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**City of Ocoee, Florida**  
**Comprehensive Annual**  
**Financial Report**  
**Fiscal Year Ended**  
**September 30, 2015**

**City of Ocoee, Florida**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**For The Year Ended September 30, 2015**

Prepared by: City of Ocoee Finance Department

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## **INTRODUCTORY SECTION**

This section contains the following subsections:

- Table of Contents
- Letter of Transmittal
- GFOA Certificate of Achievement
- List of Principal Officials
- Organizational Chart

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April 25, 2016

To the Honorable Mayor and City Commission and Citizens of the City of Ocoee, Florida:

**Mayor**

Rusty Johnson

**Commissioners**

John Grogan  
District 1

Rosemary Wilsen  
District 2

Richard Firstner  
District 3

Joel F. Keller  
District 4

**City Manager**

Robert D. Frank

The **Comprehensive Annual Financial Report (CAFR) of the City of Ocoee, Florida** for the year ended September 30, 2015 is submitted herewith pursuant to Article III, Section 11 of the City Charter, Florida Statutes Chapter 11, Section 45, and Chapter 10.550 of the Rules of the Auditor General of the State of Florida. State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America, and that they be audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants.

The Annual Financial Report was compiled by the staff of the Finance Department. Management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Ocoee has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Ocoee's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City of Ocoee's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. We encourage readers to consider information provided in the Management Discussion and Analysis (p. 3-13) in conjunction with the information provided in this Transmittal.

The City of Ocoee's financial statements have been audited by McDirmit, Davis, & Company, LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Ocoee for the fiscal year ended September 30, 2015 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Ocoee's financial statements for the fiscal year ended September 30, 2015, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

### **Profile of the Government**

The City of Ocoee is a municipal corporation of the State of Florida operating under a commission/manager form of government. Located in Central Florida, approximately 14 miles west of Orlando, the City of Ocoee encompasses approximately 15 square miles. Ocoee is the home of approximately 40,170 residents. In addition to its proximity to Orlando



**Mayor**  
Rusty Johnson

**Commissioners**  
John Grogan  
District 1

Rosemary Wilsen  
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Joel F. Keller  
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**City Manager**  
Robert D. Frank

and many tourist attractions, including Disney World, Universal Studios, and Sea World, Ocoee is also conveniently located near other major employers such as Lockheed Martin and Sysco. Ocoee offers numerous lakes for recreational opportunities, and excellent schools- six elementary schools, a middle school and a high school. Ocoee is home to a major hospital (Orlando Health) and a county operated public library.

Ocoee's proximity to Orlando and its location at the juncture of State Road 50, Florida's Turnpike, State Road 408, the East-West Expressway, and State Road 429, the Western Expressway make it convenient for people to live and work in the City. State Road 50 is a major east-west arterial that spans the State; Florida's Turnpike provides a limited-access highway for north-south traffic and has an exit in Ocoee; the East-West Expressway provides a 15 minute travel route from Ocoee to downtown Orlando and continues to the eastern limits of Orange County; and the Western Expressway provides a similar highway to Walt Disney World and other points south to Osceola County with direct access to Interstate 4. Over the next several years the northern leg of the Western Expressway will be extended north to intersect with Interstate 4 near Sanford to form a major by-pass route.

The City is empowered to levy a property tax on real estate and personal properties within its city limits. The City commission, comprised of the Mayor and four commissioners, is the governing body of the City. The City Manager is appointed by the commission and is responsible for implementing policies adopted by the commission and managing employees and the daily operations of the city government. The financial reporting entity, the City of Ocoee, includes all funds of the primary government and activity for the Community Redevelopment Agency (CRA). The CRA was created in 2006 and is reported as a special revenue fund. Additional information can be found in Note 1 of the notes to the basic financial statements.

The fiscal operating year for the City is October 1<sup>st</sup> through September 30<sup>th</sup>. The City Manager submits an annual budget to the city commission by the first day of August for the ensuing year. Public hearings are held as required by the Truth in Millage Act (TRIM) prior to adoption of the millage rate and budget by the commission. Budgetary control over expenditures is at the department level. Commission approval is required to adjust the bottom line of a department. A budget to actual comparison for the general fund is provided on pages 19-20.

The provision of services such as municipal water and wastewater services, stormwater management, and solid waste collection and disposal is an important aspect of Ocoee's growth management. Ocoee continues to expand and improve its wastewater and water facilities to keep pace with the City's growth, and to meet state concurrency requirements through an aggressive capital improvements program. One such example is the development of a comprehensive water reuse plan. As an example of combining services with amenities, the City's 240-acre effluent disposal site is also home to an 18-hole PGA designed golf course. A Community Event Center adjacent to the City Hall Complex was completed during fiscal year 2014. The center is ideally located on the lakefront providing citizens an upscale rental facility for events such as weddings, receptions and other types of meetings.



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Robert D. Frank

Ocoee has worked extensively to become a major player in Orange County by focusing on economic development programs. One such program is the West Orange Tri-City Partnership, a collaborative effort by the cities of Apopka, Ocoee and Winter Garden. This organization represents approximately 250,000 residents and over 80,000 employees giving the partnership parity with the largest cities, communities, downtowns and business districts in the metropolitan area. The State Road 429 corridor study has been completed. Work has begun to develop a joint overlay with the city of Winter Garden to make the Ocoee Winter Garden corridor a location of “choice” for economic development.

**Factors affecting Financial Condition**

**Local economy.** The City of Ocoee is primarily a residential and retail area with a moderate amount of light industry and commercial business. The City's total assessed valuation for real and personal property increased 7.5% from the prior year indicating property values are continuing to turn around in the City. The City's population has increased 25% from that of ten years ago. Local indicators point to a continued trend of growth as the City continues to work with builders, developers and residents for both commercial and residential development. The unemployment rate for Ocoee at September 30, 2015 was 4.2% which was lower than the state's unemployment rate at 5.3% and the national unemployment rate of 5.1%. The City is home to several major employers- Orlando Health Hospital, Super Wal-Mart, Florida Auto Auction, Orange County Public Schools, and Sysco Foods.

The City annexed a total of 14.43 acres of properties during the fiscal year. The City approved 350 single-family and townhome units in 2015. The Oasis at Lake Bennet Apartments was approved for 303 multi-family units. Additionally, a \$30 million 124-unit facility, Inspired Living at Windermere, was approved to be constructed in Ocoee. This new memory care/ALF is affiliated with the NFL Alumni Association. This connection is projected to draw NFL alumni to live in the facility, mostly to use its memory-care units.

**Long-term financial planning** The City maintained a moderate property tax rate of 5.6371 mils during fiscal year 2015 (tax year 2014). The maximum millage rate that can be levied is 10 mils. Projections for budgeted revenues remained conservative, particularly in the fees generated by building/construction areas. Reducing operational and personnel costs, and obtaining grants for capital projects were strategies utilized again this year to balance the budget. Building permit revenue was \$251,000 higher than budgeted, with other permit revenue over \$270,000 higher. Sales tax revenue was \$345,075 higher than budgeted.

The City annually updates and adopts a 5-year Capital Improvements Plan (CIP) during the fiscal year. The CIP is a multi-year prioritized schedule of improvements that lists each capital improvement by year it is intended to be purchased or commenced; the amount to be spent per year; and, the method of financing such improvement. Each year prior to the annual budget process the CIP is reviewed to ensure incorporation of all necessary capital improvements. It should be noted; however, that the CIP is not a fixed document but a flexible, evolutionary document that may change to reflect changing priorities, opportunities, costs, or different financing approaches.



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**Commissioners**  
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District 1

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District 2

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Joel F. Keller  
District 4

**City Manager**  
Robert D. Frank

**Relevant Financial Policies.** The City had no significant or material changes in financial policy and all required debt service payments of principal and interest were met. The City implemented compliance with for Governmental Accounting Standards Board (GASB) 67 in fiscal year 2014. Financial reporting requirements under GASB 68, "Accounting and Financial Reporting for Pensions" are reflected on pages 55-69 in this report for fiscal year 2015.

**Major Initiatives.** The City has completed the bi-city study with Winter Garden on the SR 429 corridor. A temporary moratorium on the study area is in place while both Ocoee and Winter Garden finalize development standards which will place Ocoee as a location of "choice" on the SR 429 corridor.

An ordinance, adopted in calendar year 2012 by the City, implemented the administration of economic development incentives by granting ad valorem tax exemptions to qualifying business entities. Additionally, the city reduced impact fees by 25% for transportation and 50% for police, fire and recreation to spark new development. Ocoee has permanently reduced transportation impact fees and offers property tax abatement for new businesses that qualify under the State of Florida Target Industries legislation. Some increase in the development of single family and multi-family dwellings can be attributed to the reduced impact fees which will result in significant savings to the developers.

**Awards and Acknowledgements.**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Ocoee for its CAFR for the fiscal year ended September 30, 2014. This was the twenty-seventh consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

Respectfully submitted,

Robert Frank  
City Manager

Wanda Horton, CGFO  
Finance Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Ocoee  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2014**

Executive Director/CEO

**CITY OF OCOEE, FLORIDA**

**LIST OF PRINCIPAL OFFICIALS**

September 30, 2015

**ELECTED OFFICIALS**

MAYOR	Leon "Rusty" Johnson
COMMISSIONER- District 1	John Grogan
COMMISSIONER- District 2	Rosemary Wilsen
COMMISSIONER- District 3	Vacant
COMMISSIONER- District 4	Joel Keller

**STAFF**

CITY MANAGER	Robert Frank
ASSISTANT CITY MANAGER	Craig Shadrix
CITY CLERK	Beth Eikenberry
FINANCE DIRECTOR	Wanda Horton
POLICE CHIEF	Charles Brown
FIRE CHIEF	John Miller
PUBLIC WORKS DIRECTOR	Steve Krug
CITY ENGINEER	David Wheeler
HUMAN RESOURCES/RISK MANAGEMENT DIRECTOR	V. Gene Williford
UTILITIES DIRECTOR	Charles Smith
PARKS AND RECREATION DIRECTOR	Jeff Hayes
SUPPORT SERVICES DIRECTOR	J. Allison Butler

**LEGAL COUNSEL**

Scott Cookson, Esq.  
Shuffield, Lowman, and Wilson, P.A.

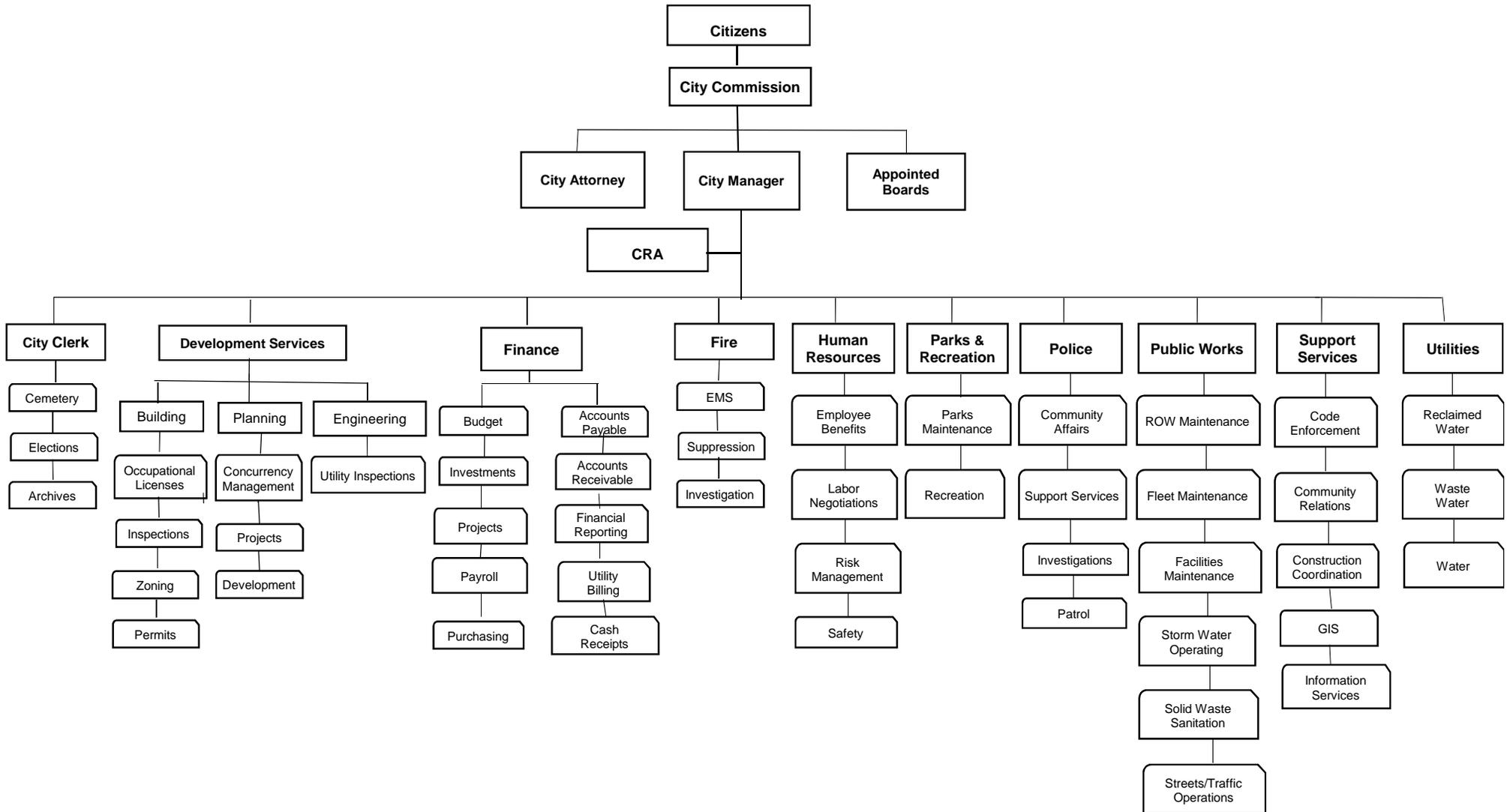
**FINANCIAL ADVISOR**

Mark Galvin  
First Southwest Company

**AUDITORS**

McDermitt Davis & Company, LLC

# City of Ocoee Organizational Chart Fiscal Year 2015



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## **FINANCIAL SECTION**

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**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and City Commissioners  
*City of Ocoee, Florida*

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the *City of Ocoee, Florida*, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

**Auditor Responsibility**

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

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

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ocoee, Florida, as of September 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund, community redevelopment agency fund and road impact fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**MCDIRMIT DAVIS & COMPANY, LLC**

934 North Magnolia Avenue, Suite 100 Orlando, Florida 32803  
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

## **Change in Accounting Principle**

As discussed in Note 1 to the financial statements, in 2015, the City adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America, require that the management's discussion and analysis and the pension and other postemployment benefits disclosures on pages 3 through 13 and 73 through 78 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Ocoee, Florida's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

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

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

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated April 19, 2016 on our consideration of the *City of Ocoee, Florida's* internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Ocoee's internal control over financial reporting and compliance.

*McDiernit Davis & Company, LLC*

Orlando, Florida  
April 19, 2016

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

This narrative overview and analysis of the financial activities of the City of Ocoee for the fiscal year ended September 30, 2015 is designed to assist the reader in a) focusing on significant financial issues, b) providing an overview of the City's financial activity, c) identifying changes in the City's financial position, d) identifying any material deviations from the approved budget, and e) identifying individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iii-vi of this report.

### Financial Highlights

- The assets and deferred outflows of resources of the City of Ocoee exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$171,681,574 (*net position*). Of this amount, \$26,798,387 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$2,571,685 or 1.5%. Beginning net position was reduced \$8,291,300 due to the implementation of GASB 68.
- As of the close of the current fiscal year, the City of Ocoee's governmental funds reported combined ending fund balances of \$19,095,055. Approximately 51% of this total amount, \$9,804,236 is *available for spending* at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$9,804,236, or 28.4% of total general fund expenditures.
- The City of Ocoee's total debt increased by \$1,306,063 (2.1%) during the current fiscal year.

### Using this Annual Report

The financial statement's focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the City's accountability.

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

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

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

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

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

Both of the government-wide financial statements distinguish functions of the City of Ocoee that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Ocoee include general government, public safety, physical environment, and culture and recreation. The business-type activities of the City of Ocoee include Water and Wastewater, Solid Waste, and Stormwater.

The government-wide financial statements include only the City of Ocoee itself (known as the *primary government*) and one blended component unit (The City of Ocoee Community Redevelopment Trust Fund). The Water and Wastewater fund, Solid Waste fund, and the Stormwater fund function as departments of the City of Ocoee, and therefore have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 14-15 of this report.

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

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

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

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

The City of Ocoee maintains 15 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Road Impact Fund and Community Redevelopment Fund. Data from the other 12 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Ocoee adopts an annual appropriated budget for the General, Enterprise and Impact Fee Special Revenue funds. Budgetary comparison schedules have been provided for the General Fund, Road Impact Fund and Community Redevelopment Agency Fund to demonstrate compliance with the budget on pages 19-22. Budgetary comparison schedules for nonmajor Impact Fee Special Revenue funds are presented on pages 85-87.

The basic governmental fund financial statements can be found on pages 16-22 of this report.

**Proprietary funds.** The City of Ocoee maintains two types of proprietary funds: *enterprise and internal service*.

*Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Ocoee uses enterprise funds to account for its Water and Wastewater fund, Solid Waste fund, and Stormwater fund. Annual operating budgets are adopted for these funds. *Internal service funds* are an accounting tool used to accumulate and allocate costs internally among various functions. The City utilizes an internal service fund for its health insurance. Because services accounted for in the internal service fund predominately benefit governmental rather than business-type functions, it has been included within the *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Wastewater fund, Solid Waste fund, and for the Stormwater fund.

The basic proprietary fund financial statements can be found on pages 23-27 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of Ocoee's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 28-29 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30-72 of this report.

**Required supplementary information (RSI).** RSI can be found on pages 73-78 of this report.

**Other information.** The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the RSI. Combining and individual fund statements and schedules can be found on pages 79-89 of this report.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

### Government-wide Financial Analysis

#### Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Ocoee, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$171,681,574 at the close of the most recent fiscal year.

By far the largest portion of the City of Ocoee's net position (77%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Ocoee uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Ocoee's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City of Ocoee's net position (8%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$26,798,387) may be used to meet the government's ongoing obligations to citizens and creditors.

At September 30, 2015, the City of Ocoee is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The following table reflects the condensed Statement of Net Position for the current and prior year. For more detail see the Statement of Net Position on page 14.

#### STATEMENT OF NET POSITION AS OF SEPTEMBER 30,

	Governmental Activities		Business Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and Other Assets	\$ 26,679,977	\$ 24,394,204	\$ 25,640,379	\$ 24,841,614	\$ 52,320,356	\$ 49,235,818
Restricted Assets	-	-	8,921,172	8,309,351	8,921,172	8,309,351
Capital Assets	117,619,757	119,276,501	62,755,734	64,254,725	180,375,491	183,531,226
Total assets	<u>144,299,734</u>	<u>143,670,705</u>	<u>97,317,285</u>	<u>97,405,690</u>	<u>241,617,019</u>	<u>241,076,395</u>
Deferred Outflow s of Resources	2,723,415	3,597	764,586	426,800	3,488,001	430,397
Current Liabilities	7,136,372	6,663,535	1,141,937	1,294,752	8,278,309	7,958,287
Long Term Liabilities						
Outstanding	44,527,753	35,916,774	19,640,426	19,719,409	64,168,179	55,636,183
Other Liabilities	-	-	475,171	511,133	475,171	511,133
Total liabilities	<u>51,664,125</u>	<u>42,580,309</u>	<u>21,257,534</u>	<u>21,525,294</u>	<u>72,921,659</u>	<u>64,105,603</u>
Deferred Inflow s of Resources	395,904	-	105,883	-	501,787	-
Net Position:						
Net Investment in						
Capital Assets	87,358,904	87,717,699	44,514,898	45,526,782	131,873,802	133,244,481
Restricted	3,943,235	3,560,248	9,066,150	8,670,316	13,009,385	12,230,564
Unrestricted	3,660,981	9,816,046	23,137,406	22,110,098	26,798,387	31,926,144
Total net position	<u>\$ 94,963,120</u>	<u>\$ 101,093,993</u>	<u>\$ 76,718,454</u>	<u>\$ 76,307,196</u>	<u>\$ 171,681,574</u>	<u>\$ 177,401,189</u>

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

### Statement of Activities

The following table reflects the condensed Statement of Activities for the current and prior year. For more detailed information see the Statement of Activities on page 15. Note that total net position increased by \$2,571,685. Beginning net position was also reduced \$8,291,300 due to the implementation of GASB 68.

Net position for governmental activities increased by \$1,987,282. Overall, revenues exceeded budgeted amounts for the general fund. Consumers appear to be more confident about the economy and have begun spending more. Key elements of this increase are:

- Revenue for building permits and related permitting and inspection fees increased \$313,000. This can be attributed to an increase in development within the City.
- Half Cent Sales Tax and Revenue Sharing receipts increased \$351,000 and \$209,000. Again this reflects the up-swing in the economy and pick up in tourism.
- Franchise Fees and Utility tax revenues further support a rebounding economy with increases of \$130,000.
- Road impact fees increased \$1,000,000.

Net position for business-type activities increased by \$584,403. Key elements of this change are an increase in user and connection fee revenue.

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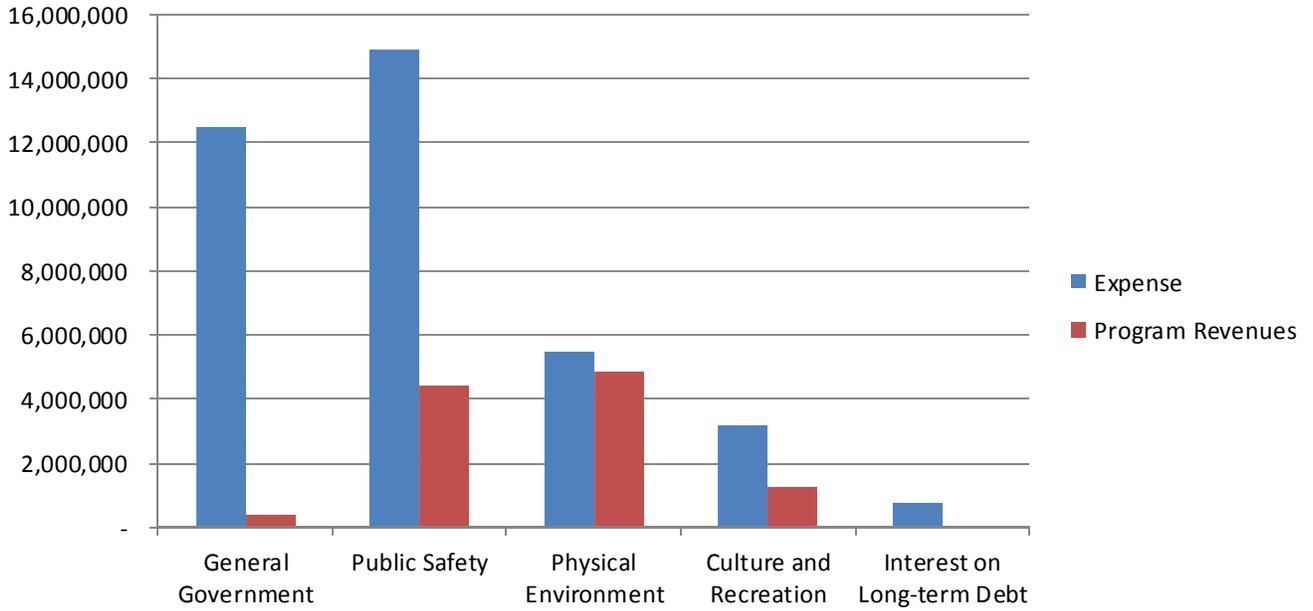
## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

### CHANGES IN NET POSITION For the Year Ended September 30,

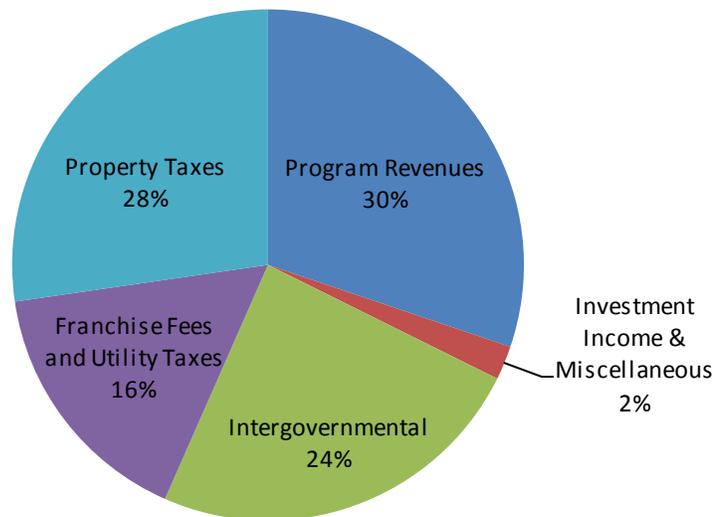
	Governmental Activities		Business Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program Revenues:						
Charges for Services	\$ 8,676,266	\$ 4,992,990	\$ 15,571,610	\$ 15,280,138	\$ 24,247,876	\$ 20,273,128
Operating Grants and Contributions	2,032,603	2,062,887	-	11,620	2,032,603	2,074,507
Capital Grants and Contributions	225,719	219,160	1,718,056	3,469,260	1,943,775	3,688,420
General Revenues:						
Property Taxes	9,884,437	9,192,829	-	-	9,884,437	9,192,829
Franchise Fees and Utility Taxes	5,833,539	5,703,266	-	-	5,833,539	5,703,266
Intergovernmental	8,789,064	8,276,562	-	-	8,789,064	8,276,562
Other	775,716	412,895	145,188	266,193	920,904	679,088
Total revenues	<u>36,217,344</u>	<u>30,860,589</u>	<u>17,434,854</u>	<u>19,027,211</u>	<u>53,652,198</u>	<u>49,887,800</u>
Expenses:						
General Government	12,495,444	10,681,945	-	-	12,495,444	10,681,945
Public Safety	14,919,303	15,926,441	-	-	14,919,303	15,926,441
Physical Environment	5,476,916	5,218,225	-	-	5,476,916	5,218,225
Culture and Recreation	3,197,256	3,035,914	-	-	3,197,256	3,035,914
Interest on Long-term Debt	746,693	798,482	-	-	746,693	798,482
Water and wastewater	-	-	9,094,414	8,293,957	9,094,414	8,293,957
Solid Waste	-	-	2,300,596	2,720,559	2,300,596	2,720,559
Stormwater	-	-	2,849,891	2,841,248	2,849,891	2,841,248
Total expenses	<u>36,835,612</u>	<u>35,661,007</u>	<u>14,244,901</u>	<u>13,855,764</u>	<u>51,080,513</u>	<u>49,516,771</u>
Increase (Decrease) in Net Position Before Transfers	<u>(618,268)</u>	<u>(4,800,418)</u>	<u>3,189,953</u>	<u>5,171,447</u>	<u>2,571,685</u>	<u>371,029</u>
Transfers	<u>2,605,550</u>	<u>2,414,089</u>	<u>(2,605,550)</u>	<u>(2,414,089)</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in Net Position	<u>1,987,282</u>	<u>(2,386,329)</u>	<u>584,403</u>	<u>2,757,358</u>	<u>2,571,685</u>	<u>371,029</u>
Net Position - October 1, restated	<u>92,975,838</u>	<u>103,480,322</u>	<u>76,134,051</u>	<u>73,549,838</u>	<u>169,109,889</u>	<u>177,030,160</u>
Net Position - September 30	<u>\$ 94,963,120</u>	<u>\$ 101,093,993</u>	<u>\$ 76,718,454</u>	<u>\$ 76,307,196</u>	<u>\$ 171,681,574</u>	<u>\$ 177,401,189</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

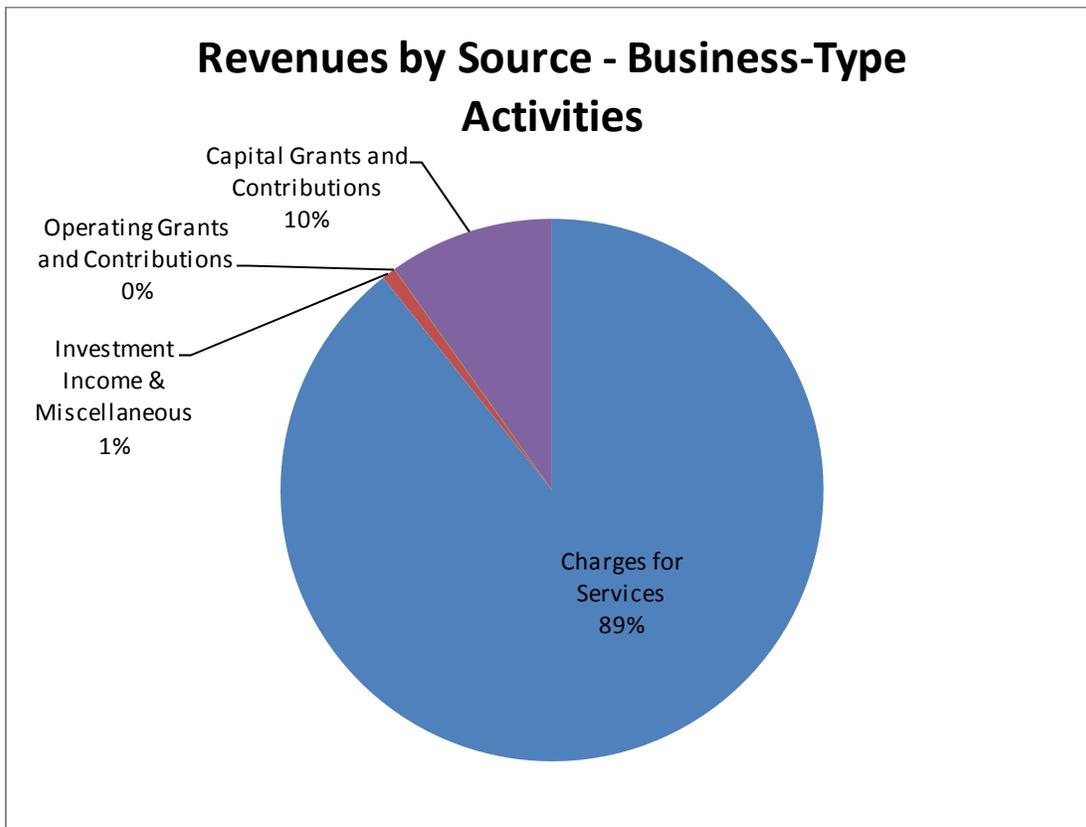
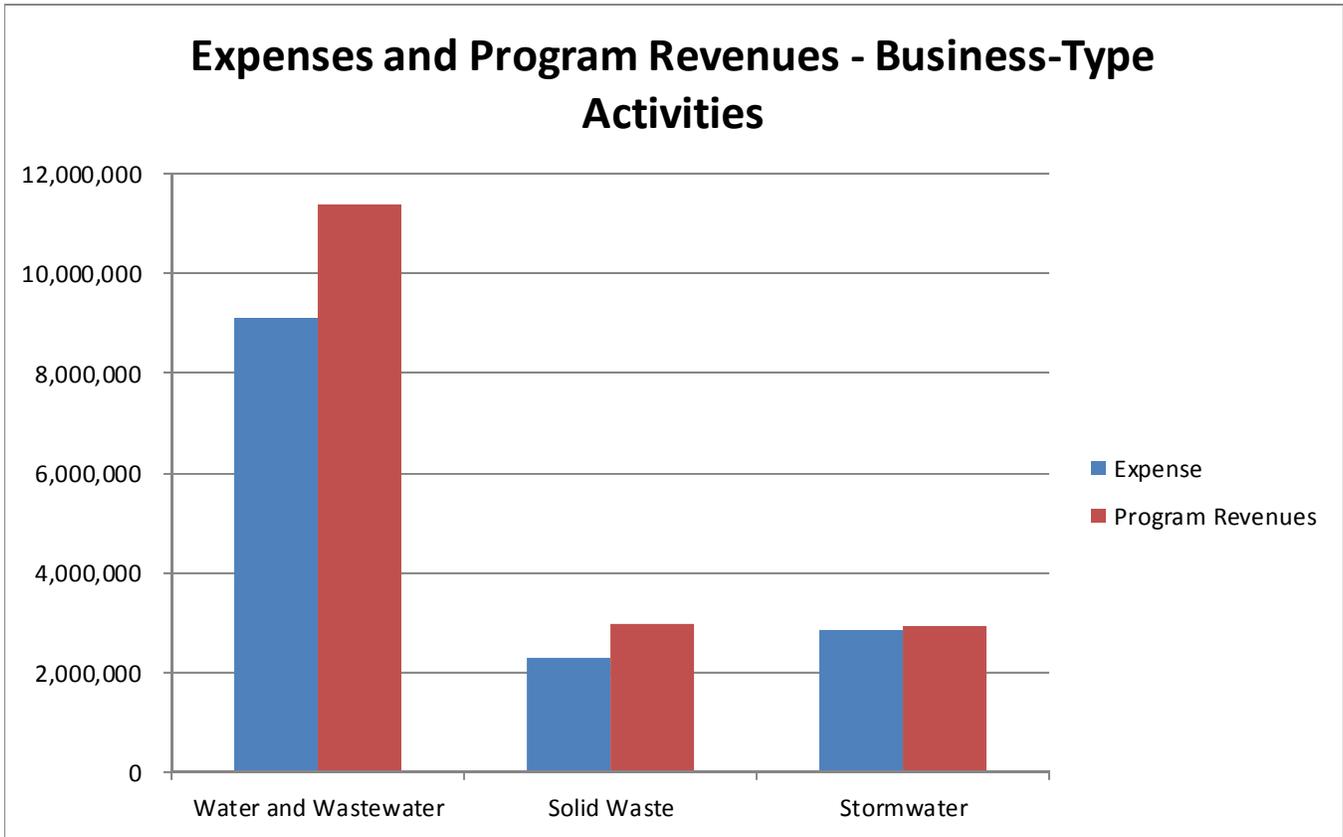
### Expenses and Program Revenues - Governmental Activities



### Revenues by Source - Governmental Activities



MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)



## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

### Financial Analysis of the Government's Funds

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

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

As of September 30, 2015, the City of Ocoee's governmental funds reported combined ending fund balances of \$19,095,055 an increase of \$2,263,390 in comparison with the prior year. Approximately 51% or \$9,804,236 of this total amount constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is nonspendable, restricted, committed, or assigned to indicate that it is not available for new spending.

The general fund is the chief operating fund of the City of Ocoee. At the end of the current fiscal year, unassigned fund balance of the general fund was \$9,804,236 while total fund balance reached \$12,788,143. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 28.4% of total general fund expenditures compared to 23.7% for last year. Total fund balance represents 37.0% of total general fund expenditures compared to 31.7% for last year.

The Community Redevelopment Special Revenue Fund is considered a major fund in order for our external auditors to express an opinion on this fund as required by Florida Statutes chapter 163.387(8). This fund was created in 2006 as a dependent taxing district. The incremental annual increase in tax over the base years is used to fund projects. As of September 30, 2015, the fund balance was \$117,565 a decrease of \$33,639 over the prior year. This decrease is due to the planned expenditures of fund balance for marketing and signage for the CRA.

The Road Impact Fund balance increased \$238,234 during the year. Revenue from impact fees increased \$1,041,741. This increase was due to collection of fees for new development.

Fund balance of the City of Ocoee's General Fund increased by \$2,543,400 during the current fiscal year. This increase can mostly be attributed revenues exceeding budgeted amounts for franchise fees, utility taxes, sales taxes, revenue sharing, and unspent lease proceeds coupled with expenditures less than budgeted.

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

Unrestricted net position of the Water and Wastewater Fund at the end of the year amounted to \$11,684,849 and unrestricted net position for the Solid Waste and Stormwater Fund amounted to \$1,434,765 and \$10,240,552 respectively. The total increase in Water and Wastewater Fund was \$1,156,190, increase in the Solid Waste Fund was \$163,362, and the Stormwater Fund decreased \$450,434. Other factors concerning the finances of these three funds have already been addressed in the discussion of the City of Ocoee's business-type activities on page 7.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

### General Fund Budgetary Highlights

Total appropriations and transfers out in the General Fund Budget did not change from the original to final budget; however the allocation of appropriations did change. There were some adjustments to the original department budgets for the General Fund during the year but the total changes resulted in a net zero change for the General Fund budget.

Funds of \$616,243 were transferred from the General Fund Contingency to departments to cover additional costs of programs and purchases that were either not identified in the original budget or costs unknown at budget time. Funds were transferred as follows:

- Legislative department for community promotion requested from the High School band;
- Support Services department for the appraisal of the city property to be sold;
- City Manager's department for an Economic Development Consultant and Master Planning for retail marketing and planning;
- Parks and Recreation for additional funding for the City's Founder's Day Event;
- General Government for additional health claims;
- General government department for additional Educational Incentive expense.

During the year revenues were more than budgetary estimates by \$1,879,939, due primarily from franchise fees, sales and utility taxes, building permits and related revenues, and state revenue receipts exceeding budgeted amounts. This can be attributed to an increase in tourism experienced by the county overall and a rise in consumer spending.

### Capital Asset and Debt Administration

**Capital Assets.** The City of Ocoee's investment in capital assets for its governmental and business type activities as of September 30, 2015 amounts to \$180,375,491 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, and bridges.

Significant capital asset events during the year included the resurfacing for the Ocoee Lakeshore Center complex parking areas, completion of more phases of the Peach Lake Manor subdivision Stormwater improvements, resurfacing of three miles of City streets, and completion of new street signs citywide. The Lake Olympia subdivision reclaim retrofit project was started and several miles of water line replacements and upgrades were made. Additional information on the City of Ocoee's capital assets can be found in note 8 on pages 47-49 of this report.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

### Capital Asset and Debt Administration (Continued)

Capital Assets (net of depreciation)						
As of September 30, 2014 and September 30, 2013						
	Governmental Activities		Business Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 24,195,346	\$ 23,675,319	\$ 4,830,345	\$ 4,715,299	\$ 29,025,691	\$ 28,390,618
Buildings	14,107,395	11,916,293	7,900,382	8,506,957	22,007,777	20,423,250
Improvements	16,710,957	8,333,283	37,415,118	39,557,959	54,126,075	47,891,242
Machinery and Equipment	2,785,179	2,393,384	2,037,328	1,989,824	4,822,507	4,383,208
Intangibles	237,742	81,460	40,447	56,859	278,189	138,319
Infrastructure	58,131,112	60,236,090	-	-	58,131,112	60,236,090
Construction in Progress	1,452,026	12,640,672	10,532,114	9,427,827	11,984,140	22,068,499
Total net position	<u>\$ 117,619,757</u>	<u>\$ 119,276,501</u>	<u>\$ 62,755,734</u>	<u>\$ 64,254,725</u>	<u>\$ 180,375,491</u>	<u>\$ 183,531,226</u>

**Long-term debt.** At the end of the current fiscal year, the City of Ocoee had no bonded debt outstanding. The City of Ocoee also has various notes payable and capital lease obligations.

There are no limitations placed on the amount of debt the City may issue either by the City's charter, code of ordinances or by the Florida State Statutes.

Additional information on the City of Ocoee's long-term debt can be found in notes 9 and 10 on pages 49-53 of this report.

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

The City experienced an 8.6% increase in growth for assessed property values for the budgeted year 2015. This increase in property values continues with 7.5% growth for budget year 2016. The unemployment rate for Ocoee at September 30, 2015 was 4.2% which was lower than the state's rate of 5.1%. Local indicators again point to increased commercial and residential development activity.

The 2016 budget was approved with a millage of 5.9104 which is higher than the previous year's rate. The total operating budget adopted for fiscal year 2015-2016 is \$65,569,985. This increase of \$9,620,485 is primarily attributable to revenue to be received from the sale of two parcels of City property and an increase in funding allocated for health insurance coverage.

### **Requests for Information**

This financial report is designed to provide a general overview of the City of Ocoee's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 150 N. Lakeshore Drive, Ocoee, Florida 34761.

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## **BASIC FINANCIAL STATEMENTS**

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CITY OF OCOEE, FLORIDA

**STATEMENT OF NET POSITION**

September 30, 2015

	Governmental Activities	Business-type Activities	Total
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 16,667,077	\$ 14,044,464	\$ 30,711,541
Investments	8,540,347	10,159,235	18,699,582
Receivables, net	1,181,593	1,276,682	2,458,275
Inventories	45,578	-	45,578
Due From Other Governments	257,330	67,817	325,147
Internal Balances	(82,321)	82,321	-
Prepaid Costs	70,373	9,860	80,233
Restricted Assets:			
Cash and cash equivalents	-	6,488,426	6,488,426
Investments	-	2,432,746	2,432,746
Capital Assets			
Capital assets (not being depreciated)	25,647,372	15,362,459	41,009,831
Capital assets (being depreciated net of accumulated depreciation)	91,972,385	47,393,275	139,365,660
Total Assets	<u>144,299,734</u>	<u>97,317,285</u>	<u>241,617,019</u>
<b>Deferred Outflows of Resources</b>			
Deferred Pension Earnings	2,722,216	374,060	3,096,276
Deferred Charge on Refunding	1,199	390,526	391,725
	<u>2,723,415</u>	<u>764,586</u>	<u>3,488,001</u>
<b>Liabilities:</b>			
Accounts Payable and Other Current Liabilities	2,950,942	189,648	3,140,590
Matured Bonds and Interest Payable	1,635,198	952,289	2,587,487
Accrued Interest Payable	18,529	-	18,529
Due to Other Governmental Agencies	-	-	-
Unearned Revenue	2,531,703	-	2,531,703
Customer Deposits Payable	-	475,171	475,171
Noncurrent Liabilities:			
Due within one year	2,856,811	979,780	3,836,591
Due in more than one year	41,670,942	18,660,646	60,331,588
Total liabilities	<u>51,664,125</u>	<u>21,257,534</u>	<u>72,921,659</u>
<b>Deferred Inflows of Resources</b>			
Deferred Pension Earnings	395,904	105,883	501,787
<b>Net Position:</b>			
Net Investment in Capital Assets	87,358,904	44,514,898	131,873,802
Restricted for:			
Debt Service	142,512	88,852	231,364
Highways and streets	1,468,728	-	1,468,728
Public safety	918,249	-	918,249
Culture and recreation	1,296,181	-	1,296,181
Capital outlay	-	4,517,412	4,517,412
Renewal and replacement	-	4,459,886	4,459,886
Community Redevelopment	117,565	-	117,565
Unrestricted	3,660,981	23,137,406	26,798,387
Total net position	<u>\$ 94,963,120</u>	<u>\$ 76,718,454</u>	<u>\$ 171,681,574</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF OCOEE, FLORIDA

**STATEMENT OF ACTIVITIES**

For the Year Ended September 30, 2015

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Governmental Activities							
General Government	\$ 12,495,444	\$ 419,721	\$ -	\$ -	\$ (12,075,723)	\$ -	\$ (12,075,723)
Public Safety	14,919,303	3,771,840	675,588	-	(10,471,875)	-	(10,471,875)
Physical environment	5,476,916	3,245,152	1,357,015	225,719	(649,030)	-	(649,030)
Culture and Recreation	3,197,256	1,239,553	-	-	(1,957,703)	-	(1,957,703)
Interest on Long-term debt	746,693	-	-	-	(746,693)	-	(746,693)
Total governmental activities	<u>36,835,612</u>	<u>8,676,266</u>	<u>2,032,603</u>	<u>225,719</u>	<u>(25,901,024)</u>	<u>-</u>	<u>(25,901,024)</u>
Business-type activities							
Water and wastewater	9,094,414	9,661,139	-	1,718,056	-	2,284,781	2,284,781
Solid Waste	2,300,596	2,991,560	-	-	-	690,964	690,964
Stormwater	2,849,891	2,918,911	-	-	-	69,020	69,020
Total business-type activities	<u>14,244,901</u>	<u>15,571,610</u>	<u>-</u>	<u>1,718,056</u>	<u>-</u>	<u>3,044,765</u>	<u>3,044,765</u>
Total primary government	<u>\$ 51,080,513</u>	<u>\$ 24,247,876</u>	<u>\$ 2,032,603</u>	<u>\$ 1,943,775</u>	<u>(25,901,024)</u>	<u>3,044,765</u>	<u>(22,856,259)</u>
General Revenues:							
Property taxes					9,884,437	-	9,884,437
Franchise fees and utility taxes					5,833,539	-	5,833,539
Intergovernmental-unrestricted					8,789,064	-	8,789,064
Investment income and miscellaneous					666,376	145,168	811,544
Gain on sale of capital assets					109,340	20	109,360
Transfers					2,605,550	(2,605,550)	-
Total general revenues and transfers					<u>27,888,306</u>	<u>(2,460,362)</u>	<u>25,427,944</u>
Change in net position					<u>1,987,282</u>	<u>584,403</u>	<u>2,571,685</u>
Net Position - beginning, as restated					<u>92,975,838</u>	<u>76,134,051</u>	<u>169,109,889</u>
Net Position - ending					<u>\$ 94,963,120</u>	<u>\$ 76,718,454</u>	<u>\$ 171,681,574</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF OCOEE, FLORIDA

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**

September 30, 2015

	General Fund	Road Impact	Community Redevelopment Agency	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ 6,039,086	\$ 2,045,798	\$ 140,202	\$ 4,999,813	\$ 13,224,899
Cash with paying agent	-	-	-	1,635,198	1,635,198
Investments	7,536,554	1,003,793	-	-	8,540,347
Receivables, net	1,166,831	4,038	-	10,668	1,181,537
Inventories, at cost	45,578	-	-	-	45,578
Due from other governments	253,067	-	-	4,263	257,330
Due from other funds	224,722	400,000	148	362	625,232
Prepays	64,801	-	1,300	4,272	70,373
Total assets	<u>\$ 15,330,639</u>	<u>\$ 3,453,629</u>	<u>\$ 141,650</u>	<u>\$ 6,654,576</u>	<u>\$ 25,580,494</u>
<b>Liabilities and Fund Balances:</b>					
Accounts payable	\$ 376,294	\$ 761	\$ 163	\$ 2,853	\$ 380,071
Accrued liabilities	791,306	-	-	-	791,306
Retainage payable	-	24,175	2,000	2,658	28,833
Deposits payable	1,089,251	-	-	-	1,089,251
Due to other funds	749	-	21,922	2,800	25,471
Due to other governments	3,606	-	-	-	3,606
Matured bonds payable	-	-	-	1,186,000	1,186,000
Matured interest payable	-	-	-	449,198	449,198
Unearned revenue	281,290	1,959,965	-	290,448	2,531,703
Total liabilities	<u>2,542,496</u>	<u>1,984,901</u>	<u>24,085</u>	<u>1,933,957</u>	<u>6,485,439</u>
<b>Fund Balances:</b>					
Nonspendable	110,379	-	1,300	4,272	115,951
Restricted	-	1,468,728	116,265	2,352,670	3,937,663
Assigned	2,873,528	-	-	2,363,677	5,237,205
Unassigned	9,804,236	-	-	-	9,804,236
Total fund balances	<u>12,788,143</u>	<u>1,468,728</u>	<u>117,565</u>	<u>4,720,619</u>	<u>19,095,055</u>
Total Liabilities and Fund Balances	<u>\$ 15,330,639</u>	<u>\$ 3,453,629</u>	<u>\$ 141,650</u>	<u>\$ 6,654,576</u>	

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

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	117,619,757
Internal service funds are used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	467,079
Deferred inflows and outflows of resources related to pension earnings are not recognized in governmental funds, however, they are recorded in net position under full accrual accounting	2,326,312
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(44,545,083)
Net Position of Governmental Activities	<u>\$ 94,963,120</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF OCOEE, FLORIDA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**

For the Year Ended September 30, 2015

	General Fund	Road Impact	Community Redevelopment Agency	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Taxes:					
Taxes and impact fees	\$ 15,717,976	\$ 1,608,970	\$ 225,716	\$ 765,431	\$ 18,318,093
Licenses and permits	1,963,689	-	-	-	1,963,689
Intergovernmental revenues	10,721,667	-	-	100,003	10,821,670
Charges for services	3,256,978	-	-	-	3,256,978
Fines and forfeitures	1,050,107	-	-	31,091	1,081,198
Investment income	96,062	13,038	171	2,982	112,253
Miscellaneous	483,997	-	518	68,407	552,922
Total revenues	<u>33,290,476</u>	<u>1,622,008</u>	<u>226,405</u>	<u>967,914</u>	<u>36,106,803</u>
<b>Expenditures:</b>					
Current:					
General government	10,977,221	-	-	100,000	11,077,221
Public safety	14,564,020	-	-	69,988	14,634,008
Physical environment	2,749,953	23,776	39,114	3,111	2,815,954
Culture and recreation	2,617,849	-	-	6,889	2,624,738
Debt Service:					
Principal	1,182,165	-	-	1,335,073	2,517,238
Interest and fiscal charges	156,936	-	-	591,987	748,923
Capital Outlay:					
General government	633,309	-	-	25,755	659,064
Public safety	826,388	-	-	22,729	849,117
Physical environment	731,795	483,505	48,164	397,008	1,660,472
Culture and recreation	134,451	-	-	56,060	190,511
Total expenditures	<u>34,574,087</u>	<u>507,281</u>	<u>87,278</u>	<u>2,608,600</u>	<u>37,777,246</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,283,611)</u>	<u>1,114,727</u>	<u>139,127</u>	<u>(1,640,686)</u>	<u>(1,670,443)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers In	4,156,406	-	-	1,932,585	6,088,991
Transfers Out	(1,669,064)	(876,493)	(172,766)	(776,504)	(3,494,827)
Capital Leases	1,184,891	-	-	-	1,184,891
Sale of Capital Assets	154,778	-	-	-	154,778
Total Other Financing Sources (Uses)	<u>3,827,011</u>	<u>(876,493)</u>	<u>(172,766)</u>	<u>1,156,081</u>	<u>3,933,833</u>
Net Change in Fund Balances	2,543,400	238,234	(33,639)	(484,605)	2,263,390
Fund Balances - beginning	10,244,743	1,230,494	151,204	5,205,224	16,831,665
Fund Balances - ending	<u>\$ 12,788,143</u>	<u>\$ 1,468,728</u>	<u>\$ 117,565</u>	<u>\$ 4,720,619</u>	<u>\$ 19,095,055</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF OCOEE, FLORIDA

**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For the Year Ended September 30, 2015

Net Change in Fund Balances - total governmental funds: \$ 2,263,390

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. (1,481,965)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 1,332,347

The net effect of various transactions involving capital assets (i.e. sales, trade-ins, donations and transfers) is to increase net position (186,164)

Net transfers of capital assets to/from proprietary funds 11,386

Cash pension contributions reported in the funds were more than the calculated pension expense on the statement of activities, and therefore increased net position 663,559

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (160,189)

Internal service funds are used by management to charge the costs of certain activities, such health insurance to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities. (455,082)

Change in net position of governmental activities \$ 1,987,282

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF OCOEE, FLORIDA

**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended September 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Taxes:				
Property	\$ 9,944,590	\$ 9,944,590	\$ 9,884,437	\$ (60,153)
Franchise	2,475,020	2,475,020	2,620,150	145,130
Utility	3,085,640	3,085,640	3,213,389	127,749
	<u>15,505,250</u>	<u>15,505,250</u>	<u>15,717,976</u>	<u>212,726</u>
Licenses and permits:				
Building	789,010	789,010	1,558,883	769,873
Occupational	393,740	393,740	404,806	11,066
	<u>1,182,750</u>	<u>1,182,750</u>	<u>1,963,689</u>	<u>780,939</u>
Intergovernmental revenues:				
Sales tax	5,320,415	5,320,415	5,665,490	345,075
State revenue sharing	1,571,260	1,571,260	1,782,289	211,029
Other state shared revenue	153,865	153,865	190,093	36,228
Other county shared revenue	2,532,530	2,532,530	2,566,853	34,323
	<u>9,578,070</u>	<u>9,578,070</u>	<u>10,204,725</u>	<u>626,655</u>
Charges for services:				
Fire contract	400,000	400,000	400,000	-
Program activity fees	587,340	587,340	636,749	49,409
Develop. Review	32,410	32,410	77,272	44,862
Miscellaneous	1,844,880	1,844,880	1,923,363	78,483
	<u>2,864,630</u>	<u>2,864,630</u>	<u>3,037,384</u>	<u>172,754</u>
Fines and forfeitures:				
Fines and forfeitures:	1,116,065	1,116,065	1,050,107	(65,958)
Investment income	31,000	31,000	95,959	64,959
Miscellaneous	125,480	125,480	213,344	87,864
Total revenues	<u>30,403,245</u>	<u>30,403,245</u>	<u>32,283,184</u>	<u>1,879,939</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
Current:				
General government:				
Legislative	167,445	148,945	125,726	23,219
Executive	912,125	875,461	831,793	43,668
Finance and admin	1,717,045	1,707,545	1,605,945	101,600
Legal	222,500	223,500	223,416	84
Community development	616,250	865,450	586,059	279,391
General services	6,727,835	7,240,365	7,240,063	302
Building maintenance	2,041,780	2,021,073	1,919,508	101,565
	<u>12,404,980</u>	<u>13,082,339</u>	<u>12,532,510</u>	<u>549,829</u>
Public Safety:				
Police	9,478,975	9,333,973	8,713,479	620,494
Fire	5,589,135	5,450,398	5,203,046	247,352
Inspections	737,215	732,215	719,474	12,741
	<u>15,805,325</u>	<u>15,516,586</u>	<u>14,635,999</u>	<u>880,587</u>
Physical environment:				
Public works	3,924,875	3,745,298	3,485,908	259,390
Culture and recreation:				
Parks and recreation	2,576,445	2,558,231	2,434,867	123,364
Total expenditures	<u>34,711,625</u>	<u>34,902,454</u>	<u>33,089,284</u>	<u>1,813,170</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(4,308,380)</u>	<u>(4,499,209)</u>	<u>(806,100)</u>	<u>3,693,109</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	3,396,990	3,396,990	4,156,406	759,416
Transfers out	(2,107,775)	(1,916,946)	(1,669,064)	247,882
Proceeds from sale capital assets	519,165	519,165	154,778	(364,387)
Total other financing sources(uses)	<u>1,808,380</u>	<u>1,999,209</u>	<u>2,642,120</u>	<u>642,911</u>
<b>Net Change in Fund Balance</b>	(2,500,000)	(2,500,000)	1,836,020	4,336,020
<b>Fund Balance - Beginning</b>	10,344,833	10,344,833	10,344,833	-
<b>Fund Balance - Ending</b>	<u>\$ 7,844,833</u>	<u>\$ 7,844,833</u>	<u>\$ 12,180,853</u>	<u>\$ 4,336,020</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF OCOEE, FLORIDA

**ROAD IMPACT FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended September 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes and impact fees	\$ 825,425	\$ 825,425	\$ 1,608,970	\$ 783,545
Investment income	3,635	3,635	13,038	9,403
Total revenues	<u>829,060</u>	<u>829,060</u>	<u>1,622,008</u>	<u>792,948</u>
<b>Expenditures:</b>				
Physical environment				
Roads	10,000	10,000	507,281	(497,281)
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>507,281</u>	<u>(497,281)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>819,060</u>	<u>819,060</u>	<u>1,114,727</u>	<u>295,667</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(876,495)	(876,495)	(876,493)	2
Total other financing sources(uses)	<u>(876,495)</u>	<u>(876,495)</u>	<u>(876,493)</u>	<u>2</u>
<b>Net Change in Fund Balance</b>	(57,435)	(57,435)	238,234	295,669
<b>Fund Balance - Beginning</b>	1,230,494	1,230,494	1,230,494	-
<b>Fund Balance - Ending</b>	<u>\$ 1,173,059</u>	<u>\$ 1,173,059</u>	<u>\$ 1,468,728</u>	<u>\$ 295,669</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF OCOEE, FLORIDA

**COMMUNITY REDEVELOPMENT AGENCY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended September 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property tax	\$ 228,590	\$ 228,590	\$ 225,716	\$ (2,874)
Investment income	200	200	171	(29)
Miscellaneous	-	-	518	518
Total revenues	<u>228,790</u>	<u>228,790</u>	<u>226,405</u>	<u>(2,385)</u>
<b>Expenditures:</b>				
Physical environment	<u>203,000</u>	<u>203,000</u>	<u>87,278</u>	<u>115,722</u>
Total expenditures	<u>203,000</u>	<u>203,000</u>	<u>87,278</u>	<u>115,722</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>25,790</u>	<u>25,790</u>	<u>139,127</u>	<u>113,337</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(165,000)</u>	<u>(165,000)</u>	<u>(172,766)</u>	<u>(7,766)</u>
Total other financing sources(uses)	<u>(165,000)</u>	<u>(165,000)</u>	<u>(172,766)</u>	<u>(7,766)</u>
<b>Net Change in Fund Balance</b>	(139,210)	(139,210)	(33,639)	105,571
<b>Fund Balance - Beginning</b>	151,204	151,204	151,204	-
<b>Fund Balance - Ending</b>	<u>\$ 11,994</u>	<u>\$ 11,994</u>	<u>\$ 117,565</u>	<u>\$ 105,571</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF OCOEE, FLORIDA

**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**

September 30, 2015

	Enterprise Funds				Governmental Activities-
	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total	Internal Service Fund
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	\$ 4,579,557	\$ 1,773,836	\$ 6,738,782	\$ 13,092,175	\$ 1,806,980
Cash with fiscal agent	952,289	-	-	952,289	-
Investments	6,842,633	-	3,316,602	10,159,235	-
Receivables, net	1,232,371	16,475	27,836	1,276,682	56
Due from other governments	41,761	2,527	23,529	67,817	-
Due from other funds	239	-	304,842	305,081	-
Prepays	6,947	2,690	223	9,860	-
Total current assets	<u>13,655,797</u>	<u>1,795,528</u>	<u>10,411,814</u>	<u>25,863,139</u>	<u>1,807,036</u>
Noncurrent assets:					
Restricted cash and cash equivalents	6,488,426	-	-	6,488,426	-
Restricted investments	2,432,746	-	-	2,432,746	-
Total restricted assets	<u>8,921,172</u>	<u>-</u>	<u>-</u>	<u>8,921,172</u>	<u>-</u>
Capital assets:					
Land, buildings and equipment	76,021,055	2,853,684	50,629,993	129,504,732	-
Construction in Progress	7,760,726	-	2,771,388	10,532,114	-
Less accumulated depreciation	(43,019,936)	(1,789,397)	(32,471,779)	(77,281,112)	-
Total capital assets (net of depreciation)	<u>40,761,845</u>	<u>1,064,287</u>	<u>20,929,602</u>	<u>62,755,734</u>	<u>-</u>
Total noncurrent assets	<u>49,683,017</u>	<u>1,064,287</u>	<u>20,929,602</u>	<u>71,676,906</u>	<u>-</u>
Total assets	<u>63,338,814</u>	<u>2,859,815</u>	<u>31,341,416</u>	<u>97,540,045</u>	<u>1,807,036</u>
<b>Deferred Outflows of Resources</b>					
Deferred charge on refunding	\$ 390,526	\$ -	\$ -	\$ 390,526	\$ -
Deferred pension earnings	245,740	85,761	42,559	374,060	-
	<u>\$ 636,266</u>	<u>\$ 85,761</u>	<u>\$ 42,559</u>	<u>\$ 764,586</u>	<u>\$ -</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

	Enterprise Funds				Governmental Activities-
	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total	Internal Service Fund
<b>Liabilities</b>					
Current Liabilities:					
Accounts payable	55,850	2,740	1,251	59,841	655,608
Retainage payable	4,762	-	-	4,762	-
Accrued liabilities	83,733	28,728	12,584	125,045	2,267
Compensated absences	32,983	8,457	5,662	47,102	-
Due to other governments	-	-	-	-	-
Due to other funds	-	-	-	-	904,842
Customer deposits payable	475,171	-	-	475,171	-
Matured notes payable	648,000	-	-	648,000	-
Matured interest payable	304,289	-	-	304,289	-
Capital lease payable	-	265,678	-	265,678	-
Notes payable	667,000	-	-	667,000	-
Total current liabilities	<u>2,271,788</u>	<u>305,603</u>	<u>19,497</u>	<u>2,596,888</u>	<u>1,562,717</u>
Noncurrent Liabilities:					
Compensated Absences	296,848	76,114	50,953	423,915	-
Notes payable	16,616,000	-	-	16,616,000	-
Capital lease payable	-	434,684	-	434,684	-
Other post employment benefits	490,696	216,233	86,673	793,602	-
Net pension liability	257,818	89,976	44,651	392,445	-
Total noncurrent liabilities	<u>17,661,362</u>	<u>817,007</u>	<u>182,277</u>	<u>18,660,646</u>	<u>-</u>
Total liabilities	<u>19,933,150</u>	<u>1,122,610</u>	<u>201,774</u>	<u>21,257,534</u>	<u>1,562,717</u>
<b>Deferred Inflows of Resources</b>					
Deferred pension earnings	<u>69,560</u>	<u>24,276</u>	<u>12,047</u>	<u>105,883</u>	<u>-</u>
<b>Net Position</b>					
Net investment in capital assets	23,221,371	363,925	20,929,602	44,514,898	-
Restricted for debt service	88,852	-	-	88,852	-
Restricted for capital projects	4,517,412	-	-	4,517,412	-
Restricted for renewal and replacement	4,459,886	-	-	4,459,886	-
Unrestricted	11,684,849	1,434,765	10,240,552	23,360,166	244,319
Total net position	<u>\$ 43,972,370</u>	<u>\$ 1,798,690</u>	<u>\$ 31,170,154</u>	<u>76,941,214</u>	<u>\$ 244,319</u>

The assets and liabilities of certain internal service funds are not included in the fund financial statement, but are included in the business activities of the Statement of Net Position.

Total Net Position per Government-Wide Financial Statements

(222,760)  
\$ 76,718,454

The accompanying Notes to Financial Statements are an integral part of these statements.

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CITY OF OCOEE, FLORIDA

**STATEMENT OF REVENUES, EXPENSES AND CHANGES  
IN FUND NET POSITION - PROPRIETARY FUNDS**

For the Year Ended September 30, 2015

	<b>Enterprise Funds</b>				Governmental Activities-
	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total	Internal Service Funds
<b>Operating Revenues:</b>					
Charges for services	\$ 9,661,139	\$ 2,991,560	\$ 2,918,911	\$ 15,571,610	\$ 4,696,400
Total operating revenues	<u>9,661,139</u>	<u>2,991,560</u>	<u>2,918,911</u>	<u>15,571,610</u>	<u>4,696,400</u>
<b>Operating Expenses:</b>					
Salaries and benefits	2,399,616	876,334	425,972	3,701,922	-
Insurance claims and expenses	-	-	-	-	5,437,398
Materials and supplies	1,423,173	850,866	76,677	2,350,716	-
Depreciation and amortization	2,913,782	260,714	2,128,912	5,303,408	-
Other operating expenses	1,447,571	280,810	209,087	1,937,468	-
Total operating expenses	<u>8,184,142</u>	<u>2,268,724</u>	<u>2,840,648</u>	<u>13,293,514</u>	<u>5,437,398</u>
Operating income (loss)	<u>1,476,997</u>	<u>722,836</u>	<u>78,263</u>	<u>2,278,096</u>	<u>(740,998)</u>
<b>Nonoperating Revenue (Expenses):</b>					
Investment income (loss)	92,821	4,560	47,787	145,168	1,201
Interest expense	(645,109)	(8,237)	-	(653,346)	-
Gain (loss) on disposal of capital assets	(13,326)	-	20	(13,306)	-
Total non-operating revenue (expenses)	<u>(565,614)</u>	<u>(3,677)</u>	<u>47,807</u>	<u>(521,484)</u>	<u>1,201</u>
Income before contributions and transfers	<u>911,383</u>	<u>719,159</u>	<u>126,070</u>	<u>1,756,612</u>	<u>(739,797)</u>
<b>Capital Contributions:</b>					
Connection fees	1,493,073	-	-	1,493,073	-
Developers and others	224,983	439	667	226,089	-
Transfers in	5,500	-	25,000	30,500	-
Transfers out	<u>(1,478,749)</u>	<u>(556,236)</u>	<u>(602,171)</u>	<u>(2,637,156)</u>	<u>-</u>
Change in net position	<u>1,156,190</u>	<u>163,362</u>	<u>(450,434)</u>	<u>869,118</u>	<u>(739,797)</u>
Total Net Position - beginning, as restated	<u>42,816,180</u>	<u>1,635,328</u>	<u>31,620,588</u>		<u>984,116</u>
Total Net Position - ending	<u>\$ 43,972,370</u>	<u>\$ 1,798,690</u>	<u>\$ 31,170,154</u>		<u>\$ 244,319</u>

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of certain internal service funds is reported with Business Activities.

(284,715)

Change in Business-Type Activities in Net Position per Government-Wide Financial Statements

\$ 584,403

The accompanying Notes to Financial Statements are an integral part of these statements.

## CITY OF OCOEE, FLORIDA

**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**

For The Year Ended September 30, 2015

	<b>Enterprise Funds</b>				Governmental Activities- Internal Service Fund
	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total	
<b>Cash Flows from Operating Activities:</b>					
Receipts from customers	\$ 9,472,340	\$ 2,985,720	\$ 2,758,208	\$ 15,216,268	\$ -
Receipts from internal services provided	-	-	-	-	4,873,099
Payments to suppliers	(2,853,112)	(1,140,023)	(286,893)	(4,280,028)	(5,423,965)
Payments to employees	(2,399,368)	(872,447)	(425,445)	(3,697,260)	-
Net cash provided (used) by operating activities	<u>4,219,860</u>	<u>973,250</u>	<u>2,045,870</u>	<u>7,238,980</u>	<u>(550,866)</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>					
Transfers in	5,500	-	25,000	30,500	-
Transfers out	(1,466,257)	(556,236)	(602,171)	(2,624,664)	-
Decrease in due from other funds	(239)	-	(304,842)	(305,081)	66,099
Increase (decrease) in due to other funds	<u>(10,150)</u>	<u>(5,098)</u>	<u>(4,593)</u>	<u>(19,841)</u>	<u>704,842</u>
Net cash provided (used) by non-capital financing activities	<u>(1,471,146)</u>	<u>(561,334)</u>	<u>(886,606)</u>	<u>(2,919,086)</u>	<u>770,941</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Proceeds from sale of capital assets	1,029	-	20	1,049	-
Grant revenues	-	-	-	-	-
Proceeds of bonds, notes and leases	-	453,738	-	453,738	-
Acquisition of capital assets	(3,092,891)	(462,268)	(274,999)	(3,830,158)	-
Principal paid on revenue bonds, notes and leases	(648,000)	(326,117)	-	(974,117)	-
Interest paid on revenue bonds, notes and leases	(608,835)	(8,237)	-	(617,072)	-
Connection fees	1,718,056	-	-	1,718,056	-
Net cash provided (used) by capital and related financing activities	<u>(2,630,641)</u>	<u>(342,884)</u>	<u>(274,979)</u>	<u>(3,248,504)</u>	<u>-</u>
<b>Cash Flows from Investing Activities:</b>					
Sale (Purchase) of investments	1,448,503	-	479,797	1,928,300	-
Investment income	92,821	4,560	47,787	145,168	1,201
Net cash provided (used) by investing activities	<u>1,541,324</u>	<u>4,560</u>	<u>527,584</u>	<u>2,073,468</u>	<u>1,201</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>1,659,397</u>	<u>73,592</u>	<u>1,411,869</u>	<u>3,144,858</u>	<u>221,276</u>
<b>Cash and Cash Equivalents - beginning</b>	<u>9,408,586</u>	<u>1,700,244</u>	<u>5,326,913</u>	<u>16,435,743</u>	<u>1,585,704</u>
<b>Cash and Cash Equivalents - end</b>	<u>\$ 11,067,983</u>	<u>\$ 1,773,836</u>	<u>\$ 6,738,782</u>	<u>\$ 19,580,601</u>	<u>\$ 1,806,980</u>
<b>Classified As:</b>					
Cash and cash equivalents	\$ 4,579,557	\$ 1,773,836	\$ 6,738,782	\$ 13,092,175	\$ 1,806,980
Restricted cash and cash equivalents	6,488,426	-	-	6,488,426	-
Total	<u>\$ 11,067,983</u>	<u>\$ 1,773,836</u>	<u>\$ 6,738,782</u>	<u>\$ 19,580,601</u>	<u>\$ 1,806,980</u>

The accompanying Notes to Financial Statements are in integral part to these statements.

	<b>Enterprise Funds</b>				Governmental Activities- Internal Service Fund
	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total	
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>					
Operating income (loss)	\$ 1,476,997	\$ 722,836	\$ 78,263	\$ 2,278,096	\$ (740,998)
<b>Adjustments Not Affecting Cash:</b>					
Depreciation and amortization	2,913,782	260,714	2,128,912	5,303,408	-
<b>Change in Assets and Liabilities:</b>					
Decrease (increase) in accounts receivable	(152,837)	(3,313)	4,593	(151,557)	176,699
Decrease (Increase) in prepaid costs	(2,038)	(201)	(19)	(2,258)	-
Increase (decrease) in accounts payable	15,408	(8,146)	(1,110)	6,152	11,931
Increase (decrease) in accrued liabilities	674	2,590	1,324	4,588	1,502
Decrease in retainage payable	4,262	-	-	4,262	-
Increase in customer deposits	(35,962)	-	-	(35,962)	-
Increase (decrease) in compensated absences	19,920	7,577	2,788	30,285	-
Increase in due from other governments	-	(2,527)	(9,629)	(12,156)	-
Increase in due to other governments	-	-	(155,667)	(155,667)	-
Increase in deferred outflows	(245,740)	(85,761)	(42,559)	(374,060)	-
Increase in deferred inflows	24,692	8,617	4,276	37,585	-
Increase in net pension liability	188,938	65,938	32,722	287,598	-
Increase in OPEB obligation	11,764	4,926	1,976	18,666	-
Total adjustments	(170,919)	(10,300)	(161,305)	(342,524)	190,132
<b>Net Cash Provided (Used) By Operating Activities</b>	\$ 4,219,860	\$ 973,250	\$ 2,045,870	\$ 7,238,980	\$ (550,866)
<b>Noncash Capital and Financing Activities:</b>					
Net transfers of capital assets	\$ (12,492)	\$ 439	\$ 667	\$ (11,386)	\$ -

The accompanying Notes to Financial Statements are in integral part to these statements.

CITY OF OCOEE, FLORIDA

**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**

September 30, 2015

	<u>Total Employee Pension Funds</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 2,731,136
Receivables:	
Employer contributions	72,013
Plan members contributions	<u>24,021</u>
Total receivables	<u>96,034</u>
Investments, at fair value:	
Common funds - equity	43,115,932
Common funds - bonds	20,804,107
Real estate investment trust	<u>6,171,470</u>
Total Investments	<u>70,091,509</u>
Total assets	<u>72,918,679</u>
<b>Liabilities</b>	
Accounts Payable	<u>-</u>
Total liabilities	<u>-</u>
<b>Net Position:</b>	
Held in trust for pension benefits	<u>\$ 72,918,679</u>

The accompanying Notes to Financial Statements are an integral part of these statements.

CITY OF OCOEE, FLORIDA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**

For the Year Ended September 30, 2015

	<u>Total Employee Pension Funds</u>
<b>Additions:</b>	
Contributions:	
Employer	\$ 2,806,956
Plan members	1,188,628
State	516,942
Total contributions	<u>4,512,526</u>
Investment income:	
Interest	1,912,598
Net appreciation (loss) on fair value of investments	<u>(712,873)</u>
Net investment income (loss)	<u>1,199,725</u>
Total additions	<u>5,712,251</u>
<b>Deductions:</b>	
Benefits	3,443,842
Administrative expenses	579,482
Total deductions	<u>4,023,324</u>
Change in net position	1,688,927
Net Position - beginning	<u>71,229,752</u>
Net Position - ending	<u><u>\$ 72,918,679</u></u>

The accompanying Notes to Financial Statements are an integral part of these statements.

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**NOTES TO FINANCIAL STATEMENTS**

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**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

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

***A. Reporting Entity***

The City of Ocoee, Florida ("the City") is a political subdivision of the state of Florida located in Orange County, and was established by the Laws of Florida 10951 (1925). The legislative branch of the City is comprised of a five-member elected Commission, which is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy; the execution of such policy is the responsibility of the City Manager appointed by the Commission.

In evaluating how to define the government, for financial reporting purposes, the City has considered all potential component units. The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body, and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organizations' resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization. In applying the above criteria, the City has one blended component unit as follows:

The City of Ocoee created the Community Redevelopment Agency (CRA) in May of 2006. This is a dependent taxing district established in accordance with Chapter 163, Part III, Florida Statutes. Notification to affected taxing agency was done in compliance with Chapter 163.346, Part III, Florida Statutes. The incremental annual increase in tax over the base years will be used to fund projects designed to enhance and improve the described area. The purpose of the CRA is to utilize appropriate private and public resources to eliminate and prevent the development or spread of slum and blighted areas in designated areas within the City. Areas within the CRA are to be redeveloped as an economically sustainable and attractive mixed-use area offering a high quality local destination in a manner that promotes a positive image for the City.

The Ocoee Community Redevelopment Plan was adopted in Resolution No. 2006-007 by Ocoee City Commission to govern the use of these resources. The CRA is governed by a board of seven - the five members of the Ocoee City Commission and two individuals appointed by the City Commission. One of the appointed individuals is nominated by Orange County. The adoption of Ordinance No. 2006-012 established the Redevelopment Trust Fund to account for all transactions generated by activity in the CRA. Separate financial statements are not issued for the CRA; they are included on pages 16 and 17.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 1 - Summary of Significant Accounting Policies (Continued):**

***B. Government-Wide and Fund Financial Statements***

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements; however interfund services provided and used are not eliminated. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 1 - Summary of Significant Accounting Policies (Continued):**

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The government reports the following funds:

**Major Governmental Funds**

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

The *Road Impact Special Revenue Fund* accounts for road impact fees collected from new developments which are restricted for use for planning, acquisition, expansion and development of improvements to the road system.

The *Community Redevelopment Agency Special Revenue Fund* was established as a dependent taxing district. The incremental annual increase in tax over the base years will be used to fund projects designed to enhance and improve the described area.

**Nonmajor Governmental Funds**

*Special Revenue Funds* account for specific revenue sources that are legally restricted or committed to expenditures for specific purposes other than debt service or capital projects.

*Debt Service Funds* account for the accumulation of resources for the payment of principal and interest on certain long-term debt.

*Capital Projects Funds* account for financial resources segregated for the acquisition or construction of major capital facilities.

**Major Proprietary Funds**

The *Water and Wastewater Utility Fund* is used to account for the operations of the City's water and wastewater systems, which are financed in a manner similar to private business enterprises, where the costs, including depreciation, of providing services to the general public on an ongoing basis are financed primarily through user charges.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 1 - Summary of Significant Accounting Policies (Continued):**

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

The *Stormwater Utility Fund* accounts for the operation and maintenance of the City's stormwater system and payment of related debt.

The *Solid Waste Utility Fund* accounts for the operation and maintenance of the City's solid waste collection and disposal system.

**Other Fund Types**

The *Pension Trust Funds* account for activities of police officers, firefighters and general employees' retirement plans which accumulate resources for pension benefit payments to qualified employees.

The *Internal Services Fund* accounts for insurance activities of the City.

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

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 1 - Summary of Significant Accounting Policies (Continued):**

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's Water and Wastewater Utility, Solid Waste, and Stormwater Utility funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets.

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

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

**1. Deposits and Investments**

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The City implemented Governmental Accounting Standards Board (GASB) Statement No. 40, Deposit and Investment Risk Disclosure, for fiscal year 2006. The effect of this statement is the inclusion of new disclosures for deposit and investment risk.

Investments of the City are reported at fair value. The City's investments consist of investments authorized per the investment policy adopted in accordance with Section 218.415, Florida Statutes.

**2. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a non-spendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 1 - Summary of Significant Accounting Policies (Continued):**

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

All receivables are shown net of an allowance for uncollectibles. The County bills and collects property taxes and remits them to the City. City property tax revenues are recognized when levied to the extent that they result in current receivables.

All property is reassessed according to its fair value on the lien date, or January 1 of each year. Taxes are levied on October 1 of each year. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March are without discount. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. On or around May 31 following the tax year, certificates are sold for all delinquent taxes on real property.

**3. Inventories and Prepaid Items**

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These are recorded as expenditures when consumed rather than when purchased.

**4. Restricted assets**

Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. Assets so designated are identified as restricted assets on the balance sheet.

**5. Capital assets**

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

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 1 - Summary of Significant Accounting Policies (Continued):**

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

**5. Capital assets (Continued)**

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Total interest expense incurred by business-type activities during the current year was \$653,346. There was no interest capitalized in enterprise fund capital assets in 2015.

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

<u>Assets</u>	<u>Years</u>
Buildings	10-30
Improvements	20-40
Infrastructure	30-50
Intangible Assets	5-10
Equipment	5-10

**6. Compensated absences**

It is the City's policy to permit employees to accumulate earned but unused personal leave benefits. Since the City's policy is to pay accumulated personal leave when employees separate from service, all personal leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. For governmental funds, compensated absences, other post-employment benefits and net pension liability are generally liquidated by the General Fund.

**7. Long-term obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 1 - Summary of Significant Accounting Policies (Continued):**

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

**7. Long-term obligations (Continued)**

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

**8. Deferred outflows/inflows of resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. The deferred charge on refunding and deferred outflows of pension earnings reported in the enterprise and government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item that qualifies for reporting in this category, deferred inflows of pension investment earnings.

**9. Net position flow assumptions**

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 1 - Summary of Significant Accounting Policies (Continued):**

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

**10. Fund balance flow assumptions**

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted first before using any of the components of unrestricted fund balance. Further when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**11. Fund balance policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Commission is the highest level of decision making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classifications are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The Commission has the responsibility for assigning fund balance. The commission may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 1 - Summary of Significant Accounting Policies (Continued):**

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

**12. New GASB Statements Implemented**

In fiscal year 2015, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These statements replaces the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers*, and Statement No. 50, *Pension Disclosures*, as they relate to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria. GASB Statement No. 71 addresses the issue of the transition provisions in Statement No. 68. Beginning net position of governmental activities, business-type activities, and proprietary funds has been restated and disclosed in Note 3.

**Note 2 - Reconciliation of Government-Wide and Fund Financial Statements:**

***A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position***

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net position- governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this \$44,545,083 difference are as follows:

Notes Payable	\$ 27,767,000
Less: Deferred amount on refunding (to be amortized over life of debt)	(1,199)
Capital Leases Payable	1,309,052
Other Post Employment Benefits	3,720,637
Compensated Absences	1,950,156
Net Pension Liability	9,780,908
Accrued Interest Payable	18,529
Net Adjustment to Reduce Fund Balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 44,545,083</u>

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 2 - Reconciliation of Government-Wide and Fund Financial Statements (Continued):**

***B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities***

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$(1,481,965) difference are as follows:

Capital Outlay	\$ 2,754,067
Depreciation Expense	<u>(4,236,032)</u>
Net Adjustment to Decrease Net Changes in Fund Balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ (1,481,965)</u>

Another element of that reconciliation states "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this \$1,332,347 difference are as follows:

Debt Issued or Incurred:	
Capital leases	\$ (1,184,891)
Principal Repayment	<u>2,517,238</u>
Net Adjustment to Increase Net Changes in Fund Balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,332,347</u>

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 2 - Reconciliation of Government-Wide and Fund Financial Statements (Continued):**

***B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities (Continued)***

Another element of that reconciliation states "Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this (\$160,189) difference are as follows:

Compensated Absences	\$ (32,684)
Other Post Employment Benefits	(129,735)
Accrued Interest Payable	4,628
Amortization of Loss on Refunding	<u>(2,398)</u>
Net Adjustment to Decrease Net Changes in Fund Balances - total governmental funds to arrive at changes in net position of governmental activities	<u><u>\$ (160,189)</u></u>

**Note 3 - Accounting Changes:**

The beginning balances of governmental activities, business-type activities, and proprietary funds have been adjusted due to the implementation of GASB 68.

	Water and Wastewater Fund	Solid Waste Fund	Stormwater Fund	Total Proprietary Funds
Net Position, October 1, 2014, previously stated	\$ 42,929,928	\$ 1,675,025	\$ 31,640,288	\$76,245,241
Restatement of Net Position Due to Implementation of GASB 68	<u>(113,748)</u>	<u>(39,697)</u>	<u>(19,700)</u>	<u>(173,145)</u>
Net Position, October 1, 2014, restated	<u>\$ 42,816,180</u>	<u>\$ 1,635,328</u>	<u>\$ 31,620,588</u>	<u>\$76,072,096</u>
	Governmental Activities	Business-type Activities	Total	
Net Position, October 1, 2014, previously stated	\$101,093,993	\$ 76,307,196	\$177,401,189	
Restatement of Net Position Due to Implementation of GASB 68	<u>(8,118,155)</u>	<u>(173,145)</u>	<u>(8,291,300)</u>	
Net Position, October 1, 2014, restated	<u>\$ 92,975,838</u>	<u>\$ 76,134,051</u>	<u>\$169,109,889</u>	

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 4 - Stewardship, Compliance, and Accountability:**

***A. Budgetary Information***

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General, Community Redevelopment Agency Special Revenue Fund, Impact Fee Special Revenue and Enterprise Funds, except as described below under Budget Basis of Accounting. All annual appropriations lapse at fiscal year end. The City follows these procedures set forth below in establishing the budgetary data reflected in the financial statements.

1. Prior to August 1<sup>st</sup>, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1<sup>st</sup>. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayers comments.
3. On or before September 30<sup>th</sup> of each year, public hearings are completed and the Commission adopts the final budget and establishes the ad valorem tax millage.
4. The City cannot legally exceed the budget; however, the City Manager is authorized to transfer budgeted amounts within departments within any fund. The City Commission must approve revisions that alter the total expenditures of any department. The legal level of budgetary control is the department level.
5. Budgetary comparisons are not presented for Enterprise Funds since not required under generally accepted accounting principles.

***B. Excess of Expenditures Over Appropriations***

The Road Impact Fund contained excess expenditures over appropriations, which were funded by greater than anticipated revenues and available fund balance.

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 5 - Budget Basis of Accounting:**

The General Fund, Community Redevelopment Agency Special Revenue Fund and Impact Fee Special Revenue Fund budgets are prepared on a budgetary basis, whereby encumbrances are treated as budgeted expenditures in the year of incurrence of the commitment to purchase. In addition, the City includes a portion of the prior year's fund balance represented by unappropriated liquid assets remaining in the fund as budgeted revenue in the succeeding year. The results of operations on a GAAP basis do not recognize the fund balance allocation as revenue as it represents prior periods' excess of revenues over expenditures. Also, the City does not budget for capital outlay expenditures and other financing sources related to the acquisition of assets through capital leases. The City does not budget for the state pension contributions that must be recorded as intergovernmental revenue and public safety expenditures in the General Fund GAAP financial statements.

The City also does not budget for Recreation Programs, Founders Day, Police Fundraiser, Community Events, and Fire Fully Involved, which are consolidated in the General Fund for GAAP purposes, however not included in the budgetary basis of the General Fund.

For the 2015 fiscal year, the following adjustments were necessary to convert General Fund expenditures on the GAAP basis to the budgetary basis:

	<u>Expenditures</u>	<u>Revenues</u>	<u>Other Financing Sources (Uses)</u>
General Fund:			
GAAP Basis	\$ 34,574,087	\$ 33,290,476	\$ 3,827,011
Nonbudgeted State Pension Amounts	(516,942)	(516,942)	-
Nonbudgeted Capital Lease Transactions	(527,363)	-	(1,184,891)
Nonbudgeted Recreation Programs	(85,150)	(74,683)	-
Nonbudgeted Founders Day	(309,285)	(357,917)	-
Nonbudgeted Police Fundraiser	(23,182)	(19,078)	-
Nonbudgeted Community Events	(21,917)	(38,667)	-
Nonbudgeted Fire Fully Involved	(964)	(5)	-
Budgetary Basis	<u>\$ 33,089,284</u>	<u>\$ 32,283,184</u>	<u>\$ 2,642,120</u>

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 6 - Deposits and Investments:**

**Deposits**

At year-end, the carrying amount of the City's deposits was \$37,199,967 and the bank balance was \$40,074,188. Cash on hand of \$880 and Cash with Fiscal Agent of \$2,587,487 are not on deposit with a financial institution. Fiduciary cash of \$2,731,136 held by the pension funds is not in the City's bank accounts. All bank deposits were covered by Federal Depository Insurance or held in banks that are members of the State of Florida's Collateral Pool as specified under Florida law. This limits local government deposits to "authorized depositories." The State of Florida Collateral Pool is a multiple financial institution pool with the ability to assess its members for collateral shortfalls if a member institution fails. For this reason, the City considers its deposits insured or collateralized.

**Investments**

The City's investment policy is governed by State Statutes and City ordinances. The investment policy does not apply to the City's Pension Funds and funds related to the issuance of debt where there are other existing policies or indentures in effect. City ordinance allows investments in any financial institution that is a qualified public depository of the State of Florida as identified by the State Treasurer, in accordance with chapter 280 of the Florida Statutes. Authorized investments are:

1. State Board of Administration Local Government Investment Pool (SBA);
2. Registered investment companies (money market mutual funds);
3. Money Market funds and Certificates of Deposit in state-certified qualified public depositories;
4. U.S. Government Agency Securities and U.S. Treasury Bills, Notes and Bonds;
5. Repurchase agreements

The SBA is not a registrant with the Securities and Exchange Commission (SEC); however the State of Florida does provide regulatory oversight. The Board has adopted operating procedures consistent with the requirements for a 2a-7 fund for the Florida Prime Fund; therefore, the pool account balance can be used as fair value for the financial reporting.

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 6 - Deposits and Investments (Continued):**

**Investments (Continued)**

Investments made by the City of Ocoee at September 30, 2015 are summarized below. Defined benefit pension plan investments, other than \$43,115,932 in mutual funds investing in equity securities, are included below.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity (Years)</u>
Florida Prime	\$ 238,388	AAAm	29 days
Certificates of Deposit	4,474,972	Not rated	23.0 months
Money Market	1,099,027	Not rated	N/A
U.S. Government and Agency Securities	15,319,941	AA+	1.87 years
Pension Plan Investments:			
Fixed Income Securities	20,804,107	BBB-AA+	12.5 years
Real Estate and Misc. Assets	6,171,470	Not Rated	
	<u>\$ 48,107,905</u>		

**Credit Risk:**

The City's investment policy limits credit risk by restricting authorized investments to those described above. The policy requires that investments in U.S. Government Agency Securities be guaranteed by the full faith of the U.S. Government. Also, term repurchase agreements must be collateralized by U.S. Treasury securities and overnight (sweep) repurchase agreements must be collateralized by the full faith or general faith and credit obligations of the U.S. Government or U.S. Government Agency Securities. Securities of registered investment companies must be limited to U.S. Government obligations and to repurchase agreements fully collateralized by such U.S. Government obligations.

**Custodial Credit Risk:**

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires that bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2015, all of the City's bank deposits were in qualified public depositories.

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 6 - Deposits and Investments (Continued):**

**Investments (Continued)**

Custodial Credit Risk (Continued):

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments of collateral securities that are in the possession of an outside party. At September 30, 2015, none of the investments listed are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Concentration of Credit Risk:

The policy has no limitations on portfolio composition.

Interest Rate Risk:

The policy limits investment in U.S. Government Agency Securities, Treasury Bills, Notes and Bonds to a maximum maturity of five years. The maximum length to maturity for Certificates of Deposit is three years.

**Note 7 - Receivables:**

Receivables as of yearend for the City's individual major funds and non-major and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Accounts Receivable	Less Allowance for Uncollectible Accounts	Total
General Fund	\$ 1,187,221	\$ (20,390)	\$ 1,166,831
Road Impact	4,038	-	4,038
Water and Wastewater Utility Fund	1,314,095	(81,724)	1,232,371
Solid Waste Fund	17,715	(1,240)	16,475
Stormwater Fund	29,367	(1,531)	27,836
Internal Service Fund	56	-	56
Other Governmental Funds	10,668	-	10,668
Total	<u>\$ 2,563,160</u>	<u>\$ (104,885)</u>	<u>\$ 2,458,275</u>

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 8 - Capital Assets:**

Capital asset activity for the year ended September 30, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 23,675,319	\$ 520,027	\$ -	\$ 24,195,346
Construction in progress	12,640,672	726,677	(11,915,323)	1,452,026
Total capital assets, not being depreciated	<u>36,315,991</u>	<u>1,246,704</u>	<u>(11,915,323)</u>	<u>25,647,372</u>
Capital assets, being depreciated:				
Buildings	16,851,070	2,660,202	-	19,511,272
Improvements	12,754,813	9,303,035	(57,896)	21,999,952
Machinery and equipment	11,860,780	1,128,552	(804,866)	12,184,466
Intangibles	671,430	210,494	(90,264)	791,660
Infrastructure	94,745,930	-	-	94,745,930
Total capital assets, being depreciated	<u>136,884,023</u>	<u>13,302,283</u>	<u>(953,026)</u>	<u>149,233,280</u>
Less accumulated depreciation for:				
Buildings	(4,934,777)	(469,100)	-	(5,403,877)
Improvements	(4,421,530)	(896,509)	29,044	(5,288,995)
Machinery and equipment	(9,467,396)	(715,919)	784,028	(9,399,287)
Intangibles	(589,970)	(54,212)	90,264	(553,918)
Infrastructure	(34,509,840)	(2,104,978)	-	(36,614,818)
Total accumulated depreciation	<u>(53,923,513)</u>	<u>(4,240,718)</u>	<u>903,336</u>	<u>(57,260,895)</u>
Total capital assets, being depreciated, net	<u>82,960,510</u>	<u>9,061,565</u>	<u>(49,690)</u>	<u>91,972,385</u>
Governmental activities capital assets, net	<u>\$119,276,501</u>	<u>\$ 10,308,269</u>	<u>\$ (11,965,013)</u>	<u>\$117,619,757</u>

Increases in accumulated depreciation for governmental activities includes accumulated depreciation on assets transferred from business-type activities, therefore, total increases is not the same as depreciation expense disclosed below. This difference is \$4,686. Increases in accumulated depreciation for business-type activities include accumulated depreciation on assets transferred from governmental activities. This difference is \$25,562.

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 8 - Capital Assets (Continued):**

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 4,715,299	\$ 115,046	\$ -	\$ 4,830,345
Construction in progress	9,427,827	2,828,917	(1,724,630)	10,532,114
Total capital assets, not being depreciated	<u>14,143,126</u>	<u>2,943,963</u>	<u>(1,724,630)</u>	<u>15,362,459</u>
Capital assets, being depreciated:				
Buildings	20,094,002	-	-	20,094,002
Improvements	94,806,553	1,950,166	(59,378)	96,697,341
Machinery and equipment	7,063,453	661,506	(41,619)	7,683,340
Intangibles	186,107	13,597	-	199,704
Total capital assets, being depreciated	<u>122,150,115</u>	<u>2,625,269</u>	<u>(100,997)</u>	<u>124,674,387</u>
Less accumulated depreciation for:				
Buildings	(11,587,045)	(606,575)	-	(12,193,620)
Improvements	(55,248,594)	(4,080,687)	47,058	(59,282,223)
Machinery and equipment	(5,073,629)	(611,699)	39,316	(5,646,012)
Intangibles	(129,248)	(30,009)	-	(159,257)
Total accumulated depreciation	<u>(72,038,516)</u>	<u>(5,328,970)</u>	<u>86,374</u>	<u>(77,281,112)</u>
Total capital assets, being depreciated, net	<u>50,111,599</u>	<u>(2,703,701)</u>	<u>(14,623)</u>	<u>47,393,275</u>
Business-type activities capital assets, net	<u>\$ 64,254,725</u>	<u>\$ 240,262</u>	<u>\$(1,739,253)</u>	<u>\$ 62,755,734</u>

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 8 - Capital Assets (Continued):**

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General government	\$ 789,588
Public safety	795,471
Physical environment	2,152,156
Culture and recreation	498,817
Total Depreciation Expense - governmental activities	<u>\$ 4,236,032</u>
Business-type Activities:	
Water and wastewater	\$ 2,913,782
Solid waste	260,714
Stormwater	2,128,912
Total Depreciation Expense - business-type activities	<u>\$ 5,303,408</u>

**Note 9 - Leases:**

**Capital Leases** - The City has entered into lease agreements as lessee for financing the acquisition of vehicles, trucks, data processing, communications and office equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Assets		
Machinery & equipment	\$ 1,158,162	\$ 1,479,956
Less: Accumulated depreciation	(150,804)	(348,286)
Total	<u>\$ 1,007,358</u>	<u>\$ 1,131,670</u>

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 9 - Leases (Continued):**

Amortization of equipment leased and capital leases is included in depreciation expense. The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2015 were as follows:

<u>Year Ending September 30</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
2016	\$ 507,027	\$ 273,927
2017	450,181	239,177
2018	273,176	144,124
2019	108,078	58,151
Total Minimum Lease Payments	<u>1,338,462</u>	<u>715,379</u>
Less: Amount representing interest	<u>(29,410)</u>	<u>(15,017)</u>
	<u>\$ 1,309,052</u>	<u>\$ 700,362</u>

**Note 10 - Long-Term Debt:**

**Notes Payable**

The 2010 Water and Sewer System Refunding Revenue Notes are secured by net revenue of the water and sewer system. The total principal and interest remaining to be paid on this series is \$374,634. For the fiscal year, principal and interest paid on this series was \$374,101 and total pledged revenue was \$4,468,164.

The 2012 Water and Sewer System Refunding Revenue Notes are secured by net revenue of the water and sewer system. The total principal and interest remaining to be paid on this series is \$5,983,402. For the fiscal year, principal and interest paid on this series was \$178,976 and total pledged revenue was \$4,468,164.

The 2013 Water and Sewer System Refunding Revenue Notes are secured by net revenue of the water and sewer system. The total principal and interest remaining to be paid on this series is \$17,596,311. For the fiscal year, principal and interest paid on this series was \$703,500 and total pledged revenue was \$4,468,164.

The 2011 Capital Improvement Refunding Revenue Notes are secured by half-cent sales tax revenue. The total principal and interest remaining to be paid on this series is \$7,868,881. For the fiscal year, principal and interest paid on this series was \$603,457 and total pledged revenue was \$5,665,490.

The 2012 Transportation Improvement Refunding Revenue Notes are secured by Local Option Gas Tax and Public Service tax revenue. The total principal and interest remaining to be paid on this series is \$14,950,031. For the fiscal year, principal and interest paid on this series was \$1,120,469 and total pledged revenue was \$3,951,554.

The remaining Governmental Activities Notes payable are secured by a covenant to budget and appropriate, not a pledge of specific revenues.

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 10 - Long-Term Debt (Continued):**

**Notes Payable (Continued)**

The City has notes payable for both governmental and business-type activities. Outstanding notes payable at year end are as follows:

Governmental Activities

Capital Improvement Note, Series 2009 - payable in annual principal installments start 10/1/10 through 10/1/2024 and interest paid semi-annually at a variable rate equal to 67% of the sum of LIBOR plus 2.6%, with a floor of 2.1%	3,385,000
Capital Improvement Refunding Revenue Note, Series 2011 - payable in annual principal installments start 10/1/12 through 10/1/2028 and interest paid semi-annually at 2.510%	6,644,000
Transportation Improvement Refunding Revenue Note, Series 2012 - payable in annual principal installments start 10/1/12 through 10/1/2028 and interest paid semi-annually at 2.730%	12,444,000
Non-Ad Valorem Refunding Revenue Note, Series 2012 - payable in annual principal installments start 2/1/2013 through 2/1/2023 and interest paid semi-annually at 2.10%	5,294,000
	<u>\$ 27,767,000</u>

Business-Type Activities

Water and Sewer System Refunding Revenue Note, Series 2012 - payable in annual principal installments through 2026 and interest paid semi-annually at 2.35%	\$ 5,177,000
Water and Sewer System Refunding Revenue Note, Series 2013 - payable in annual principal installments through 2033 and interest paid semi-annually at 3.93%	11,739,000
Water and Sewer System Refunding Revenue Note, Series 2010 - payable in annual principal installments through 2016 and interest paid semi-annually at 2.08%	367,000
	<u>\$ 17,283,000</u>

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 10 - Long-Term Debt (Continued):**

**Notes Payable (Continued)**

Annual debt service requirements to maturity for notes payable are as follows:

Year Ending September 30,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2016	\$ 2,171,000	\$ 682,350	\$ 667,000	\$ 590,637
2017	2,233,000	629,712	716,000	572,098
2018	2,297,000	575,521	735,000	551,258
2019	2,369,000	519,878	757,000	529,798
2020	2,434,000	462,513	779,000	507,663
2021-2025	11,265,000	1,427,146	4,256,000	2,180,945
2026-2030	4,998,000	267,597	5,468,000	1,428,046
2031-2033	-	-	3,905,000	310,902
	<u>\$ 27,767,000</u>	<u>\$ 4,564,717</u>	<u>\$ 17,283,000</u>	<u>\$ 6,671,347</u>

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CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 10 - Long-Term Debt (Continued):**

**Changes in Long-Term Liabilities**

Long-term liability activity for the year ended September 30, 2015 was as follows:

	Beginning Balance, Restated	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
Notes payable-					
Capital improvement notes	\$ 16,690,000	\$ -	\$ (1,367,000)	\$ 15,323,000	\$ 1,363,000
Transp. improvement notes	13,204,000	-	(760,000)	12,444,000	808,000
Total notes payable	29,894,000	-	(2,127,000)	27,767,000	2,171,000
Capital lease	514,399	1,184,891	(390,238)	1,309,052	490,811
Compensated absences	1,917,473	237,383	(204,700)	1,950,156	195,000
Net pension liability	7,121,086	2,659,822	-	9,780,908	-
Other post employment benefits	3,590,902	129,735	-	3,720,637	-
Governmental activity long-term liabilities	<u>\$ 43,037,860</u>	<u>\$ 4,211,831</u>	<u>\$ (2,721,938)</u>	<u>\$ 44,527,753</u>	<u>\$ 2,856,811</u>
<b>Business-type Activities:</b>					
Revenue Notes payable	\$ 17,931,000	\$ -	\$ (648,000)	\$ 17,283,000	\$ 667,000
Capital lease	572,741	453,738	(326,117)	700,362	265,678
Compensated absences	440,732	74,285	(44,000)	471,017	47,102
Net pension liability	104,847	287,598	-	392,445	-
Other post employment benefits	774,936	18,666	-	793,602	-
Business-type activity long-term liabilities	<u>\$ 19,824,256</u>	<u>\$ 834,287</u>	<u>\$ (1,018,117)</u>	<u>\$ 19,640,426</u>	<u>\$ 979,780</u>

For governmental funds, compensated absences, other post-employment benefits and net pension liability are generally liquidated by the General Fund.

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 11- Interfund Receivables, Payables and Transfers:**

The composition of interfund balances as of September 30, 2015 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Community Redevelopment Agency	\$ 21,922
General Fund	Internal Service Fund	200,000
General Fund	Nonmajor governmental	2,800
Community Redevelopment Agency	General Fund	148
Water and Wastewater Fund	General Fund	239
Nonmajor Governmental	General Fund	362
Road Impact	Internal Service Fund	400,000
Stormwater Fund	Internal Service Fund	304,842
Total		<u>\$ 930,313</u>

Interfund balances represent reimbursements for a portion of salaries, purchases paid from an incorrect funds and transfer for debt service payment.

Interfund transfers for the year ended September 30, 2015 consisted of the following:

	<u>Transfers In</u>					<u>Total</u>
	<u>General Fund</u>	<u>Water and Wastewater Fund</u>	<u>Stormwater Fund</u>	<u>Governmental Capital Assets Not a Fund</u>	<u>Nonmajor Governmental</u>	
<b>Transfer Out:</b>						
General Fund	\$ -	\$ 5,500		\$ -	\$ 1,663,564	\$ 1,669,064
Road Impact	876,493	-	-	-	-	876,493
Community Redevelopment Agency	172,766	-	-	-	-	172,766
Water and Wastewater Fund	1,466,257	-	-	12,492	-	1,478,749
Solid Waste Fund	531,236	-	25,000	-	-	556,236
Stormwater Fund	602,171	-	-	-	-	602,171
Nonmajor Governmental	507,483	-	-	-	269,021	776,504
Total	<u>\$4,156,406</u>	<u>\$ 5,500</u>	<u>\$ 25,000</u>	<u>\$ 12,492</u>	<u>\$ 1,932,585</u>	<u>\$ 6,131,983</u>

Transfers are used to move revenues from the fund that statute or budget requires collecting them to the fund that they are required to be expended from. Transfers are also used to a) accumulate required interest and principal debt payments for timely remittance, b) move administrative fees from the enterprise funds to the general fund, and c) move funds for purchases of computers based upon a replacement schedule. Transfers in the fund statements do not balance due to transfer of capital assets out of the Water and Wastewater Fund in the amount of \$12,492 into the governmental capital assets.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 12 - Retirement Plans:**

**Defined Benefit Plan and Trust**

The City maintains two separate single-employer defined benefit pension plans for police officers and firefighters and all other full-time employees who are included as part of the City's reporting entity in Pension Trust Funds. The plans do not issue stand-alone financial reports. Each plan provides retirement and death benefits to plan members and beneficiaries. In addition, the police and firefighters plan provides disability benefits to Plan members. Florida Statutes, Chapter 175 and 185 establish minimum benefit provisions. The City of Ocoee Commission appoints two boards of trustees, two trustees are elected by the employees and a fifth member is selected by the four trustees to administer the pension trust funds. This board of trustees may not amend any provisions of the pension plan without the approval of the City Commission.

Contributions from the State received under Florida State Statutes 175 and 185 amounted to \$516,942 in 2015 and were recorded as revenue and expenditures in the general fund. The amounts legally required at September 30, 2015 to be reserved for general employees and police and fire pension funds are \$31,366,684 and \$41,551,995 respectively.

**Summary of Significant Accounting Principles**

The Plan's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. All Plan investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments without an established market are reported at estimated fair value.

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 12 - Retirement Plans (Continued):**

**Individual Pension Fund Statements** - The pension plans do not issue stand-alone financial reports. Individual statements of net position and changes in pension fund net position for the two pension plans included in the City of Ocoee fiduciary funds are as follows:

**INDIVIDUAL STATEMENTS OF FIDUCIARY NET POSITION**  
**September 30, 2015**

	General Employees Pension	Police and Fire Pension
	<u>                    </u>	<u>                    </u>
<b>Assets:</b>		
Cash and cash equivalents	\$ 928,827	\$ 1,802,309
Receivables:		
Employer contributions	-	72,013
Plan members contributions	-	24,021
Total receivables	<u>-</u>	<u>96,034</u>
Investments, at fair value:		
Common funds - equity	18,878,661	24,237,271
Real estate investment trust	2,856,111	3,315,359
Common funds - bonds	8,703,085	12,101,022
Total Investments	<u>30,437,857</u>	<u>39,653,652</u>
Total assets	<u>31,366,684</u>	<u>41,551,995</u>
<b>Liabilities</b>		
Accounts Payable	-	-
Total liabilities	<u>-</u>	<u>-</u>
<b>Net Position:</b>		
Held in trust for pension benefits	<u>\$ 31,366,684</u>	<u>\$ 41,551,995</u>



CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 12 - Retirement Plans (Continued):**

**General Employees' Pension (Continued)**

*Plan Membership* - At September 30, 2015 plan membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	78
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	56
Active Plan Members	<u>172</u>
	<u>306</u>

*Benefits Provided* - The plan provides retirement, termination and death benefits.

Normal Retirement - *Date:* Attainment of Age 60. The Mayor and Commissioners have a 9 year Credited Service requirement in addition to the attainment of Age 60. Members (excluding the Mayor and Commissioners) hired after September 17, 2012, achieve normal retirement eligibility upon the attainment of age 62, with the completion of 7 years of credited service

*Benefit:* 3% of average final compensation for each year of credited service, limited to 81% of average final compensation. For members (including Mayor and Commissioners) hired or elected after September 17, 2012, the benefit is 2.25% of average final compensation for each year of credited service, limited to 70% of average final compensation.

Early Retirement - *Eligibility:* Age 50 and 5 years of credited service. The Mayor and Commissioners have a 9 year service requirement. Members (excluding the Mayor and Commissioners) hired after September 17, 2012, achieve early retirement eligibility upon the attainment of age 50 with the completion of 7 years of credited service. Accrued benefits are actuarially reduced.

*Vesting* - Members are 100% vested after 5 years of credited service. The Mayor and Commissioners have a 9 year requirement for vesting eligibility. Members (excluding the Mayor and Commissioners) hired after September 17, 2012 achieve 100% vesting eligibility upon the completion of 7 years of credited service. Members will receive the vested portion of their accrued benefit payable at the otherwise early (reduced) or normal (unreduced) retirement date.

Pre-Retirement Death Benefits - *Vested:* monthly accrued benefit payable to designated beneficiary for 10 years. *Nonvested:* refund of accumulated contributions without interest.

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 12 - Retirement Plans (Continued):**

**General Employees' Pension (Continued)**

*Contributions* - Member contributions are 7.4% of salary. The Mayor and Commissioners are non-contributory participants. City contributions are the remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, over 30 years.

*Net Pension Liability* - The City's net pension liability was measured as of September 30, 2015, and the total pension liability used to calculate the net pension liability was determined as of that date. The components of the net pension liability on September 30, 2015 were as follows:

Total Pension Liability	\$ 32,842,516
Plan Fiduciary Net Position	(31,417,074) *
Sponsor's Net Pension Liability	<u>\$ 1,425,442</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	95.66%

\* includes accrued investment income net of prepaid city contributions not included in the funds

*Actuarial Assumptions* - The total pension liability was determined by an actuarial valuation as of October 1, 2014 updated to September 30, 2015 using the following actuarial assumptions:

Inflation	3.00%
Salary Increases	4% - 5%
Discount Rate	7.75%
Investment Rate of Return	7.75%

Mortality rates were based on the RP2000 Combined Healthy Mortality Table (sex distinct), projected to the valuation date. This assumption is believed to accommodate expected mortality improvements.

The actuarial assumptions used in the October 1, 2014 valuation were based on the results of an actuarial experience study performed on July 25, 2014 for the period 1987-2013.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 12 - Retirement Plans (Continued):**

**General Employees' Pension (Continued)**

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Domestic Equity	45.0%	7.50%
International Equity	15.0%	8.50%
Broad Market Fixed Income	25.0%	2.50%
Global Fixed Income	5.0%	3.50%
Real Estate	10.0%	4.50%
Total	100.0%	

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

*Changes in Net Pension Liability*

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at September 30, 2014	\$ 30,970,526	\$ 30,589,698	\$ 380,828
Changes for a Year:			
Service Cost	1,130,748	-	1,130,748
Interest	2,440,626	-	2,440,626
Differences between expected and actual experience	(480,737)	-	(480,737)
Changes of assumptions	-	-	-
Contributions-employer	-	1,077,570	(1,077,570)
Contributions-employee	-	603,922	(603,922)
Net investment income	-	454,266	(454,266)
Benefit payments, including refunds of employee contributions	(1,218,647)	(1,218,647)	-
Administrative Expense	-	(89,735)	89,735
Net Changes	1,871,990	827,376	1,044,614
Balances at September 30, 2015	\$ 32,842,516	\$ 31,417,074	\$ 1,425,442

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 12 - Retirement Plans (Continued):**

**General Employees' Pension (Continued)**

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate*

	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
Net Pension Liability	\$ 5,087,093	\$ 1,425,442	\$ (1,683,905)

*Deferred outflows and inflows of resources*

For the year ended September 30, 2015, the City will recognize a pension expense of \$900,039. On September 30, 2015 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 384,590
Changes of Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,358,663	-
	<u>\$ 1,358,663</u>	<u>\$ 384,590</u>

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:

2016	\$ 228,014
2017	228,014
2018	228,014
2019	290,031
2020	-
Thereafter	-

*Concentrations* - The Plan did not hold investments in any one organization that represents 5 percent or more of the Pension Plan's fiduciary net position.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 12 - Retirement Plans (Continued):**

**General Employees' Pension (Continued)**

*Rate of return* - For the year ended September 30, 2015 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.47 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Deferred Retirement Option Program (DROP)* - members are eligible following satisfaction of normal retirement requirements (age 60). For members hired after September 17, 2012, the eligibility for DROP participation is the attainment of age 62 and the completion of 10 years of credited service. Participation is not more than 84 months from age 60. For members hired after September 17, 2012, the DROP participation period shall not exceed 60 months from the first date of normal retirement eligibility. Earnings accrue at a fixed annual rate of 3%, credited quarterly. The DROP balance as of September 30, 2015 is \$796,014.

**Police Officers' and Firefighters' Pension**

*Summary of Significant Accounting Policies*

*Method used to value investments* - Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

*Plan Description*

*Plan Administration* - The Plan is administered by a Board of Trustees comprised of two City Commission appointees, two members of the Plan elected by the membership, and a fifth member elected by the other four members, and appointed by City Commission.

*Plan Membership* - At September 30, 2015 plan membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	47
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	24
Active Plan Members	115
	<u>186</u>

*Benefits Provided* - The plans provides retirement, termination, disability and death benefits.

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 12 - Retirement Plans (Continued):**

**Police Officers' and Firefighters' Pension (Continued)**

Normal Retirement - Date: Earlier of age 55 and 10 years of credited service, or 25 years of credited service, regardless of age.

Benefit: 3.5% of average final compensation times credited service. Maximum benefit for members hired before October 1, 2012, 100% of average final compensation. For member hired after September 30, 2012, 91% of average final compensation.

Early Retirement - Eligibility: Age 45 and 5 years of credited service. Accrued benefits are reduced 3% per year to age 50 and actuarially reduced from age 50 to age 45.

Vesting - Members are 100% vested after 5 years of credited service. Members will receive the vested portion of their accrued benefit payable at the otherwise early or normal retirement date.

Disability - For service incurred, covered from date of employment. For non-service incurred- 10 years of credited service. Benefit is accrued to date of disability but not less than 42% of average final compensation (service incurred). Additionally, the benefit cannot exceed 91% of average final compensation for members hired after September 30, 2012.

Pre-Retirement Death Benefits - Vested: monthly accrued benefit payable to designated beneficiary for 10 years. Nonvested: refund of accumulated contributions without interest.

Contributions - Member contributions are 8% of salary. The City contributions are the remaining amount required in order to pay current costs and amortize unfunded past service cost, if any, as provided in Chapter 112, Florida Statutes.

Net Pension Liability - The City's net pension liability was measured as of September 30, 2015, and the total pension liability used to calculate the net pension liability was determined as of that date. The components of the net pension liability on September 30, 2015 were as follows:

Total Pension Liability	\$ 50,360,075
Plan Fiduciary Net Position	(41,612,164) *
Sponsor's Net Pension Liability	<u>\$ 8,747,911</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	82.63%

\* includes accrued investment income net of prepaid city contributions not included in the funds

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 12 - Retirement Plans (Continued):**

**Police Officers' and Firefighters' Pension (Continued)**

*Actuarial Assumptions* - The total pension liability was determined by an actuarial valuation as of October 1, 2014 updated to September 30, 2015 using the following actuarial assumptions applied to all measurement periods.

Inflation	3.00%
Salary Increases	6.00%
Discount Rate	8.00%
Investment Rate of Return	8.00%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table (sex distinct). Disabled lives are set forward five years. This assumption is believed to accommodate expected mortality improvements.

The actuarial assumptions used in the October 1, 2014 valuation were based on the results of an actuarial experience study for the period 1989-2014.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic Equity	50.0%	7.50%
International Equity	10.0%	8.50%
Core Fixed Income	25.0%	2.50%
Global Bond	5.0%	3.50%
Real Estate	10.0%	4.50%
Total	<u>100.0%</u>	

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 12 - Retirement Plans (Continued):**

**Police Officers' and Firefighters' Pension (Continued)**

*Discount rate* - The discount rate used to measure the total pension liability was 8%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in Net Pension Liability*

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances at September 30, 2014	\$ 47,615,120	\$ 40,770,015	\$ 6,845,105
Changes for a Year:			
Service Cost	1,245,860	-	1,245,860
Interest	3,784,844	-	3,784,844
Change in excess state money	95,618		95,618
Differences between expected and actual experience	(146,497)	-	(146,497)
Contributions-employer	-	1,726,011	(1,726,011)
Contributions-state	-	516,942	(516,942)
Contributions-employee	-	584,706	(584,706)
Net investment income	-	343,322	(343,322)
Benefit payments, including refunds of employee contributions	(2,234,870)	(2,234,870)	-
Administrative Expense	-	(93,962)	93,962
Net Changes	<u>2,744,955</u>	<u>842,149</u>	<u>1,902,806</u>
Balances at September 30, 2015	<u>\$ 50,360,075</u>	<u>\$ 41,612,164</u>	<u>\$ 8,747,911</u>

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate*

	1% Decrease	Current Discount Rate	1% Increase
	7.00%	8.00%	9.00%
Net Pension Liability	\$ 14,699,664	\$ 8,747,911	\$ 3,762,363

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 12 - Retirement Plans (Continued):**

**Police Officers' and Firefighters' Pension (Continued)**

*Deferred outflows and inflows of resources*

For the year ended September 30, 2015, the City will recognize a pension expense of \$1,612,430. On September 30, 2015 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 117,197
Changes of Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,737,613	-
	<u>\$ 1,737,613</u>	<u>\$ 117,197</u>

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	
2016	\$ 354,023
2017	354,023
2018	354,023
2019	558,347
2020	-
Thereafter	-

*Concentrations* - The Plan did not hold investments in any one organization that represents 5 percent or more of the Pension Plan's fiduciary net position.

*Rate of return* - For the year ended September 30, 2015 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 0.84 percent.

*Deferred Retirement Option Program (DROP) Police and Fire* - members are eligible within 12 months following satisfaction of normal retirement requirements. Participation is not more than 60 months. Rate of return: at election of member (may change once during DROP period) either: 1) actual net rate of investment return (total return net of brokerage commissions, transaction costs, and management fees), or 2) 6.5%. Earnings are credited each fiscal quarter (2% for members entering the DROP after September 30, 2012). Additionally, members entering the DROP after September 30, 2012 cannot choose the Plan return option for investment crediting. The DROP balance as of September 30, 2015 is \$1,318,540.

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 13 - Other Post Employment Benefits:**

In accordance with Florida Statutes Section 112.0801, the City makes continued group health insurance through the City's current provider available to retirees and eligible dependents provided certain service requirements and normal age retirement requirements have been met. This benefit has no cost to the City, other than the implicit cost of including retirees in the group calculation. All premiums are paid by the retiree. The City has fifteen retirees currently receiving benefits. The City has chosen pay-as-you-go funding, but is recording the liability in the government wide financial statements. This plan does not issue stand-alone financial statements.

As of October 1, 2013, the most recent actuarial valuation date, the actuarial accrued liabilities (AAL) and unfunded actuarial accrued liability (UAAL) for benefits was \$1,796,034, and the plan has a funded ratio of 0%. The covered payroll was \$15,078,052 and the ratio of the UAAL to covered payroll was 12%.

The annual required contribution and Net OPEB Obligation for the fiscal year ended September 30, 2015 is as follows:

Annual Required Contribution	\$ 210,591
Interest on Net OPEB Obligation	196,463
Adjustment to Annual Required Contribution	(195,660)
Annual OPEB cost	<u>211,394</u>
Employer Contributions	(62,993)
Increase in Net OPEB Obligation	<u>148,401</u>
Net OPEB Obligation (beginning of year)	4,365,838
Net OPEB Obligation (end of year)	<u><u>\$ 4,514,239</u></u>

**Three Year Trend Information -**

<u>Fiscal Year Ending</u>	<u>Annual OPEB Cost</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
9/30/2015	\$ 211,394	29.8%	\$ 4,514,239
9/30/2014	208,449	30.1%	4,365,838
9/30/2013	286,000	21.3%	4,220,208

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 13 - Other Post Employment Benefits (Continued):**

**Summary of Actuarial Methods & Assumptions:**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

**Actuarial Cost Method** - The entry age normal, level percentage of pay cost method was used to determine all liabilities, with the liability for each active employee assumed to accrue over his working lifetime based on elapsed time from his date of hire until retirement.

**Amortization Method** - Liabilities are amortized over a 30 year period as a level of percentage of payroll, closed.

**Decrements -**

**Mortality Rates** - RP 2000 Combined Mortality Table (sex distinct), projected to the valuation date for general employees, and RP-2000 Combined Healthy-sex distinct, disabled lives are set forward five years for Police and Fire.

**Disability** - none applied to general employees, rates of employee disability for Police and Fire:

<u>Age</u>	<u>Rate</u>
20	0.14%
30	0.18%
40	0.30%
50	1.00%

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 13 - Other Post Employment Benefits (Continued):**

**Termination Rates** - General employees termination rates are as follows:

<u>Service</u>	<u>% Terminating During the Year</u>
Less than 1 year	15.0%
1 to 10 years	10.0%
11 years and up	2.0%

Police and Fire employee termination rates are as follows:

<u>Age</u>	<u>% Terminating During the Year</u>
20	17.2%
30	15.0%
40	8.2%
50	1.7%

**Retirement** - 100% of participants are assumed to retire upon reaching Normal Retirement Age. General Employees hired before October 1, 2012 are expected to retire 8% per year from ages 50 to 59; 5-year service requirement applies. General employees hired on or after October 1, 2012 are expected to retire 2% per year from ages 50 to 59; 7-year service requirement applies. For Police and Fire employees, commencing with the earliest assumed early retirement date (age 45 with 5 years of service), members are assumed to retire at the rate of 1% per year.

**Investment Return (Discount Rate)** - 4.5% per annum, compounded annually, net of investment related expenses.

**Future Participation Rates** - 50% of eligible retirees are assumed to elect to continue coverage into retirement, with 100% electing spouse coverage.

**Healthcare Inflation** - Pre-Medicare-6.5% in fiscal 2015; 6.5% in fiscal 2016 (grading down to 4.5% in fiscal 2019). Post-Medicare-none.

**Medical Aging Factors** - 4% per year prior to age 65; 3% per year between ages 65 and 75; 2% per year between ages 75 and 85; 0% per year thereafter.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 13 - Other Post Employment Benefits (Continued):**

***Summary of Benefits***

***Other Post-Employment Benefits (OPEBs)*** - The City of Ocoee provides optional post-employment healthcare and life insurance coverage to eligible individuals.

***Eligible Individuals*** - A participant is eligible to receive benefits from the plan upon retirement under either the City of Ocoee Municipal Police Officers' and Firefighters' Retirement Trust Fund or the City of Ocoee Municipal General Employees' Retirement Trust Fund. To be eligible for retiree benefits, the participant must be covered under the medical plan as an active immediately prior to retirement. Under certain conditions, eligible individuals for healthcare coverage also include spouses and dependent children.

***Claims Assumption*** - The plan is self-insured. Pre-65 retirees participating in the group insurance plans offered by the City are required to contribute 100% of the active premiums. In future years, contributions are assumed to increase at the same rate as premiums. For 2014-2015 per capita annual health costs per participant were \$9,663.

**Note 14 - Deferred Compensation Plan:**

The City offers its employees three deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans are administered by Great West, ICMA Retirement Corporation, Principal Group and Hartford. The plans permit participants to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Because the Plan Assets are held in trust for the exclusive benefit of plan participants and their beneficiaries, the Plan is not accounted for in the City's fund financials.

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 15 - Risk Management:**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; and natural disasters. Risk of loss from above is transferred by the City to various commercial insurers through the purchase of insurance. There have been no significant reductions in insurance coverage from the prior year, and settlements have not exceeded insurance coverage during the past three years.

The City became self-insured for employee health insurance effective November 1, 2007. As permitted by GASB Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, the City accounts for its self-insured assets, liabilities, net position and activities in an internal service fund.

The general, water and wastewater, solid waste, and stormwater funds participate in the program and make payments to the internal service fund based on the number of employees in each fund.

The City's health internal service fund covers claims up to \$100,000 per individual event and related claims. The City purchased excess stop loss coverage with an aggregate limit of \$1,000,000 per policy period.

The claims liability of \$655,608 represents claims processed through December 2014 which were applicable to the current fiscal year and any additional claims are deemed to be immaterial. Changes to the claims liability are as follows for the years ended September 30:

	<u>2015</u>	<u>2014</u>
Claims Liability, beginning of year	\$ 643,677	\$ 508,394
Incurred Claims	5,437,398	3,456,402
Payments on Claims	<u>(5,425,467)</u>	<u>(3,321,119)</u>
Claims Liability, end of year	<u>\$ 655,608</u>	<u>\$ 643,677</u>

The City also became self-insured for workers' compensation effective October 1, 2007. The City covers events up to \$600,000 even if more than one employee is involved in the event. The City has purchased excess stop loss coverage with an aggregate limit of \$1,000,000 per event. The City also has an aggregate retention limit of \$1,364,543 for all claims, and when this aggregate is reached, then the excess stop loss coverage up to \$1,000,000 in excess of the aggregate covers claims.

Worker's compensation claims are paid from each fund as incurred and, therefore, is not included in the internal service fund. Also actuarial probabilities are not needed since no claims are pending at September 30, 2015.

CITY OF OCOEE, FLORIDA

**NOTES TO FINANCIAL STATEMENTS**

September 30, 2015

**Note 16 - Contingent Liabilities:**

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

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

**Note 17 - Fund Balance:**

At September 30, 2015, the City's governmental fund balances were as follows:

	General Fund	Road Impact	Community Redevelopment Agency	Other Governmental Funds	Total
Nonspendable					
Inventory and prepaids	\$ 110,379	\$ -	\$ 1,300	\$ 4,272	\$ 115,951
Spendable					
Restricted for:					
Debt service	-	-	-	142,512	142,512
Community redevelopment	-	-	116,265	-	116,265
Highways and streets	-	1,468,728	-	-	1,468,728
Fire	-	-	-	463,602	463,602
Police	-	-	-	450,375	450,375
Culture and recreation	-	-	-	1,296,181	1,296,181
Assigned to:					
Subsequent year expenditures	2,216,000	-	-	-	2,216,000
Transportation improvements	-	-	-	441,926	441,926
Capital projects	657,528	-	-	1,921,751	2,579,279
Unassigned	9,804,236	-	-	-	9,804,236
Total Fund Balance	<u>\$12,788,143</u>	<u>\$1,468,728</u>	<u>\$ 117,565</u>	<u>\$ 4,720,619</u>	<u>\$19,095,055</u>

**Note 18 - Commitments:**

At September 30, 2015, the City had entered into contracts for construction in the amount of \$2,193,125.

**Note 19 - Subsequent Events:**

The City has evaluated subsequent events through the date of the independent auditor's report, the date the financial statements were available to be issued.

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**REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF OCOEE, FLORIDA

**REQUIRED SUPPLEMENTARY INFORMATION**

September 30, 2015

**RETIREE CONTINUATION INSURANCE PLAN**

**Schedule of Contributions From the Employer and Other Contributing Entities**

<b>Year Ended September 30,</b>	<b>Annual Required Contribution</b>	<b>Percentage of ARC Contributed</b>	<b>Net OPEB Obligation</b>
2015	\$ 210,591	29.91%	\$4,514,239
2014	202,209	31.07%	4,365,838
2013	294,000	20.70%	4,220,208
2012	274,000	20.80%	3,995,208
2011	1,185,941	24.30%	3,781,208
2010	1,150,181	24.30%	2,875,990

**Schedule of Funding Progress**

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) <sup>1</sup> (b)</b>	<b>Unfunded AAL (UAAL) <sup>2</sup> (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a % of Covered Payroll (b-a)/c</b>
10/1/2013	-	1,796,034	1,796,034	0.00%	15,078,052	12.00%
10/1/2012	-	2,318,000	2,318,000	0.00%	N/A	N/A
10/1/2011	-	2,106,000	2,106,000	0.00%	N/A	N/A
10/1/2009	-	7,761,429	7,761,429	0.00%	N/A	N/A
10/1/2008	-	7,251,860	7,251,860	0.00%	N/A	N/A
10/1/2007 *	-	6,384,383	6,384,383	0.00%	N/A	N/A

\* Initial valuation date

<sup>1</sup> Actuarial liability determined under the projected unit credit cost method

<sup>2</sup> Actuarial liability less actuarial value of assets, if any

CITY OF OCOEE, FLORIDA

**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY  
AND RELATED RATIOS  
GENERAL EMPLOYEES**

Last 10 Fiscal Years\*

	<u>9/30/2015</u>	<u>9/30/2014</u>
<b>Total Pension Liability</b>		
Service Cost	\$ 1,130,748	\$ 1,099,915
Interest	2,440,626	2,265,121
Differences Between Expected and Actual Experience	(480,737)	-
Changes of Assumptions	-	-
Benefit Payments, including refunds of employee contributions	(1,218,647)	(1,043,921)
Net Change in Total Pension Liability	<u>1,871,990</u>	<u>2,321,115</u>
Total Pension Liability - beginning	30,970,526	28,649,411
Total Pension Liability - ending (a)	<u>\$ 32,842,516</u>	<u>\$ 30,970,526</u>
 <b>Plan Fiduciary Net Position</b>		
Contributions - employer	1,077,570	1,629,738
Contributions - state	-	-
Contributions - employee	603,922	588,154
Net Investment Income	454,266	2,447,920
Benefit Payments, Including Refunds of Employee Contributions	(1,218,647)	(1,043,921)
Administrative Expense	(89,735)	(60,184)
Other	-	-
Net Change in Plan Fiduciary Net Position	<u>827,376</u>	<u>3,561,707</u>
 Plan Fiduciary Net Position - beginning	30,589,698	27,027,991
Plan Fiduciary Net Position - ending (b)	<u>\$ 31,417,074</u>	<u>\$ 30,589,698</u>
 Net Pension Liability - ending (a) - (b)	<u>\$ 1,425,442</u>	<u>\$ 380,828</u>
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	95.66%	98.77%
 Covered-employee Payroll	\$ 8,671,290	\$ 7,988,910
 Net Pension Liability as a Percentage of Covered Employee Payroll	16.44%	4.77%

\*- only two years of data available

CITY OF OCOEE, FLORIDA

**SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY  
AND RELATED RATIOS  
POLICE AND FIREFIGHTERS**

Last 10 Fiscal Years\*

	<u>9/30/2015</u>	<u>9/30/2014</u>
<b>Total Pension Liability</b>		
Service Cost	\$ 1,245,860	\$ 1,315,099
Interest	3,784,844	3,562,111
Changes in Excess State Money	95,618	94,656
Differences Between Expected and Actual Experience	(146,497)	-
Changes of Assumptions	-	-
Benefit Payments, including refunds of employee contributions	(2,234,870)	(1,812,744)
Net Change in Total Pension Liability	<u>2,744,955</u>	<u>3,159,122</u>
Total Pension Liability - beginning	47,615,120	44,455,998
Total Pension Liability - ending (a)	<u>\$ 50,360,075</u>	<u>\$ 47,615,120</u>
 <b>Plan Fiduciary Net Position</b>		
Contributions - employer	1,726,011	1,943,350
Contributions - state	516,942	515,980
Contributions - employee	584,706	616,402
Net Investment Income	343,322	3,922,191
Benefit Payments, Including Refunds of Employee Contributions	(2,234,870)	(1,812,744)
Administrative Expense	(93,962)	(81,677)
Other	-	-
Net Change in Plan Fiduciary Net Position	<u>842,149</u>	<u>5,103,502</u>
 Plan Fiduciary Net Position - beginning	40,770,015	35,666,513
Plan Fiduciary Net Position - ending (b)	<u>\$ 41,612,164</u>	<u>\$ 40,770,015</u>
 Net Pension Liability - ending (a)- (b)	<u>\$ 8,747,911</u>	<u>\$ 6,845,105</u>
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	82.63%	85.62%
 Covered-employee Payroll	\$ 8,310,219	\$ 7,705,028
 Net Pension Liability as a Percentage of Covered Employee Payroll	105.27%	88.84%

\*- only two years of data available

CITY OF OCOEE, FLORIDA

**SCHEDULE OF CONTRIBUTIONS - GENERAL EMPLOYEES**

Last 10 Fiscal Years\*

	<u>9/30/2015</u>	<u>9/30/2014</u>
Actuarially Determined Contribution	\$ 1,077,570	\$ 1,629,738
Contributions in Relation to the Actuarially Determined Contribution	<u>1,077,570</u>	<u>1,629,738</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
Covered Employee Payroll	8,671,290	7,988,910
Contributions as a Percentage of Covered Employee Payroll	12.43%	20.40%

Notes to Schedule

Valuation Date 10/1/2013

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method Entry Age Normal  
 Amortization Method Level Percentage of Pay, Closed  
 Remaining Amortization Period 28 years (as of 10/1/2013)  
 Mortality RP -2000 combined healthy mortality table (sex distinct), projected to the valuation date. Static rates were used for the prior valuation

Interest Rate 8% per year, compounded annually, net of investment expenses

Inflation 3% per year

Normal Retirement *Contribution Members Hired Prior to 9/18/2012: age 62. Contribution Members Hired After 9/17/12: Age 62 and completion of 7 years of credited service. Non-Contributory Members: Age 60 and completion of 9 years of credited service. Also any member who has reached normal retirement is assumed to continue employment for one additional year.*

Early Retirement *Contribution Members Hired Prior to 9/18/2012: 8% per year from ages 50 to 59; 5 year service requirement applies Contribution Members Hired After 9/17/12: 2% per year from ages 50 to 61; 7 year service requirement applies. Non-Contributory Members: 2% per year from ages 50 to 59; 9 year service requirement applies.*

Termination Rates	<u>Credited Service</u>	<u>Termination Probability</u>
	Less than 1 year	15%
1-10 years	10%	
11 Years and Greater	2%	

Salary Increases	<u>Credited Service</u>	<u>Termination Probability</u>
	First 10 years	5%
Greater than 10 years	4%	

Final Year Salary Load	<u>Years of Credited service as of October 1, 2011</u>	<u>Assumption</u>
	less than 1 year	No Load
1 to 10 years	10%	
10 or more years	20%	

Asset Smoothing Methodology The actuarial value of assets is brought forward using the historical four-year geometric average of market value returns (net-of-fees). Over time, this may result in a deminis bias that is above or below the market value of assets.

Payroll Increases 3.2% per year

\*- only two years of data available

CITY OF OCOEE, FLORIDA

**SCHEDULE OF CONTRIBUTIONS - POLICE AND FIRE**

Last 10 Fiscal Years\*

	9/30/2014	9/30/2014
Actuarially Determined Contribution	\$ 2,147,335	\$ 2,364,673
Contributions in Relation to the Actuarially Determined Contribution	2,147,335	2,364,673
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
Covered Employee Payroll	8,310,219	7,705,028
Contributions as a Percentage of Covered Employee Payroll	25.84%	30.69%

Notes to Schedule

Valuation Date

10/1/2013

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

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Pay, Closed
Remaining Amortization Period	29 years (as of 10/1/2013)
Mortality	RP -2000 combined healthy mortality table (sex distinct). Disabled lives are set forward five years. Based on as study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements.
Interest Rate	8% per year, compounded annually, net of investment expenses
Inflation	3% per year
Normal Retirement	Earlier of age 55 and 10 years of service or 25 years of service, regardless of age. Also, any member who has reached normal retirement is assumed to continue employment for one additional year.
Early Retirement	Commencing with the earliest retirement date (age 45 with 5 years of service), members are assumed to retire with an immediate subsidized benefit at the rate of 1% per year.
Disability and Termination Rate	See table below. It is assumed that 75% of disablements and active member deaths are service related

Age	% Becoming Disabled During the Year	% Terminating During the Year
20	0.14%	17.20%
30	0.18%	15.00%
40	0.30%	8.20%
50	1.00%	1.70%

Salary Increases	6.00% per year until the assumed retirement age.
Payroll Growth	3.0% per year
Actuarial Asset Method	Each year, the prior actuarial value of assets is brought forward utilizing the historical geometric four-year average market value returns net-of-fees. It is possible that over time, this technique will produce an insignificant bias that is above or below market value.

\*- only two years of data available

CITY OF OCOEE, FLORIDA

**SCHEDULE OF INVESTMENT RETURNS**

Last 10 Fiscal Years\*

<b><u>General Employees</u></b>	<b><u>9/30/2015</u></b>	<b><u>9/30/2014</u></b>
Annual Money-Weighted Rate of Return Net of Investment Expense	1.47%	8.92%
<b><u>Police and Fire</u></b>	<b><u>9/30/2015</u></b>	<b><u>9/30/2014</u></b>
Annual Money-Weighted Rate of Return Net of Investment Expense	0.84%	10.95%

\*- only two years of data available

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**NONMAJOR GOVERNMENTAL FUNDS**

## **Nonmajor Governmental Funds**

### **Special Revenue Funds**

- Fire Impact** - Accounts for Fire Impact fees collected from new developments which are restricted for acquisition of facilities and equipment determined to be needed to provide fire protection for new development within the City.
- Police Impact** - Accounts for Police Impact fees collected from new developments which are restricted for acquisition of facilities and equipment determined to be needed to provide police protection for new development within the City.
- Recreation Impact** - Accounts for the land and/or money received from owners or developers as a recreational facilities assessment when lands are subdivided within the City. Funds are restricted for the improvement or expansion of City parks.
- Police Trust** - Accounts for the proceeds from property confiscated in police enforcement activities pursuant to F.S. 932.701 (Florida Contraband Forfeiture Act). Funds are restricted for funding police operations.
- Police Training** - Accounts for the revenues received pursuant to F.S. 943.25(8) which imposes a \$2.00 court cost against every person convicted for violation of state penal or criminal statute or convicted of a municipal or county ordinance violation where said offense occurred within the City of Ocoee. Funds are restricted for education and training of law enforcement personnel.
- Red Light Camera Reserve** - Accounts for revenue from red light infractions prior to the State legislation, restricted to expenditures related to on-going litigation.

## **Debt Service Funds**

### **Transportation Improvement Refunding Revenue Notes, Series 2012**

- Accounts for the accumulation of resources and payment of principal and interest payments on the 2012 Transportation Improvement Refunding Revenue Notes issued to refund the 1998 Transportation Refunding and Improvement Revenue Bonds, and the 2002 Transportation Refunding and Improvement Revenue Bonds and to finance the design, construction, paving and improvement of certain roads and drainage improvements within the city.

### **Capital Improvement Refunding Revenue Notes, Series 2011**

- Accounts for the accumulation of resources and payment of principal and interest payments on the 2011 Capital Improvement Refunding Revenue Notes, issued to refund the 1999 Capital Improvement Revenue Bonds, and finance certain capital improvements, including acquisition of land.

## **Capital Projects Funds**

### **Asset Acquisition**

- Accounts for resources segregated for computer and other asset acquisitions approved by the commission by not completed at year end.

### **Capital Projects Reserve**

- Accounts for resources segregated for capital projects approved by the commission but not completed at year end.

### **Transportation Improvements**

- Accounts for resources to finance the design, construction, paving and improvement of certain roads and drainage improvements within the City.

### **Coca Cola Property Improvements**

- Accounts for the resources for the development - including infrastructure for the Crown Point area.

CITY OF OCOEE, FLORIDA

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

September 30, 2015

	Special Revenue				
	Fire Impact	Police Impact	Recreation Impact	Police Trust	Police Training
<b>Assets:</b>					
Cash and cash equivalents	\$ 463,602	\$ 194,711	\$ 1,296,181	\$ 172,953	\$ 84,551
Cash with paying agent	-	-	-	-	-
Receivables, net	-	-	-	-	1,013
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
Prepays	-	-	-	-	4,272
Total assets	<u>\$ 463,602</u>	<u>\$ 194,711</u>	<u>\$ 1,296,181</u>	<u>\$ 172,953</u>	<u>\$ 89,836</u>
<b>Liabilities and Fund Balances:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 2,853
Retainage payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Matured bonds payable	-	-	-	-	-
Matured interest payable	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,853</u>
<b>Fund Balances:</b>					
Nonspendable	-	-	-	-	4,272
Restricted	463,602	194,711	1,296,181	172,953	82,711
Assigned	-	-	-	-	-
Total fund balances	<u>463,602</u>	<u>194,711</u>	<u>1,296,181</u>	<u>172,953</u>	<u>86,983</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 463,602</u>	<u>\$ 194,711</u>	<u>\$ 1,296,181</u>	<u>\$ 172,953</u>	<u>\$ 89,836</u>

CITY OF OCOEE, FLORIDA

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

September 30, 2015

	Special Revenue		Debt Service		
	Red Light Camera Reserve	Total Special Revenue Funds	Trans Debt Service Fund	CIP Debt Service Fund	Total Debt Service Funds
<b>Assets:</b>					
Cash and cash equivalents	\$ -	\$ 2,211,998	\$ 91,358	\$ 51,009	\$ 142,367
Cash with paying agent	-	-	1,120,469	514,729	1,635,198
Receivables, net	-	1,013	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	145	-	145
Prepays	-	4,272	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 2,217,283</u>	<u>\$ 1,211,972</u>	<u>\$ 565,738</u>	<u>\$ 1,777,710</u>
<b>Liabilities and Fund Balances:</b>					
Accounts payable	\$ -	\$ 2,853	\$ -	\$ -	\$ -
Retainage payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Matured bonds payable	-	-	760,000	426,000	1,186,000
Matured interest payable	-	-	360,469	88,729	449,198
Unearned revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>2,853</u>	<u>1,120,469</u>	<u>514,729</u>	<u>1,635,198</u>
<b>Fund Balances:</b>					
Nonspendable	-	4,272	-	-	-
Restricted	-	2,210,158	91,503	51,009	142,512
Assigned	-	-	-	-	-
Total fund balances	<u>-</u>	<u>2,214,430</u>	<u>91,503</u>	<u>51,009</u>	<u>142,512</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 2,217,283</u>	<u>\$ 1,211,972</u>	<u>\$ 565,738</u>	<u>\$ 1,777,710</u>

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CITY OF OCOEE, FLORIDA

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

September 30, 2015

	Capital Projects					
	Asset Acquisition Fund	Capital Projects Reserve Fund	Transportation Improvements Fund	Coca Cola Property Improv Fund	Total Capital Projects	Total-Other Governmental Funds
<b>Assets:</b>						
Cash and cash equivalents	\$ 68,606	\$ 2,133,267	\$ 440,749	\$ 2,826	\$ 2,645,448	\$ 4,999,813
Cash with paying agent	-	-	-	-	-	1,635,198
Receivables, net	-	8,695	960	-	9,655	10,668
Due from other governments	-	-	-	4,263	4,263	4,263
Due from other funds	-	-	217	-	217	362
Prepays	-	-	-	-	-	4,272
Total assets	<u>\$ 68,606</u>	<u>\$ 2,141,962</u>	<u>\$ 441,926</u>	<u>\$ 7,089</u>	<u>\$ 2,659,583</u>	<u>\$ 6,654,576</u>
<b>Liabilities and Fund Balances:</b>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,853
Retainage payable	-	2,658	-	-	2,658	2,658
Due to other funds	-	-	-	2,800	2,800	2,800
Matured bonds payable	-	-	-	-	-	1,186,000
Matured interest payable	-	-	-	-	-	449,198
Unearned revenue	-	290,448	-	-	290,448	290,448
Total liabilities	<u>-</u>	<u>293,106</u>	<u>-</u>	<u>2,800</u>	<u>295,906</u>	<u>1,933,957</u>
<b>Fund Balances:</b>						
Nonspendable	-	-	-	-	-	4,272
Restricted	-	-	-	-	-	2,352,670
Assigned	68,606	1,848,856	441,926	4,289	2,363,677	2,363,677
Total fund balances	<u>68,606</u>	<u>1,848,856</u>	<u>441,926</u>	<u>4,289</u>	<u>2,363,677</u>	<u>4,720,619</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 68,606</u>	<u>\$ 2,141,962</u>	<u>\$ 441,926</u>	<u>\$ 7,089</u>	<u>\$ 2,659,583</u>	<u>\$ 6,654,576</u>

CITY OF OCOEE, FLORIDA

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended September 30, 2015

	Special Revenue Funds				
	Fire Impact	Police Impact	Recreation Impact	Police Trust	Police Training
<b>Revenues:</b>					
Taxes and impact fees	\$ 218,728	\$ 166,843	\$ 379,860	\$ -	\$ -
Intergovernmental revenues	-	-	-	-	3
Fines and forfeitures	-	-	-	16,572	14,519
Investment income	209	86	690	94	56
Miscellaneous	-	-	-	-	-
Total revenues	<u>218,937</u>	<u>166,929</u>	<u>380,550</u>	<u>16,666</u>	<u>14,578</u>
<b>Expenditures:</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	24,248	45,740
Physical environment	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt Service:					
Principal	-	58,000	91,073	-	-
Interest and fiscal charges	-	30,569	23,492	-	-
Capital Outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	22,729	-
Physical environment	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total expenditures	<u>-</u>	<u>88,569</u>	<u>114,565</u>	<u>46,977</u>	<u>45,740</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>218,937</u>	<u>78,360</u>	<u>265,985</u>	<u>(30,311)</u>	<u>(31,162)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	-	-	-	-	-
Transfers out	(226,598)	-	(42,423)	-	-
Total other financing sources(uses)	<u>(226,598)</u>	<u>-</u>	<u>(42,423)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(7,661)	78,360	223,562	(30,311)	(31,162)
Fund Balances - beginning	471,263	116,351	1,072,619	203,264	118,145
Fund Balances - ending	<u>\$ 463,602</u>	<u>\$ 194,711</u>	<u>\$ 1,296,181</u>	<u>\$ 172,953</u>	<u>\$ 86,983</u>

CITY OF OCOEE, FLORIDA

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended September 30, 2015

	Special Revenue		Debt Service		
	Red Light Camera Reserve	Total Special Revenue Funds	Trans Debt Service Fund	CIP Debt Service Fund	Total Debt Service Funds
<b>Revenues:</b>					
Taxes and impact fees	\$ -	\$ 765,431	\$ -	\$ -	\$ -
Intergovernmental revenues	-	3	-	-	-
Fines and forfeitures	-	31,091	-	-	-
Investment income	-	1,135	158	221	379
Miscellaneous	-	-	-	-	-
Total revenues	-	797,660	158	221	379
<b>Expenditures:</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	69,988	-	-	-
Physical environment	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt Service:					
Principal	-	149,073	760,000	426,000	1,186,000
Interest and fiscal charges	-	54,061	360,469	177,457	537,926
Capital Outlay:					
General government	-	-	-	-	-
Public safety	-	22,729	-	-	-
Physical environment	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total expenditures	-	295,851	1,120,469	603,457	1,723,926
Excess (Deficiency) of Revenues Over Expenditures	-	501,809	(1,120,311)	(603,236)	(1,723,547)
<b>Other Financing Sources (Uses):</b>					
Transfers in	-	-	1,120,469	604,924	1,725,393
Transfers out	(57,936)	(326,957)	-	-	-
Total other financing sources (uses)	(57,936)	(326,957)	1,120,469	604,924	1,725,393
Net Change in Fund Balances	(57,936)	174,852	158	1,688	1,846
Fund Balances - beginning	57,936	2,039,578	91,345	49,321	140,666
Fund Balances - ending	\$ -	\$ 2,214,430	\$ 91,503	\$ 51,009	\$ 142,512

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CITY OF OCOEE, FLORIDA

**COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**

For the Year Ended September 30, 2015

	Capital Projects					
	Asset Acquisition Fund	Capital Projects Reserve Fund	Transportation Improvements Fund	Coca Cola Property Improv Fund	Total Capital Projects	Total-Other Governmental Funds
<b>Revenues:</b>						
Taxes and impact fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 765,431
Intergovernmental revenues	-	100,000	-	-	100,000	100,003
Fines and forfeitures	-	-	-	-	-	31,091
Investment income	36	1,149	282	1	1,468	2,982
Miscellaneous	-	68,407	-	-	68,407	68,407
Total revenues	36	169,556	282	1	169,875	967,914
<b>Expenditures:</b>						
Current:						
General government	-	100,000	-	-	100,000	100,000
Public safety	-	-	-	-	-	69,988
Physical environment	-	-	-	3,111	3,111	3,111
Culture and recreation	-	6,889	-	-	6,889	6,889
Debt Service:						
Principal	-	-	-	-	-	1,335,073
Interest and fiscal charges	-	-	-	-	-	591,987
Capital Outlay:						
General government	-	25,755	-	-	25,755	25,755
Public safety	-	-	-	-	-	22,729
Physical environment	-	397,008	-	-	397,008	397,008
Culture and recreation	-	56,060	-	-	56,060	56,060
Total expenditures	-	585,712	-	3,111	588,823	2,608,600
Excess (Deficiency) of Revenues Over Expenditures	36	(416,156)	282	(3,110)	(418,948)	(1,640,686)
<b>Other Financing Sources (Uses):</b>						
Transfers in	-	207,192	-	-	207,192	1,932,585
Transfers out	-	(449,547)	-	-	(449,547)	(776,504)
Total other financing sources(uses)	-	(242,355)	-	-	(242,355)	1,156,081
Net Change in Fund Balances	36	(658,511)	282	(3,110)	(661,303)	(484,605)
Fund Balances - beginning	68,570	2,507,367	441,644	7,399	3,024,980	5,205,224
Fund Balances - ending	\$ 68,606	\$ 1,848,856	\$ 441,926	\$ 4,289	\$ 2,363,677	\$ 4,720,619

CITY OF OCOEE, FLORIDA

**FIRE IMPACT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended September 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes and impact fees	\$ 116,610	\$ 116,610	\$ 218,728	\$ 102,118
Intergovernmental revenues	13,015	13,015	-	(13,015)
Investment income	585	585	209	(376)
Total revenues	<u>130,210</u>	<u>130,210</u>	<u>218,937</u>	<u>88,727</u>
<b>Expenditures:</b>				
Current:				
Public Safety:				
Fire	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>130,210</u>	<u>130,210</u>	<u>218,937</u>	<u>88,727</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(226,600)	(226,600)	(226,598)	2
Total other financing sources (uses)	<u>(226,600)</u>	<u>(226,600)</u>	<u>(226,598)</u>	<u>2</u>
<b>Net Change in Fund Balance</b>	(96,390)	(96,390)	(7,661)	88,729
<b>Fund Balance - beginning</b>	471,263	471,263	471,263	-
<b>Fund Balance - ending</b>	<u>\$ 374,873</u>	<u>\$ 374,873</u>	<u>\$ 463,602</u>	<u>\$ 88,729</u>

CITY OF OCOEE, FLORIDA

**POLICE IMPACT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended September 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes and impact fees	\$ 87,795	\$ 87,795	\$ 166,843	\$ 79,048
Investment income	75	75	86	11
Total revenues	<u>87,870</u>	<u>87,870</u>	<u>166,929</u>	<u>79,059</u>
<b>Expenditures:</b>				
Debt Service:				
Principal and Interest	91,500	91,500	88,569	2,931
Total expenditures	<u>91,500</u>	<u>91,500</u>	<u>88,569</u>	<u>2,931</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(3,630)</u>	<u>(3,630)</u>	<u>78,360</u>	<u>81,990</u>
<b>Net Change in Fund Balance</b>	(3,630)	(3,630)	78,360	81,990
<b>Fund Balance - beginning</b>	116,351	116,351	116,351	-
<b>Fund Balance - ending</b>	<u>\$ 112,721</u>	<u>\$ 112,721</u>	<u>\$ 194,711</u>	<u>\$ 81,990</u>

CITY OF OCOEE, FLORIDA

**RECREATION IMPACT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended September 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes and impact fees	\$ 217,235	\$ 217,235	\$ 379,860	\$ 162,625
Investment income	1,255	1,255	690	(565)
Total revenues	<u>218,490</u>	<u>218,490</u>	<u>380,550</u>	<u>162,060</u>
<b>Expenditures:</b>				
Debt Service:				
Principal and Interest	<u>130,000</u>	<u>130,000</u>	<u>114,565</u>	<u>15,435</u>
Total expenditures	<u>130,000</u>	<u>130,000</u>	<u>114,565</u>	<u>15,435</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>88,490</u>	<u>88,490</u>	<u>265,985</u>	<u>177,495</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out	<u>(45,000)</u>	<u>(45,000)</u>	<u>(42,423)</u>	<u>2,577</u>
Total other financing sources (uses)	<u>(45,000)</u>	<u>(45,000)</u>	<u>(42,423)</u>	<u>2,577</u>
<b>Net Change in Fund Balance</b>	43,490	43,490	223,562	180,072
<b>Fund Balance - beginning</b>	<u>1,072,619</u>	<u>1,072,619</u>	<u>1,072,619</u>	<u>-</u>
<b>Fund Balance - ending</b>	<u>\$ 1,116,109</u>	<u>\$ 1,116,109</u>	<u>\$ 1,296,181</u>	<u>\$ 180,072</u>

**FIDUCIARY FUNDS**

CITY OF OCOEE, FLORIDA

**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**

September 30, 2015

	General Employees Pension	Police and Fire Pension	Total Employee Pension Funds
<b>Assets:</b>			
Cash and cash equivalents	\$ 928,827	\$ 1,802,309	\$ 2,731,136
Receivables:			
Employer contributions	-	72,013	72,013
Plan members contributions	-	24,021	24,021
Total receivables	-	96,034	96,034
Investments, at fair value:			
Common funds - equity	18,878,661	24,237,271	43,115,932
Real estate investment trust	2,856,111	3,315,359	6,171,470
Common funds - bonds	8,703,085	12,101,022	20,804,107
Total Investments	30,437,857	39,653,652	70,091,509
Total assets	31,366,684	41,551,995	72,918,679
<b>Liabilities</b>			
Accounts payable	-	-	-
Total liabilities	-	-	-
<b>Net Position:</b>			
Held in trust for pension benefits	\$ 31,366,684	\$ 41,551,995	\$ 72,918,679

CITY OF OCOEE, FLORIDA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**

For the Year Ended September 30, 2015

	General Employees Pension	Police and Fire Pension	Total Employee Pension Funds
<b>Additions:</b>			
Contributions:			
Employer	\$ 1,080,946	\$ 1,726,010	\$ 2,806,956
Plan members	603,922	584,706	1,188,628
State	-	516,942	516,942
Total contributions	<u>1,684,868</u>	<u>2,827,658</u>	<u>4,512,526</u>
Investment income:			
Interest	716,123	1,196,475	1,912,598
Net appreciation (depreciation) on fair value of investments	<u>(75,364)</u>	<u>(637,509)</u>	<u>(712,873)</u>
Net investment income	<u>640,759</u>	<u>558,966</u>	<u>1,199,725</u>
Total additions	<u>2,325,627</u>	<u>3,386,624</u>	<u>5,712,251</u>
<b>Deductions:</b>			
Benefits	1,207,137	2,236,705	3,443,842
Administrative expenses	275,207	304,275	579,482
Total deductions	<u>1,482,344</u>	<u>2,540,980</u>	<u>4,023,324</u>
<b>Change in Net Position</b>	843,283	845,644	1,688,927
<b>Net Position - beginning</b>	30,523,401	40,706,351	71,229,752
<b>Net Position - ending</b>	<u>\$ 31,366,684</u>	<u>\$ 41,551,995</u>	<u>\$ 72,918,679</u>

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**STATISTICAL SECTION**

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## STATISTICAL SECTION

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

<b>Contents</b> .....	<b>Page</b>
Financial Trends .....	90
These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.	
Revenue Capacity .....	97
These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.	
Debt Capacity .....	101
These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.	
Demographic and Economic Information.....	105
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.	
Operating Information .....	107
These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.	

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

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City Of Ocoee

**Net Position by Component**

Last Ten Years  
Accrual Based Accounting  
(amount expressed in thousands)

	Fiscal Year									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Governmental activities</b>										
Net investment in capital assets	\$ 81,060	\$ 83,414	\$ 83,615	\$ 86,049	\$ 87,258	\$ 86,671	\$ 87,154	\$ 87,432	\$ 87,717	\$ 87,359
Restricted	10,188	10,741	11,146	8,558	6,814	6,909	5,549	4,112	3,560	3,943
Unrestricted	13,924	14,771	17,196	16,080	16,938	14,491	11,810	11,959	9,816	3,661
<b>Total governmental activities net position</b>	<u>\$ 105,172</u>	<u>\$ 108,926</u>	<u>\$ 111,957</u>	<u>\$ 110,687</u>	<u>\$ 111,010</u>	<u>\$ 108,071</u>	<u>\$ 104,512</u>	<u>103,503</u>	<u>101,093</u>	<u>\$ 94,963</u>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 39,090	\$ 39,426	\$ 39,610	\$ 43,489	\$ 42,827	\$ 41,936	\$ 41,155	\$ 41,661	\$ 45,527	\$ 44,515
Restricted	300	123	123	99	98	7,604	7,519	7,583	8,670	9,066
Unrestricted	25,513	28,739	30,048	29,230	29,348	23,385	24,461	24,305	22,110	23,137
<b>Total business-type activities net position</b>	<u>\$ 64,903</u>	<u>\$ 68,288</u>	<u>\$ 69,781</u>	<u>\$ 72,818</u>	<u>\$ 72,273</u>	<u>\$ 72,925</u>	<u>\$ 73,135</u>	<u>\$ 73,549</u>	<u>\$ 76,307</u>	<u>\$ 76,718</u>
<b>Primary government</b>										
Net investment in capital assets	\$ 120,151	\$ 122,840	\$ 123,225	\$ 129,538	\$ 130,085	\$ 128,607	\$ 128,309	\$ 129,093	\$ 133,244	\$ 131,874
Restricted	10,488	10,864	11,269	8,657	6,912	14,513	13,068	11,695	12,231	13,009
Unrestricted	39,437	43,510	47,244	45,310	46,286	37,876	36,271	36,246	31,926	26,798
<b>Total primary government net position</b>	<u>\$ 170,076</u>	<u>\$ 177,214</u>	<u>\$ 181,738</u>	<u>\$ 183,505</u>	<u>\$ 183,283</u>	<u>\$ 180,996</u>	<u>\$ 177,647</u>	<u>\$ 177,034</u>	<u>\$ 177,401</u>	<u>\$ 171,681</u>

City of Ocoee, Florida

**Change in Net Position**

Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses</b>										
Government activities:										
General Government	\$ 5,562,652	\$ 8,086,245	\$ 7,264,659	\$ 9,052,571	\$ 9,458,398	\$ 9,441,940	\$ 9,416,758	\$ 9,938,792	\$ 10,681,945	\$ 12,495,444
Physical Environment	6,555,683	4,887,410	5,706,038	6,512,032	6,469,634	5,943,872	6,504,465	5,555,374	5,218,225	5,476,916
Public Safety	13,465,443	12,558,979	12,931,719	13,253,007	14,684,243	15,197,572	15,541,748	16,076,453	15,926,441	14,919,303
Parks & Recreation	2,233,994	1,928,242	2,399,268	2,728,016	2,664,419	2,480,771	2,666,475	2,737,947	3,035,914	3,197,256
Interest on Long Term Debt	1,488,413	1,677,499	1,784,399	1,559,990	1,588,285	1,511,332	1,402,016	895,124	798,482	746,693
<b>Total government activities</b>	<b>29,306,185</b>	<b>29,138,375</b>	<b>30,086,083</b>	<b>33,105,616</b>	<b>34,864,979</b>	<b>34,575,487</b>	<b>35,531,462</b>	<b>35,203,690</b>	<b>35,661,007</b>	<b>36,835,612</b>
Business-type activities										
Water & Wastewater	6,757,432	7,146,410	7,202,380	8,162,218	7,721,263	7,851,659	8,087,860	8,132,179	8,293,957	9,094,414
Stormwater	2,015,403	2,200,841	2,320,900	2,476,890	2,463,252	2,497,936	2,456,562	2,770,460	2,841,248	2,849,891
Sanitation	1,936,093	2,097,786	2,221,712	2,288,589	2,443,280	2,388,845	2,104,964	2,178,409	2,720,559	2,300,596
<b>Total business-type activities</b>	<b>10,708,928</b>	<b>11,445,037</b>	<b>11,744,992</b>	<b>12,927,697</b>	<b>12,627,795</b>	<b>12,738,440</b>	<b>12,649,386</b>	<b>13,081,048</b>	<b>13,855,764</b>	<b>14,244,901</b>
<b>Total Expenses</b>	<b>40,015,113</b>	<b>40,583,412</b>	<b>41,831,075</b>	<b>46,033,313</b>	<b>47,492,774</b>	<b>47,313,927</b>	<b>48,180,848</b>	<b>48,284,738</b>	<b>49,516,771</b>	<b>51,080,513</b>
<b>Program Revenues</b>										
Government activities:										
Charges for services:										
General Government	446,311	428,564	442,039	428,227	445,380	413,648	404,022	404,374	400,175	419,721
Physical Environment	4,725,736	3,083,827	2,827,986	1,318,743	1,826,899	1,491,414	994,221	2,311,995	1,282,450	3,245,152
Public Safety	1,167,941	823,188	916,043	792,954	1,375,767	1,169,318	1,135,693	1,526,424	2,289,219	3,771,840
Parks & Recreation	1,321,113	870,904	752,672	722,111	820,505	877,217	849,167	1,162,865	1,021,146	1,239,553
Oper. Grants & Contributions	1,330,646	1,659,556	1,666,455	1,673,987	1,643,592	1,740,436	1,861,636	2,032,462	2,062,887	2,032,603
Capital Grants & Contributions	2,850,792	606,043	801,424	2,519,260	2,604,902	664,533	1,540,435	1,163,135	219,160	225,719
<b>Total government activities</b>	<b>11,842,539</b>	<b>7,472,082</b>	<b>7,406,619</b>	<b>7,455,282</b>	<b>8,717,045</b>	<b>6,356,566</b>	<b>6,785,174</b>	<b>8,601,255</b>	<b>7,275,037</b>	<b>10,934,588</b>
Business-type activities:										
Charges for services:										
Water & Wastewater	7,888,035	7,990,701	7,676,327	7,828,428	7,832,384	8,470,715	8,485,818	8,716,867	9,155,979	9,661,139
Stormwater	1,555,587	2,162,728	2,284,143	2,650,040	3,141,760	3,401,041	3,360,566	3,349,634	3,199,105	2,918,911
Solid waste	2,122,380	2,282,162	2,377,988	2,635,103	2,727,633	2,750,381	2,810,349	2,875,741	2,925,054	2,991,560
Oper. Grants & Contributions	-	-	-	465,863	-	-	41,304	14,661	11,620	-
Capital Grants & Contributions	2,885,582	2,745,522	1,509,837	3,878,433	319,899	1,015,687	500,838	1,395,220	3,469,260	1,718,056
<b>Total business-type activities</b>	<b>14,451,584</b>	<b>15,181,113</b>	<b>13,848,295</b>	<b>17,457,867</b>	<b>14,021,676</b>	<b>15,637,824</b>	<b>15,198,875</b>	<b>16,352,123</b>	<b>18,761,018</b>	<b>17,289,666</b>
<b>Total program revenues</b>	<b>\$ 26,294,123</b>	<b>\$ 22,653,195</b>	<b>\$ 21,254,914</b>	<b>\$ 24,913,149</b>	<b>\$ 22,738,721</b>	<b>\$ 21,994,390</b>	<b>\$ 21,984,049</b>	<b>\$ 24,953,378</b>	<b>\$ 26,036,055</b>	<b>\$ 28,224,254</b>

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Net (expense) revenue</b>										
Governmental activities	\$ (17,463,646)	\$ (21,666,293)	\$ (22,679,464)	\$ (25,650,334)	\$ (26,147,934)	\$ (28,218,921)	\$ (28,746,288)	\$ (26,602,435)	\$ (28,385,970)	\$ (25,901,024)
Business-type activities	3,742,656	3,736,076	2,103,303	4,530,170	1,393,881	2,899,384	2,549,489	3,271,075	4,905,254	3,044,765
Total net expense	<u>\$ (13,720,990)</u>	<u>\$ (17,930,217)</u>	<u>\$ (20,576,161)</u>	<u>\$ (21,120,164)</u>	<u>\$ (24,754,053)</u>	<u>\$ (25,319,537)</u>	<u>\$ (26,196,799)</u>	<u>\$ (23,331,360)</u>	<u>\$ (23,480,716)</u>	<u>\$ (22,856,259)</u>

**General Revenue (Expenses) and Other Changes in Net Position**

**Governmental activities**

Property Taxes	\$ 7,665,621	\$ 9,061,957	\$ 9,862,838	\$ 10,856,015	\$ 11,188,564	\$ 9,715,104	\$ 9,643,175	\$ 9,325,520	\$ 9,192,829	\$ 9,884,437
Franchise fees and utility taxes	5,074,382	5,162,210	5,331,690	5,350,413	5,801,550	5,566,196	5,283,990	5,276,556	5,703,266	5,833,539
Intergovernmental Revenue	6,958,485	7,082,318	7,065,353	6,476,552	6,660,226	7,030,532	7,328,477	7,780,675	8,276,562	8,789,064
Investment income and misc.	1,857,657	2,253,917	1,759,079	750,242	616,865	557,380	351,594	570,883	412,895	775,716
Transfers	1,561,778	1,859,281	1,691,578	1,790,011	2,204,225	2,410,292	2,581,232	2,640,910	2,414,089	2,605,550
Total government activities	<u>23,117,923</u>	<u>25,419,683</u>	<u>25,710,538</u>	<u>25,223,233</u>	<u>26,471,430</u>	<u>25,279,504</u>	<u>25,188,468</u>	<u>25,594,544</u>	<u>25,999,641</u>	<u>27,888,306</u>

**Business-type activities**

Investment income and misc.	1,055,640	1,506,915	1,081,869	436,388	265,498	163,445	241,393	86,970	266,193	145,188
Transfers	(1,561,778)	(1,859,281)	(1,691,578)	(1,790,011)	(2,204,225)	(2,410,292)	(2,581,232)	(2,640,910)	(2,414,089)	(2,605,550)
Total business-type activities	<u>(506,138)</u>	<u>(352,366)</u>	<u>(609,709)</u>	<u>(1,353,623)</u>	<u>(1,938,727)</u>	<u>(2,246,847)</u>	<u>(2,339,839)</u>	<u>(2,553,940)</u>	<u>(2,147,896)</u>	<u>(2,460,362)</u>
Total government	<u>\$ 22,611,785</u>	<u>\$ 25,067,317</u>	<u>\$ 25,100,829</u>	<u>\$ 23,869,610</u>	<u>\$ 24,532,703</u>	<u>\$ 23,032,657</u>	<u>\$ 22,848,629</u>	<u>\$ 23,040,604</u>	<u>\$ 23,851,745</u>	<u>\$ 25,427,944</u>

**Change in Net Assets**

Governmental activities	\$ 5,654,277	\$ 3,753,390	\$ 3,031,074	\$ (427,101)	\$ 323,496	\$ (2,939,417)	\$ (3,557,820)	\$ (1,007,891)	\$ (2,386,329)	\$ 1,987,282
Business-type activities	3,236,518	3,383,710	1,493,594	3,176,547	(544,846)	652,537	209,650	717,135	2,757,358	584,403
Total change in net position	<u>\$ 8,890,795</u>	<u>\$ 7,137,100</u>	<u>\$ 4,524,668</u>	<u>\$ 2,749,446</u>	<u>\$ (221,350)</u>	<u>\$ (2,286,880)</u>	<u>\$ (3,348,170)</u>	<u>\$ (290,756)</u>	<u>\$ 371,029</u>	<u>\$ 2,571,685</u>

City of Ocoee, Florida

**Governmental Activities Tax Revenues by Source**

Last Ten Fiscal Years  
(accrual basis of accounting)

Fiscal Year	Property Tax	Franchise Fees	Utility Tax	Half-Cent Sales Tax	Alcoholic Beverage License	County 6 Cent Gas Tax	Total
2006	\$ 7,665,620	\$ 2,415,080	\$ 2,609,050	\$ 4,213,256	\$ 8,542	\$ 1,120,194	\$ 18,031,742
2007	9,061,957	2,419,179	2,684,234	4,255,946	9,567	1,133,872	19,564,755
2008	9,862,838	2,563,103	2,712,753	4,293,898	10,164	1,128,947	20,571,703
2009	10,856,015	2,576,792	2,725,162	3,934,436	19,466	1,120,396	21,232,267
2010	11,188,564	2,643,596	3,157,954	3,956,965	9,593	1,115,594	22,072,266
2011	9,715,104	2,481,838	3,084,358	4,391,828	10,278	1,101,513	20,784,919
2012	9,643,175	2,372,389	2,911,601	4,598,067	19,745	1,110,779	20,655,756
2013	9,325,520	2,272,718	3,003,838	4,924,796	2,521	1,158,717	20,688,110
2014	9,192,829	2,461,250	3,242,016	5,314,028	21,206	1,269,929	21,501,258
2015	9,884,436	2,620,151	3,213,389	5,665,490	1,515	1,257,015	22,641,996

City of Ocoee, Florida

**Fund Balances of Governmental Funds**

Last Ten Fiscal Years  
(modified accrual basis of accounting)

Fiscal Year	Pre-GASB 54				
	2006	2007	2008	2009	2010
<b>General Fund</b>					
Reserved	\$ 93,349	\$ 143,715	\$ 141,790	\$ 97,062	\$ 106,203
Unreserved	12,676,538	12,519,804	12,713,934	12,575,887	12,801,901
Total General Fund	<u>\$ 12,769,887</u>	<u>\$ 12,663,519</u>	<u>\$ 12,855,724</u>	<u>\$ 12,672,949</u>	<u>\$ 12,908,104</u>
<b>All other Governmental Funds</b>					
Reserved					
Debt Service Funds	\$ 111,430	\$ 120,819	\$ 139,706	\$ 142,131	\$ 143,138
Unreserved, reported in:					
Capital Projects Funds	1,949,836	2,652,849	2,610,724	3,877,476	3,375,480
Special Revenue Funds	10,295,114	11,159,754	12,536,485	9,055,499	8,548,713
Total all other Governmental Funds	<u>\$ 12,356,380</u>	<u>\$ 13,933,422</u>	<u>\$ 15,286,915</u>	<u>\$ 13,075,106</u>	<u>\$ 12,067,331</u>
Fiscal Year	Post GASB 54				
	2011	2012	2013	2014	2015
<b>General Fund</b>					
Non-Spendable	\$ 99,416	\$ 127,412	\$ 121,556	\$ 86,901	\$ 110,379
Restricted	-	-	-	-	-
Assigned	3,200,000	4,283,790	3,200,000	2,500,000	2,873,528
Unassigned	9,172,375	7,279,077	7,938,384	7,657,842	9,804,236
Total General Fund	<u>\$ 12,471,791</u>	<u>\$ 11,690,279</u>	<u>\$ 11,259,940</u>	<u>\$ 10,244,743</u>	<u>\$ 12,788,143</u>
<b>All other Governmental Funds</b>					
Non-Spendable	\$ 495	\$ 1,818	\$ 4,700	\$ 3,445	\$ 5,572
Restricted	6,909,134	5,548,030	4,106,828	3,558,497	3,937,663
Assigned	3,845,715	3,198,202	3,523,450	3,024,980	2,363,677
Unassigned	-	-	-	-	-
Total all other Governmental Funds	<u>\$ 10,755,344</u>	<u>\$ 8,748,050</u>	<u>\$ 7,634,978</u>	<u>\$ 6,586,922</u>	<u>\$ 6,306,912</u>

City of Ocoee, Florida

**Changes in Fund Balance of Governmental Funds**

Last Ten Fiscal Years

(modified accrual basis of accounting)

(amounts expressed in thousands)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Revenues</b>										
Taxes and Impact Fees	\$ 17,187	\$ 16,717	\$ 17,563	\$ 17,228	\$ 18,540	\$ 16,524	\$ 15,563	\$ 16,408	\$ 15,704	\$ 18,318
Licenses and Permits	2,296	1,656	1,356	1,123	1,207	1,148	1,041	1,589	1,053	1,964
Intergovernmental	10,486	8,388	8,732	8,151	9,859	9,078	10,118	10,081	10,349	10,822
Charges for services	641	709	791	749	797	852	919	1,056	1,947	3,257
Fines and forfeitures	277	349	424	369	914	709	786	955	1,185	1,081
Contributions	-	288	801	989	850	358	265	188	210	-
Investment earnings	1,331	1,609	1,087	530	299	211	142	34	63	112
Miscellaneous	1,109	671	598	207	511	343	207	535	288	553
Total revenues	<u>33,327</u>	<u>30,387</u>	<u>31,352</u>	<u>29,346</u>	<u>32,977</u>	<u>29,223</u>	<u>29,041</u>	<u>30,846</u>	<u>30,799</u>	<u>36,107</u>
<b>Expenditures</b>										
General government	4,265	7,243	8,275	8,307	8,611	8,323	8,343	9,080	9,559	11,077
Public safety	12,434	11,470	12,338	12,243	13,561	14,161	14,291	15,110	14,937	14,634
Physical environment	4,125	3,799	3,519	3,828	4,248	3,976	3,554	3,260	3,126	2,816
Culture and recreation	1,958	1,980	2,083	2,436	2,276	2,245	2,413	2,462	2,601	2,625
Capital outlay	9,360	6,577	6,461	4,180	4,383	1,605	2,797	2,515	2,515	3,359
Debt service										
Principal	2,154	2,293	1,360	1,347	6,706	1,840	24,730	8,266	2,182	2,517
Interest	1,488	1,677	1,654	1,621	1,588	1,522	1,402	938	802	749
Other charges	-	-	47	-	-	-	-	-	-	-
Total expenditures	<u>35,784</u>	<u>35,039</u>	<u>35,737</u>	<u>33,962</u>	<u>41,373</u>	<u>33,672</u>	<u>57,530</u>	<u>41,631</u>	<u>35,722</u>	<u>37,777</u>
Excess of revenues over (under) expenditures	(2,457)	(4,652)	(4,385)	(4,616)	(8,396)	(4,449)	(28,489)	(10,785)	(4,923)	(1,670)

City of Ocoee, Florida

**Changes in Fund Balance of Governmental Funds**

Last Ten Fiscal Years

(modified accrual basis of accounting)

(amounts expressed in thousands)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Other financing sources (uses)										
Transfers in	6,566	7,200	5,789	7,210	6,098	6,843	6,337	6,861	5,845	6,089
Transfers out	(5,005)	(5,341)	(4,097)	(5,420)	(3,906)	(4,408)	(3,755)	(4,220)	(3,431)	(3,495)
Capital leases	994	707	101	388	391	51	40	310	373	1,185
Promissory notes	2,005	3,450	8,100	-	5,000	-	23,022	6,291	-	-
Payments to refunded bond escrow agent	-	-	(4,068)	-	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	137	106	106	44	40	215	57	-	73	154
Total other financing sources (uses)	<u>4,697</u>	<u>6,122</u>	<u>5,931</u>	<u>2,222</u>	<u>7,623</u>	<u>2,701</u>	<u>25,701</u>	<u>9,242</u>	<u>2,860</u>	<u>3,933</u>
Net change in fund balances	<u>\$ 2,240</u>	<u>\$ 1,470</u>	<u>\$ 1,546</u>	<u>\$ (2,394)</u>	<u>\$ (773)</u>	<u>\$ (1,748)</u>	<u>\$ (2,788)</u>	<u>\$ (1,543)</u>	<u>\$ (2,063)</u>	<u>\$ 2,263</u>
Debt service as a percentage of noncapital expenditures	15.99%	16.21%	11.68%	11.07%	11.48%	11.71%	10.87%	9.74%	9.87%	9.33%

City of Ocoee, Florida

**Assessed Value and Estimated Actual Value of Taxable Property**

Last Ten Fiscal Years  
(amounts expressed in thousands)

<u>Fiscal Year Ended September 30,</u>	<u>Real Property Assessed</u>	<u>Real Property Estimated Actual</u>	<u>Personal Property Assessed</u>	<u>Personal Property Estimated Actual</u>	<u>Total Assessed</u>	<u>Total Actual</u>	<u>Total Direct Tax Rate</u>
2006	1,550,172	1,544,822	93,445	93,123	1,643,617	1,637,945	4.8018
2007	1,963,706	1,959,563	100,894	100,681	2,064,600	2,060,244	4.6295
2008	2,384,952	2,366,858	103,963	103,174	2,488,915	2,470,032	4.2919
2009	2,225,189	2,230,227	99,980	100,206	2,325,169	2,330,433	4.8252
2010	1,999,092	2,007,273	100,064	100,473	2,099,156	2,107,746	5.4974
2011	1,728,828	1,714,380	93,294	92,514	1,822,122	1,806,894	5.5574
2012	1,623,489	1,618,845	90,255	89,997	1,713,744	1,708,842	5.8460
2013	1,568,859	1,567,379	90,059	89,974	1,658,918	1,657,353	5.8460
2014	1,583,978	1,580,727	92,883	92,692	1,676,861	1,673,419	5.7855
2015	1,722,692	1,717,624	96,001	95,719	1,818,693	1,813,343	5.6371

City of Ocoee, Florida

**Property Tax Rates**  
 Direct and Overlapping<sup>1</sup> Governments  
 Last Ten Fiscal Years

Overlapping Rates

Fiscal Year	City of Ocoee Operating Millage	Orange County				School District					Library Operating Millage	St. John's Water Management District	Total Direct & Overlapping Rates
		General County Millage	Capital Projects County Millage	Parks County Millage	Total County Millage	Local Required School Millage	Local Discretionary School Millage	Supplemental Discretionary School Millage	Local Capital Improvement School Millage	Total School Millage			
2006	<b>4.8018</b>	4.7299	0.2500	0.1840	<b>5.1639</b>	5.5010	0.5100	0.2500	1.5000	<b>7.7610</b>	<b>0.4325</b>	<b>0.4620</b>	<b>18.6212</b>
2007	<b>4.6295</b>	4.7299	0.2500	0.1840	<b>5.1639</b>	4.9540	0.5100	0.2050	1.5000	<b>7.1690</b>	<b>0.4325</b>	<b>0.4620</b>	<b>17.8569</b>
2008	<b>4.2919</b>	4.0441	0.2250	0.1656	<b>4.4347</b>	4.9420	0.5100	0.1690	1.5000	<b>7.1210</b>	<b>0.3748</b>	<b>0.4158</b>	<b>16.6382</b>
2009	<b>4.8252</b>	4.0441	0.2250	0.1656	<b>4.4347</b>	4.9930	0.4980	0.1590	1.5000	<b>7.1500</b>	<b>0.3748</b>	<b>0.4158</b>	<b>17.2005</b>
2010	<b>5.4974</b>	4.0441	0.2250	0.1656	<b>4.4347</b>	5.4250	0.7480	0.0000	1.5000	<b>7.6730</b>	<b>0.3748</b>	<b>0.4158</b>	<b>18.3957</b>
2011	<b>5.5574</b>	4.0441	0.2250	0.1656	<b>4.4347</b>	5.3960	0.7480	0.2500	1.5000	<b>7.8940</b>	<b>0.3748</b>	<b>0.4158</b>	<b>18.6767</b>
2012	<b>5.8460</b>	4.0441	0.2250	0.1656	<b>4.4347</b>	5.2970	0.7480	1.0000	1.5000	<b>8.5450</b>	<b>0.3748</b>	<b>0.3313</b>	<b>19.5318</b>
2013	<b>5.8460</b>	4.0441	0.2250	0.1656	<b>4.4347</b>	5.2300	0.7480	1.0000	1.5000	<b>8.4780</b>	<b>0.3748</b>	<b>0.3313</b>	<b>19.4648</b>
2014	<b>5.7855</b>	4.0441	0.2250	0.1656	<b>4.4347</b>	5.2260	0.7480	1.0000	1.5000	<b>8.4740</b>	<b>0.3748</b>	<b>0.3164</b>	<b>19.3854</b>
2015	<b>5.6371</b>	4.0441	0.2250	0.1656	<b>4.4347</b>	4.9700	0.7480	1.0000	1.5000	<b>8.2180</b>	<b>0.3748</b>	<b>0.3023</b>	<b>18.9669</b>

Source: Orange County Tax Collectors Office & Orange County Property Appraiser

<sup>1</sup>: Overlapping rates are those of local and county governments that apply to property owners within the City of Ocoee.

City of Ocoee, Florida

**Principal Property Taxpayers**

September 30, 2015  
(amounts expressed in thousands)

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Key Isle I & II	\$ 44,189	1	2.43%			
RAIA FL SPEC Hackettstown II LLC	30,172	2	1.66%			
Duke Energy Florida Inc	22,436	3	1.23%	-	-	-
Manheim Remarketing L P	18,154	4	1.00%	21,427	3	1.10%
PAL of II LLC	13,637	5	0.75%	-		-
West Oaks Mall Trust	13,202	6	0.73%	70,686	1	3.62%
Wal-Mart Stores East Inc	12,499	7	0.69%	13,264	6	0.68%
Good Homes Plaza (E&A) llc	12,451	8	0.68%	13,924	5	0.71%
Standard Pacific of Florida	12,044	9	0.66%			
PAL of I LLC	8,719	10	0.48%			
Arden Park Ventures				24,638	2	1.26%
Foxfire Apartment Association	-		-	16,477	4	0.84%
Morrison Homes Inc	-		-	9,470	8	0.49%
Oak Forest Partners				11,225	7	0.57%
Belk Inc.				9,263	9	0.47%
Owesmere Development LLC				9,174	10	0.47%
	<u>\$ 187,503</u>		<u>10.31%</u>	<u>\$ 199,548</u>		<u>10.22%</u>

Source: ROGER ROSS Orange County Property Appraiser

City of Ocoee, Florida

**Property Tax Levies and Collections**

Last Ten Fiscal Years  
(amounts expressed in thousands)

Fiscal Year Ended September 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	7,865	7,666	97.47%	*	7,666	97.47%
2007	9,538	9,062	95.01%	*	9,062	95.01%
2008	10,601	9,849	92.91%	14	9,863	93.04%
2009	11,245	10,852	96.51%	4	10,856	96.54%
2010	11,587	11,167	96.38%	22	11,189	96.57%
2011	10,042	9,683	96.43%	32	9,715	96.74%
2012	9,990	9,631	96.41%	12	9,643	96.53%
2013	9,689	9,324	96.23%	2	9,326	96.25%
2014	9,682	9,315	96.21%	-122	9,193	94.95%
2015	10,222	9,847	96.33%	37	9,884	96.69%

\* Data is not available

City of Ocoee, Florida

**Ratios of Outstanding Debt by Type**  
 Last Ten Fiscal Years  
 (dollars in thousands, except per capita)

Fiscal Year Ended September 30,	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	Refunding Revenue Bonds	Notes Payable	Capital Leases	Water Revenue Bonds	Notes Payable	Capital Leases			
2006	27,380	6,515	1,098	21,690	875	1,836	59,394	7.60%	1,771
2007	26,620	9,085	1,153	21,275	710	1,478	60,321	6.99%	1,799
2008	25,835	13,100	680	20,845	540	930	61,930	7.00%	1,812
2009	25,020	13,100	536	15,180	5,705	281	59,822	6.72%	1,766
2010	24,170	12,635	536	14,715	5,505	35	57,596	6.02%	1,619
2011	23,280	11,925	346	12,500	7,051	155	55,257	6.17%	1,664
2012	0.00 *	33,736	147	12,300	6,696	419	53,298	5.95%	1,605
2013	0.00	31,879	339	12,095	6,360	416	51,089	5.59%	1,513
2014	0.00	29,894	514	0.00	17,931	573	48,912	5.36%	1,233
2015	0.00	27,767	1,309	0.00	17,283	700	47,059	5.15%	1,171

\* Bonds refunded with Notes during the 2012 Fiscal Year.

Source: City of Ocoee

Metro Orlando Economic Development Commission

US Department of Labor: Bureau of Labor Statistics

City of Ocoee, Florida

**Direct and Overlapping Governmental Activities Debt**

As of September 30, 2015  
(amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable <sup>1</sup>	Estimated Share of Overlapping Debt
Overlapping Debt:			
Orange County Library District Refunding Bonds-Series 1993 (2)	\$ -	-	\$ -
Subtotal, overlapping debt			
Direct Debt:			
City of Ocoee Debt/All Funds (3)	29,076	-	-
Total direct and overlapping debt	\$ 29,076		\$ -

<sup>1</sup> Ratio of assessed valuation of taxable property in overlapping unit to that within the City of Ocoee

<sup>2</sup> Orange County Library Bonds were paid off in FY 2007.

<sup>3</sup> City of Ocoee does not currently have any General Obligation Debt which is being repaid through general property taxes.

City of Ocoee, Florida

**LEGAL DEBT MARGIN**

September 30, 2015

Assessed Value (FY2015)	\$ 1,813,343,338
Debt Limit 25% of Assessed Value	\$ 453,335,835
Amount of Debt Applicable to Debt Limit:	\$ -
Legal Debt Margin	\$ 453,335,835
Total Bonded Debt	\$ -

Article VIII Section 53 of the City Charter states that the City shall have the power to issue general obligation bonds in an aggregate principal amount of bonds outstanding at any time not in excess of Twenty-Five percent (25%) of the assessed value of the taxable property within the City as shown on the pertinent tax records at the time of the authorization of the general obligation bonds for which the full faith credit of the City is pledged.

City of Ocoee, Florida  
**Pledged-Revenue Coverage**  
 Last Ten Fiscal Years

**Water/Sewer Revenue Bonds and Notes**

Fiscal Year End Sept. 30th	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2006	11,464,364	4,873,820	6,590,544	400,000	1,086,090	1,486,090	4.43
2007	11,544,011	5,439,053	6,104,958	415,000	1,071,421	1,486,421	4.11
2008	8,887,609	5,416,324	3,471,285	430,000	1,055,921	1,485,921	2.34
2009	8,394,464	6,261,698	2,132,766	455,000	1,073,403	1,528,403	1.40
2010	8,386,012	5,715,865	2,670,147	485,000	951,527	1,436,527	1.86
2011	8,730,055	5,962,597	2,767,458	531,000	883,390	1,414,390	1.96
2012	8,922,597	5,860,140	3,062,457	555,000	851,335	1,406,335	2.18
2013	9,149,151	6,172,153	2,976,998	541,000	748,854	1,289,854	2.31
2014	10,456,403	6,041,532	4,414,871	524,000	686,218	1,210,218	3.65
2015	11,252,533	6,785,561	4,466,972	648,000	608,657	1,256,657	3.55

City of Ocoee, Florida

**Demographic & Economic Statistics**

Fiscal Year		Population	Personal Income (amounts expressed in thousands)	Per Capita Personal Income	Median Age	Unemploy ment Rate
2006	<sup>1</sup>	32,175	781,273	24,282	34.7	2.6
2007	<sup>1</sup>	33,530	863,129	25,742	34.9	3.1
2008		33,658	884,397	26,276	36.9	5.0
2009		33,871	890,401	26,288	37.0	9.6
2010		35,579	995,500	27,980	36.0	9.7
2011	<sup>2</sup>	36,020	978,015	27,152	33.5	9.3
2012	<sup>3</sup>	36,953	995,476	26,939	36.2	5.8
2013	<sup>4</sup>	37,615	979,870	26,050	36.7	5.0
2014	<sup>5</sup>	39,679	1,048,755	26,487	35.4	4.4
2015	<sup>6</sup>	40,171	1,023,275	25,473	35	4.2

Sources:

- 1 FY 2006 Estimated-Metro Orlando Economic Development Commission
- 2 FY 2011 BEBR Demographics
- 3 FY 2012 Metro Orlando Economic Development Commission
- 4 FY 2013 Estimated-Metro Orlando Economic Development Commission
- 5 FY 2014 City of Ocoee Community Development Department
- 6 FY 2015 City of Ocoee Community Development Department

City of Ocoee, Florida

**Principal Employers**  
Current Year and Ten Years Ago

<u>2015</u>				<u>2006</u>			
Employer	Employees	Rank	Percentage of Total City Employment	Employer	Employees	Rank	Percentage of Total City Employment
Health Central Hospital	1,500	1	3.73%	West Oaks Mall	2,013	1	12.27%
Orange County Schools	753	2	1.87%	Health Central Hospital	1,600	2	9.75%
Westgate Resorts, LTD	605	3	1.51%	Westgate Resorts LTD	1,250	3	7.62%
Publix	571	4	1.42%	Manheim Auto Auction	911	4	5.55%
Sysco Foods	535	5	1.33%	Sysco Foods	615	5	3.75%
Wal-Mart	498	6	1.24%	Orange County Schools	600	6	3.66%
Manheim Auto Auction	335	7	0.81%	Wal-Mart	590	7	3.60%
City of Ocoee	326	8	0.83%	Publix	485	8	2.96%
West Oaks Mall	320	9	0.80%	City of Ocoee	382	9	2.33%
Wayne Automatic	204	10	0.51%	Best Buy	155	10	0.94%
Total	<u>5,647</u>		<u>14.06%</u>	Total	<u>8,601</u>		<u>52.43%</u>

Source: City of Ocoee Planning Department

- 2004 The City of Ocoee had a population of 29,215  
Data provided by City of Ocoee 2004 CAFR
- 2013 The City of Ocoee has a population of 37,615
- 2014 The City of Ocoee has a population of 39,679
- 2015 City of Ocoee has a population of 40,171

\* Information not available

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City of Ocoee, Florida

**City Government Employees by Function**

Last Ten Fiscal Years

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Approved Positions										
<b>General Government</b>	59	72	72	68	66	63	62	60	60	59
<b>Public Safety</b>										
Police-Officers	15	15	15	14	15	15	15	16	23	23
Police-Sworn	60	60	61	64	63	65	65	64	57	57
Police-Support	12	13	13	11	11	10	9	9	9	10
<b>Fire Safety</b>										
Firefighters	25	24	24	33	33	33	30	30	30	30
Fire-Officers	25	25	26	16	15	15	19	18	18	18
Fire-inspectors	1	1	1	2	2	2	1	1	2	2
Fire-Civilian	2	3	3	2	3	3	2	2	2	2
<b>Communication Operators</b>	16	16	15	14	0	0	0	0	0	0
<b>Public Works</b>	32	32	30	28	32	32	30	29	29	29
<b>Parks &amp; Recreation</b>	29	44	44	39	39	39	38	39	42	41
<b>Utilities Department</b>	33	33	35	35	35	34	34	34	34	34
<b>Stomwater</b>	5	5	5	5	5	5	5	6	6	6
<b>Sanitation</b>	15	16	16	15	15	15	15	15	15	15
<b>Total</b>	329	359	360	346	334	331	325	323	327	326

City of Ocoee, Florida

**Operating Indicators by Function**  
Last Ten Fiscal Years

Function	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Police</b>										
Employees	101	110	115	117	118	117	118	118	119	125
Auto Accidents	1,361	1,294	1,070	1,004	959	917	877	922	904	1,126
Arrests	1,273	1,742	1,780	1,216	1,072	1,337	972	1,074	1,434	1,454
Criminal Investigations	n/a	4,824	1,480	1,365	1,045	1,506	1,050	1,054	1,092	1,050
Total Service Calls	40,948	56,060	44,405	44,888	45,646	46,180	41,017	48,802	49,769	49,938
911 Calls Received	3,866	13,134	13,497	9,877	9,494	7,885	8,571	9,783	10,776	14,126
Pieces of Evidence Processed	5,396	2,064	4,334	7,512	3,851	3,147	2,385	7,035	5,458	4,005
<b>Fire &amp; Life Safety</b>										
Employees	51	53	57	57	57	57	56	55	52	55
Total Permits Issued		263	123	118	77	164	139	312	259	199
Construction Inspections	1,751	1,823	1,940	2,240	1,257	747	625	590	568	754
Public Education Programs	83	114	65	96	83	85	79	139	139	285
Emergency Calls Answered/Vehicle	305	2,032	501	435	272	355	327	270	270	102
Emergency Calls Answered/Fire	26	127	141	813	800	772	798	401	116	106
Emergency Calls Answered/All Other	2,335	1,617	3,759	3,020	3,909	3,087	3,205	3,969	4,813	4,367
<b>Miles of Streets, Sidewalks &amp; Bike Paths</b>										
Streets - paved	200	200	110	109	114	113.01	114.27	115.28	115.28	115.14
Streets - unpaved	0	5	5	0	1	0.76	0.76	0.76	0.76	0.76
Streets - brick	6	2	2	2	2	1.54	1.54	1.54	1.54	1.54
Sidewalks	171.2	171.2	172.7	177.5	175.4	175.4	175.4	175.4	175.4	175.4
<b>Culture and recreation</b>										
Multi-purpose recreation center	1	1	1	1	1	1	1	1	1	1
Community Center	3	3	3	3	3	3	3	3	3	3
Athletic fields	14	14	13	11	10	11	12	12	12	12
Tennis courts	7	7	3	3	6	6	6	6	6	6
Racquetball courts	2	2	1	1	1	1	1	1	1	1
Shuffleboard courts	2	2	1	1	-	-	-	-	-	-
Passive parks	6	6	14	15	16	16	16	16	15	16
Parks & Recreation City Playgrounds	18	18	10	10	10	10	10	10	9	10

City of Ocoee, Florida

**Operating Indicators by Function**  
Last Ten Fiscal Years

Function	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Water</b>										
New Connections	710	231	263	177	236	105	122	171	134	180
Number of Customers	11,625	11,981	10,389	12,503	12,908	11,292	11,300	11,314	11,745	13,319
Miles of water mains	130	131	192	151	151	149.51	153.03	155.04	156.04	159.72
Daily Average Consumption (gallons)	4.50	4.25	4.06	3.65	3.21	3.67	3.16	3.18	3.15	3.52
Plant capacity (Gallons)	4.50	4.25	4.33	4.33	4.33	4.66	4.66	4.66	4.88	6.80
Plant Permitted Daily capacity (MGD)	4.33	4.33	4.33	4.33	4.33	4.66	4.66	10.70	10.70	10.70
Service connections	11,500	12,136	12,331	12,503	12,908	10,609	11,080	11,314	11,319	11,424
Deep wells	5	6	6	6	6	6	6	6	6	6
Fire hydrants	1,090	1,095	941	963	1,052	1,056	1,056	1,334	1,334	1,334
<b>Sewer System:</b>										
Miles of sanitary sewers	70	71	85	89	89	83.25	86.36	89.38	89.92	90.03
Lift stations	50	52	56	54	55	59	59	58	61	64
Daily average treatment (Gallons per day)	1.50	1.579	1.639	1.641	1.536	1.62	1.00	1.83	1.62	1.65
Plants capacity (MGD)	4	1.8	1.8	1.8	1.8	3.0	1.68	3.0	3.0	3.0
Disposal sites	2	4	4	6	3	4	4	4	4	4
<b>General Government</b>										
Personnel actions processed	21	10	10	n/a	n/a	n/a	17	13	15	15
Legal Notices published	80	103	107	103	112	91	86	86	93	201
Occupational Licenses issued	434	1,930	1,825	1,731	1,703	1,703	1,798	1,607	1,760	1,835
Accidents & Injuries reviewed	20	26	18	39	36	56	37	39	43	43
Land Use amendments & rezonings	4	10	6	8	25	13	4	7	17	17
License/Permit Reviews	2,872	2,252	2,763	2,934	1,421	913	1,839	2,206	2,625	2,023
Employees paid	434	435	430	412	419	418	413	404	414	413
A/P Checks issued	4,456	4,254	3,650	5,304	3,898	3,751	4,279	4,239	4,422	4,785
Purchase orders/EPO's processed	820	815	786	672	691	643	615	661	663	680

City of Ocoee, Florida

**Capital Assets Statistics by Function**

Last Ten Fiscal Years

Function	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Number of Municipal Employees</b>	339	359	407	396	387	379	373	371	414	413
<b>Elections:</b>										
Registered voters	15,096	15,727	18,085	18,963	18,452	17,949	21,296	22,056	23,013	22,950
Votes in Municipal Elections	1,390	-	2,276	859	1,286	4,608	3,426	531	-	6,264
<b>Police Protection:</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol cars	55	53	59	61	70	76	74	76	75	75
Other vehicles	43	47	34	25	33	26	24	26	29	26
Auto Accidents	1,361	1,294	1,070	1,004	959	917	877	922	904	1,126
Arrests	1,273	1,742	1,780	1,216	1,072	1,337	972	1,074	1,434	1,454
Criminal Investigations	n/a	4,824	1,480	1,365	1,045	1,506	1,050	1,054	1,092	1,050
Total Service Calls	40,948	56,060	44,405	44,888	45,646	46,180	41,017	48,802	49,769	49,938
911 Calls Received	3,866	13,134	13,497	9,877	9,494	7,885	8,571	9,783	10,776	14,126
Pieces of Evidence Processed	5,396	2,064	4,334	7,512	3,851	3,147	2,385	7,035	5,458	4,005
<b>Fire Protection:</b>										
Stations	3	3	3	3	3	3	4	4	4	4
<b>Recreation:</b>										
Multi-purpose recreation center	1	1	1	1	1	1	1	1	1	1
Community Center	3	3	3	3	3	3	2	3	3	3
Athletic fields	14	14	13	11	10	11	12	12	12	12
Tennis courts	7	7	3	3	6	6	6	6	6	6
Racquetball courts	2	2	1	1	1	1	1	1	1	1
Shuffleboard courts	2	2	1	1	-	-	-	-	-	-
Passive parks	6	6	14	15	16	16	16	16	15	16
City Playgrounds	18	18	18	10	10	10	10	10	9	10

City of Ocoee, Florida

**Capital Assets Statistics by Function**

Last Ten Fiscal Years

Function	Fiscal Year									
	2006	2007	2008	2009	2010	2010	2012	2013	2014	2015
<b>Miles of Streets, Sidewalks &amp; Bike Paths</b>										
Streets - paved	200.32	200.32	109.87	109.44	112.85	113.01	114.27	115.28	115.28	115.14
Streets - unpaved	0.05	4.63	4.70	0.42	0.76	0.76	0.76	0.76	0.76	0.76
Streets - brick	6.30	1.80	1.80	1.54	1.54	1.54	1.54	1.54	1.54	1.54
Sidewalks	171.20	171.20	172.70	177.46	180.16	175.40	175.40	175.40	175.40	175.40
Bike paths	0.05	5.47	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20
<b>Water</b>										
Miles of water mains	130.00	130.64	192.00	150.78	151.00	149.51	153.03	155.04	156.04	159.72
Daily Average Consumption (MGD)	4.25	4.25	4.06	3.65	3.21	3.67	3.16	3.18	3.15	3.52
Plant capacity Permitted	4.25	4.25	4.33	4.33	4.33	4.66	4.66	4.88	4.88	6.08
<b>Sewer System:</b>										
Miles of sanitary sewers	70.10	70.52	85.00	88.64	88.64	83.25	86.36	89.38	89.92	90.03

City of Ocoee, Florida

**Schedule of Revenues by Source and Expense by Type**

General Employees Pension Fund  
Last Ten Fiscal Years

Year	Revenues by Source		Expenses by Type			
	Investment Income Net	Contributions	Benefits & Refunds	Investment Related Expenses (1)	Admin. Expenses	City Contribution as a Percent of Payroll
2006	823,485	1,200,140	490,713	76,607	31,051	10.7%
2007	2,218,135	1,186,357	696,789	66,649	43,781	10.1%
2008	(2,326,853)	1,504,043	899,072	85,911	40,131	12.5%
2009	893,160	1,707,954	936,450	80,266	52,786	13.4%
2010	1,991,764	1,956,175	910,863	108,584	33,207	15.4%
2011	(164,397)	2,138,622	1,136,431	132,769	51,092	17.2%
2012	2,914,936	2,109,364	1,244,973	140,014	59,424	17.5%
2013	3,142,906	2,425,260	1,101,837	173,577	41,069	22.5%
2014	2,447,920	2,217,892	1,043,921	-	60,184	20.4%
2015	454,266	1,681,492	1,218,647	-	89,735	13.1%

Note (1) consistent with financial reporting requirements of GASB 67 Investment Related Expenses are presented as an offset to related Investment income in column 1

City of Ocoee, Florida

**Schedule of Revenues by Source and Expense by Type**

Police and Fire Pension Fund  
Last Ten Fiscal Years

Year	Revenues by Source		Expenses by Type			City Contribution as a Percent of Payroll
	Investment Income Net	Contributions	Benefits & Refunds	Investment Related Expenses (1)	Admin. Expenses	
2006	1,136,971	1,731,391	866,766	92,208	22,308	17.8%
2007	2,523,834	1,832,716	598,634	80,305	32,364	17.4%
2008	(2,706,638)	1,981,265	901,476	72,796	68,212	18.3%
2009	984,477	1,562,440	864,828	87,492	45,018	20.8%
2010	2,097,302	2,079,314	984,185	141,998	37,946	19.6%
2011	(107,044)	2,319,644	1,072,077	137,073	16,778	22.2%
2012	4,017,592	2,618,959	1,236,784	190,271	62,361	26.7%
2013	4,387,664	3,063,043	1,714,899	227,152	45,396	32.7%
2014	3,992,191	3,075,732	1,812,744	-	81,667	30.7%
2015	343,322	2,827,659	2,234,870	-	93,962	29.4%

Note (1) consistent with financial reporting requirements of GASB 67 Investment Related Expenses are presented as an offset to related Investment income in column 1

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## **OTHER REPORTS**

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

Honorable Mayor and City Commissioners  
*City of Ocoee, Florida*

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Ocoee as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise City of Ocoee's basic financial statements, and have issued our report thereon dated April 19, 2016.

**Internal Control over Financial Reporting**

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

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

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

**MCDIRMIT DAVIS & COMPANY, LLC**

934 North Magnolia Avenue, Suite 100 Orlando, Florida 32803  
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

*McDiernit Davis & Company, LLC*

Orlando, Florida  
April 19, 2016

## MANAGEMENT LETTER

Honorable Mayor and City Commission  
*City of Ocoee, Florida*

### Report on the Financial Statements

We have audited the financial statements of the City of *Ocoee, Florida*, as of and for the fiscal year ended September 30, 2015, and have issued our report thereon dated April 19, 2016.

### Auditor's Responsibility

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

### Other Reports

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated April 19, 2016, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i).1., Rules of the Auditor General, require that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no such findings in the preceding annual financial audit report.

### Official Title and Legal Authority

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

**MCDIRMIT DAVIS & COMPANY, LLC**

934 North Magnolia Avenue, Suite 100 Orlando, Florida 32803  
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

## **Financial Condition**

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

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

## **Annual Financial Report**

Section 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether the annual financial report for the *City of Ocoee, Florida* for the fiscal year ended September 30, 2015, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2015. In connection with our audit, we determined that these two reports were in agreement.

## **Other Matters**

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

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

## **Purpose of this Letter**

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

*McDiernit Davis & Company, LLC*

Orlando, Florida  
April 19, 2016

Honorable Mayor and City Commissioners  
*City of Ocoee, Florida*

We have audited the financial statements of the *City of Ocoee, Florida* as of and for the year ended September 30, 2015, and have issued our report thereon dated April 19, 2016. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated October 17, 2012, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of City of Ocoee solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with all Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm have complied with all relevant ethical requirements regarding independence.

**MCDIRMIT DAVIS & COMPANY, LLC**

934 North Magnolia Avenue, Suite 100 Orlando, Florida 32803  
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the *City of Ocoee, Florida* is included in Note 1 to the financial statements. As described in Note 1 to the financial statements, during the year, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pension Plans*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Accordingly, the cumulative effect of the accounting change as of the beginning of the year has been presorted in the Statement of Activities. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. The most sensitive estimates affecting the City's financial statement were:

Management's estimate for the allowance for doubtful account is based on historical loss levels, and an analysis of the individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate for the allowance for depreciation is based on the estimated useful lives of the capital assets. We evaluated the reasonableness of the useful lives as well as the depreciation methods in determining that it is reasonable in relation to the financial statements taken as a whole.

## **Significant Difficulties Encountered During the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of our audit.

### **Representations Requested from Management**

We have requested certain representations from management that are included in the management representation letter dated April 19, 2016.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with City of Ocoee, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retentions as the City of Ocoee's auditors.

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

Very truly yours,

*McDiernit Davis & Company, LLC*

Orlando, Florida

April 19, 2016

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

The Honorable Mayor and City Commission  
*City of Ocoee, Florida*

We have examined City of Ocoee's (the City) compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2015. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, City of Ocoee complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2015.

*MCDIRMIT DAVIS & COMPANY, LLC*

Orlando, Florida  
April 19, 2016

**MCDIRMIT DAVIS & COMPANY, LLC**

934 N. MAGNOLIA AVENUE, SUITE 100 ORLANDO, FLORIDA 32803  
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Mayor  
Rusty Johnson

City Manager  
Robert Frank



Commissioners  
John Grogan, District 1  
Rosemary Wilsen, District 2  
Richard Firstner, District 3  
Joel F. Keller, District 4

April 26, 2016

### AFFIDAVIT OF IMPACT FEE COMPLIANCE

Impact fee collections, expenditures and accounting are provided for in separate accounting funds and comply with Florida Statute 163.31801.

Wanda Horton  
Finance Director

Wanda Horton is personally known to me.

Gequita Cowan

Sworn before me this Apr. 27, 2016.

My Commission expires MAR. 4, 2017

