u>	<u>44,585,005</u>
Operating Income (Losses)	<u>(1,049,188)</u>	<u>(436,191)</u>	<u>3,514,917</u>	<u>2,029,538</u>
Nonoperating Revenues				
Investment Income	16,206	30,201	(57,171)	(10,764)
Gain (Loss) on Disposal of Capital Assets	-	-	111,109	111,109
Total Nonoperating Revenues	<u>16,206</u>	<u>30,201</u>	<u>53,938</u>	<u>100,345</u>
Income (Loss) Before Capital Contributions and Transfers	<u>(1,032,982)</u>	<u>(405,990)</u>	<u>3,568,855</u>	<u>2,129,883</u>
Transfers				
Transfers in	-	-	676,997	676,997
Transfers (out)	(339,605)	(11,233)	(468,678)	(819,516)
Total Transfers	<u>(339,605)</u>	<u>(11,233)</u>	<u>208,319</u>	<u>(142,519)</u>
Change in Net Position	(1,372,587)	(417,223)	3,777,174	1,987,364
Net Position - Beginning of Year	<u>2,813,564</u>	<u>11,594,260</u>	<u>25,879,161</u>	<u>40,286,985</u>
Net Position - End of Year	<u>\$ 1,440,977</u>	<u>\$ 11,177,037</u>	<u>\$ 29,656,335</u>	<u>\$ 42,274,349</u>

**CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	General Insurance Fund	Employees Health and Accident Benefits Fund	Fleet Management Fund	Totals
Cash Flow from Operating Activities				
Cash Received for Interfund Services	\$ 6,038,205	\$ 25,699,993	\$ 11,453,001	\$ 43,191,199
Cash Received from Customers	1,017,226	1,893,758	246,495	3,157,479
Cash Paid to Suppliers	(3,391,236)	(26,590,542)	(1,826,361)	(31,808,139)
Cash Paid to Employees	(1,111,541)	(188,440)	(1,613,819)	(2,913,800)
Cash Paid for Interfund Services	(4,046,226)	(1,067,319)	(774,907)	(5,888,452)
Net Cash Provided (Used) by Operating Activities	<u>(1,493,572)</u>	<u>(252,550)</u>	<u>7,484,409</u>	<u>5,738,287</u>
Cash Flows from Noncapital and Related Financing Activities				
Interfund Borrowing	(361,846)	-	(353,542)	(715,388)
Transfers from Other Funds	-	-	676,997	676,997
Transfers to Other Funds	(339,605)	(11,233)	(468,678)	(819,516)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(701,451)</u>	<u>(11,233)</u>	<u>(145,223)</u>	<u>(857,907)</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition and Construction of Capital Assets	-	-	(2,162,822)	(2,162,822)
Proceeds from Sale of Capital Assets	-	-	130,805	130,805
Net Cash Flows Used by Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>(2,032,017)</u>	<u>(2,032,017)</u>
Cash Flows from Investing Activities				
Purchase of Investments	-	-	(1,118,719)	(1,118,719)
Interest Received	16,206	30,203	(57,169)	(10,760)
Net Cash Provided by Investing Activities	<u>16,206</u>	<u>30,203</u>	<u>(1,175,888)</u>	<u>(1,129,479)</u>
Net Increase (Decrease) in Cash	(2,178,817)	(233,580)	4,131,281	1,718,884
Cash - Beginning of Year	<u>10,514,355</u>	<u>12,965,370</u>	<u>8,430,879</u>	<u>31,910,604</u>
Cash - End of Year	<u>\$ 8,335,538</u>	<u>\$ 12,731,790</u>	<u>\$ 12,562,160</u>	<u>\$ 33,629,488</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(Concluded)

	General Insurance Fund	Employees Health and Accident Benefits Fund	Fleet Management Fund	Totals
<u>Cash and Cash Equivalents Classified as:</u>				
Cash and Cash Equivalents	\$ 333,234	\$ 120,000	\$ 1,638,642	\$ 2,091,876
Equity in Pooled Cash and Investments	8,002,304	12,611,790	10,923,518	31,537,612
Total	\$ 8,335,538	\$ 12,731,790	\$ 12,562,160	\$ 33,629,488
<u>Reconciliation of Operating Income (Loss)</u>				
<u>to Net Cash Provided (Used)</u>				
<u>by Operating Activities:</u>				
Operating Income (Loss)	\$ (1,049,188)	\$ (436,191)	\$ 3,514,917	\$ 2,029,538
Adjustments to Reconcile Operating Income				
(Loss) to Net Cash Provided (Used) by				
Operating Activities:				
Depreciation and Amortization	-	-	3,428,282	3,428,282
(Increase)/Decrease in Receivables	(223,497)	(14,717)	(27,657)	(265,871)
(Increase)/Decrease in Prepays	(517)	(4,000)	980,314	975,797
(Increase)/Decrease in Inventories	-	-	(37,492)	(37,492)
Increase/(Decrease) in Accounts Payable and Accrued Liabilities	(421,297)	165,938	(655,461)	(910,820)
Pension Expense Adjustment	211,743	35,947	264,346	512,036
OPEB Expense Adjustment	(10,816)	473	17,160	6,817
Net Cash Provided (Used) by Operating Activities	\$ (1,493,572)	\$ (252,550)	\$ 7,484,409	\$ 5,738,287

FIDUCIARY FUNDS

TRUST FUNDS

Trust Funds are used to account for public employee retirement systems and the other post-employment benefit trust fund.

The City of Gainesville, Florida (the City) maintains the following Trust Funds:

Employees' Pension Fund - to account for the accumulation of resources to be used for pension and disability payments to participants of the City's Employees' Pension Plan.

Police Officers' and Firefighters' Consolidated Retirement Fund - to account for the accumulation of resources to be used for pension and disability payments to participants of the City's Consolidated Police Officers' and Firefighters' Retirement Plan.

Other Post-Employment Benefits (OPEB) Fund - to account for the accumulation of resources to be used for the City's portion of the premium cost for providing health insurance to the City's retired employees participating in the OPEB plan.

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION AND OPEB TRUST FUNDS
SEPTEMBER 30, 2022

	Employees'	Police Officers'	Other	
	Pension	and	Post-	
	Fund	Firefighters'	Employment	
	Fund	Consolidated	Benefits	
	Fund	Retirement	(OPEB)	
	Fund	Fund	Fund	Totals
Assets				
Cash and Cash Equivalents	\$ 11,025,317	\$ 1,689,875	\$ 942,081	\$ 13,657,273
Dividends and Interest Receivable	586,900	132,439	12,136	731,475
Due from City of Gainesville	4,306,592	16,901,014	944,832	22,152,438
Due from State of Florida	-	1,586,531	-	1,586,531
Investments, at Fair Value:				
Equities	466,816,186	170,369,108	43,980,028	681,165,322
Limited Partnerships Units	-	41,554,885	-	41,554,885
Real Estate	33,952,534	46,026,223	9,542,839	89,521,596
Fixed Income:				
Government Bonds	1,437,126	-	606,395	2,043,521
Corporate Bonds	1,319,102	-	826,075	2,145,177
Mortgage and Asset Backed Securities	1,929,052	-	498,856	2,427,908
Total Investments, at Fair Value	<u>505,454,000</u>	<u>257,950,216</u>	<u>55,454,193</u>	<u>818,858,409</u>
Total Assets	<u>521,372,809</u>	<u>278,260,075</u>	<u>57,353,242</u>	<u>856,986,126</u>
Liabilities				
Accounts Payable and Accrued Liabilities	<u>526,891</u>	<u>409,725</u>	<u>165,030</u>	<u>1,101,646</u>
Total Liabilities	<u>526,891</u>	<u>409,725</u>	<u>165,030</u>	<u>1,101,646</u>
Net Position Restricted for Pension and OPEB Benefits	<u>\$ 520,845,918</u>	<u>\$ 277,850,350</u>	<u>\$ 57,188,212</u>	<u>\$ 855,884,480</u>

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION AND OPEB TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Employees'	Police Officers'	Other	
	Pension	and	Post-	
	Fund	Firefighters'	Employment	
	Fund	Consolidated	Benefits	
	Fund	Retirement	(OPEB)	
	Fund	Fund	Fund	Totals
Additions				
Contributions:				
Employer Contributions	\$ 5,551,544	\$ 3,455,751	\$ 1,522,446	\$ 10,529,741
Employee Contributions	5,331,766	2,332,945	3,220,136	10,884,847
Total Contributions	10,883,310	5,788,696	4,742,582	21,414,588
Investment Income:				
Net Appreciation/(Depreciation) in Fair Value of Investments	(159,524,375)	(58,165,891)	(13,055,898)	(230,746,164)
Dividends and Interest	18,272,611	5,051,060	1,178,116	24,501,787
Total Investment Income	(141,251,764)	(53,114,831)	(11,877,782)	(206,244,377)
(Less Investment Expense)	(2,827,183)	(1,000,713)	(402,326)	(4,230,222)
Net Investment Income (Loss)	(144,078,947)	(54,115,544)	(12,280,108)	(210,474,599)
Total Additions	(133,195,637)	(48,326,848)	(7,537,526)	(189,060,011)
Deductions				
Benefit Payments	39,329,715	20,990,958	8,209,132	68,529,805
Refunds of Contributions	928,956	377,610	-	1,306,566
Administrative Expenses	478,626	671,393	15,527	1,165,546
Total Deductions	40,737,297	22,039,961	8,224,659	71,001,917
Change in Net Position	(173,932,934)	(70,366,809)	(15,762,185)	(260,061,928)
Net Position - Beginning of Year	694,778,852	348,217,159	72,950,397	1,115,946,408
Net Position - End of Year	\$ 520,845,918	\$ 277,850,350	\$ 57,188,212	\$ 855,884,480

STATISTICAL SECTION

STATISTICAL SECTION SUMMARY

This part of the City of Gainesville, Florida's (the City) annual comprehensive financial report presents additional information to assist users in understanding how the information provided in the financial statements, note disclosures, and required supplementary information impacts the City's overall financial health.

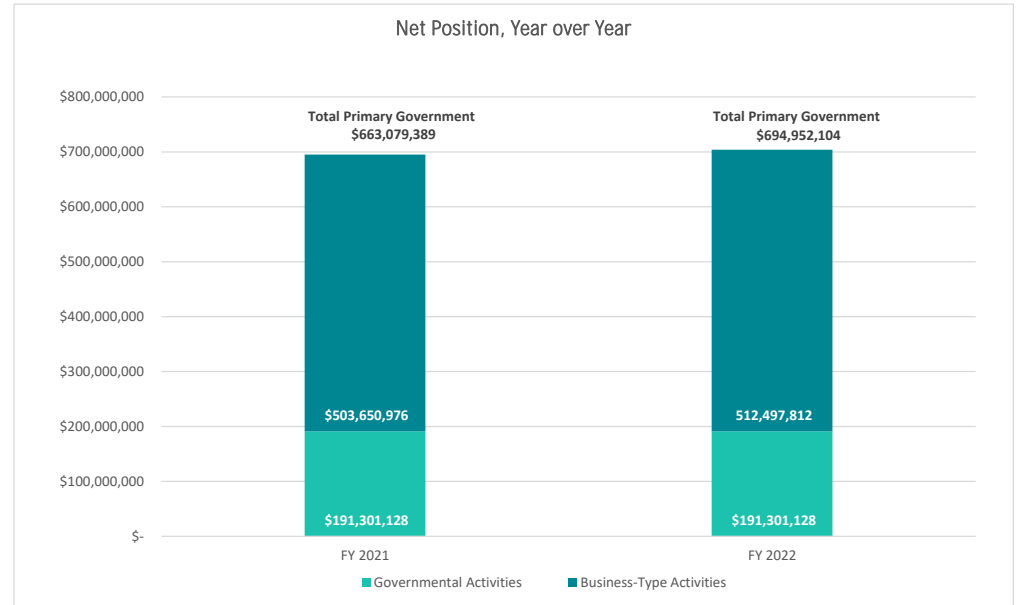
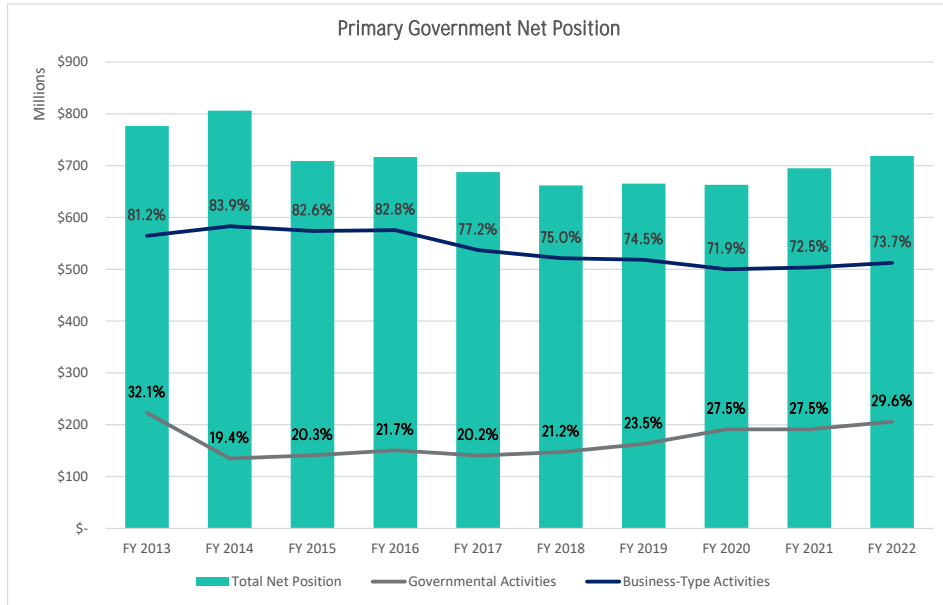
Schedules	Page
Financial Trends	222
These schedules provide financial trend information, which shows how the City's financial performance has changed over time.	
Revenue Capacity	227
These schedules provide additional information about Property Tax and Utility Revenues, the City's most significant local revenue sources.	
Debt Capacity	235
These schedules provide detailed information about the City's current levels of outstanding debt, and can help the financial statement user assess the City's ability to issue additional debt in the future.	
Demographic and Economic Information	238
These schedules present demographic and economic indicators to assist the financial statement user in understanding the environment in which the City's financial activities occur.	
Operating Information	240
These schedules contain service and infrastructure data to help the financial statement user understand how the information in the City's financial statements relates to the services the City provides.	

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

Financial Trends

**City of Gainesville
Net Position By Component
Last Ten Fiscal Years
(accrual basis of accounting)**

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Governmental activities:										
Net Investment in Capital Assets	\$ 147,982,728	\$ 163,117,931	\$ 167,469,862	\$ 190,440,482	\$ 195,530,215	\$ 215,537,449	\$ 231,629,237	\$ 219,965,625	\$ 214,385,691	\$ 217,138,863
Restricted	52,874,367	42,462,127	53,090,288	41,905,152	47,526,431	37,526,544	39,962,136	46,097,158	54,659,462	60,767,196
Unrestricted	11,105,349	17,334,531	(85,660,620)	(91,445,398)	(92,364,875)	(112,356,716)	(124,221,701)	(102,962,956)	(77,744,025)	(71,973,806)
Total governmental activities net position	\$ 222,914,589	\$ 134,899,530	\$ 140,900,236	\$ 150,691,771	\$ 140,707,277	\$ 147,369,672	\$ 163,099,827	\$ 191,301,128	\$ 191,301,128	\$ 205,932,253
Business-type activities:										
Net Investment in Capital Assets	\$ 362,258,572	\$ 387,916,136	\$ 379,583,536	\$ 361,120,054	\$ 326,814,049	\$ 369,448,747	\$ 336,512,272	\$ 282,222,324	\$ 250,986,050	\$ 191,684,185
Restricted	88,409,575	60,971,377	78,925,696	82,756,292	60,698,691	44,988,255	57,389,249	86,837,857	146,684,233	81,578,000
Unrestricted	113,807,653	134,105,632	115,418,059	131,653,410	149,330,297	106,765,463	124,163,666	130,919,381	105,980,693	239,235,627
Total business-type activities net position	\$ 564,475,800	\$ 582,993,145	\$ 573,927,291	\$ 575,529,756	\$ 536,843,037	\$ 521,202,465	\$ 518,065,187	\$ 499,979,562	\$ 503,650,976	\$ 512,497,812
Total primary government:										
Net Investment in Capital Assets	\$ 510,241,300	\$ 551,034,067	\$ 547,053,398	\$ 551,560,536	\$ 522,344,264	\$ 584,986,196	\$ 568,141,509	\$ 502,187,949	\$ 465,371,741	\$ 408,823,048
Restricted	141,283,942	103,433,504	132,015,984	124,661,444	108,225,122	82,514,799	97,351,385	132,935,015	201,343,695	142,345,196
Unrestricted	124,913,002	151,440,163	29,757,439	40,208,012	56,965,422	(5,591,253)	(58,035)	27,956,425	28,236,668	167,261,821
Total primary government net position	\$ 776,438,244	\$ 805,907,734	\$ 708,826,821	\$ 716,429,992	\$ 687,534,808	\$ 661,909,742	\$ 665,434,859	\$ 663,079,389	\$ 694,952,104	\$ 718,430,065



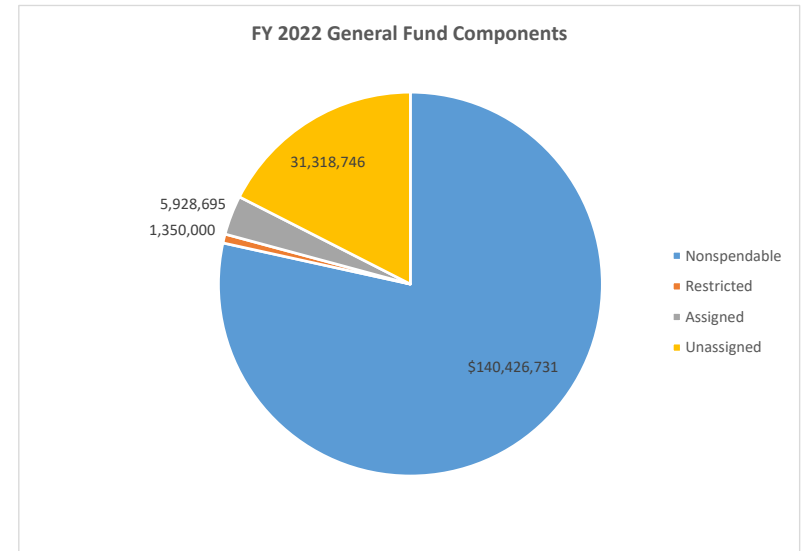
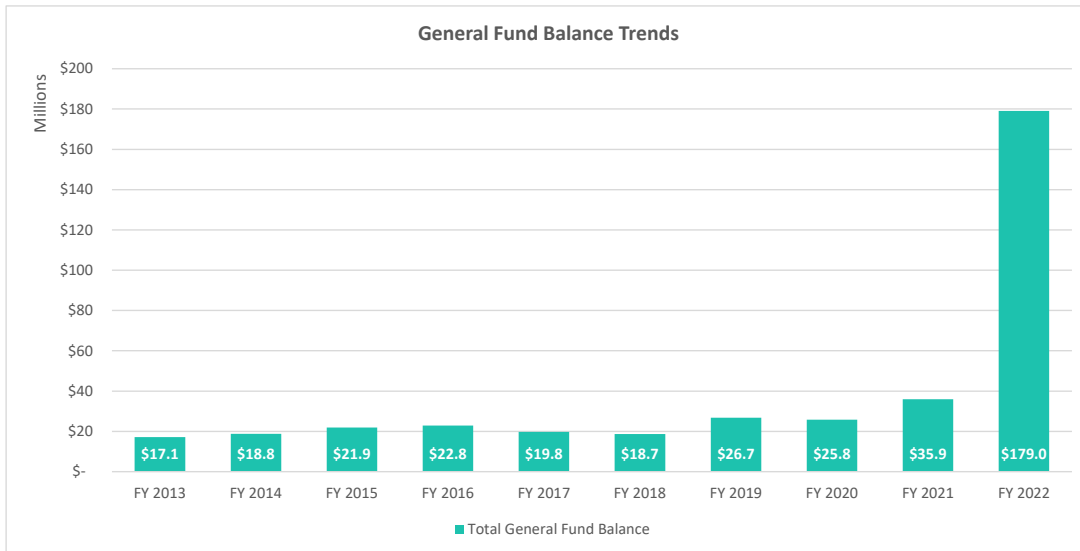
City of Gainesville
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Expenses					
Governmental activities:					
General government	\$ 17,814,078	\$ 16,176,189	\$ 20,042,296	\$ 23,812,563	\$ 13,257,529
Public safety	62,938,271	64,021,054	58,122,081	72,097,913	60,307,834
Physical environment	3,799,039	2,871,836	1,007,994	637,207	1,820,004
Transportation	18,410,169	15,142,893	18,412,980	5,723,450	17,941,779
Economic environment	6,809,885	8,602,592	5,930,125	1,393,939	8,879,794
Human services	384,825	2,216,579	1,726,374	7,397,884	1,340,199
Culture & recreation	9,551,902	9,332,876	11,042,060	7,113,163	17,049,901
Interest on long-term debt	7,248,291	6,711,350	7,216,312	8,802,512	6,374,794
Total governmental activities expenses	126,956,460	125,075,369	123,500,222	126,978,631	126,971,834
Business-type activities:					
Electric	\$ 227,350,282	\$ 291,110,843	\$ 313,776,108	\$ 322,959,616	\$ 331,139,770
Gas	21,436,501	22,764,377	23,086,959	21,999,919	21,284,174
Water	24,988,038	25,516,070	25,990,135	28,179,472	32,390,604
Wastewater	27,618,138	27,740,855	27,852,572	32,454,104	37,417,260
GRU.com	10,504,492	11,761,638	13,733,955	12,491,683	12,358,447
Regional transit system	23,167,649	24,279,240	26,170,257	28,302,063	33,640,219
Stormwater management	6,283,365	6,351,290	6,574,131	7,504,695	8,877,317
Ironwood golf course	1,401,017	1,456,632	1,573,460	1,701,930	1,632,760
Florida building code enforcement	2,042,119	2,306,430	2,324,819	2,661,425	2,656,233
Solid waste	7,237,205	7,594,037	8,623,125	9,002,895	8,099,106
Total business-type activities expenses	352,028,806	420,881,412	449,705,521	467,257,802	489,495,890
Total primary government expenses	\$ 478,985,266	\$ 545,956,781	\$ 573,205,743	\$ 594,236,433	\$ 616,467,724
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 11,418,234	\$ 13,124,551	\$ 12,900,012	\$ 10,423,187	\$ 11,795,746
Public safety	8,238,633	8,399,721	9,105,760	8,464,495	7,640,035
Other charges for services	3,769,211	3,962,570	6,233,296	5,180,923	4,892,481
Operating grants and contributions	8,170,095	7,036,634	7,169,569	8,809,447	6,822,748
Capital grants and contributions	7,570,791	5,061,574	3,999,209	1,698,750	2,634,365
Total governmental activities program revenues	39,166,964	37,585,050	39,407,846	34,576,802	33,785,375
Business-type activities:					
Charges for services:					
Electric	228,822,572	268,774,902	277,077,555	276,623,151	293,065,520
Other utilities	97,083,057	99,880,653	101,823,558	103,207,375	108,125,440
Other charges for services	33,332,016	34,576,794	36,298,907	37,515,391	37,606,459
Operating grants and contributions	14,074,581	25,213,077	9,435,118	5,828,801	10,315,741
Capital grants and contributions	3,004,490	5,658,720	1,962,901	5,305,542	13,089,525
Total business-type activities program revenues	376,316,716	434,104,146	426,598,039	428,480,260	462,202,685
Total primary government program revenues	\$ 415,483,680	\$ 471,689,196	\$ 466,005,885	\$ 463,057,062	\$ 495,988,060
Net (Expense)/Revenue					
Governmental activities	\$ (87,789,496)	\$ (87,490,319)	\$ (84,092,376)	\$ (92,401,829)	\$ (93,186,459)
Business-type activities	24,287,910	13,222,734	(23,107,482)	(38,777,542)	(27,293,205)
Total primary government net revenue	\$ (63,501,586)	\$ (74,267,585)	\$ (107,199,858)	\$ (131,179,371)	\$ (120,479,664)
General Revenues and Other					
Changes in Net Position					
Governmental activities:					
Taxes:					
Property taxes	\$ 26,077,888	\$ 26,476,044	\$ 28,558,490	\$ 29,161,493	\$ 31,116,558
Other taxes	21,899,384	21,516,536	21,359,992	21,670,989	22,105,551
State revenue sharing	3,723,420	3,945,358	4,214,442	4,316,493	4,648,650
Investment gain (loss)	(4,908,204)	6,061,874	4,712,920	4,176,684	443,618
Other revenues	2,826,862	3,495,904	3,849,507	3,567,795	8,127,699
Total governmental activities	49,619,350	61,495,716	62,695,351	62,893,454	66,442,076
Business-type activities:					
Interest	6,653,021	6,871,499	12,109,749	19,569,675	5,234,036
Other revenues	7,175,429	39,459,939	51,373,445	56,319,413	61,488,630
Total business-type activities	13,828,450	46,331,438	63,483,194	75,889,088	66,722,666
Total primary government	\$ 63,447,800	\$ 107,827,154	\$ 126,178,545	\$ 138,782,542	\$ 133,164,742
Changes in Net Position (including transfers, special items, and extraordinary items)					
Governmental activities	\$ (1,270,910)	\$ 12,571,251	\$ 14,225,269	\$ 6,000,706	\$ 9,791,535
Business-type activities	1,217,124	20,988,318	4,753,418	1,602,465	2,893,543
Total primary government	\$ (53,786)	\$ 33,559,569	\$ 18,978,687	\$ 7,603,171	\$ 12,685,078

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Expenses					
Governmental activities:					
General government	\$ 22,040,757	\$ 25,208,259	\$ 24,762,040	\$ 33,401,384	\$ 34,206,797
Public safety	63,936,193	66,448,738	74,628,943	57,252,077	78,662,604
Physical environment	412,777	924,738	1,139,174	1,172,294	843,607
Transportation	19,259,842	20,935,955	21,368,976	21,557,051	23,091,415
Economic environment	5,756,671	6,355,726	5,794,136	5,839,989	8,295,630
Human services	1,758,977	2,085,523	2,324,313	2,010,455	1,551,740
Culture & recreation	12,182,553	12,885,544	14,609,745	13,748,546	16,911,013
Interest on long-term debt	7,309,426	6,677,648	8,082,573	12,974,815	8,624,818
Total governmental activities expenses	132,657,196	141,522,131	152,709,900	147,956,611	172,187,624
Business-type activities:					
Electric	\$ 288,723,340	\$ 285,520,258	\$ 263,210,539	\$ 281,224,138	\$ 349,273,549
Gas	21,383,577	21,562,120	19,169,278	23,259,945	29,902,975
Water	31,267,572	34,949,820	34,827,176	32,894,784	39,594,392
Wastewater	38,712,044	39,832,387	42,514,875	41,930,458	49,842,137
GRU.com	12,119,479	12,953,026	14,734,804	15,420,363	15,402,148
Regional transit system	31,230,329	35,586,285	30,292,140	29,470,397	35,431,614
Stormwater management	8,902,706	10,209,606	8,940,956	8,814,470	9,192,531
Ironwood golf course	1,731,357	1,740,464	-	-	-
Florida building code enforcement	3,105,149	3,350,486	3,136,150	3,223,568	3,531,883
Solid waste	7,579,142	7,982,318	8,795,609	8,061,218	8,439,044
Total business-type activities expenses	444,754,695	453,686,770	425,621,527	444,299,341	540,610,273
Total primary government expenses	\$ 577,411,891	\$ 595,208,901	\$ 578,331,427	\$ 592,255,952	\$ 712,797,897
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 11,697,361	\$ 12,862,527	\$ 9,316,300	\$ 13,950,858	\$ 14,245,809
Public safety	11,390,344	11,191,303	12,960,704	12,868,168	13,160,843
Other charges for services	4,416,822	5,177,764	6,585,434	9,729,260	9,180,236
Operating grants and contributions	4,818,258	6,993,144	13,240,004	9,746,460	10,941,568
Capital grants and contributions	712,441	1,258,828	-	1,149,563	13,105
Total governmental activities program revenues	33,035,226	37,483,566	42,102,442	47,444,309	47,541,561
Business-type activities:					
Charges for services:					
Electric	272,311,406	293,883,795	273,794,885	293,306,230	385,178,484
Other utilities	110,891,490	113,920,161	116,775,211	118,880,524	139,659,105
Other charges for services	38,921,856	40,155,745	39,347,799	39,840,340	40,916,428
Operating grants and contributions	13,120,255	8,687,312	8,372,896	2,834,988	13,067,426
Capital grants and contributions	1,484,306	3,970,981	7,638,795	4,686,013	10,231,283
Total business-type activities program revenues	436,729,313	460,617,994	445,929,586	479,548,095	589,052,726
Total primary government program revenues	\$ 469,764,539	\$ 498,101,560	\$ 488,032,028	\$ 526,992,404	\$ 636,594,287
Net (Expense)/Revenue					
Governmental activities	\$ (99,621,970)	\$ (104,038,565)	\$ (110,607,458)	\$ (100,512,302)	\$ (124,646,063)
Business-type activities	(8,025,382)	6,931,224	20,308,059	35,248,754	48,442,453
Total primary government net revenue	\$ (107,647,352)	\$ (97,107,341)	\$ (90,299,399)	\$ (65,263,548)	\$ (76,203,610)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Property taxes	\$ 34,925,769	\$ 35,133,195	\$ 36,693,311	\$ 38,926,311	\$ 42,573,635
Other taxes	31,468,891	34,820,642	34,677,577	40,470,545	41,864,374
State revenue sharing	4,841,716	5,055,719	4,691,438	5,482,673	6,939,061
Investment gain (loss)	1,797,724	2,963,042	743,962	1,069,500	(89,643)
Other revenues	4,584,282	2,983,670	4,825,168	2,833,335	7,608,759
Total governmental activities	77,618,382	80,956,268	81,631,456	88,782,364	98,896,186
Business-type activities:					
Interest	8,324,132	4,875,231	3,111,544	6,265,018	7,756,213
Other revenues	21,858,387	11,262,279	2,087,628	2,088,885	2,281,446
Total business-type activities	30,182,519	16,137,510	5,199,172	8,353,903	10,037,659
Total primary government	\$ 107,800,901	\$ 97,093,778	\$ 86,830,628	\$ 97,136,267	\$ 108,933,845
Changes in Net Position (including transfers, special items and extraordinary items)					
Governmental activities	\$ 15,242,097	\$ 15,833,297	\$ 9,977,076	\$ 28,201,305	\$ 11,372,734
Business-type activities	(15,088,548)	(15,846,860)	(13,445,847)	3,671,414	21,357,501
Total primary government	\$ 153,549	\$ (13,563)	\$ (3,468,771)	\$ 31,872,719	\$ 32,730,235

City of Gainesville
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
General Fund:										
Nonspendable	\$ 2,959,587	\$ 2,753,498	\$ 2,487,568	\$ 2,238,498	\$ 1,959,310	\$ 1,647,816	\$ 1,359,332	\$ 8,595,707	\$ 7,042,417	\$140,426,731
Restricted	-	-	-	-	-	-	-	-	-	1,350,000
Assigned	772,730	1,494,098	1,985,914	3,551,786	1,607,428	-	432,146	5,246,913	5,107,131	5,928,695
Unassigned	13,408,146	14,520,395	17,476,507	17,050,156	16,199,506	17,023,490	24,926,872	11,949,372	23,798,721	31,318,746
Total General Fund	\$ 17,140,463	\$ 18,767,991	\$ 21,949,989	\$ 22,840,440	\$ 19,766,244	\$ 18,671,306	\$ 26,718,350	\$ 25,791,992	\$ 35,948,269	\$179,024,172
All Other Governmental Funds:										
Nonspendable	\$ -	\$ -	\$ 973,501	\$ 973,501	\$ 973,501	\$ 973,501	\$ 973,501	\$ 138,494,121	\$ 135,134,047	\$ 973,501
Restricted	56,363,125	45,981,942	40,819,050	36,886,125	42,831,122	48,991,566	43,861,891	53,521,232	59,184,289	61,561,561
Committed	901,448	1,361,332	2,714,703	3,684,544	4,186,209	4,284,750	4,943,264	6,570,937	9,620,573	11,788,474
Assigned	12,555,440	9,632,021	31,481,786	29,243,195	25,434,776	13,929,331	12,550,970	17,774,857	14,891,310	17,475,639
Unassigned	(2,499,106)	(2,121,436)	(1,734,610)	(1,571,393)	(1,815,726)	(1,613,819)	(1,620,060)	(3,522,639)	(1,830,901)	(2,368,258)
Total All Other Governmental Funds	\$ 67,320,907	\$ 54,853,859	\$ 74,254,430	\$ 69,215,972	\$ 71,609,882	\$ 66,565,329	\$ 60,709,566	\$ 212,838,508	\$ 216,999,318	\$89,430,917



Note:

- Nonspendable fund balance in the General Fund increased in fiscal year 2022 due to long-term receivables from other funds, with the majority attributed to amounts due to governmental funds from enterprise funds for their portion of the Special Obligation Revenue Bonds Series 2020 and the Pension Obligation Bonds Series 2003.

City of Gainesville
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Revenues										
Taxes	\$ 45,099,581	\$ 44,949,416	\$ 46,728,963	\$ 45,455,100	\$ 51,600,589	\$ 60,430,912	\$ 63,906,128	\$ 62,275,640	\$ 70,065,300	\$ 75,604,495
Licenses and permits	899,441	950,644	965,536	943,444	5,901,029	7,371,636	7,385,069	9,516,520	9,442,280	10,172,107
Intergovernmental	29,719,620	27,502,531	26,925,019	26,204,076	26,303,362	25,320,730	24,745,097	30,469,146	29,084,539	29,197,030
Charges for services	14,389,653	15,533,253	17,043,277	16,977,893	12,076,001	12,574,128	15,834,004	16,215,542	21,778,431	23,406,574
Fines and forfeitures	1,985,956	1,824,055	2,145,183	1,483,244	1,160,249	1,345,009	1,170,166	1,040,266	1,118,521	614,262
Miscellaneous	(1,599,295)	7,020,464	7,224,161	5,592,138	3,186,221	4,606,410	3,586,821	2,383,348	5,546,313	4,543,347
Total Revenues	90,494,956	97,780,363	101,032,139	96,655,895	100,227,451	111,648,825	116,627,285	121,900,462	137,035,384	143,537,815
Expenditures										
General government	\$ 14,857,602	\$ 15,191,905	\$ 15,432,428	\$ 16,769,826	\$ 17,882,912	\$ 18,721,311	\$ 20,828,242	\$ 38,474,266	\$ 34,464,013	\$ 28,564,772
Public safety	57,644,637	60,050,160	57,211,291	58,725,485	60,949,388	63,611,488	60,845,007	126,859,238	60,415,216	66,973,830
Physical environment	3,422,270	2,345,811	728,714	179,148	1,638,851	390,832	610,720	2,697,510	1,163,807	598,951
Transportation	12,117,326	13,493,390	14,799,718	14,357,357	13,506,968	12,199,626	13,101,026	21,726,970	14,483,574	15,526,002
Economic environment	7,324,538	8,322,502	5,679,667	6,110,015	8,449,753	5,592,127	5,600,703	6,754,563	5,878,907	7,974,885
Human services	390,769	819,536	1,379,014	1,354,828	1,342,820	1,725,801	2,020,873	2,315,594	2,186,925	1,507,679
Culture and recreation	8,282,530	8,138,572	8,758,008	10,795,803	9,697,565	9,266,636	10,437,575	17,340,821	12,296,510	14,166,883
Debt service:										
Principal	9,886,531	12,884,423	6,084,283	6,205,471	7,512,126	8,200,392	7,856,848	8,236,319	12,598,425	13,890,869
Interest	7,127,610	6,803,431	6,946,531	6,963,319	6,129,579	7,216,512	6,307,227	7,396,571	12,052,961	12,012,155
Advance refunding escrow	-	-	-	2,027,758	-	-	-	-	-	-
Bond issuance costs	-	41,837	242,746	78,691	-	-	-	1,211,583	45,227	-
Capital outlay	21,958,840	18,682,145	10,242,908	19,494,913	10,296,971	38,501,041	24,878,392	13,728,239	7,314,716	9,770,400
Total Expenditures	143,012,653	146,773,712	127,505,308	143,062,614	137,406,933	165,425,766	152,486,613	246,741,674	162,900,281	170,986,426
Excess of revenues under expenditures	(52,517,697)	(48,993,349)	(26,473,169)	(46,406,719)	(37,179,482)	(53,776,941)	(35,859,328)	(124,841,212)	(25,864,897)	(27,448,611)
Other Financing Sources (Uses)										
Debt issuance	-	14,715,000	12,435,000	18,600,000	-	10,365,000	-	214,615,000	11,473,000	124,157
Sale of Capital Assets	-	-	-	-	-	-	-	1,309,981	163,173	2,308,433
Bond premium/(discount)	-	-	947,278	-	-	-	-	-	-	-
Transfers in	61,955,075	59,810,683	71,442,628	63,795,920	59,041,563	75,105,237	77,418,056	78,209,629	72,597,995	71,843,111
Transfers out	(21,843,241)	(21,656,854)	(35,769,168)	(28,212,063)	(22,542,367)	(37,832,787)	(38,401,084)	(40,203,724)	(32,624,410)	(34,577,981)
Payments to refunded bond escrow agent	-	(14,715,000)	-	(11,925,145)	-	-	-	-	(11,427,773)	-
Total other financing sources (uses)	40,111,834	38,153,829	49,055,738	42,258,712	36,499,196	47,637,450	39,016,972	253,930,886	40,181,985	39,697,720
Net change in fund balances	\$ (12,405,863)	\$ (10,839,520)	\$ 22,582,569	\$ (4,148,007)	\$ (680,286)	\$ (6,139,491)	\$ 3,157,644	\$ 129,089,674	\$ 14,317,088	\$ 12,249,109
Debt service as a percentage of noncapital expenditures	13.22%	15.92%	11.22%	11.47%	10.88%	11.84%	11.08%	6.70%	15.81%	16.07%

Revenue Capacity

City of Gainesville
Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended September 30	Tax Year	Real Property	Personal Property	Centrally Assessed Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2013	2012	\$ 10,167,342,922	\$ 2,384,662,208	\$ 1,073,991	\$ 7,389,420,410	\$ 5,163,658,711	4.4946	\$ 12,553,079,121	41.13%
2014	2013	10,137,347,950	2,585,758,997	2,138,554	7,550,586,266	5,174,659,235	4.5780	12,725,245,501	40.66%
2015	2014	10,267,624,130	2,940,131,808	2,210,823	7,566,649,601	5,643,317,160	4.5079	13,209,966,761	42.72%
2016	2015	10,470,875,230	2,874,527,289	2,251,700	7,578,125,546	5,769,528,673	4.5079	13,347,654,219	43.23%
2017	2016	10,703,714,054	3,131,399,275	2,303,808	7,818,781,757	6,018,635,380	4.5079	13,837,417,137	43.50%
2018	2017	11,228,542,921	3,015,426,727	2,335,112	7,743,555,435	6,502,749,325	4.7474	14,246,304,760	45.65%
2019	2018	11,896,134,467	3,047,796,037	2,424,391	8,245,149,844	6,701,205,051	4.7474	14,946,354,895	44.84%
2020	2019	12,387,697,214	3,009,637,656	2,337,700	8,198,661,369	7,201,765,633	5.2974	15,400,427,002	46.76%
2021	2020	12,859,374,661	3,001,584,771	2,577,939	8,238,028,592	7,625,508,779	5.2974	15,863,537,371	48.07%
2022	2021	13,354,152,416	2,949,971,567	2,839,279	8,259,912,702	8,047,050,560	5.5000	16,306,963,262	49.35%

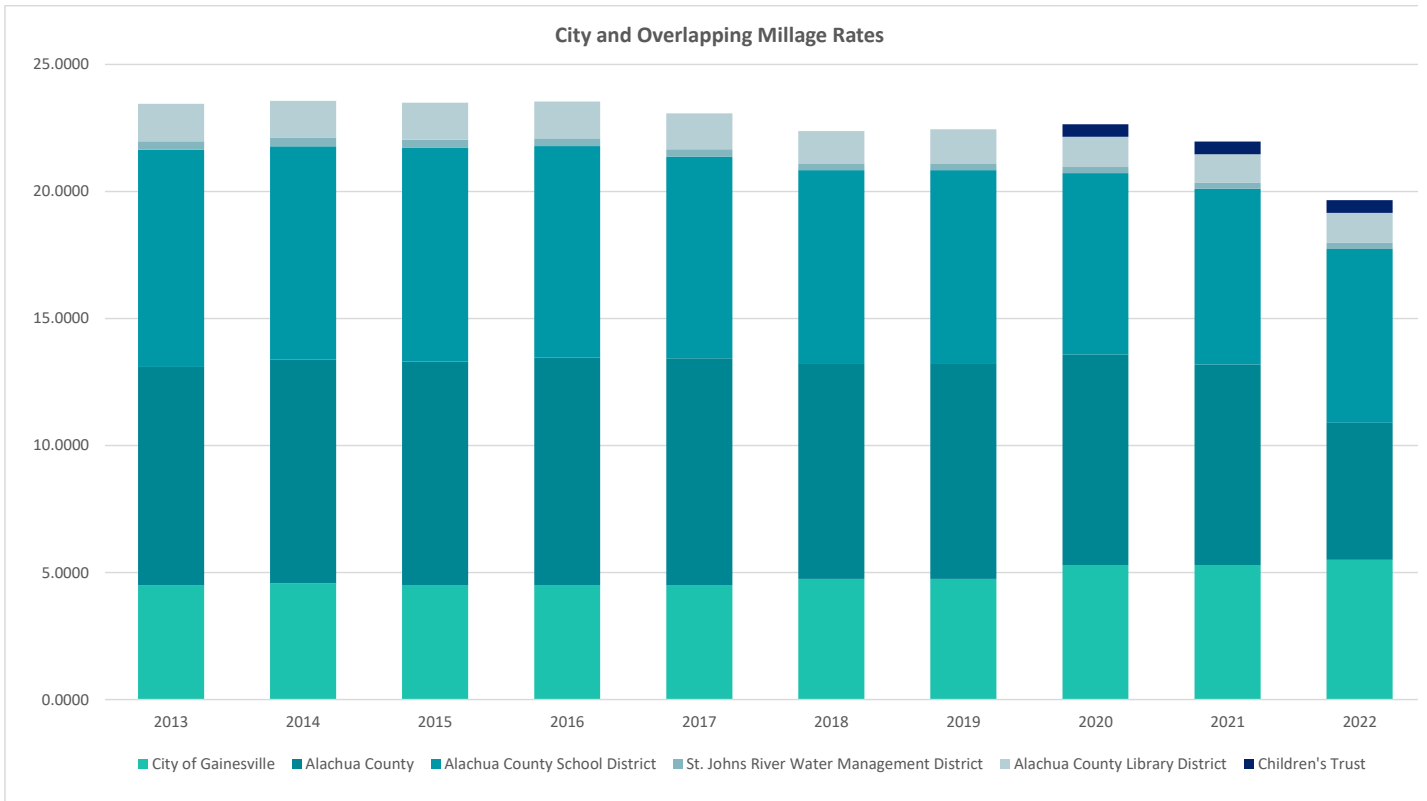
Notes:

(1) Total assessed values less exemptions

Source: Alachua County Property Appraiser, www.acpafl.org

City of Gainesville
Property Tax Rates - City and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Tax Year	Overlapping Rates							Overlapping Rates
		City of Gainesville	Alachua County	Alachua County School District	St. Johns River Water Management District	Alachua County Library District	Children's Trust		
2013	2012	4.4946	8.5956	8.5490	0.3313	1.4768	0.0000	23.4473	
2014	2013	4.5780	8.7990	8.4020	0.3283	1.4588	0.0000	23.5661	
2015	2014	4.5079	8.7990	8.4100	0.3164	1.4588	0.0000	23.4921	
2016	2015	4.5079	8.9545	8.3240	0.3023	1.4538	0.0000	23.5425	
2017	2016	4.5079	8.9290	7.9360	0.2885	1.4121	0.0000	23.0735	
2018	2017	4.7474	8.4648	7.6250	0.2724	1.2655	0.0000	22.3751	
2019	2018	4.7474	8.4648	7.6250	0.2724	1.3371	0.0000	22.4467	
2020	2019	5.2974	8.2829	7.1440	0.2414	1.1825	0.5000	22.6482	
2021	2020	5.2974	7.8935	6.9150	0.2287	1.1289	0.5000	21.9635	
2022	2021	5.5000	5.3900	6.8430	0.2414	1.1825	0.5000	19.6569	



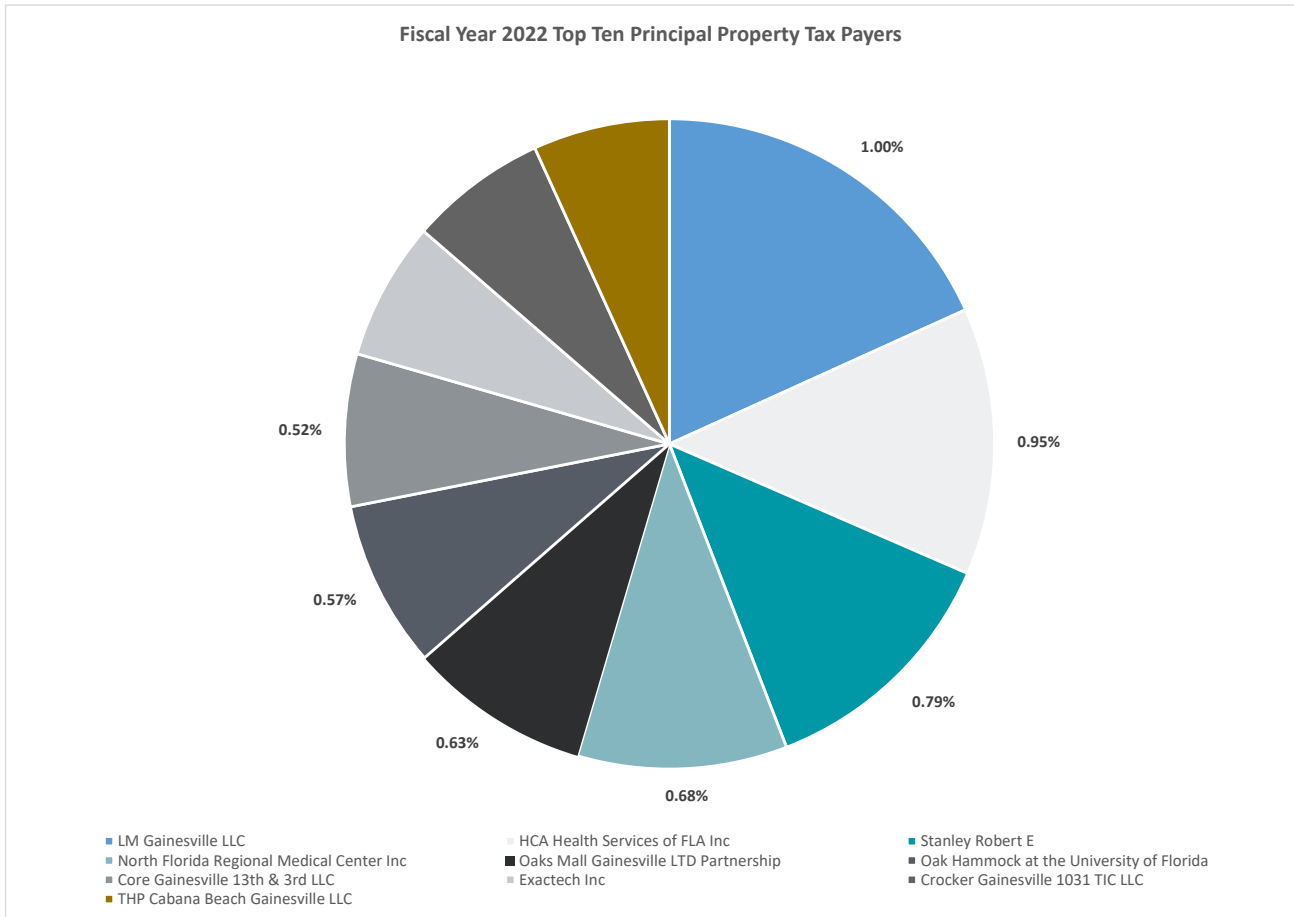
Notes:

- Millage rate is per \$1,000 assessed property value.
- Overlapping rates include those rates of other local and county governments that apply to property owners within the City.
- The City is serviced by two water management districts: St. Johns River Water Management (95%) and Suwannee River Water Management (5%). The millage rates for FY 2021 for each district were 0.2287 and 0.3696, respectively.
- The City's property tax rate is limited to a maximum millage rate of 10.0000.

Source: Alachua County Property Appraiser

City of Gainesville
Top Ten Principal Property Tax Payers in City Limits
Reporting Fiscal Year (FY 2021) and Ten Years Ago (FY 2012)

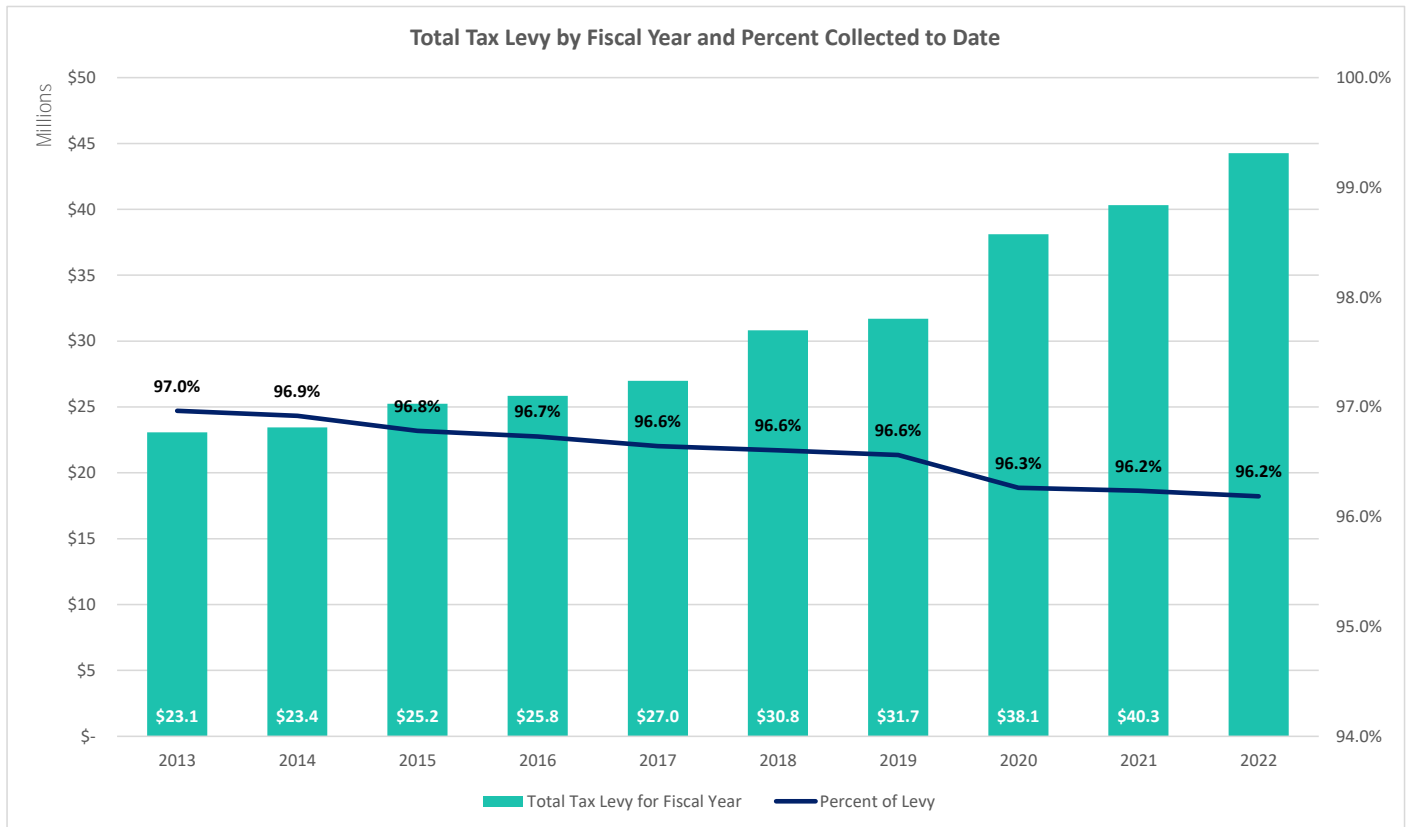
Tax Payer	Fiscal Year 2022			Fiscal Year 2013	
	Total Taxable Value		% of Total Taxable Value	Total Taxable Value	% of Total Assessed Value
LM Gainesville LLC	\$ 110,541,798	1	1.37%		
HCA Health Services of FLA Inc	80,639,275	2	1.00%	\$ 69,164,200	1.23%
Stanley Robert E	76,462,172	3	0.95%		
North Florida Regional Medical Center Inc	63,228,467	4	0.79%	41,502,300	
Oaks Mall Gainesville LTD Partnership	54,651,029	5	0.68%	120,000,000	2.14%
Oak Hammock at the University of Florida	50,494,535	6	0.63%	56,217,910	
Core Gainesville 13th & 3rd LLC	45,955,700	7	0.57%		
Exactech Inc	41,723,851	8	0.52%		
Crocker Gainesville 1031 TIC LLC	41,539,200	9	0.52%		
THP Cabana Beach Gainesville LLC	41,194,780	10	0.51%		
Total Top Ten Principal Property Tax Payers	\$ 606,430,807		7.54%	\$ 286,884,410	5.11%
Total Taxable Value	\$ 8,047,050,560			\$ 5,609,091,710	



Source: Alachua County Property Appraiser, www.acpaf1.org

**City of Gainesville
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ended September 30	Collected Within the Fiscal Year of the Levy				Total Collections to Date		
	Total Tax Levy for Fiscal Year	Amount	Percent of Levy	Collections in Subsequent Years	Amount	Percent of Levy	
2013	\$ 23,067,142	\$ 22,259,404	96.5%	\$ 107,633	\$ 22,367,037	97.0%	
2014	23,447,527	22,573,803	96.3%	151,201	22,725,004	96.9%	
2015	25,244,590	24,342,225	96.4%	90,151	24,432,376	96.8%	
2016	25,839,997	24,924,172	96.5%	70,859	24,995,031	96.7%	
2017	26,984,760	26,030,596	96.5%	48,446	26,079,042	96.6%	
2018	30,811,823	29,766,402	96.6%	(396)	29,766,006	96.6%	
2019	31,700,275	30,675,142	96.8%	(64,525)	30,610,617	96.6%	
2020	38,110,993	36,636,996	96.1%	50,042	36,687,038	96.3%	
2021	40,320,938	38,831,631	96.3%	(27,945)	38,803,656	96.2%	
2022	44,259,947	42,571,948	96.2%	N/A	42,571,948	96.2%	

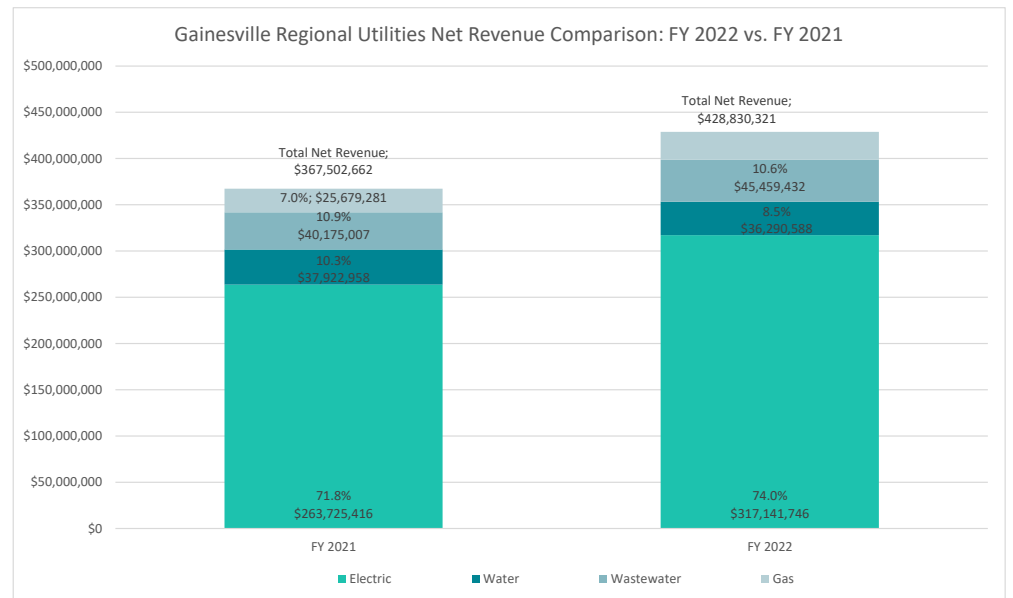
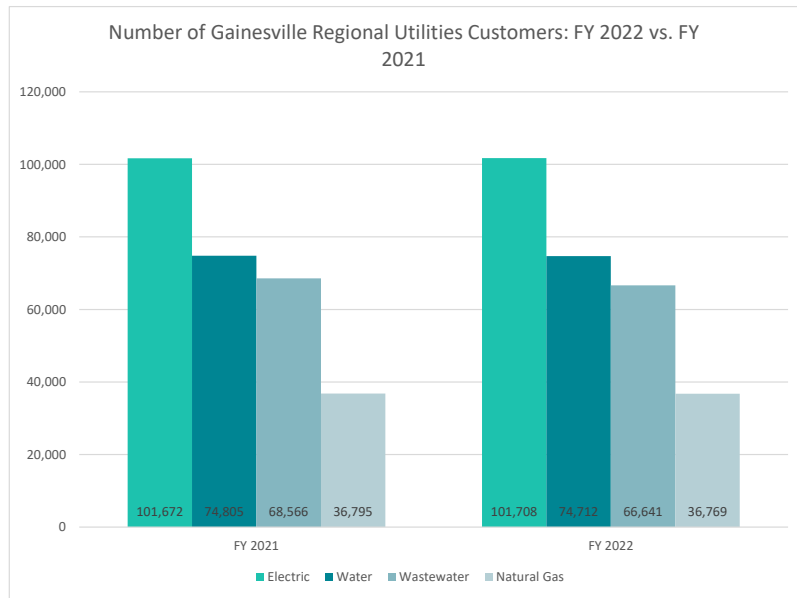


Source: Alachua County Tax Collector

City of Gainesville
Gainesville Regional Utilities Base - Number of Customers and Sales Quantities
Last Ten Fiscal Years

Number of Customers	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Electric	92,907	93,719	94,473	94,795	96,272	98,172	98,161	100,156	101,672	101,708
Water	69,847	70,300	70,903	71,546	72,136	73,043	73,078	73,896	74,805	74,712
Wastewater	63,001	63,501	64,121	64,781	65,591	66,483	66,638	67,388	68,566	66,641
Natural Gas	33,465	33,780	34,152	34,496	34,942	35,389	35,622	36,094	36,795	36,769

Sales	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Electric - Residential (gigawatt hours)	752	772	793	819	797	822	844	845	843	853
Electric - Nonresidential (gigawatt hours)	930	942	951	978	963	989	1,151	1,088	1,091	1,030
Water - gallons (millions)	6,964	6,822	6,786	6,837	7,211	6,922	7,096	7,114	6,881	7,155
Wastewater - gallons (millions)	4,603	4,528	4,491	4,510	4,657	4,969	4,692	4,614	4,958	5,053
Natural Gas - therms (millions)	19	21	21	20	20	23	21	21	22	22



Notes:
 - Number of customers represents all utility customers both inside and outside City limits.
 - Net revenue excludes telecommunications and includes fuel.

Source: Gainesville Regional Utilities

**City of Gainesville
Gainesville Regional Utilities Rates
Last Ten Fiscal Years**

		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Electric:											
Residential Service - Standard											
Customer Charge	per month	\$ 8.67	\$ 11.90	\$ 12.75	\$ 14.25	\$ 14.25	\$ 14.25	\$ 14.25	\$ 15.00	\$ 15.00	\$ 16.00
Energy Charge ²	per kWh										
0-250 kWh		0.03400	0.03900	0.03100							
250-750 kWh		0.06800	0.05000	0.04200							
over 750 kWh		0.10200	0.09400	0.08400							
	Since 2015										
0-850 kWh					0.04300	0.04300	0.04400	0.07020	0.07450	0.07450	0.07970
over 850 kWh					0.06400	0.06400	0.06600	0.09300	0.09870	0.09870	0.10560
Residential Service - Peak Periods											
Customer Charge	per month	17.60	17.60	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Energy Charge ²	per kWh										
On-Peak		0.13900	0.13900	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Off-Peak		0.03500	0.03500	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
General Service Non-Demand & Demand < 50 kW											
Customer Charge	per month	26.00	30.00	29.50	29.50	29.50	29.50	29.50	31.00	31.00	33.00
Energy Charge ²	per kWh										
0-1500 kWh		0.08000	0.07600	0.06900	0.06900	0.06900	0.07000	0.09260	0.09840	0.09840	0.10530
over 1500 kWh		0.10800	0.10600	0.10000	0.10000	0.10000	0.10300	0.12320	0.13090	0.13090	0.14010
General Service Demand - 50kW > Demand < 1000 kW											
Customer Charge	per month	50.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	105.00
Demand Charge	per kW	9.25	9.25	8.50	8.50	8.50	8.50	9.50	10.15	10.15	10.85
Energy Charge ²	per kWh	0.05100	0.04500	0.04000	0.04000	0.04000	0.04120	0.06170	0.06530	0.06530	0.06990
Large Power Service - Demand > 1000 kW											
Customer Charge	per month	300.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	375.00
Demand Charge	per kW	9.25	9.25	8.50	8.50	8.50	8.50	9.75	10.30	10.30	11.00
Energy Charge ²	per kWh	0.04600	0.04050	0.03600	0.03600	0.03600	0.03700	0.05770	0.06110	0.06110	0.06540
Water:											
Residential Service											
Customer Charge ⁵	per month	8.70	9.00	9.20	9.20	9.45	9.45	9.45	9.45	9.45	9.45
Usage Charge ³	per kGal										
1,000 - 4,000		2.20	2.30	2.35	2.35	2.45	2.45	2.45	2.47	2.47	2.47
5,000 - 16,000		3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.77	3.77	3.87
Over 17,000		6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.04	6.04	6.04
Non-Residential Service											
Customer Charge ⁵	per month	8.70	9.00	9.20	9.20	9.45	9.45	9.45	9.45	9.45	9.45
Usage Charge	per kGal	3.75	3.80	3.85	3.85	3.85	3.85	3.85	3.87	3.87	3.87
Irrigation Service											
Customer Charge ^{4,5}	per month	8.70	9.00	9.20	9.20	9.45	9.45	9.45	9.45	9.45	9.45
Usage Charge	per kGal										
1,000 - 12,000		3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.77	3.77	3.87
13,000 or more		6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.04	6.04	6.04
Non-residential		4.45	4.50	4.55	4.60	4.60	4.60	4.60	4.62	4.62	4.62
University of Florida											
Customer Charge ⁵	per month	8.70	9.00	9.20	9.20	9.45	9.45	9.45	9.45	9.45	9.45
Usage Charge	per kGal										
On-Campus		2.16	2.18	2.22	2.30	2.84	2.29	2.43	2.53	2.65	2.34
Off-Campus		3.13	2.77	2.64	2.91	3.67	2.83	3.21	3.56	3.23	2.67
City of Alachua											
Customer Charge ⁵	per month	8.70	9.00	9.20	9.20	9.45	9.45	9.45	9.45	9.45	9.45
Usage Charge	per kGal	1.62	1.62	1.62	1.62	1.62	1.62	1.62	1.62	1.62	2.67
Fire Hydrant History of Monthly Charges											
Installed, Maintained, Supported											
Maintained, Supported											
Supported only (UF)											
Wastewater:											
Residential Service											
Customer Charge	per month	7.40	7.85	8.40	9.00	9.10	9.10	9.10	9.10	9.10	9.50
Usage Charge	per kGal	5.80	5.85	6.05	6.20	6.30	6.30	6.30	6.30	6.33	6.65
Residential not connected, but required to be by ordinance											
		36.4	37.1	38.65	40	40.6	40.6	40.6	40.75	40.75	42.75
Residential, on wells, flat rate											
	per month	36.4	37.1	38.65	40	40.6	40.6	40.6	40.75	40.75	42.75
Multi-family											
Customer Charge	per month	7.40	7.85	8.40	9.00	9.10	9.10	9.10	9.10	9.10	9.50
Usage Charge - flat rate	per month	29.00	29.25	30.25	31.00	31.50	31.50	31.50	31.65	31.65	33.25
Nonresidential Service											
Customer Charge ⁵	per month	7.40	7.85	8.40	9.00	9.10	9.10	9.10	9.10	9.10	9.50
Usage Charge	per kGal	5.80	5.85	6.05	6.20	6.30	6.30	6.30	6.30	6.33	6.65

**City of Gainesville
Gainesville Regional Utilities Rates
Last Ten Fiscal Years
(Concluded)**

		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Natural Gas:											
Residential Service											
Customer Charge	<i>per month</i>	9.52	9.52	9.75	9.75	9.75	9.75	9.75	9.75	9.75	9.75
Energy Charge ¹	<i>per therm</i>	0.47370	0.48200	0.50200	0.54000	0.63000	0.63000	0.63000	0.63000	0.63400	0.63400
MGP	<i>per therm</i>	0.05050	0.05050	0.05660	0.05660	0.05560	0.05560	0.05560	0.05560	0.05560	0.05560
General Firm Service											
Customer Charge	<i>per month</i>	\$ 35.00	\$ 40.00	\$ 40.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00
Energy Charge ¹	<i>per therm</i>	\$ 0.34300	\$ 0.34300	\$ 0.36500	\$ 0.38000	\$ 0.44000	\$ 0.44000	\$ 0.44000	\$ 0.44000	\$ 0.44260	\$ 0.44260
MGP	<i>per therm</i>	\$ 0.05050	\$ 0.05000	\$ 0.05560	\$ 0.05560	\$ 0.05560	\$ 0.05560	\$ 0.05560	\$ 0.05560	\$ 0.05560	\$ 0.05560
Large Volume Interruptible Service											
Customer Charge	<i>per month</i>	\$ 375.00	\$ 375.00	\$ 375.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00
Energy Charge ²	<i>per therm</i>	\$ 0.20394	\$ 0.20394	\$ 0.20500	\$ 0.23000	\$ 0.27000	\$ 0.27000	\$ 0.27000	\$ 0.27000	\$ 0.27120	\$ 0.27120
MGP	<i>per therm</i>	\$ 0.05050	\$ 0.05050	\$ 0.05560	\$ 0.05560	\$ 0.05560	\$ 0.05560	\$ 0.05560	\$ 0.05560	\$ 0.05560	\$ 0.05560
Liquid Propane (LP) Service											
Customer Charge	<i>per month</i>	\$ 9.52	\$ 9.52	\$ 9.75	\$ 9.75	\$ 9.75	\$ 9.75	\$ 9.75	\$ 9.75	\$ 9.75	\$ 9.75
Energy Charge ⁴	<i>per gallon</i>										
3-yr recovery		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
5-yr recovery		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
7-yr recovery		\$ 0.63846	\$ 0.64676	\$ 0.66676	\$ 0.70476	n/a	n/a	n/a	n/a	n/a	n/a
> 7-yr recovery		\$ 0.59346	\$ 0.60176	\$ 0.62176	\$ 0.65976	n/a	n/a	n/a	n/a	n/a	n/a
Basic (no recovery)		\$ 0.56346	\$ 0.57176	\$ 0.59176	\$ 0.62976	\$ 0.71976	\$ 0.71976	\$ 0.71976	\$ 0.72376	\$ 0.72376	\$ 0.72376
Average Annual PGA	<i>per therm</i>										

Notes:

- 1) Includes \$0.06906 per therm of fuel
 - 2) Includes 6.5 mills/kWh of fuel
 - 3) Effective October 1, 2013; previously 2011-2012 0-7,000,7001-20,000;
- Source: GRU Annual Reports

City of Gainesville
Principal Utility Revenue Contributors
Reporting Fiscal Year 2022 and Ten Years Ago

Customer	Fiscal Year 2022			Fiscal Year 2013		
	Total Payments	Rank	% of Total Utility Revenue	Total Payments	Rank	% of Total Utility Revenue
University of Florida	\$ 11,444,769	1	2.78%	\$ 2,900,005	7	0.77%
Gainesville Regional Utilities	10,430,614	2	2.53%	-		
Shands Teaching Hospital and Clinics	9,374,462	3	2.25%	4,255,273	5	1.13%
Alachua County Public Schools	8,173,366	4	1.99%	5,211,309	2	1.39%
VA Medical Center	7,731,974	5	1.88%	4,040,351	6	1.07%
North Florida Regional Medical Center	7,606,490	6	1.85%	4,503,252	4	1.20%
City of Gainesville	5,593,245	7	1.36%	8,080,627	1	2.15%
Publix Supermarkets	5,327,569	8	1.29%	4,455,231	3	1.18%
Alachua County Board of County Commissioners	4,349,085	9	1.06%	2,384,314	8	0.63%
SiVance	3,002,638	10	0.73%			
Santa Fe College				1,840,377	9	0.49%
FL Dept of Children and Families	-			1,517,822	10	0.40%
Total	\$ 73,034,212		17.72%	\$ 39,188,561		10.41%

Source: GRU Annual Reports

Debt Capacity

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

Debt Presented by Governmental and Business-Type Activities										
Fiscal Year	Governmental Activities			Business-Type Activities			Total		% of Personal	
	Bonds	Notes	Lease	Bonds	Notes	Lease	Primary Government	Income	Per Capita	
2013	\$ 117,168,774	\$ 19,326,461	\$ 436,681	\$ 923,700,771	\$ 64,974,623	\$ -	\$ 1,125,607,310	23.86%	9,049	
2014	92,086,614	32,562,746	352,505	896,179,836	66,181,064	99,410,828	1,186,773,593	24.55%	9,444	
2015	100,957,376	30,991,592	264,740	924,958,029	70,811,880	977,280,085	2,105,263,702	42.35%	16,453	
2016	93,276,839	38,508,036	173,550	907,065,208	65,189,668	959,678,852	2,063,892,153	40.90%	16,047	
2017	88,616,606	35,650,967	78,141	888,442,387	64,254,397	941,269,071	2,018,311,569	38.44%	15,547	
2018	84,326,481	42,091,460	-	1,618,098,385	93,000,000	-	1,837,516,326	35.34%	14,004	
2019	81,461,956	37,907,275	-	1,789,681,008	4,593,326	-	1,913,643,565	35.21%	14,381	
2020	301,381,768	41,335,977	-	1,756,835,654	3,448,444	-	2,103,001,843	38.89%	15,567	
2021	300,141,053	41,495,634	-	1,846,306,439	3,211,487	-	2,191,154,613	35.44%	15,234	
2022	282,734,377	33,864,300	430,413	1,832,979,000	2,787,573	503,033	2,153,298,696	29.16%	14,761	

Debt Presented by City Government and Gainesville Regional Utilities							
Fiscal Year	City Government			Gainesville Regional Utilities			
	City Government	Gainesville Regional Utilities	Primary Government	% of Personal Income	Per Capita	% Of Personal Income	Per Capita
2013	\$ 136,931,916	\$ 988,675,394	\$ 1,125,607,310	2.90%	\$ 1,101	9.79%	\$ 3,713
2014	125,001,865	1,061,771,728	1,186,773,593	2.59%	995	10.36%	3,984
2015	132,213,708	1,973,049,994	2,105,263,702	2.66%	1,033	18.83%	7,313
2016	131,958,425	1,931,933,728	2,063,892,153	2.62%	1,026	18.54%	7,273
2017	124,345,714	1,893,965,855	2,018,311,569	2.37%	958	16.95%	6,855
2018	126,417,941	1,711,098,385	1,837,516,326	2.43%	963	15.81%	6,266
2019	119,369,231	1,794,274,334	1,913,643,565	2.20%	897	16.06%	6,560
2020	342,717,745	1,760,284,098	2,103,001,843	6.34%	2,537	15.85%	6,343
2021	341,636,687	1,849,517,926	2,191,154,613	5.53%	2,375	15.26%	6,561
2022	317,029,090	1,836,269,606	2,153,298,696	4.29%	2,173	12.98%	6,569

Notes:
- Details regarding the City's outstanding debt may be found in the Notes to the Financial Statements.
- The debt ratios for the primary government include both General Government and Gainesville Regional Utilities. These ratios are shown separately as well to provide more meaningful information.

Sources:
- Personal income information was obtained from the Bureau of Economic Analysis
- Population figures were obtained from the Bureau of Economic and Business Research
- Customer information was obtained from GRU's Annual Report

City of Gainesville
Direct and Overlapping Governmental Activities Debt
As of September 30, 2022

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Alachua County Board of County Commissioners			
Public Improvement Revenue Note, 2014	\$ 3,188,000	44.41%	\$ 1,415,787
Capital Improvement Revenue Note, 2015A	1,622,000	44.41%	720,328
Public Improvement Revenue Refunding Note, 2015B	7,178,000	44.41%	3,187,740
Public Improvement Revenue Refunding Note, 2016	6,245,000	44.41%	2,773,396
Public Improvement Revenue Note, 2017	1,074,000	44.41%	476,962
Public Improvement Revenue Refunding Note, 2017	665,000	44.41%	295,326
Local Option Gas Tax Revenue Note, 2018	8,610,000	44.41%	3,823,689
Capital Improvement Revenue Note, 2020A	3,060,000	44.41%	1,358,942
Capital Improvement Revenue Note, 2020B	3,940,000	44.41%	1,749,749
Capital Improvement Revenue Note, 2020C	11,190,000	44.41%	4,969,464
Capital Lease Payable - ACSO Equip 2020	499,130	44.41%	221,664
Tourist Development Tax Revenue Note, 2021AB	29,885,000	44.41%	13,271,888
School Board of Alachua County			
Bus Purchase 2020	4,542,887	39.64%	1,800,711
Certificates of Participation	95,490,000	39.64%	37,852,236
Qualified School Construction Bonds	11,211,997	39.64%	4,444,214
Build America Bonds	2,941,868	39.64%	1,166,098
Subtotal, Overlapping Debt			\$ 79,528,194
City Governmental Activities Direct Debt			\$ 341,636,687
City Total Direct and Overlapping Governmental Activities Debt			\$ 421,164,881

**City of Gainesville
Pledged Revenue Coverage
Last Ten Fiscal Years**

State Guaranteed Entitlement Revenue Bonds						Gainesville Regional Utilities Revenue Bonds					
Fiscal Year	State Guaranteed Entitlement		Debt Service			Revenues (see note 1)	Less: Operating Expenses (see note 2)	Net Available Revenues	Debt Service		
	Revenue	Principal	Interest	Coverage	Principal				Interest	Coverage	
2013	\$ 1,100,340	\$ 810,000	\$ 234,813	1.0531	\$ 356,409,450	\$ 214,466,006	\$ 141,943,444	\$ 31,900,000	\$ 21,964,939	2.6352	
2014	1,100,340	850,000	194,313	1.0536	412,169,722	255,797,502	156,372,220	26,845,000	23,392,328	3.1127	
2015	1,100,340	890,000	151,813	1.0562	439,576,909	270,982,823	168,594,086	49,020,000	22,227,180	2.3663	
2016	1,100,340	935,000	104,088	1.0589	453,177,915	280,634,777	172,543,138	16,805,000	21,544,385	4.4992	
2017	1,100,340	1,000,000	55,000	1.0430	473,426,619	331,097,206	142,329,413	23,135,000	38,892,441	2.2946	
2018	1,095,000	255,146	839,854	1.0000	409,003,588	293,014,320	115,989,268	24,020,000	46,618,627	1.6420	
2019	1,095,000	240,265	854,735	1.0000	411,774,937	394,817,611	16,957,326	187,910,000	64,300,221	0.0672	
2020	1,095,000	226,260	868,740	1.0000	398,359,397	319,382,738	78,976,659	33,015,000	69,209,863	0.7726	
2021	1,095,000	213,065	881,935	1.0000	418,392,840	332,659,224	85,733,616	27,090,000	65,092,695	0.9300	
2022	1,095,000	200,637	894,363	1.0000	524,837,589	417,228,033	107,609,556	66,466,667	71,061,082	0.7825	

Notes:

(1) Gainesville Regional Utilities revenues include electric, gas, water, wastewater and telecommunications charges to customers, other utilities revenues (including fees for connection, installation and backflow prevention), rate stabilization transfers, and interest income (excluding interest income earned on construction funds).

- Includes revenue of \$249,220,553 from leaseback transaction. The coverage ratio excluding the revenue from the leaseback would be 2.42.

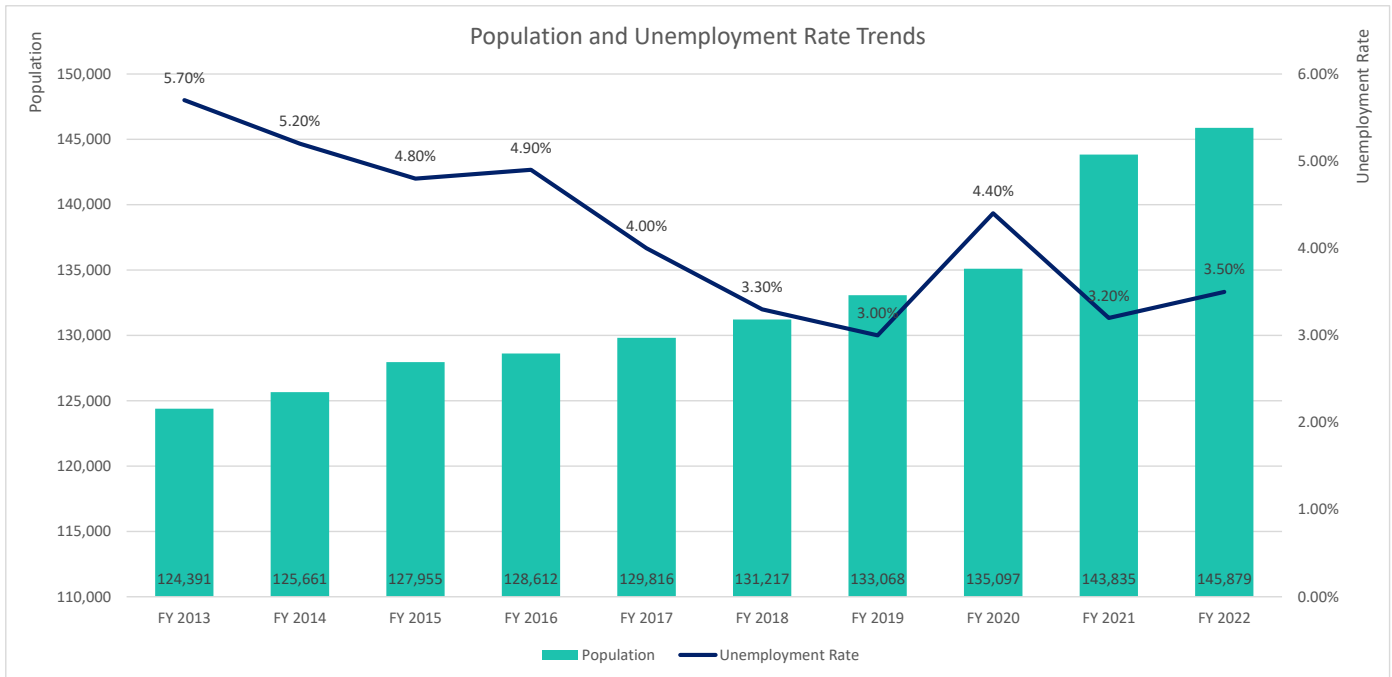
(2) Operating expenses exclude depreciation and debt service charges.

Source: Gainesville Regional Utilities Financial Statements

Demographic and Economic Information

**City of Gainesville
Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age (Alachua County)	Public School Enrollment (Alachua County)	Unemployment Rate
2013	124,391	\$ 10,514,601,000	\$ 84,529	25.8	27,506	5.70%
2014	125,661	10,255,284,000	81,611	25.8	27,390	5.20%
2015	127,955	10,619,747,010	82,996	25.8	27,802	4.80%
2016	128,612	10,725,944,480	83,398	25.7	27,343	4.90%
2017	129,816	11,352,822,000	87,453	26.6	26,881	4.00%
2018	131,217	11,863,698,990	90,413	31.3	28,836	3.30%
2019	133,068	11,983,398,000	90,055	33.2	29,460	3.00%
2020	135,097	11,537,300,000	85,400	31.7	29,845	4.40%
2021	143,835	12,391,060,020	86,148	31.6	29,727	3.20%
2022	145,879	13,972,600,000	95,782	32.1	31,104	3.50%

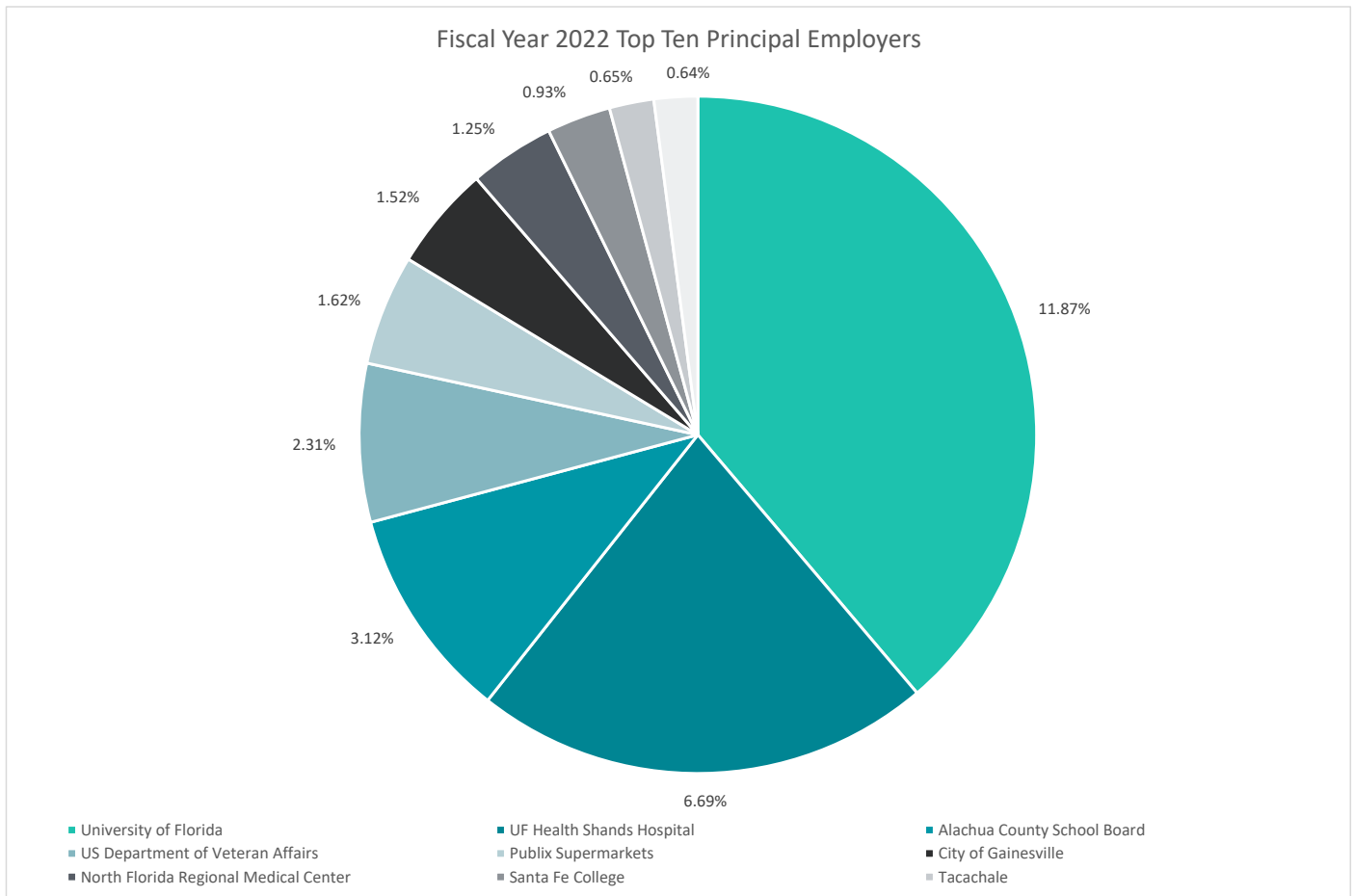


Sources:

- Population: University of Florida Bureau of Economic and Business Research (calendar year basis)
- Personal Income: Bureau of Economic Analysis (calendar year basis)
- County Median Age: University of Florida Bureau of Economic Business Research (calendar year basis)
- Public School Enrollment: Alachua County School Board
- Unemployment Rate: U.S. Bureau of Labor Statistics - employment rate at September of each fiscal year

City of Gainesville
Top Ten Principal Employers
Reporting Fiscal Year (FY 2021) and Ten Years Ago (FY 2012)

Customer	Fiscal Year 2022			Fiscal Year 2013		
	Number of Employees		% of Total Labor Force	Number of Employees		% of Total Labor Force
University of Florida	17,648	1	11.87%	14,723	1	10.68%
UF Health Shands Hospital	9,944	2	6.69%	12,588	2	9.14%
Alachua County School Board	4,634	3	3.12%	4,317	3	3.13%
US Department of Veteran Affairs	3,438	4	2.31%	4,299	4	3.12%
Publix Supermarkets	2,403	5	1.62%	2,200	5	1.60%
City of Gainesville	2,265	6	1.52%	1,995	7	1.45%
North Florida Regional Medical Center	1,857	7	1.25%	1,700	8	1.23%
Santa Fe College	1,388	8	0.93%	1,300	9	0.94%
Tacachale	966	9	0.65%			
Alachua County Board of County Commissioners	947	10	0.64%	2,056	6	1.49%
				796	10	0.58%
Total of Top Ten Principal Employers	45,490		30.60%	45,974		33.36%
Total Labor Force	148,664			137,798		



Notes:

2022 data was not yet available per the Greater Gainesville Chamber of Commerce. Data shown is 2021 figures. 9/30/21 labor force provided by U.S. Bureau of Labor Statistics.

Operating Information

City of Gainesville
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Charter Offices										
City Attorney's Office	17.00	18.00	17.00	17.00	17.00	16.00	16.00	16.00	15.00	15.00
City Auditor's Office	4.50	4.50	4.50	4.50	5.50	5.50	6.00	7.00	7.00	7.00
City Clerk	5.50	5.50	5.00	5.00	5.00	6.00	9.00	10.00	11.00	11.00
City Commission	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
City Manager	1,267.24	1,307.75	1,295.80	1,315.05	1,353.25	1,382.62	1,469.75	1,494.75	1,519.50	1,529.00
Equity and Inclusion, Office of	6.00	7.00	7.00	9.00	8.00	8.00	8.50	11.00	11.00	11.00
General Manager for Utilities	908.75	908.75	909.75	892.75	877.75	886.25	892.25	930.25	932.25	932.25
Total Full-time Equivalent	2,215.99	2,258.50	2,246.05	2,250.30	2,273.50	2,311.37	2,408.50	2,476.00	2,502.75	2,512.25
% General Government	59.0%	59.8%	59.5%	60.3%	61.4%	61.7%	63.0%	62.4%	62.8%	62.9%
The City Manager oversees the following Functions/Programs:										
General Government										
Administrative Services	4.00	4.00	3.70	3.70	3.65	0.00	0.00	0.00	0.00	0.00
Budget & Finance	37.00	37.00	37.00	36.50	38.50	40.50	42.50	40.50	42.50	43.50
City Manager's Office	7.00	7.00	6.35	6.35	10.35	10.35	10.00	9.00	8.00	8.00
Communications and Engagement	4.00	4.00	4.50	4.00	5.00	13.90	8.50	9.50	12.50	12.50
Human Resources	16.00	17.00	16.00	16.00	25.00	25.00	27.00	27.00	27.00	27.00
Risk Management	16.00	16.50	16.50	16.50	16.50	16.50	16.50	16.50	17.50	17.50
Strategic Initiatives	0.00	0.00	0.00	0.00	0.00	0.00	8.00	8.00	9.00	9.00
Technology and Innovation	0.00	0.00	0.00	0.00	0.00	5.00	10.00	12.00	18.00	18.00
Public Safety										
Police										
Sworn Officers	301.00	306.00	305.00	307.00	308.00	303.00	297.00	295.00	286.00	286.00
Civilians	80.00	85.00	83.00	86.00	89.00	94.00	104.00	111.00	118.75	118.75
Fire Rescue										
Sworn Officers	158.00	166.00	167.00	166.00	167.00	169.00	188.00	189.00	188.00	190.00
Civilians	7.00	8.00	7.00	8.00	7.00	10.00	9.00	9.00	12.00	13.50
Physical Environment										
Codes Enforcement	16.08	16.02	16.02	16.30	16.30	16.70	18.70	18.70	18.00	18.00
Planning & Development Services	39.50	40.50	40.50	41.50	49.50	51.00	51.00	51.50	57.00	57.00
Public Works	163.38	162.38	157.38	158.75	159.00	164.00	155.00	166.50	165.00	165.00
Facilities Management	48.38	22.00	22.00	22.00	23.00	24.00	31.00	31.00	31.00	31.00
Transportation										
Fleet Management	0.00	25.38	25.38	25.00	26.00	26.00	29.00	29.00	29.00	29.00
Regional Transit System	269.50	289.50	289.50	296.50	298.50	304.25	303.00	307.00	307.00	307.00
Transportation & Mobility	0.00	0.00	0.00	0.00	0.00	0.00	26.00	27.00	27.00	27.00
Economic Environment										
Housing and Community Development	1.60	1.57	2.00	1.57	1.57	1.13	1.13	1.13	1.13	1.13
Community Development Block Grant	8.30	8.41	7.98	8.13	8.13	8.17	8.17	8.17	10.87	10.87
Gainesville Community Reinvestment Area	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Economic Development	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00
Office of Capital Asset Planning and Economic Resilience	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	3.00
Culture & Recreation										
Parks, Recreation and Cultural Affairs	78.50	79.50	77.00	83.25	89.25	88.13	115.25	117.25	120.25	124.75

Notes:
- In FY18 the Administrative Services Department was restructured, moving the FTEs to Strategic Initiatives.
- The Office of Capital Asset Planning and Economic Resilience was created in FY21

Source: Department of Financial Services and Gainesville Regional Utilities

City of Gainesville
Operating Indicators by Functional Department
Last Ten Fiscal Years

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY2021	FY2022
Budget & Finance Department - Purchasing										
Dollar amount of purchasing card expenditures	\$ 4,450,648	\$ 4,139,136	\$ 4,159,386	\$ 4,491,334	\$ 4,364,407	\$ 4,308,507	\$ 5,377,610	\$ 5,401,950	\$ 4,341,652	\$ 4,833,695
Number of purchasing card transactions	15,191	14,586	15,888	17,341	16,227	16,011	17,716	14,707	12,369	13,675
Average number of days for a formal bid process	53	45	45	45	45	45	45	45	45	45
Fire & Rescue Department - Fire & EMS										
Total incidents per 1,000 population served	118.01	143.92	147.66	147.79	143.43	145.70	142.50	136.29	147.00	150.00
Total Non-EMS incidents per 1,000 population served	24.74	17.19	17.84	28.34	26.37	24.18	24.00	22.95	24.50	40.00
Total arson incidents per 10,000 population served	1.29	1.84	1.02	1.02	0.77	1.16	0.15	0.11	0.02	0.92
90th percentile Turnout Time for Fire Apparatus to EMS Incidents (minutes :	1:27	1:34	1:21	1:15	1:20	1:21	1:13	1:12	1:13	1:15
90th percentile Turnout Time for Fire Apparatus to Building Fires (minutes :	1:28	1:41	1:34	1:31	1:32	1:31	1:22	1:24	1:20	1:14
90th percentile Travel Time for Fire Apparatus to EMS Incidents (minutes : seconds)	7:47	6:37	6:42	6:50	6:40	6:38	6:40	6:45	6:43	7:03
90th percentile Travel Time for First Arriving at Building Fires (minutes : seconds)	6:33	6:24	5:59	5:26	5:21	5:22	5:51	5:25	6:06	7:04
Housing and Community Development Department										
Homes purchased or constructed (see Note 2)	12	8	14	14	15	13	12	0	8	20
Heartwood Subdivision - New Construction	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	11	n/a
Properties rehabilitated (see Note 2)	40	30	28	13	16	22	30	14	6	46
Families served through housing programs (see Note 2)	344	210	175	164	263	203	292	143	245	323
Coronavirus Relief Fund (CRF) Utility, Rent and Mortgage Program	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	220	n/a
GNVCares Utility, Rent and Mortgage Program	n/a	n/a	n/a	n/a	n/a	n/a	n/a	423	n/a	n/a
Police Department										
Police 911 calls received	132,229	121,872	157,685	162,375	161,201	160,867	92,762	89,542	93,728	93,237
Part I violent crimes reported per 1,000 population	6.37	6.56	6.64	7.00	7.33	6.88	6.98	7.71	8.37	7.08
% of Part I violent crimes cleared	64.6%	63.8%	76.4%	66.9%	55.5%	65.7%	42.7%	45.6%	42.2%	74.3%
Part I property crimes reported per 1,000 population	40.88	37.70	34.88	38.51	36.81	36.97	35.41	31.81	28.49	31.72
% of Part I property crimes cleared	31.2%	31.1%	36.5%	32.6%	20.7%	29.2%	26.6%	18.2%	14.0%	28.5%
Injury-producing traffic accidents per 1,000 population	11.21	6.77	14.23	7.63	8.07	9.23	12.63	14.67	16.50	15.43
Traffic fatalities per 1,000 population	0.02	0.08	0.11	0.12	0.12	0.11	0.12	0.10	0.12	0.19
Moving violation citations issued per 1,000 population	208.44	198.72	159.43	117.31	179.89	153.75	56.26	58.22	54.32	77.36
Driving Under the Influence (DUI) arrests per 1,000 population	2.93	2.38	2.37	1.40	1.76	1.83	0.84	0.59	0.39	0.74
Public Works Department - Sanitation: Refuse & Recycling										
Average accounts served per on-route hour	133	139	136	134	101	126	100	109	123	112
Tons of refuse collected & disposed	20,081	20,522	20,827	20,679	20,688	20,679	19,751	24,174	22,121	20,485
Tons yard waste collected & composted	8,576	9,079	9,127	9,886	8,612	9,176	8,471	11,255	8,880	8,162
Tons recycling materials collected	4,912	5,043	4,809	4,833	4,964	4,912	5,056	5,390	4,796	4,144
Complaints per 1,000 accounts	54	119	120	156	156	138	149	176	341	322
Transportation & Mobility Department - Fleet Operations										
Average age of police vehicles (months)	53	49	48	54	58	46	45	59	60	65
Average age of fire apparatus (months)	120	128	102	101	95	99	112	103	118	114
Hours billed as a percentage of hours available	80.3%	78.0%	83.0%	86.0%	84.0%	85.0%	78.6%	74.5%	77.6%	83.3%
No. of work orders completed - police vehicles	1,220	1,243	1,159	1,246	1,179	1,195	1,618	1,411	781	1,014
No. of work orders completed - fire apparatus	174	190	213	217	236	214	360	305	186	249
Total vehicle and heavy equipment work orders	8,175	9,397	8,262	7,937	7,720	7,973	7,559	6,667	3,868	5,149
Transportation & Mobility Department - Highway and Road Maintenance										
Number of potholes repaired	2,360	6,094	4,609	1,358	1,279	2,835	1,478	583	1,891	1,677
% lane miles assessed as satisfactory or better	72.0%	75.0%	74.0%	73.7%	73.7%	73.7%	75.0%	73.0%	n/a	n/a
Number of linear miles swept	14,337	14,337	13,894	13,894	3,473	14,042	4,007	4,427	3,917	3,622
Gainesville Regional Utilities										
Electric - Residential customers	82,440	83,117	83,796	85,229	86,952	86,952	86,917	88,214	89,482	90,309
Electric - Commercial & Industrial customers	10,467	10,602	10,677	11,043	11,220	11,220	11,244	11,942	12,190	11,399
Water customers	69,847	70,300	70,903	72,136	73,043	73,043	73,078	73,896	74,805	74,412
Wastewater customers	63,001	63,501	64,121	65,591	66,483	66,483	66,638	67,388	68,566	66,641
Natural Gas customers	33,465	33,780	34,152	34,942	35,389	35,389	35,622	36,094	36,795	36,769

Notes:
(1) In 2011 the Fire department adopted a new reporting software for tracking operational indicators using the 90th percentile. The 90th percentile is the performance baseline that indicates that 90% of the performance occurs below an indicated amount of time.
(2) Due to the impacts of the COVID-19 pandemic, many Housing and Community Development funding sources were reallocated to emergency assistance programs, such as the GNVCares About Neighbors and CRF Utility Assistance programs. As a result of the reassignment of funding and staffing within the Housing and Community Development Division to meet these programmatic needs, the annual housing program numbers are lower than typical for fiscal year 2020. During fiscal year 2020, Housing and Community Development served 423 families through the CRF Utility Assistance Program.

Sources: City Departments and Gainesville Regional Utilities

City of Gainesville
Capital Asset Statistics by Functional Department
Last Ten Fiscal Years

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Fire Department - Fire & EMS										
Total number of fire apparatus	14	14	15	17	21	21	24	22	24	24
Average age of fire apparatus (in months)	120	128	102	101	95	95	112	113	118	114
Average annual mileage per fire apparatus	8,244	7,819	7,521	7,306	7,053	7,106	4,811	5,932	6,386	5,950
Number of fire stations	8	8	8	9	9	9	9	9	9	9
Parks and Recreation Department										
Park acres per 1,000 population	21.55	21.34	27.13	27.06	25.58	25.50	26.99	26.62	26.24	n/a
Total park acres (see note 1)	2,681	2,681	3,471	3,481	3,321	3,346	3,591	3,596	3,596	3,596
Number of Recreation/community centers	8	8	8	8	8	8	10	10	10	10
Number of Athletic fields	36	24	24	24	24	24	31	31	31	31
Number of Play structures	98	96	96	96	96	96	96	97	97	97
Number of Tennis courts	23	23	23	23	23	23	23	23	23	21
Number of Basketball courts	23	23	23	23	23	23	25	29	20	24
Number of Swimming pools	3	3	3	3	3	3	3	3	3	3
Miles of bike, walking, and hiking trails (see note 2)	50.9	51.0	52.4	52.4	31.4	31.4	39.5	39.5	39.5	39.5
Police Department										
Number of police vehicles - marked	222	239	238	250	265	265	251	245	239	235
Average age of police vehicles (in months)	53	49	48	54	58	58	45	53	60	65
Average annual mileage per police vehicle	9,180	9,411	8,396	7,764	7,070	7,268	6,960	6,684	6,979	6,791
Transportation & Mobility Department - Fleet Operations										
<i>Light vehicles:</i>										
Number	670	877	1,330	1,330	1,314	1,314	972	987	909	944
Number using alternative fuel	136	172	216	301	309	309	11	11	11	11
Average age (in months)	79	86	103	96	106	106	111	108	111	122
<i>Medium-duty vehicles:</i>										
Number	122	127	180	172	178	176	206	212	58	55
Average age (in months)	98	101	103	112	121	116	137	133	95	99
<i>Heavy-duty vehicles:</i>										
Number	46	47	48	58	46	46	132	122	128	124
Average age (in months)	72	88	99	95	112	112	129	132	132	132
<i>Heavy equipment:</i>										
Number	75	90	18	17	23	20	20	30	220	204
Average age (in months)	172	130	149	145	138	136	108	104	144	130
Transportation & Mobility Department - Highway and Road Maintenance										
Total paved lane miles maintained	857	778	789	789	789	789	789	789	810	822
Traffic Signals within City Limits (see note 3)	n/a	n/a	173	175	177	180	180	181	181	181
Transportation & Mobility Department - Regional Transit System										
Number of buses	123	123	128	128	131	131	136	136	134	135
Number of buses using alternative fuel	0	0	0	0	0	0	0	0	4	4
Average age of buses (in months)	89	98	107	106	130	123	123	132	126	127
Gainesville Regional Utility										
<i>Electricity:</i>										
Combined system net capability (megawatts)	532	523	525	521	525	525	598	635	635	635
Distribution - overhead (circuit miles)	567	564	562	560	558	562	562	552	553	556
Distribution - underground (circuit miles)	850	852	857	866	871	857	857	898	902	907
Number of Distribution substations	11	11	11	11	10	10	10	10	11	11
<i>Natural Gas:</i>										
Distribution mains (miles)	758	766	774	781	789	774	774	805	814	823
Number of Delivery points	6	6	6	6	6	6	6	6	6	6
<i>Water:</i>										
FDEP permitted treatment capacity (mgd)	54	54	54	54	54	54	54	54	54	54
Storage capacity (million gallons)	18.5	18.5	18.5	18.5	18.5	18.5	18.5	18.5	18.5	18.5
Consumptive Use Permit (mgd)	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0	30.0
Distribution mains (miles)	1,130	1,139	1,141	1,141	1,169	1,145	1,145	1,145	1,170	1,188
Number of Supply wells	16	16	16	16	16	16	15	15	15	15
<i>Wastewater:</i>										
Gravity mains (miles)	630	631	633	636	661	634	634	673	673	694
Force mains (miles)	139	139	140	142	153	141	141	153	153	163
Number of Lift stations	165	165	167	168	170	168	168	170	170	173
Treatment capacity (million gallons per day)	22.4	22.4	22.4	22.4	22.4	22.4	22.4	22.4	22.4	22.4
<i>GRUCom:</i>										
Fiber optic cable (miles)	449	438	473	513	528	528	526	559	583	531
Maximum bandwidth (2.5 gigabits/second)*10gbs	OC-192	OC-192	OC-192	OC-192	OC-192	OC-192	OC-192	OC-192	OC-192	10 Gbps
Number of On-net locations	523	555	577	625	752	752	752	752	767	955

Notes:
(1) Park acreage changes: In 2017, Park acreage decreased by 200 acres due to the Wacahoota property disposition, increased by 36 acres with the addition of Colclough Pond and increased 3.5 acres due to the addition of 29th Road. In 2018, acreage increased by 23.39 and 2.16 acres with addition of Forest Park and Northside Park, respectively. In 2019, acreage increased by 245 acres due to addition of Four Creeks Preserve. In 2020, acreage 2020 increased by 4.64 acres due to the addition of Smokey Bear Park.
(2) Miles of trail does not include approximately 71 miles of paved multi-use trails within the City.
(3) Data prior to FY 2015 for traffic signals not available.

Sources: City Departments and Gainesville Regional Utility

SINGLE AUDIT SECTION

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

Honorable Mayor and City Commissioners
City of Gainesville, Florida

We have examined the City of Gainesville's (the City) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2022. Management of the City is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the 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 requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2022.

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



May 26, 2023
Gainesville, Florida

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

Honorable Mayor and City Commissioners
City of Gainesville, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the remaining fund information of the City of Gainesville, 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 May 26, 2023. Our report includes a reference to other auditors who audited the financial statements of the Utility, as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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 City's financial statements will not be prevented, or detected, and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph 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 certain deficiencies described in the accompanying schedule of findings and questioned costs as items 2022-01 and 2022-02.

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Honorable Mayor and City Commissioners
City of Gainesville, Florida

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

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 Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying management's response. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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



May 26, 2023
Gainesville, Florida

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2022

Federal Grantor/Program Title	Assistance Listing Number	Contract/Grant No.	Expenditures	Program Total	Cluster Total	Federal Amount Provided to Subrecipients
U.S. Department of Agriculture						
Gainesville Pilot Composite	10.935	NR203A750027C014	\$ 27,460			
U.S. Department of Housing & Urban Development						
Community Development Block Grant - Entitlement Program	14.218	B-16-21/MC-12-0007	891,639			\$ 56,921
COVID-19 Community Development Block Grant	14.218	CV3	163,040	\$ 1,054,679		
Total CDBG - Entitlement Grants Cluster (14.218)					\$ 1,054,679	
HOME Investment Partnership Grant	14.239	M-15-21/MC-12-0206	403,689			-
U.S. Department of Justice						
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-0989	32,262			
North Florida ICAC Task Force Program	16.543	15PJDP-21-GK-03815-MECP	539,321			
Law Enforcement Mental Health and Wellness Act	16.710	2020-MH-WX-K012	5,811			
Edward Byrne Memorial Justice Assistance:						
Edward Byrne Memorial Justice Assistance - FY19	16.738	2019-DJ-BX-0845	5,404			
Passed Through Florida Department of Law Enforcement:						
FY2020 Edward Bryne Memorial Justice Assistance	16.738	2020-JAG-DIRECT MOU	27,500			
Tech Unit Purchase - Edward Byrne JAG	16.738	2021-JAGC-ALAC-5-3B-108	11,900			
Forensic Computers for Investigations Bureau	16.738	2020-JAGC-ALAC-8-5R-136	23,247	68,051		
Federal Equitable Sharing Proceeds	16.922	N/A	57,750			
DEA Overtime Reimbursement	16.XXX	MOU	2,586			
U.S. Department of Transportation						
Federal Transit Formula Grants:						
FY13 Urbanized Area Formula Grant - Revised Apportionment	20.507	FL-2018-032-00	101			
FY17 Urbanized Area Formula Grant	20.507	FL-2018-009-00	133,663			
FY18 Urbanized Area Formula Grant	20.507	FL-2018-094	49,848			
FY19 Urbanized Area Formula Grant	20.507	FL-2019-091	608,296			
FY20 Urbanized Area Formula Grant	20.507	FL-2020-108	536,124			
FY21 Urbanized Area Formula Grant	20.507	FL-2021-069-00	90,278			
COVID-19 FY20 Section 5307 CARES Act Funds	20.507	FL-2020-030	302,386			
COVID-19 FY21 ARP Section 5307 Operating Assistance	20.507	FL-2022-027-00	6,999,453	8,720,149		

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2022
(Continued)

Federal Grantor/Program Title	Assistance Listing Number	Contract/Grant No.	Expenditures	Program Total	Cluster Total	Federal Amount Provided to Subrecipients
Buses and Bus Facilities Formula Program:						
FY17 Low or No-Emission Vehicle	20.526	FL-2018-041-00	\$ 2,257			
FY19 Low or No-Emission Vehicle	20.526	FL-2019-089-00	-			
FY15 Section 5339 Capital Assistance	20.526	FL-2018-073-00	19,098			
FY20 Section 5339 Capital Assistance	20.526	FL-2020-005-00	24,538			
FY20 Capital Assistance Grant	20.526	FL-2020-110-00	-			
FY20 Low or No-Emission Vehicle	20.526	FL-2021-012-00	1,047,248	\$ 1,093,141		
Total Federal Transit Cluster (20.507, 20.526)					\$ 9,813,290	
Passed Through Florida Department of Transportation:						
Highway Planning and Construction:						
NE 18th Ave - Metcalfe Sidewalk	20.205	G0U36/439495-1-38-01	734			
LAP-SW 27th St. Bike Path/Trail	20.205	G1405/433989-1-68-02	284,621			
LAP-SW 62nd Blvd. Connector	20.205	G1A85/211365-1-38-01	56,195			
LAP-Safe Routes to School on NW 42nd	20.205	G1Z76/41160-1	2,470	344,020		
Total Highway Planning and Construction Cluster (20.205)					344,020	
Formula Grants for Rural Areas and Tribal Transit Program:						
COVID-19 FY20 - Section 5311 CARES Act	20.509	G1M45/447445-1-84-01	38,015			
FY20 Section 5311 Formula Grants for Rural Areas	20.509	G1L18/427250-1-84-20	4,017	42,032		
FY18/19 Enhanced Mobility for Seniors & Individuals with Disabilities	20.513	G1694/442577-1-84-02	866			
FY20 FDOT Sec. 5310 Senior/Disabled Assistance	20.513	G1L19/442577-1-84-03	7,728			
Sec. 5310 Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	G2735/435864-1-84-05	36,707	45,301		
Total Transit Services Programs Cluster (20.513)					45,301	
State and Community Highway Safety:						
FY22 Distracted Driver Program Protection	20.600	G2026/DD-2022-00292	5,706			
FY22 Occupant Protection Program	20.600	G2041/OP-2022-00329	4,569			
FY22 SMART Motorcycle and Scooter	20.600	G2036/MC-2022-00273	8,788			
FDOT Florida's Bicycle Pedestrian Focused Initiative	20.600	G1X15/433144-1-8404	19,263	38,326		
Total Highway Safety Cluster (20.600)					38,326	

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2022
(Continued)

Federal Grantor/Program Title	Assistance Listing Number	Contract/Grant No.	Expenditures	Program Total	Cluster Total	Federal Amount Provided to Subrecipients
U.S. Department of the Treasury						
Passed Through Florida Housing Finance Corporation:						
COVID-19 Coronavirus Aid, Relief and Economic Security Act (CARES Act)	21.019	Y2273	\$ 234,802			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	1505-0271	1,190,048			\$ 591,663
National Science Foundation						
Computer and Information Science and Engineering:						
Smart and Connected Communities	47.070	1922782	110,748			
Executive Office of the President - Office of National Drug Policy						
High Intensity Drug Trafficking Areas (HIDTA) Program:						
Passed Through St. Johns County Sheriff Office:						
Highway Interdiction	95.001	G15/16NF0001A	9,113			
Passed Through Alachua County Sheriff's Office:						
Cadet Initiative	95.001	G17NF0001A	37,853			
Drug Enforcement Task	95.001	KD-21-0024	3,447	\$ 50,413		
Department of Homeland Security						
Passed Through Florida Department of Emergency Management:						
HazMat Sustainment and Maintenance Equipment	97.067	R0181/EMW-2020-SS-0035-S01	91,487			
Homeland Security Grant Program	97.067	EMW-2021-SS-00056-S01	4,242	95,729		
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2017-FH-00344	301,158			
Total Expenditures of Federal Awards			<u>\$ 14,457,476</u>			

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2022
(Concluded)

State Grantor/Program Title	State CSFA Number	Contract/Grant No.	Expenditures	Program Total
Florida Division of Emergency Management				
Grace Marketplace/Hurricane Shelter	31.068	DEM-SR00034	\$ 88,100	
Florida Department of Environmental Protection				
LI Septic To Sewer	37.039	LAP0106	54,520	
Florida Springs Grant Program - Oakmont Reclaimed Water Main Extension, Phase 3	37.052	LP6103N	2,117	
Florida Springs Grant Program - Septic to Sewer	37.052	35867	21,573	\$ 23,690
Groundwater Recharge Wetland	37.100	WS004	738	
Florida Housing Finance Corporation				
SHIP 2019 - 2022	40.901	N/A	562,112	
Department of State				
Historical Rehabilitation of Old Mount Carmel Baptist Church	45.031	22.H.SM.100.123	50,000	
DOS Grant	45.061	20.C.PS.114.127	90,866	
Hoggetowne Faire - TPD Grant	45.061	X471	1,509	92,375
Department of Transportation				
FY19/20 Commuter Assistance Program/Ride Share	55.007	G1B19/445622-1-84-19	29,740	
Commuter Assistance Program/Ride Share	55.007	G2585/445622-1-84-22	39,355	
SW 62nd Arterial Connector	55.008		797	
Public Transit Block Grant - FY22	55.010	G2587/411757-1-84-22	2,371,784	
Public Transit Service Development Program:				
FY18/19 Holiday Bus Service	55.012	G1785/439977-1-84-19	15,049	
FDOT - Route 33	55.012	G1J97/441702-1-84-20	172,865	
FDOT - Route 800	55.012	G1J99/441839-1-84-20	17,380	
FY19/20 Route 150	55.012	G1K01/445967-1-84-20	63,144	
FY19/20 RTS Connect	55.012	G1060/445133-1-84-19	55,203	
FY21 Autonomous Vehicle Phase 2	55.012	G1U96/433076-1-84-02	402,284	725,925
Total Expenditures of State Awards			<u>\$ 4,039,136</u>	

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022
CITY OF GAINESVILLE, FLORIDA**

Note 1 - Significant Accounting Policies

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state grant activity of the City of Gainesville, Florida and is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and the *Florida Single Audit Act*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The schedule is prepared using the modified accrual basis of accounting.

Note 2 - Sub Recipients

The City provided federal awards to sub recipients as follows:

	<u>Federal Assistance Listing No.</u>		
Community Development Block Grant – Entitlement Program	14.218	\$	42,681
Sub Recipients:			
Center for Independent Living			
Rebuilding Together North Central Florida			
Star Children’s Theater			
Neighborhood Housing & Development Corp			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		591,663
Sub Recipients:			
Alachua County Coalition for the Homeless & Hungry			
Bread of the Mighty Food Bank			
Catholic Charities Bureau			
CDS Family and Behavioral Health Insurance			
Peaceful Paths			

Note 3 - Indirect Costs

The City has not elected to use the 10% de minimis cost rate as covered in the 200.414 indirect (F&A) costs.

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

Honorable Mayor and City Commissioners
City of Gainesville, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

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

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

Basis for Opinion on Each Major Federal Program and State Project

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); and Chapter 10.550, *Rules of the Auditor General*. Our responsibilities under those standards, the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General* 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 and state project. Our audit does not provide a legal determination of the City’s compliance with the compliance requirements referred to above.

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Honorable Mayor and City Commissioners
City of Gainesville, Florida

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

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 and state projects.

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*, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General* 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 and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, 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 and Chapter 10.550, *Rules of the Auditor General*, 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.

Honorable Mayor and City Commissioners
City of Gainesville, Florida

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

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 or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 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 and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

Purvis Gray

May 26, 2023
Gainesville, Florida

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022
CITY OF GAINESVILLE, FLORIDA**

Part I – Summary of Auditor’s Results

- 1) The auditor’s report on the basic financial statements contained unmodified opinions.
- 2) The audit disclosed material weaknesses in internal control over financial reporting. No significant deficiencies were identified.
- 3) No instances of noncompliance considered material to the financial statements were disclosed by the audit.
- 4) The audit did not report significant deficiencies or disclose material weaknesses in internal control over the major federal programs and state projects.
- 5) The auditor’s report on compliance for the major federal programs and state projects was unmodified.
- 6) The audit did not disclose findings relative to the major federal programs and major state projects.
- 7) The City of Gainesville, Florida’s (the City) major programs/projects were:

<u>Federal Programs</u>	<u>Assistance Listing No.</u>
Federal Transit Cluster:	
Federal Transit Formula Grants	20.507
Bus and Bus Facilities Formula Program	20.526
Coronavirus Aid, State and Local Fiscal Recovery Funds (ARPA)	21.027
<u>State Projects</u>	<u>CSFA No.</u>
Public Transit Block Grant Program	55.010

- 8) A threshold of \$750,000 was used to distinguish between Type A and Type B programs for federal programs and \$750,000 was used for state projects.
- 9) The City did not qualify as a low-risk auditee as that term is defined in the Uniform Guidance.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022
CITY OF GAINESVILLE, FLORIDA**

Part II – Financial Statement Findings

■ **2022-01 Bank Reconciliations (Material Weakness)**

Condition: Bank reconciliations were not completed on a timely basis during the year. The final bank reconciliation for September 2022 was not completed until April 2023.

Criteria: Timely and accurate bank reconciliations are a key component of internal control over multiple financial reporting processes, including cash receipting, cash disbursements, and payroll functions, as one of the means of detecting possible errors or irregularities.

Effect: Lack of timely and accurate bank reconciliations could result in errors or irregularities not being detected on a timely basis. Upon reconciliation of cash by the City, several adjustments were made to correct cash balances as of September 30, 2022.

Recommendation: We recommend the City implement procedures to ensure that all bank accounts are reconciled within the following month, and that any identified discrepancies be promptly investigated and corrected.

■ **2022-02 Financial Close and Reporting (Material Weakness)**

Condition: Due to ongoing turnover during the past several years and the implementation of a new enterprise resource planning system during fiscal year 2021, the prior year audit was significantly delayed and not completed until December 2022, after the current fiscal year ended. As a result, the City had limited time to prepare for the 2022 audit which began three months after the prior audit was issued. Upon commencement of the audit many accounts still required significant adjustments, with approximately 100 journal entries posted after the trial balance was provided.

Criteria: Financial close and reporting processes should be in place to ensure that trial balances used to prepare financial reports are accurate and complete. Further, internal controls over financial reporting should be designed to allow management or employees to prevent, or detect and correct, material misstatements on a timely basis.

Effect: The City did not have timely, accurate financial reports during the year.

Recommendation: We recommend that management establish and formally document a well-defined process for financial reporting, including overall timing, methodology, format, and frequency of analyses.

Part III – Findings and Questioned Costs – Federal Programs and State Projects

None reported.

MANAGEMENT LETTER

Honorable Mayor and City Commissioners
 City of Gainesville, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Gainesville, Florida (the City) as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated May 26, 2023. Our report on the basic financial statements included a reference to the report of other auditors who audited the financial statements of the Utility, as described in our report on the City’s financial statements.

Auditor’s Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor’s Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant’s Report on an examination conducted in accordance with American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated May 26, 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 financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report except as follows:

Tabulation of Uncorrected Findings		
Current Year Finding #	2020-21 FY Finding #	2019-20 FY Finding #
2022-01	2021-01	2020-01
2022-02	2021-02	2020-02
n/a	2021-03	2020-03
n/a	2021-04	2020-04
n/a	n/a	2020-05
n/a	n/a	2020-06

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Honorable Mayor and City Commissioners
City of Gainesville, Florida

MANAGEMENT LETTER

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

Special District Component Units

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

Additional Matters

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

Purpose of this Letter

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

Honorable Mayor and City Commissioners
City of Gainesville, Florida

MANAGEMENT LETTER

Thank you for the cooperation and courtesies extended to us during the course of our audit. We have sincerely enjoyed our association with the City and look forward to a continuing relationship. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

A handwritten signature in blue ink that reads "Purvis Gray". The signature is written in a cursive, flowing style.

May 26, 2023
Gainesville, Florida



City of Gainesville

Department of Financial
Services

May 26, 2023

Honorable Sherrill F. Norman, CPA
Auditor General, State of Florida
Local Government Audits/342
Claude Pepper Building, Room 401
11 West Madison Street
Tallahassee, FL 32399-1450

Re: Management response to the Independent Auditor's Report and Management Letter for the Annual Comprehensive Financial Report for the period ended September 30, 2022

Dear Ms. Norman,

This letter is in response to the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards and the Management Letter. The audit report disclosed two findings from the fiscal year ended September 30, 2018 that have yet to be cleared.

2022-01 Bank Reconciliations (Material Weakness) (2018-01)

Condition: Bank reconciliations were not completed on a timely basis during the year. The final bank reconciliation for September 2022 was not completed until April 2023.

Criteria: Timely and accurate bank reconciliations are a key component of internal control over multiple financial reporting processes, including cash receipting, cash disbursements, and payroll functions, as one of the means of detecting possible errors or irregularities.

Effect: Lack of timely and accurate bank reconciliations could result in errors or irregularities not being detected on a timely basis. Upon reconciliation of cash by the City, several adjustments were made to correct cash balances as of September 30, 2022.

Recommendation: We recommend the City implement procedures to ensure that all bank accounts are reconciled within the following month, and that any identified discrepancies be properly investigated and corrected.



City of Gainesville

Department of Financial
Services

Management Response: Management is aware of this issue. Since the completion of the fiscal year 2021 audit, we have been devoting two FTEs to working on bank reconciliation. In addition, Accounting has been working collaboratively with our Billing/Collection and Accounts Payable/Payroll team on unreconciled deposits and outstanding/cleared checks. Significant progress has been made in understanding of various revenue sources, how they are received into Workday and deposited into the bank. I am happy to report that cash has been materially reconciled through April 30, 2023.

2022-02 Financial Close and Reporting (Material Weakness) (2018-02)

Condition: Due to ongoing turnover during the past several years and the implementation of a new enterprise resource planning (ERP) system during fiscal year 2021, the prior year audit was significantly delayed and not completed until December 2022, after the current fiscal year ended. As a result, the City had limited time to prepare for the 2022 audit which began three months after the prior audit was issued. Upon commencement of the audit many accounts still required significant adjustments, with approximately 100 journal entries posted after the trial balance was provided.

Criteria: Financial close and reporting processes should be in place to ensure that trial balances used to prepare financial reports are accurate and complete. Further, internal controls over financial reporting should be designed to allow management or employees to prevent, or detect and correct, material misstatements on a timely basis.

Effect: The City did not have timely, accurate financial reports during the year.

Recommendation: We recommend that management establish and formally document a well-defined process for financial reporting, including overall timing, methodology, format, and frequency of analyses.

Management Response: Management is aware of this issue. The Department hired a Controller who is a Certified Public Accountant to help with month end close and financial reporting. We hired a Financial Systems Architect who is certified in Workday Human Resources, Payroll and Reporting to help with data flow and mapping in Workday. An Internal Control Manager who is a certified internal auditor and a certified fraud examiner has also been hired to help strengthen internal controls. We have made significant improvement with understanding of Workday and



City of Gainesville

Department of Financial
Services

have developed processes and checklists for period close. The Accounting Division started closing the periods in October 2022 and continue refining and improving the period close process. Concerted effort is being made to reconcile key balance sheet accounts on a regular basis. In addition, review and analysis of year over year variances and budget versus actual by fund is under way. Trial balance and other financial reports are being reviewed on a monthly basis. We expect to present quarterly Budget vs. Actual report to the Finance Committee beginning with June 30, 2023 close.

