

**Florida  
Power**  
CORPORATION

May 12, 1982

#3F-0582-05

File: 3-0-3-a-3

WPN215

Mr. Harold Denton, Director  
Office of Nuclear Reactor Regulation  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Subject: Crystal River Unit 3  
Docket No. 50-302  
Operating License No. DPR-72  
Annual Financial Reports for Florida Power Corporation and  
Participants

Dear Mr. Denton:

Pursuant to 10 CFR 50.71(b) and in accordance with Regulatory Guide 10.1 "Compilation of Reporting Requirements for Persons Subject to NRC Regulations," Florida Power Corporation hereby submits 1981 Annual Financial Reports for Florida Power Corporation and ten out of eleven Participants (co-owners of Crystal River Unit 3). The information pertaining to Sebring Utilities Commission has not yet been received and is therefore, absent from this submittal. A supplemental submittal will be made upon receipt of their annual financial report.

Should you have any questions concerning this submittal please contact this office.

Very truly yours,

*David G. Mardis*

David G. Mardis  
Acting Manager  
Nuclear Licensing

Heath(F01)C4-3

Enclosure

8205200003 820512  
PDR ADOCK 05000302  
I PDR

cc: Mr. J. P. O'Reilly, Regional Administrator  
Office of Inspection and Enforcement  
U.S. Nuclear Regulatory Commission  
101 Marietta Street, N.W., Suite 3100  
Atlanta, GA 30303

*M004  
5/1/10 on  
shelf*

FINANCIAL STATEMENTS  
AND  
AUDITORS' REPORT

CITY OF ALACHUA

ALACHUA, FLORIDA

SEPTEMBER 30, 1981

FINANCIAL STATEMENTS  
AND  
AUDITORS' REPORT

CITY OF ALACHUA  
ALACHUA, FLORIDA  
SEPTEMBER 30, 1981

CONTENTS

	<u>PAGE</u>
<u>AUDITORS' REPORT</u>	1-2
<u>COMBINED FINANCIAL STATEMENTS</u>	
Combined Balance Sheet - All Fund Types and Account Groups	3-4
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Governmental (General) Fund Type	5
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings - All Proprietary Fund Types	6
Combined Statement of Changes in Financial Position - All Proprietary Fund Types	7
<u>NOTES TO FINANCIAL STATEMENTS</u>	8-17
<u>ACCOMPANYING INFORMATION - Combining and Individual     Fund Statements</u>	
<u>General Fund</u>	
Statement of Revenues - Budget and Actual	18
Statement of Expenditures - Budget and Actual	19-20
<u>Proprietary Funds</u>	
Combining Balance Sheet	21-22
Combining Statement of Revenues, Expenses, and Changes in Retained Earnings	23
Combining Statement of Changes in Financial Position	24

FINANCIAL STATEMENTS  
AND  
AUDITORS' REPORT

CITY OF ALACHUA  
ALACHUA, FLORIDA  
SEPTEMBER 30, 1981

CONTENTS

	<u>PAGE</u>
<u>AUDITORS' REPORT</u>	1-2
<u>COMBINED FINANCIAL STATEMENTS</u>	
Combined Balance Sheet - All Fund Types and Account Groups	3-4
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Governmental (General) Fund Type	5
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings - All Proprietary Fund Types	6
Combined Statement of Changes in Financial Position - All Proprietary Fund Types	7
<u>NOTES TO FINANCIAL STATEMENTS</u>	8-17
<u>ACCOMPANYING INFORMATION</u> - Combining and Individual Fund Statements	
<u>General Fund</u>	
Statement of Revenues - Budget and Actual	18
Statement of Expenditures - Budget and Actual	19-20
<u>Proprietary Funds</u>	
Combining Balance Sheet	21-22
Combining Statement of Revenues, Expenses, and Changes in Retained Earnings	23
Combining Statement of Changes in Financial Position	24



MEMBERS OF  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

PURVIS, GRAY AND COMPANY  
CERTIFIED PUBLIC ACCOUNTANTS  
POST OFFICE BOX 999 222 NORTHEAST 1ST STREET  
TELEPHONE 378-2451 AREA CODE 904  
GAINESVILLE, FLORIDA 32602

MEMBERS OF  
FLORIDA INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

AUDITORS' REPORT

Honorable City Commission  
City of Alachua  
Alachua, Florida

We have examined the combined financial statements of the City of Alachua, Florida, as of and for the year ended September 30, 1981, as listed in the table of contents. Except as explained in the following paragraph, our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

During the year ended September 30, 1981, the City contracted with an outside party for a complete inventory and cost value of its electric distribution plant in service as of September 30, 1981. While the financial records of the City have been adjusted to reflect the cost determined by the inventory, we were unable to examine sufficient evidential matter to support the cost of electric plant in service as of September 30, 1981. This matter is discussed in greater detail in Note 2 to the accompanying financial statements.

Also during the year, the City completed physical inventories of its materials and supplies in the electric and water funds and adjusted its financial records to agree with the physical inventories. While such inventories had not been properly accounted for up to February 1, 1981, the entire adjustment after giving effect to the electric distribution plant adjustment described in Note 2 to the accompanying financial statements, was recorded during fiscal year ended September 30, 1981, as an increase and decrease in maintenance of general plant expense in the electric and water funds, respectively. The quantitative effects of this adjustment are as follows: electric fund general and administrative expenses and net loss increased by approximately \$110,000; water fund general and administrative expenses and net loss decreased by approximately \$15,000; proprietary fund types general and administrative expenses and net loss increased by the net effect of approximately \$95,000.

In our opinion, except for the effects of the materials and supplies inventory adjustment as described in the preceding paragraph and except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine adequate documentation to support the cost of electric plant in service as described in the second preceding paragraph, the combined financial statements referred to above present fairly the financial position of the City of Alachua, Florida, at September 30, 1981, and the results of operations and the changes in financial position of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Honorable City Commission  
City of Alachua  
Alachua, Florida

AUDITORS' REPORT  
(Concluded)

Our examination was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The combining and individual fund statements and columns on the accompanying combined financial statements captioned "Total (Memorandum Only)" are presented for purposes of additional analysis and are not a required part of the combined financial statements of the City of Alachua, Florida. The information has been subjected to the auditing procedures applied in the examination of the combined financial statements and, except for the effects of the matters discussed in the following three paragraphs, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

AS TO 1981 AND 1980 ACCOMPANYING INFORMATION

As discussed in the second paragraph of our report, we were unable to examine sufficient evidential matter to support the cost of electric utility plant in service as of September 30, 1981 or as of September 30, 1980.

Also, as discussed in detail in the third paragraph of our report, the results of operations and changes in financial position for the year ended September 30, 1981, include the effect of adjusting materials and supplies inventory to physical amounts although such inventories had not been properly accounted for during periods previous to and during the fiscal year ended September 30, 1981.

AS TO 1980 ACCOMPANYING INFORMATION

For the reasons described in the preceding paragraph and the third paragraph of this report, we were unable to examine sufficient evidential matter to support the amount of materials and supplies inventories of \$145,329 as of September 30, 1980.

January 22, 1982

*Purvis, Gray and Company*

CITY OF ALACHUA, FLORIDA

COMBINED  
FINANCIAL STATEMENTS

These basic statements provide a summary overview of the financial position of all funds and account groups and of the operating results of all funds. They also serve as an introduction to and summary of the more detailed statements included in the accompanying information.

COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA

ASSETS

Cash  
Investments, At Amortized Cost  
Receivables (Net of Allowances For Uncollectibles  
    Parenthetically Indicated):  
    Taxes  
    Accounts (\$37,126)  
    Sewer Assessments  
    Accrued Interest and Penalties  
Due From Other Funds  
Due From Other Governments  
Advance to Sewer Fund  
Inventory of Fuel and Supplies  
Prepaid Expenses  
Restricted Assets:  
    Cash, Investments and Accrued Interest  
Property, Plant and Equipment - Cost Less Accumulated  
    Depreciation For Proprietary Fund Types; Cost For  
    General Fixed Asset Account Group  
Unamortized Bond Issue Costs and Deferred Debits  
Amount To Be Provided For Retirement of General  
    Long-Term Debt

TOTAL ASSETS

The accompanying "Notes to Financial Statements" form an integral part of this statement. This statement is subject to comments in the accompanying "Auditors' Report" containing a qualified opinion.

GOVERNMENTAL FUND TYPE	PROPRIETARY FUND TYPES	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
		GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	1981	1980
\$ 47,697	\$ 15,058			\$ 62,755	\$ 46,141
32,376	54,974			87,350	195,556
8,994				8,994	8,553
307	212,911			213,218	235,180
	249,969			249,969	302,062
113	29,268			29,381	39,648
3,319	175,413			178,732	227,429
10,925				10,925	17,505
154,000				154,000	0
333	101,668			102,001	145,861
	16,601			16,601	12,225
	841,703			841,703	668,642
	4,825,037	\$1,074,492		5,899,529	5,687,924
	66,498			66,498	73,733
			\$76,079	76,079	
<u>\$258,064</u>	<u>\$6,589,100</u>	<u>\$1,074,492</u>	<u>\$76,079</u>	<u>\$7,997,735</u>	<u>\$7,660,459</u>

(Continued)

The accompanying "Notes to Financial Statements" form an integral part of this statement. This statement is subject to comments in the accompanying "Auditors' Report" containing a qualified opinion.

COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA  
(Concluded)

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts and Retainages Payable  
Other Accrued Expenses  
Customer Deposits  
Payable From Restricted Assets:  
    Accounts Payable  
    Accrued Interest  
    Current Portion of Bonds Payable  
Due to Other Funds  
Deferred Revenues and Credits  
Advance From General Fund  
Tax Anticipation Notes Payable  
Installment Notes Payable  
Bond Anticipation Notes Payable  
Revenue Bonds Payable  
TOTAL LIABILITIES

FUND EQUITY

Contributed Capital  
Investment in General Fixed Assets  
Retained Earnings:  
    Reserved For Revenue Bond Retirement  
    Unreserved  
Fund Balance:  
    Reserved For Inventory  
    Reserved For Advance to Sewer Fund  
    Unreserved  
TOTAL FUND EQUITY

TOTAL LIABILITIES AND FUND EQUITY

The accompanying "Notes to Financial Statements" form an integral part of this statement. This statement is subject to comments in the accompanying "Auditors' Report" containing a qualified opinion.

GOVERNMENTAL FUND TYPE GENERAL	PROPRIETARY FUND TYPES ENTERPRISE	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
		GENERAL	GENERAL	1981	1980
		FIXED ASSETS	LONG-TERM DEBT		
\$ 19,697	\$ 322,100			\$ 341,797	\$ 456,247
7,571	13,386			20,957	11,442
	88,673			88,673	78,385
	29,860			29,860	0
	131,211			131,211	39,347
	7,800			7,800	0
18,738	159,994			178,732	227,429
1,551	77,200			78,751	2,283
	154,000			154,000	0
154,000				154,000	0
			\$76,079	76,079	0
	500,000			500,000	500,000
	3,747,489			3,747,489	3,752,649
<u>201,557</u>	<u>5,231,713</u>	<u>\$ 0</u>	<u>76,079</u>	<u>5,509,349</u>	<u>5,067,782</u>
	1,339,764			1,339,764	1,324,323
		1,074,492		1,074,492	955,430
	736,383			736,383	215,281
	(718,760)			(718,760)	65,015
333				333	332
154,000				154,000	0
(97,826)				( 97,826)	32,296
<u>56,507</u>	<u>1,357,387</u>	<u>1,074,492</u>	<u>0</u>	<u>2,488,386</u>	<u>2,592,677</u>
<u>\$258,064</u>	<u>\$6,589,100</u>	<u>\$1,074,492</u>	<u>\$76,079</u>	<u>\$7,997,735</u>	<u>\$7,660,459</u>

The accompanying "Notes to Financial Statements" form an integral part of this statement. This statement is subject to comments in the accompanying "Auditors' Report" containing a qualified opinion.



STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
GOVERNMENTAL (GENERAL) FUND TYPE  
FOR THE YEAR ENDED SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA

	1981		VARIANCE	1980
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	TOTAL (MEMORANDUM ONLY) ACTUAL
<u>REVENUES</u>				
Taxes	\$ 277,282	\$ 288,235	\$ 10,953	\$ 213,025
Licenses and Permits	23,622	11,863	( 11,759)	13,355
Intergovernmental	341,719	438,407	96,688	395,312
Charges For Services	44,000	59,269	15,269	1,224
Fines and Forfeitures	12,500	17,302	4,802	12,563
Miscellaneous	111,586	5,419	(106,167)	5,245
TOTAL REVENUES	<u>810,709</u>	<u>820,495</u>	<u>9,786</u>	<u>640,724</u>
<u>EXPENDITURES</u>				
General Government	97,147	98,801	( 1,654)	77,689
Public Safety	394,539	362,597	31,942	218,033
Highways and Streets	42,699	28,035	14,664	35,105
Sanitation	106,475	103,546	2,929	111,657
Health	0	0	0	3,105
Culture and Recreation	56,550	19,590	36,960	14,579
Urban Redevelopment and Housing	200,000	247,602	( 47,602)	199,346
Non-Departmental Items	15,846	12,462	3,384	13,736
Debt Service	0	278	( 278)	0
(TOTAL EXPENDITURES)	<u>(913,256)</u>	<u>(872,911)</u>	<u>40,345</u>	<u>(673,250)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(102,547)</u>	<u>( 52,416)</u>	<u>50,131</u>	<u>( 32,526)</u>
<u>OTHER FINANCING SOURCES</u>				
Operating Transfers In	37,645	0	( 37,645)	0
Proceeds From Chattel Mortgage	75,000	75,000	0	0
Proceeds From Installment Loan	0	1,295	1,295	0
TOTAL OTHER FINANCING SOURCES	<u>112,645</u>	<u>76,295</u>	<u>( 36,350)</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	<u>10,098</u>	<u>23,879</u>	<u>13,781</u>	<u>( 32,526)</u>
FUND BALANCE, BEGINNING OF YEAR	<u>32,628</u>	<u>32,628</u>	<u>0</u>	<u>65,154</u>
FUND BALANCE, END OF YEAR	<u>\$ 42,726</u>	<u>\$ 56,507</u>	<u>\$ 13,781</u>	<u>\$ 32,628</u>

The accompanying "Notes to Financial Statements" form an integral part of this statement. This statement is subject to comments in the accompanying "Auditors' Report" containing a qualified opinion.



COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS  
ALL PROPRIETARY FUND TYPES  
FOR THE YEAR ENDED SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA

	<u>PROPRIETARY FUND TYPES ENTERPRISE</u>	<u>TOTAL (MEMORANDUM ONLY) 1980</u>
<u>OPERATING REVENUES</u>	<u>\$ 1,865,537</u>	<u>\$ 1,613,185</u>
<u>OPERATING EXPENSES</u>		
Power Production Expense	1,285,472	1,153,332
Customer Accounts	47,412	52,009
Depreciation	151,193	124,991
Distribution Expenses	95,378	139,993
General and Administrative	281,978	104,827
Taxes	4,264	3,815
Transmission Expense	24,825	22,555
Treatment	15,302	13,346
(TOTAL OPERATING EXPENSES)	<u>(1,905,824)</u>	<u>(1,614,868)</u>
OPERATING (LOSS)	<u>( 40,287)</u>	<u>( 1,683)</u>
<u>NONOPERATING REVENUES (EXPENSES)</u>		
Interest Income	71,218	85,294
Interest on Long-Term Debt	( 287,139)	( 269,689)
Amortization of Bond Issue Costs	( 6,981)	( 7,256)
Miscellaneous (Expense) Income	516	( 1,241)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>( 222,386)</u>	<u>( 192,892)</u>
NET (LOSS)	<u>( 262,673)</u>	<u>( 194,575)</u>
RETAINED EARNINGS, BEGINNING OF YEAR:		
As Previously Reported	829,245	1,039,866
Adjustments	( 548,949)	( 564,995)
As Restated	280,296	474,871
RETAINED EARNINGS, END OF YEAR	<u>\$ 17,623</u>	<u>\$ 280,296</u>

The accompanying "Notes to Financial Statements" form an integral part of this statement. This statement is subject to comments in the accompanying "Auditors' Report" containing a qualified opinion.

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION  
ALL PROPRIETARY FUND TYPES  
FOR THE YEAR ENDED SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA

	PROPRIETARY FUND TYPES ENTERPRISE
<u>USE OF WORKING CAPITAL</u>	\$ 262,673
Net Loss	
Items Not Requiring Outlay of	
Working Capital:	( 151,193)
Depreciation	( 9,895)
Amortization	101,585
Working Capital Applied To Operations	243,735
Property, Plant and Equipment Additions	173,061
Increase in Restricted Assets	
Decrease in Long-Term Liabilities - Reclassified	507,800
As Current	21
Increase in Miscellaneous Deferred Debits	(1,026,202)
(TOTAL USE OF WORKING CAPITAL)	
<u>SOURCE OF WORKING CAPITAL</u>	154,000
Advance From General Fund	
Increase in Current Liabilities	129,524
Payable From Restricted Assets	15,441
Contributions	
Reclassification of Sewer Assessments As	63,038
Current	362,003
TOTAL SOURCE OF WORKING CAPITAL	
(DECREASE) IN WORKING CAPITAL (BELOW)	( 664,199)
<u>CHANGES IN WORKING CAPITAL BY COMPONENT</u>	
Current Assets - Increase (Decrease):	( 891)
Cash	( 115,252)
Investments	( 21,484)
Receivables	( 49,269)
Due From Other Funds	( 43,861)
Inventory	4,376
Prepaid Expenses	
Current Liabilities - Decrease (Increase):	100,292
Accounts Payable	( 6,447)
Other Accrued Expenses	( 10,288)
Customer Deposits	55,825
Due to Other Funds	( 77,200)
Deferred Credits	
Electric Revenue and Improvement Bond	( 500,000)
Anticipation Notes	\$( 664,199)
(DECREASE) IN WORKING CAPITAL (ABOVE)	

The accompanying "Notes to Financial Statements" form an integral part of this statement. This statement is subject to comments in the accompanying "Auditors' Report" containing a qualified opinion.

NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fund Accounting

The City's accounting records are organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity, with a self-balancing set of accounts recording all financial resources with all related liabilities, reserves and residual equities, or balances or changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives. Amounts receivable from or payable to other funds are shown in the accounts of an individual fund and separately presented in the accompanying financial statements until liquidated by payment or an interfund transfer.

The following fund types and account groups are used in accounting for the financial operations of the City:

Governmental (General) Fund Type

- (1) General Fund - to account for all financial resources not properly accounted for in another fund;

Proprietary Fund Types

- (2) Enterprise Funds - to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges;

Account Groups

- (3) The Account Groups are used to establish accounting control and accountability for the government's general fixed assets and general long-term debt. These account groups are not considered funds since they do not reflect available financial resources and related liabilities.

Bases of Accounting

The Governmental (General) Fund Type is maintained on the modified accrual basis of accounting. Under this method of accounting, revenues are generally recognized when they become measurable and available. Revenues which are susceptible to accrual, i.e., being recorded when earned, include property taxes, refuse collection charges and lot clearing and certain other fees. Other revenues are not susceptible to accrual since they do not meet the two criteria previously mentioned. Expenditures are generally recorded on an accrual basis, i.e., when incurred, except as follows:

- (1) Accumulated vacation and sick pay are not accrued;
- (2) Expenditures are not divided between years by the recording of prepaid expenses.

The Proprietary Fund Types are maintained on the accrual basis of accounting. This method of accounting relates costs and expenditures to the period in which

(Continued)

NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA  
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Bases of Accounting (Concluded)

benefits of the outlays are received. It is intended to provide an accurate matching of these benefits with associated revenues. Under the accrual basis of accounting, revenues are recognized when earned and measurable and expenses recognized when incurred.

Investments

Investments are stated at amortized cost.

Inventory

Inventory is valued at cost as determined by the average unit cost method. Inventory in the General Fund consists of gasoline. Inventory in the General Fund is charged to expenditures when purchased. Reported inventories in the General Fund are equally offset by a reservation of fund balance which indicates that they do not constitute available spendable resources. Inventory in the Proprietary Fund Types consists of supplies held for consumption or capital improvements.

Property, Plant and Equipment and Depreciation

Property, plant and equipment in the Proprietary Fund Types are recorded at historical cost or at fair market value on the date donated (see Note 2 regarding certain adjustments). Ordinary maintenance and repairs are charged to expense as incurred.

Provision has been made for the depreciation of such property, plant and equipment using the straight-line method. The straight-line rate is computed using the period of years considered as the normal service life of the property. Such rates are as follows:

Electric Plant	3% to 20%
Water Plant	3% to 20%
Sewer Plant	2.5% to 10%

Construction work in progress is not depreciated until completed and placed into service.

All other property and equipment owned by the City is reflected at cost in the General Fixed Asset Group of Accounts and shown as an expenditure in the fund purchasing the property or equipment. Certain improvements such as streets and sidewalks are capitalized along with other general fixed assets. No provision for depreciation is made for general fixed assets.

Bond Discount and Issue Costs Amortization

The bond discount and issue costs on Utility Revenue Bonds are being amortized over the life of the bonds using the straight-line method which does not materially differ from the interest method.

(Continued)

NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA  
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

Long-Term Liabilities

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

Noncurrent portions of long-term receivables and advances due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. However, special reporting treatments are used to indicate that such amounts should not be considered available, spendable resources since they do not represent net current assets. Noncurrent portions of such receivables and advances are therefore offset by fund balance reserve accounts.

Reclassifications

Certain amounts for prior years accompanying information have been reclassified to conform with current years' classifications in order to provide more meaningful comparative data.

NOTE 2 - ACCOUNTING ADJUSTMENTS

During the fiscal year ended September 30, 1981, the City contracted with an outside party for a complete inventory and cost determination of its electric distribution plant in service as of September 30, 1981.

According to the party contracted to conduct the inventory, the following procedures and assumptions were used in the process:

1. The electric facilities were field surveyed and aged by use of pole birthmarks. A 1981 cost figure was given to each item. The following items were added to this figure:
  - a. Labor - cost of \$6.85 per manhour,
  - b. Labor fringe benefits of 19%,
  - c. Equipment costs which were figured on bucket, line, boom and pick-up trucks of \$25.00 per hour,
  - d. Warehouse charge of 6% that was derived by taking the warehouse employee's salary and dividing it by the total amount of materials used in 1981 and an added 1% for purchasing of materials, and
  - e. Administration and general at 15% was derived by taking 25% of the salaries of the City Manager and Assistant City Manager and 50% of the Utility Directors salary and dividing it by the total construction labor costs for 1981.

(NOTE: The above percentages were obtained from city personnel.)

2. The aging of the system was derived by use of the Handy Whitman Index. The multiplier for the appropriate year is based on a ratio of Index numbers.

(Continued)



NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA  
(Continued)

NOTE 2 - ACCOUNTING ADJUSTMENTS (Concluded)

Using the above inventory of electric plant, the balance of retained earnings of the electric fund as of September 30, 1980, has been restated to reflect the following:

Decrease in Book Value (Cost) of Electric Plant	
Resulting From Inventory of Electric Distribution Plant	\$(766,060)
Decrease in Accumulated Depreciation Resulting From Above Decrease	<u>217,111</u>
Net Decrease in Electric Fund Retained Earnings At October 1, 1980	<u>\$(548,949)</u>

However, it should be noted that all of the above adjustment does not result from the City's failure to properly maintain its inventory and work order systems. When the City engaged an engineer for an electric plant distribution inventory as of September 30, 1977, the plant was valued using costs as of September 30, 1977, rather than historical costs as required by generally accepted accounting principles. The current plant inventory does use historical cost as determined using the Handy Whitman Index - such historical cost would be considerably less than cost at September 30, 1977.

NOTE 3 - DETAIL OF PROPERTY, PLANT AND EQUIPMENT

General Fixed Assets Account Group

A summary of changes in general fixed assets for the year follows:

	BALANCE OCTOBER 1, 1980	NET INCREASE	BALANCE SEPTEMBER 30, 1981
City Park - Structures and Improvements	\$ 7,362	\$ 7,459	\$ 14,821
Jail and Equipment	3,068	0	3,068
City Hall - Equipment	138,852	0	138,852
City Hall - Building	23,928	2,557	26,485
Fire Station	70,306	0	70,306
New Parking Lot - Land	14,939	0	14,939
Street Paving and Sidewalks	274,959	0	274,959
Fire Trucks and Other Equipment	82,215	94,347	176,562
Mosquito Spraying Equipment	2,425	0	2,425
Land	224,698	0	224,698
Sanitation Equipment	50,325	0	50,325
Police Department - Cars and Equipment	40,564	14,700	55,264
Streets and Roads Equipment	18,192	0	18,192
Miscellaneous	<u>3,597</u>	<u>0</u>	<u>3,597</u>
TOTAL PROPERTY, PLANT AND EQUIPMENT - At Cost	<u>\$955,430</u>	<u>\$119,063</u>	<u>\$1,074,493</u>

(Continued)

NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA  
(Continued)

NOTE 3 - DETAIL OF PROPERTY, PLANT AND EQUIPMENT (Concluded)

Proprietary Fund Types

A summary of property, plant and equipment in the Proprietary Fund Types at September 30, 1981, follows:

Electric Plant	\$1,368,796
Water Plant	1,662,440
Sewer Plant	2,642,159
	<u>5,673,395</u>
(Accumulated Depreciation)	(848,358)
UTILITY PLANT - Cost Less Accumulated Depreciation	<u>\$4,825,037</u>

Included in electric plant is a .0779% undivided interest in the Florida Power Corporation Crystal River Unit Number 3 ("CR-3"). "CR-3" is a nuclear generating plant which began generating and transmitting electricity during April, 1977. The City's share of nuclear fuel on hand at "CR-3" and included in plant was \$62,881 as of September 30, 1981.

NOTE 4 - EMPLOYEES' RETIREMENT SYSTEM

The City of Alachua participates in the Florida Retirement System, a pension plan covering all employees. Employee contributions were made prior to October 1, 1975, and these contributions are refundable if employment terminates prior to retirement. Pension benefits generally vest after 10 years of service but cannot be drawn until normal retirement at age 62, or 58 if 35 years of service have been rendered. Total pension expense was \$46,056 for the year ended September 30, 1981. Contributions are made by the City of Alachua to the Florida Retirement System based on 13.5% of Police Department earnings and 9.1% of all other employees' earnings. The City's policy is to fund pension costs accrued. The amount of unfunded vested benefits, if any, has not been actuarially calculated.

NOTE 5 - INTERFUND RECEIVABLES AND PAYABLES

The balances of interfund receivables and payables at September 30, 1981, were as follows:

	INTERFUND	
	RECEIVABLE	PAYABLE
General Fund	\$ 3,319	\$ 18,738
Proprietary Fund Types:		
Electric Fund	37,397	117,424
Water Fund	117,424	21,165
Sewer Fund	20,592	21,405
Total Proprietary Fund Types	<u>175,413</u>	<u>159,994</u>
TOTAL	<u>\$178,732</u>	<u>\$178,732</u>

(Continued)

NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA  
(Continued)

NOTE 6 - LONG-TERM AND OTHER DEBT

General Long-Term Debt

The following is a summary of the changes in general long-term debt of the City during the fiscal year ended September 30, 1981:

	<u>GENERAL LONG-TERM DEBT</u>
Balance, October 1, 1980	\$ 0
Installment Notes - Proceeds	
Purchase of Fire Truck	75,000
Purchase of Radar Equipment	1,295
Principal Paid During Year	
Equipment Note Payable	(216)
Balance, September 30, 1981	<u>\$76,079</u>

The chattel mortgage secured by the fire truck is payable in annual installments of \$19,838, which includes interest of 10.75%. The first payment is due February 20, 1982. The other chattel mortgage is payable in monthly installments of \$46 which includes interest of 17%. All general fund revenues other than ad valorem taxes or utility taxes are pledged for payment of these debts.

The following tabulation indicates the annual amounts of principal and interest required to satisfy the above general long-term debt.

<u>FISCAL YEAR ENDED</u> <u>SEPTEMBER 30,</u>	<u>PRINCIPAL AND INTEREST</u> <u>REQUIRED</u>
1982	\$ 20,392
1983	20,392
1984	20,115
1985	19,838
1986	19,838
1987	2,250
TOTAL	<u>\$102,825</u>

Proprietary Fund Types - Utilities Refunding and Revenue Bonds of 1978

On April 15, 1978, the City adopted a resolution to issue the Utilities Refunding and Revenue Bonds of 1978. These bonds were issued to finance the cost of refunding the City's Utilities Revenue Bonds dated April 1, 1976, and the Utilities Revenue Bonds, Series A and B, dated April 1, 1974.

Net revenues, utilities service taxes and special assessment proceeds are pledged as collateral for the revenue bonds which have a coupon rate ranging from 5.85% to 6.40%. The bond ordinances required the establishment of a sinking fund to meet debt service requirements, a reserve account to pay only interest and principal if sinking fund monies are insufficient, a renewal and replacement fund and an operation and maintenance fund to pay operating expenses. Operating revenues from the utility facilities must be disbursed in the following order:

- A. To meet operating and maintenance expenses before depreciation.
- B. To satisfy current debt service requirements.

(Continued)



NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA  
(Continued)

NOTE 6 - LONG-TERM AND OTHER DEBT (Continued)

Proprietary Fund Types - Utilities Refunding and Revenue Bonds of 1978  
(Concluded)

- C. To fund a reserve account to the maximum amount of \$212,036.
- D. To fund a renewal and replacement fund in the amount of 1/12 of 5% of the gross revenues of the facilities for the previous year until the balance of the fund equals 25% of the gross revenues of the facilities for the previous year.

The \$2,990,000 issue of 1978 consist of \$975,000 of Term Bonds and \$2,015,000 of Serial Bonds which mature as indicated in the following schedule:

<u>FISCAL YEAR ENDED</u> <u>SEPTEMBER 30,</u>	<u>PRINCIPAL AMOUNT</u>
1991	\$ 80,000
1992	85,000
1993	90,000
1994	95,000
1995	105,000
1996	110,000
1997	115,000
1998	130,000
1999	135,000
2000	145,000
2001	150,000
2002	160,000
2003	160,000
2004	170,000
2005	175,000
2006	110,000
2007	975,000
Subtotal - Par Value	<u>2,990,000</u>
Unamortized Discount at September 30, 1981	(65,511)
TOTAL	<u>\$2,924,489</u>

Allocated Between Proprietary Funds

Electric Fund	\$ 357,008
Sewer Fund	2,567,481
TOTAL	<u>\$2,924,489</u>

Proprietary Fund Types - Utilities Revenue Bonds of 1979

On August 6, 1979, the City adopted a resolution to issue the Utilities Revenue Bonds of 1979. These bonds were issued on December 17, 1979, to partially finance the cost of construction of additions to the utility system.

Net utility revenues, utilities service taxes and certain special assessments are pledged as collateral for the revenue bonds which have a coupon rate of 5%. The liens on revenues by the 1979 bonds is junior to the Utilities Refunding and

(Continued)

NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA  
(Continued)

NOTE 6 - LONG-TERM AND OTHER DEBT (Continued)

Proprietary Fund Types - Utilities Revenue Bonds of 1979 (Concluded)  
Revenue Bonds of 1978. Amounts deposited in the revenue fund created by the bond resolution must be disbursed in the following order:

- A. To meet operation expenses.
- B. To satisfy debt service requirements.
- C. To fund a reserve account to be used for repairs, improvements and to satisfy debt service.

The issue consists of \$830,800 of Serial Bonds - \$7,800 of which is due during the fiscal year ended September 30, 1982, and the long-term remainder which matures as indicated in the following schedule:

<u>FISCAL YEAR ENDED</u> <u>SEPTEMBER 30,</u>	<u>PRINCIPAL AMOUNT</u>
1983	\$ 8,000
1984	8,000
1985	9,000
1986	9,000
1987	10,000
1988-1992	57,000
1993-1997	73,000
1998-2002	93,000
2003-2007	119,000
2008-2012	151,000
2013-2017	193,000
2018-2019	93,000
TOTAL	<u>\$823,000</u>

Summary of Principal and Interest Payments Required For Next Five Years

	<u>PRINCIPAL AND INTEREST PAYMENTS REQUIRED DURING</u> <u>FISCAL YEAR ENDED SEPTEMBER 30,</u>				
	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>
General Long-Term Debt	\$ 20,392	\$ 20,392	\$ 20,115	\$ 19,838	\$ 19,838
Utilities Refunding and Revenue Bonds of 1978	188,383	188,383	188,383	188,383	188,383
Utilities Revenue Bonds of 1979	49,145	48,950	48,550	49,125	48,675
Bond Anticipation Notes of 1979	532,500				
Tax Anticipation Notes	163,122				
	<u>\$953,542</u>	<u>\$257,725</u>	<u>\$257,048</u>	<u>\$257,346</u>	<u>\$256,896</u>

Bond Anticipation Notes

On September 5, 1979, the City adopted a resolution to issue \$500,000 revenue and improvement bond anticipation notes. The purpose of these notes was to provide immediate funds for the commencement of the project of acquisition and construction of additions, extensions and improvements to the combined electric,

(Continued)

NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA  
(Continued)

NOTE 6 - LONG-TERM AND OTHER DEBT (Concluded)

Bond Anticipation Notes (Concluded)

water and sewer system of the City as prescribed in the bond resolution adopted by the City on July 2, 1979.

The payment of the principal of and interest on the notes shall be secured, equally and ratably, by a prior lien upon and a pledge of the proceeds derived from the sale of the bonds and, if necessary, by a prior lien upon and pledge of the proceeds of the Revenue Sharing Funds.

Notes were issued on September 29, 1979, in the principal amount of \$500,000 to mature on April 1, 1982, with a 6.5% per annum rate of interest. These were reclassified as a current liability for the year ended September 30, 1981.

Tax Anticipation Notes

On September 28, 1981, the City adopted a resolution to issue \$154,000 of tax anticipation notes. The purpose of these notes was to provide funds to be transferred to the sewer fund to meet October 1, 1981, debt service and reinstate the debt service reserve account of the refunding and revenue issue of 1978.

The payment of principal and interest is secured by the ad valorem taxing power of the City for the fiscal year 1981-1982 at an annual rate not to exceed ten (10) mills on the dollar of assessed value.

Notes were issued on September 28, 1981, in the principal amount of \$154,000 to mature on April 1, 1982, with an 11.75% per annum rate of interest.

NOTE 7 - CONTINGENT LIABILITIES

The City participates in a number of federally assisted grant programs, principal of which are the Federal Revenue Sharing and Community Development Block Grant programs. These programs are subject to compliance audits by the grantors or their representatives. The audits of these programs whose year ended during or coincided with the City's fiscal year end of September 30, 1981, have either not been completed or accepted by the grantor. Accordingly, the final determination of the City's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined although the City expects such amounts, if any, to be immaterial.

As a member of the Florida Municipal Power Agency (FMPPA), the City has signed certain documents with FMPPA which provide that if FMPPA defaults on certain loans, the City would be required to satisfy its share of the payment. The approximate amount of this contingency at September 30, 1981, is \$30,500.

(Continued)

NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA  
(Concluded)

NOTE 8 - COMMITMENTS

Revenue Bonds

As the issuer of revenue bonds and bond anticipation notes, the City has agreed to various covenants. However, the City has not complied with all provisions contained in the bond resolutions.

Various separate accounts required by the resolutions have not been established. Further, payments which are required to be made monthly to various debt service accounts were not always made on a timely basis. However, the total amounts required in such accounts were paid by September 30, 1981, except as follows:

- .. The Bond Interest and Sinking Account of the \$830,800 Utilities Revenue Bonds of 1979 should total \$67,990 as of September 30, 1981, and such amount is included in retained earnings reserved for debt service in the accompanying financial statements. However, the "Account" contained \$40,000 as of September 30, 1981.

NOTE 9 - SUBSEQUENT EVENTS

Monthly payments are required to be made to various debt service accounts created by bond and tax anticipation note resolutions which authorize such outstanding debt. As of January 22, 1981, none of the required monthly payments had been made subsequent to September 30, 1981, into the bond debt service accounts nor had the deposits required by the tax note resolution been made as required by such resolution.

ACCOMPANYING INFORMATION

CITY OF ALACHUA, FLORIDA

COMBINING AND INDIVIDUAL FUND  
STATEMENTS

These statements provide a more detailed view of the General Purpose Financial Statements.

Combining statements are presented when there are more than one fund of a given fund type. Individual fund statements are presented when there is only one fund of a given fund type. They are also necessary to present budgetary comparisons.



STATEMENT OF REVENUES - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 1981, WITH  
COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1980  
CITY OF ALACHUA, FLORIDA

	1981		VARIANCE	1980
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
Taxes				
Property Taxes	\$121,601	\$120,037	\$ ( 1,564)	\$ 80,211
Franchise Taxes	4,896	5,676	780	4,620
Utility Taxes	150,785	162,522	11,737	128,194
Total Taxes	<u>277,282</u>	<u>288,235</u>	<u>10,953</u>	<u>213,025</u>
Licenses and Permits				
Occupational Licenses	2,200	4,133	1,933	2,212
Building Permits	14,285	7,730	( 6,555)	11,143
Other	7,137	0	( 7,137)	0
Total Licenses and Permits	<u>23,622</u>	<u>11,863</u>	<u>( 11,759)</u>	<u>13,355</u>
Intergovernmental				
Federal:				
Community Development Block Grant	200,000	258,000	58,000	200,000
Revenue Sharing	40,000	40,105	105	37,008
State:				
Alcoholic Beverage Licenses	0	2,945	2,945	3,192
Homestead Exemption Trust	6,500	9,543	3,043	6,360
Mobile Home Licenses	0	2,361	2,361	3,496
Revenue Sharing Including Fuel Tax Rebate	80,676	109,410	28,734	105,714
Various Grants	4,543	4,543	0	29,542
Alachua County:				
Public Safety - Fire Protection	10,000	11,500	1,500	10,000
Total Intergovernmental	<u>341,719</u>	<u>438,407</u>	<u>96,688</u>	<u>395,312</u>
Charges For Services				
Sanitation	44,000	59,269	15,269	1,224
Fines and Forfeitures				
Court Fines	12,500	17,302	4,802	12,563
Miscellaneous				
Interest	1,586	1,799	213	1,569
Other	5,000	3,620	( 1,380)	3,676
Land Sales	105,000	0	(105,000)	0
Total Miscellaneous	<u>111,586</u>	<u>5,419</u>	<u>(106,167)</u>	<u>5,245</u>
TOTAL REVENUES	<u>810,709</u>	<u>820,495</u>	<u>9,786</u>	<u>640,724</u>
OTHER FINANCING SOURCES				
Operating Transfers In	37,645	0	( 37,645)	0
Proceeds From Chattel Mortgage	75,000	75,000	0	0
Proceeds From Installment Loan	0	1,295	1,295	0
TOTAL OTHER FINANCING SOURCES	<u>112,645</u>	<u>76,295</u>	<u>( 36,350)</u>	<u>0</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$923,354</u>	<u>\$896,790</u>	<u>\$ ( 26,564)</u>	<u>\$640,724</u>

STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 1981, WITH  
COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1980  
CITY OF ALACHUA, FLORIDA

	1981		VARIANCE	1980
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
<b>EXPENDITURES</b>				
<u>General Government</u>				
Executive:	\$ 29,192	\$ 21,415	\$ 7,777	\$ 10,538
Personal Services	0	179	( 179)	0
Operations	700	677	23	0
Capital Outlay	29,892	22,271	7,621	10,538
Total Executive				
Finance and Administration:	25,043	21,793	3,250	26,503
Personal Services	24,590	25,864	( 1,274)	13,889
Operations	3,150	3,000	150	119
Capital Outlay	52,783	50,657	2,126	40,511
Total Finance and Administration				
Legal:	9,200	12,457	( 3,257)	8,914
Operations				
Community Development:	5,272	4,499	773	12,208
Operations				
Other General Government:	0	8,917	( 8,917)	5,518
Operations	97,147	98,801	( 1,654)	77,689
Total General Government				
<u>Public Safety</u>				
Law Enforcement:	181,796	175,154	6,642	132,905
Personal Services	56,350	46,526	9,824	40,119
Operations	18,950	14,699	4,251	23,162
Capital Outlay	257,096	236,379	20,717	196,186
Total Law Enforcement				
Fire Control:	21,157	19,559	1,598	17,330
Operations	100,000	94,346	5,654	346
Capital Outlay	121,157	113,905	7,252	17,676
Total Fire Control				
Protective Inspections:	3,050	4,000	( 950)	0
Operations				
Rescue:	6,554	2,478	4,076	0
Personal Services	6,682	5,835	847	4,171
Operations	13,236	8,313	4,923	4,171
Total Rescue	394,539	362,597	31,942	218,033
Total Public Safety				
Highways and Streets	19,428	19,088	340	12,908
Personal Services	11,528	8,947	2,581	11,954
Operations	11,743	0	11,743	10,243
Capital Outlay	42,699	28,035	14,664	35,105
Total Highways and Streets				
Sanitation	71,658	70,718	940	66,462
Personal Services	34,817	32,828	1,989	32,161
Operations	0	0	0	13,034
Capital Outlay	106,475	103,546	2,929	111,657
Total Sanitation				

(Continued)



STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 1981, WITH  
COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED SEPTEMBER 30, 1980  
CITY OF ALACHUA, FLORIDA

	1981		VARIANCE	1980
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
EXPENDITURES (Concluded)				
Health				
Operations	\$ 0	\$ 0	\$ 0	\$ 3,105
Culture and Recreation				
Personal Services	2,350	1,832	518	1,113
Operations	9,200	10,299	( 1,099)	7,086
Capital Outlay	45,000	7,459	37,541	6,380
Total Culture and Recreation	56,550	19,590	36,960	14,579
Urban Redevelopment and Housing				
Personal Services	0	0	0	2,881
Operations	15,000	800	14,200	197
Capital Outlay	185,000	246,802	(61,802)	196,268
Total Urban Redevelopment and Housing	200,000	247,602	(47,602)	199,346
Non-Departmental Items				
Insurance	15,846	12,462	3,384	10,318
Miscellaneous	0	0	0	3,418
Total Non-Departmental Items	15,846	12,462	3,384	13,736
Debt Service				
Principal Retirement	0	216	( 216)	0
Interest Paid	0	62	( 62)	0
Total Debt Service	0	278	( 278)	0
TOTAL EXPENDITURES	\$913,256	\$872,911	\$ 40,345	\$673,250

COMBINING BALANCE SHEET  
PROPRIETARY FUNDS  
SEPTEMBER 30, 1981, WITH  
COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1980  
CITY OF ALACHUA, FLORIDA

ASSETS

CURRENT ASSETS

Cash (Overdraft)  
Investments, At Amortized Costs  
Receivables (Net of Allowance For Uncollectibles As  
    Parenthetically Indicated):  
    Accounts (\$37,126)  
    Sewer Assessments, Current Portion  
    Accrued Interest and Penalties  
Due From Other Funds  
Inventory, At Cost  
Prepaid Expenses

TOTAL CURRENT ASSETS

RESTRICTED ASSETS

Revenue Bond Construction Account  
Revenue Bond Debt Service Accounts

TOTAL RESTRICTED ASSETS

PROPERTY, PLANT AND EQUIPMENT

Utility Plant in Service  
Construction in Progress

(Accumulated Depreciation)

TOTAL PROPERTY, PLANT AND EQUIPMENT - Cost Less  
Depreciation

OTHER ASSETS

Sewer Assessments, Less Current Portion of  
    \$88,559  
Unamortized Bond Issue Costs  
Miscellaneous Deferred Debits

TOTAL OTHER ASSETS

TOTAL ASSETS

ELECTRIC	WATER	SEWER	TOTALS	
			1981	1980
\$ 1,884	\$ 15,689	\$ ( 2,515)	\$ 15,058	\$ 15,949
54,974			54,974	170,226
212,911			212,911	235,073
		88,559	88,559	77,614
228		29,040	29,268	39,535
37,397	117,424	20,592	175,413	224,682
77,322	24,346		101,668	145,529
16,601			16,601	12,225
401,317	157,459	135,676	694,452	920,833
	39,119		39,119	92,825
11,303	40,000	751,281	802,584	575,817
11,303	79,119	751,281	841,703	668,642
1,368,796	1,662,440	2,642,159	5,673,395	5,290,037
0	0	0	0	139,623
1,368,796	1,662,440	2,642,159	5,673,395	5,429,660
(255,968)	(249,691)	(342,699)	(848,358)	(697,166)
1,112,828	1,412,749	2,299,460	4,825,037	4,732,494
		161,410	161,410	224,448
9,518		50,510	60,028	67,284
6,470	0	0	6,470	6,449
15,988	0	211,920	227,908	298,181
\$1,541,436	\$1,649,327	\$3,398,337	\$6,589,100	\$6,620,150

COMBINING BALANCE SHEET  
PROPRIETARY FUNDS  
SEPTEMBER 30, 1981, WITH  
COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1980  
CITY OF ALACHUA, FLORIDA  
(Concluded)

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES, PAYABLE FROM CURRENT ASSETS

Accounts Payable  
Other Accrued Expenses  
Customer Deposits  
Due to Other Funds  
Deferred Credits  
Electric Revenue and Improvement Bond  
Anticipation Notes

TOTAL CURRENT LIABILITIES, PAYABLE FROM CURRENT ASSETS

CURRENT LIABILITIES, PAYABLE FROM RESTRICTED ASSETS

Accounts Payable  
Accrued Interest  
Current Portion of Long-Term Liabilities

TOTAL CURRENT LIABILITIES, PAYABLE FROM RESTRICTED  
ASSETS

LONG-TERM LIABILITIES

Advance From General Fund  
Electric Revenue and Improvement Bond  
Anticipation Notes  
Utilities Revenue Bonds of 1979, Less  
Current Portion of \$7,800

Utility Refunding and Revenue Serial Bonds of 1978  
Utility Refunding and Revenue Term Bonds of 1978  
TOTAL LONG-TERM LIABILITIES

TOTAL LIABILITIES

FUND EQUITY

Contributions:

Customers  
EDA and HUD  
Farmers Home Administration

Retained Earnings:

Reserved For Debt Service  
Unreserved

Total Retained Earnings

TOTAL FUND EQUITY

TOTAL LIABILITIES AND FUND EQUITY

ELECTRIC	WATER	SEWER	TOTALS	
			1981	1980
\$ 309,989	\$ 6,786	\$ 5,325	\$ 322,100	\$ 422,392
11,438	970	978	13,386	6,939
88,673			88,673	78,385
117,424	21,165	21,405	159,994	215,819
77,200			77,200	0
500,000			500,000	0
<u>1,104,724</u>	<u>28,921</u>	<u>27,708</u>	<u>1,161,353</u>	<u>723,535</u>
	29,860		29,860	0
27,553	20,770	82,888	131,211	39,347
	7,800		7,800	
<u>27,553</u>	<u>58,430</u>	<u>82,888</u>	<u>168,871</u>	<u>39,347</u>
		154,000	154,000	
				500,000
	823,000		823,000	830,800
240,592		1,730,259	1,970,851	1,969,072
116,416		837,222	953,638	952,777
<u>357,008</u>	<u>823,000</u>	<u>2,721,481</u>	<u>3,901,489</u>	<u>4,252,649</u>
<u>1,489,285</u>	<u>910,351</u>	<u>2,832,077</u>	<u>5,231,713</u>	<u>5,015,531</u>
	5,465	860,716	866,181	856,877
	23,859	22,424	46,283	40,146
	246,900	180,400	427,300	427,300
	67,990	668,393	736,383	215,281
52,151	394,762	(1,165,673)	( 718,760)	65,015
52,151	462,752	( 497,280)	17,623	280,296
<u>52,151</u>	<u>738,976</u>	<u>566,260</u>	<u>1,357,387</u>	<u>1,604,619</u>
<u>\$1,541,436</u>	<u>\$1,649,327</u>	<u>\$3,398,337</u>	<u>\$6,589,100</u>	<u>\$6,620,150</u>

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS  
PROPRIETARY FUNDS  
SEPTEMBER 30, 1981, WITH  
COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 1980  
CITY OF ALACHUA, FLORIDA

OPERATING REVENUES

OPERATING EXPENSES

Power Production Expenses:  
    Nuclear Power Generation  
    Purchased Power and Other  
Customer Accounts  
Depreciation  
Distribution Expenses  
General and Administrative:  
    Nonrecurring Inventory Adjustment  
    Other (Recurring) Expenses  
Taxes  
Transmission Expense - Operation  
Treatment

(TOTAL OPERATING EXPENSES)

OPERATING INCOME (LOSS)

NONOPERATING REVENUES (EXPENSES)

Interest Income  
Interest and Fiscal Charges  
Amortization of Bond Issue Costs  
Miscellaneous (Expense) Income  
TOTAL NONOPERATING REVENUES (EXPENSES)

NET (LOSS)

RETAINED EARNINGS, BEGINNING OF YEAR

As Previously Reported  
Adjustments

As Restated

RETAINED EARNINGS, END OF YEAR

ELECTRIC	WATER	SEWER	TOTALS	
			1981	1980
<u>\$1,579,153</u>	<u>\$ 140,363</u>	<u>\$ 146,021</u>	<u>\$1,865,537</u>	<u>\$1,613,185</u>
122,382			122,382	172,564
1,163,090			1,163,090	980,768
29,180	9,663	8,569	47,412	52,009
41,375	47,881	61,937	151,193	124,991
22,448	30,395	42,535	95,378	139,993
110,000	( 15,000)		95,000	0
128,108	31,828	27,042	186,978	104,827
4,264			4,264	3,815
24,825			24,825	22,555
	1,945	13,357	15,302	13,346
<u>(1,645,672)</u>	<u>( 106,712)</u>	<u>( 153,440)</u>	<u>(1,905,824)</u>	<u>(1,614,868)</u>
( 66,519)	33,651	( 7,419)	( 40,287)	( 1,683)
9,742		61,476	71,218	85,294
( 59,603)	( 41,086)	( 186,450)	( 287,139)	( 269,689)
( 5,000)		( 1,981)	( 6,981)	( 7,256)
908		( 392)	516	( 1,241)
<u>( 53,953)</u>	<u>( 41,086)</u>	<u>( 127,347)</u>	<u>( 222,386)</u>	<u>( 192,892)</u>
( 120,472)	( 7,435)	( 134,766)	( 262,673)	( 194,575)
721,572	470,187	( 362,514)	829,245	1,039,866
( 548,949)			( 548,949)	( 564,995)
172,623	470,187	( 362,514)	280,296	474,871
<u>\$ 52,151</u>	<u>\$ 462,752</u>	<u>\$( 497,280)</u>	<u>\$ 17,623</u>	<u>\$ 280,296</u>



COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 1981  
CITY OF ALACHUA, FLORIDA

USE OF WORKING CAPITAL

Net Loss  
Items Not Requiring Outlay of Working Capital:  
    Depreciation  
    Amortization  
Working Capital Applied to (Provided From) Operations  
Property, Plant and Equipment Additions  
Increase (Decrease) in Restricted Assets  
Decrease in Long-Term Liabilities - Reclassified As Current  
Increase in Miscellaneous Deferred Debits  
(TOTAL USE OF WORKING CAPITAL)

SOURCE OF WORKING CAPITAL

Advance From General Fund  
Increase in Current Liabilities Payable From  
    Restricted Assets  
Contributions  
Reclassification of Sewer Assessment As Current  
TOTAL SOURCE OF WORKING CAPITAL

(DECREASE) INCREASE IN WORKING CAPITAL (BELOW)

CHANGES IN WORKING CAPITAL BY COMPONENT

Current Assets - Increase (Decrease):  
    Cash  
    Investments  
    Receivables  
    Due From Other Funds  
    Inventory  
    Prepaid Expenses  
Current Liabilities - Decrease (Increase):  
    Accounts Payable  
    Other Accrued Expenses  
    Customer Deposits  
    Due to Other Funds  
    Deferred Credits  
    Electric Revenue and Improvement Bond  
    Anticipation Notes  
(DECREASE) INCREASE IN WORKING CAPITAL (ABOVE)



<u>ELECTRIC</u>	<u>WATER</u>	<u>SEWER</u>	<u>TOTAL</u> <u>1981</u>
\$ 120,472	\$ 7,435	\$ 134,766	\$ 262,673
( 41,375)	(47,881)	( 61,937)	( 151,193)
( 5,607)		( 4,288)	( 9,895)
73,490	(40,446)	68,541	101,585
145,899	96,257	1,579	243,735
11,303	(13,706)	175,464	173,061
500,000	7,800		507,800
21			21
<u>(730,713)</u>	<u>(49,905)</u>	<u>(245,584)</u>	<u>(1,026,202)</u>
		154,000	154,000
11,053	35,583	82,888	129,524
	10,723	4,718	15,441
		63,038	63,038
<u>11,053</u>	<u>46,306</u>	<u>304,644</u>	<u>362,003</u>
<u>(719,660)</u>	<u>( 3,599)</u>	<u>59,060</u>	<u>( 664,199)</u>
2,710	6,435	( 10,036)	( 891)
(115,252)			( 115,252)
( 31,717)		10,233	( 21,484)
( 41,667)	(18,741)	11,139	( 49,269)
( 59,878)	16,748	( 731)	( 43,861)
4,376			4,376
96,048	3,957	287	100,292
( 5,433)	( 285)	( 729)	( 6,447)
( 10,288)			( 10,288)
18,641	(11,713)	48,897	55,325
( 77,200)			( 77,200)
(500,000)			( 500,000)
<u>\$(719,660)</u>	<u>\$( 3,599)</u>	<u>\$ 59,060</u>	<u>\$( 664,199)</u>

CITY OF OCALA, FLORIDA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED

SEPTEMBER 30, 1981

CITY OF OCALA, FLORIDA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED SEPTEMBER 30, 1981  
TABLE OF CONTENTS

	<u>Pages</u>
REPORT OF CERTIFIED PUBLIC ACCOUNTANTS	1
SECTION I - COMBINED FINANCIAL STATEMENTS - OVERVIEW	
Combined Balance Sheet - All Fund Types and Account Groups	3-6
Combined Statement of Revenues, Expen- ditures and Changes in Fund Balance - All Governmental Fund Types and Expendable Trust Fund	7-8
Combined Statement of Revenues, Expen- ditures, and Changes in Fund Balance - Actual and Budget (Non-GAAP Budgetary Basis) - General and Special Revenue Fund Types	9-10
Combined Statement of Revenues and Expenses - All Proprietary Fund Types and Nonexpendable Trust Fund	11
Combined Statement of Changes in Fund Equity - All Proprietary Fund Types and Nonexpendable Trust Fund	13-14
Combined Statement of Changes in Financial Position - All Proprietary Fund Types and Nonexpendable Trust Fund	15-16
Notes to Financial Statements	17-42
REPORT OF CERTIFIED PUBLIC ACCOUNTANTS ON SUPPLEMENTAL INFORMATION	45

Pages

SECTION II - INDIVIDUAL AND COMBINING  
FUND FINANCIAL STATEMENTS BY FUND TYPE

Governmental Fund Types

Special Revenue Funds

Combining Balance Sheet	47-48
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Actual and Budget (Non-GAAP Budgetary Basis)	49-50
Statement of Revenues, Expenditures and Changes in Fund Balance (Deficit) - Actual and Budget (Non-GAAP Budgetary Basis):	
Occupational License Fund	51
Central Florida Regional Library Fund	52
Off-Street Parking Fund	53
Downtown Development Fund	54

Debt Service Funds

Combining Balance Sheet	55
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	57-58

Capital Project Funds

Combining Balance Sheet	59
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	60

Proprietary Fund Type

Enterprise Funds

Combining Balance Sheet	61-62
Combining Statement of Revenues and Expenses	63-64
Combining Statement of Changes in Fund Equity	65-66
Combining Statement of Changes in Financial Position	67-68

	<u>Pages</u>
Electric and Bulk Power Supply	
Revenue Funds:	
Consolidating Balance Sheet	69
Consolidating Statement of Revenues and Expenses	71-72
Consolidating Statement of Changes in Fund Equity	73-74
Consolidating Statement of Changes in Financial Position	75
<u>Fiduciary Fund Types</u>	
<u>Trust Funds</u>	
Combining Balance Sheet	76
Statement of Revenues, Expenditures and Changes in Fund Balance - Expendable Federal Revenue Sharing Trust Fund	77
Statement of Revenues and Expenses - Nonexpendable Consolidated Retirement Trust Fund	78
Statement of Changes in Fund Equity - Nonexpendable Consolidated Retirement Trust Fund	79
Statement of Changes in Financial Position - Nonexpendable Consolidated Retirement Trust Fund	80
<u>SECTION III - STATISTICAL SECTION</u>	
Schedule of Insurance Coverage	83



1510 SOUTHEAST NATIONAL BANK BUILDING  
P.O. BOX 2988  
ORLANDO, FL 32801  
305 841-7901

January 20, 1982

Honorable City Council  
City of Ocala, Florida

We have examined the combined financial statements of the City of Ocala, Florida as of and for the year ended September 30, 1981 as listed in Section I of the table of contents. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the combined financial statements referred to above present fairly the financial position of the City of Ocala, Florida at September 30, 1981 and the results of its operations and the changes in financial position of its proprietary and similar fiduciary fund types for the year then ended, in conformity with generally accepted accounting principles which, except for the changes, with which we concur, in the methods of accounting for depreciation and interest, as described in Note 3 to the financial statements have been applied on a basis consistent with that of the preceding year after giving retroactive effect to the accounting changes, with which we concur, as described in Note 3 to the financial statements.

*Price Waterhouse*

Certified Public Accountants



SECTION I - COMBINED FINANCIAL STATEMENTS - OVERVIEW

These basic financial statements provide a summary overview of the financial position of all funds and account groups as well as the operating results of all funds.

CITY OF OCALA, FLORIDA  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
SEPTEMBER 30, 1981

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Assets</u>				
Current assets:				
Cash and investments	\$ 196,519	\$125,503		\$ 160
Equity in pooled cash and investment fund	343,603	88,917		104,183
Accounts receivable, net of allowances for doubtful accounts	119,291	750		
Accrued interest receivable		745		
Accrued unbilled revenues				
Current and delinquent special assessments receivable				
Due from other governments				26,574
Due from other funds	12,917			
Interfund loans receivable	38,719			
Inventories				
Other current assets	741			
Total current assets	<u>711,790</u>	<u>215,915</u>		<u>130,917</u>
Restricted assets:				
Cash and investments		12,514	\$583,679	
Equity in pooled cash and investment fund			261	
Accrued interest and dividends receivable			5,340	
Due from other governments				
Due from other funds				
Other		15	20,433	
Florida Power refund escrow				
Total restricted assets		<u>12,529</u>	<u>609,713</u>	
Interfund loans receivable after one year	<u>326,718</u>			
Deferred special assessments receivable				
Construction assets:				
Cash and investments				
Equity in pooled cash and investment fund				
Other				
Total construction assets				
Property, plant and equipment, net				
Issuance costs on long-term debt				
Amount available in debt service funds				
Amount to be provided for retirement of general long-term debt				
Total assets	<u>\$1,038,508</u>	<u>\$228,444</u>	<u>\$609,713</u>	<u>\$130,917</u>

See accompanying notes to financial statements.

<u>Special Assessment</u>	<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Types</u>	<u>Account Groups</u>		<u>Total (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Internal Service</u>	<u>Trust</u>	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	
	\$ 1,675	\$ 150				\$ 324,007
\$ 917,332	72,565	1,026,971				2,553,571
	2,653,821	1,285				2,775,147
	2,047,430					745 2,047,430
126,759						126,759
	173,551	197				26,574
	1,556,576	64,211				186,665
	117,971					38,719
						1,620,787
						118,712
<u>1,044,091</u>	<u>6,623,589</u>	<u>1,092,814</u>				<u>9,819,116</u>
	2,629,233		\$6,747,433			9,972,859
	2,008,543		723,041			2,731,845
	20,726		112,044			138,110
			87,979			87,979
			61,075			61,075
	106,364					20,448
	<u>4,764,866</u>		<u>7,731,572</u>			<u>106,364</u> <u>13,118,680</u>
						326,718
<u>315,692</u>						<u>315,692</u>
	45,929					45,929
	6,567,171					6,567,171
	9,229					9,229
	<u>6,622,329</u>					<u>6,622,329</u>
	<u>42,877,701</u>	<u>737,306</u>		<u>\$8,550,739</u>		<u>52,165,746</u>
	260,290					260,290
					\$ 609,713	609,713
					2,737,156	2,737,156
<u>\$1,359,783</u>	<u>\$61,148,775</u>	<u>\$1,830,120</u>	<u>\$7,731,572</u>	<u>\$8,550,739</u>	<u>\$3,346,869</u>	<u>\$85,975,440</u>

CITY OF OCALA, FLORIDA  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
SEPTEMBER 30, 1981  
(continued)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<u>Liabilities and Fund Equity</u>				
Current liabilities:				
Accounts payable	\$ 317,058	\$ 14,554		\$ 12,508
Notes payable within one year				
Due to pooled cash and investment fund		37,284		13,145
Due to other funds	45,531	1,912		543
Customer deposits				
Deferred revenue	1,202	109,027		538
Interfund loans payable		23,719		
Total current liabilities	<u>363,791</u>	<u>186,496</u>		<u>26,734</u>
Liabilities payable from restricted assets:				
Accounts payable				
Accrued interest payable				
Bonds payable within one year				
Florida Power refund payable to customers				
Total liabilities payable from restricted assets				
Interfund loans payable after one year		23,718		
Bonds and notes payable after one year				
Deferred special assessment revenue				
Total liabilities	<u>363,791</u>	<u>210,214</u>		<u>26,734</u>
Fund equity:				
Investment in general fixed assets				
Contributed equity/employee pension contributions				
Retained earnings:				
Reserved for debt service				
Reserved for renewal and replacement				
Total reserved retained earnings				
Unreserved:				
Designated for alternate energy study				
Undesignated				
Total unreserved retained earnings				
Total retained earnings				
Fund balance (deficit):				
Reserved for debt service			\$609,713	
Reserved for retirement benefits				
Reserved for noncurrent interfund receivables	326,718			
Reserved for encumbrances	109,246	7,670		7,966
Reserved for restricted assets		12,529		
Total reserved fund balance	<u>435,964</u>	<u>20,199</u>	<u>609,713</u>	<u>7,966</u>
Unreserved	<u>238,753</u>	<u>(1,969)</u>		<u>96,217</u>
Total fund balance	<u>674,717</u>	<u>18,230</u>	<u>609,713</u>	<u>104,183</u>
Total fund equity	<u>674,717</u>	<u>18,230</u>	<u>609,713</u>	<u>104,183</u>
Total liabilities and fund equity	<u>\$1,038,508</u>	<u>\$228,444</u>	<u>\$609,713</u>	<u>\$130,917</u>

See accompanying notes to financial statements.

Special Assessment	Proprietary Fund Types		Fiduciary Fund Type	Account Groups		Total (Memorandum Only)
	Enterprise	Internal Service	Trust	General Fixed Assets	General Long-Term Debt	
	\$ 3,060,229	\$ 42,996				\$ 3,447,345
	28,620	8,434				37,054
	5,618,000					5,668,429
	196,105	3,649				247,740
	1,227,543					1,227,543
	15,000					110,767
	10,145,497	55,079				38,719
						10,777,597
	133		\$ 5,850			5,983
	633,713					633,713
	1,110,000				\$ 276,773	1,386,773
	106,364					106,364
	1,850,210		5,850		276,773	2,132,833
	303,000					326,718
\$ 410,000	24,745,484	29,440			3,070,096	28,255,020
315,692						315,692
725,692	37,044,191	84,519	5,850		3,346,869	41,807,860
				\$8,550,739		8,550,739
	4,563,573	1,280,832	1,600,319			7,444,724
	2,868,952					2,868,952
	45,704					45,704
	2,914,656					2,914,656
	100,000					100,000
	16,526,355	464,769				16,991,124
	16,626,355	464,769				17,091,124
	19,541,011	464,769				20,005,780
			5,314,644			609,713
						5,314,644
						326,718
						124,882
						12,529
			5,314,644			6,388,486
634,091			810,759			1,777,851
634,091			6,125,403			8,166,337
634,091	24,104,584	1,745,601	7,725,722	8,550,739		44,167,580
\$1,359,783	\$61,148,775	\$1,830,120	\$7,731,572	\$8,550,739	\$3,346,869	\$85,975,440

CITY OF OCALA, FLORIDA  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 1981

	Governmental		
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>
Revenues:			
Property taxes	\$1,634,002	\$ 37,436	
Other taxes	459,151		
Federal and state revenue sharing	1,173,529		
Other intergovernmental revenues	74,883	390,063	
Parking meters		15,365	
Licenses and permits	177,564	249,312	
Fines and forfeitures	245,796	9,215	
Charges for services	91,251		
Special assessment levies			
Interest income	86,708	17,913	\$ 123,158
Gifts		14,616	
Other	70,850	15,470	
Total revenues	<u>4,013,734</u>	<u>749,390</u>	<u>123,158</u>
Expenditures:			
General government and administration	1,308,029		
Public safety	3,999,582		
Public works	1,613,386		
Culture and recreation	1,109,349	600,184	
Nondepartmental appropriations	21,184		
Capital outlay	1,202,504	78,482	
Housing rehabilitation			
Principal payments	17,700	2,852	2,225,000
Interest and paying agent fees	2,969	1,127	294,975
Other		2,128	48,758
Total expenditures	<u>9,274,703</u>	<u>684,773</u>	<u>2,568,733</u>
Excess (deficiency) of revenues over expenditures	<u>(5,260,969)</u>	<u>64,617</u>	<u>(2,445,575)</u>
Other financing sources (uses):			
Transfers from other funds	5,011,906	230,933	1,691,965
Transfers to other funds	(406,365)	(345,658)	
Total other sources (uses)	<u>4,605,541</u>	<u>(114,725)</u>	<u>1,691,965</u>
Excess (deficiency) of revenues and other sources over expen- ditures and other uses, before extraordinary item	<u>(655,428)</u>	<u>(50,108)</u>	<u>(753,610)</u>
Gain on advance refunding of pollution control bonds (Note 10)			486,048
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(655,428)</u>	<u>(50,108)</u>	<u>(267,562)</u>
Fund balance at beginning of year, as restated (Note 3)	<u>1,330,145</u>	<u>68,338</u>	<u>877,275</u>
Fund balance at end of year	<u>\$ 674,717</u>	<u>\$ 18,230</u>	<u>\$ 609,713</u>

See accompanying notes to financial statements.



Fund Types			
Capital Projects	Special Assessment	Expendable Trust	Total (Memorandum Only)
			\$ 1,671,438
			459,151
\$292,599		\$351,910	1,525,439
			757,545
			15,365
			426,876
			255,011
			91,251
23,922	\$112,614		112,614
	99,254	51,527	402,482
			14,616
	31,469		117,789
<u>316,521</u>	<u>243,337</u>	<u>403,437</u>	<u>5,849,577</u>
26,022			1,334,051
			3,999,582
			1,613,386
			1,709,533
			21,184
367,506	11,371	28,019	1,687,882
120,222			120,222
	36,100		2,245,552
	4,197		335,171
<u>11,035</u>	<u>4,197</u>		<u>66,118</u>
<u>524,785</u>	<u>51,668</u>	<u>28,019</u>	<u>13,132,681</u>
(208,264)	191,669	375,418	(7,283,104)
9,200		19,480	6,963,484
	(250,000)		(1,002,023)
<u>9,200</u>	<u>(250,000)</u>	<u>19,480</u>	<u>5,961,461</u>
(199,064)	(58,331)	394,898	(1,321,643)
			486,048
(199,064)	(58,331)	394,898	(835,595)
303,247	692,422	415,861	3,687,288
<u>\$104,183</u>	<u>\$634,091</u>	<u>\$810,759</u>	<u>\$ 2,851,693</u>

## CITY OF OCALA, FLORIDA

## COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

## ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)

## GENERAL AND SPECIAL REVENUE FUND TYPES

FOR THE YEAR ENDED SEPTEMBER 30, 1981

	General					Special	
	Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	Budget	Favorable (Unfavorable) Variance	Actual	Adjustments to Budgetary Basis
Revenues:							
Property taxes	\$1,634,002		\$1,634,002	\$1,928,678	(\$294,676)	\$ 37,436	
Other taxes	459,151		459,151	461,896	(2,745)		
State revenue sharing	1,173,529		1,173,529	1,269,000	(95,471)		
Other inter-governmental revenues	74,883		74,883	74,883		390,063	
Parking meters						15,365	
Licenses and permits	177,564		177,564	168,000	9,564	249,312	
Fines and forfeitures	245,796		245,796	215,200	30,596	9,215	
Charges for services	91,251		91,251	82,712	8,539		
Interest income	86,708		86,708	102,000	(15,292)	17,913	
Gifts						14,616	
Other	70,850		70,850	64,935	5,915	15,470	
Total revenues	<u>4,013,734</u>		<u>4,013,734</u>	<u>4,367,004</u>	<u>(353,570)</u>	<u>749,390</u>	
Expenditures:							
General government and administration	1,308,029	\$ 418	1,308,447	1,302,691	(5,756)		
Public safety	3,999,582	4,897	4,004,479	3,920,056	(84,423)		
Public works	1,613,386	54,761	1,668,147	1,575,738	(92,409)		
Culture and recreation	1,109,349	1,220	1,110,569	1,092,197	(18,372)	600,184	\$7,195
Nondepartmental appropriations	21,184		21,184	15,970	(5,214)		
Capital outlay	1,202,504	47,950	1,250,454	1,343,457	93,003	78,482	475
Principal payments	17,700		17,700	17,700		2,852	
Interest and paying agent fees	2,969		2,969	2,969		1,127	
Other						2,128	
Total expenditures	<u>9,274,703</u>	<u>109,246</u>	<u>9,383,949</u>	<u>9,270,778</u>	<u>(113,171)</u>	<u>684,773</u>	<u>7,670</u>
Excess (deficiency) of revenues over expenditures	<u>(5,260,969)</u>	<u>(109,246)</u>	<u>(5,370,215)</u>	<u>(4,903,474)</u>	<u>(466,741)</u>	<u>64,617</u>	<u>(7,670)</u>
Other financing sources (uses):							
Operating transfers from other funds	5,011,906		5,011,906	5,011,906		230,933	
Operating transfers to other funds	(406,365)		(406,365)	(407,195)	830	(345,658)	
Total other sources (uses)	<u>4,605,541</u>		<u>4,605,541</u>	<u>4,604,711</u>	<u>830</u>	<u>(114,725)</u>	
Excess (deficiency) of revenues and other sources over expenditures and other uses before fund balance allocation	<u>(655,428)</u>	<u>(109,246)</u>	<u>(764,674)</u>	<u>(298,763)</u>	<u>(465,911)</u>	<u>(50,108)</u>	<u>(7,670)</u>
Fund balance allocation				<u>298,763</u>	<u>(298,763)</u>		
Excess (deficiency) of revenues and other sources over expenditures and other uses after fund balance allocation	<u>(655,428)</u>	<u>(109,246)</u>	<u>(764,674)</u>		<u>(764,674)</u>	<u>(50,108)</u>	<u>(7,670)</u>
Fund balance at beginning of year	<u>1,330,145</u>		<u>1,330,145</u>	<u>1,330,145</u>		<u>68,338</u>	
Fund balance at end of year	<u>\$ 674,717</u>	<u>(\$109,246)</u>	<u>\$ 565,471</u>	<u>\$1,330,145</u>	<u>(\$764,674)</u>	<u>\$ 18,230</u>	<u>(\$7,670)</u>

See accompanying notes to financial statements.

Revenue			Totals (Memorandum Only)				
Actual on a Budgetary Basis	Budget	Favorable (Unfavorable) Variance	Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	Budget	Favorable (Unfavorable) Variance
\$ 37,436	\$ 36,015	\$ 1,421	\$1,671,438		\$1,671,438	\$1,964,693	(\$293,255)
			459,151		459,151	461,896	(2,745)
			1,173,529		1,173,529	1,269,000	(95,471)
390,063	392,261	(2,198)	464,946		464,946	467,144	(2,198)
15,365	15,100	265	15,365		15,365	15,100	265
249,312	248,395	917	426,876		426,876	416,395	10,481
9,215	9,045	170	255,011		255,011	224,245	30,766
			91,251		91,251	82,712	8,539
17,913	15,680	2,233	104,621		104,621	117,680	(13,059)
14,616	2,100	12,516	14,616		14,616	2,100	12,516
15,470	15,205	265	86,320		86,320	80,140	6,180
749,390	733,801	15,589	4,763,124		4,763,124	5,101,105	(337,981)
			1,308,029	\$ 418	1,308,447	1,302,691	(5,756)
			3,999,582	4,897	4,004,479	3,920,056	(84,423)
			1,613,386	54,761	1,668,147	1,575,738	(92,409)
607,379	603,253	(4,126)	1,709,533	8,415	1,717,948	1,695,450	(22,498)
			21,184		21,184	15,970	(5,214)
78,957	73,171	(5,786)	1,280,986	48,425	1,329,411	1,416,628	(87,217)
2,852	2,853	1	20,552		20,552	20,553	1
			4,096		4,096	4,099	3
1,127	1,130	3	2,128		2,128	2,050	(78)
2,128	2,050	(78)					
692,443	632,457	(9,986)	9,959,476	116,916	10,076,392	9,953,235	(123,157)
56,947	51,344	5,603	(5,196,352)	(116,916)	(5,313,268)	(4,852,130)	(461,138)
230,933	230,933		5,242,839		5,242,839	5,242,839	
(345,658)	(345,658)		(752,023)		(752,023)	(752,853)	830
(114,725)	(114,725)		4,490,816		4,490,816	4,489,986	830
(57,778)	(63,381)	5,603	(705,536)	(116,916)	(822,452)	(362,144)	(460,308)
	63,381	(63,381)				362,144	(362,144)
(57,778)		(57,778)	(705,536)	(116,916)	(822,452)		(822,452)
68,338	68,338		1,398,483		1,398,483	1,398,483	
\$ 10,560	\$ 68,338	(\$57,778)	\$ 692,947	(\$116,916)	\$ 576,031	\$1,398,483	(\$822,452)

CITY OF OCALA, FLORIDA  
COMBINED STATEMENT REVENUES AND EXPENSES  
ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 1981

	<u>Proprietary Fund Types</u>		<u>Nonexpendable Consolidated Retirement Trust</u>	<u>Total (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Internal Service</u>		
Operating revenues:				
Sale of electricity	\$34,239,558			\$34,239,558
Sale of water	1,310,481			1,310,481
Sewer and sanitation service charges	2,676,373			2,676,373
Fees and rentals	432,450	\$1,724,066		2,156,516
Commissions	49,419			49,419
City and state contributions			\$538,930	538,930
Other	606,191	6,832		613,023
Total operating revenues	39,314,472	1,730,898	538,930	41,584,300
Operating expenses:				
Purchase of electricity	22,983,784			22,983,784
Distribution	2,464,127			2,464,127
Back-up	1,431,365			1,431,365
Transmission	268,708			268,708
Operation and maintenance	2,725,946			2,725,946
Water and sewer treatment	875,261			875,261
Sewer collection	306,389			306,389
Municipal garage		1,234,106		1,234,106
Data processing, central reproduction and records management		337,037		337,037
Building maintenance		257,274		257,274
Net depreciation in fair value of investments			603,959	603,959
Pension payments			190,250	190,250
Administration	1,216,733		33,212	1,249,945
Depreciation and amortization	2,203,690	39,293		2,242,983
Other	419,061			419,061
Total operating expenses	34,895,064	1,867,710	827,421	37,590,195
Operating income (loss)	4,419,408	(136,812)	(288,491)	3,994,105
Nonoperating revenues (expenses):				
Interest income	1,033,761	99,885	686,902	1,820,548
Interest expense	(1,404,990)	(5,006)	(6,106)	(1,416,102)
Total nonoperating revenues (expenses)	(371,229)	94,879	680,796	404,446
Income (loss) before operating transfers	4,048,179	(41,933)	392,305	4,398,551
Operating transfers:				
From other funds	20,713			20,713
To other funds	(5,982,174)			(5,982,174)
Total operating transfers	(5,961,461)			(5,961,461)
Net income (loss) before cumulative effect of change in accounting principle	(1,913,282)	(41,933)	392,305	(1,562,910)
Cumulative effect of change in accounting principle (Note 3)	651,170	7,380		658,550
Net income (loss)	(\$ 1,262,112)	(\$ 34,553)	\$392,305	(\$ 904,360)

See accompanying notes to financial statements.

BLANK

CITY OF OCALA, FLORIDA  
 COMBINED STATEMENT OF CHANGES IN FUND EQUITY  
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE TRUST FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 1981

	Enterprise Funds			Internal Service Fund		
	Retained Earnings	Contributed Equity	Total	Retained Earnings	Contributed Equity	Total
Fund equity at beginning of year, as previously reported	\$24,451,332	\$3,731,457	\$28,182,789	\$433,239	\$1,280,832	\$1,714,071
Effect of retro- actively applying changes in accounting methods (Note 3)	(3,648,209)		(3,648,209)	66,083		66,083
Fund equity at beginning of year, as restated	20,803,123	3,731,457	24,534,580	499,322	1,280,832	1,780,154
Net income (loss)	(1,262,112)		(1,262,112)	(34,553)		(34,553)
Capital contributions/ contributions from employees		832,116	832,116			
Refunds to employees						
Fund equity at end of year	<u>\$19,541,011</u>	<u>\$4,563,573</u>	<u>\$24,104,584</u>	<u>\$464,769</u>	<u>\$1,280,832</u>	<u>\$1,745,601</u>

See accompanying notes to financial statements.



Nonexpendable Consolidated Retirement Trust Fund			Totals (Memorandum Only)		
Fund Balance	Employee Pension Contributions	Total	Retained Earnings/ Fund Balance	Contributed Equity/ Employee Pension Contributions	Total
\$4,922,339	\$1,409,723	\$6,332,062	\$29,806,910	\$6,422,012	\$36,228,922
_____	_____	_____	(3,582,126)	_____	(3,582,126)
4,922,339 392,305	1,409,723	6,332,062 392,305	26,224,784 (904,360)	6,422,012	32,646,796 (904,360)
_____	273,379 (82,783)	273,379 (82,783)	_____	1,105,495 (82,783)	1,105,495 (82,783)
<u>\$5,314,644</u>	<u>\$1,600,319</u>	<u>\$6,914,963</u>	<u>\$25,320,424</u>	<u>\$7,444,724</u>	<u>\$32,765,148</u>

CITY OF OCALA, FLORIDA  
 COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION  
 ALL PROPRIETARY FUND TYPES AND NONEXPENDABLE  
 TRUST FUND  
 FOR THE YEAR ENDED SEPTEMBER 30, 1981

	Proprietary	
	Enterprise	Internal Service
Financial resources were provided by (used for):-		
Net income (loss) before cumulative effect of change in accounting principle	(\$ 1,913,282)	(\$ 41,933)
Add charges not affecting working capital:		
Depreciation and amortization of property and equipment and issuance costs on long-term debt	2,203,690	39,293
Amortization of bond discount	36,367	
Loss on disposal of property and equipment	114,473	30
Working capital provided by (used for) operations of the period	441,248	(2,610)
Cumulative effect of change in accounting principle	651,170	7,380
Proceeds from issuance of notes payable and revenue bonds	6,629,970	45,895
Employee pension contributions		
Proceeds from sale of property and equipment	17,033	
Capital contributions	832,116	
Total financial resources provided	8,571,537	50,665
Financial resources were used for:		
Decrease in accumulated depreciation resulting from change in accounting principle	651,170	7,380
Refunded employee contributions		
Additions to property and equipment	4,216,795	223,299
Reduction of revenue bonds and notes payable after one year	1,138,620	16,455
Reduction in interfund loans payable after one year	15,000	
(Increase) decrease in liabilities payable from restricted assets	4,059,028	
Increase in restricted assets	1,068,923	
Increase in construction assets	718,772	
Issuance costs on long-term debt	22,137	
Total financial resources used	11,890,445	247,134
Decrease in working capital	(\$ 3,318,908)	(\$196,469)
<u>Analysis of Changes in Components of Working Capital</u>		
Increase (decrease) in current assets:		
Cash and investments	(\$ 39,525)	
Equity in pooled cash and investment fund	(293,399)	(\$ 77,038)
Accounts receivable	(1,433,527)	(371)
Accrued unbilled revenues	(217,191)	
Due from other funds	(133,600)	(170,748)
Inventories	134,190	(1,872)
Other current assets	12,875	
Total decrease in current assets	(1,970,177)	(250,029)
(Increase) decrease in current liabilities:		
Accounts payable	794,629	6,332
Notes payable within one year	(28,620)	50,877
Due to pooled cash and investment fund	(2,101,044)	
Due to other funds	111,046	(3,649)
Customer deposits	(124,742)	
Total (increase) decrease in current liabilities	(1,348,731)	53,560
Decrease in working capital	(\$ 3,318,908)	(\$196,469)

See accompanying notes to financial statements.

Nonexpendable Consolidated Retirement Trust	Total (Memorandum Only)
---	-------------------------------

\$392,305	(\$ 1,562,910)
-----------	----------------

	2,242,980
	36,363
	<u>114,503</u>

<u>392,305</u>	830,943
----------------	---------

	658,550
	6,675,865
273,379	273,379
	17,033
	<u>832,114</u>

<u>665,684</u>	<u>9,287,886</u>
----------------	------------------

	658,550
82,783	82,783
	4,440,094
	1,155,075
	<u>15,000</u>

(5,850)	4,053,178
568,751	1,657,674
	718,772
	<u>22,137</u>

<u>665,684</u>	<u>12,803,263</u>
----------------	-------------------

<u>\$</u>	<u>(\$ 3,515,377)</u>
-----------	-----------------------

\$	(\$ 39,525)
	(370,437)
	(1,433,898)
	(217,191)
	(304,348)
	132,318
	<u>12,875</u>

<u></u>	<u>(2,220,206)</u>
---------	--------------------

	800,961
	22,257
	(2,101,044)
	107,397
	<u>(124,742)</u>

<u></u>	<u>(1,295,171)</u>
---------	--------------------

<u>\$</u>	<u>(\$ 3,515,377)</u>
-----------	-----------------------

CITY OF OCALA, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 1981

NOTE 1 - DESCRIPTION OF FUNDS

The City of Ocala (the "City") operates under a council-manager form of government and provides the following services as authorized by its charter: public safety, public works, public utilities, culture, recreation and community development. Public housing services are provided by the Ocala Housing Authority, a separate governmental entity. Although the City appoints the board of the Ocala Housing Authority, the City does not have the ability to significantly influence its operations and is not accountable for its fiscal matters. Accordingly, the financial statements of the Ocala Housing Authority are not included in this report.

The accounts of the City are organized on the basis of funds and account groups. The operations of each fund are accounted for within a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the accompanying financial statements into eight generic fund types and three broad fund categories: governmental funds, proprietary funds and fiduciary funds.

Homogeneous funds are consolidated for purposes of financial statement presentation. Interfund transactions and balances are eliminated in the consolidation of homogeneous funds. Other funds which are similar by type but not homogeneous are combined. Interfund transactions and balances are not eliminated on funds which are combined rather than consolidated.

GOVERNMENTAL FUNDS

Governmental funds include the general, special revenue, debt service, capital project, and special assessment funds. The measurement focus of governmental funds is determination of financial position and sources and uses of resources rather than net income determination. The funds are maintained on the modified accrual basis of accounting. Generally, only current assets and current liabilities are included on their balance sheets. Their reported fund balance is considered a measure of available spendable resources. The following is a description of the governmental funds of the City:

### General Fund

The general fund is the general operating fund of the City. It is used to account for revenues, general operating expenditures and capital outlay expenditures not specifically required by law or administrative action to be accounted for in another fund.

### Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or administratively restricted to expenditure for specific purposes. Special revenue funds used by the City are:

#### Occupational License

Business license and permit revenues which are pledged as security for the Refunding and Improvement Excise Tax Bonds dated July 1, 1965 and January 1, 1972 are recorded in this fund. Revenues collected are transferred to the appropriate debt service fund as required.

#### Central Florida Regional Library

This fund is used to account for federal, state and county contributions, and general fund subsidies which are restricted for the operation of the regional library.

#### Off-Street Parking

This fund accounts for the proceeds from the City's parking system. Off-street parking revenues are pledged as security for the Improvement Bonds dated July 1, 1966.

#### Downtown Development

This fund accounts for property taxes levied against downtown property owners. These property tax revenues are used for debt service on the Improvement Bonds dated July 1, 1966.

### Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, principal, interest and related costs of the City's general long-term debt not paid from special assessment funds.

### Capital Project Funds

Capital project funds are used to account for resources earmarked for the acquisition and construction of major capital facilities and other project oriented activities other than those financed by proprietary and special assessment funds.

### Special Assessment Fund

The special assessment fund is used to account for financial resources and long-term debt obtained for the financing and construction of public improvements that are to be fully or partially paid for by assessments levied against benefited property owners. It is the policy of the City to levy special assessments subsequent to completion of the related capital improvement projects. Construction costs of the public improvements against which special assessments are levied are primarily budgeted in other funds and are not accounted for within the special assessment fund. Expenditures of the special assessment fund consist primarily of operating transfers to other funds as reimbursements of the costs of capital improvements.

### PROPRIETARY FUNDS

Proprietary funds include enterprise and internal service funds. The measurement focus of proprietary funds is determination of net income, financial position and changes in financial position. The generally accepted accounting principles for proprietary funds are those applicable to businesses in the private sector and thus these funds are maintained on the accrual basis of accounting. Accordingly, all assets and liabilities associated with their activity are included on their balance sheets. Their reported fund equity is segregated into contributed equity and retained earnings components. Proprietary funds used by the City are as follows:

#### Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private businesses where the intent of the governing body is that the costs (including depreciation) of providing certain goods and services to the general public be financed or recovered primarily through user charges or where the governing body has deemed that periodic determination of net income is appropriate for purposes of monitoring capital maintenance, accountability or other purposes.

Enterprise funds used by the City are as follows:

#### Bulk Power Supply Revenue and Electric Revenue Funds

For legal purposes, transactions pertaining to the City-owned portion of Crystal River Nuclear Plant No. 3 (CR-3) are accounted for in a fund (bulk power supply revenue fund) separate from the fund which accounts for the transactions of the City's electric system (electric revenue fund). However, for financial accounting and reporting purposes, these funds are consolidated and all interfund transactions, consisting primarily of sales and related purchases of electricity, are eliminated in consolidation.



On a consolidated basis, the electric and bulk power supply revenue fund is used to account for the construction, operation, and maintenance of the City-owned portion of CR-3 and the City-owned electric system as well as sales of electricity and other services to the general public. Electricity rates charged to customers are set by City Council within the rate structure established by the Florida Public Service Commission.

#### Water and Sewer Fund

This fund accounts for the construction, operation and maintenance of the City-owned water and sewer system.

#### Sanitation Fund

This fund accounts for the operation and maintenance of the City's refuse collection system.

#### Municipal Golf Course Fund

This fund accounts for the construction, operation and maintenance of the City's golf courses.

#### Fort King Tennis Court Fund

This fund accounts for the operation and maintenance of the Fort King tennis courts.

#### Municipal Trailer Park Fund

This fund accounts for the operation and maintenance of the City-owned trailer park.

#### Jim Taylor Airport Fund

This fund accounts for the construction, operation and maintenance of the City's airport which is leased to a fixed-base operator.

#### Internal Service Fund

The internal service fund accounts for the operation of the municipal garage, data processing, central reproduction and building maintenance departments. The revenues of the internal service fund are derived from user fees charged to other City funds.

#### FIDUCIARY FUNDS

Fiduciary funds of the City include expendable and nonexpendable trust funds. Trust funds are used to account for assets held by the City in a trustee capacity. The measurement focus and basis of accounting of the expendable trust fund are the same as governmental funds. The measurement focus and basis of

accounting of the nonexpendable trust fund are similar to proprietary funds. The following fiduciary funds are used by the City:

Expendable Federal Revenue Sharing Trust Fund

Revenues received under the State and Local Fiscal Assistance Act of 1972 (as amended) and related expenditures are accounted for in this fund.

Nonexpendable Consolidated Retirement Trust Fund

This fund accounts for the financial transactions of the City-administered pension plan.

ACCOUNT GROUPS

Fixed assets and long-term liabilities associated with governmental funds are accounted for in the General Fixed Asset and General Long-Term Debt Account Groups. The two account groups are not funds and are concerned only with the measurement of financial position.

General Fixed Asset Account Group

Fixed assets used in governmental fund type operations are accounted for in the General Fixed Asset Account Group. Public domain (infrastructure) general fixed assets consisting of certain improvements other than buildings such as roads, sidewalks and drainage systems are not, however, capitalized as general fixed assets.

General Long-Term Debt Account Group

Long-term liabilities, except for special assessment bonds which are accounted for in the special assessment fund, expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group.

NOTE 2 - SUMMARY OF SIGNIFICANT  
ACCOUNTING POLICIES

The accounting policies of the City conform to generally accepted accounting principles applicable to governments. The following is a summary of the more significant policies and principles used by the City in the preparation of the accompanying financial statements.

Basis of Accounting

The financial statements of proprietary and nonexpendable trust funds are presented on the accrual basis of accounting. Under this method of accounting, revenues are recognized when they are earned

and expenses are recognized when they are incurred. The financial statements of governmental and expendable trust funds are presented on the modified accrual basis of accounting. Under the modified accrual method of accounting, revenues are recognized when they become measurable and available as a resource to finance operations of the current year. Revenues of a material amount not received at the normal time of receipt are also accrued or deferred, as appropriate.

Under the modified accrual basis, expenditures are generally recognized when the related liability is incurred except:

- a. Inventory of governmental and expendable trust funds is recorded as an expenditure when purchased.
- b. Principal and interest on general long-term debt are recognized as expenditures in the debt service funds when due.
- c. Interest income on special assessments receivable and interest expense on related long-term debt are not accrued.
- d. Expenditures are not divided between years by the recording of prepaid expenses.
- e. Accumulated vacation and sick pay are recorded when paid (Note 14).

#### Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve a portion of the applicable budget appropriation, is utilized by the governmental funds of the City. Encumbrances outstanding at year-end are reported as reserves of fund balance of governmental funds since they do not constitute expenditures or liabilities. They are recognized as expenditures in the period in which the actual goods or services are received and a liability is incurred.

#### Total Columns on Combined Statements - Overview

The columns headed "Total (Memorandum Only)" included in the Combined Overview Financial Statements are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles as the bases of accounting varies by fund type. These total columns are not comparable to consolidated financial information. Interfund eliminations have not been made in the aggregation of this data.

### Interfund Payables and Receivables

Interfund payables and receivables are non-interest bearing and generally are liquidated monthly. Interfund advances are liquidated in accordance with the City Council's resolution and may bear interest (Note 8). Noncurrent portions of interfund advances receivable of governmental fund types are presented as a reserve of fund balance as these amounts do not constitute available spendable resources.

### Investments

Investments, except those of the nonexpendable consolidated retirement fund, are stated at cost, which together with the accrued interest receivable approximates market. Investments of the nonexpendable consolidated retirement fund consisting of commercial paper, money market funds, repurchase agreements, stocks and bonds are stated at fair market value based on quoted market prices at the end of the fiscal year.

The City maintains a pooled cash and investment fund which allows the various funds of the City to pool monies for investment purposes. The City maintains appropriate records to identify the equity of each fund investing in the pool as well as amounts borrowed from the pool (Note 5). Investment earnings of the pool are recorded as earned and are allocated to the participating funds based on the respective fund's equity in the pool at the end of each month.

Income from other investments owned by the individual funds is recorded in the respective funds as earned.

### Capital Grants and Contributions

Program and capital grants received by governmental funds are recorded in the applicable governmental fund as receivables and revenues at the time reimbursable costs are incurred and all significant grant restrictions are satisfied. Grant revenues received in advance of meeting all major grant restrictions are deferred. Capital grants for general fixed asset additions prior to October 1, 1977 are recorded in the general fixed asset account group as investments by the governmental fund which expended the grant monies. Capital grants for general fixed asset additions subsequent to September 30, 1977 are recorded in the general fixed asset account group as contributions from federal or state grants.

Capital grants received by proprietary funds are also recorded as receivables when reimbursable project costs are incurred or as deferred credits if the grant money is received in advance of project expenditures. Capital grants and other contributions for fixed asset additions to the proprietary funds prior to October 1, 1977 are recorded as additions to retained earnings. Capital grants and other contributions for fixed asset additions to the proprietary funds subsequent to September 30, 1977 are recorded as

additions to contributed equity. Depreciation on proprietary fund assets purchased with capital grants or other capital contributions is recorded as a reduction of retained earnings.

#### Inventories

Inventories held by the proprietary funds consist primarily of equipment and supplies held for use in capital improvements and are stated at average cost. Obsolete and unusable items have been reduced to estimated salvage values.

#### Property and Equipment

##### Proprietary Funds

Property, plant and equipment of proprietary funds, except for extensions and improvements other than buildings of the electric revenue fund, were recorded in detail fixed asset subsidiary records in 1976. Extensions and improvements other than buildings of the electric revenue fund were recorded in detail fixed asset subsidiary records in 1981 (Note 3). Property and equipment of the proprietary funds are valued at historical cost, if known, or estimated historical cost. The use of estimated historical cost was necessary since the City had not previously fully maintained the appropriate detail property records. The City used appraisals and other estimation techniques (indices) to estimate, where necessary, the original historical cost of the units of property and equipment. Since the development of detail property records, all additions to fixed assets of proprietary funds have been recorded at cost in the detail records with retirements recorded using the established actual or estimated historical cost (net of accumulated depreciation).

Depreciation is provided on all exhaustible fixed assets of proprietary funds on the straight-line method over the following estimated useful lives:

Buildings	30 years
Extensions and improvements other than buildings	30-60 years
Fixtures, vehicles and equipment	5-15 years

An annual depreciation rate of 3.6% is applied to the historical cost of Crystal River Unit No. 3 (CR-3). This annual depreciation rate was approved by the Florida Public Service Commission for use by Florida Power Corporation, the majority owner of the project. The City's share of nuclear fuel, which is included in the CR-3 investment account, is amortized on a unit-of-production method at a rate based on actual BTU's of energy produced.

Additions, improvements and expenditures that significantly extend the useful life of assets held by proprietary funds are capitalized. Other expenditures for repairs and maintenance are charged to operations as incurred.



Interest costs on assets constructed or otherwise produced for use by proprietary funds is capitalized, as appropriate (Note 3).

#### Governmental Funds

General fixed asset additions are recorded as capital outlay in the respective governmental fund and are simultaneously capitalized at cost, if appropriate, in the general fixed asset account group. Unit costs of property and equipment recorded in the general fixed asset account group were initially established in fiscal year 1976 at historical cost or estimated historical cost in a manner similar to fixed assets of proprietary funds. Depreciation is not provided on general fixed assets.

#### Bond Discounts and Issuance Costs

Bond discounts and issuance costs are deferred and amortized over the term of the bonds using the bonds outstanding method (which approximates the interest method).

Bond discounts are presented as a reduction of the face amount of the related bonds payable and issuance costs are recorded as other assets.

#### Annual Budgets

An annual budget is prepared for all governmental, proprietary and fiduciary funds except the special assessment, capital project, debt service and the consolidated retirement funds. The budget amounts presented in the accompanying financial statements for the governmental funds are as originally adopted, or as amended, by the City Council during the year ended September 30, 1981. The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any budget amendments that alter the total expenditures of any fund must be approved by the City Council. Budget appropriations may not be legally exceeded on a fund basis. The budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are treated as expenditures. Budgetary comparisons presented for the governmental funds in the accompanying financial statements are on this non-GAAP budgetary basis. Appropriations lapse at the end of each fiscal year.

#### Accrued Revenues

Revenues of enterprise funds are accrued based on estimated unbilled services provided to the general public at the end of the fiscal year.

#### Property Taxes

Property taxes levied by the City are billed and collected by the County and normally attach as an enforceable lien on property as of January 1. Generally taxes are levied on November 1 and are

payable on or before June 1. During the current year, however, the City did not receive property appraisals from the county tax appraiser at the normal time. Consequently, taxes were not billed until June of 1981 and are payable through November 17, 1981. Property tax revenues are recognized when levied or billed to the extent that they result in current receivables.

The City is permitted under its charter to levy taxes up to \$10 per \$1,000 of assessed valuation for general government services other than the payment of principal and interest on general long-term debt and in unlimited amounts for the payment of principal and interest on long-term debt. Additional taxes assessed for the payment of general long-term debt issues of the City must be approved by the public. The tax rate assessed by the City for the year ended September 30, 1981 was \$3.17 per \$1,000 of assessed property value.

#### Reserves of Retained Earnings and Fund Balance

Reserves of retained earnings on the proprietary funds are created by increases in net assets restricted for debt service and renewal and replacement. These increases result from earnings on restricted assets included in consolidated net income of the proprietary funds and transfers to the restricted accounts. Increases in restricted assets decrease unreserved retained earnings and increase reserved retained earnings. The use of the restricted assets generates a restoration of unreserved retained earnings as debt payments are made and as renewal and replacement expenditure requirements are met.

Fund balances of governmental funds are reserved for assets which have been legally segregated for specific future uses or which are not available for expenditure. Increases to these reserves are created by transfers to restricted accounts, earnings on restricted assets and gifts designated by the donor for a specific use. Fund balances are also reserved for noncurrent portions of interfund loans receivable as these assets are not available spendable resources. In addition, open encumbrances at year-end are reported as reservations of fund balance to reserve that portion of the current year budget appropriation which has not been recognized as an expenditure or a liability.

#### Administrative Fees

Certain administrative expenses are incurred by the City's electric revenue fund on behalf of the water and sewer and sanitation funds. The electric revenue fund charges for these services based on the receiving fund's original budgeted appropriations. The reimbursement for these services is recorded as an operating expense of the water and sewer and sanitation funds and as a reduction of administrative expense of the electric revenue fund.



The City's general fund also incurs certain administrative expenditures on behalf of other funds of the City. The general fund is reimbursed for these expenditures based on actual cost allocations. The amounts reimbursed are recorded as a reduction of expenditures of the general fund. The related reimbursements are recorded as either an operating expense of the proprietary funds or as an expenditure of the governmental funds.

#### NOTE 3 - ACCOUNTING CHANGES

During the year ended September 30, 1981, the City fully adopted the accounting principles required by Statements 1 and 2 of the National Council on Governmental Accounting and other authoritative pronouncements issued by the Financial Accounting Standards Board. A description of the new accounting methods adopted in the accompanying financial statements is set forth below.

##### Special Assessment Fund

The City has accounted for and recognized revenues derived from special assessment levies on the modified accrual basis of accounting for the year ended September 30, 1981. Under this method of accounting, special assessment revenues are recognized in the period in which they become measurable and available as a resource to finance operations of the current year. In prior years, revenues derived from special assessment levies were recognized in the period the special assessments were levied. The financial statements of the special assessment fund for the year ended September 30, 1980 have been restated to retroactively apply the new accounting method. The restatement had the effect of decreasing fund balance of the special assessment fund at September 30, 1980, as previously reported, by \$428,138, from \$1,120,560 to \$692,422. The fund balance, as restated, is presented in the accompanying financial statements. The change in accounting method had the effect of increasing the deficiency of revenues over expenditures and other uses for the year ended September 30, 1980 as previously reported by \$150,500.

##### Electric Revenue Fund

During the year ended September 30, 1981, the City established detail property records for extensions and improvements other than buildings of the electric revenue fund (Note 2). In previous years, detail property records were not maintained for extensions and improvements other than buildings of the electric revenue fund and depreciation expense was provided annually at approximately 3% of the recorded cost of such assets. The financial statements of the electric revenue fund for the year ended September 30, 1980 have been restated to retroactively reflect the net reduction in the recorded cost of extensions and improvements other than buildings resulting from the establishment of the detail property records. The retroactive application had the effect of decreasing net income of the electric revenue fund for 1980 as previously reported by approximately \$8,000.

### Internal Service Fund

The City has recorded the inventory balances of the internal service fund as assets for the year ended September 30, 1981. In prior years, inventories were expensed as purchased. The new method of accounting was established to more closely reflect internal service fund assets and to charge the cost which will benefit future periods against the revenues of the periods benefited. The financial statements of the internal service fund for the year ended September 30, 1980 have been restated to retroactively apply the new accounting method. The change in accounting method had the effect of increasing net income of the internal service fund for the year ended September 30, 1980 as previously reported by \$23,000.

### Proprietary Fund Types

Depreciation of property, plant and equipment for the year ended September 30, 1981 has been computed based on the actual date property, plant and equipment is placed in service. Depreciation of plant, property and equipment in previous years was computed based on a full year of depreciation in the year of acquisition and none in the year of retirement. The new method of depreciation was adopted to more closely charge the cost of assets that benefit future periods against the revenues of the periods benefited and has been applied retroactively to acquisitions of prior years. The change in accounting method had the effect of increasing net income of the enterprise and internal service funds before the cumulative effect of the accounting change for the year ended September 30, 1981 by approximately \$35,000 and \$7,000, respectively. Adjustments of \$651,170 and \$7,380 to apply retroactively the new method of accounting are included in income of the enterprise and internal service funds, respectively, for the year ended September 30, 1981.

During the year ended September 30, 1981, the City capitalized interest costs incurred during the construction of assets for use by proprietary funds as part of the cost of those assets. Interest costs incurred during the construction of proprietary fund assets were expensed in prior years. The new method of accounting for interest costs was adopted to obtain a measure of asset acquisition cost that more closely reflects the total investment in constructed assets of proprietary funds and to charge the cost that relates to the acquisition of assets that benefit future periods against the revenues of the periods benefited. The change in accounting was applied prospectively and had the effect of increasing net income of the enterprise funds for the year ended September 30, 1981 by \$49,725.

### Nonexpendable Consolidated Retirement Trust Fund

During the year ended September 30, 1981, the City changed its actuarial cost method from the frozen initial liability cost method to the entry age normal cost method. The new method of accounting

was adopted to more closely reflect pension costs incurred by the various funds of the City for benefits accruing to employees during the current fiscal year. The change in accounting method was applied prospectively and did not have a material effect on the net income or the excess of revenues over expenditures of the various fund types of the City.

**NOTE 4 - FINANCIAL SEGMENT  
INFORMATION OF ENTERPRISE FUNDS**

Each of the City's enterprise operations is accounted for within a separate fund. Over 95% of the combined assets, revenues, and expenses of the enterprise funds are attributable to utility funds used to account for the transactions of the City's electric and bulk power, water and sewer, and sanitation systems. Other enterprise funds are used to account for the operations of golf, tennis, trailer park and airport facilities provided for the benefit of the general public. Following is a summary of significant financial information of the enterprise funds:

	Electric and Bulk Power Supply Revenue	Water and Sewer	Sanitation	Other	Total
Current assets	\$ 6,235,902	\$ 226,314	\$ 77,879	\$ 83,494	\$ 6,623,589
Current liabilities	9,401,941	462,597	215,290	65,669	10,145,497
Working capital (deficit)	(\$ 3,166,039)	(\$ 236,283)	(\$ 137,411)	\$ 17,825	(\$ 3,521,908)
Property, plant, and equipment:					
Additions	\$ 2,520,443	\$ 1,307,280	\$ 164,863	\$ 224,209	\$ 4,216,795
Deletions	\$ 235,031	\$ 5,619	\$ 6,534	\$ 5,685	\$ 252,869
Total property, plant and equipment	\$20,501,944	\$20,572,730	\$ 404,211	\$1,398,816	\$42,877,701
Restricted assets	\$ 3,017,491	\$ 1,747,375	\$ _____	\$ _____	\$ 4,764,886
Construction assets	\$ 5,035,408	\$ 1,586,921	\$ _____	\$ _____	\$ 6,622,329
Total assets	\$34,994,956	\$24,189,419	\$ 482,090	\$1,482,310	\$61,148,775
Liabilities payable from restricted assets	\$ 1,392,912	\$ 457,298	\$ _____	\$ _____	\$ 1,850,210
Total equity	\$ 8,245,895	\$14,541,638	\$ 3,410	\$1,313,641	\$24,104,584
Total operating revenues	\$34,670,125	\$ 2,465,132	\$1,694,617	\$ 484,598	\$39,314,472
Operating expenses (less depreciation)	28,693,507	1,837,462	1,698,366	462,039	32,691,374
Depreciation and amortization	1,361,325	514,951	157,865	169,549	2,203,690
Operating income (loss)	4,615,293	112,719	(161,614)	(146,990)	4,419,408
Operating transfers from other funds				20,713	20,713
Operating transfers to other funds	(4,585,000)	(1,395,764)		(1,410)	(5,982,174)
Interest income	705,951	312,321		15,489	1,033,761
Interest expense	(899,271)	(495,255)	(4,464)	(6,000)	(1,404,990)
Net loss before cumulative effect of change in accounting principle	(\$ 163,027)	(\$ 1,465,979)	(\$ 166,078)	(\$ 118,198)	(\$ 1,913,282)
Cumulative effect of change in accounting principle (Note 3)	84,582	340,074	85,985	140,529	651,170
Net income (loss)	(\$ 78,445)	(\$ 1,125,905)	(\$ 80,093)	\$ 22,331	(\$ 1,262,112)
Capital contributions	\$ 186,435	\$ 468,294	\$ _____	\$ 177,387	\$ 832,116

Long-term debt and interfund loans payable of individual enterprise funds are presented in Note 9.

# NOTE 5 - POOLED CASH AND INVESTMENTS

Funds not prohibited by bond covenants have pooled their cash balances in order to maximize investment earnings. The assets of the City's pooled cash and investment fund at September 30, 1981 are as follows:

<u>Security</u>	<u>Maturing Through</u>	<u>Interest Rate</u>	<u>Book Value</u>
Repurchase agree- ments	October, 1981	12.48-17.91%	\$ 690,597
Commercial paper	October, 1981	13.76%	4,057,336
U.S. government securities	August, 1986	4.25-8.0%	1,018,558
Accrued interest receivable			91,507
Interfund receivables			5,668,429
Cash			<u>326,160</u>
Total equity of participating funds			<u>\$11,852,587</u>

The concept of the pooled cash and investment fund permits participating funds to borrow cash for current operations from the pooled fund. The amounts invested and borrowed by the various funds of the City are presented as equity in pooled cash and investment fund and as due to pooled cash and investment fund, respectively, in the accompanying financial statements. At September 30, 1981, the total equity of restricted and construction accounts of proprietary and trust funds in the pooled fund was \$9,299,016 as compared to assets of the pooled fund as of that date, exclusive of interfund receivables, of \$6,184,158.

Investments of all governmental and proprietary fund types not participating in the pooled fund as of September 30, 1981 are summarized as follows:

<u>Security</u>	<u>Maturing Through</u>	<u>Interest Rate</u>	<u>Book Value</u>
Repurchase agree- ments	October, 1981	12.48-17.21%	\$ 864,714
Commercial paper	October, 1981	13.76%	919,326
Certificates of deposit	December, 1982	6.5%	<u>575,000</u>
			<u>\$2,359,040</u>

The market value of investments of the nonexpendable consolidated retirement fund at September 30, 1981 is as follows: common stock - \$2,734,531; bonds - \$1,903,547; and repurchase agreements, money market funds and commercial paper - \$2,108,572.



#### NOTE 6 - PENSION PLAN

The City maintains a defined benefit contributory pension plan covering full-time firemen, policemen and all other general employees of the City. The City accounts for the pension plan on the accrual basis in a nonexpendable trust fund. It is the City's policy to fully fund pension costs determined by an actuarial valuation performed as of the beginning of each fiscal year. The actuarial cost method was changed during the current year (Note 3) as well as actuarial assumptions concerning employee termination rates, future salary increases and the investment earnings rate. As a result of the change in the cost method and changes in assumptions, a new unfunded accrued liability for unfunded prior service costs was established. The new unfunded accrued liability is being amortized over a 30-year period. In previous years, the unfunded accrued liability was amortized over a 40-year period. In combination, these changes had the effect of decreasing the City's contribution rate, which includes a provision for amortization of prior service costs, as a percentage of employees' compensation from 4.9% in 1980 to 4.35% in 1981. The changes did not have a material effect on the net income or excess of revenues over expenditures of the various fund types of the City.

Funding to the pension trust based on the constant percentage of employees' compensation during the year has resulted in current year funding in excess of the minimum amount recommended in the actuarial valuation. Current year contributions expended or expensed by fund groups are as follows:

#### Contributory Fund

General	\$222,606
Special revenue	11,359
Capital projects	2,627
Enterprise	138,192
Internal service	21,621
	<u>\$396,405</u>

The City's contributions to the pension trust are based upon an actuarial valuation as of October 1, 1980, the most recent date for which accrued benefit information is available. As of October 1, 1980, the actuarial present value of vested and non-vested accumulated plan benefits was \$4,754,884 and \$131,810, respectively. The rate of return used to determine these actuarial present values was 7%. The net assets of the pension trust available for providing benefits as of October 1, 1980 was \$6,332,062 which exceeded the actuarial present value of vested plan benefits as of that date by \$1,577,178.

#### NOTE 7 - PROPERTY AND EQUIPMENT

Property and equipment of the proprietary fund types at September 30, 1981 is summarized as follows:

	Enterprise Funds	Internal Service Fund
Buildings	\$ 847,063	\$ 48,237
Extensions and improvements other than buildings	42,654,342	
Crystal River Unit No. 3	8,514,762	
Fixtures, vehicles and equipment	2,634,979	459,320
	54,651,146	507,557
<u>Less - accumulated depreciation</u>	<u>17,084,831</u>	<u>195,168</u>
	37,566,315	312,389
Land	815,793	285,304
Construction in progress	4,495,593	139,613
	<u>\$42,877,701</u>	<u>\$737,306</u>

The cost of Crystal River Unit No. 3 (CR-3) represents the City's 1.333% share of the ownership of a nuclear power generating plant (bulk power supply system) acquired through a participation agreement with Florida Power Corporation (FPC). Under the participation agreement, FPC is acting as agent for the City in the maintenance and operation of the plant. The City is committed to pay its ownership share of the operational costs of the plant as well as capital improvements and nuclear fuel procurements. For its investment, the City receives the ratio of its percentage ownership in the net energy output of the CR-3 plant.

In 1976, the City Council adopted resolution 76-44 which authorized the construction of the Utility Public Works Complex which will house the operations of the electric, water and sewer and other public works activities of the City. The cost of the Complex has been partially financed by contributions from various City funds and is being accounted for within the internal service fund since operations of the Complex will be funded by user charges to the respective funds utilizing the Complex. At September 30, 1981, construction of the Complex had not commenced; however, land had been purchased for the site of the Complex and architectural and engineering costs had been incurred for its planning and design. It is anticipated that capital improvement bonds will be issued to further finance the construction of the Complex (Note 15).

The following is a summary of the changes in the City's general fixed assets for the year ended September 30, 1981:

	Balance at October 1, 1980	Additions	Retire- ments	Balance at September 30, 1981
Property, plant and equipment:				
Land	\$2,672,858	\$203,232		\$2,876,090
Buildings	2,940,810	128,907		3,069,717
Equipment, furniture and fixtures	2,234,983	413,718	(\$43,769)	2,604,932
	<u>\$7,848,651</u>	<u>\$745,857</u>	<u>(\$43,769)</u>	<u>\$8,550,739</u>
Net investment in general fixed assets:-				
Investment in property acquired prior to September 30, 1975	\$5,614,770		(\$14,834)	\$5,599,936
Investment in property acquired after September 30, 1975:				
Capital project funds - bonds	263,194	\$ 94,019		357,213
General fund	830,975	547,783		1,378,758
Special revenue funds	193,228	76,036	(523)	268,741
Trust funds - federal entitle- ments	521,004	28,019	(28,412)	520,611
Special assessment fund	35,170			35,170
Federal and state grants	390,310			390,310
	<u>\$7,848,651</u>	<u>\$745,857</u>	<u>(\$43,769)</u>	<u>\$8,550,739</u>

#### NOTE 8 - INTERFUND ADVANCES

##### Enterprise Funds

On July 18, 1978, the City Council authorized a loan of \$118,000 from the general fund to the municipal golf course fund. This loan was later increased to \$148,000 under a resolution dated January 2, 1979. As of September 30, 1981, \$30,000 of this loan had been repaid leaving an outstanding balance of \$118,000. The current portion of this advance of \$15,000 is based upon the fiscal year 1982 budget adopted by the City Council. Interfund interest recognized on the loan in fiscal year 1981 is \$6,000.



On August 15, 1980, the City Council authorized a \$200,000 loan from the general fund to the sanitation fund. This loan is non-interest bearing and there are no current provisions for repayment.

### Special Revenue Funds

The City Council authorized a 13% interest-bearing loan of \$47,437 to the regional library fund on August 11, 1981. The loan is to be repaid in two annual instalments of \$23,719 and \$23,718 in fiscal years 1982 and 1983, respectively.

## NOTE 9 - PROPRIETARY FUNDS

### LONG-TERM DEBT

### Enterprise Funds

Following is a maturity schedule of outstanding debt of the enterprise funds:

Fiscal Year Ended September 30,	Electric Revenue Bonds	Bulk Power Revenue Supply Bonds	Water and Sewer Revenue Bonds	Water and Sewer Bonds Anticipation Notes	Sanitation Equipment Note	Total Principal Due
1982	\$ 850,000		\$ 260,000		\$28,620	\$ 1,138,620
1983	885,000		270,000	\$6,600,000	30,623	7,785,623
1984	925,000		280,000		32,767	1,237,767
1985	965,000		290,000			1,255,000
1986	1,010,000		305,000			1,315,000
1987 - 2006	1,185,000	\$11,180,000	1,035,000			13,400,000
Total long-term debt	5,820,000	11,180,000	2,440,000	6,600,000	92,010	26,132,010
Less - current portion	850,000		260,000		28,620	1,138,620
Less - unamortized discount	47,851	147,941		52,114		247,906
Total long-term portion	\$4,922,149	\$11,032,059	\$2,180,000	\$6,547,886	\$63,390	\$24,745,484
Interest rate	3.3 - 4.9%	4.6 - 5.75%	5.9 - 6.0%	9.75%	7.0%	

The electric revenue, bulk power revenue and water and sewer revenue bonds are each secured by the net operating revenues of the respective fund. The City is in compliance with all significant limitations and restrictions contained in the various bond indentures, with the exception of a rate covenant pertaining to the water and sewer revenue bonds.

The water and sewer revenue bond covenants require that the excess of water and sewer operating revenues over operating expenses, exclusive of depreciation, must be sufficient to meet 125% of the highest debt service requirement secured by the net revenues of the system in any succeeding year plus system renewal and replacement requirements equal to 5% of the gross revenues of the preceding year. In 1981, water and sewer revenues were below

the required amount by \$800,357 or 32.5%. The deficiency is related to the issuance of the water and sewer revenue bonds, series 1979-2 anticipation notes discussed below. The City has contracted an outside firm to perform a water and sewer rate study in compliance with indentures of the series 1979-2 anticipation notes. As an interim measure pending completion of the study, City Council has authorized a temporary rate increase effective in fiscal year 1982.

The water and sewer revenue bonds, series 1979-2 anticipation notes were issued on June 25, 1981 and are payable in full on July 1, 1983. The principal portion of the anticipation notes is secured by the unissued \$6,900,000 1979 water and sewer revenue bonds authorized by the City Council and the unlevied 31,000 series special assessments. It is expected that the 31,000 series special assessments will be levied against benefited property owners for approximately \$1,400,000 once certain capital improvement projects are completed. The interest due under the terms of the notes is secured by the net revenues of the City's water and sewer system. The \$6,600,000 in proceeds from the series 1979-2 anticipation notes were used to redeem the series 1979-1 anticipation notes which matured on June 30, 1981, to assist in the advance refunding of the pollution control bonds, series C (Note 9), and to further finance water and sewer system expansions.

Following is a schedule of debt service requirements to maturity for all outstanding debt of the City's enterprise funds as of September 30, 1981:

Fiscal Year	Electric Revenue Bonds	Bulk Power Supply Revenue Bonds	Water and Sewer Revenue Bonds	Water and Sewer Bond Anticipation Notes	Sanitation Equipment Note	Total Principal and Interest Due
1982	\$1,078,452	\$ 609,528	\$ 402,500	\$ 643,500	\$ 33,672	\$ 2,767,652
1983	1,075,397	609,528	396,750	7,082,625	33,574	9,197,874
1984	1,074,235	609,528	390,400		33,471	2,107,634
1985	1,069,845	609,528	383,450			2,062,823
1986	1,067,375	609,528	380,825			2,057,728
1987	714,255	948,197	382,225			2,044,677
1988	495,000	936,278	382,334			1,813,612
1989		918,998	381,151			1,300,149
1990		920,378				920,378
1991		915,627				915,627
1992		914,463				914,463
1993		911,843				911,843
1994		912,463				912,463
1995		911,272				911,272
1996		913,205				913,205
1997		908,505				908,505
1998		906,870				906,870
1999		907,990				907,990
2000		906,830				906,830
2001		903,692				903,692
2002		902,938				902,938
2003		895,188				895,188
2004		894,475				894,475
2005		891,175				891,175
2006		890,000				890,000
	<u>\$6,574,559</u>	<u>\$21,258,027</u>	<u>\$3,099,635</u>	<u>\$7,726,125</u>	<u>\$100,717</u>	<u>\$38,759,063</u>

### Internal Service Fund

On September 16, 1980, the City Council adopted resolution 80-108 authorizing the City to enter into a secured capital lease obligation for the purchase of copying equipment. The lease obligation payable bears interest at 7.5% and is payable as follows:

<u>Fiscal Year</u>	<u>Principal Due</u>	<u>Principal and Interest Due</u>
1982	\$ 8,434	\$10,988
1983	9,088	10,988
1984	9,794	10,988
1985	10,558	10,988
	<u>\$37,874</u>	<u>\$43,952</u>

### NOTE 10 - GENERAL LONG-TERM DEBT

The following is a summary of changes in the City's general long-term debt for the year ended September 30, 1981:

	<u>Balance at October 1, 1980</u>	<u>General Long-Term Debt Retired</u>	<u>Debt Service Funds Operations</u>	<u>Balance at September 30, 1981</u>
Amount available in debt service funds	\$ 877,275		(\$267,562)	\$ 609,713
Amount to be provided:				
Serial bonds	4,645,725	(\$2,225,000)	267,562	2,688,287
Notes payable	53,100	(17,700)		35,400
Capital lease obligation	16,320	(2,851)		13,469
	<u>4,715,145</u>	<u>(2,245,551)</u>	<u>267,562</u>	<u>2,737,156</u>
Total amount available and to be provided	<u>\$5,592,420</u>	<u>(\$2,245,551)</u>	<u>\$</u>	<u>\$3,346,869</u>
General obligation debt payable:				
Serial bonds	\$5,523,000	(\$2,225,000)		\$3,298,000
Notes payable	53,100	(17,700)		35,400
Capital lease obligation	16,320	(2,851)		13,469
Total general obligation debt payable	<u>\$5,592,420</u>	<u>(\$2,245,551)</u>	<u></u>	<u>\$3,346,869</u>

General long-term debt matures as follows:

Fiscal Year Ended September 30,	Refunding and Improvement Excise Tax Bonds		Improvement Bonds	Unsecured Bank Notes	Capitalized Lease (Note 14)	Total Principal Due
	Dated July 1, 1965	Dated January 1, 1972				
1982	\$180,000	\$ 40,000	\$36,000	\$17,700	\$ 3,073	\$ 276,773
1983	185,000	45,000	37,000	17,700	3,312	288,012
1984	195,000	45,000			3,569	243,569
1985	200,000	50,000			3,515	253,515
1986	210,000	55,000				265,000
1987-1993		2,020,000				2,020,000
	<u>\$970,000</u>	<u>\$2,255,000</u>	<u>\$73,000</u>	<u>\$35,400</u>	<u>\$13,469</u>	<u>\$3,346,869</u>
Interest rate	<u>4.25-4.45%</u>	<u>4.0-6.5%</u>	<u>4.7 - 4.875%</u>	<u>5.5 - 5.75%</u>	<u>7.5%</u>	

Refunding and Improvement  
Excise Tax Bonds

The refunding and improvement excise tax bonds were issued to finance various municipal improvements including a public works complex, arterial street improvements, city building renovations, and a downtown parking garage. Occupational license taxes and cigarette taxes are pledged to secure this issue. In accordance with bond indentures, the City has established debt service and reserve funds which are consolidated in the accompanying financial statements.

Improvement Bonds

The improvement bonds, dated July 1, 1966, were issued to finance the acquisition of land and construction of off-street parking facilities. Off-street parking and cigarette tax revenues are pledged to secure this issue and, therefore, these bonds are subordinate to the refunding and improvement excise tax bonds described above. The debt service sinking and reserve funds established in compliance with bond indenture provisions are consolidated in the accompanying financial statements.

Pollution Control Bonds, Series C

In 1981, the City entered into an advance refunding transaction under the full cash defeasance method to retire the pollution control bonds, series C. The purpose of the advance refunding was to eliminate restrictions associated with state revenue sharing entitlements which were pledged to secure the debt and to consolidate all debt associated with the City's water and sewer system. State revenue sharing entitlements, sewer availability charges, and certain special assessment revenues had been pledged to secure the bonds. A portion of the proceeds of the water and sewer revenue bonds, series 1979-2 anticipation notes (Note 9) and the cash and investments in the debt service funds of the refunded issue totaling approximately \$1,558,000 were deposited in an irrevocable escrow account and invested in

U.S. Government Treasury obligations which, together with the interest earned thereon, will provide amounts sufficient for future payment of all principal and interest on the pollution control bonds. In accordance with the irrevocable escrow arrangement, the refunded bonds will be payable under their original debt service schedule extending to the year 1998. The refunded pollution control bonds are not included in the City's outstanding general long-term debt since the City has legally satisfied its obligation with respect thereto through the advance refunding transaction. As a result of the transaction, the City recorded an extraordinary gain in the combined debt service funds of \$486,048 representing primarily the difference between the principal of the refunded bonds outstanding prior to refunding and the cash and investments transferred to the irrevocable escrow account.

Debt service requirements to maturity for all outstanding general long-term debt are as follows:

Fiscal Year Ended September 30,	Refunding and Improvement Excise Tax Bonds			Unsecured Bank Notes	Capitalized Lease	Total Principal and Interest Due
	Dated July 1, 1965	Dated January 1, 1972	Improvement Bonds			
1982	\$ 223,165	\$ 155,255	\$39,431	\$19,680	\$ 3,979	\$ 441,510
1983	220,155	158,095	38,739	18,690	3,979	439,658
1984	221,923	155,800			3,979	381,702
1985	218,245	158,505			3,647	380,397
1986	219,345	160,955				380,300
1987		378,150				378,150
1988		374,125				374,125
1989		374,590				374,590
1990		373,990				373,990
1991		366,980				366,980
1992		355,030				355,030
1993		197,600				197,600
	<u>\$1,102,833</u>	<u>\$3,209,075</u>	<u>\$78,170</u>	<u>\$38,370</u>	<u>\$15,584</u>	<u>\$4,444,032</u>

#### NOTE 11 - SPECIAL ASSESSMENT DEBT

Special assessment long-term debt matures as follows:

Fiscal Year Ended September 30,	Street Improvement Bonds			Total Principal Due
	February 1, 1975		July 1, 1978	
	Series 13,000- 17,000	Series 24,000	Series 26,000 & 27,000	
1982				
1983		\$ 50,000		\$ 50,000
1984			\$100,000	100,000
1985				
1986				
1987-89	\$200,000	60,000		260,000
	<u>\$200,000</u>	<u>\$110,000</u>	<u>\$100,000</u>	<u>\$410,000</u>
Interest rate	<u>6.5%</u>	<u>6.0%</u>	<u>6.75%</u>	



Each of these issues is secured by and payable solely from the special assessment series indicated above. City Council authorized by resolution the issuance of \$280,000 in bonds for the 26,000 and 27,000 series special assessments; however, only \$100,000 in bonds have been issued.

Debt service requirements of special assessment debt through maturity as of September 30, 1981 follows:

Street Improvement Bonds				
Fiscal Year Ended September 30,	February 1, 1975	July 1, 1978		Total Principal and Interest Due
	Series 13,000- 17,000	Series 24,000	Series 26,000 & 27,000	
1982	\$ 13,000	\$ 6,600	\$ 6,750	\$ 26,350
1983	13,000	56,600	6,750	76,350
1984	13,000	3,600	106,750	123,350
1985	13,000	3,600		16,600
1986	13,000	3,600		16,600
1987	213,000	3,600		216,600
1988		3,600		3,600
1989		63,600		63,600
	<u>\$278,000</u>	<u>\$144,800</u>	<u>\$120,250</u>	<u>\$543,050</u>

#### NOTE 12 - ELECTRIC RATE REFUND

During 1981, the City received an electric rate refund of \$1,190,487 from Florida Power Corporation. The refund was recorded as a reduction of operating expenses of the electric and bulk power supply revenue fund. The refund was also recorded as a reduction of operating revenues since the refund is being distributed to customers of the electric and bulk power system. As of September 30, 1981, \$106,364 of the refund had not yet been distributed to the customers and is presented in the accompanying financial statements as a restricted asset and as a payable of the enterprise funds.

#### NOTE 13 - OPERATING DEFICITS

Following is a summary of net losses of individual proprietary funds and deficiencies of revenues and other sources over expenditures and other uses of individual governmental funds for the year ended September 30, 1981 which are included in the accompanying combined financial statements:

<u>Proprietary Funds</u>	<u>Net Loss</u>
Enterprise Funds -	
Electric and Bulk Power	
Supply Revenue	\$ 78,445
Water and Sewer	1,125,905
Sanitation	80,093
Jim Taylor Airport	17,565
Internal Service Fund	34,553
<u>Governmental Funds</u>	<u>Deficiency</u>
General Fund	\$655,428
Special Revenue Funds-	
Occupational License	27,979
Central Florida Regional	
Library	24,617
Off-Street Parking	3,135
Debt Service Funds-	
Pollution Control Bonds	337,187
Capital Project Funds-	
1972 Municipal Improvement	
Construction	198,279
CDBG Construction	785
Special Assessment Fund	58,331

Furthermore, actual expenditures on a budgetary basis of certain individual governmental funds exceeded budgeted appropriations approved by City Council by the following amounts:

General Fund	\$113,171
Special Revenue Funds:	
Off-Street Parking	79
Central Florida Regional Library	9,908

Following is a summary of fund balance or retained earnings deficits as of September 30, 1981 of individual funds included in the accompanying combined financial statements:

	<u>Deficit</u>
Special Revenue Funds:	
Central Florida Regional	
Library	\$80,645
Off-Street Parking	6,433

#### NOTE 14 - COMMITMENTS AND CONTINGENT LIABILITIES

##### Employee Benefits

City employees are entitled to accrue a maximum of 90 days sick leave and 12 days vacation. If the individual leaves the employ of the City, he or she is entitled to be paid for unused vacation, but not for unused sick leave. Unused sick leave (not to exceed 90



days) is paid only at normal retirement based on a percentage ranging from 25% to 50% depending on years of service. Expenditures or expenses for vacation and sick leave are recorded at the time benefits are paid. At September 30, 1981, accumulated sick leave and vacation for each fund type is as follows:

	<u>Sick Leave</u>	<u>Vacation</u>
General	\$ 753,970	\$156,828
Special Revenue	42,121	8,284
Capital Project	2,798	1,029
Enterprise	549,791	109,591
Internal Service	61,739	16,005
Combined total	<u>\$1,410,419</u>	<u>\$291,737</u>

#### Capital Leases

During the year ended September 30, 1980, the City entered into a lease-purchase agreement for copying machines for the regional library. The lease expires in five years at which time the equipment becomes the property of the City. Fair market value of the equipment at the date of the lease agreement was \$16,548. The cost of this equipment has been capitalized as equipment in the general fixed asset account group. Consistent with other general fixed assets of the City, depreciation will not be taken on this equipment. A schedule of future minimum lease payments is presented in Note 10. Total interest expenditures to be incurred over the life of the lease are approximately \$3,300.

During the year ended September 30, 1981, the City entered into a non-cancellable capitalized lease for certain copying equipment. The cost of the equipment (\$45,895) and the related liability are recorded in the internal service fund. A schedule of future minimum lease payments is presented in Note 9. Total interest expense to be incurred over the life of the lease is approximately \$9,200.

#### Grants

The City receives significant financial assistance from federal agencies primarily in the form of capital grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Disallowed claims, if any, resulting from such audits may become liabilities of the City. However, in the opinion of management, disallowed claims will not have a material effect on the City's financial statements.

#### Litigation

The City is a defendant in a class action suit in which the plaintiffs have charged the City with racial discrimination in supplying municipal services to certain disadvantaged areas of the City.

In the event of an adverse outcome against the City on all points in this case, the City could incur a liability (a repayment of federal revenue sharing entitlements) in excess of \$2,800,000 in addition to substantial court costs and legal fees; however, in the opinion of the City attorney, the possibility of such an outcome is slight. Related to this case, the same plaintiffs have filed suit against the Office of Revenue Sharing seeking to have revenue sharing funds either refunded, suspended, terminated or escrowed.

In the opinion of the City attorney, there are no other potential liabilities resulting from pending or threatened litigation or claims.

#### Other Commitments

Outstanding commitments of governmental funds are presented in the accompanying combined financial statements as reserves of fund balance. The outstanding commitments of the internal service and enterprise funds for goods or services not received as of September 30, 1981 were \$3,950 and \$774,452, respectively. These commitments are evidenced by signed purchase orders and contracts which were entered into prior to September 30, 1981.

#### NOTE 15 - SUBSEQUENT EVENTS

On October 6, 1981, the City Council authorized the issuance of \$12,500,000 Capital Improvement Revenue Bonds to be issued in the name of the City. The proceeds of the bonds are to be used for the construction of the utility public works complex and for certain road improvements. It is expected that the City will enter into an interlocal agreement with Marion County, Florida prior to issuance of the bonds and that non-ad valorem revenues of Marion County will be pledged to secure the principal and related interest payments on the amount of the bond proceeds allocated to the road improvement projects. The bond principal and related interest costs applicable to the bond proceeds to be used to finance construction of the utility public works complex will be payable from and secured by a lien upon and pledge of non-ad valorem revenues of the City.

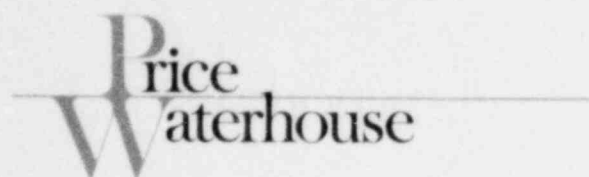
On October 27, 1981, the City Council finalized a resolution authorizing the issuance of Industrial Development Revenue Bonds at an amount not to exceed \$2,500,000. The proceeds of the bonds are to be used by an independent real estate developer for the construction of a commercial project within an area of the City designated as blighted. The bonds will not represent debt or an obligation of the City and are secured solely from the gross revenues of the completed project. The completed project and all revenues derived therefrom, subsequent to the payment of all debt service requirements, will belong exclusively to the developer.

BLANK

SECTION II - INDIVIDUAL FUND AND COMBINING  
FINANCIAL STATEMENTS BY FUND TYPE

The following financial statements presented as additional data provide a more detailed view of the combined financial statements presented in the preceding section.

Combining statements are presented when there are more than one fund of a given fund type.



1510 SOUTHEAST NATIONAL BANK BUILDING  
P.O. BOX 2588  
ORLANDO, FL 32801  
305 841-7901

January 20, 1982

Honorable City Council  
City of Ocala, Florida

In our opinion, the accompanying individual fund and combining financial statements and schedule, as listed in Sections II and III of the table of contents, are fairly stated in all material respects in relation to the combined financial statements, taken as a whole, of the City of Ocala, Florida as of and for the year ended September 30, 1981 which are covered by our report dated January 20, 1982 presented in the first section of this document. Our examination was made for the purpose of forming an opinion on the combined financial statements taken as a whole. This information is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information has been subjected to the auditing procedures applied in the examination of the combined financial statements.

*Price Waterhouse*

Certified Public Accountants

BLANK

CITY OF OCALA, FLORIDA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 1981

	<u>Occupational License</u>	<u>Central Florida Regional Library</u>
<u>Assets</u>		
Cash and investments	\$124,638	\$ 865
Equity in pooled cash and investment fund		
Accounts receivable		37
Accrued interest receivable	745	
Restricted assets:		
Cash		12,514
Accounts receivable		15
Total assets	<u>\$125,383</u>	<u>\$ 13,431</u>
<u>Liabilities and Fund Balance</u>		
Interfund loans payable		\$ 47,437
Accounts payable		14,460
Due to other funds		1,912
Due to pooled cash and investment fund		30,267
Deferred revenue	\$109,027	
Total liabilities	<u>109,027</u>	<u>94,076</u>
Fund balance (deficit):		
Reserved for encumbrances		7,670
Reserved for restricted assets		12,529
Total reserved fund balance		20,199
Unreserved	<u>16,356</u>	<u>(100,844)</u>
Total fund balance (deficit)	<u>16,356</u>	<u>(80,645)</u>
Total liabilities and fund balance	<u>\$125,383</u>	<u>\$ 13,431</u>



<u>Off-Street Parking</u>	<u>Downtown Development</u>	<u>Total</u>
		\$125,503
\$ 678	\$88,917 35	88,917 750 745
		12,514 15
<u>\$ 678</u>	<u>\$88,952</u>	<u>\$228,444</u>
\$ 94		\$ 47,437 14,554 1,912
7,017		37,284 109,027
<u>7,111</u>	<u>          </u>	<u>210,214</u>
		7,670
<u>          </u>	<u>          </u>	<u>12,529</u>
		20,199
<u>(6,433)</u>	<u>\$88,952</u>	<u>(1,969)</u>
<u>(6,433)</u>	<u>88,952</u>	<u>18,230</u>
<u>\$ 678</u>	<u>\$88,952</u>	<u>\$228,444</u>

## CITY OF OCALA, FLORIDA

## SPECIAL REVENUE FUNDS

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND

## CHANGES IN FUND BALANCE - ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED SEPTEMBER 30, 1981

	Actual				
	Occupational License	Central Florida Regional Library	Off-Street Parking	Downtown Development	Total
Revenues:					
Intergovernmental revenues		\$390,063			\$390,063
Parking meters			\$15,365		15,365
Licenses and permits	\$249,312				249,312
Property taxes				\$37,436	37,436
Fines and forfeitures		9,215			9,215
Gifts		14,616			14,616
Interest income	10,884			7,029	17,913
Other income	460	15,005	5		15,470
Total revenues	260,656	428,899	15,370	44,465	749,390
Expenditures:					
Culture and recreation		600,184			600,184
Principal payments		2,852			2,852
Interest and paying agent fees		1,127			1,127
Capital outlay		76,036		2,446	78,482
Other expenditures			505	1,623	2,128
Total expenditures		680,199	505	4,069	684,773
Excess (deficiency) of revenues over expenditures	260,656	(251,300)	14,865	40,396	64,617
Other financing sources (uses)					
Transfers from other funds		226,683		4,250	230,933
Transfers to other funds	(288,635)		(18,000)	(39,023)	(345,658)
Total other sources (uses)	(288,635)	226,683	(18,000)	(34,773)	(114,725)
Excess (deficiency) of revenues and other sources over expenditures and other uses before fund balance allocation	(27,979)	(24,617)	(3,135)	5,623	(50,108)
Fund balance allocation					
Excess (deficiency) of revenues and other sources over expenditures and other uses	(27,979)	(24,617)	(3,135)	5,623	(50,108)
Fund balance (deficit) at beginning of year	44,335	(56,028)	(3,298)	83,329	68,338
Fund balance (deficit) at end of year	\$ 16,356	(\$ 80,645)	(\$ 6,433)	\$88,952	\$ 18,230

Adjustments to Budgetary Basis (Central Florida Regional Library)	Budget						Favorable (Unfavorable) Variance
	Total Actual on a Budgetary Basis	Occupational License	Central Florida Regional Library	Off-Street Parking	Downtown Development	Total	
	\$390,063		\$392,261			\$392,261	(\$ 2,198)
	15,365			\$15,100		15,100	265
	249,312	\$248,395				248,395	917
	37,436				\$36,015	36,015	1,421
	9,215		9,045			9,045	170
	14,616		2,100			2,100	12,516
	17,913	10,000			5,680	15,680	2,233
	15,470	409	14,790	6		15,205	265
	<u>749,390</u>	<u>258,804</u>	<u>418,196</u>	<u>15,106</u>	<u>41,695</u>	<u>733,801</u>	<u>15,589</u>
\$7,195	607,379		603,253			603,253	(4,126)
	2,852		2,853			2,853	1
	1,127		1,130			1,130	3
475	78,957		70,725		2,446	73,171	(5,786)
	2,128			426	1,624	2,050	(78)
<u>7,670</u>	<u>692,443</u>		<u>677,961</u>	<u>426</u>	<u>4,070</u>	<u>682,457</u>	<u>(9,986)</u>
(7,670)	56,947	258,804	(259,765)	14,680	37,625	51,344	5,603
	230,933		226,683		4,250	230,933	
	(345,658)	(288,635)		(18,000)	(39,023)	(345,658)	
	(114,725)	(288,635)	226,683	(18,000)	(34,773)	(114,725)	
(7,670)	(57,778)	(29,831)	(33,082)	(3,320)	2,852	(63,381)	5,603
		29,831	33,082	3,320	(2,852)	63,381	(63,381)
(7,670)	(57,778)						(57,778)
	68,338	44,335	(56,028)	(3,298)	83,329	68,338	
<u>(\$7,670)</u>	<u>\$ 10,560</u>	<u>\$ 44,335</u>	<u>(\$ 56,028)</u>	<u>(\$ 3,298)</u>	<u>\$83,329</u>	<u>\$ 68,338</u>	<u>(\$57,778)</u>

CITY OF OCALA, FLORIDA  
OCCUPATIONAL LICENSE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED SEPTEMBER 30, 1981

	<u>Actual and Actual on a Budgetary Basis</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>
Revenues:			
Licenses and permits	\$249,312	\$248,395	\$ 917
Interest income	10,884	10,000	884
Other income	460	409	51
Total revenues	<u>260,656</u>	<u>258,804</u>	<u>1,852</u>
Expenditures	<u>          </u>	<u>          </u>	<u>          </u>
Excess of revenues over expenditures	<u>260,656</u>	<u>258,804</u>	<u>1,852</u>
Other financing uses-			
Transfers to other funds	<u>(288,635)</u>	<u>(288,635)</u>	<u>          </u>
Deficiency of revenues over expenditures and other uses before fund balance allocation	<u>(27,979)</u>	<u>(29,831)</u>	<u>1,852</u>
Fund balance allocation	<u>          </u>	<u>29,831</u>	<u>(29,831)</u>
Deficiency of revenues over expenditures and other uses	<u>(27,979)</u>	<u>          </u>	<u>(27,979)</u>
Fund balance at beginning of year	<u>44,335</u>	<u>44,335</u>	<u>          </u>
Fund balance at end of year	<u>\$ 16,356</u>	<u>\$ 44,335</u>	<u>(\$27,979)</u>

CITY OF OCALA, FLORIDA  
CENTRAL FLORIDA REGIONAL LIBRARY FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND DEFICIT - ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED SEPTEMBER 30, 1981

	Actual	Adjustments to Budgetary Basis	Actual on a Budgetary Basis	Budget	Favorable (Unfavorable) Variance
Revenues:					
Intergovernmental revenues	\$390,063		\$390,063	\$392,261	(\$ 2,198)
Fines and forfeitures	9,215		9,215	9,045	170
Gifts	14,616		14,616	2,100	12,516
Other income	15,005		15,005	14,790	215
Total revenues	428,899		428,899	418,196	10,703
Expenditures:					
Culture and recreation	600,184	\$7,195	607,379	603,253	(4,126)
Principal payments	2,852		2,852	2,853	1
Interest and paying agent fees	1,127		1,127	1,130	3
Capital outlay	76,036	475	76,511	70,725	(5,786)
Total expenditures	680,199	7,670	687,869	677,961	(9,908)
Deficiency of revenues over expenditures	(251,300)	(7,670)	(258,970)	(259,765)	795
Other financing sources- Transfers from other funds	226,683		226,683	226,683	
Deficiency of revenues and other sources over expenditures before fund balance allocation	(24,617)	(7,670)	(32,287)	(33,082)	795
Fund balance allocation				33,082	(33,082)
Deficiency of revenues and other sources over expenditures	(24,617)	(7,670)	(32,287)		(32,287)
Fund deficit at beginning of year	(56,028)		(56,028)	(56,028)	
Fund deficit at end of year	(\$ 80,645)	(\$7,670)	(\$ 88,315)	(\$ 56,028)	(\$32,287)

CITY OF OCALA, FLORIDA

OFF-STREET PARKING FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND DEFICIT - ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED SEPTEMBER 30, 1981

	<u>Actual and Actual on a Budgetary Basis</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>
Revenues:			
Parking meters	\$15,365	\$15,100	\$ 265
Other income	<u>5</u>	<u>6</u>	<u>(1)</u>
Total revenues	<u>15,370</u>	<u>15,106</u>	<u>264</u>
Expenditures:			
Other expenditures	<u>505</u>	<u>426</u>	<u>(79)</u>
Total expenditures	<u>505</u>	<u>426</u>	<u>(79)</u>
Excess of revenues over expenditures	<u>14,865</u>	<u>14,680</u>	<u>185</u>
Other financing uses-			
Transfers to other funds	<u>(18,000)</u>	<u>(18,000)</u>	<u>      </u>
Deficiency of revenues over expenditures and other uses before fund balance allocation	<u>(3,135)</u>	<u>(3,320)</u>	<u>185</u>
Fund balance allocation	<u>      </u>	<u>3,320</u>	<u>(3,320)</u>
Deficiency of revenues over expenditures and other uses	<u>(3,135)</u>		<u>(3,135)</u>
Fund deficit at beginning of year	<u>(3,298)</u>	<u>(3,298)</u>	<u>      </u>
Fund deficit at end of year	<u>(\$ 6,433)</u>	<u>(\$ 3,298)</u>	<u>(\$3,135)</u>



CITY OF OCALA, FLORIDA

DOWNTOWN DEVELOPMENT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

FUND BALANCE - ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED SEPTEMBER 30, 1981

	<u>Actual and Actual on a Budgetary Basis</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>
Revenues:			
Property taxes	\$37,436	\$36,015	\$1,421
Interest income	<u>7,029</u>	<u>5,680</u>	<u>1,349</u>
Total revenues	<u>44,465</u>	<u>41,695</u>	<u>2,770</u>
Expenditures:			
Capital outlay	2,446	2,446	
Other expenditures	<u>1,623</u>	<u>1,624</u>	<u>1</u>
Total expenditures	<u>4,069</u>	<u>4,070</u>	<u>1</u>
Excess of revenues over expenditures	<u>40,396</u>	<u>37,625</u>	<u>2,771</u>
Other financing sources (uses):			
Transfers from other funds	4,250	4,250	
Transfers to other funds	<u>(39,023)</u>	<u>(39,023)</u>	
Total other sources (uses)	<u>(34,773)</u>	<u>(34,773)</u>	
Excess of revenues and other sources over expenditures and other uses before fund balance allocation	5,623	2,852	2,771
Fund balance allocation		<u>(2,852)</u>	<u>2,852</u>
Excess of revenues and other sources over expenditures and other uses	5,623		5,623
Fund balance at beginning of year	<u>83,329</u>	<u>83,329</u>	
Fund balance at end of year	<u>\$88,952</u>	<u>\$83,329</u>	<u>\$5,623</u>

CITY OF OCALA, FLORIDA  
DEBT SERVICE FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 1981

	<u>Excise Tax Bonds</u>	<u>Improvement Bonds</u>	<u>Pollution Control Bonds</u>	<u>Total</u>
<u>Assets</u>				
Cash and investments	\$527,432	\$56,247		\$583,679
Accrued interest receivable	4,864	476		5,340
Equity in pooled cash and investment fund	233	28		261
Other assets	<u>20,433</u>	<u>          </u>	<u>          </u>	<u>20,433</u>
Total restricted assets	<u>\$552,962</u>	<u>\$56,751</u>	<u>          </u>	<u>\$609,713</u>
<u>Fund Balance</u>				
Fund balance - Reserved for debt service	<u>\$552,962</u>	<u>\$56,751</u>	<u>          </u>	<u>\$609,713</u>

BLANK

CITY OF OCALA, FLORIDA

DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED SEPTEMBER 30, 1981

	<u>Excise Tax Bonds</u>
Revenues:	
Interest income	\$ 76,844
Total revenues	<u>76,844</u>
Expenditures:	
Bond principal payments	210,000
Bond interest and paying agent fees	171,671
Loss on sale of investments	
Total expenditures	<u>381,671</u>
Deficiency of revenues over expenditures	<u>(304,827)</u>
Other financing sources-	
Transfers from other funds	<u>371,370</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses, before extraordinary item	66,543
Gain on advance refunding of pollution control bonds	<u>        </u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	66,543
Fund balance at beginning of year	<u>486,419</u>
Fund balance at end of year	<u>\$552,962</u>

<u>Improvement Bonds</u>	<u>Pollution Control Bonds</u>	<u>Total</u>
\$ 8,822	\$ 37,492	\$ 123,158
<u>8,822</u>	<u>37,492</u>	<u>123,158</u>
35,000	1,980,000	2,225,000
5,513	117,791	294,975
	48,758	48,758
<u>40,513</u>	<u>2,146,549</u>	<u>2,568,733</u>
(31,691)	(2,109,057)	(2,445,575)
<u>34,773</u>	<u>1,285,822</u>	<u>1,691,965</u>
3,082	(823,235)	(753,610)
<u>          </u>	<u>486,048</u>	<u>486,048</u>
3,082	(337,187)	(267,562)
53,669	337,187	877,275
<u>\$56,751</u>	<u>\$</u>	<u>\$ 609,713</u>

CITY OF OCALA, FLORIDA  
CAPITAL PROJECT FUNDS  
COMBINING BALANCE SHEET  
SEPTEMBER 30, 1981

	<u>CDBG</u> <u>Construction</u>	1972 <u>Municipal</u> <u>Improvement</u> <u>Construction</u>	<u>Total</u>
<u>Assets</u>			
Cash	\$ 160		\$ 160
Equity in pooled cash and investment fund		\$104,183	104,183
Due from federal government	26,574		26,574
Total assets	<u>\$26,734</u>	<u>\$104,183</u>	<u>\$130,917</u>
<u>Liabilities and</u> <u>Fund Balance</u>			
Accounts payable	\$12,508		\$ 12,508
Due to pooled cash and investment fund	13,145		13,145
Due to other funds	543		543
Deferred revenue	538		538
Total liabilities	<u>26,734</u>		<u>26,734</u>
Fund balance:			
Reserved for encumbrances	5,396	\$ 2,570	7,966
Unreserved	<u>(5,396)</u>	<u>101,613</u>	<u>96,217</u>
Total fund balance		<u>104,183</u>	<u>104,183</u>
Total liabilities and fund balance	<u>\$26,734</u>	<u>\$104,183</u>	<u>\$130,917</u>



CITY OF OCALA, FLORIDA

CAPITAL PROJECT FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCE

FOR THE YEAR ENDED SEPTEMBER 30, 1981

	<u>CDBG Construction</u>	<u>1972 Municipal Improvement Construction</u>	<u>Total</u>
Revenues:			
Federal grants	\$292,599		\$292,599
Interest income		\$ 23,922	23,922
Total revenues	<u>292,599</u>	<u>23,922</u>	<u>316,521</u>
Expenditures:			
Administration	26,022		26,022
Housing rehabilitation	120,222		120,222
Capital outlay-			
Street and storm drainage			
improvements	145,305	222,201	367,506
Other	11,035		11,035
Total expenditures	<u>302,584</u>	<u>222,201</u>	<u>524,785</u>
Deficiency of revenues over expenditures	<u>(9,985)</u>	<u>(198,279)</u>	<u>(208,264)</u>
Other financing sources-			
Transfers from other funds	<u>9,200</u>		<u>9,200</u>
Deficiency of revenues and other sources over expen- ditures	(785)	(198,279)	(199,064)
Fund balance at beginning of year	<u>785</u>	<u>302,462</u>	<u>303,247</u>
Fund balance at end of year	<u>\$</u>	<u>\$104,183</u>	<u>\$104,183</u>

## CITY OF OCALA, FLORIDA

## ENTERPRISE FUNDS

## COMBINING BALANCE SHEET

SEPTEMBER 30, 1981

	Electric and Bulk Power Supply Revenue	Water and Sewer	Sanitation
<u>Assets</u>			
Current assets:			
Cash	\$ 1,225	\$ 300	
Equity in pooled cash and investment fund			
Due from other funds		97,658	\$ 75,893
Accounts receivable, net	2,635,979	5,077	1,986
Accrued unbilled revenues	2,047,430		
Inventories	1,461,307	95,269	
Other current assets	89,961	28,010	
Total current assets	6,235,902	226,314	77,879
Restricted assets:			
Cash and investments	1,580,777	1,048,456	
Equity in pooled cash and investment fund	1,318,899	689,644	
Accrued interest receivable	11,451	9,275	
Florida Power refund escrow	106,364		
Total restricted assets	3,017,491	1,747,375	
Construction assets:			
Cash and investments		45,929	
Equity in pooled cash and investment fund	5,035,408	1,531,763	
Other		9,229	
Total construction assets	5,035,408	1,586,921	
Property, plant and equipment, net	20,501,944	20,572,730	404,211
Issuance costs on long-term debt	204,211	56,079	
Total assets	\$34,994,956	\$24,189,419	\$482,090
<u>Liabilities and Fund Equity</u>			
Current liabilities:			
Accounts payable	\$ 2,638,944	\$ 373,158	\$ 26,073
Notes payable			28,620
Due to pooled cash and investment fund	5,350,844	84,652	154,989
Due to other funds	184,610	4,787	5,608
Customer deposits	1,227,543		
Interfund loan payable			
Total current liabilities	9,401,941	462,597	215,290
Liabilities payable from restricted assets:			
Accounts payable	133		
Accrued interest payable	436,415	197,258	
Revenue bonds payable within one year	850,000	260,000	
Florida Power refund payable to customers	106,364		
Total liabilities payable from restricted assets	1,392,912	457,298	
Interfund loan payable after one year			200,000
Revenue bonds and note payable after one year	15,954,208	8,727,886	63,390
Total liabilities	26,749,061	9,647,781	478,680
Contributed equity	186,435	3,616,486	
Retained earnings:			
Reserved for debt service	1,624,579	1,244,373	
Reserved for renewal and replacement		45,704	
Total reserved retained earnings	1,624,579	1,290,077	
Unreserved:			
Designated for alternate energy study	100,000		
Undesignated	6,334,881	9,635,075	3,410
Total unreserved retained earnings	6,434,881	9,635,075	3,410
Total retained earnings	8,059,460	10,925,152	3,410
Total fund equity	8,245,895	14,541,638	3,410
Total liabilities and fund equity	\$34,994,956	\$24,189,419	\$482,090

<u>Municipal Golf Course</u>	<u>Fort King Tennis Court</u>	<u>Municipal Trailer Park</u>	<u>Jim Taylor Airport</u>	<u>Total</u>
\$ 66,741	\$ 50	\$ 100		\$ 1,675
		5,824		72,565
932	28	18	\$ 9,801	173,551
				2,653,821
				2,047,430
				1,556,576
				117,971
<u>67,673</u>	<u>78</u>	<u>5,942</u>	<u>9,801</u>	<u>6,623,589</u>
				2,629,233
				2,008,543
				20,726
				106,364
				4,764,866
				45,929
				6,567,171
				9,229
				6,622,329
<u>305,900</u>	<u>38,487</u>	<u>9,031</u>	<u>1,045,398</u>	<u>42,877,701</u>
				260,290
<u>\$373,573</u>	<u>\$38,565</u>	<u>\$14,973</u>	<u>\$1,055,199</u>	<u>\$61,148,775</u>
\$ 18,249	\$ 1,484	\$ 1,042	\$ 1,279	\$ 3,060,229
	3,609		23,906	28,620
850	116	134		5,618,000
				196,105
<u>15,000</u>				1,227,543
<u>34,099</u>	<u>5,209</u>	<u>1,176</u>	<u>25,185</u>	<u>15,000</u>
				10,145,497
				133
				633,713
				1,110,000
				106,364
				1,850,210
<u>103,000</u>				<u>303,000</u>
				24,745,484
<u>137,099</u>	<u>5,209</u>	<u>1,176</u>	<u>25,185</u>	<u>37,044,191</u>
			760,652	4,563,573
				2,868,952
				45,704
				2,914,656
				100,000
<u>236,474</u>	<u>33,356</u>	<u>13,797</u>	<u>269,362</u>	<u>16,526,355</u>
<u>236,474</u>	<u>33,356</u>	<u>13,797</u>	<u>269,362</u>	<u>16,626,355</u>
<u>236,474</u>	<u>33,356</u>	<u>13,797</u>	<u>269,362</u>	<u>19,541,011</u>
<u>236,474</u>	<u>33,356</u>	<u>13,797</u>	<u>1,030,014</u>	<u>24,104,584</u>
<u>\$373,573</u>	<u>\$38,565</u>	<u>\$14,973</u>	<u>\$1,055,199</u>	<u>\$61,148,775</u>

CITY OF OCALA, FLORIDA  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 1981

	Electric and Bulk Power Supply Revenue	Water and Sewer
Operating revenues:		
Sale of electricity	\$34,239,558	
Sale of water		\$1,310,481
Sewer and sanitation service charges		981,863
Fees and rentals		
Commissions		
Other	430,567	172,788
Total operating revenues	<u>34,670,125</u>	<u>2,465,132</u>
Operating expenses:		
Purchase of electricity	22,983,784	
Distribution	2,156,483	307,644
Back-up	1,431,365	
Transmission	268,708	
Operation and maintenance	687,573	
Water and sewer treatment		875,261
Sewer collection		306,389
Administration	823,003	285,124
Depreciation and amortization	1,361,325	514,951
Other	342,591	63,044
Total operating expenses	<u>30,054,832</u>	<u>2,352,413</u>
Operating income (loss)	<u>4,615,293</u>	<u>112,719</u>
Nonoperating revenues (expenses):		
Interest income	705,951	312,321
Interest expense	(899,271)	(495,255)
Total nonoperating revenues (expenses)	<u>(193,320)</u>	<u>(182,934)</u>
Income (loss) before operating transfers	<u>4,421,973</u>	<u>(70,215)</u>
Operating transfers:		
From other funds		
To other funds	(4,585,000)	(1,395,764)
Total operating transfers	<u>(4,585,000)</u>	<u>(1,395,764)</u>
Net income (loss) before cumulative effect of change in accounting principle	(163,027)	(1,465,979)
Cumulative effect of change in accounting principle	84,582	340,074
Net income (loss)	<u>(\$ 78,445)</u>	<u>(\$1,125,905)</u>

Sanitation	Municipal Golf Course	Fort King Tennis Court	Municipal Trailer Park	Jim Taylor Airport	Total
					\$34,239,558
\$1,694,510	\$318,731	\$36,317	\$63,757	\$ 13,645	1,310,481
	34,379			15,040	2,676,373
107	879	42	1,110	698	432,450
<u>1,694,617</u>	<u>353,989</u>	<u>36,359</u>	<u>64,867</u>	<u>29,383</u>	<u>606,191</u>
					39,314,472
					22,983,784
					2,464,127
					1,431,365
1,584,745	315,788	44,232	56,083	37,525	268,708
					2,725,946
					875,261
108,606					306,389
157,865	29,899	9,877	1,976	127,797	1,216,733
5,015	432	8		7,971	2,203,690
<u>1,856,231</u>	<u>346,119</u>	<u>54,117</u>	<u>58,059</u>	<u>173,293</u>	<u>419,061</u>
<u>(161,614)</u>	<u>7,870</u>	<u>(17,758)</u>	<u>6,808</u>	<u>(143,910)</u>	<u>34,895,064</u>
					4,419,408
	13,748	846	895		1,033,761
(4,464)	(6,000)				(1,404,990)
(4,464)	7,748	846	895		(371,229)
<u>(166,078)</u>	<u>15,618</u>	<u>(16,912)</u>	<u>7,703</u>	<u>(143,910)</u>	<u>4,048,179</u>
		11,713		9,000	20,713
			(1,410)		(5,982,174)
		11,713	(1,410)	9,000	(5,961,461)
(166,078)	15,618	(5,199)	6,293	(134,910)	(1,913,282)
85,985	13,185	8,511	1,488	117,345	651,170
<u>(\$ 80,093)</u>	<u>\$ 28,803</u>	<u>\$ 3,312</u>	<u>\$ 7,781</u>	<u>(\$ 17,565)</u>	<u>(\$ 1,262,112)</u>

## CITY OF OCALA, FLORIDA

## ENTERPRISE FUNDS

## COMBINING STATEMENT OF CHANGES IN FUND EQUITY

FOR THE YEAR ENDED SEPTEMBER 30, 1981

	Electric and Bulk Power Supply Revenue			Water and Sewer			Sanitation
	Retained Earnings	Contributed Equity	Total	Retained Earnings	Contributed Equity	Total	Retained Earnings
Fund equity at beginning of year, as previously reported	\$11,786,114		\$11,786,114	\$12,051,057	\$3,148,192	\$15,199,249	\$83,503
Effect of retroactively applying change in accounting method	(3,648,209)		(3,648,209)				
Fund equity at beginning of year, as restated	8,137,905		8,137,905	12,051,057	3,148,192	15,199,249	83,503
Net income (loss)	(78,445)		(78,445)	(1,125,905)		(1,125,905)	(80,093)
Capital contribu- tions		\$186,435	186,435		468,294	468,294	
Fund equity at end of year	\$ 8,059,460	\$186,435	\$ 8,245,895	\$10,925,152	\$3,616,486	\$14,541,638	\$ 3,410



<u>Municipal Golf Course</u>	<u>Fort King Tennis Court</u>	<u>Municipal Trailer Park</u>	<u>Jim Taylor Airport</u>			<u>Combined</u>		
			<u>Retained Earnings</u>	<u>Contributed Equity</u>	<u>Total</u>	<u>Retained Earnings</u>	<u>Contributed Equity</u>	<u>Total</u>
\$207,671	\$30,044	\$ 6,016	\$286,927	\$583,265	\$ 870,192	\$24,451,332	\$3,731,457	\$28,182,789
-----	-----	-----	-----	-----	-----	(3,648,209)	-----	(3,648,209)
207,671	30,044	6,016	286,927	583,265	870,192	20,803,123	3,731,457	24,534,580
28,803	3,312	7,781	(17,565)		(17,565)	(1,262,112)		(1,262,112)
-----	-----	-----	-----	177,387	177,387	-----	832,116	832,116
<u>\$236,474</u>	<u>\$33,356</u>	<u>\$13,797</u>	<u>\$269,362</u>	<u>\$760,652</u>	<u>\$1,030,014</u>	<u>\$19,541,011</u>	<u>\$4,563,573</u>	<u>\$24,104,584</u>

## CITY OF OCALA, FLORIDA

## ENTERPRISE FUNDS

## COMBINING STATEMENT OF CHANGES IN

## FINANCIAL POSITION

FOR THE YEAR ENDED SEPTEMBER 30, 1981

	Electric and Bulk Power Supply Revenue	Water and Sewer	Sanitation
Financial resources were provided by (used for):-			
Net income (loss) before cumulative effect of change in accounting principle	(\$ 163,027)	(\$1,465,979)	(\$166,078)
Add (deduct) charges (credits) not affecting working capital:			
Depreciation and amortization of property and equipment and issuance costs on long-term debt	1,361,325	514,951	157,865
Amortization of bond discount	26,441	9,926	
Loss (gain) on disposal of property and equipment	111,368	(1,910)	5,015
Working capital provided by (used for) operations of the period	1,336,107	(943,012)	(3,198)
Cumulative effect of change in accounting principle	84,582	340,074	85,985
Proceeds from issuance of notes payable and revenue bonds		6,537,960	92,010
Proceeds from sale of property and equipment	14,936	2,097	
Capital contributions	186,435	468,294	
Total financial resources provided	1,622,060	6,405,413	174,797
Financial resources were used for:			
Decrease in accumulated depreciation resulting from change in accounting principle	84,582	340,074	85,985
Additions to property and equipment	2,520,443	1,307,280	164,863
Reduction in revenue bonds and notes payable after one year	850,000	260,000	28,620
Reduction in interfund loans payable after one year			
Decrease in liabilities payable from restricted assets	403,979	3,647,152	
Increase (decrease) in restricted assets	296,857	780,037	
Increase in construction assets	411,146	307,626	
Issuance costs on long-term debt		22,137	
Total financial resources used	4,567,007	6,664,306	279,468
Increase (decrease) in working capital	(\$2,944,947)	(\$ 258,893)	(\$104,671)

## Analysis of Changes in Components of Working Capital

Increase (decrease) in current assets:			
Cash and investments		(\$ 39,475)	
Equity in pooled cash and investment fund		(293,713)	
Accounts receivable	(\$1,441,504)	5,077	\$ 1,971
Accrued unbilled revenues	(217,191)		
Due from other funds	(77,546)	(6,125)	(49,929)
Inventories	135,042	(852)	
Other current assets	18,825	(5,950)	
Total increase (decrease) in current assets	(1,582,374)	(341,038)	(47,958)
(Increase) decrease in current liabilities:			
Accounts payable	694,102	94,038	5,217
Due to pooled cash and investment fund	(1,917,596)	(84,652)	(87,034)
Due to other funds	(14,337)	72,759	53,724
Customer deposits	(124,742)		
Notes payable			(28,620)
Total (increase) decrease in current liabilities	(1,362,573)	82,145	(56,713)
Increase (decrease) in working capital	(\$2,944,947)	(\$ 258,893)	(\$104,671)

<u>Municipal Golf Course</u>	<u>Fort King Tennis Court</u>	<u>Municipal Trailer Park</u>	<u>Jim Taylor Airport</u>	<u>Total</u>
\$15,618	(\$ 5,199)	\$6,293	(\$134,910)	(\$ 1,913,282)
29,899	9,877	1,976	127,797	2,203,690
				36,367
				114,473
45,517	4,678	8,269	(7,113)	441,248
13,185	8,511	1,488	117,345	651,170
				6,629,970
				17,033
			177,387	832,116
<u>58,702</u>	<u>13,189</u>	<u>9,757</u>	<u>287,619</u>	<u>8,571,537</u>
13,185	8,511	1,488	117,345	651,170
38,220	3,991	1,440	180,558	4,216,795
				1,138,620
15,000				15,000
			7,897	4,059,028
			(7,971)	1,068,923
				718,772
				22,137
<u>66,405</u>	<u>12,502</u>	<u>2,928</u>	<u>297,829</u>	<u>11,890,445</u>
(\$ 7,703)	\$ 687	\$6,829	(\$ 10,210)	(\$ 3,318,908)
(\$ 5,510)		(\$ 50)		(\$ 39,525)
932	\$ 28	5,824		(293,399)
		(933)	\$ 902	(1,433,527)
				(217,191)
				(133,600)
				134,190
				12,875
<u>(4,578)</u>	<u>28</u>	<u>4,841</u>	<u>902</u>	<u>(1,970,177)</u>
(2,275)	163	1,257	2,127	794,629
(850)	612	865	(13,239)	(2,101,044)
	(116)	(134)		111,046
				(124,742)
				(28,620)
<u>(3,125)</u>	<u>659</u>	<u>1,988</u>	<u>(11,112)</u>	<u>(1,348,731)</u>
(\$ 7,703)	\$ 687	\$6,829	(\$ 10,210)	(\$ 3,318,908)

CITY OF OCALA, FLORIDA  
ELECTRIC AND BULK POWER SUPPLY REVENUE FUNDS  
CONSOLIDATING BALANCE SHEET  
SEPTEMBER 30, 1981

	Electric Revenue	Bulk Power Supply Revenue	Eliminations	Consolidated
<u>Assets</u>				
Current assets:				
Cash	\$ 1,225			\$ 1,225
Accounts receivable, less allowance for doubtful accounts of \$84,094	2,635,979			2,635,979
Accrued unbilled revenues	2,047,430			2,047,430
Inventories	1,461,307			1,461,307
Due from other funds		\$ 2,738,934	(\$2,738,934)	
Other current assets	5,834	84,127		89,961
Total current assets	6,151,775	2,823,061	(2,738,934)	6,235,902
Restricted assets:				
Cash and investments	1,580,777			1,580,777
Accrued interest receivable	11,451			11,451
Equity in pooled cash and investment fund	628	1,318,271		1,318,899
Florida Power refund escrow	106,364			106,364
Total restricted assets	1,699,220	1,318,271		3,017,491
Construction assets:				
Equity in pooled cash and investment fund	5,035,408			5,035,408
Property, plant and equipment, net	11,515,783	8,986,161		20,501,944
Issuance costs on long-term debt	49,908	154,303		204,211
Total assets	\$24,452,094	\$13,281,796	(\$2,738,934)	\$34,994,956
<u>Liabilities and Fund Equity</u>				
Current liabilities:				
Accounts payable	\$ 320,486	\$ 2,318,458		\$ 2,638,944
Due to pooled cash and investment fund	4,093,605	1,257,239		5,350,844
Due to other funds	2,923,544		(\$2,738,934)	184,610
Customer deposits	1,227,543			1,227,543
Total current liabilities	8,565,178	3,575,697	(2,738,934)	9,401,941
Current liabilities payable from restricted assets:				
Accounts payable	133			133
Accrued interest payable	131,651	304,764		436,415
Revenue bonds payable within one year	850,000			850,000
Florida Power refund payable to customers	106,364			106,364
Total current liabilities payable from restricted assets	1,088,148	304,764		1,392,912
Revenue bonds payable after one year	4,922,149	11,032,059		15,954,208
Total liabilities	14,575,475	14,912,520	(2,738,934)	26,749,061
Contributed equity	186,435	736,111	(736,111)	186,435
Retained earnings (deficit):				
Reserved for debt service	611,072	1,013,507		1,624,579
Unreserved				
Designated for alternate energy study	100,000			100,000
Undesignated	8,979,112	(3,380,342)	736,111	6,334,881
Total unreserved retained earnings (deficit)	9,079,112	(3,380,342)	736,111	6,434,881
Total retained earnings (deficit)	9,690,184	(2,366,835)	736,111	8,059,460
Total fund equity	9,876,619	(1,630,724)		8,245,895
Total liabilities and fund equity	\$24,452,094	\$13,281,796	(\$2,738,934)	\$34,994,956

BLANK

CITY OF OCALA, FLORIDA  
ELECTRIC AND BULK POWER SUPPLY REVENUE FUNDS  
CONSOLIDATING STATEMENT OF REVENUES AND EXPENSES  
FOR THE YEAR ENDED SEPTEMBER 30, 1981

	<u>Electric Revenue</u>
Operating revenues:	
Sale of electricity	\$34,239,558
Other income	<u>430,567</u>
Total operating revenues	<u>34,670,125</u>
Operating expenses:	
Purchase of electricity	28,623,559
Distribution	<u>2,156,483</u>
Back-up	
Transmission	
Operation and maintenance	
Administration	823,003
Depreciation and amortization	845,742
Other	<u>342,348</u>
Total operating expenses	<u>32,791,135</u>
Operating income	<u>1,878,990</u>
Nonoperating revenues (expenses):	
Interest income	539,400
Interest expense	<u>(280,610)</u>
Total nonoperating revenues (expenses)	<u>258,790</u>
Income before operating transfers	<u>2,137,780</u>
Operating transfers:	
From other funds	2,170,445
To other funds	<u>(4,585,000)</u>
Total operating transfers	<u>(2,414,555)</u>
Net income (loss) before cumulative effect of change in accounting principle	(276,775)
Cumulative effect of change in accounting principle	<u>22,693</u>
Net income (loss)	<u>(\$ 254,082)</u>



<u>Bulk Power Supply Revenue</u>	<u>Eliminations</u>	<u>Consolidated</u>
\$28,611,854	(\$28,611,854)	\$34,239,558
		430,567
<u>28,611,854</u>	<u>(28,611,854)</u>	<u>34,670,125</u>
22,972,079	(28,611,854)	22,982,764
		2,156,483
1,431,365		1,431,365
268,708		268,708
687,573		687,573
		823,003
515,583		1,361,325
243		342,591
<u>25,875,551</u>	<u>(28,611,854)</u>	<u>30,054,832</u>
<u>2,736,303</u>		<u>4,615,293</u>
166,551		705,951
<u>(618,661)</u>		<u>(899,271)</u>
<u>(452,110)</u>		<u>(193,320)</u>
<u>2,284,193</u>		<u>4,421,973</u>
	(2,170,445)	
<u>(2,170,445)</u>	<u>2,170,445</u>	<u>(4,585,000)</u>
<u>(2,170,445)</u>		<u>(4,585,000)</u>
113,748		(163,027)
61,889		84,582
<u>\$ 175,637</u>	<u>\$</u>	<u>(\$ 78,445)</u>

CITY OF OCALA, FLORIDA  
ELECTRIC AND BULK POWER SUPPLY REVENUE FUNDS  
CONSOLIDATING STATEMENT OF CHANGES IN FUND EQUITY  
FOR THE YEAR ENDED SEPTEMBER 30, 1981

	Electric Revenue Fund			Bulk Power Supply Revenue Fund		
	Retained Earnings	Contributed Equity	Total	Retained Earnings	Contributed Equity	Total
Fund equity (deficit) at beginning of year, as previously reported	\$13,592,475		\$13,592,475	(\$2,542,472)	\$736,111	(\$1,806,361)
Effect of retroactively applying change in accounting method	(3,648,209)		(3,648,209)			
Fund equity (deficit) at beginning of year, as restated	9,944,266		9,944,266	(2,542,472)	736,111	(1,806,361)
Net income (loss)	(254,082)		(254,082)	175,637		175,637
Capital contributions		\$186,435	186,435			
Fund equity (deficit) at end of year	<u>\$ 9,690,184</u>	<u>\$186,435</u>	<u>\$ 9,876,619</u>	<u>(\$2,366,835)</u>	<u>\$736,111</u>	<u>(\$1,630,724)</u>

Eliminations		Consolidated		
<u>Retained Earnings</u>	<u>Contributed Equity</u>	<u>Retained Earnings</u>	<u>Contributed Equity</u>	<u>Total</u>
\$736,111	(\$736,111)	\$11,786,114		\$11,786,114
_____	_____	(3,648,209)	_____	(3,648,209)
736,111	(736,111)	8,137,905		8,137,905
		(78,445)		(78,445)
_____	_____	_____	\$186,435	186,435
<u>\$736,111</u>	<u>(\$736,111)</u>	<u>\$ 8,059,460</u>	<u>\$186,435</u>	<u>\$ 8,245,895</u>

CITY OF OCALA, FLORIDA  
ELECTRIC AND BULK POWER SUPPLY REVENUE FUNDS  
CONSOLIDATING STATEMENT OF CHANGES IN  
FINANCIAL POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 1981

	Electric Revenue	Bulk Power Supply Revenue	Eliminations	Consolidated
Financial resources were provided by (used for):-				
Net income (loss) before cumulative effect of change in accounting principle	(\$ 276,775)	\$11,748		(\$ 163,027)
Add (deduct) charges (credits) not affecting working capital:				
Depreciation and amortization of property and equipment and issuance costs on long-term debt	845,742	515,583		1,361,325
Amortization of bond discount	17,308	9,133		26,441
Loss on disposal of property and equipment	111,368			111,368
Working capital provided by operations of the period	697,643	638,464		1,336,107
Cumulative effect of change in accounting principle	22,693	61,889		84,582
Proceeds from sale of property and equipment	14,936			14,936
Capital contributions	186,435			186,435
Total financial resources provided	921,707	700,353		1,622,060
Financial resources were used for:				
Decrease in accumulated depreciation resulting from change in accounting principle	22,693	61,889		84,582
Additions to property and equipment	2,012,199	508,244		2,520,443
Reduction of revenue bonds payable after one year	850,000			850,000
Decrease in restricted liabilities	325,166	78,813		403,979
Increase in restricted assets	260,391	36,466		296,857
Increase in construction assets	411,146			411,146
Total financial resources used	3,881,595	685,412		4,567,007
Increase (decrease) in working capital	(\$2,959,888)	\$ 14,941		(\$2,944,947)

Analysis of Changes in Components of Working Capital

Increase (decrease) in current assets:				
Accounts receivable	(\$1,441,504)			(\$1,441,504)
Accrued unbilled revenues	(217,191)			(217,191)
Due from other funds	(77,546)	(\$537,431)	\$537,431	(77,546)
Inventories	135,042			135,042
Other current assets	5,178	13,647		18,825
Total increase (decrease) in current assets	(1,596,021)	(523,784)	537,431	(1,582,374)
(Increase) decrease in current liabilities:				
Accounts payable	(1,101)	695,203		694,102
Due to pooled cash and investment fund	(1,761,118)	(156,478)		(1,917,596)
Due to other funds	523,094		(537,431)	(14,337)
Customer deposits	(124,742)			(124,742)
Total (increase) decrease in current liabilities	(1,363,867)	538,725	(537,431)	(1,362,573)
Increase (decrease) in working capital	(\$2,959,888)	\$ 14,941	\$	(\$2,944,947)

CITY OF OCALA, FLORIDA

TRUST FUNDS

COMBINING BALANCE SHEET

SEPTEMBER 30, 1981

	<u>Expendable Federal Revenue Sharing Trust Fund</u>	<u>Nonexpendable Consolidated Retirement Trust Fund</u>	<u>Total</u>
<u>Assets</u>			
Cash and investments		\$6,747,433	\$6,747,433
Equity in pooled cash and investment fund	\$722,780	261	723,041
Accrued interest and dividends receivable		112,044	112,044
Due from federal government	87,979		87,979
Due from other funds		61,075	61,075
Total assets	<u>\$810,759</u>	<u>\$6,920,813</u>	<u>\$7,731,572</u>
<u>Liabilities and Fund Equity</u>			
Accounts payable		\$ 5,850	\$ 5,850
Total liabilities		<u>5,850</u>	<u>5,850</u>
Employee pension contributions		<u>1,600,319</u>	<u>1,600,319</u>
Fund balance:			
Reserved for retirement benefits		5,314,644	5,314,644
Unreserved fund balance	<u>\$810,759</u>		<u>810,759</u>
Total fund balance	<u>810,759</u>	<u>5,314,644</u>	<u>6,125,403</u>
Total fund equity	<u>810,759</u>	<u>6,914,963</u>	<u>7,725,722</u>
Total liabilities and fund equity	<u>\$810,759</u>	<u>\$6,920,813</u>	<u>\$7,731,572</u>

CITY OF OCALA, FLORIDA  
EXPENDABLE FEDERAL REVENUE SHARING TRUST FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 1981

Revenues:	
Federal revenue sharing entitlements	\$351,910
Interest income	<u>51,527</u>
Total revenues	<u>403,437</u>
Expenditures:	
Capital outlay	<u>28,019</u>
Total expenditures	<u>28,019</u>
Excess of revenues over expenditures	375,418
Other financing sources-	
Transfers from other funds	<u>19,480</u>
Excess of revenues and other sources over expenditures	394,898
Fund balance at beginning of year	<u>415,861</u>
Fund balance at end of year	<u>\$810,759</u>



CITY OF OCALA, FLORIDA

NONEXPENDABLE CONSOLIDATED RETIREMENT TRUST FUND

STATEMENT OF REVENUES AND EXPENSES

FOR THE YEAR ENDED SEPTEMBER 30, 1981

Revenues:

Interest and dividend income	\$ 686,902
City contributions	396,405
State funded contributions	<u>142,525</u>
Total revenue	<u>1,225,832</u>

Expenses:

Net depreciation in fair value of investments	603,959
Pension payments	190,250
Custodial and investment fees	33,212
Interest expense on refunds	<u>6,106</u>
Total expenses	<u>833,527</u>

Net income	<u>\$ 392,305</u>
------------	-------------------

CITY OF OCALA, FLORIDA  
NONEXPENDABLE CONSOLIDATED RETIREMENT TRUST FUND  
STATEMENT OF CHANGES IN FUND EQUITY  
FOR THE YEAR ENDED SEPTEMBER 30, 1981

	<u>Employee Pension Contributions</u>	<u>Fund Balance</u>	<u>Total</u>
Fund equity at beginning of year	\$1,409,723	\$4,922,339	\$6,332,062
Net income		392,305	392,305
Contributions from employees	273,379		273,379
Refunds to employees	<u>(82,783)</u>	<u>                    </u>	<u>(82,783)</u>
Fund equity at end of year	<u>\$1,600,319</u>	<u>\$5,314,644</u>	<u>\$6,914,963</u>

CITY OF OCALA, FLORIDA  
NONEXPENDABLE CONSOLIDATED RETIREMENT TRUST FUND  
STATEMENT OF CHANGES IN FINANCIAL POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 1981

Financial resources were provided by:	
Net income	<u>\$392,305</u>
Total financial resources provided by operations	392,305
Employee pension contributions	273,379
Increase in liabilities payable from restricted assets	<u>5,850</u>
Total financial resources provided	<u>671,534</u>
Financial resources were used for:	
Refunded employee contributions	82,783
Increase in restricted assets	<u>588,751</u>
Total financial resources used	<u>671,534</u>
Increase in working capital	<u>\$</u>

BLANK

SECTION III - STATISTICAL SECTION

CITY OF OCALA, FLORIDA  
SCHEDULE OF INSURANCE COVERAGE  
SEPTEMBER 30, 1981

Company	Policy Number	Effective Dates		Coverage	Limit of Coverage	Premium
		From	To			
Aetna Life and Casualty	LTD 47875-973	3/1/81	3/1/82	Employees' Life Health and Disability Income	Various - as specified in policy	709,560
United Fidelity Life Insurance Co.	BAC 1263	10/7/80	10/7/81	Police & Fire Accidental Death	10,000/250,000	898
U.S. Fidelity & Guaranty Co.	33-0080-719-77	10/5/80	10/5/81	Public Employees' Honesty Blanket Position Bond: All employees City Manager Assistant City Manager Finance Director Director of Utilities Utility Business Manager Golf Pro Purchasing Agent	5,000 45,000 25,000 95,000 15,000 25,000 20,000 5,000	1,119
U.S. Aviation Underwriters	LG 17352	2/1/81	2/1/82	Aviation Catastrophe Loss	5,000,000	2,833
Vanguard Underwriters Insurance Co.	79110383-UM	11/1/80	11/1/81	Public Official Liability	1,000,000	4,510
International Surplus Lines Insurance Co.	XL1320	3/1/81	3/1/82	Excess General and Automobile Liability	500,000	50,850
American Centennial Insurance Co.	WC6913	3/1/81	3/1/82	Workmen's Compensation	100,000	86,454
Employees Insurance of Wausau	1462-40-063849	3/1/81	3/1/82	Blanket Building and Contents: Real Property Contractor's Equipment	13,305,016 282,202	18,572 1,765
	1421-00-063849	3/1/81	3/1/82	General Liability: Bodily Injury Property Damage	100,000/100,000 100,000	121,159
	1421-02-063849	3/1/81	3/1/82	Comprehensive Auto Liability: Bodily Injury Property Damage	100,000/100,000 100,000/100,000	32,640
	1433-00-063849	3/1/81	3/1/82	Money and Securities Broad Form Coverage: Loss inside premises Loss outside premises	25,000 25,000	3,493



BLANK