# 2021

City of Gainesville, Florida

# Annual Comprehensive Financial Report

For the Fiscal Year Ended
September 30, 2021

# CITY OF GAINESVILLE, FLORIDA

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

## FOR THE FISCAL YEAR ENDED
## SEPTEMBER 30, 2021

Prepared by
Department of Budget and Finance

(Department of Financial Services as of 1/10/2022)

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CITY OF GAINESVILLE, FLORIDA
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## LIST OF CITY OFFICIALS

As of 9/30/2021

### ELECTED OFFICIALS

| | |
|---|---|
| *Lauren Poe* | *Mayor (At Large)* |
| *Gigi Simmons* | *Commissioner (District I)* |
| *Harvey Ward* | *Commissioner (District II)* |
| *David Arreola* | *Mayor-Commissioner Pro Tem (District III)* |
| *Adrian Hayes-Santos* | *Commissioner (District IV)* |
| *Gail Johnson* | *Commissioner (At Large)* |
| *Reina Saco* | *Commissioner (At Large)* |

### APPOINTED OFFICIALS

| | |
|---|---|
| *Lee R. Feldman, ICMA-CM* | *City Manager* |
| *Edward Bielarski Jr.* | *General Manager for Utilities* |
| *Nicolle Shalley* | *City Attorney* |
| *Omichele Gainey* | *Clerk of the Commission* |
| *Virgina Bigbie, CPA, CFE* | *City Auditor* |
| *Teneeshia Marshall* | *Equal Opportunity Director* |

### BUDGET & FINANCE ACCOUNTING DIVISION

| | |
|---|---|
| *Cintya G. Ramos* | *Finance Director* |
| *Diane Wilson* | *Assistant Finance Director* |
| *Carla Benison* | *Accounting Manager* |
| *Sylvia Gonzalez* | *Accountant, Senior* |
| *Kristy Fowler* | *Accountant II* |
| *Karen Pinner* | *Accountant II* |
| *Christina Holmes* | *Account Clerk, Sr.* |
| *Vacant* | *Grants Fiscal Coordinator* |
| *Vacant* | *Accountant II* |

# City of Gainesville

## Office of the City Manager

December 6, 2022

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

Dear Mayor, Commissioners and Neighbors:

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

The Annual Comprehensive Financial Report of the City for the fiscal year ended September 30, 2021 is hereby transmitted. This report consists of management's representations concerning the finances of the City. To provide a reasonable basis for making those representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with U.S. GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Purvis, Gray and Company, LLP, an independent firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 2021, are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions on the City's basic financial statements as of and for the year ended September 30, 2021. The

independent auditors' report is presented as the first component of the financial section of this report. The results of the single audit, including a schedule of expenditures of federal awards, and the independent auditor's reports on the City's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards, are also included in this report.

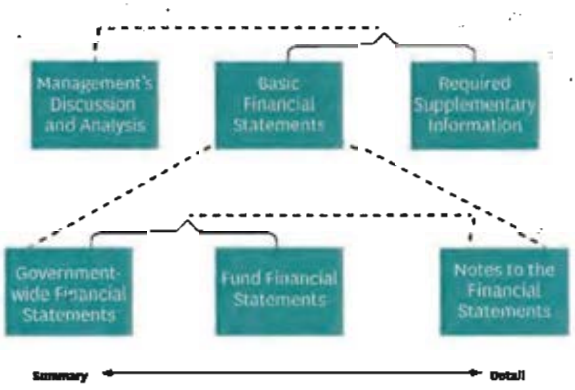
## THE REPORT

The Annual Comprehensive Financial Report is presented in four sections:

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

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

This Annual Comprehensive Financial Report includes all funds of the City. The City provides a full range of services including: police and fire protection; the construction and maintenance of City buildings, streets



and other infrastructure; and recreational activities and cultural events.

The Annual Comprehensive Financial Report also includes the City's component units, which are legally separate organizations and for which the City is financially accountable or whose relationship with the City is of a nature and significance that would cause the City's financial statements to be incomplete were they not included.

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

## PROFILE OF THE CITY

The City of Gainesville is the most populous city in, and serves as the county seat of, Alachua County. The City also serves as the cultural, educational and commercial center for the North Central Florida region. Gainesville is located midway between the Gulf of Mexico and the Atlantic Ocean and halfway between Miami and Pensacola. There are approximately sixty square miles of land included within the corporate boundaries of the City. As of April 1, 2021, the official population estimate was 143,835 (Bureau of Economic and Business Research - University of Florida, 2021).

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

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

The City has two defined-benefit pension plans: 1) the Employees' Pension Plan (administered by the Mayor and City Commission) and 2) the Police Officers' and Firefighters' Consolidated Pension Plan (administered by a board of trustees composed of members elected by active employees and appointees of the Mayor). The Boards have responsibility for investment of the pension assets and determination of

benefits as employees retire or seek other benefits under the plans. For the fiscal year ended September 30, 2021, the plans' net position was just over $1 billion.

The City also administers a single-employer defined benefit postemployment health care plan that covers eligible retired employees. The Retiree Health Care Plan allows employees who retire and meet retirement eligibility requirements under one of the City's retirement plans to continue medical coverage as a participant in the City's plan. Administrative costs are financed through investment earnings. For the fiscal year ended September 30, 2021, the plan had a net position of just over $73 million.

## FACTORS AFFECTING ECONOMIC CONDITION

**Property Values.** The City's property taxable value for fiscal year 2021 was $7.6 billion, an increase of 5.9% from prior year, which generated an increase in property tax revenue. The City's operating tax millage rate was 5.2974 in fiscal year 2021, no change from fiscal year 2020.

**Local economy**. The economic landscape in Gainesville continues to be dominated by the government sector. Statistics compiled by the Bureau of Economic and Business Research at the University of Florida indicate that one of every three jobs in Gainesville is provided by the federal, state or local government. This reliance on jobs from other than the private sector tends to modify Gainesville's reaction to external economic stimuli, such that the local economy grows less rapidly than others during boom periods but also suffers less during economic declines. According to the U.S. Bureau of Labor Statistics preliminary September 2022 report, the City's unemployment rate was 2.4%, lower than the State (2.5%) and national (3.5%) average.

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

**Long-term financial planning.** Both General Government and the City-owned Utility develop multi-year financial forecasts for both the operating budget and capital improvement plans. The City is proud to maintain investment grade ratings: Aa2 from Moody's Investor Service and AA from Fitch Ratings, both with a stable outlook. This is a testament to the City's healthy financial position, prudent fiscal planning and strong reserve policies. The City's goal is to obtain the highest investment grade ratings as these ratings indicate to investors that the City is a low-risk investment which translates into lower interest rates and corresponding lower interest payments on debt.

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

**Financial policies.** One of the most important measures of the City's financial health is its fund balance. The City's Fund Balance Policy was last updated in September 2020 and is compliant with GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." In addition to providing compliance with GASB Statement No. 54, the City's Fund Balance Policy will assist in stabilizing the long-term financial position of the City by setting standards for the use and replenishment of fund balance reserves. This policy also provides structural balance to the City's budget by limiting the use of reserves to cover recurring expenditures. The General Fund Balance Policy requires a minimum emergency reserve maintained at 0.015% of the taxable value of all property in the City on January 1st of that fiscal year. As recommended by the Government Finance Officers' Association, the City's fund balance policy provides for the maintenance of an unassigned fund balance for the General Fund of a minimum of two (2) months or 16.7% of and a maximum of three (3) months or 25% of the following year's budgeted expenditures and transfers. The City ended fiscal year 2021 with a General Fund fund balance of $35.9 million; of that amount $23.8 million is Unassigned.

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

## MAJOR INITIATIVES

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




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

**Administering the ARPA Program.** The City has worked to develop a spending plan for the American Rescue Plan Act of 2021 SLFRF allocation, with the latest spend plan including investments in an East Gainesville including an urgent care center as part of a large economic development initiative, affordable housing initiatives, home energy rehabilitation, public safety community violence interventions, aid to local nonprofit organizations, and homeless outreach.

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

## AWARDS AND ACKNOWLEDGMENTS

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

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

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

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

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

Respectfully submitted,

Cynthia W. Curry
Interim City Manager

Sue Wang
Finance Director

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Gainesville**
**Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

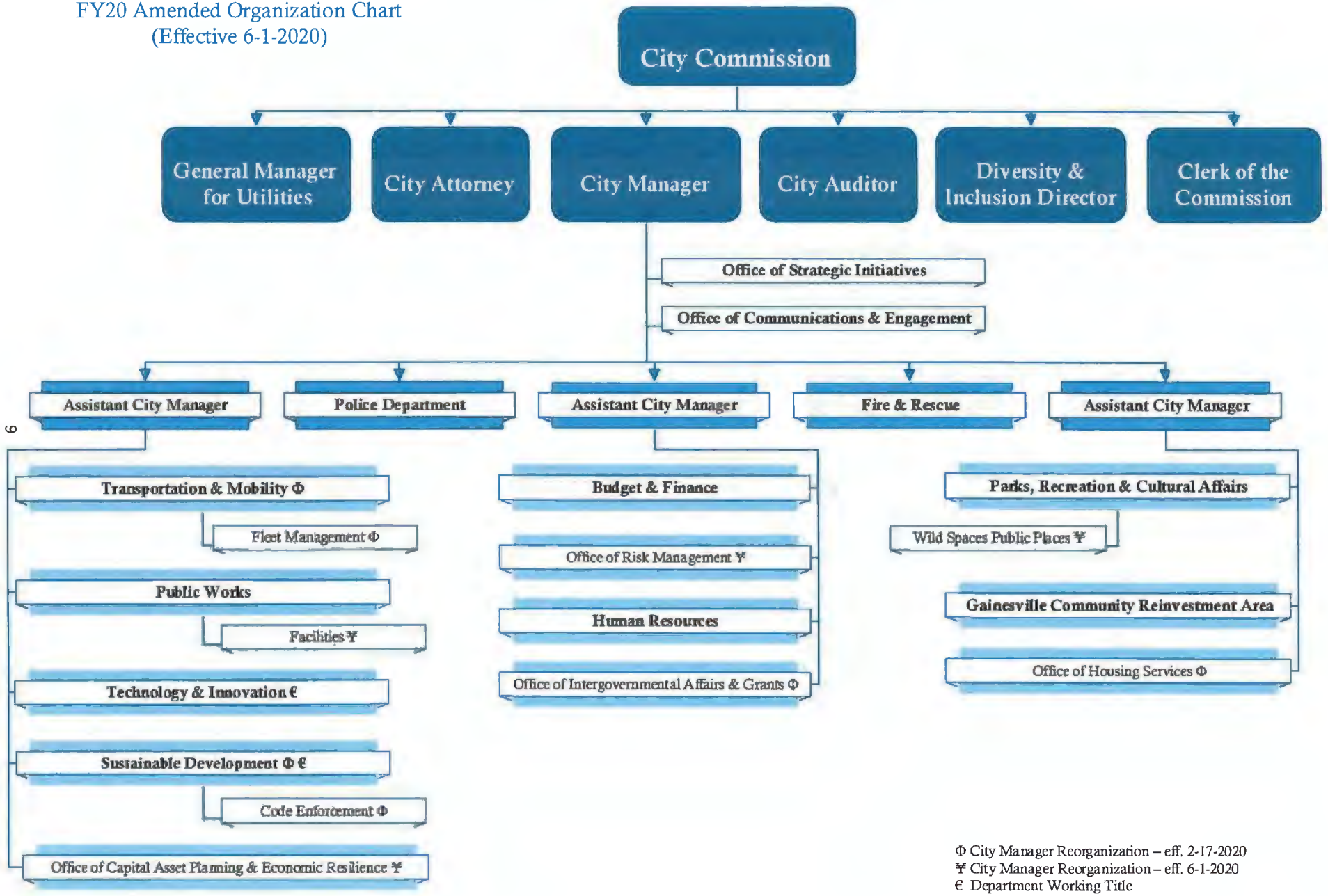
September 30, 2020

Christopher P. Morrill

Executive Director/CEO

# City of Gainesville

FY20 Amended Organization Chart
(Effective 6-1-2020)




Φ City Manager Reorganization – eff. 2-17-2020
¥ City Manager Reorganization – eff. 6-1-2020
€ Department Working Title

# FINANCIAL SECTION

PURVIS GRAY

## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners
City of Gainesville, 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 aggregate remaining fund information of the City of Gainesville, Florida, (the City), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Utility Fund, which is both a major fund and comprises 95 percent, 79 percent, and 91 percent, respectively, of the assets, net position, and revenues of the business-type activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as they relate to the amounts included for the Utility Fund, are based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## Other Matters

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Revenues and Expenditures – Budget and Actual – General Fund, Notes to Schedule of Revenues and Expenditures – Budget and Actual – General Fund, Schedule of Changes in the Net Pension Liability and Related Ratios – Employees' Pension Plan, Schedule of Employer Contributions – Employees' Pension Plan, Schedule of Changes in Net Pension Liability – Police Officers' and Firefighters' Consolidated Retirement Plan, Schedule of Employer Contributions – Police Officers' and Firefighters' Consolidated Retirement Plan, Schedule of Annual Money-Weighted Rate of Return – Pension Plans, Schedule of Proportionate Share of the Net Pension Liability and Related Ratios – Florida Retirement System and Health Insurance Subsidy Program, Schedule of Employer Contributions – Florida Retirement System and Health Insurance Subsidy Program, Schedule of Changes in the Net OPEB Liability and Related Ratios – Other Postemployment Benefits, Schedule of Employer Contributions – Other Postemployment Benefits, and Schedule of Annual Money-Weighted Rate of Return – Other Postemployment Benefits on pages 5-16 and 124-138 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our

inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General.* The schedule of expenditures of federal awards and state financial assistance is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Honorable Mayor and City Commissioners
City of Gainesville, Florida

## INDEPENDENT AUDITOR'S REPORT

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. That report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Purvis Gray

December 6, 2022
Gainesville, Florida

# Management's Discussion and Analysis

As management of the City of Gainesville (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2021. Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position, (d) identify any material deviations from the financial plan, and (e) identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages vii-xii of this report, and the City's financial statements which begin on page 17.

## Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the fiscal year ended September 30, 2021 by $694,952,103 (net position). This is an increase of $31,872,714, or 4.8% from fiscal year 2020.
- The City's total net position increased $31,872,714 as a result of fiscal year 2021 operations.
- As of the close of the fiscal year, the City's governmental funds reported combined ending fund balances of $252,947,587, an increase of $14,317,087 over the prior year. Of the total ending fund balances, $51,586,834 is available for spending at the City's discretion (committed, assigned and unassigned fund balances).
- At the end of the current fiscal year, the unassigned fund balance in the General Fund was $23,798,721.

## Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from

other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, physical environment, transportation, economic environment, human services and culture and recreation. The business-type activities include electric generation, transmission and distribution, natural gas, water and wastewater, telecommunications, refuse collection, stormwater management, building code enforcement, and mass transit. The government-wide financial statements can be found on pages 17-19 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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The City maintains seventy-four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund which is considered to be a major fund. Data from the other seventy-three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 20-23 of this report.

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

*Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City maintains five enterprise funds to account for the following operations: utilities (including electric power generation,

transmission and distribution, natural gas distribution, water and wastewater treatment, and telecommunications), refuse collection, stormwater management, building code enforcement, and mass transit.

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

Data from the other four proprietary funds are combined into a single, aggregated presentation. The three internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise funds as well as for the internal service funds is provided in the form of combining statements elsewhere in this report. The basic proprietary fund financial statements can be found on pages 24-30 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 31-32 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 33-123 of this report.

**Required supplementary information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's compliance with its General Fund budget and the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found on pages 124-138 of this report.

The combining statements referred to earlier in connection with nonmajor governmental and proprietary funds, and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements can be found on pages 139-176 and 220-233 of this report.

## Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. The City's net position at fiscal year-end is $694,952,104. The following table provides a detailed overview of the City's net position.

| Net Position for Fiscal Year 2021 (ended September 30, 2021) | | | | | | |
|---|---|---|---|---|---|---|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | FY21 | FY20 | FY21 | FY20 | FY21 | FY20 |
| Current and Other Assets | $ 389,870,509 | $ 187,447,056 | $ 586,974,080 | $ 434,850,463 | $ 976,844,589 | $ 702,391,519 |
| Capital Assets | 160,122,199 | 165,392,282 | 1,964,180,355 | 1,964,946,618 | 2,224,302,554 | 2,230,339,000 |
| Total Assets | 549,992,708 | 532,833,438 | 2,551,154,435 | 2,399,797,081 | 3,201,147,143 | 2,932,830,519 |
| Deferred outflows | 7,166,209 | 28,683,359 | 84,307,211 | 164,804,361 | 91,473,520 | 191,487,720 |
| Long-term liabilities | 348,477,546 | 363,939,703 | 1,931,631,865 | 1,917,583,828 | 2,280,109,411 | 2,281,523,531 |
| Other liabilities | 59,648,905 | 22,594,444 | 80,742,087 | 78,946,819 | 140,388,992 | 101,541,263 |
| Total liabilities | 408,134,451 | 386,534,147 | 2,012,373,952 | 1,996,530,647 | 2,420,498,403 | 2,383,064,794 |
| Deferred inflows | 57,733,439 | 3,882,823 | 119,436,718 | 68,091,233 | 177,170,157 | 77,974,056 |
| Net position: | | | | | | |
| Net investment in capital assets | 214,385,691 | 219,965,625 | 250,986,050 | 282,222,324 | 465,371,741 | 502,187,949 |
| Restricted | 54,659,482 | 46,087,158 | 146,684,233 | 86,837,857 | 201,343,695 | 132,925,015 |
| Unrestricted (deficit) | (77,744,026) | (102,962,956) | 105,980,693 | 130,919,381 | 28,236,667 | 27,956,425 |
| **Total net position** | $ 191,301,127 | $ 163,099,827 | $ 503,650,976 | $ 499,979,562 | $ 694,952,103 | $ 663,079,389 |

Approximately 66.9% of the City's net position reflects its investment in capital assets (e.g., land, utility plant and equipment, buildings, improvements, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, $201,343,695 or 29.0%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position*, $28,236,667, may be used to meet the government's ongoing obligations to neighbors and creditors. The following table provides a detailed overview of the City's change in net position fiscal year over fiscal year.

Changes in Net Position for the Fiscal Year Ended September 30, 2021

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | FY 2021 | FY 2020 | FY 2021 | FY 2020 | FY 2021 | FY 2020 |
| **Revenues:** | | | | | | |
| Program revenues: | | | | | | |
| Charges for Services | $ 36,545,286 | $ 38,862,438 | $ 452,027,094 | $ 429,917,895 | $ 488,572,380 | $ 468,780,333 |
| Operating Grants and Contributions | 9,746,460 | 13,240,004 | 22,834,988 | 8,372,896 | 32,581,448 | 21,612,900 |
| Capital Grants and Contributions | 1,145,563 | - | 4,686,013 | 7,638,795 | 5,831,576 | 7,638,795 |
| General revenues: | | | | | | |
| Property Taxes | 38,926,311 | 36,693,311 | - | - | 38,926,311 | 36,693,311 |
| Other Taxes | 39,327,335 | 34,677,577 | - | - | 39,327,335 | 34,677,577 |
| State Revenue Sharing | 5,483,673 | 4,691,438 | - | - | 5,483,673 | 4,691,438 |
| Investment Gain (Loss) | 1,069,501 | 743,962 | 6,265,018 | 3,111,544 | 7,334,519 | 3,855,506 |
| Other Revenues | 3,970,244 | 4,825,169 | 2,088,880 | 2,087,628 | 6,059,124 | 6,912,796 |
| Total revenues | 136,226,673 | 123,733,898 | 487,901,993 | 451,128,758 | 624,128,666 | 574,862,656 |
| **Expenses:** | | | | | | |
| General Government | 33,401,384 | 24,762,040 | - | - | 33,401,384 | 24,762,040 |
| Public Safety | 57,252,077 | 74,628,943 | - | - | 57,252,077 | 74,628,943 |
| Physical Environment | 1,172,294 | 1,139,174 | - | - | 1,172,294 | 1,139,174 |
| Transportation | 21,557,051 | 21,368,976 | - | - | 21,557,051 | 21,368,976 |
| Economic Environment | 5,839,989 | 5,794,136 | - | - | 5,839,989 | 5,794,136 |
| Human Services | 2,010,455 | 2,324,313 | - | - | 2,010,455 | 2,324,313 |
| Culture & Recreation | 13,748,546 | 16,609,745 | - | - | 13,748,546 | 16,609,745 |
| Interest on Long-Term Debt | 12,974,815 | 8,082,573 | - | - | 12,974,815 | 8,082,573 |
| Electric | - | - | 281,224,138 | 263,210,539 | 281,224,138 | 263,210,539 |
| Gas | - | - | 23,259,945 | 19,169,278 | 23,259,945 | 19,169,278 |
| Water | - | - | 32,894,784 | 34,827,176 | 32,894,784 | 34,827,176 |
| Wastewater | - | - | 41,930,458 | 42,514,875 | 41,930,458 | 42,514,875 |
| GRUCom | - | - | 15,420,363 | 14,734,804 | 15,420,363 | 14,734,804 |
| Regional Transit System | - | - | 29,470,397 | 30,292,140 | 29,470,397 | 30,292,140 |
| Stormwater Management | - | - | 8,814,470 | 8,940,956 | 8,814,470 | 8,940,956 |
| Florida Building Code Enforcement | - | - | 3,223,568 | 3,136,150 | 3,223,568 | 3,136,150 |
| Solid Waste | - | - | 8,061,218 | 8,795,609 | 8,061,218 | 8,795,609 |
| Total expenses | 147,956,611 | 152,709,900 | 444,299,341 | 425,621,527 | 592,255,952 | 578,331,427 |
| **Changes in net position before transfers** | (11,729,938) | (28,976,002) | 43,602,652 | 25,507,231 | 31,872,714 | (3,468,771) |
| **Transfers** | 39,931,238 | 38,953,078 | (39,931,238) | (38,953,078) | - | - |
| **Change in net position** | 28,201,300 | 9,977,076 | 3,671,414 | (13,445,847) | 31,872,714 | (3,468,771) |
| **Net position - beginning, as previously reported** | 163,099,827 | 147,369,672 | 499,979,562 | 518,065,187 | 663,079,389 | 665,434,859 |
| Restatement | | 5,753,079 | | (4,639,778) | - | 1,313,301 |
| **Net position - beginning, restated** | 163,099,827 | 153,122,751 | 499,979,562 | 513,425,409 | 663,079,389 | 666,748,160 |
| **Net position - ending** | $ 191,301,127 | $ 163,099,827 | $ 503,650,976 | $ 499,979,562 | $ 694,952,103 | $ 663,079,389 |

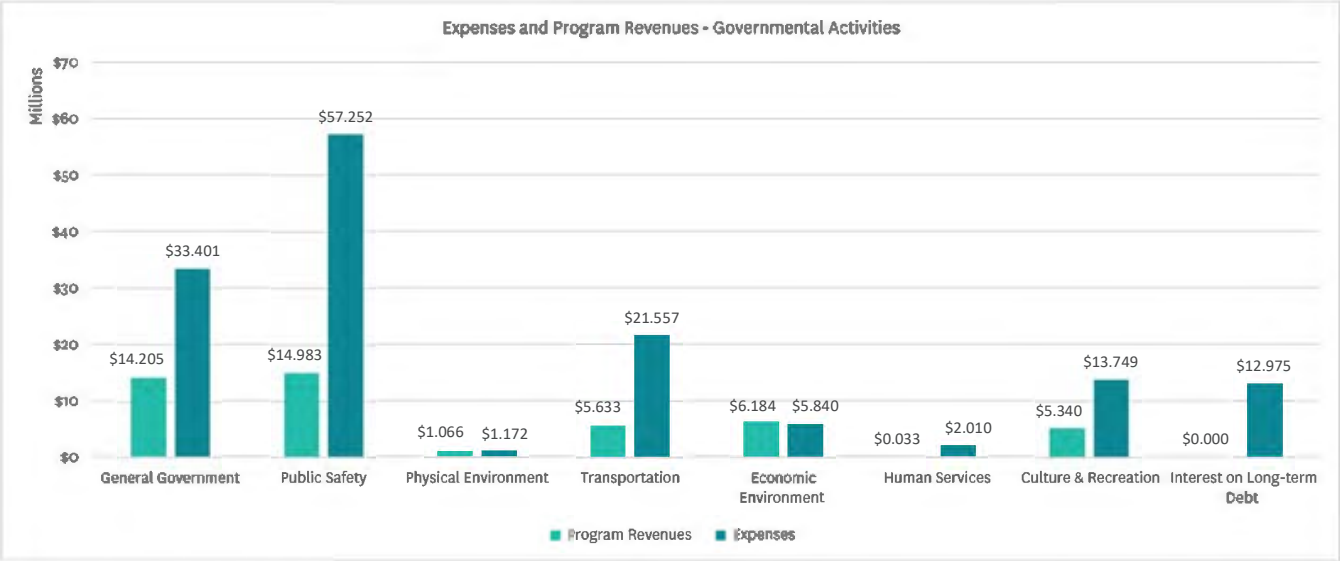
## Governmental Activities.

- Property tax revenue increased by $2,233,000, or 6.1% which equates to the expected FY 2021 value provided by the Alachua County Property Appraisers office. As shown in the following chart, for fiscal year 2021, Property Tax Revenue made up 28.6% of Governmental Activity Revenue. Other taxes, such as Utility taxes, made up 28.9% of revenues followed by Charges for Services at 26.8%.




- Operating grants and contribution revenue decreased by $3,493,544, a 26.4% decrease over the prior year. Capital grants and contribution revenue went up by $1,149,563 in current year. These changes are due to the timing of when grants and contributions were received.
- Revenues from Investment gains saw an increase of $325,538 or 43.8%, which was offset by a decrease in Other Revenues of $848,623 or 17.6%.
- Public safety expenses decreased from prior year by $17,376,866 or 23.3%. This was mainly due to decrease in pension expense, driven by issuance of Pension Obligation Bonds last year and significant investment gains in the current year.
- General government expenses increased from prior fiscal year by $8,639,344 or 34.89%. This was due to recalculation of the 2020 pension obligation bonds share among funds, and allocation reclassification with the internal service funds.
- Human Services expenses decreased by $313,858 or 13.5%, mostly due to more pandemic related assistance to neighbors in FY20.

As shown in the following table, and consistent with prior years expenditure trends, fiscal year 2021 expenses were primarily driven by public safety expenses; comprising 36.5% of Governmental Activity expenses.



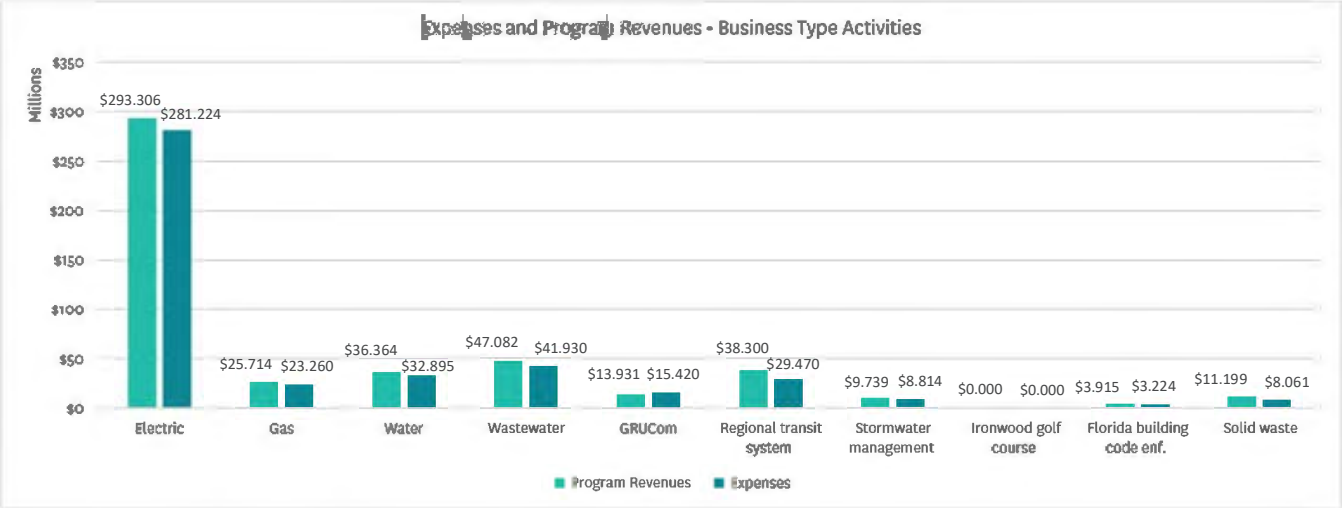

**Business-Type Activities.**

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

- Gross utility plant in service (before accumulated depreciation) increased $47.4 million, or 1.6%, in fiscal year 2021 due primarily to the completion of electric, water and wastewater capital projects.
- Long-term utility debt, including the current portion, increased $68.7 million, or 4.1%, in fiscal year 2021, from the issuance of $95.8 million in utilities system revenue bonds, offset by scheduled principal payments.
- The Utility is completing remediation efforts at a former manufactured gas plant site. The costs incurred to date total $28.3 million, and the Utility estimates that total project costs will be approximately $29.1 million. The Utility accrued a regulatory asset and liability to account for the cost and cost recovery of the expense, which is being recognized as customer revenues are received.
- Sales and service charges increased $29.1 million or 7.9% in fiscal year 2021. This increase is primarily due to the result of increases in the fuel adjustment revenue, interchange sales and trunking radio services.
- Operating expenses increased $19.4 million or 6.2% in fiscal year 2021. This increase is due primarily to an increase in fuel expenses mainly in the form of extremely high natural gas prices during 2021. The increased demand because of the winter storm in February, coupled with the decrease in supply from pipeline freezes as well as the impacts of hurricane Ida on oil rigs in the Gulf of Mexico contributed to the high gas prices throughout most of 2021.
- The transfer to rate stabilization was $7.7 million in fiscal year 2021.
- The number of customers for electric services increased 1.8%, water and wastewater services increased 0.8%, and gas services increased 1.3% in fiscal year 2021.

For fiscal year 2022, the Utility implemented increases in the revenue requirement of 7% for the electric system and 5% for the wastewater system.

As shown in the following table, electric related revenues and expenses dominate business type activity expenditures and revenues, making up 61.2% and 63.3% of these categories respectively in fiscal year 2021.




## Financial Analysis of the Government's Funds

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

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

For fiscal year 2021, the City's governmental funds reported combined ending fund balances of $252,947,588, an increase of $14,317,088 in comparison with the prior year combined ending fund balance. Majority of the increase was due to tax revenue increase and expenditure savings. Approximately 56.2% or $142,176,464 of this total amount constitutes non-spendable fund balance, which are amounts that are not in spendable form, primarily constituted of long-term receivables. An additional 23.4% or $ 59,184,289 is restricted, indicating that funds can only be spent for specific purposes stipulated by external entities. Approximately 11.7% ($9,620,573 and $ 19,998,441, respectively) is committed and assigned for spending at the government's discretion. The remaining 8.7% or $ 21,967,820 of fund balance is unassigned to indicate that it has no internal or external restrictions or commitments.

The General Fund is the chief operating fund of the City. At the end of fiscal year 2021, there was $23,798,721 in unassigned fund balance, with a total fund balance of $ 35,948,269. 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 is 17.4% of total expenditures and transfers out, while total fund balance represents 26.3% of that same amount. The fund balance of the City's general fund increased $10,156,277 during the current fiscal year. The fiscal year 2021 original budget anticipated a fund balance increase of $20,889. The general fund experienced a positive revenue variance of just over $3,549,024 and departmental budgetary savings of $18,025,491 compared to the final budget. General government, transportation and Culture and Recreation all ended with a positive variance in expenditures for the year of at least 10%. Economic Environment had a negative budget variance of $799,105 or 67.3%.

At the end of fiscal year 2021, the Special Revenue Funds have a total fund balance of $41,358,352, which represents an increase of $7,680,567 from last year's balance. The increase in the special revenue funds total is primarily driven by the development activities in the City and budgeted expenditures not incurred as planned.

At the end of fiscal year 2021, the Debt Service Funds have a total fund balance of $135,354,920, a decrease of $6,486,173. Fund balance in the capital projects funds increased by $2,966,417 to end the fiscal year at $40,286,047.

**General Fund Budget Highlights.** The fiscal year 2021 actual revenue was $101,199,979, an increase of $3,593,614 over the adopted budget. The fiscal year 2021 actual expenditure of $108,622,832 is $9,395,139 below the original adopted budget of $118,017,971. Budget amendments processed during fiscal year 2021 were routine.

The overall revenue variance between the final budget and actual results for the general fund was 3.63%. Intergovernmental revenue had the largest positive variance of $5,067,413 or 42.73%, and miscellaneous revenue had the largest negative variance to budget of $1,714,954 or 64.1%.

Due to regular budget monitoring, most departments ended the fiscal year with expenditures below budgeted amounts. General Government, Public Safety, Transportation, and Culture and Recreation all ended the year with positive variances to budget. Only Economic Environment ended the year with a negative variance to budget, with the percentage variance at 67.3%.

**Capital Asset and Debt Administration.** The City's investment in capital assets for its governmental and business type activities as of September 30, 2021 totals $2,224,302,554 (net of accumulated depreciation). The investment in capital assets includes land, buildings, improvements, machinery and equipment, utility plant and equipment, infrastructure, roads, bike paths and sidewalks.

Capital Assets for Fiscal Year 2021 (period ended September 30, 2021)

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | FY 2021 | FY 2020 | FY 2021 | FY 2020 | FY 2021 | FY 2020 |
| Land | $ 38,753,425 | $ 38,585,091 | $ 8,864,610 | $ 8,864,610 | $ 47,618,035 | $ 47,449,701 |
| Utility Plant & Equipment | - | - | 1,730,997,681 | 1,768,621,635 | 1,730,997,681 | 1,768,621,635 |
| Buildings | 50,790,485 | 53,119,084 | 34,681,994 | 35,817,016 | 85,472,479 | 88,936,100 |
| Improvements | 13,572,668 | 13,009,730 | 2,235,513 | 2,526,348 | 21,808,181 | 15,536,078 |
| Machinery & Equipment | 16,667,860 | 17,702,549 | 25,136,093 | 15,641,146 | 41,803,953 | 33,344,695 |
| Infrastructure | 127,612,977 | 133,157,644 | 28,554,838 | 29,965,485 | 156,167,785 | 163,123,129 |
| Construction in Progress | 8,724,830 | 11,837,972 | 133,709,626 | 103,510,378 | 142,434,456 | 115,348,350 |
| **Total Assets, Net** | $ 260,122,199 | $ 265,392,282 | $ 1,964,180,355 | $ 1,964,946,618 | $ 2,224,302,554 | $ 2,230,339,000 |

Major capital asset events during the fiscal year include:

- Electric generation capital expenditures were $33.8 million for fiscal year 2021. These expenditures included $2.5 million for DHR, $8.7 million for the Deerhaven Generating Station (DH) and $22.3 million for the John R Kelly Generating Station.
- Electric transmission and distribution expansion and capital replacements were $17.8 million in fiscal year 2021 of which approximately $2.6 million was spent on underground system improvements.
- Water capital expenditures were $11.4 million in fiscal year 2021 with $4.8 million for supply, pumping, and treatment facilities and $6.6 million for transmission and distribution.
- Wastewater capital expenditures were $20.5 million in 2021. This included $8.8 million spent on treatment plant improvements and $11.8 million in collection improvements.
- Gas distribution expansion expenditures were $3.6 million in fiscal year 2021. This expansion included expenditures of $728 thousand in gas distribution mains and $2.8 million in residential gas services.
- Telecommunication fiber and electronics expansion expenditures were $216 thousand in fiscal year 2021 which included fiber and related infrastructure installation and electronics upgrades.
- Transition to the new Enterprise Resource Planning software, Workday, was put on hold for the majority of fiscal year 2021. The go-live date was achieved in July 2021.

Additional information on the City's capital assets can be found in Note 8 on pages 69-70 of this report.

**Bonded Debt.** At the end of fiscal year 2021, the City had total bonded debt outstanding of $2,080,215,690. This entire amount represents bonds secured solely by specified revenue sources (i.e., revenue bonds and notes) and excludes issuance premiums and discounts.

Outstanding Bonded Debt

| | Governmental Activities | Business-Type Activities | Total |
|---|---|---|---|
| Pension Obligation Bonds | $ 289,192,990 | $ - | $ 289,192,990 |
| Revenue Bonds and Notes | 54,798,784 | 1,736,851,487 | 1,791,650,271 |
| **Total Debt, Net** | $ 343,991,774 | $ 1,736,851,487 | $ 2,080,843,261 |

The City's total bonded debt increased by approximately $66.7 million or 3.3% during fiscal year 2021 primarily due to the Utility's issuance of Utilities System Revenue Bonds, 2021 Series A in August 2021 and scheduled principal payments.

The City is proud to maintain investment grade ratings: Aa2 from Moody's Investor Service and AA from Fitch Ratings, both with a stable outlook. The Utility has ratings of A, Aa3, and A+ with Standard and Poor's, Moody's Investor Service, and Fitch Ratings, respectively, for utility system revenue bonds. The Utility has ratings of P-1, A-1, and F1+ with Moody's Investors Service, Standard & Poor's, and Fitch Ratings, respectively, for commercial paper notes.

Additional information on the City's long-term debt can be found in Note 13 on pages 95-113 of this report.

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

General Government:

- Although the City has not yet experienced any major impacts with regards to revenue loss or higher than expected expenditures due to the COVID-19 pandemic, the Financial Services Department continues to diligently monitor revenue and expenditure trends in order to identify potential issues early.

The Utility:

- Legislation and regulation at the federal level has been proposed to mandate the use of renewable energy and to constrain the emission of greenhouse gases. The Utility's institution of a solar feed-in-tariff, a solar purchased power agreement and purchase of a 102.5 megawatt biomass fueled power plant will hedge against these uncertainties.
- The Utility's long-term energy supply strategy is to provide safe, reliable, cost-effective power while meeting regulatory requirements. The Utility has a diverse portfolio of generation including renewable energy. The City Commission has directed the Utility to achieve a net-zero carbon generation portfolio. Based on the most recent forecasts, the Utility has adequate reserves of generating capacity to meet forecasted loads plus maintaining the regulatory required reserve margin through 2022. This forecast incorporates new population forecasts and changed economic circumstances.

**Economic Factors and Next Year's Budgets and Rates.** Some of the significant factors considered in preparing the General Government's fiscal year 2022 budget were:

- Property tax is the largest single General Fund revenue source accounting for 30% of General Fund Revenue. The taxable valuation for the City of Gainesville for tax year 2021, for which the fiscal year 2022 Adopted Budget is based on, was $8,132,378,247 and represents a 6.6% increase over the tax year 2020 tax valuation. New construction assessed value for tax year 2021 totaled $286,637,476, a significant increase over the new construction valuation of $81 million over tax year 2020.
- The fiscal year 2022 Adopted Budget reflects a millage rate of 5.5000, an increase over the fiscal year 2021 millage rate of 5.2974. The increase in property values combined with a millage rate increase is estimated to generate an additional $4.3 million in property tax revenue in fiscal year 2022.
- The transfer to the General Fund from the Utility (also referred to as the "General Fund Transfer") accounts for approximately 25% of General Fund revenues. The last General Fund Transfer formula expired in fiscal year 2020 and included an annual growth factor of 1.5% per year. During the fiscal year 2021 budget process the City Commission voted to remove this growth factor and to keep the transfer flat at $38,283,000 with further direction to develop a transfer formula for future budget years. The fiscal year 2022 Adopted Budget reflects the first multi-year reduction in the transfer as directed by the City Commission during the budget development process. The General Fund Transfer for fiscal year 2022 is budgeted at $36,283,000 and will reduce by $2 million every fiscal year through fiscal year 2027. The City is still reviewing options for a transfer formula.

- Utility tax revenues are generated through taxes levied on electric, water and natural gas utility customers who reside within City limits. On June 7, 2021, the City Commission approved rate increases for electric, water, wastewater, and gas effective the fiscal year 2022 and will generate an estimated $400,000 in additional revenue during fiscal year 2022.
- Half cent sales tax and state revenue sharing are both funded from the sales taxes collected by the State then allocated to local governments on a formula basis. Half cent sales tax revenue is based on taxes collected within Alachua County while state revenue sharing is based on taxes collected state-wide. While there was a minor reduction in these revenues in fiscal year 2021, the fiscal year 2022 adopted budget reflects a robust rebound as the economic conditions continue to improve.
- On March 10, 2021, the House of Representatives approved a Senate-amended version of President Biden's $1.9 trillion COVID-19 relief package - the American Rescue Plan. The package includes $350 billion in aid for state and local governments, along with additional funding for other areas like education, rental assistance and transit. The President signed the bill into law on March 11, 2021. The American Rescue Plan Act of 2021 through the Coronavirus State and Local Fiscal Recovery Funds program, provides $350 billion in additional funding for state, local, and Tribal governments across the country to support their response to and recovery from the COVID-19 public health emergency. The City of Gainesville was awarded $32,408,804.00. During fiscal year 2022, the City Commission will be developing a spend plan for the award.

Utility highlights for the fiscal year 2022 budget are as follows:

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

## Requests for Information

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

# Basic Financial Statements

# CITY OF GAINESVILLE, FLORIDA
# STATEMENT OF NET POSITION
# SEPTEMBER 30, 2021

| | Primary Government | | |
|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total |
| **Assets** | | | |
| Cash and Cash Equivalents | $ 1,551,206 | $ 26,843,459 | $ 28,394,665 |
| Equity in Pooled Cash and Investments | 183,835,259 | 18,615,434 | 202,450,693 |
| Receivables, Net | 7,060,014 | 77,215,774 | 84,275,788 |
| Internal Balances | 129,789,028 | (129,789,028) | - |
| Inventories | 390,258 | 22,771,156 | 23,161,414 |
| Fuel and Gas Purchased Gas Adjustment | - | 12,676,092 | 12,676,092 |
| Prepaids | 1,016,235 | 181 | 1,016,416 |
| Other Assets and Regulatory Assets | - | 1,735,236 | 1,735,236 |
| Assets Held for Evidence | 670,492 | - | 670,492 |
| Fair Value of Hedging | | | |
| Derivative Instruments | 808,796 | - | 808,796 |
| Restricted Assets: | | | |
| Cash and Investments | - | 336,848,500 | 336,848,500 |
| Net Pension Asset | 61,572,677 | 53,630,529 | 115,203,206 |
| Net OPEB Asset | 3,176,544 | 4,388,486 | 7,565,030 |
| Other Noncurrent Assets | - | 162,038,261 | 162,038,261 |
| Capital Assets (Net of Accumulated Depreciation): | | | |
| Utility Plant and Equipment | - | 1,730,997,681 | 1,730,997,681 |
| Buildings | 50,790,485 | 34,681,994 | 85,472,479 |
| Improvements Other than Buildings | 19,572,668 | 2,235,513 | 21,808,181 |
| Machinery and Equipment | 16,667,860 | 25,136,093 | 41,803,953 |
| Infrastructure | 127,612,927 | 28,554,838 | 156,167,765 |
| Capital Assets (not Depreciated): | | | |
| Land | 36,753,429 | 8,864,610 | 45,618,039 |
| Construction in Progress | 8,724,830 | 133,709,626 | 142,434,456 |
| **Total Assets** | 649,992,708 | 2,551,154,435 | 3,201,147,143 |
| **Deferred Outflows of Resources** | | | |
| Unamortized Loss on Refunding of Bonds | 1,133,663 | 9,854,061 | 10,987,724 |
| Accumulated Decrease in Fair Value of Hedging Derivatives | - | 67,932,403 | 67,932,403 |
| Deferred Amounts Related to Pensions | 5,192,647 | 5,360,272 | 10,552,919 |
| Deferred Amounts Related to OPEB | 839,999 | 1,160,475 | 2,000,474 |
| **Total Deferred Outflows of Resources** | 7,166,309 | 84,307,211 | 91,473,520 |

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

CITY OF GAINESVILLE, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021
*(Concluded)*

| | Primary Government | | |
|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total |
| **Liabilities** | | | |
| Accounts Payable | $ 36,943,954 | $ 31,074,857 | $ 68,018,811 |
| Unearned Revenue | 16,204,402 | 693,517 | 16,897,919 |
| Other Liabilities and Regulatory Liabilities | - | 1,197,440 | 1,197,440 |
| Liabilities Payable from Restricted Assets: | | | |
| Utility Deposits | - | 8,406,491 | 8,406,491 |
| Accrued Interest Payable | 6,498,548 | 32,517,758 | 39,016,306 |
| Other Liabilities Payable from Restricted Assets | - | 6,852,024 | 6,852,024 |
| Long-Term Debt due Within One Year | 15,414,674 | 26,224,523 | 41,639,197 |
| Long-Term Liabilities due in More than One Year: | | | |
| Long-Term Debt due in More than One Year | 332,789,289 | 1,828,849,212 | 2,161,638,501 |
| Net Pension Liability - FRS | 273,584 | - | 273,584 |
| Other Noncurrent Liabilities | - | 7,492,466 | 7,492,466 |
| Fair Value of Derivative Instruments | - | 69,065,664 | 69,065,664 |
| **Total Liabilities** | 408,124,451 | 2,012,373,952 | 2,420,498,403 |
| **Deferred Inflows of Resources** | | | |
| Accumulated Increase in Fair Value of Hedging Derivatives | 808,796 | - | 808,796 |
| Rate Stabilization | - | 65,812,817 | 65,812,817 |
| Business Taxes not Yet Earned | 630,106 | - | 630,106 |
| Deferred Amounts Related to Pensions | 50,002,929 | 44,931,929 | 94,934,858 |
| Deferred Amounts Related to OPEB | 6,291,608 | 8,691,972 | 14,983,580 |
| **Total Deferred Inflows of Resources** | 57,733,439 | 119,436,718 | 177,170,157 |
| **Net Position** | | | |
| Net Investment in Capital Assets | 214,385,691 | 250,986,050 | 465,371,741 |
| Restricted for: | | | |
| Debt Service | - | 25,894,204 | 25,894,204 |
| Capital Projects | 3,990,280 | - | 3,990,280 |
| Utility Plant Improvement | - | 112,624,747 | 112,624,747 |
| Community Redevelopment | 19,601,014 | - | 19,601,014 |
| Recreation and Land Conservation | 19,982,298 | - | 19,982,298 |
| Federal and State Grants | 1,251,577 | - | 1,251,577 |
| Public Safety | 1,109,157 | - | 1,109,157 |
| Cemetery Care | 1,809,312 | - | 1,809,312 |
| Transportation | 6,915,824 | - | 6,915,824 |
| Building Code Enforcement | - | 3,396,858 | 3,396,858 |
| Other | - | 4,768,424 | 4,768,424 |
| Unrestricted | (77,744,026) | 105,980,693 | 28,236,667 |
| **Total Net Position** | $ 191,301,127 | $ 503,650,976 | $ 694,952,103 |

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

# CITY OF GAINESVILLE, FLORIDA
# STATEMENT OF ACTIVITIES
# FOR THE YEAR ENDED SEPTEMBER 30, 2021

| Functions/Programs | Expenses | PROGRAM REVENUES: Charges for Services | PROGRAM REVENUES: Operating Grants and Contributions | PROGRAM REVENUES: Capital Grants and Contributions | NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION: Primary Government: Governmental Activities | Primary Government: Business-Type Activities | Primary Government: Total |
|---|---|---|---|---|---|---|---|
| **Primary Government** | | | | | | | |
| Governmental Activities: | | | | | | | |
| General Government | $ 33,401,384 | $ 13,950,858 | $ 253,850 | $ - | $ (19,196,676) | $ - | $ (19,196,676) |
| Public Safety | 57,252,077 | 12,868,168 | 2,114,894 | - | (42,269,015) | - | (42,269,015) |
| Physical Environment | 1,172,294 | 1,030,422 | 27,563 | 8,487 | (105,822) | - | (105,822) |
| Transportation | 21,557,051 | 3,209,963 | 1,407,036 | 1,016,076 | (15,923,976) | - | (15,923,976) |
| Economic Environment | 5,839,989 | 329,409 | 5,854,631 | - | 344,051 | - | 344,051 |
| Human Services | 2,010,455 | - | 32,971 | - | (1,977,484) | - | (1,977,484) |
| Culture and Recreation | 13,748,546 | 5,159,466 | 55,515 | 125,000 | (8,408,565) | - | (8,408,565) |
| Interest on Long-Term Debt | 12,974,815 | - | - | - | (12,974,815) | - | (12,974,815) |
| Total Governmental Activities | 147,956,611 | 36,548,286 | 9,746,460 | 1,149,563 | (100,512,302) | - | (100,512,302) |
| Business-Type Activities: | | | | | | | |
| Electric | 281,224,138 | 293,306,230 | - | - | - | 12,082,092 | 12,082,092 |
| Gas | 23,259,945 | 25,713,681 | - | - | - | 2,453,736 | 2,453,736 |
| Water | 32,894,784 | 34,422,192 | - | 1,941,314 | - | 3,468,722 | 3,468,722 |
| Wastewater | 41,930,458 | 44,813,860 | - | 2,268,097 | - | 5,151,499 | 5,151,499 |
| GRUCom | 15,420,363 | 13,930,791 | - | - | - | (1,489,572) | (1,489,572) |
| Regional Transit System | 29,470,397 | 15,464,562 | 22,834,988 | - | - | 8,829,153 | 8,829,153 |
| Stormwater Management | 8,814,470 | 9,577,462 | - | 161,545 | - | 924,537 | 924,537 |
| Florida Building Code Enforcement | 3,223,568 | 3,914,872 | - | - | - | 691,304 | 691,304 |
| Solid Waste | 8,061,218 | 10,883,444 | - | 315,057 | - | 3,137,283 | 3,137,283 |
| Total Business-Type Activities | 444,299,341 | 452,027,094 | 22,834,988 | 4,686,013 | - | 35,248,754 | 35,248,754 |
| **Total Primary Government** | 592,255,952 | 488,575,380 | 32,581,448 | 5,835,576 | (100,512,302) | 35,248,754 | (65,263,548) |
| **General Revenues** | | | | | | | |
| Property Taxes | | | | | 38,926,311 | - | 38,926,311 |
| Utility Taxes | | | | | 14,247,590 | - | 14,247,590 |
| Communications Services Tax | | | | | 3,516,691 | - | 3,516,691 |
| Local Option Gas Tax | | | | | 3,193,365 | 2,088,880 | 5,282,245 |
| Half-Cent Sales Tax | | | | | 9,331,556 | - | 9,331,556 |
| Discretionary Sales Tax | | | | | 9,038,133 | - | 9,038,133 |
| State Revenue Sharing | | | | | 5,482,673 | - | 5,482,673 |
| Occupational Licenses | | | | | 1,143,210 | - | 1,143,210 |
| Gain on Sale of Capital Assets | | | | | 752,666 | - | 752,666 |
| Miscellaneous | | | | | 2,080,668 | - | 2,080,668 |
| Investment Gain | | | | | 1,069,501 | 6,265,018 | 7,334,519 |
| **Transfers** | | | | | 39,931,238 | (39,931,238) | - |
| **Total General Revenues and Transfers** | | | | | 128,713,602 | (31,577,340) | 97,136,262 |
| **Change in Net Position** | | | | | 28,201,300 | 3,671,414 | 31,872,714 |
| **Net Position - Beginning of Year** | | | | | 163,099,827 | 499,979,562 | 663,079,389 |
| **Net Position - End of Year** | | | | | $ 191,301,127 | $ 503,650,976 | $ 694,952,103 |

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

CITY OF GAINESVILLE, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

| | General | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|
| **Assets** | | | |
| Cash and Cash Equivalents | $ 3,400 | $ 3,000 | $ 6,400 |
| Equity in Pooled Cash and Investments | 34,878,249 | 118,591,212 | 153,469,461 |
| Receivables | 2,699,945 | 4,357,657 | 7,057,602 |
| Due from Other Funds | 23,418,818 | 77,315 | 23,496,133 |
| Advances to Other Funds | - | 134,179,041 | 134,179,041 |
| Assets Held for Evidence | - | 670,492 | 670,492 |
| Inventories | 34,758 | - | 34,758 |
| Prepaids | 7,659 | 12 | 7,671 |
| **Total Assets** | 61,042,829 | 257,878,729 | 318,921,558 |
| **Liabilities** | | | |
| Accounts Payable and Accrued Liabilities | 23,037,111 | 3,821,455 | 26,858,566 |
| Accrued Interest Payable | - | 6,372,862 | 6,372,862 |
| Due to Other Funds | 1,427,343 | 4,440,707 | 5,868,050 |
| Unearned Revenues | - | 16,204,402 | 16,204,402 |
| Bonds and Notes Payable | - | 9,964,789 | 9,964,789 |
| Advances from Other Funds | - | - | - |
| **Total Liabilities** | 24,464,454 | 40,804,215 | 65,268,669 |
| **Deferred Inflows of Resources** | | | |
| Business Taxes not Yet Earned | 630,106 | - | 630,106 |
| Unavailable Revenue | - | 75,196 | 75,196 |
| **Total Deferred Inflows of Resources** | 630,106 | 75,196 | 705,302 |
| **Fund Balances** | | | |
| Nonspendable | 7,042,417 | 135,134,047 | 142,176,464 |
| Restricted | - | 59,184,289 | 59,184,289 |
| Committed | - | 9,620,573 | 9,620,573 |
| Assigned | 5,107,131 | 14,891,310 | 19,998,441 |
| Unassigned | 23,798,721 | (1,830,901) | 21,967,820 |
| **Total Fund Balances** | 35,948,269 | 216,999,318 | 252,947,587 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 61,042,829 | $ 257,878,729 | $ 318,921,558 |

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

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

| | | |
|---|---|---|
| Total Fund Balances: Governmental Funds Balance Sheet | | $ 252,947,587 |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is $470,077,148 and the accumulated depreciation is $227,297,259. This excludes internal service fund capital assets which are included in the internal service fund adjustment below. | | 242,779,889 |
| Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the fund financial statements, except when resources have been accumulated in the debt service funds during the current year for payment of principal and interest due one day after the end of the fiscal year. Long-term liabilities of internal service funds are included in the internal service fund adjustment below. Other governmental long-term liabilities at year-end consist of: | | |
| Bonds and Promissory Notes Payable (Excluding $9,964,790 Reported in Funds) | $ (333,399,412) | |
| Compensated Absences | (4,038,488) | |
| Net Pension Liability | (273,584) | |
| Net Pension Asset | 60,019,779 | |
| Net OPEB Asset | 3,029,353 | (274,662,352) |
| Deferred outflows and inflows of resources are not available in the current period and, therefore, are not reported in the governmental funds. Deferred outflows and inflows of resources at year-end consist of: | | |
| Deferred Outflow Amount on Debt Refunding | 1,133,663 | |
| Deferred Outflow Amount on Pension Liabilities | 5,037,437 | |
| Deferred Inflow Amount on Pension Liabilities | (48,701,902) | |
| Deferred Outflow Amount on OPEB Liabilities | 801,076 | |
| Deferred Inflow Amount on OPEB Liabilities | (6,000,075) | (47,729,801) |
| Governmental funds do not report a liability for accrued interest until it is due and payable, except when resources have been accumulated in the debt service funds during the current year for payment of principal and interest due one day after the end of the fiscal year. This is the amount of interest accrued in the statement of net position, excluding $6,372,862 reported in debt service funds. | | (125,686) |
| In fund financial statements, governmental fund types recognize discounts and premiums during the current period as other financing sources and uses. In the government-wide statements, discounts and premiums are applied against bonds payable. | | |
| Premiums | | (627,571) |
| Unavailable revenue is deferred in governmental funds but not in the government-wide financial statements. | | 75,196 |
| Internal service funds are used by management to charge the costs of fleet management, general insurance, employees health insurance, and retirees health insurance. The assets and liabilities of the internal service funds, including net capital assets of $17,342,310, compensated absences liabilities of $173,701, deferred outflows related to pension of $155,210, deferred inflows related to pensions of $1,301,027, net pension asset of $1,552,898, deferred outflows related to OPEB of $38,923, deferred inflows related to OPEB of $291,533, and net OPEB asset of $147,191 are included in governmental activities in the statement of net position. | | 18,643,865 |
| Net Position of Governmental Activities | | $ 191,301,127 |

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

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

| | General | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|
| **Revenues** | | | |
| Taxes | $ 58,765,059 | $ 11,300,241 | $ 70,065,300 |
| Permits, Fees and Special Assessments | 9,442,280 | - | 9,442,280 |
| Intergovernmental | 18,141,506 | 10,943,033 | 29,084,539 |
| Charges for Services | 14,133,077 | 7,645,354 | 21,778,431 |
| Fines and Forfeitures | 971,122 | 147,399 | 1,118,521 |
| Miscellaneous | 987,996 | 4,558,316 | 5,546,312 |
| **Total Revenues** | 102,441,040 | 34,594,343 | 137,035,383 |
| **Expenditures** | | | |
| Current: | | | |
| General Government | 25,348,260 | 5,801,134 | 31,149,394 |
| Public Safety | 60,728,668 | 3,001,167 | 63,729,835 |
| Physical Environment | 237,400 | 926,407 | 1,163,807 |
| Transportation | 12,294,275 | 2,189,299 | 14,483,574 |
| Economic Environment | 1,987,442 | 3,891,465 | 5,878,907 |
| Human Services | - | 2,186,925 | 2,186,925 |
| Culture and Recreation | 10,593,867 | 1,702,643 | 12,296,510 |
| Debt Service: | | | |
| Principal | - | 12,598,425 | 12,598,425 |
| Interest and Fiscal Charges | - | 12,052,961 | 12,052,961 |
| Issue Costs | - | 45,227 | 45,227 |
| Capital Outlay | 1,640,720 | 5,673,996 | 7,314,716 |
| **Total Expenditures** | 112,830,632 | 50,069,649 | 162,900,281 |
| **(Deficiency) of Revenues (Under) Expenditures** | (10,389,592) | (15,475,306) | (25,864,898) |
| **Other Financing Sources (Uses)** | | | |
| Issuance of Bonds | - | 11,473,000 | 11,473,000 |
| Payments to Bond Escrow | - | (11,427,773) | (11,427,773) |
| Sale of Capital Assets | 134,902 | 28,271 | 163,173 |
| Transfers in | 44,329,429 | 28,268,566 | 72,597,995 |
| Transfers (out) | (23,918,462) | (8,705,948) | (32,624,410) |
| **Total Other Financing Sources (Uses)** | 20,545,869 | 19,636,116 | 40,181,985 |
| **Net Change in Fund Balances** | 10,156,277 | 4,160,810 | 14,317,087 |
| **Fund Balances, Beginning of Year** | 25,791,992 | 212,838,508 | 238,630,500 |
| **Fund Balances - End of Year** | $ 35,948,269 | $ 216,999,318 | $ 252,947,587 |

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

# CITY OF GAINESVILLE, FLORIDA
# RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
# FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | | |
|---|---|---|
| Net Change in Fund Balances - Total Governmental Funds | | $ 14,317,087 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Governmental funds report capital purchases as expenditures. However, in the statement of activities, the cost of those assets are depreciated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital purchases exceed depreciation in the current year. | | |
| Capital Outlay | $ 6,996,307 | |
| Depreciation Expense | (12,128,742) | (5,132,435) |
| Certain revenues reported in the statement of activities are not considered current financial resources until measurable and available, and, therefore, are reported as revenues in governmental funds in a different period. | | (1,777,951) |
| The change in the deferred refunding loss has no effect on the current financial resources and, therefore, is not reported in the governmental funds. | | (246,419) |
| The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are capitalized 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. | | |
| Debt proceeds from Issuance of Bonds | (11,473,000) | |
| Repayment of Principal | 24,026,198 | 12,553,198 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. | | |
| Accrued Interest Payable | (670,059) | |
| Amortization of Bond Discounts and Premiums | 39,852 | |
| Change in Compensated Absences Payable | (40,121) | |
| Change in Pension Expense | 10,914,909 | |
| Change in OPEB Expense | 729,619 | 10,974,200 |
| Internal service funds are used by management to charge the costs of fleet maintenance and insurance to individual funds. A portion of the net revenue of certain activities of internal service funds is reported in governmental activities. | | (2,486,380) |
| Change in Net Position of Governmental Activities | | $ 28,201,300 |

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

# CITY OF GAINESVILLE, FLORIDA
# STATEMENT OF FUND NET POSITION
# PROPRIETARY FUNDS
# SEPTEMBER 30, 2021

| | Business-Type Activities - Enterprise Funds | | | Governmental Activities |
|---|---|---|---|---|
| | Utility | Other Enterprise Funds | Totals | Internal Service Funds |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ 26,843,209 | $ 250 | $ 26,843,459 | $ 1,544,806 |
| Equity in Pooled Cash and Investments | - | 18,615,434 | 18,615,434 | 30,365,798 |
| Receivables, Net | 58,012,001 | 19,203,773 | 77,215,774 | 2,412 |
| Due from Other Funds | - | 3,847,694 | 3,847,694 | - |
| Inventories | 21,150,925 | 1,620,231 | 22,771,156 | 355,497 |
| Fuel and Purchased Gas Adjustment | 12,676,092 | - | 12,676,092 | - |
| Prepaids | - | 181 | 181 | 1,008,564 |
| Other Assets and Regulatory Assets | 1,735,236 | - | 1,735,236 | - |
| Fair Value of Hedging Derivative Instruments | - | - | - | 808,796 |
| Restricted Assets - Cash and Investments | 336,848,500 | - | 336,848,500 | - |
| Total Current Assets | 457,265,963 | 43,287,563 | 500,553,526 | 34,085,873 |
| Other Noncurrent Assets | 162,038,261 | - | 162,038,261 | - |
| Capital Assets (Net of Accumulated Depreciation): | | | | |
| Utility Plant and Equipment | 1,730,997,681 | - | 1,730,997,681 | - |
| Buildings | - | 34,681,994 | 34,681,994 | 2,721,039 |
| Improvements Other than Buildings | - | 2,235,513 | 2,235,513 | 812,054 |
| Machinery and Equipment | - | 25,136,093 | 25,136,093 | 12,396,561 |
| Infrastructure | - | 28,554,838 | 28,554,838 | 781,093 |
| Capital Assets (not Depreciated): | | | | |
| Land | - | 8,864,610 | 8,864,610 | 631,563 |
| Construction in Progress | 132,543,930 | 1,165,696 | 133,709,626 | - |
| Total Capital Assets | 1,863,541,611 | 100,638,744 | 1,964,180,355 | 17,342,310 |
| Net Pension Asset | 42,996,046 | 10,634,483 | 53,630,529 | 1,552,898 |
| Net OPEB Asset | 3,308,962 | 1,079,524 | 4,388,486 | 147,191 |
| Total Noncurrent Assets | 2,071,884,880 | 112,352,751 | 2,184,237,631 | 19,042,399 |
| **Total Assets** | 2,529,150,843 | 155,640,314 | 2,684,791,157 | 53,128,272 |
| **Deferred Outflow of Resources** | | | | |
| Unamortized Loss on Refundings of Bonds | 9,854,061 | - | 9,854,061 | - |
| Accumulated Decrease in Fair Value of Hedging Derivatives | 67,932,403 | - | 67,932,403 | - |
| Deferred Amounts Related to Pensions | 4,297,375 | 1,062,897 | 5,360,272 | 155,210 |
| Deferred Amounts Related to OPEB | 875,006 | 285,469 | 1,160,475 | 38,923 |
| **Total Deferred Outflows of Resources** | 82,958,845 | 1,348,366 | 84,307,211 | 194,133 |

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

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

| | Business-Type Activities - Enterprise Funds | | | Governmental Activities |
|---|---|---|---|---|
| | Utility | Other Enterprise Funds | Totals | Internal Service Funds |
| **Liabilities** | | | | |
| Current Liabilities: | | | | |
| Accounts Payable and Accrued Liabilities | $ 19,949,377 | $ 11,125,480 | $ 31,074,857 | $ 10,085,388 |
| Due to Other Funds | 6,112,846 | 18,790,815 | 24,903,661 | 374,975 |
| Unearned Revenue | - | 693,517 | 693,517 | - |
| Current Portion of Long-Term Debt | 25,864,811 | 359,712 | 26,224,523 | - |
| Other Liabilities and Regulatory Liabilities | 1,197,440 | - | 1,197,440 | - |
| Current Liabilities Payable from Restricted Assets: | | | | |
| Utility Deposits | 8,406,491 | - | 8,406,491 | - |
| Accrued Interest Payable | 32,517,758 | - | 32,517,758 | - |
| Other Liabilities Payable from Restricted Assets | 6,852,024 | - | 6,852,024 | - |
| Total Current Liabilities | 100,900,747 | 30,969,524 | 131,870,271 | 10,460,363 |
| Noncurrent Liabilities: | | | | |
| Fair Value of Derivative Instruments | 69,065,664 | - | 69,065,664 | - |
| Due to Other Funds | 102,186,631 | 28,189,550 | 130,376,181 | |
| Long-Term Debt | 1,825,114,462 | 3,734,750 | 1,828,849,212 | 173,701 |
| Other Noncurrent Liabilities and Regulatory Liabilities | 7,492,466 | - | 7,492,466 | |
| Total Noncurrent Liabilities | 2,003,859,223 | 31,924,300 | 2,035,783,523 | 173,701 |
| **Total Liabilities** | 2,104,759,970 | 62,893,824 | 2,167,653,794 | 10,634,064 |
| **Deferred Inflows of Resources** | | | | |
| Accumulated Increase in Fair Value of Hedging Derivatives | - | - | - | 808,796 |
| Rate Stabilization | 65,812,817 | - | 65,812,817 | - |
| Deferred Amounts Related to Pensions | 36,022,306 | 8,909,623 | 44,931,929 | 1,301,027 |
| Deferred Amounts Related to OPEB | 6,553,818 | 2,138,154 | 8,691,972 | 291,533 |
| **Total Deferred Inflows of Resources** | 108,388,941 | 11,047,777 | 119,436,718 | 2,401,356 |
| **Net Position** | | | | |
| Net Investment in Capital Assets | 153,558,794 | 97,427,256 | 250,986,050 | 17,342,310 |
| Restricted for: | | | | |
| Debt Service | 25,894,204 | - | 25,894,204 | - |
| Utility Plant Improvement | 112,624,747 | - | 112,624,747 | - |
| Building Code Enforcement | - | 3,396,858 | 3,396,858 | - |
| Other | 4,768,424 | - | 4,768,424 | - |
| Unrestricted | 102,114,608 | (17,777,035) | 84,337,573 | 22,944,675 |
| **Total Net Position** | $ 398,960,777 | $ 83,047,079 | $ 482,007,856 | $ 40,286,985 |

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

CITY OF GAINESVILLE, FLORIDA
RECONCILIATION OF THE STATEMENT OF FUND NET POSITION OF
PROPRIETARY FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

| | | |
|---|---|---|
| **Total Net Position of Enterprise Funds on the Statement of Net Position of Property Funds** | $ | 482,007,856 |
| Internal service funds are used by management to charge the costs of fleet management, general insurance, and employee health insurance. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. | | |
| Look-back adjustment for the consolidation of internal service fund activity involving enterprise fund participants. | | 21,643,120 |
| **Net Position of Business-Type Activities** | $ | 503,650,976 |

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

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

| | Business-Type Activities - Enterprise Funds | | | Governmental Activities- |
|---|---|---|---|---|
| | Utility | Other Enterprise Funds | Totals | Internal Service Funds |
| **Operating Revenues** | | | | |
| Sales and Service Charges | $ 396,930,593 | $ 39,507,534 | $ 436,438,127 | $ 21,560,594 |
| Employer Contributions | - | - | - | 10,692,130 |
| Employee Contributions | - | - | - | 7,694,460 |
| Other Operating Revenues | 15,256,161 | 332,806 | 15,588,967 | 2,220,096 |
| **Total Operating Revenues** | 412,186,754 | 39,840,340 | 452,027,094 | 42,167,280 |
| **Operating Expenses** | | | | |
| Operations and Maintenance | 200,660,484 | 37,594,511 | 238,254,995 | 7,174,981 |
| Administrative and General | 30,336,691 | 5,333,571 | 35,670,262 | 6,977,395 |
| Depreciation and Amortization | 100,355,464 | 6,551,538 | 106,907,002 | 3,241,480 |
| Benefits Paid and Other Expenses | - | - | - | 27,939,684 |
| **Total Operating Expenses** | 331,352,639 | 49,479,620 | 380,832,259 | 45,333,540 |
| **Operating Income (Loss)** | 80,834,115 | (9,639,280) | 71,194,835 | (3,166,260) |
| **Nonoperating Revenues (Expenses)** | | | | |
| Investment Income | 6,206,086 | 58,932 | 6,265,018 | 132,735 |
| Interest Expense | (57,801,796) | (97,113) | (57,898,909) | - |
| Local Option Gas Tax | - | 2,088,880 | 2,088,880 | - |
| Operating Grants | - | 23,311,590 | 23,311,590 | - |
| Gain on Disposal of Capital Assets | - | - | - | 589,493 |
| Other Income (Expense) | (5,575,253) | 7,080 | (5,568,173) | - |
| **Total Nonoperating Revenue (Expenses)** | (57,170,963) | 25,369,369 | (31,801,594) | 722,228 |
| **Income (Loss) Before Capital Contributions and Transfers** | 23,663,152 | 15,730,089 | 39,393,241 | (2,444,032) |
| **Capital Contributions and Transfers** | | | | |
| Capital Contributions | 4,209,411 | - | 4,209,411 | - |
| Transfers in | - | 1,757,791 | 1,757,791 | 303,276 |
| Transfers (out) | (38,285,000) | (3,404,029) | (41,689,029) | (345,623) |
| **Total Capital Contributions and Transfers** | (34,075,589) | (1,646,238) | (35,721,827) | (42,347) |
| **Change in Net Position** | (10,412,437) | 14,083,851 | 3,671,414 | (2,486,379) |
| **Net Position - Beginning of Year** | 409,373,214 | 68,963,228 | 478,336,442 | 42,773,364 |
| **Net Position - End of Year** | $ 398,960,777 | $ 83,047,079 | $ 482,007,856 | $ 40,286,985 |

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

CITY OF GAINESVILLE, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION OF PROPRIETY FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | | |
|---|---|---|
| **Change in Net Position - Enterprise Funds** | $ | 3,671,414 |
| Internal service funds are used by management to charge the costs of fleet management, general insurance, and employee health insurance. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. | | |
| Look-back adjustment for the consolidation of internal service fund activity involving enterprise fund participants. | | - |
| **Change in Net Position of Business-Type Activities** | $ | 3,671,414 |

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

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

| | Business-Type Activities - Enterprise Funds | | | Governmental Activities |
|---|---|---|---|---|
| | Utility | Other Enterprise Funds | Total Enterprise Funds | Internal Service Funds |
| **Cash Flows from Operating Activities** | | | | |
| Cash Received from Customers | $ 395,536,232 | $ 40,434,082 | $ 435,970,314 | $ 2,220,096 |
| Cash Received for Interfund Services | - | - | - | 39,944,771 |
| Cash Received from Other Governments | - | 12,455,819 | 12,455,819 | - |
| Other Operating Cash Receipts | 8,296,785 | - | 8,296,785 | - |
| Cash Paid to Suppliers | (130,747,429) | (15,866,047) | (146,613,476) | (30,934,552) |
| Cash Paid to Employees | (68,220,690) | (22,022,104) | (90,242,794) | (4,452,135) |
| Cash Paid for Interfund Services | (22,929,883) | (5,333,571) | (28,263,454) | (6,977,395) |
| **Net Cash Provided by Operating Activities** | 181,935,015 | 9,668,179 | 191,603,194 | (199,215) |
| **Cash Flows from Noncapital Financing Activities** | | | | |
| Interfund Borrowing | - | 1,943,586 | 1,943,586 | 467,790 |
| Transfers from Other Funds | - | 1,757,791 | 1,757,791 | 303,276 |
| Transfers to Other Funds | (38,285,000) | (3,404,029) | (41,689,029) | (345,623) |
| **Net Cash Provided (Used) by Noncapital Financing Activities** | (38,285,000) | 297,348 | (37,987,652) | 425,443 |
| **Cash Flows from Capital and Related Financing Activities** | | | | |
| Proceeds from Interest Rebate-Build America Bonds | 5,146,566 | - | 5,146,566 | - |
| Principal Repayments on Long-Term Debt | (27,090,000) | (236,957) | (27,326,957) | - |
| Interest Paid on Long-Term Debt | (65,092,695) | (97,114) | (65,189,809) | - |
| Acquisition and Construction of Capital Assets | (98,797,488) | (6,503,364) | (105,300,852) | (3,146,045) |
| Proceeds from Sale of Capital Assets | - | - | - | 631,808 |
| Proceeds from New Debt and Commercial Paper | 125,000,000 | 9,818 | 125,009,818 | - |
| Other Expenses | (3,816,975) | - | (3,816,975) | - |
| **Net Cash Used by Capital and Related Financing Activities** | (64,650,592) | (6,827,617) | (71,478,209) | (2,514,237) |
| **Cash Flows from Investing Activities** | | | | |
| Interest Received | 1,832,206 | 58,930 | 1,891,136 | 132,736 |
| Purchase of Investments | (358,116,511) | - | (358,116,511) | - |
| Investment in The Energy Authority | (18,309,120) | - | (18,309,120) | - |
| Distributions from The Energy Authority | 17,184,492 | - | 17,184,492 | - |
| Proceeds from Investment Maturities | 325,867,039 | - | 325,867,039 | - |
| **Net Cash Provided (Used) by Investing Activities** | (31,541,894) | 58,930 | (31,482,964) | 132,736 |
| **Net Increase in Cash** | 47,457,529 | 3,196,840 | 50,654,369 | (2,155,273) |
| **Cash - Beginning** | 78,514,093 | 15,418,844 | 93,932,937 | 34,065,877 |
| **Cash - Ending** | $ 125,971,622 | $ 18,615,684 | $ 144,587,306 | $ 31,910,604 |

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

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

| | Business-Type Activities - Enterprise Funds | | | Governmental Activities |
|---|---|---|---|---|
| | Utility | Other Enterprise Funds | Total Enterprise Funds | Internal Service Funds |
| Cash and Cash Equivalents Classified as: | | | | |
| Cash and Cash Equivalents | $ 26,843,209 | $ 250 | $ 26,843,459 | $ 1,544,806 |
| Equity in Pooled Cash and Investments | - | 18,615,434 | 18,615,434 | 30,365,798 |
| Restricted Assets - Cash and Investments | 336,848,500 | - | 336,848,500 | - |
| Less: Investments | (237,720,087) | - | (237,720,087) | - |
| Total | $ 125,971,622 | $ 18,615,684 | $ 144,587,306 | $ 31,910,604 |
| Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities: | | | | |
| Operating Income (Loss) | $ 80,834,115 | $ (9,639,280) | $ 71,194,835 | $ (3,166,260) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | | |
| Intergovernmental Revenues | - | 12,455,821 | 12,455,821 | - |
| Depreciation and Amortization | 100,355,464 | 6,551,538 | 106,907,002 | 3,241,480 |
| Net Costs to be Recovered in Future Rates | (5,350,573) | - | (5,350,573) | - |
| (Increase)/Decrease in Receivables | 394,124 | 593,740 | 987,864 | (2,412) |
| (Increase)/Decrease in Prepaids | - | - | - | (985,360) |
| (Increase)/Decrease in Inventories | 8,434,633 | (324,431) | 8,110,202 | (124,414) |
| (Increase)/Decrease in Other Assets and Regulatory Assets | (72,304) | - | (72,304) | - |
| (Increase)/Decrease in Restricted and Internally Designated Assets | 7,640,075 | - | 7,640,075 | - |
| (Increase)/Decrease in Noncurrent Assets | 1,340,542 | - | 1,340,542 | - |
| Increase/(Decrease) in Accounts Payable and Accrued Liabilities | 3,387,119 | 1,365,661 | 4,752,780 | 1,061,258 |
| Increase/(Decrease) in Due to Other Funds | 498,118 | - | 498,118 | - |
| Increase/(Decrease) in Fuel Adjustment | 7,660,342 | - | 7,660,342 | - |
| Increase/(Decrease) in Other Payables from Restricted Assets | (2,748,156) | - | (2,748,156) | - |
| (Increase)/Decrease in Rate Stabilization | (20,438,484) | - | (20,438,484) | - |
| Pension Expense Adjustment | - | (1,255,793) | (1,255,793) | (198,048) |
| OPEB Expense Adjustment | - | (79,077) | (79,077) | (25,459) |
| Net Cash Provided by Operating Activities | $ 181,935,015 | $ 9,668,179 | $ 191,603,194 | $ (199,215) |
| Noncash Capital, Investing and Financing Activities | | | | |
| Contribution of Capital Assets | $ 4,209,411 | $ - | $ 4,209,411 | $ - |
| Net Costs Recoverable in Future Years | (5,350,573) | - | (5,350,573) | - |
| Change in Ineffective Portion of Hedging Derivatives | 1,068,758 | - | 1,068,758 | - |
| Change in Hedging Derivatives - Interest Rate Swaps | 52,869,862 | - | 52,869,862 | - |
| Change in Fair Value of Investments | 715,610 | - | 715,610 | - |
| Change in Fair Value of Hedging Derivatives | (53,938,620) | - | (53,938,620) | - |
| Other Noncash Capital, Investing and Financing Activities | 21,330,729 | - | 21,330,729 | - |
| Net Noncash Capital, Investing and Financing Activities | $ 20,905,177 | $ - | $ 20,905,177 | $ - |

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

CITY OF GAINESVILLE, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2021

| | Pension and OPEB Trust Funds |
|---|---|
| **Assets** | |
| Cash and Cash Equivalents | $ 24,606,775 |
| Dividends and Interest Receivable | 701,290 |
| Due From City of Gainesville | 14,574,996 |
| Investments, at Fair Value: | |
| Equities | 943,889,546 |
| Limited Partnership Units | 43,184,860 |
| Real Estate | 56,792,638 |
| Fixed Income: | |
| Government Bonds | 10,364,964 |
| Corporate Bonds | 9,335,615 |
| Mortgage and Asset Backed Securities | 12,881,188 |
| Total Investments, at Fair Value | 1,076,448,811 |
| **Total Assets** | 1,116,331,872 |
| **Liabilities** | |
| Accounts Payable and Accrued Liabilities | 385,464 |
| **Total Liabilities** | 385,464 |
| **Net Position** | |
| Restricted for: | |
| Pension Benefits | 1,042,996,011 |
| OPEB | 72,950,397 |
| **Total Net Position** | $ 1,115,946,408 |

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

CITY OF GAINESVILLE, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Pension and OPEB Trust Funds |
|---|---|
| **Additions** | |
| Contributions: | |
| Employer Contributions | $ 10,972,046 |
| Employee Contributions | 10,952,502 |
| Total Contributions | 21,924,548 |
| Investment Income: | |
| Net Appreciation in Fair Value of Investments | 210,044,028 |
| Dividends and Interest | 19,018,034 |
| Total Investment Income | 229,062,062 |
| (Less Investment Expense) | (4,249,678) |
| Net Investment Income | 224,812,384 |
| **Total Additions** | 246,736,932 |
| **Deductions** | |
| Benefit Payments | 65,538,264 |
| Refunds of Contributions | 881,120 |
| Administrative Expenses | 1,223,742 |
| **Total Deductions** | 67,643,126 |
| **Change in Net Position** | 179,093,806 |
| **Net Position - Beginning of Year** | 936,852,602 |
| **Net Position - End of Year** | $ 1,115,946,408 |

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

## Note 1 - Summary of Significant Accounting Policies

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

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

### A. Reporting Entity

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

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

#### *Blended Component Units*

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

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

Neither Heartwood nor Cornerstone Association had any significant financial activity during the fiscal year ended September 30, 2021; therefore, no financial information has been presented. The Associations do not issue separate financial statements.

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

*Related Organizations*

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

- *Gainesville Housing Authority*—a public housing authority (dependent special district) created under Section 421.04, Florida Statutes.

- *Gainesville-Alachua County Regional Airport Authority*—an independent special district created for the purpose of providing airport services for Gainesville and Alachua County and surrounding areas.

*Joint Ventures*

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

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

### *Government-Wide Financial Statements*

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

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

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

### *Fund Financial Statements*

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

The City reports the following major governmental funds:

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

The City reports one major proprietary fund:

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

Additionally, the City reports the following fund types:

- *Internal Service Funds* account for fleet management (acquisition and maintenance), risk management services (general liability), and employee health insurance provided to other departments of the City.

- The *Pension and Other Postemployment Benefits (OPEB) Trust Funds* accounts for the activities of the General Employee Pension Trust Fund, Police Officers' and Fire Fighters' Consolidated Pension Trust Fund, and the City's OPEB Trust Fund, which accumulate resources held in trust for pension and OPEB payments to qualified beneficiaries.

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

### C. Measurement Focus and Basis of Accounting

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

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

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

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

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

### *Cash and Cash Equivalents*

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

*Investments*

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

*Inventories and Prepaid Items*

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

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

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

*Capital Assets*

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

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

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

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

Depreciation of utility plant is computed using the straight-line method over estimated service lives ranging from two to 83 years. The overall depreciation rate was 3.41% for the period ending September 30, 2021.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. An allowance for interest on borrowed funds used during construction of $1,422,629 for the year ended September 30, 2021, was included in construction in progress and as a reduction of interest expense. These amounts are computed by applying the effective interest rate on the funds borrowed to finance the projects to the monthly balance of projects under construction. The effective interest rate was approximately 3.8% for fiscal year 2021.

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

*Contributions in Aid of Construction*

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

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

*Hedging Derivative Instruments*

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

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

*Regulatory Assets and Liabilities*

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

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

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

*Long-Term Obligations*

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

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

*Compensated Absences*

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

*Deferred Outflows/Inflows of Resources*

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

- *Unamortized loss on refunding of bonds*—losses on refunding of bonds have been deferred. These amounts are being amortized over the life of the old debt or the life of the new debt, whichever is shorter.

- *Accumulated decrease in fair value of hedging derivatives*—the City has two types of hedging instruments: interest rate swap agreements and natural gas hedges. Each is associated with an item that is eligible to be hedged. For effective hedging transactions, hedge accounting is applied and fair market value changes are recorded on the statement of net position as either a deferred inflow of resources or a deferred outflow of resources until such time that the transaction ends.

- *Pension and OPEB related*—increases in the net pension and OPEB liability resulting from changes of assumptions, differences between projected and actual earnings on plan investments, and differences between expected and actual experience with regard to economic or demographic factors in the measurement of total pension and OPEB liability are reported as deferred outflows of resources, to be recognized as an increase in expense as disclosed in Note 10 – Retirement Plans and Note 11 – Other Postemployment Benefits Plan.

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

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

- *Business taxes not yet earned*—business taxes are due to the City on October 1 for the fiscal year beginning that day. Payments received prior to that date are recorded as a deferred inflow of resources.

- *Accumulated increase in fair value of hedging derivatives*—for effective hedging transactions, hedge accounting is applied, and fair market value changes are recorded on the statement of net position as either a deferred inflow of resources or a deferred outflow of resources until such time that the transaction ends.

- *Pension and OPEB related*—decreases in the net pension and OPEB liability resulting from changes of assumptions, differences between projected and actual earnings on plan investments, and differences between expected and actual experience with regard to economic or demographic factors in the measurement of total pension and OPEB liability are reported as deferred inflows of resources, to be recognized as a decrease in expense as disclosed in Note 10 – Retirement Plans and Note 11 – Other Postemployment Benefits Plan.

***Net Pension and OPEB Assets/Liabilities***

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

*Net Position*

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

- *Net investment in capital assets*—consists of capital assets, net of accumulated depreciation and amortization, and reduced by the outstanding balances of any long-term borrowings that are attributable to the acquisition, construction, or improvements of those assets.

- *Restricted*—consists of noncapital assets that must be used for a particular purpose as specified by creditors, contributors, grantors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

- *Unrestricted*—consists of assets that do not meet the definition of net investment in capital assets or restricted net position.

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

*Fund Balance*

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

- *Non-Spendable*—includes amounts that are: (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, long-term notes receivables, and long-term advances between funds.

- *Restricted*—includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of the resource provider.

- *Committed*—includes amounts that can only be used for the specific purposes determined by a formal action of the City's highest level of decision-making authority. Formal actions include ordinances (for more permanent regulations) and resolutions (for shorter term actions) approved by the City Commission. Ordinances require two readings for approval and, therefore, are technically considered the most binding. This formal action must occur prior to the end of the reporting period, but the amount of the commitment may be determined in the subsequent period.

- *Assigned*—comprised of amounts intended to be used by the City for specific purposes that are neither restricted nor committed. *Intent* is expressed by a body (for example a budget or finance committee) or official to whom the City's Commission has delegated the authority to assign amounts to be used for specific purposes. The City Commission has delegated such authority to the City Manager.

- *Unassigned*—is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. Unassigned fund balance also includes the negative fund balance of Special Revenue Funds due to expenditures incurred exceeding the amounts restricted, committed and assigned.

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

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

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

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

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

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

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

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

## E. Revenues and Expenditures/Expenses

*Program Revenues*

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

*Property Taxes*

Ad valorem property tax revenue is recognized as revenue in the fiscal year for which taxes are levied, measurable and available. Only property taxes collected within sixty days after year-end are recognized as revenue. The total millage levy is assessed at 5.2974 mills per $1,000.

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

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

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

*Proprietary Funds Operating and Nonoperating Revenues and Expenses*

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

*Costs Recoverable in Future Years*

The amount by which depreciation on Deerhaven Renewable Generating Station (DHR) exceeds principal repayment on the related bonds is recorded in other operating revenues in the Utility Fund as an amount to be recovered from future revenue. For the fiscal year ended September 30, 2021 that amount was $5,350,573.

*Unbilled Revenues*

The Utility Fund accrues revenues for services rendered but not yet billed, which amounted to approximately $14,909,916 for fiscal year 2021. Unbilled revenue is calculated by prorating cycle billings subsequent to September 30, 2021, according to the number of days applicable to the current fiscal year.

*Fuel and Purchased Gas Adjustment*

Fuel and purchased gas adjustment levelization revenue is recognized as fuel and fuel related expenses are incurred. Amounts charged to customers for fuel are based on estimated costs. The Utility establishes this fuel and purchased gas adjustment charge based on ordinances approved by the City Commission. If the amount recovered through billings exceeds actual fuel expenses, the Utility Fund records the excess billings as a liability. If the amount recovered through billings is less than actual fuel expenses, the Utility Fund records the excess fuel

expense as a reduction of the liability or as an asset. A fuel and purchased gas adjustment levelization account is utilized to stabilize the monthly impact of the fuel and purchased gas adjustment charge included in customer billings.

*Interfund Activity*

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

- *Reimbursements*—reimbursements from one fund to another are recorded as expenditures or expenses in the reimbursing fund and as reductions of expenditures or expenses in the fund that is reimbursed.

- *Transfers*—interfund transfers impact the results of operations in the affected funds. An example is the payment to the General Fund from the Utility Fund.

F. Use of Estimates

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

G. Budgetary Information

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

## Note 2 - Stewardship, Compliance and Accountability

At September 30, 2021, the following funds had deficit net position or fund balance:

| | |
|---|---|
| **Special Revenue Funds** | |
| HOME Grant | (265,369) |
| Police Billable Overtime | (234,676) |
| Miscellaneous Grants | (1,268,716) |
| School Crossing Guard | (56,139) |
| Art in Public Places | (3,474) |
| **Debt Service Funds** | |
| Capital Improvement Revenue Note 2016B | (2,527) |

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

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

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

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

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

## Note 3 - Cash and Investments

### Deposits and Investments

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

| | | |
|---|---|---|
| Statement of Net Position | | |
| Cash and Cash Equivalents | $ | 28,394,665 |
| Equity in Pooled Cash and Investments | | 202,450,693 |
| Restricted Cash and Investments | | 336,848,500 |
| Statement of Fiduciary Net Position | | |
| Cash and Cash Equivalents | | 24,606,775 |
| Investments: | | |
| Equities | | 943,889,546 |
| Limited Partnerships | | 43,184,860 |
| Real Estate | | 56,792,638 |
| Government Bonds | | 10,364,964 |
| Corporate Bonds | | 9,335,615 |
| Mortgage and Asset Backed Securities | | 12,881,188 |
| Total Cash and Investments | $ | 1,668,749,444 |

Deposits and investments as of September 30, 2021, consist of the following:

| | | |
|---|---|---|
| Deposits with Financial Institutions | $ | 208,666,730 |
| Investments | | 1,460,082,714 |
| Total Cash and Investments | $ | 1,668,749,444 |

**Investment Policies**

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

***Defined Benefit Pension Investments***

These funds represent investments administered by the City's Defined Benefit Pension Fund Investment Managers. They comprise $1,006,290,796 of the City's total fair value of investments and are exclusive of the $23,688,761 held in cash by the Trustees.

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

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

*Equity Funds (Domestic)*

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

*Equity Funds (International)*

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

*Fixed Income Funds (Domestic)*

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

*Fixed Income Funds (International)*

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

*Cash Equivalents*

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

*Real Estate and Alternative Assets*

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

*Pooled or Commingled Funds*

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

*Derivatives*

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

*Restricted Direct Investments – Prohibited*

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

***Other Postemployment Benefit (OPEB) Investments***

These funds represent investments administered by the City's OPEB Fund Investment Managers. They comprise $70,158,015 of the City's total fair value of investments and are exclusive of the $918,014 held in cash by the Trustees. These investments are reported at fair value, which is derived through valuation efforts done by the City's investment managers in conjunction with the plan custodian. The fair values for the vast majority of these assets are readily available. For those assets whose fair value is less verifiable, the best available information is used. The City maintains separate investment managers for its equity and fixed income portfolios. The managers of these funds are permitted to invest in the following:

*Equity Funds (Domestic)*

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

*Equity Funds (International)*

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

*Fixed Income Funds (Domestic)*

- Must have a rating of investment grade (BBB/Baa) or better
- United States Treasury and Agency Securities
- Commercial Paper with either a Standard & Poor's quality rating of A-1 or a Moody's quality rating of P-1 and a maturity of 270 days or less

- Certificates of Deposit up to the Federal Depository Insurance Corporation (FDIC) or Federal Savings and Loan Insurance Corporation (FSLIC) insurance coverage or any amount fully collateralized by US Government Securities or issued by an institution which is a qualified public depository within the State of Florida
- Corporate Bonds, Mortgage-Backed Securities, or Asset Backed Securities
- Yankee Bonds
- Convertible Securities
- Money Market or Cash Equivalent Securities

*Fixed Income Funds (International)*
- Investment Grade Sovereign Issued Debt
- Investment Grade Corporate Bonds and Commercial Paper

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

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

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

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

*Restricted Direct Investments – Prohibited*
- Short Sales or Margin Transactions
- Investments in Commodities or Commodity Contracts
- Direct loans or extension lines of credit to any interested party

- Letter Stock
- Unregistered securities and private placements (except those regulated by SEC Rule 144a or as specifically permitted by the Board)
- Investments and assets for which a generally recognized market is not available or for which there is no consistent or generally accepted pricing mechanism, unless specifically permitted by the Board

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

*Equity Managers*

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

*Fixed Income Managers*

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

***Other than Defined Benefit Pension and OPEB Investments***

These funds comprise $383,633,903 of the City's total fair value of investments. This figure excludes $184,059,956 of deposits with financial institutions.

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

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

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

- United States Treasury Debt Obligations
- Municipal Debt Obligations with a required AA/Aa2 rating by two or more Nationally Recognized Statistical Rating Organizations (NRSRO)
- United States Agency Securities
- Mortgage Backed Securities/Collateralized Mortgage Obligations/Asset Backed Securities with a required AAA/Aaa rating by a NRSRO; investments in securities that derive value and/or yield from an underlying asset must fall into one of the following categories: 1) security obligations that float with interest rates or external indexes such as LIBOR, Treasury Bills, Constant Maturity Treasury, Fed Funds, or Prime Rate; 2) security obligations that call or option features; or 3) security obligations that have step-up features at pre-determined intervals
- Interest Bearing Bank Deposits with Qualified Public Depository
- Certificates of Deposit
- Corporate Debt Obligations with a required A/A2 rating by two or more NRSROs
- Repurchase Agreements
- Bankers Acceptances with required investment grade rating of the accepting bank's short-term obligations by two or more NRSROs
- Commercial Paper with required A-1/P-1/F-1 rating by a NRSRO
- Florida Local Government Investment Pools
- Money Market Funds with required AAA/Aaa rating by a NRSRO
- United States Government and Agency Mutual Funds

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

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

- Obligations which are unconditionally guaranteed by the United States of America or its agencies or instrumentalities
- Repurchase Agreement Obligations unconditionally guaranteed by the United States of America or its agencies

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

### Custodial Credit Risk

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

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

### Credit Risk

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

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

### *Defined Benefit Pension Investments*

| Investment Type | Fair Value | Exempt from Disclosure | AAA | AA | A | BBB | BB |
|---|---|---|---|---|---|---|---|
| Equities | $ 884,092,745 | $ 884,092,745 | $ - | $ - | $ - | $ - | $ - |
| Limited Partnerships | 43,184,860 | 43,184,860 | - | - | - | - | - |
| Real Estate | 49,065,607 | 49,065,607 | - | - | - | - | - |
| U.S. Treasury/Agency Securities | 9,564,857 | 9,564,857 | - | - | - | - | - |
| Corporate Bonds | 3,343,434 | - | 5,795,350 | 175,212 | 382,735 | 1,350,802 | 139,335 |
| Mortgage/Asset Backed Securities | 12,039,293 | - | 3,362,493 | 252,825 | 1,273,757 | 1,949,162 | 201,056 |
| Totals | $1,006,290,796 | $ 985,908,069 | $ 14,157,843 | $ 428,037 | $ 2,156,492 | $ 3,299,964 | $ 340,391 |

### *OPEB Investments*

| Investment Type | Fair Value | Exempt from Disclosure | AAA | AA | A | BBB |
|---|---|---|---|---|---|---|
| Equities | $ 59,796,801 | $ 59,796,801 | $ - | $ - | $ - | $ - |
| Real Estate | 7,727,031 | 7,727,031 | - | - | - | - |
| U.S. Treasury/Agency Securities | 800,107 | 800,107 | - | - | - | - |
| Corporate Bonds | 992,181 | - | - | 89,796 | 508,957 | 393,428 |
| Mortgage/Asset Backed Securities | 841,895 | - | - | 841,895 | - | - |
| Totals | $ 70,158,015 | $ 68,323,939 | $ - | $ 931,691 | $ 508,957 | $ 393,428 |

### *Other than Defined Benefit Pension and OPEB Investments*

| Investment Type | Fair Value | Average Rating |
|---|---|---|
| Florida PRIME | $ 145,913,815 | AAAm |
| U.S. Treasury Securities | 3,061,173 | Exempt |
| Commercial Paper | 138,121,835 | (1) |
| U.S. Agency Securities | 63,189,934 | (2) |
| Corporate Bonds | 33,347,146 | (3) |
| Totals | $ 383,633,903 | |

(1) As of September 30, 2021, all of the Utility's commercial paper investments were rated P-1 by Moody's Investor Service and/or A-1 by Standard & Poor's and/or F1 or NR by Fitch Ratings.

(2) As of September 30, 2021, the Utility's FFCB, FHLMC, and FHLB were rated Aaa by Moody's Investor Service, and AA+ or NR by Standard & Poor's, and AAA or NR by Fitch Ratings.

(3) As of September 30, 2020, all of the Utility's corporate holdings were rated A3 or better by Moody's Investor Service and/or A or better by Standard & Poor's and/or NR or A or better by Fitch Ratings.

### Concentration of Credit Risk

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

#### *Defined Benefit Pension Investments*

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

#### *OPEB Investments*

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

#### *Other than Defined Benefit Pension and OPEB Investments*

As of September 30, 2021, the Utility had more than 5% of the investment portfolio invested with the following issuers:

| Issuer | Percent |
|---|---|
| Federal Farm Credit Bank | 10.49% |
| Federal Home Loan Bank | 12.95% |

Other assets held by the City at September 30, 2021, were in local government investment pools, which are exempt from disclosure requirements.

### Interest Rate Risk

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

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

| | |
|---|---|
| United States Treasury Debt Obligations | 15 years |
| Municipal Debt Obligations | 7 years |
| United States Agency Securities | 15 years |
| U.S. Agency Mortgage-Backed Securities | 15 years |
| Private Mortgage-Backed Securities/Collateralized Mortgage Obligations/Asset Backed Securities | 10 years |
| Interest Bearing Bank Deposits | Daily Liquidity |
| Certificates of Deposit | 3 years |
| Corporate Debt Obligations | 10 years |
| Repurchase Agreements | 30 days |
| Bankers Acceptances | 180 days |
| Commercial Paper | 270 days |
| Money Market Funds | Daily Liquidity |
| U.S. Government and Agency Mutual Funds | Daily Liquidity |

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

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

### *Defined Benefit Pension Investments*

| Investment Type | Fair Value | Exempt from Disclosure | < 2 Years | 2-5 Years | 5-10 Years | > 10 Years |
|---|---|---|---|---|---|---|
| Equities | $ 884,092,745 | $ 884,092,745 | $ - | $ - | $ - | $ - |
| Limited Partnerships | 43,184,860 | 43,184,860 | - | - | - | - |
| Real Estate | 49,065,607 | 49,065,607 | - | - | - | - |
| U.S. Treasury/Agency Securities | 9,564,857 | - | 861,793 | 4,100,454 | 2,840,763 | 761,847 |
| Corporate Bonds | 3,343,434 | - | 751,744 | 3,576,830 | 2,478,000 | 1,536,860 |
| Mortgage/Asset Backed Securities | 12,039,293 | - | 1,084,740 | 5,161,245 | 3,575,670 | 2,217,638 |
| Totals | $1,006,290,796 | $ 976,343,212 | $ 2,698,277 | $ 12,838,529 | $ 8,894,433 | $ 5,516,345 |

### *OPEB Investments*

| Investment Type | Fair Value | Exempt from Disclosure | < 2 Years | 2-5 Years | 5-10 Years | > 10 Years |
|---|---|---|---|---|---|---|
| Equities | $ 59,796,801 | $ 59,796,801 | $ - | $ - | $ - | $ - |
| Real Estate | 7,727,031 | 7,727,031 | - | - | - | - |
| U.S. Treasury/Agency Securities | 800,107 | - | 346,897 | 429,243 | 23,967 | - |
| Corporate Bonds | 992,181 | - | 103,055 | 346,407 | 542,719 | - |
| Mortgage and Asset Backed | 841,895 | - | - | - | - | 841,895 |
| Totals | $ 70,158,015 | $ 67,523,832 | $ 449,952 | $ 775,650 | $ 566,686 | $ 841,895 |

### *Other than Defined Benefit Pension and OPEB Investments*

| Investment Type | Fair Value | < 1 Years | 1-5 Years |
|---|---|---|---|
| Florida PRIME [1] | $ 145,913,815 | $ 145,913,815 | $ - |
| U.S. Treasury Securities | 3,061,173 | - | 3,061,173 |
| Commercial Paper | 138,121,835 | 138,121,835 | - |
| U.S. Agency Securities | 63,189,934 | - | 63,189,934 |
| Corporate Bonds | 33,347,146 | 7,035,116 | 26,312,030 |
| Totals | $ 383,633,903 | $ 291,070,766 | $ 92,563,137 |

(1) The dollar weighted average days to maturity (WAM) of Florida PRIME at September 30, 2021, is 49 days. The weighted average life (WAL) of Florida PRIME at September 30, 2021, is 64 days.

## Note 4 - Hedging Activities

### Interest Rate Hedges

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

*Terms, Fair Values, and Counterparty Credit Ratings* – The terms, fair values, and counterparty credit ratings of the outstanding swaps as of September 30, 2021, were as follows:

| Associated Bond Issue | 2005B* | 2005C* | 2006A* | 2007A* |
|---|---|---|---|---|
| Notional Amounts | $2,155,000 | $14,060,000 | $13,590,000 | $134,020,000 |
| Effective Date | 11/16/2005 | 11/16/2005 | 7/6/2006 | 3/1/2007 |
| Fixed Payer Rate | SIFMA | 3.200% | 3.224% | 3.944% |
| Variable Receiver Rate | 77.14% of 1MO LIBOR | 60.36% of 10YR LIBOR | 68.00% of 10YR LIBOR Less 0.3635% | SIFMA |
| Fair Value | $435 | ($544,813) | ($588,883) | ($38,891,012) |
| Termination Date | 10/1/2021 | 10/1/2026 | 10/1/2026 | 10/1/2036 |
| Counterparty Credit Rating | Aa2/AA- | Aa2/A+/AA | Aa2/AA- | Aa2/AA- |

| Associated Bond Issue | 2008B* | 2008B* | 2017B* | 2017B* |
|---|---|---|---|---|
| Notional Amounts | $58,500,000 | $31,500,000 | $105,000,000 | $45,000,000 |
| Effective Date | 2/13/2008 | 2/13/2008 | 11/7/2017 | 11/7/2017 |
| Fixed Payer Rate | 4.229% | 4.229% | 1.760% | 1.559% |
| Variable Receiver Rate | SIFMA | SIFMA | 70.00% of 1MO LIBOR | 70.00% of 1MO LIBOR |
| Fair Value | ($15,940,774) | ($8,596,845) | ($5,818,162) | ($1,177,547) |
| Termination Date | 10/1/2038 | 10/1/2038 | 10/1/2044 | 10/1/2044 |
| Counterparty Credit Rating | Aa2/A+/AA | Aa2/A+/AA | A1/A+/A+ | Aa3/A+/A+ |

| Associated Bond Issue | 2017C* | 2014A* | 2019A* |
|---|---|---|---|
| Notional Amounts | $115,000,000 | $34,025,000 | $153,820,000 |
| Effective Date | 1/1/2020 | 10/1/2024 | 10/1/2029 |
| Fixed Payer Rate | 1.410% | 1.054% | 1.171% |
| Variable Receiver Rate | 70.00% of 1MO LIBOR | 70.00% of 1MO LIBOR | 70.00% of 1MO LIBOR |
| Fair Value | ($5,752,037) | | $7,035,971 |
| Termination Date | 10/1/2047 | 10/1/2044 | 10/1/2047 |
| Counterparty Credit Rating | Aa3/A+/A+ | Aa2/A+/AA- | Aa2/A+/AA- |

* See "Basis Risk" section below for details.

*Fair Value* – All of the swap agreements, except for the 2005B, 2014A, and 2019A swap, had a negative fair value as of September 30, 2021. Due to the lower interest rate environment, as compared to the period when the swaps were entered into, the fixed payer rates currently exceed the variable receiver rates:

| | Fair Value of Interest Rate Swaps at September 30, 2021 | Changes in Fair Value | Changes in Deferred (Inflow)/ Outflow | Changes in Regulatory (Assets)/Liabilities for Ineffective Instruments |
|---|---|---|---|---|
| 2005B | $ 435 | $ 1,025 | $ - | $ (1,025) |
| 2005C | (544,813) | 512,652 | - | (512,652) |
| 2006A | (588,883) | 555,081 | - | (555,081) |
| 2008B | (15,940,774) | 4,872,704 | (4,872,704) | - |
| 2008B | (8,596,845) | 2,627,403 | (2,627,403) | - |
| 2007A | (38,891,012) | 12,601,953 | (12,601,953) | - |
| 2017B | (5,818,162) | 8,853,844 | (8,853,844) | - |
| 2017B | (1,177,547) | 2,883,350 | (2,883,350) | - |
| 2017C | (5,752,037) | 12,856,230 | (12,856,230) | - |
| 2014A | 1,208,003 | 1,557,279 | (1,557,279) | - |
| 2019A | 7,035,971 | 6,617,099 | (6,617,099) | - |
| | $ (69,065,664) | $ 53,938,620 | $ (52,869,862) | $ (1,068,758) |

*Interest Rate Swap Payments* – Debt service requirements on the interest rate swaps using interest rates in effect at September 30, 2021, are as follows:

| Year Ending September 30, | Debt Service |
|---|---|
| 2022 | $ 13,431,048 |
| 2023 | 13,124,654 |
| 2024 | 12,770,396 |
| 2025 | 12,674,960 |
| 2026 | 12,210,868 |
| 2027-2031 | 58,424,655 |
| 2032-2036 | 44,906,244 |
| 2037-2041 | 29,713,700 |
| 2042-2046 | 16,527,640 |
| 2047-2051 | 859,523 |
| Total | $ 214,643,688 |

*Credit Risk* – As of September 30, 2021, although most of the fair value of the interest rate swaps was negative, the Utility has structured its swap agreements to minimize credit risk. To mitigate the potential for credit risk, the Utility has negotiated additional termination event and collateralization requirements in the event of a ratings downgrade. Failure to deliver the Collateral Agreement to the Utility as negotiated and detailed in the Schedule to the International Swaps and Derivative Agreements (ISDA) master agreement for each counterparty would constitute an event of default with respect to that counterparty.

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

- The 2005 Series B Swap is exposed to basis risk through the potential mismatch of 77.14% of one-month LIBOR and SIFMA rate. As a result, savings may not be realized. As of September 30, 2021, the one-month LIBOR rate was 0.8025%, and SIFMA rate was at 0.05%, which places the SIFMA at approximately 62% of one-month LIBOR at that date.

- The 2005 Series C Swap is exposed to basis risk through the potential mismatch of 60.36% of 10 Year LIBOR and the variable 31-day rollover rate. As a result, savings may not be realized. As of September 30, 2021, the 10 Year LIBOR rate was at 1.548%.

- The 2006 Series A Swap is exposed to basis risk through the potential mismatch of 68% of 10-year LIBOR less 0.36% and the variable 31-day rollover rate. As a result, savings may not be realized.

- The 2007 Series A and the 2008 Series B Swaps are exposed to the difference between SIFMA and the variable 31-day rollover rate.

- The 2017 Series B and C Swaps are exposed to the difference between 70% of the one-month LIBOR and 70% of the one-month LIBOR plus bank fee times the margin rate factor (corporate tax change from 35% to 21%, effective with the Tax Reform in January 1, 2018). As a result, savings may not be realized.

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

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

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

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

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

*Effectiveness* – Of the interest rate swap agreements, eight have been deemed effective, while three have been deemed ineffective as of September 30, 2021. The ineffective portion related to interest rate swap agreements is recorded as a regulatory asset in the amount of $1,133,261 as of September 30, 2021.

The unrealized gain on interest rate swap agreements was $53,938,620 representing an increase in fair value of hedging derivatives at September 30, 2021. There were no realized gains or losses related to interest rate swaps as of September 30, 2021.

**Fuel Hedges**

*Natural Gas*

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

Realized losses related to gas hedging positions were recorded as an addition of fuel costs of $0 for September 30, 2021. Unrealized gains and losses related to gas hedging agreements are deferred in a regulatory account and recognized in earnings as fuel costs are incurred. The Utility did not have any fuel hedges at September 30, 2021.

*Petroleum Fuel*

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

Realized losses related to these fuel hedging positions were recorded as a reduction of fuel costs of $604,599 for the fiscal year ended September 30, 2021. The unrealized gain related to the fuel hedging agreement in the amount of $808,796 is reported as a deferred inflow of resources on the statement of net position.

## Note 5 - Fair Value Measurements

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

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

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

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

- Level 3 inputs are unobservable inputs that reflect the City's own assumptions about factors that market participants would use in pricing the asset or liability (including assumptions about risk).

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

Real estate investments are valued by market assumptions provided by the individual managers of each fund. The managers determine the fair value of the underlying investments of the fund then allocate their fair value to the City's investments based on the percentage of ownership it has in the fund. For investments in certain entities that calculate net asset value (NAV) that do not have a readily determinable fair value, the City is permitted to report fair value on the NAV per share as a practical expedient, where certain conditions are met. Such measurements are included within the disclosure, but should not be classified as Level 1, Level 2, or Level 3 within the hierarchy.

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

***Defined Benefit Pension Investments***

| | | Fair Value Measurements Using | | |
|---|---|---|---|---|
| Investments by Fair Value Level | Total Investments | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Equities | $ 884,092,745 | $ 884,092,745 | $ - | $ - |
| U.S. Treasury/Agency Securities | 9,564,857 | 9,564,857 | - | - |
| Mortgage/Asset Backed Securities | 12,039,293 | - | 12,039,293 | - |
| Corporate Bonds | 8,343,434 | - | 8,343,434 | - |
| Total Investments by Fair Value Level | $ 914,040,329 | $ 893,657,602 | $ 20,382,727 | $ - |

| Investments Measured at NAV | Total Investments | Unfunded Commitments | Redemption Frequency | Redemption Notice Period |
|---|---|---|---|---|
| Real Estate Strategies [1] | $ 49,065,607 | $ 5,593,000 | Daily, Quarterly | Next Day, 1-90 Days, Subjective |
| Alternative Investments [2] | 43,184,860 | - | Monthly, Quarterly, or Biannual | 10-40 Days, Subjective |
| Total Investments Measured at NAV | 92,250,467 | 5,593,000 | | |
| Total Investments | $ 1,006,290,796 | | | |

[1] *Real Estate Strategies* - This type includes three commingled real estate funds comprised of diversified commercial and residential real estate investments. Participation in these investments is through commingled funds with ownership measured in shares of the funds. These investments typically provide daily or quarterly liquidity with redemption requests processed the following day or within 1-90 days, subject to certain restrictions and the availability of cash. On

March 20, 2020, the Principal U.S. Property Account applied a redemption limitation that provides for redemptions on a pro rata basis as cash balances become available for distribution. The Defined Benefit Pension Investments had no redemptions in queue as of September 30, 2021.

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

***OPEB Investments***

| | | Fair Value Measurements Using | | |
|---|---|---|---|---|
| Investments by Fair Value Level | September 30, 2021 | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Equities | $ 59,796,801 | $ 59,796,801 | $ - | $ - |
| U.S. Treasury/Agency Securities | 800,107 | - | 800,107 | - |
| Mortgage/Asset Backed Securities | 841,895 | - | - | 841,895 |
| Corporate Bonds | 992,181 | - | 992,181 | - |
| Total Investments by Fair Value Level | $ 62,430,984 | $ 59,796,801 | $ 1,792,288 | $ 841,895 |

| Investments Measured at NAV | Total Investments | Unfunded Commitments | Redemption Frequency | Redemption Notice Period |
|---|---|---|---|---|
| Real Estate Strategies [1] | $ 7,727,031 | $ 5,000,000 | Quarterly | 60 Day Written, Subjective |
| Total Investments Measured at NAV | 7,727,031 | 5,000,000 | | |
| Total Investments | $ 70,158,015 | | | |

[1] *Real Estate Strategies* – This type includes one core private real estate fund comprised of commercial and residential real estate investments as of September 30, 2021. Participation in this fund is through a limited partnership with ownership measured in shares of partners' capital. These holdings are typically illiquid with redemption requests permitted with 60 days written notice prior to the end of the quarter, subject to certain restrictions and the availability of cash.

*Other than Defined Benefit Pension and OPEB Investments*

| Investments by Fair Value | September 30, 2021 | Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|---|---|---|---|---|
| Assets | | | | |
| U.S. Treasury Securities | $ 3,061,173 | $ - | $ 3,061,173 | $ - |
| U.S. Agency Securities | 63,189,934 | - | 63,189,934 | - |
| Corporate Bonds | 33,347,146 | - | 33,347,146 | - |
| Effective Fuel Hedging Derivatives | 808,796 | - | 808,796 | |
| Total Investments at Fair Value Level | $ 100,407,049 | $ - | $ 100,407,049 | $ - |
| Liabilities | | | | |
| Effective Interest Rate Swaps | (67,932,403) | - | (67,932,403) | - |
| Ineffective Interest Rate Swaps | (1,133,261) | - | (1,133,261) | - |
| Total Financial Instruments | $ (69,065,664) | $ - | $ (69,065,664) | $ - |

The City's investment in Florida PRIME is administered by the State Board of Administration (SBA) and represents an investment in a pool of investments whereby the City owns a share of the respective pool, not the underlying securities. The City's investment in Florida PRIME qualifies under the provisions of GASB Statement No. 79 to be measured at amortized cost for financial reporting purposes. As of September 30, 2021, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

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

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

- Investments in debt securities are valued using Level 2 measurements because the valuations use interest rate curves and credit spreads applied to the terms of the debt instrument (maturity and coupon interest rate) and consider the counterparty credit rating.

- Commodity derivatives, such as futures, swaps and options, which are ultimately settled using prices at locations quoted through clearinghouses are valued using level 1 inputs.

- Other hedging derivatives, such as swaps settled using prices at locations other than those quoted through clearinghouses and options with strike prices not identically quoted through a clearinghouse, are valued using Level 2 inputs. For these instruments, fair value is based on pricing algorithms using observable market quotes.

**Note 6 - Investment in The Energy Authority**

The Utility has an equity investment in The Energy Authority (TEA), a power marketing corporation comprised of seven municipal utilities as of September 30, 2021: Municipal Electric Authority of Georgia, Jacksonville Electric Authority (Florida), South Carolina Public Service Authority, Nebraska Public Power District, GRU, City Utilities of Springfield (Missouri), and American Municipal Power, Inc. (Ohio). TEA provides energy products and resource management services to equity members and nonmembers and allocates transaction savings and operating expenses to equity members pursuant to Settlement Procedures under the Operating Agreement.

In the Statement of Revenues, Expenses, and Changes in Net Position, the Utility's sales to and purchases from TEA are recorded in sales and service charges and operations and maintenance expenses, respectively. Sales to TEA were $3,576,014 and purchases from TEA were $8,758,410 for the year ended September 30, 2021. The Utility's equity interest was 5.90% for fiscal year 2021 and accounted for using the equity method of accounting. As of September 30, 2021, the Utility's investment in TEA was $4,083,312.

Through a combination of agreements, the Utility guaranteed credit received by TEA for $20,042,857 as of September 30, 2021. TEA evaluates its credit needs periodically and requests equity members to adjust their guarantees accordingly. The guarantee agreements are intended to provide credit support for TEA when entering into transactions on behalf of equity members. Such guarantees are within the scope of GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, and would require the equity members to make payments to TEA's counterparties if TEA failed to deliver energy, capacity, or natural gas as required by contract, or if TEA failed to make payment for the purchases of such commodities. If guarantee payments are required, the Utility has rights with other equity members that such payments be apportioned based on certain criteria. The guarantees generally have indefinite terms; however, the Utility can terminate its guarantee obligations by providing notice to counterparties and others, as required by the agreements. Such terminations would not pertain to any transactions TEA entered into prior to notice being given. As of September 30, 2021, the Utility had not recorded a liability related to these guarantees.

The table below contains unaudited condensed financial information for TEA for the nine months ended September 30, 2021:

| Condensed Statement of Operations | (In Thousands) |
|---|---|
| Total Revenue | $ 2,086,069 |
| Total Cost of Sales and Expense | (1,958,481) |
| Operating Income | 127,588 |
| Nonoperating Income (Expense) | 22 |
| Change in Net Position | 127,610 |
| Net Position, Beginning of Period | 49,512 |
| Capital Contributions | (6) |
| Member Distributions | (107,700) |
| Net Position, End of Period | $ 69,416 |
| | |
| Condensed Balance Sheet | |
| Assets: | |
| Current Assets | $ 329,376 |
| Noncurrent Assets | 63,331 |
| Total Assets | 392,707 |
| Liabilities: | |
| Current Liabilities | 291,886 |
| Noncurrent Liabilities | 31,405 |
| Total Liabilities | 323,291 |
| Total Net Position | 69,416 |
| Total Liabilities and Net Position | $ 392,707 |

As of September 30, 2021, the Utility's accounts receivable due from TEA totaled approximately $772,562.

## Note 7 - Receivables

Amounts receivable are aggregated into a single accounts receivable (net of allowance for doubtful accounts) line for certain funds and aggregated columns. Below is the detail of receivables for the governmental and business-type activities as September 30, 2021:

| | Governmental Activities | | | | Business-Type Activities | | |
|---|---|---|---|---|---|---|---|
| | General Fund | Nonmajor Governmental Funds | Internal Service Funds | Governmental Activities | Utility Fund | Nonmajor Enterprise Funds | Business-Type Activities |
| Accounts Receivable, Gross | $ 3,025,169 | $ 2,289,662 | $ 2,412 | $ 5,317,243 | $ 58,690,947 | $ 4,206,971 | $ 62,897,918 |
| Allowance | (1,356,182) | - | - | (1,356,182) | (678,946) | - | (678,946) |
| Net Accounts Receivable | 1,668,987 | 2,289,662 | 2,412 | 3,961,061 | 58,012,001 | 4,206,971 | 62,218,972 |
| Due from Other Governments | 1,030,958 | 2,067,995 | - | 3,098,953 | - | 14,996,802 | 14,996,802 |
| Total Receivables | $ 2,699,945 | $ 4,357,657 | $ 2,412 | $ 7,060,014 | $ 58,012,001 | $ 19,203,773 | $ 77,215,774 |

## Note 8 - Capital Assets

Capital asset activity for the fiscal year ended September 30, 2021, was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| **Governmental Activities** | | | | |
| Capital Assets, Not Being Depreciated: | | | | |
| Land | $ 36,565,003 | $ 188,426 | $ - | $ 36,753,429 |
| Construction in Progress | 11,837,972 | 3,684,078 | (6,797,220) | 8,724,830 |
| Total Capital Assets, Not Being Depreciated | 48,402,975 | 3,872,504 | (6,797,220) | 45,478,259 |
| Capital Assets, Being Depreciated: | | | | |
| Buildings | 91,969,969 | 150,360 | - | 92,120,329 |
| Improvements Other Than Buildings | 28,066,146 | 8,059,891 | - | 36,126,037 |
| Machinery and Equipment | 57,290,290 | 3,161,045 | (2,166,236) | 58,285,099 |
| Infrastructure | 276,726,800 | 1,695,774 | - | 278,422,574 |
| Total Capital Assets, Being Depreciated | 454,053,205 | 13,067,070 | (2,166,236) | 464,954,039 |
| Less Accumulated Depreciation: | | | | |
| Buildings | (38,850,885) | (2,478,959) | - | (41,329,844) |
| Improvements Other Than Buildings | (15,056,416) | (1,496,953) | - | (16,553,369) |
| Machinery and Equipment | (39,587,341) | (4,153,819) | 2,123,921 | (41,617,239) |
| Infrastructure | (143,569,156) | (7,240,491) | - | (150,809,647) |
| Total Accumulated Depreciation | (237,063,798) | (15,370,222) | 2,123,921 | (250,310,099) |
| Total Capital Assets Being Depreciated, Net | 216,989,407 | (2,303,152) | (42,315) | 214,643,940 |
| **Governmental Activities Capital Assets, Net** | $ 265,392,382 | $ 1,569,352 | $ (6,839,535) | $ 260,122,199 |

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| **Business-Type Activities** | | | | |
| Capital Assets, Not Being Depreciated: | | | | |
| Land | $ 8,864,610 | $ - | $ - | $ 8,864,610 |
| Construction in Progress | 103,510,378 | 100,226,825 | (70,027,577) | 133,709,626 |
| Total Capital Assets, Not Being Depreciated | 112,374,988 | 100,226,825 | (70,027,577) | 142,574,236 |
| Capital Assets, Being Depreciated: | | | | |
| Utility Plant and Equipment | 2,904,733,491 | 69,855,407 | (22,437,677) | 2,952,151,221 |
| Buildings | 45,625,148 | 74,787 | - | 45,699,935 |
| Improvements Other Than Buildings | 4,501,504 | 7,685 | - | 4,509,189 |
| Machinery and Equipment | 53,677,719 | 13,130,247 | (1,160,992) | 65,646,974 |
| Infrastructure | 55,573,117 | - | - | 55,573,117 |
| Total Capital Assets, Being Depreciated | 3,064,110,979 | 83,068,126 | (23,598,669) | 3,123,580,436 |
| Less Accumulated Depreciation: | | | | |
| Utility Plant and Equipment | (1,136,111,856) | (99,940,777) | 14,899,093 | (1,221,153,540) |
| Buildings | (9,808,132) | (1,209,809) | - | (11,017,941) |
| Improvements Other Than Buildings | (1,975,156) | (298,520) | - | (2,273,676) |
| Machinery and Equipment | (38,036,573) | (3,632,562) | 1,158,254 | (40,510,881) |
| Infrastructure | (25,607,632) | (1,410,647) | - | (27,018,279) |
| Total Accumulated Depreciation | (1,211,539,349) | (106,492,315) | 16,057,347 | (1,301,974,317) |
| Total Capital Assets Being Depreciated, Net | 1,852,571,630 | (23,424,189) | (7,541,322) | 1,821,606,119 |
| **Business-Type Activities Capital Assets, Net** | $ 1,964,946,618 | $ 76,802,636 | $ (77,568,899) | $ 1,964,180,355 |

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

| | |
|---|---|
| Governmental Activities | |
| General Government | $ 334,461 |
| Public Safety | 2,803,226 |
| Transportation | 7,053,097 |
| Economic Environment | 91,699 |
| Culture and Recreation | 1,846,259 |
| Depreciation on Capital Assets Held by the City's Internal Service Funds is Charged to the Various Functions Based on Their Usage of the Assets | 3,241,480 |
| Total | $ 15,370,222 |
| | |
| Business-Type Activities | |
| Utility | $ 99,940,777 |
| Regional Transit System | 4,971,386 |
| Stormwater | 1,554,021 |
| Florida Building Code Enforcement | 1,822 |
| Solid Waste | 24,309 |
| Total | $ 106,492,315 |

## Note 9 - Accounts Payable and Other Liabilities

Accounts payable and other liabilities as of September 30, 2021 consist of the following:

| | Governmental Activities | | | | Business-Type Activities | | |
|---|---|---|---|---|---|---|---|
| | General Fund | Nonmajor Governmental Funds | Internal Service Funds | Governmental Activities | Utility Fund | Nonmajor Enterprise Funds | Business-Type Activities |
| Accounts Payable | $ 4,953,690 | $ 2,430,266 | $ 1,491,033 | $ 8,874,989 | $ 10,734,677 | $ 10,142,398 | $ 20,877,075 |
| Fuels Payable | - | - | - | - | 9,214,700 | - | 9,214,700 |
| Retainage Payable | - | 317,829 | - | 317,829 | - | 64,999 | 64,999 |
| Payroll and Related Liabilities | 2,852,962 | 118,695 | 87,950 | 3,059,607 | - | 664,127 | 664,127 |
| Insurance Claims and Reserves | - | - | 8,506,405 | 8,506,405 | - | - | - |
| Due to Other Governments | 3,215 | - | - | 3,215 | - | 253,956 | 253,956 |
| Due to Pension and OPEB Trust Funds | 14,574,996 | - | - | 14,574,996 | - | - | - |
| Deposits | 552,248 | 284,173 | - | 936,421 | - | - | - |
| Assets Held in Evidence | - | 670,492 | - | 670,492 | - | - | - |
| Total Accounts Payable and Other Liabilities | $ 23,037,111 | $ 3,821,455 | $ 10,085,388 | $ 36,943,954 | $ 19,949,377 | $ 11,125,480 | $ 31,074,857 |

## Note 10 - Retirement Plans

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

## A. Employees' Pension Plan

*Plan Description*—The Employees' Pension Plan (Employees' Plan) is a contributory defined benefit single-employer pension plan that covers all permanent employees of the City, except certain personnel who elected to participate in the Defined Contribution Plan and who were grandfathered into that plan, and police officers and firefighters who participate in the Consolidated Plan. Benefits and refunds of the defined benefit pension plan are recognized when due and payable in accordance with the terms of the plan. The costs of administering the plan, like other plan costs, are captured within the plan itself and financed through contribution and investment income, as appropriate.

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

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

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

| Date of Hire | | Fixed Percent of FAE (Multiplier) | | Final Average Earnings |
|---|---|---|---|---|
| On or Before 10/01/2007 | | 2.0% | | Highest 36 consecutive months |
| 10/02/2007 - 10/01/2012 | | 2.0% | | Highest 48 consecutive months |
| On or After 10/02/2012 | | 1.8% | | Highest 60 consecutive months |

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

Employees are eligible for normal retirement:

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

Employees are eligible for early retirement:

- If the date of hire occurred on or before 10/01/2012, after accruing 15 years of pension service credit and reaching age 55 while still employed.
- If the date of hire was on or after 10/02/2012, after accruing 20 years of pension service credit and reaching age 60 while still employed.
- Under the early retirement option, the benefit is reduced by $5/12^{ths}$ of one percent for each month (5% for each year) by which the retirement date is less than the date the employee would reach age 65.
- Employees receive a deferred vested benefit if they are terminated after accruing five years of pension service credit but prior to eligibility for regular retirement. Those employees will be eligible to receive a benefit starting at age 65.

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

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

Employees hired on or before 10/01/2012 are eligible to participate in the deferred retirement option plan (DROP) when they have completed 27 years of credited service and are still employed by the City. Such employees retire from the Employees' Plan but continue to work for the City. The retirement benefit is calculated as if the employee had terminated employment and is paid to a DROP account held within the pension plan until the employee

actually leaves the employment of the City. While in DROP, these payments earn a guaranteed rate of annual interest, compounded monthly. For employees who entered DROP on or before 10/01/2012, DROP balances earn 6% annual interest. For employees who entered DROP on or after 10/02/2012, DROP balances earn 2.25% annual interest. Employees may continue in the DROP for a maximum of 5 years or until reaching 35 years of service, whichever occurs earlier. Upon actual separation from employment, the monthly retirement benefits begin being paid directly to the retiree and the retiree must take their DROP balance plus interest as a lump-sum cash disbursement, roll into a retirement account or choose a combination of the two options.

Death benefits are paid as follows:

- If an active member retires after reaching normal retirement eligibility and had selected a tentative benefit option, benefit payments will be made to the beneficiary in accordance with the option selected.
- If an active member who is married dies after reaching normal retirement eligibility and did not previously select a tentative benefit option, the plan assumes the employee retired the day prior to death and elected the Joint & Survivor option naming their spouse as their beneficiary.
- If an active member who is not married dies after reaching normal retirement eligibility and did not previously select a tentative benefit option, or if an active member dies prior to reaching normal retirement eligibility, or if a nonactive member with a deferred vested benefit dies before age 65, the death benefit is a refund of the member's contributions without interest to the beneficiary on record.
- Continuation of retirement benefits after the death of a retiree receiving benefits is contingent on the payment option selected upon retirement. If the retiree has chosen a life annuity and dies prior to receiving benefits greater than the retiree's contributions to the plan, a lump sum equal to the difference is paid to the beneficiary on record.

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

*Plan Membership*—At October 1, 2020, membership consisted of:

| | |
|---|---|
| Active Plan Members | 1,680 |
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 1,408 |
| Inactive Plan Members Entitled to But Not Yet Receiving Benefits | 431 |
| Total | 3,519 |

*Contribution Requirements*—The contribution requirements of plan members and the City are established and may be amended by City Ordinance approved by the City Commission. The City is required to contribute at an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City contributes the difference between the actuarially determined rate and the contribution rate of employees. Plan members are required to contribute 5% of their annual covered salary. The City's required contribution rate for fiscal year 2021 was 5.91% of covered payroll. This rate was influenced by the issuance of the Taxable Pension Obligation Bonds, Series 2003A and the Special Obligation Revenue Bonds, Series 2020. Proceeds from these issues were utilized to retire the unfunded actuarial accrued liability at that time in the Employees' Plan. Differences between the required contribution and actual contribution are due to actual payroll experiences varying from the estimated total payroll used in the generation of the actuarially required contribution rate. Administrative costs are financed through investment earnings.

*Net Pension Liability/(Asset)*—At September 30, 2021, the City reported a net pension liability/(asset) for the Employees' Plan of $(72,874,654). The Employees' Plan net pension liability was measured as of September 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2020, rolled-forward to the measurement date.

*Significant Actuarial Assumptions*—The Employees' Plan total pension liability was determined by an actuarial valuation performed as of October 1, 2020, using the following actuarial methods and assumptions:

| Actuarial Assumptions | |
|---|---|
| Inflation | 2.50% |
| Salary Increases | Service Based |
| Investment Rate of Return | 7.90% |
| Discount Rate | 7.90% |

Mortality rates were based on the Pub. H-2010 Mortality Tables. All rates are projected generationally with Mortality Improvement Scale MP-2018. The assumed rates of mortality are mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption

used in either of the two most recent valuations of the Florida Retirement System (FRS). The mortality rates used are those outlined in the July 1, 2020 FRS actuarial valuation report for nonspecial risk lives.

*Long-Term Expected Rate of Return*—The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. For 2021 the inflation rate assumption was 2.5%. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the Employees' Plan target asset allocation as of September 30, 2021 are summarized in the following table:

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

*Discount Rate*—The discount rate used to measure the total pension liability was 7.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the actuarially determined contribution rates less the member contributions. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in Net Pension Liability/(Asset)*—

| | Increase (Decrease) | | |
|---|---|---|---|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability/(Asset) |
| Balance at October 1, 2020 | $ 602,264,766 | $ 577,437,181 | $ 24,827,585 |
| Changes for the Year: | | | |
| Service Cost | 9,191,329 | - | 9,191,329 |
| Interest | 46,718,121 | - | 46,718,121 |
| Differences Between Expected and Actual Experience | 922,294 | - | 922,294 |
| Changes of Assumptions | 574,399 | - | 574,399 |
| Benefit Payments, Including Refunds of Employee Contributions | (37,766,711) | (37,766,711) | - |
| Contributions - Employer | - | 5,461,714 | (5,461,714) |
| Contributions - Employee | - | 5,307,109 | (5,307,109) |
| Net Investment Income | - | 144,933,044 | (144,933,044) |
| Administrative Expense | - | (593,485) | 593,485 |
| Net Changes | 19,639,432 | 117,341,671 | (97,702,239) |
| Balance at September 30, 2021 | $ 621,904,198 | $ 694,778,852 | $ (72,874,654) |

*Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate*—The following presents the net pension liability/(asset), calculated using the discount rate of 7.90%, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.90%) or 1 percentage-point higher (8.90%) than the current rate:

| | 1% Decrease (6.90%) | Current Discount Rate (7.90%) | 1% Increase (8.90%) |
|---|---|---|---|
| Net Pension Liability (Asset) | $ (2,762,011) | $ (72,874,654) | $ (131,775,403) |

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

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*—For the year ended September 30, 2021, the City recognized pension expense for the Employees' Plan of $(4,329,260). At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the Employees' Plan from the following sources:

| Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference Between Expected and Actual Experience | $ 3,426,398 | $ 952,777 |
| Changes of Assumptions | 3,857,289 | - |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | - | 60,101,979 |
| Total | $ 7,283,687 | $ 61,054,756 |

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

| Fiscal Year Ending | Pension Expense Amount |
|---|---|
| 2022 | $ (10,366,418) |
| 2023 | (6,942,671) |
| 2024 | (16,834,610) |
| 2025 | (19,876,819) |
| 2026 | 249,449 |
| Thereafter | - |
| Total | $ (53,771,069) |

**B. Police Officers' and Firefighters' Consolidated Retirement Plan**

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

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

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

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

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

Police Officers are eligible for normal retirement:

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

Police Officers are eligible for early retirement:

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

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

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

For Firefighters, the final average monthly earnings (FAME) are the average of pensionable earnings during the 36-month period that produces the highest earnings. For Firefighters, the benefit multiplier is 2.5% for credited service before 10/01/2005, 2.625% for credited service from 10/01/2005 to 12/31/2013 and 2.5% for credited service on and after 01/01/2014. For service earned prior to 01/01/2014, the lesser number of unused sick leave credits earned on or before 12/31/2013 or the unused sick leave bank credits available at the time of retirement may be credited towards the employee's years of service for that calculation. For service earned on or after 01/01/2014, no additional months of service will be credited for unused sick leave credits.

Firefighters are eligible for normal retirement:

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

Employees are eligible for early retirement:

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

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

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

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

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

Death benefits are paid as follows:

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

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

*Plan Membership*—At October 1, 2020, membership consisted of:

| | |
|---|---|
| Active Plan Members | 410 |
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 469 |
| Inactive Plan Members Entitled to But Not Yet Receiving Benefits | 39 |
| **Total** | 918 |

*Contribution Requirements*—The contribution requirements of plan members and the City are established and may be amended by City Ordinance approved by the City Commission in accordance with Part VII, Chapter 112, Florida Statutes. The City is required to contribute at an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Firefighters contribute 9.0% of gross pay and Police Officers contribute 7.5% of gross pay. The City's contribution rate for fiscal year 2021 was 9.72% of covered payroll for police personnel and 7.01% for fire personnel. This rate was influenced by the issuance of the Taxable Pension Obligation Bonds, Series 2003B and the Special Obligation Revenue Bonds, Series 2020. Differences between the required contribution and actual contribution are due to actual payroll experiences varying from the estimated total payroll used in the generation of the actuarially required contribution rate. Administrative costs are financed through investment earnings.

*Net Pension Liability/(Asset)*—At September 30, 2021, the City reported a net pension liability/(asset) for the Consolidated Plan of $(42,328,552). The Consolidated Plan net pension asset was measured as of September 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2020, rolled-forward to the measurement date.

*Significant Actuarial Assumptions*—The Consolidated Plan total pension liability was determined by an actuarial valuation performed as of October 1, 2020, using the following actuarial methods and assumptions:

| Actuarial Assumptions | |
|---|---|
| Inflation | 2.50% |
| Salary Increases | Service Based |
| Investment Rate of Return | 7.90% |
| Discount Rate | 7.90% |

Mortality rates were based on the PubS. H-2010 (Below Median) Combined Fully Generational Mortality Table, set forward one year. 50% of deaths among active members are assumed to be serviced incurred, and 50% are assumed to be non-service incurred. Disabled mortality is based 80% on the PubG. H-2010 Disability Retiree Mortality Table and 20% on the PubS.H-2010 Disability Retiree Mortality Table. All rates are projected generationally with Mortality Improvement Scale MP-2018.The assumed rates of mortality are mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). The mortality rates used are those outlined in the July 1, 2019 FRS actuarial valuation report for non-special risk lives.

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

*Long-Term Expected Rate of Return*— The long-term expected rate of return on pension plan investments can be determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. For 2021 the inflation rate assumption of the investment advisor was 2.50%. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in the Consolidated Plan's target asset allocation as of September 30, 2021 are summarized in the following table:

| | Target Allocation | Long-Term Expected Rate of Return |
|---|---|---|
| Large Cap Equity | 35.00% | 6.80% |
| Small Cap Equity | 15.00% | 7.60% |
| International Equity | 20.00% | 7.70% |
| Securitized Credit | 5.00% | 3.20% |
| High Yield | 7.50% | 4.00% |
| Real Estate | 17.50% | 4.90% |
| Total | 100% | |

*Discount Rate*—The discount rate used to measure the total pension liability was 7.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the actuarially determined contribution rates less the member and State contributions. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in Net Pension Liability/(Asset)*—

| | Increase (Decrease) | | |
|---|---|---|---|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability/(Asset) |
| Balance at October 1, 2020 | $ 302,407,734 | $ 296,918,562 | $ 5,489,172 |
| Changes for the Year: | | | |
| Service Cost | 4,235,165 | - | 4,235,165 |
| Interest | 23,425,956 | - | 23,425,956 |
| Share Plan Allocation | 398,142 | - | 398,142 |
| Differences Between Expected and Actual Experience | 159,551 | - | 159,551 |
| Changes of Assumptions | (4,514,316) | - | (4,514,316) |
| Contributions - Employer | - | 2,048,850 | (2,048,850) |
| Contributions - State | - | 1,537,422 | (1,537,422) |
| Contributions - Employee | - | 2,314,580 | (2,314,580) |
| Benefit Payments, Including Refunds of Employee Contributions | (20,223,626) | (20,223,626) | - |
| Net Investment Income | - | 66,246,836 | (66,246,836) |
| Administrative Expense | - | (622,712) | 622,712 |
| Other Adjustments | - | (2,754) | 2,754 |
| Net Changes | 3,480,872 | 51,298,596 | (47,817,724) |
| Balance at September 30, 2021 | $ 305,888,606 | $ 348,217,158 | $ (42,328,552) |

*Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate*—The following presents the net pension liability, calculated using the discount rate of 7.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.90%) or 1 percentage-point higher (8.90%) than the current rate:

| | 1% Decrease (6.90%) | Current Discount Rate (7.90%) | 1% Increase (8.90%) |
|---|---|---|---|
| Net Pension Liability (Asset) | $ (7,364,085) | $ (42,328,552) | $ (71,429,745) |

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

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*—For the year ended September 30, 2021, the City recognized pension expense for the Consolidated Plan of $(6,229,255). At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the Consolidated Plan from the following sources:

| Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference Between Expected and Actual Experience | $ 598,264 | $ 1,046,562 |
| Changes of Assumptions | 2,464,174 | 3,761,930 |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | - | 28,305,644 |
| Total | $ 3,062,438 | $ 33,114,136 |

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

| Fiscal Year Ending | Pension Expense Amount |
|---|---|
| 2022 | $ (5,703,297) |
| 2023 | (5,320,852) |
| 2024 | (8,983,451) |
| 2025 | (9,318,304) |
| 2026 | (725,794) |
| Thereafter | - |
| Total | $ 30,051,698 |

C. **Florida Retirement System (FRS) Retirement Benefits**

*Plan Description*—The City's elected officials are eligible to participate in the FRS, a single retirement system administered by the State of Florida, Department of Management Services, Division of Retirement, which consists of two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. An annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

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

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

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

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

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

*Contribution Requirements*—The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The employer's contribution rates for Elected Officials as of September 30, 2021, were 49.76% and 1.66% for FRS and HIS, respectively. The City's contribution for the year ended September 30, 2021 were $87,405 to the FRS Pension Plan and $4,002 to the HIS Program.

*Pension Liabilities and Pension Expense*—The City reported a liability for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2021. The City's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

| | FRS | HIS |
|---|---|---|
| Net Pension Liability | $ 184,112 | $ 89,472 |
| Proportion at: | | |
| Current Measurement Date | 0.002437324% | 0.000729398% |
| Prior Measurement Date | 0.002696427% | 0.000726771% |
| Pension Expense | $ (21,167) | $ 5,498 |

*Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*—At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | FRS | | HIS | |
|---|---|---|---|---|
| Description | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Employer Contributions After Measurement Date | $ 19,054 | $ - | $ 844 | $ - |
| Difference Between Expected and Actual Experience | 31,557 | - | 2,994 | 37 |
| Change of Assumptions | 125,979 | - | 7,030 | 3,686 |
| Changes of Proportion and Difference Between City Contributions and Proportionate Share of Contributions | 13,651 | 114,753 | 5,594 | 5,170 |
| Net Difference Between Projected and Actual Earnings on Pension Investments | - | 642,321 | 93 | - |
| Total | $ 190,241 | $ 757,074 | $ 16,555 | $ 8,893 |

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year-end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2022. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

| Fiscal Year Ending | FRS Amount | HIS Amount |
|---|---|---|
| 2022 | $ (115,703) | $ 1,287 |
| 2023 | (122,520) | 370 |
| 2024 | (150,205) | 2,197 |
| | (188,559) | 1,824 |
| 2026 | (8,900) | 954 |
| Thereafter | - | 186 |
| Total | $ (585,887) | $ 6,818 |

*Actuarial Assumptions*—The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2021. For the HIS Program, the total pension liability was determined by an actuarial valuation dated July 1, 2020.

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

| | FRS | HIS |
|---|---|---|
| Inflation | 2.40% | 2.40% |
| Salary Increases | 3.25% | 3.25% |
| Investment Rate of Return | 6.80% | N/A |
| Discount Rate | 6.80% | 2.16% |

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

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

The long-term expected rate of return assumption of 6.80% consists of two building block components: 1) a real (in excess of inflation) return of 4.30%, consistent with the capital market outlook model developed during 2020 by the outside investment consultant to the Florida State Board of Administration; and 2) a long-term average annual inflation assumption of 2.40% as adopted in October 2020 by the FRS Actuarial Assumption Conference. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

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

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

*Discount Rate*—The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.80%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The discount rate used to measure the total pension liability for the HIS Pension Plan was 2.16%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

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

*FRS*

| | 1% Decrease (5.80%) | Current Discount Rate (6.80%) | 1% Increase (7.80%) |
|---|---|---|---|
| City's Proportionate Share of the Net Pension Liability | $ 823,361 | $ 184,112 | $ (350,229) |

*HIS*

| | 1% Decrease (1.16%) | Current Discount Rate (2.16%) | 1% Increase (3.16%) |
|---|---|---|---|
| City's Proportionate Share of the Net Pension Liability | $ 103,438 | $ 89,472 | $ 78,030 |

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

## D. Summary of Defined Benefit Pension Plans

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

| Pension Plan | Net Pension Liability/(Asset) | Deferred Outflows of Resources | Deferred Inflows Resources | Pension Expense |
|---|---|---|---|---|
| Employees' Plan | $ (72,874,654) | $ 7,283,685 | $ 61,054,755 | $ (4,329,260) |
| Consolidated Plan | (42,328,552) | 3,062,438 | 33,114,136 | (6,229,255) |
| FRS (Proportionate Share) | 184,112 | 190,241 | 757,074 | (21,167) |
| HIS (Proportionate Share) | 89,472 | 16,555 | 8,893 | 5,498 |
| Total | $ (114,929,622) | $ 10,552,919 | $ 94,934,858 | $ (10,574,184) |

## E. Defined Contribution Pension Plan

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

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

*Funding Policy*—The contribution requirements of plan members and the City are established and may be amended by City Ordinance approved by the City Commission in accordance with applicable State Statute. Plan members are required to contribute 5% of their annual covered salary. The City is required to contribute 10% of covered payroll. During fiscal year 2021, plan members contributed $183,523 and the City contributed $366,771.

**Note 11 - Other Postemployment Benefits (OPEB) Plan**

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

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

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

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

For disabled retirees, the amount that the City will contribute towards the required premium, for persons who become retirees based upon application for disability retirement submitted before September 1, 2008, will be an amount equal to 80% of the individual premiums of the least costly

city group health plan option being offered at that time. The City will contribute towards any other tier of coverage an amount equal to 150% of the individual premium of the least costly City group plan option being offered at that time.

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

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

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

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

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

*Employees Covered by Benefit Terms*—At October 1, 2019, the following employees were covered by the benefit terms:

| | |
|---|---|
| Active Plan Members | 2,307 |
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 1,431 |
| **Total** | 3,738 |

*Contributions*—The contribution policy of the City is established and may be amended by the City at any time. The annual contribution consists of the normal cost amount developed annually plus, given there is any unfunded actuarial accrued liability (UAAL), an amount to amortize said UAAL over 10 years from inception. For the 2021 fiscal year, the actuarially determined contribution was $0, and the City contributed a total of $1,924,061 in explicit premiums to the OPEB Plan. The City's contribution rate is influenced by the issuance of $35,210,000 Taxable Other Postemployment Benefit (OPEB) bonds to retire the unfunded actuarial accrued liability then existing in the Retiree Health Insurance Program Trust Fund.

*Investment* Policy—The City Commission has the responsibility to develop a policy for the investment of the assets of the Retiree Health Insurance Program Trust Fund. The investment of the assets must be consistent with the written investment policy adopted by the City Commission (Section 2-438 of the Gainesville City Code). The policies are structured to maximize the financial return to the Retiree Health Insurance Program Trust Fund consistent with the risks incumbent in each investment and are structured to establish and maintain an appropriate diversification of the assets. The City Commission periodically undertakes studies to evaluate the potential consequence of alternative investment strategies on the long-term well-being of the Retiree Health Insurance Program Trust Fund.

*Net OPEB Liability/(Asset)*—At September 30, 2021, the City reported a net OPEB Liability/(Asset) for the Retiree Health Insurance Program of $(7,565,030). The net OPEB liability/(asset) was measured as of September 30, 2021, and the total OPEB liability used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of October 1, 2019, rolled forward to the measurement date.

*Significant Actuarial* Assumptions—The total OPEB liability was determined by an actuarial valuation performed as of October 1, 2019, using the following actuarial methods and assumptions:

| | |
|---|---|
| Inflation Rate | 3.00% |
| Salary Increase | Service Based |
| Investment Return Rate | 7.90% |
| Discount Rate | 7.90% |
| Healthcare Cost Trend Rate | 7.60% to 4.50% |

All mortality rates were based on the RP-2000 mortality tables, including fully generational adjustments for mortality improvements using improvements scale BB, except for disabled mortality which has not been adjusted for mortality improvements. All mortality rates are those outlined in Milliman's July 1, 2018, Florida Retirement System (FRS) valuation report.

Changes since the prior valuation include changes in census data, updated annual per capital claims costs based on plan experience, and updated premium rates to reflect those effective for 2021 fiscal year.

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

The following reflects the current target allocation and expected returns:

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

*Discount Rate*—The discount rate used to measure the total OPEB liability was 7.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the actuarially determined contribution rates less the member contributions. Based on those assumptions, the Retirement Health Insurance Program Trust Fund fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in Net OPEB Liability/(Asset)*—

| | Increase (Decrease) | | |
|---|---|---|---|
| | Total OPEB Liability | Plan Fiduciary Net Position | Net OPEB Liability/(Asset) |
| Balance at October 1, 2020 | $ 64,015,882 | $ 62,009,254 | $ 2,006,628 |
| Changes for the Year: | | | |
| Service Cost | 1,488,138 | - | 1,488,138 |
| Interest | 4,977,350 | - | 4,977,350 |
| Contributions - Employer | - | 1,924,061 | (1,924,061) |
| Net Investment Income | - | 14,120,107 | (14,120,107) |
| Net Benefit Payments | (5,096,043) | (5,096,043) | - |
| Administrative Expense | - | (6,982) | 6,982 |
| Net Changes | 1,369,445 | 10,941,143 | (9,571,698) |
| Balance at September 30, 2021 | $ 65,385,327 | $ 72,950,397 | $ (7,565,070) |

*Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Discount Rate*—The following presents the net OPEB liability/(asset), calculated using the discount rate of 7.90%, as well as what the City's net OPEB liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.90%) or 1 percentage-point higher (8.90%) than the current rate:

| | 1% Decrease (6.90%) | Current Discount Rate (7.90%) | 1% Increase (8.90%) |
|---|---|---|---|
| Net OPEB Liability/(Asset) | $ (937,377) | $ (7,565,070) | $ (13,230,823) |

*Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Health Care Trend Rate*—The following presents the net OPEB liability/(asset), calculated using the health care cost trend rate of 8.30%, as well as what the net OPEB liability/(asset) would be if it were calculated using a health care cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current rate:

| | 1% Decrease | Current Trend Rate | 1% Increase |
|---|---|---|---|
| Net OPEB Liability/(Asset) | $ (14,865,966) | $ (7,565,070) | $ [illegible]110,617 |

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

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources*—For the year ended September 30, 2021, the City recognized OPEB expense of $363,411.

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

| Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference Between Expected and Actual Experience | $ 1,353,590 | $ 2,301,792 |
| Changes of Assumptions | 646,882 | 10,308,558 |
| Net Difference Between Projected and Actual Earnings on OPEB Plan Investments | - | 2,373,231 |
| Total | $ 2,000,472 | $ 14,983,581 |

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

| Fiscal Year Ending | OPEB Expense Amount |
|---|---|
| 2022 | $ (1,335,896) |
| 2023 | (1,095,449) |
| 2024 | (2,466,557) |
| 2025 | (3,881,757) |
| 2026 | (2,101,725) |
| Thereafter | (2,101,725) |
| Total | $ (12,983,109) |

**Note 12 - Deferred Compensation Plan**

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

## Note 13 - Long-Term Debt

### Governmental Activities

- **$15,892,220 Guaranteed Entitlement Revenue and Refunding Bonds, Series 1994** - 3.0% - 6.1%, final maturity 2024; payable solely from and secured by a lien upon and pledge of monies from the City's Guaranteed Entitlement Funds (Intergovernmental Revenues). Current Interest Paying Bonds were paid in full August 1, 2006. For Capital Appreciation Bonds, principal is payable August 1 and February 1 beginning August 1, 2018. Interest accrues to principal and is payable upon maturity or prior redemption. Interest accreted on unmatured bonds through September 30, 2021 is $2,355,087.

- **$40,042,953 Taxable Pension Obligation Bonds, Series 2003A** - 1.71% - 6.19%, issued March 14, 2003, final maturity October 2032, payable solely from non-ad valorem revenues. Current Interest Serial Bonds in the amount of $1,970,000 were paid in full October 1, 2005. For Current Interest Term Bonds in the amount of $20,125,000, interest is payable semiannually beginning April 1, 2003 and principal is payable annually beginning October 1, 2029. For Capital Appreciation Bonds, in the amount of $17,947,953, principal is payable annually beginning October 1, 2006. Interest accrues to principal and is payable upon maturity. Interest accreted on unmatured bonds through September 30, 2021 is $17,736,529. The bonds are not subject to redemption prior to maturity.

- **$49,851,806 Taxable Pension Obligation Bonds, Series 2003B** - 3.07% - 5.42%, issued March 14, 2003, final maturity October 2033, payable solely from non-ad valorem revenues. Principal payable annually beginning October 1, 2006. Interest payable semi-annually beginning October 1, 2003. The bonds are not subject to redemption prior to maturity.

- **$4,350,000 Capital Improvement Revenue Bonds, Series 2010** - 2.00% - 4.375%, issued July 13, 2010, final maturity October 1, 2030, payable solely from non-ad valorem revenues. Principal payable annually beginning October 1, 2011. Interest payable semi-annually beginning October 1, 2010. On April 9, 2021, the Capital Improvement Revenue Refunding Note, Series 2021 was issued to refund the Capital Improvement Revenue Bonds, Series 2010 and Capital Improvement Revenue Note, Series 2017. Series 2010 Bonds maturing on or after October 1, 2021 were called for redemption prior to maturity and there were no Series 2010 Bonds outstanding as of September 30, 2021.

- **$6,230,000 Revenue Refunding Note Series 2011** - 2.36% fixed, issued November 1, 2011, final maturity July 1, 2022; payable solely from non-ad valorem revenues. This is a direct borrowing from Branch Banking and Trust Company. Proceeds from the Note were used to refinance all of the First Florida Governmental Finance Commission Series 2002 Bonds along with closing costs incurred.

- **$3,730,000 Revenue Note Series 2011A** – 2.29% fixed issued December 21, 2011, final maturity October 1, 2021; payable solely from non-ad valorem revenues. This is a direct borrowing from Compass Bank. Proceeds from the Note are to be used for partial funding of the renovation and reconstruction of the Police Department Headquarters, capital improvements and remediation improvements at Depot Park and other capital improvements.

- **$14,715,000 Revenue Refunding Note Series 2014** – 2.4% fixed, issued February 14, 2014, final maturity October 1, 2025; payable solely from non-ad valorem revenues. This is a direct borrowing from TD Bank. Proceeds from the Note were used to refinance all of the Capital Improvement Revenue Bond Series 2005 Bonds along with closing costs incurred.

- **$12,535,000 Capital Improvement Revenue Bonds, Series 2014** – 2.00% - 5.00%, issued December 17, 2014, final maturity October 2034, payable solely from non-ad valorem revenues. Principal payable annually beginning October 1, 2015. Interest payable semi-annually beginning April 1, 2015. The bonds are not subject to redemption prior to maturity. This note also funded an additional $2,000,000 of capital improvements for which the debt and assets are reported in the Solid Waste enterprise fund.

- **$10,426,642 Revenue Refunding Note Series 2016A** – 2.3% fixed, issued April 15, 2016, final maturity November 1, 2028; payable solely from non-ad valorem revenues. This is a direct borrowing from TD Bank. Proceeds from the Note were used to refinance all of the First Florida Governmental Financing Commission Loan, Series 2005 and the First Florida Governmental Financing Commission Loan, Series 2007 and partial refunding of the Capital Improvement Revenue Note Series 2009 along with closing costs incurred. This note also funded an additional $1,543,358 for capital improvements in the Solid Waste and Stormwater Management enterprise funds.

- **$6,630,000 Capital Improvement Revenue Notes, Series 2016B** – 2.4% fixed, issued April 15, 2016, final maturity October 1, 2031, payable solely from non-ad valorem revenues. Annual principal payments begin on October 1, 2017. Semi-annual interest payments begin November 1, 2016. This is a direct borrowing with TD Bank. Proceeds from the Note are to be used for partial funding of the road resurfacing and repairs and streetscapes.

- **$10,365,000 Capital Improvement Revenue Note, Series 2017** – 2.75% fixed, issued December 7, 2017 to finance the cost of: (1) acquiring, installing, and consulting costs related to implementing a Human Resources ERP system; (2) acquisition, construction, improvement and equipping a South Main Street firehouse; and (3) street, curb, storm water infrastructure improvements and other capital costs. This is a direct borrowing with Center State Bank. Payable solely from non-ad valorem revenues, principal payments on the note are payable annually commencing October 1, 2018 with a maturity date of October 1, 2037. Interest payments on the note is payable semi-annually on April 1 and October 1 of each year. On April 9,

2021, the Capital Improvement Revenue Refunding Note, Series 2021 was issued to refund the Capital Improvement Revenue Bonds, Series 2010 and Capital Improvement Revenue Note, Series 2017. As of September 30, 2021, there was no balance outstanding for the Series 2017 Revenue Note.

- **$8,535,000 Capital Improvement Revenue Note, Series 2019** - 1.97% fixed, issued October 11, 2019 to finance the cost of public safety equipment, vehicles, general capital improvement projects and other capital costs. Payable solely from non-ad valorem revenues with principal payments due annually, beginning October 1, 2020 with a maturity date of October 1, 2034. Interest payments on the note are due semiannually beginning April 1, 2020.

- **$206,080,000 Taxable Special Obligation Revenue Bonds, Series 2020** - 0.541% - 3.097% issued September 11, 2020 to retire a portion of the net pension liability for the Employees' Plan and Consolidated Plan. Payable solely from non-ad valorem revenues with principal payments due annually beginning October 1, 2021. Interest is payable semiannually beginning April 1, 2021. Certain of the bonds are subject to redemption prior to the stated dates of maturity.

- **$11,473,000 Capital Improvement Revenue Refunding Note, Series 2021** - 1.75% fixed, issued April 9, 2021 to refund the Capital Improvement Revenue Bonds, Series 2010 and the Capital Improvement Revenue Note, Series 2017. Payable solely from non-ad valorem revenues with principal payments due annually beginning October 1, 2021 with a maturity date of October 1, 2037. Interest is payable semiannually beginning October 1, 2021. The refunding reduced the City's total debt service payments by $1,166,994 and resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of $1,024,871.

**Business-Type Activities - Utility Fund**

- **$55,135,000 Utilities System Revenue Bonds, 2005 Series** C - Variable interest rates based on market rates, 0.10% at September 30, 2021, dated November 16, 2005, final maturity October 1, 2026. The 2005 Series C Bonds are subject to redemption at the option of the City at a redemption price of 100% of the principal amount, plus accrued interest to the date of redemption. The 2005 Series C Bonds were issued to refund a portion of the City's Utilities System Revenue Bonds, 1996 Series A. In August 2012, the 2012 Series B Bonds ($100,470,000) were issued to partially refund $17,570,000 of bonds maturing from October 1, 2013 through October 1, 2017. In April 2019, the 2019 Series C Bonds, ($67,355,000), were issued to partially refund $18,515,000 of bonds maturing from October 1, 2019 through October 1, 2024. The refunding was to provide near-term debt relief and stabilize cash reserves. Aggregate debt service outstanding before refunding was $23,960,688 and after refunding was $3,813,100, a reduction of $20,147,588 for this series. A Stand-by Bond Purchase Agreement (SBPA) with Barclays Bank PLC on May 20, 2020, provided an initial fee of 0.38% but has increased to 0.54%

due to a rating downgrade from AA- to A by Standard and Poor's in May 2021. The four-year agreement with Barclay's Bank PLC is stated to expire May 17, 2024. As of September 30, 2021, the related debt outstanding is $3,090,000.

- **$53,305,000 Utilities System Revenue Bonds, 2006 Series A** – Variable interest rates based on market rates, 0.08% at September 30, 2021, dated July 6, 2006, final maturity October 1, 2026. The 2006 Series A Bonds are subject to redemption at the option of the City, in whole or in part, at a redemption price equal to 100% of the principal amount plus accrued interest to the date of redemption. The 2006 Series A Bonds were issued to pay a portion of the cost of acquisition and construction of certain improvements to the City's utilities system and to refund a portion of the City's Utilities System Revenue Bonds, 1996 Series A. The 2006 Series a Bonds created a net present value savings of over $6,200,000, with yearly cash savings ranging from approximately $371,000 to over $890,000. In August 2012, the 2012 Series B Bonds ($100,470,000) were issued to partially refund $25,930,000 of bonds maturing from October 1, 2013 through October 1, 2020. In April 2019, the 2019 Series C Bonds, ($67,355,000), were issued to partially refund $13,905,000 of bonds maturing from October 1, 2019 through October 1, 2024. The refunding was to provide near-term debt relief and stabilize reserves. Aggregate debt service outstanding before refunding was $19,034,788 and after refunding was $3,683,475, a reduction of $15,351,313 for this series. A Stand-by Bond Purchase Agreement (SBPA) with Barclays Bank PLC on May 20, 2020, provided an initial fee of 0.38% but has increased to 0.54% due to a rating downgrade from AA- to A by Standard and Poor's in May 2021. The four-year agreement with Barclay's Bank PLC is stated to expire May 17, 2024. As of September 30, 2021, the related debt outstanding is $2,985,000.

- **$139,505,000 Utilities System Revenue Bonds, 2007 Series A** – Variable interest rates based on market rates, 0.07% at September 30, 2021, dated July 6, 2006, final maturity October 1, 2036. The 2007 Series A Bonds are subject to redemption at the option of the City, in whole or in part, at a redemption price equal to 100% of the principal amount plus accrued interest to the date of redemption. The 2007 Series A Bonds were issued to refund a portion of the City's Utilities System Revenue Bonds, 2003 Series A and a portion of the City's Utilities System Revenue Bonds, 2005 Series A. The 2007 Series A Bonds created a net present value savings of over $8,500,000, with yearly cash savings ranging from $100,000 to $500,000. In April 2019, the 2019 Series C Bonds, ($67,355,000), were issued to partially refund $8,430,000 of bonds maturing from October 1, 2019, through October 1, 2024. The refunding was to provide debt service relief and increase cash reserves for the next five years. Aggregate debt service outstanding before refunding was $195,941,100 and after refunding was $186,562,400, a reduction of $9,378,700 for this series. A SBPA with State Street Bank and Trust was entered on March 1, 2007, and since amended most recently by the Fifth Amendment that is set to expire on June 30, 2025, with an initial fee of 0.59% but has increased to 0.69% due to a rating downgrade from AA- to A by Standard and Poor's in May 2021. As of September 30, 2021, the related debt outstanding is $127,750,000.

- **$105,000,000 Utilities System Revenue Bonds, 2008 Series A (Federally Taxable)** – 5.27%, dated February 13, 2008, final maturity October 1, 2020, and were partially refunded as part of the 2012 Series B Utilities System Revenue Bond issuances. The 2008 Series A Bonds are subject to redemption prior to maturity at the election of the City in whole or in part, at a redemption price equal to the greater of 100% of the principal amount, plus accrued and unpaid interest to the date of redemption, or the sum of the present values of the remaining scheduled payments of principal and interest on the bonds to be redeemed discounted to the date of redemption on a semiannual basis plus 12.5 basis points. The 2008 Series A Bonds were issued to pay costs of acquisition and construction of the City's utilities system. In August 2012, the 2012 Series B Bonds ($100,470,000) were issued to partially refund $14,405,000 of bonds maturing from October 1, 2014, through October 1, 2017. In December 2014, the 2014 Series B Bonds ($30,970,000) were issued to redeem $19,915,000 for portions of bonds maturing from October 1, 2015 through October 1, 2020. As of September 30, 2021, the related debt outstanding is $0.

- **$90,000,000 Utilities System Revenue Bonds, 2008 Series B** – Variable interest rates based on market rates, 0.04% at September 30, 2021, dated February 13, 2008, final maturity October 1, 2038. The 2008 Series B Bonds are subject to redemption prior to maturity at the election of the City in whole or in part, at a redemption price of 100% of the principal amount plus accrued interest to the date of redemption. The 2008 Series B Bonds were issued to pay costs of acquisition and construction of the City's utilities system. In April 2019, the 2019 Series C Bonds, ($67,355,000), were issued to partially refund $14,200,000 of bonds maturing from October 1, 2022 through October 1, 2024. The refunding was to provide debt service relief and increase cash reserves for the next five years. The refunding was to provide debt service relief and increase cash reserves for the next five years. Aggregate debt service outstanding before refunding was $124,011,500 and after refunding was $107,454,250, a reduction of $16,557,250 for this series. A Stand-by Bond Purchase Agreement (SBPA) with Barclays Bank PLC on May 20, 2020, provided an initial fee of 0.38% but has increased to 0.54% due to a rating downgrade from AA- to A by Standard and Poor's in May 2021. The four-year agreement with Barclay's Bank PLC is stated to expire May 17, 2024. As of September 30, 2021, the related debt outstanding is $75,800,000.

- **$156,900,000 Utilities System Revenue Bonds, 2009 Series B – Issuer Subsidy – Build America Bonds (Federally Taxable)** – 4.60% – 5.65%, dated September 16, 2009, final maturity October 1, 2039. The 2009 Series B Bonds are subject to redemption prior to maturity at the election of the City at a redemption price equal to the greater of 100% of the principal amount, plus accrued and unpaid interest to the date of redemption, or the sum of the present values of the remaining scheduled payments of principal and interest on the bonds to be redeemed discounted to the date of redemption on a semiannual basis plus 12.5 basis points. The 2009 Series B Bonds were issued to pay costs of acquisition and construction of the City's utilities system. As of September 30, 2021, the related debt outstanding is $133,605,000.

- **$12,930,000 Utilities System Revenue Bonds, 2010 Series A (Federally Taxable)** - 5.87%, dated November 1, 2010, final maturity October 1, 2030. The 2010 Series A Bonds are subject to redemption prior to maturity at the election of the City at a redemption price equal to the greater of 100% of the principal amount, plus accrued and unpaid interest to the date of redemption; or the sum of the present values of the remaining scheduled payments of principal and interest on the bonds to be redeemed discounted to the date of redemption on a semiannual basis plus 12.5 basis points. The 2010 Series A Bonds were issued to: (a) pay costs of acquisition and construction of the City's utilities system, (b) to provide for the payment of certain capitalized interest on the Taxable 2010 Series A Bonds, and (c) to pay the costs of issuance of the Taxable 2010 Series A Bonds. As of September 30, 2021, the related debt outstanding is $12,930,000.

- **$132,445,000 Utilities System Revenue Bonds, 2010 Series B - Issuer Subsidy - Build America Bonds (Federally Taxable)** - 6.02%, dated November 1, 2010, final maturity October 1, 2040. The 2010 Series B Bonds are subject to redemption prior to maturity at the election of the City at a redemption price equal to the greater of 100% of the principal amount, plus accrued and unpaid interest to the date of redemption, or the sum of the present values of the remaining scheduled payments of principal and interest on the bonds to be redeemed discounted to the date of redemption on a semiannual basis plus 12.5 basis points. The 2010 Series B Bonds were issued to: (a) pay costs of acquisition and construction of the City's utilities system, (b) to provide for the payment of certain capitalized interest on the Taxable 2010 Series B Bonds, and (c) to pay the costs of issuance of the Taxable 2010 Series B Bonds. As of September 30, 2021, the related debt outstanding is $132,445,000.

- **$81,860,000 Utilities System Revenue Bonds, 2012 Series A** - 2.50% - 5.00%, dated August 2, 2012, final maturity October 1, 2028. The 2012 Series A Bonds were issued to: (a) provide funds to refund $1,605,000 in aggregate principal amount of the 2003 Series A Bonds, (b) to provide funds to refund $78,690,000 in aggregate principal amount of the 2005 Series A Bonds, and (c) to pay cost of issuance of the 2012 Series A Bonds. These bonds mature at various dates from October 1, 2021 to October 1, 2028. Those bonds maturing on and after October 1, 2023, are subject to redemption prior to maturity, at a redemption price so specified. As of September 30, 2021, the related debt outstanding is $81,860,000.

- **$100,470,000 Utilities System Revenue Bonds, 2012 Series B** - Variable interest rates based on market rates, 0.10% at September 30, 2021, dated August 2, 2012, final maturity October 1, 2042. The 2012 Series B Bonds were issued to: (a) refund $31,560,000 in aggregate principal amount of the 2005 Series B Bonds, (b) provide funds to refund $17,570,000 in aggregate principal amount of the 2005 Series C Bonds, (c) provide funds to refund $25,930,000 in aggregate principal amount of the 2006 Series A Bonds, (d) provide funds to refund $14,405,000 in aggregate principal amount of the 2008 Series A Bonds, and (e) pay costs of issuance of the 2012 Series B Bonds. These bonds mature at various dates through October 1,

2042. The 2012 Series B Bonds are subject to redemption prior to maturity, at a redemption price so specified. In April 2019, the 2019 Series C Bonds, ($67,355,000), were issued to partially refund $1,860,000 of bonds maturing from October 1, 2021, through October 1, 2023. The refunding was to provide near-term debt relief and stabilize reserves. Aggregate debt service outstanding before refunding was $147,105,250 and after refunding was $145,097,250, a reduction of $2,008,000 for this series. A Stand-by Bond Purchase Agreement (SBPA) with Barclays Bank PLC on May 20, 2020 provided an initial fee of 0.38% but increased to 0.54% due to a rating downgrade from AA- to A by Standard and Poor's in May 2021. The four-year agreement with Barclay's Bank PLC is stated to expire May 17, 2024. As of September 30, 2021, the related debt outstanding is $98,610,000.

- **$37,980,000 Utilities System Revenue Bonds, 2014 Series A** - 2.50% - 5.00%, dated December 19, 2014, with final maturity October 1, 2044. The 2014 Series A Bonds were issued to: (a) provide funds for the payment of the cost and acquisition and construction of certain improvements to the System, and (b) pay costs of issuance of the 2014 Series A Bonds. These bonds mature at various dates beginning October 1, 2015, and from October 1, 2021 to October 1, 2034, October 1, 2039, and October 1, 2044. The bonds maturing prior to October 1, 2024 are not subject to redemption prior to maturity. The bonds maturing on and after October 1, 2025, are subject to redemption prior to maturity at the option of the City on and after October 1, 2024, as whole or in part at any time, at a redemption price plus interest so specified. A cancellable forward starting swap agreement with Bank of America, N.A., was entered on April 8, 2020, with cash flows effective on October 1, 2024. Details on the forward starting swap is located in Note 4. As of September 30, 2021, the related debt outstanding is $37,835,000.

- **$30,970,000 Utilities System Revenue Bonds, 2014 Series B** - 3.13% - 5.00%, dated December 19, 2014 with final maturity October 1, 2036. The 2014 Series B Bonds were issued to: (a) provide funds to refund $12,725,000 in aggregate principal amount of a portion of the 2005 Series A Bonds; (b) provide funds to refund $19,915,000 in aggregate principal amount of a portion of the 2008 Series A Bonds; and (c) pay costs of issuance of the 2014 Series B Bonds. These bonds mature at various dates beginning October 1, 2015, through October 1, 2020, from October 1, 2029, to October 1, 2030, and October 1, 2036. The bonds maturing prior to October 1, 2024, are not subject to redemption prior to maturity. The bonds maturing on and after October 1, 2025, are subject to redemption prior to maturity at the option of GRU on and after October 1, 2024, as whole or in part at any time, at a redemption price plus interest so specified. The 2014 Series B Bonds created a net present value savings of $1,700,000, with yearly cash savings ranging from approximately $11,000 to over $600,000. As of September 30, 2021, the related debt outstanding is $12,085,000.

- **$415,920,000 Utilities System Revenue Bonds, 2017 Series A** – 4.00% – 5.00%, dated November 7, 2017, with final maturity on October 1, 2040. The 2017 Series A Bonds were issued concurrently with 2017 Series B and Series C bonds to: (a) finance a portion of the costs of acquisition of the GREC Biomass Plant, and (b) pay cost of issuance. These bonds mature at various dates beginning October 1, 2018 and ending October 1, 2040. The 2017 Series A Bonds were issued at a premium of $73,205,458 as serial bonds with the first optional call date of October 1, 2027. These bonds are subject to redemption prior to maturity. As of September 30, 2021, the related debt outstanding is $395,340,000.

- **$45,000,000 Utilities System Revenue Bonds, 2017 Series B** – Variable interest rates based on market rates, 0.87% at September 30, 2021, dated November 7, 2017, final maturity October 1, 2044, and issued concurrently with 2017 Series A and 2017 Series C Bonds to (a) finance a portion of the costs of acquisition of the GREC Biomass Plant and (b) pay cost of issuance. These bonds are direct placement bonds, and the sale was awarded to Wells Fargo Bank, N.A. initially and expired November 7, 2020. On October 15, 2020, an amendment in the Twenty-Eight Supplemental Resolution was approved to issue 'Replacement Bonds' which allows for restating and replacing the original Bond. It allowed for a 'reduction' of $105,000,000 of the original outstanding notional. The new notional of 2017 Series B is $45,000,000 and the sale was awarded to Wells Fargo Bank, N.A. TD Bank was awarded $105,000,000 as a direct placement known as the 2020 Series B Bonds. The following are current terms of the agreement with Wells Fargo: (a) GRU pays variable rate at 80% of 1 Month LIBOR, (b) bank fee of 0.64% but has increased to 0.79% due to a rating downgrade from AA- to A by Standard and Poor's in May 2021, calculated on the basis of 360 days, and (c) LIBOR index floor of 0.10%. The contract termination date is November 1, 2023. These bonds mature at various dates beginning October 1, 2040, with the final maturity date of October 1, 2044. As of September 30, 2021, the related debt outstanding is $45,000,000.

- **$115,000,000 Utilities System Revenue Bonds, 2017 Series C** – Variable interest rates based on market rates, 0.89% at September 30, 2021, dated November 7, 2017, final maturity October 1, 2047, and issued concurrently with 2017 Series A and 2017 Series B Bonds to: (a) finance a portion of the costs of acquisition of the GREC Biomass Plan, and (b) pay cost of issuance. These bonds are direct placement bonds, and the sale was awarded to Bank of America, N.A. initially and expired November 7, 2020. On October 15, 2020, an amendment in the Twenty-Ninth Supplemental Resolution was approved to issue 'Replacement Bonds' which allows for restating and replacing the original Bond with the following terms: (a) GRU pays variable rate at 80% of 1 Month LIBOR, (b) bank fee of 0.59% but has increased to 0.69% due to a rating downgrade from AA- to A by Standard and Poor's in May 2021, calculated on the basis of 360 days, and (c) LIBOR index floor of 0.20%. The contract termination date is November 1, 2023. These bonds mature at various dates beginning October 1, 2044, with the final maturity date of October 1, 2047. As of September 30, 2021, the related debt outstanding is $115,000,000.

- **$153,820,000 Utilities System Revenue Bonds, 2019 Series A** – 5.00%, dated April 12, 2019, with final maturity on October 1, 2047. The 2019 Series A Bonds were issued for the primary purpose of: (a) paying the costs of the acquisition, construction, and equipping of certain capital improvements to the System, (b) refunding the outstanding Utilities System Commercial Paper Notes, Series C, and (c) paying costs of issuance of the 2019 Series A Bonds. These bonds were issued at a premium and mature beginning on October 1, 2041 and ending on October 1, 2047. The 2019 Series A Bonds will be subject to redemption prior to maturity at the option of the City on and after October 1, 2029, as a whole or in part at any time, at a redemption price of 100% of the principal amount thereof, plus accrued interest. A cancellable forward starting swap agreement with Wells Fargo Bank, N.A., was entered on April 8, 2020, with cash flows effective on October 1, 2029. As of September 30, 2021, the related debt outstanding is $153,820,000.

- **$26,665,000 Utilities System Revenue Bonds, 2019 Series B (Federally Taxable)** – 3.875%, dated April 12, 2019 with final maturity on October 1, 2047. The 2019 Series B Bonds were issued for the primary purpose of: (a) paying the costs of the acquisition, construction, and equipping of certain capital improvements to the System, (b) refunding the outstanding Utilities System Commercial Paper Notes, Series D, (c) refunding all of the Utilities System Revenue Bonds, 2005 Series B (Federally Taxable), and (d) paying costs of issuance of the 2019 Series B Bonds. The refunding aggregate debt service presented a present value dissaving of ($1,881,311). The 2019 Series B Bonds are term bonds and are subject to redemption through the mandatory sinking fund installments on October 1 in the years starting with 2041 at a redemption price of 100% of the principal amount thereof, plus accrued interest. As of September 30, 2021, the related debt outstanding is $26,665,000.

- **$67,355,000 Utilities System Revenue Bonds, 2019 Series C** – Variable interest rates based on market rates, 0.08% at September 30, 2021, dated April 26, 2019 with final maturity October 1, 2047. The 2019 Series C Bonds were issued for the primary purpose of: (a) refunding: (i) $18,515,000 of the 2005 Series C Bonds, (ii) $13,905,000 of the 2006 Series A Bonds, (iii) $8,430,000 of the 2007 Series A Bonds, (iv) $14,200,000 of the 2008 Series B Bonds, and (v) $1,860,000 of the 2012 Series B Bonds, (b) paying the costs of the acquisition, construction, and equipping of certain capital improvements to the System, and (c) paying costs of issuance of the 2019 Series C Bonds. The present value savings generated from the partial refunding of the 2005 Series C Bonds, 2006 Series A Bonds, 2007 Series A Bonds, 2008 Series B Bonds, and 2012 Series B Bonds was $8,118,771. Payment of the principal and interest on the 2019 Series C Bonds will be initially secured by a Letter of Credit (LOC) by Bank of America, N.A. with a fee of 0.35% but has increased to 0.40% due to a rating downgrade from AA- to A by Standard and Poor's in May 2021. The LOC terminates on April 25, 2022. As of September 30, 2021, the related debt outstanding is $67,355,000.

- **$10,715,000 Utilities System Revenue Bonds, 2020 Series A** – 2.06% dated July 7, 2020, with a final maturity October 1, 2034. These 2020 Series A Bonds were issued to: (a) refund the 2010 Series C Bonds on July 7, 2020, and (b) pay cost of issuance. These bonds are direct placement

bonds, and the sale was awarded to Bank of America, N.A. with a fixed rate of 2.06%. The 2020 Series A Bonds mature at various dates beginning October 1, 2020, and every year after with final maturity date of October 1, 2034. As of September 30, 2021, the related debt outstanding is $10,705,000.

- **$105,000,000 Utilities System Revenue Bonds, 2020 Series B** – Variable interest rates based on market rates, 0.76% at September 30, 2021, dated November 2, 2020, final maturity October 1, 2044, and originally issued as 2017 Series A concurrently with 2017 Series B and 2017 Series C Bonds to: (a) finance a portion of the costs of acquisition of the GREC Biomass Plant, and (b) pay cost of issuance. These bonds are direct placement bonds, and the sale was awarded to Wells Fargo Bank N.A. initially and expired November 7, 2020. On October 15, 2020, an amendment in the Thirty-Fourth Supplemental Resolution was approved to issue 'Replacement Bonds' which allows for restating and replacing the original 2017 Series A with the 2020 Series B and the following terms: (a) GRU pays variable rate at 80% of 1 Month LIBOR (b) bank fee of 0.46% but has increased to 0.56% due to a rating downgrade from AA- to A by Standard and Poor's in May 2021, calculated on the basis of 360 days, and (c) LIBOR index floor of 0.20%. The contract termination date is November 1, 2023. These bonds mature at various dates beginning October 1, 2040, with final maturity date of October 1, 2044. As of September 30, 2021, the related debt outstanding is $105,000,000.

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

- **$125,000,000 Utilities System Commercial Paper Notes, Series C Notes** – These tax-exempt notes were subordinated debt and may continue to be issued to refinance maturing Series C Notes or provide for other costs. On May 17, 2018, the City Commission approved the Fourth Amendment of the Second Supplemental Subordinated Utilities System Revenue Bond Resolution authorizing the issuance of additional Series C Commercial Paper. GRU issued $40,000,000 in Series C Commercial Paper Notes on July 19, 2018. The Commercial Paper proceeds are to partially fund the 2018 capital improvement program for the System. Liquidity support for the Series C Notes is provided under a long-term credit agreement effective

November 30, 2015, with Bank of America, NA at 0.45% and was set to expire November 30, 2018, but has been extended to November 30, 2021. The obligation of the bank may be substituted by another bank that meets certain credit standards and which is approved by the Utility and the Agent. Under terms of the agreement, the Utility may borrow up to $125,000,000 with same day availability ending on the termination date, as defined in the agreement. On April 12, 2019, $85,000,000 of the outstanding Series C Notes were refunded by the 2019 Series A Bonds. As of September 30, 2021, there were no Series C Notes outstanding.

- **$25,000,000 Utilities System Commercial Paper Notes, Series D Notes** – In June 2000, a Utilities System Commercial Paper Note Program, Series D (taxable) was established in a principal amount not to exceed $25,000,000. These taxable notes were subordinated debt. On December 16, 2014, the Utility issued $8,000,000 of Series D Notes to provide funds for the cost of acquisition and construction of certain improvements to the telecommunications system. On April 12, 2019, $8,000,000 of the outstanding Series D Notes were refunded by the 2019 Series B Bonds. Liquidity support for the Series D Notes is provided under a long-term credit agreement effective February 23, 2021, as a Fifth Amendment to the credit agreement with State Street Bank and Trust Company at a current fee of 0.64% but has since increased to 0.70% due to a rating downgrade from AA- to A by Standard and Poor's in May 2021. The credit agreement is stated to expire on June 30, 2025. As of September 30, 2021, there were no Series D Notes outstanding.

- **$25,000,000 Utilities System Variable Rate Subordinated Utilities System Revenue Bonds, 2018 Series A** – On May 17, 2018, City Commission authorized a revolving line of credit on parity with commercial paper notes to finance from time-to-time tax exempt projects for the capital improvement plan for the electric system. The award of sale of purchase of the 2018 Series A Bond went to STI Institutional & Government, Inc. (SunTrust Bank), terms set forth in the purchase contract in the principal amount not to exceed $25,000,000. The letter of credit (LOC) was stated to expire on August 3, 2021, but was amended on July 30, 2021, by an 'Alllonge' to the Bond for a three-month extension to November 30, 2021. Agreements have been made in regard to the expiration of the credit agreement with SunTrust. The interest rate is 81% of 1 Month LIBOR plus 1.85% calculated on the basis of a 360-day year. The unused fee (liquidity fee) is 0.25%. As of September 30, 2021, there were no outstanding draws on this line of credit.

- **$50,000,000 Utilities System Variable Rate Subordinated Revenue Bond, 2020 Series A** – On April 16, 2020, the City Commission adopted a resolution and authorized a taxable revolving line of credit of $50,000,000 on parity with commercial paper notes to finance from time to time the taxable cost of projects for electric, water, wastewater, gas, and GRUCom systems. The award of sale of purchase of the 2020 Series A Bond went to Truist Bank, with terms set forth in the purchase contract not to exceed $50,000,000. The contract of purchase is

effective on April 29, 2020 and expires April 29, 2022. The interest rate is 1 Month LIBOR plus 1.85% calculated on the basis of a 360-day year. The unused fee (liquidity fee) is 0.30%. As of September 30, 2021, there were no outstanding draws on this line of credit.

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

EVENTS OF DEFAULT AND REMEDIES OF BONDHOLDERS

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

(i) if default shall be made in: (a) the due and punctual payment of the principal or Redemption Price of any Bond (other than Parity Reimbursement Obligations) when and as the same shall become due and payable, whether at maturity or by call or proceedings for redemption, or otherwise, (b) in the due and punctual payment of any amounts due on Parity Reimbursement Obligations (after the lapse of any notice requirements or grace periods, or both, as provided by the applicable Parity Reimbursement Obligation);

(ii) if default shall be made in the due and punctual payment of any installment of interest on any Bond or the unsatisfied balance of any Sinking Fund Installment, when and as such interest installment or Sinking Fund Installment shall become due and payable;

(iii) the Revenues in any Fiscal Year shall be inadequate to comply with the requirements of Section 710 hereof, unless the City promptly takes remedial action to ensure compliance thereafter consistent with the determination of the Consulting Engineer rendered pursuant to paragraph 4 of Section 713 hereof;

(iv) if default shall be made by the City in the performance or observance of any other of the covenants, agreements or conditions on its part in the Resolution or in the Bonds contained, and such default shall have continued for a period of 90 days after written notice specifying such default and requiring that it shall have been remedied and stating that such notice is a "Notice of Default" hereunder is given to the City by the Trustee or to the City and to the Trustee by the Holders of not less than 25% in principal amount of the Bonds Outstanding; provided, however, the City shall not be deemed in default hereunder if such default can be cured within a reasonable period of time and if the City in good faith institutes applicable curative action and within 90 days of such notice diligently pursues such action until the default has been corrected;

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

(vi) the City shall commence a voluntary case under any applicable bankruptcy, insolvency, reorganization or other similar law now or hereafter in effect, shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the City or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due or shall take any action in furtherance of the foregoing; then, and in each and every such case, so long as such Event of Default shall not have been remedied, unless the principal of all the Bonds shall have already become due and payable, either the Trustee (by notice in writing to the City and the Co-Trustee, if any), or the Holders of not less than 25% in principal amount of the Bonds Outstanding (by notice in writing to the City, the Trustee and the Co-Trustee, if any), may declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and be immediately due and payable, anything in the Resolution or in any of the Bonds contained to the contrary notwithstanding. The right of the Trustee or of the Holders of not less than 25% in principal amount of the Bonds to make any such declaration as aforesaid, however, is subject to the condition that if, at any time after such declaration, but before the Bonds shall have matured by their terms, all overdue installments of interest on the Bonds, together with interest on such overdue installments of interest to the extent permitted by law and the reasonable and proper charges, expenses and liabilities of the Trustee and the Co-Trustee, if any, and all other sums then payable by the City under the Resolution, including, without limitation, Parity Hedging Contract Obligations then due (except the principal of, and interest accrued since the next preceding interest date on, the Bonds due and payable solely by virtue of such declaration), shall either be paid by or for the account of the City or provision satisfactory to the Trustee and the Co-Trustee, if any, shall be made for such payment, and all defaults under the Bonds or under the Resolution (other than the payment of principal and interest due and payable solely by reason of such declaration) shall be made good or be secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Holders of 25% in principal amount of the Bonds Outstanding, by written notice to the City, the Trustee and the Co-Trustee, if any, may rescind such declaration and annul such default in its entirety, or, if the Trustee shall have acted itself, and if there shall not have been theretofore delivered to the Trustee written direction to the contrary by the Holders of 25% in principal amount of the Bonds Outstanding, then any such declaration shall ipso facto be deemed to be rescinded

and any such default shall ipso facto be deemed to be annulled, but no such rescission or annulment shall extend to or affect any subsequent default or impair or exhaust any right or power consequent thereon.

Business-Type Activities - Nonutility Notes

- **$4,312,000 State Revolving Loan – Depot Park Remediation** – In an agreement dated December 9, 2004, the Florida Department of Environmental Protection issued the City a loan not to exceed $16,360,500 (including $360,500 of capitalized interest) for remediation of the Depot Park area for stormwater improvements. The loan was amended on September 9, 2008, to reduce the available principal from $16,000,000 to $4,312,000 as the Utility chose to withdraw from the program before drawing any funds. The loan is made interest-free but includes a 1.97% annual grant allocation assessment rate and a one-time 2% loan service fee. Repayment began September 2007 and will continue semiannually until the balance is repaid. Payable from non-ad valorem revenues, including stormwater fees. The principal balance outstanding at September 30, 2021, was $852,130.

- **$2,000,000 Capital Improvement Revenue Bonds, Series 2014** – 2.00% - 5.00%, issued December 17, 2014, final maturity October 2034, payable solely from non-ad valorem revenues. Principal payable annually on October 1, beginning 2015. Interest payable semi-annually beginning April 1, 2015. The bonds are not subject to redemption prior to maturity. This note also funded an additional $12,535,000 of capital projects for governmental activities.

- **$1,543,358 Revenue Refunding Note Series 2016A** – 2.3% fixed, issued April 15, 2016, final maturity November 1, 2028; payable solely from non-ad valorem revenues. This is a direct borrowing from TD Bank. Proceeds from the Note were used to refinance all of the First Florida Governmental Financing Commission Loan, Series 2005 and the First Florida Governmental Financing Commission Loan, Series 2007 and partial refunding of the Capital Improvement Revenue Note Series 2009 along with closing costs incurred. This note also funded an additional $10,426,642 of capital projects for government activities.

*Events of Default*—Each of the following events is considered an "event of default" per the City's debt agreements and Resolution:

- Payment of principal of any Bond shall not be made when the same shall become due and payable, either at maturity or on required payment dates by proceedings for redemption or otherwise; or
- The Issuer shall fail to make any deposits required to be made hereunder or shall otherwise fail to comply with any of the covenants and obligations of the Issuer hereunder and such failure shall continue unremedied for a period of thirty (30) days after such failure to deposit or other such occurrence; or

- An order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or receivers of the Issuer, or the filing of a petition by the Issuer for relief under federal bankruptcy laws or any other similar law or statute of the United States of America or the State of Florida, which shall not be dismissed, vacated or discharged within thirty (30) days after the filing thereof; or
- Any proceedings shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statutes now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the Pledged Revenues. Notwithstanding the foregoing, with respect to the events described in clause (b) the Issuer shall not be deemed in default hereunder if such default can be cured within a reasonable period of time and if the Issuer in good faith institutes appropriate curative action and diligently pursues such action until the default has been corrected.

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

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

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

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

**Debt Service Requirements for Long-Term Debt**

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

| | Governmental Activities | | | |
|---|---|---|---|---|
| | Direct Borrowings and Direct Placements | | Bonds | |
| Year Ending September 30, | Principal | Interest | Principal | Interest |
| 2022 | $ 4,903,334 | $ 755,729 | $ 7,418,425 | $ 11,089,260 |
| 2023 | 4,246,922 | 748,789 | 8,898,587 | 11,207,793 |
| 2024 | 4,356,108 | 654,380 | 9,653,469 | 11,345,335 |
| 2025 | 4,425,903 | 557,761 | 10,292,453 | 10,539,550 |
| 2026 | 4,538,686 | 459,290 | 11,155,148 | 10,628,323 |
| 2027-2031 | 11,833,681 | 1,273,880 | 75,440,553 | 44,101,104 |
| 2032-2036 | 5,955,000 | 395,525 | 82,938,318 | 18,089,345 |
| 2037-2041 | 1,236,000 | 32,515 | 69,340,000 | 7,484,642 |
| 2042-2046 | - | - | 6,640,000 | 314,344 |
| Total | $ 41,495,634 | $ 4,877,869 | $ 281,776,953 | $ 124,799,696 |

| | Business-Type Activities | | | |
|---|---|---|---|---|
| | Direct Borrowings and Direct Placements | | Bonds | |
| Year Ending | Principal | Interest | Principal | Interest |
| 2022 | $ 277,509 | $ 2,518,354 | $ 25,738,203 | $ 52,454,381 |
| 2023 | 292,189 | 2,512,362 | 29,313,260 | 52,811,404 |
| 2024 | 297,995 | 2,506,207 | 32,208,318 | 51,419,174 |
| 2025 | 302,252 | 2,499,934 | 31,893,375 | 49,525,430 |
| 2026 | 308,579 | 2,493,558 | 44,562,301 | 47,504,219 |
| 2027-2031 | 775,972 | 12,407,913 | 251,966,350 | 205,293,741 |
| 2032-2036 | 10,015,000 | 11,769,750 | 306,590,184 | 147,496,271 |
| 2037-2041 | 25,105,000 | 11,234,879 | 351,265,000 | 87,094,642 |
| 2042-2046 | 213,645,000 | 6,977,181 | 182,595,000 | 38,674,931 |
| 2047-2051 | 93,605,000 | 673,943 | 123,715,000 | 11,804,254 |
| 2052 | - | - | 12,380,000 | 309,500 |
| Total | $ 344,624,496 | $ 55,594,081 | $ 1,392,226,991 | $ 744,387,947 |

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

The interest rates used in this table for variable rate debt are those in effect as of September 30, 2021 as described above for each individual issue.

The Utility's 2009 Series B and 2010 Series B Bonds receive a federal interest subsidy of 32.9% of the annual interest expense and are assumed to remain at said rate for the duration of the bonds.

The subsidy is recorded as nonoperating revenue on the Statement of Revenues, Expenses, and Changes in Fund Net Position.

For the Utility system variable rate demand obligations (VRDO), support is provided in connection with tenders for purchase with various liquidity providers pursuant to SBPAs or credit agreements relating to that series of obligations. The purchase price of the obligations tendered or deemed tendered for purchase is payable solely from the proceeds of the remarketing thereof and moneys drawn under the applicable SBPA or credit agreement. The current stated termination dates of the SBPA and credit agreements range from November 30, 2021 to June 30, 2025. Each of the SBPA and credit agreement termination dates may be extended. At September 30, 2021, there were no outstanding draws under any of the SBPAs. Available credits including interest, under each VRDO are as follows: $3,126,573 for 2005 Series C, $3,020,330 for 2006 Series A, $129,261,999 for 2007 Series A, $76,697,140 for 2008 Series B, $99,777,111 for 2012 Series B, and $68,130,044 for 2019 Series C.

The Utility has entered into revolving credit agreements with commercial banks to provide liquidity support for its commercial paper notes. If funds are not available to pay the principal of any maturing commercial paper notes during the term of the credit agreement, GRU is entitled to make a borrowing under the credit agreement. The termination dates of the credit agreements, as of September 30, 2021, are November 30, 2021, and June 30, 2025. The credit agreement supporting the tax-exempt Commercial Paper Notes, Series C had no outstanding draws as of September 30, 2021. The credit agreement supporting the taxable Commercial Paper Notes, Series D had no outstanding draws as of September 30, 2021.

### Pledged Revenues

The 1994 Guaranteed Entitlement Revenue and Refunding Bonds were issued to refund multiple prior issues and to fund road and building construction and repair projects. The issue is secured by a lien upon and pledge of the City's Guaranteed Entitlement Funds. The remaining principal and interest payments on the bond at September 30, 2021 total $4,380,000, payable semiannually through July 1, 2024. Pledged revenue was $1,095,000 for fiscal year 2021, which was 100% of the annual debt requirement.

The Utility's revenues net of specified operating expenses are pledged as security of the above Utilities System Revenue Bonds and Commercial Paper Notes. For fiscal year 2021, principal and interest paid was $92,207,499 and total pledged revenues was $420,702,609. As of September 30, 2021, annual principal and interest payments are expected to require 19% of pledged revenues on average.

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

### Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2021, was as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due within One Year |
|---|---|---|---|---|---|
| Governmental Activities | | | | | |
| Bonds Payable: | | | | | |
| Revenue Bonds and Loans | $ 13,068,557 | $ - | $ (2,748,065) | $ 10,320,492 | $ 726,769 |
| Accreted Interest | 3,008,204 | 228,818 | (881,935) | 2,355,087 | 894,363 |
| Bond Premium | 674,935 | - | (47,364) | 627,571 | - |
| Pension Obligation Bonds | 271,456,461 | - | - | 271,456,461 | 6,691,656 |
| Accreted Interest | 16,189,327 | 1,547,202 | - | 17,736,529 | 2,033,344 |
| Discounts | (7,512) | - | 7,512 | - | - |
| Total Bond Payable | 304,389,972 | 1,776,020 | (3,669,852) | 302,496,140 | 10,346,132 |
| Revenue Note | 41,335,977 | 11,473,000 | (11,313,343) | 41,495,634 | 4,903,334 |
| Compensated Absences | 4,236,753 | 4,224,066 | (4,248,630) | 4,212,189 | 165,208 |
| Total | $ 349,962,702 | $ 17,473,086 | $ (19,231,825) | $ 348,203,963 | $ 15,414,674 |

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

| | Beginning Balance | Additions | Reductions | Ending Balance | Due within One Year |
|---|---|---|---|---|---|
| Business-Type Activities | | | | | |
| Bonds Payable: | | | | | |
| Utility Revenue Bonds | $1,664,970,000 | $ 95,760,000 | $ (27,090,000) | $ 1,733,640,000 | $ 25,685,000 |
| Add: Issuance Premiums | 91,865,654 | 30,032,591 | (9,231,806) | 112,666,439 | - |
| Total Bonds Payable | 1,756,835,654 | 125,792,591 | (36,321,806) | 1,846,306,439 | 25,685,000 |
| Other Notes Payable | 3,448,444 | - | (236,957) | 3,211,487 | 330,712 |
| Compensated Absences | 5,731,074 | 1,062,975 | (1,238,240) | 5,555,809 | 208,811 |
| Total | $ 1,766,015,172 | $ 126,855,566 | $ (37,797,003) | $ 1,855,073,735 | $ 26,224,523 |

## Note 14 - Conduit Debt

The City has previously issued Industrial Development Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial facilities deemed to be in the public interest. These bonds are secured by the financed property and are payable solely by the private-sector entity served by the bond issuance. As of September 30, 2021, there were two Industrial Revenue Bonds outstanding, with an aggregate principal amount of $5,000,000.

The City issued Continuing Care Retirement Community Revenue Refunding Notes 2017A and 2017B for the purpose of providing funds to refinance certain obligations of Oak Hammock at the University of Florida, Inc. (the Borrower). These Notes are payable solely from revenues of the Borrower. As of September 30, 2021, the aggregate principal amount remaining on the note is $29,242,000.

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

## Note 15 - Fund Balance Classification and Restricted Net Position

Fund balances for major and nonmajor governmental funds as of September 30, 2021, are classified as follows:

| | General Fund | Nonmajor Governmental Funds | Totals |
|---|---|---|---|
| **Nonspendable** | | | |
| Inventory and Prepaids | $ 42,417 | $ 12 | $ 42,429 |
| Long-Term Receivable | 7,000,000 | 134,160,534 | 141,160,534 |
| Cemetery Trust | - | 973,501 | 973,501 |
| **Total Nonspendable** | 7,042,417 | 135,134,047 | 142,176,464 |
| **Restricted for** | | | |
| Cemetery Trust | - | 835,714 | 835,714 |
| City Building Improvements | - | 687,088 | 687,088 |
| Community Redevelopment | - | 19,601,015 | 19,601,015 |
| Equipment Replacements | - | 2,929,166 | 2,929,166 |
| Homeless Assistance | - | 112,678 | 112,678 |
| Housing and Community Development | - | 945,537 | 945,537 |
| Land Acquisitions | - | 179,464 | 179,464 |
| Police Mentoring Programs | - | 308,851 | 308,851 |
| Police Programs | - | 800,306 | 800,306 |
| Recreation Facilities | - | 18,048,397 | 18,048,397 |
| Recreation Programs | - | 2,179,614 | 2,179,614 |
| Road Improvements | - | 5,640,590 | 5,640,590 |
| Transportation Improvements | - | 6,915,869 | 6,915,869 |
| **Total Restricted** | - | 59,184,289 | 59,184,289 |
| **Committed for** | | | |
| Cultural Events | - | 248,288 | 248,288 |
| Economic Development | - | 208,157 | 208,157 |
| Homeless Assistance | - | 1,252,362 | 1,252,362 |
| Housing and Community Development | - | 244,266 | 244,266 |
| Neighborhood Improvements | - | 1,530,664 | 1,530,664 |
| Tree Mitigation | - | 6,136,836 | 6,136,836 |
| **Total Committed** | - | 9,620,573 | 9,620,573 |
| **Assigned for** | | | |
| City Building Improvements | - | 1,518,177 | 1,518,177 |
| Debt Service Principal and Interest | - | 1,196,911 | 1,196,911 |
| Depot Avenue Project | - | 607,521 | 607,521 |
| Economic Development | - | 472,698 | 472,698 |
| Equipment Replacement | - | 1,149,260 | 1,149,260 |
| Fire Station | - | 207,936 | 207,936 |
| Homeless Assistance | - | 1,442,205 | 1,442,205 |
| Information Technologies | - | 1,240,371 | 1,240,371 |
| Land Acquisitions | - | 156,171 | 156,171 |
| Other Purposes | - | 1,656,950 | 1,656,950 |
| Public Safety | - | 945,396 | 945,396 |
| Road Improvements | - | 4,168,578 | 4,168,578 |
| Streetscapes | - | 8,428 | 8,428 |
| Subsequent Budget | 5,107,131 | - | 5,107,131 |
| Traffic Signals | - | 120,708 | 120,708 |
| **Total Assigned** | 5,107,131 | 14,891,310 | 19,998,441 |
| **Total Unassigned** | 23,798,721 | (1,830,901) | 21,967,820 |
| **Total Fund Balances** | $ 35,948,269 | $ 216,999,318 | $ 252,947,587 |

*Restricted Net Position*

The government-wide statement of net position reports $201,343,695 of restricted net position, of which $30,791,572 is restricted by enabling legislation.

## Note 16 - Interfund Receivables, Payables, Advances and Transfers

### Due to/from other funds

| | Due from | | | | | Total |
|---|---|---|---|---|---|---|
| | General | Utility | Nonmajor Governmental | Internal Service | Nonmajor Enterprise | Due From Other Funds |
| Due to | | | | | | |
| General | $ - | $ 657,528 | $ 4,417,027 | $ 374,975 | $ 17,969,288 | $ 23,418,818 |
| Utility | - | - | - | - | - | - |
| Nonmajor Governmental | - | 105,221,599 | 23,680 | - | 29,011,077 | 134,256,356 |
| Internal Service | - | - | - | - | - | - |
| Nonmajor Enterprise | 1,427,343 | 2,420,351 | - | - | - | 3,847,694 |
| Total Due To Other Funds | $ 1,427,343 | $ 108,299,478 | $ 4,440,707 | $ 374,975 | $ 46,980,365 | $ 161,522,868 |

The $17,969,288 interfund payable from nonmajor enterprise funds to the General Fund resulted from Regional Transit System overdrawing their share of the pooled cash account. The $4,416,620 due to the General Fund from nonmajor governmental funds is an interfund payable resulting from certain funds overdrawing their share of the pooled cash account. Approximately $7 million is not expected to be paid within one year.

The Utility fund and nonmajor enterprise funds recorded a due to the Pension Obligation Bond and nonmajor governmental funds of $134,179,041, in total, for their share of the pension contribution expense related to Pension Obligation Bonds, Series 2003A and Special Obligation Revenue Bond, Series 2020, with $130,376,181 not expected to be paid within one year.

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

### Interfund Transfers

| | Transfers from | | | | | Total |
|---|---|---|---|---|---|---|
| | General | Utility | Nonmajor Governmental | Internal Service | Nonmajor Enterprise | Transfers In |
| Transfers to | | | | | | |
| General | $ - | $ 38,285,000 | $ 5,530,548 | $ 33,194 | $ 480,687 | $ 44,329,429 |
| Nonmajor Governmental | 23,364,470 | - | 1,832,564 | 312,429 | 2,759,103 | 28,268,566 |
| Internal Service | 104,597 | - | 198,679 | - | - | 303,276 |
| Nonmajor Enterprise | 449,395 | - | 7,144,157 | - | 164,239 | 7,757,791 |
| Total Transfers Out | $ 23,918,462 | $ 38,285,000 | $ 8,705,948 | $ 345,623 | $ 3,404,029 | $ 74,659,062 |

The Utility transfer totaling $38,285,000 to the General Fund is based on a formula adopted by the City Commission and is predominantly tied to the Utility's revenue generation. For more detail on the formula, refer to the separately issued financial statements for the Utility. The General Fund transferred $16,900,359 to Debt Service Funds for scheduled debt service payments. Other interfund transfers were made in the normal course of operations and are consistent with the activities of the fund making the transfer.

## Note 17 - Lease Revenue

The Utility leases communication tower antenna space to various wireless communication service providers on eleven communications towers and two water towers throughout its service territory. Two of the five transmitter sites for the county-wide public safety radio system are also located on these communication towers. Future minimum rental revenue for various operating leases are as follows:

| Year Ending September 30, | Future Minimum Rental Payments |
|---|---|
| 2022 | $ 1,868,159 |
| 2023 | 1,605,552 |
| 2024 | 1,066,576 |
| 2025 | 732,828 |
| 2026 | 461,216 |
| Total | $ 5,734,331 |

## Note 18 - Commitments and Contingencies

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

On October 7, 2015, a City-owned vehicle driven by a City employee collided with another vehicle. In February 2016, the plaintiff filed suit against the City employee, personally, and added the City as a defendant in June 2017. The trial was conducted in early May 2021. The jury reached a verdict of $120,000,000 against the City. The trial court denied the City's motion for a new trial but granted a remittitur reducing the overall award to $13,000,000. The plaintiff rejected the remittitur and filed a notice of appeal. The City, in turn, filed a notice of cross-appeal. The plaintiff/appellant filed his initial brief with Florida's 1st District Court of Appeal on March 7, 2022. The plaintiff/appellant filed their reply brief/cross-answer on November 1, 2022. The City's Cross-Reply Brief is due on December 1, 2022. The City's liability is capped at $200,000 by Section 768.28, Florida Statutes, but an adverse judgment as a result of any new trial ordered in the appeal would likely result in the plaintiff presenting a claims bill request to the Florida legislature that can be in excess of such limitations. No liability has been recorded by the City as of September 30, 2021.

*Utility Industry*—The primary factors currently affecting the utility industry include environmental regulations, Operating, Planning and Critical Infrastructure Protection Standards promulgated by NERC under FERC jurisdiction, and the increasing strategic and price differences among various types of fuels. No state or federal legislation is pending or proposed at this time for retail competition in Florida. Following are some of the more specific commitments and contingencies impacting the Utility:

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

  In the Site-Wide Monitoring Report dated March 24, 2011, measurable free product was detected in four wells. An inspection in April 2013 showed that groundwater contains four of the polynuclear aromatic hydrocarbons (PAHs) (Benzo(a)*anthracene*, Benzo(a)*pyrene*, Benzo(b)*fluoranthene*, and Dibenzo(a,h)*anthracene*) at concentrations greater than their groundwater cleanup target levels (GCTLs). With the exception of Benzo(a)pyrene, the concentration of the remainder of these parameters did not exceed their Natural Attenuation Default Concentrations. The groundwater quality data reported in the 2011 Site-Wide Groundwater Monitoring Report documents that groundwater quality meets applicable GCTLs at the locations sampled. It is likely that groundwater quality impacts exist in the area where residual No. 6 fuel oil is present as a non-aqueous phase liquid.

  Following the submittal of the August 2013 No Further Action Proposal, the Florida Department of Environmental Protection (FDEP) prepared comments regarding the No Further Action Proposal and provided them to GRU in a letter dated January 10, 2014. In August of 2014, GRU provided responses to the FDEP's January 2014 comment letter. In March of 2016 an attempt was made to meet with the FDEP, but a time was not set up for the meeting. The delay in responding to GRU's comments was due in part to the FDEP waiting on resolution of the request to use an active hydraulic containment system as an engineering control. Ultimately, the FDEP rejected the use of the active containment system as an engineering control. On April 17, 2017, the FDEP provided comments on GRU's August 2014 response to the FDEP's January 2014 comment letter. The FDEP requested further assessment of the extent of No. 6 fuel oil in the subsurface. GRU's response proposed additional soil investigation to assess the extent of No. 6

fuel oil; both as a non-aqueous phase liquid and as stained soils. GRU also proposed temporarily shutting down the groundwater recovery system and evaluating whether free product returns to the wells. This information will be used to evaluate what actions will be needed to recover free product, if any is detected.

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

- *Water Use Restrictions*—Pursuant to Florida law, a water management district in Florida may mandate restrictions on water use for non-essential purposes when it determines such restrictions are necessary. The restrictions may either be temporary or permanent. The St Johns River Water Management District (SJRWMD) has mandated permanent district-wide restrictions on residential and commercial landscape irrigation. The restrictions limit irrigation to no more than two days per week during Daylight Savings Time, and one day per week during Eastern Standard Time. The restrictions apply to centralized potable water as provided by the Utility as well as private wells. All irrigation between the hours of 10:00 a.m. and 4:00 p.m. is prohibited. In addition, in April 2010, the County adopted, and the City subsequently opted into, an Irrigation Ordinance that codified the above-referenced water restrictions which promote and encourage water conservation. County personnel enforce this ordinance, which further assists in reducing water use and thereby extending the Utility's water supply.

  The SJRWMD and the Suwannee River Water Management District (SRWMD) each have promulgated regulations referred to as "Year-Round Water Conservation Measures", for the purpose of increasing long-term water use efficiency through regulatory means. In addition, the SJRWMD and the SRWMD each have promulgated regulations referred to as a "Water Shortage Plan", for the purpose of allocating and conserving the water resource during periods of water shortage and maintaining a uniform approach towards water use restrictions. Each Water Shortage Plan sets forth the framework for imposing restrictions on water use for non-essential purposes when deemed necessary by the applicable water management district.

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

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

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

GRU will pay based on the 0.1-foot lake level increase construction cost estimate of $2,094,444. Not later than November 1, 2021, GRU will pay, deposit and deliver, in escrow, to the Florida Department of Financial Services (DFS) as Escrow Agent under the terms of an Escrow Agreement to be entered into among GRU, the District, and DFS (Escrow Agreement), cash or cash equivalent in the principal sum of $1,047,222 representing one-half of GRU's total proportional share of the Black Creek WRD construction cost for the amount of lift GRU is purchasing. Regardless of the final construction cost per 0.1 of lift, GRU's remaining construction cost payments under this Agreement shall not exceed $1,047,222.

As another component of GRU's lift purchase, GRU will pay for GRU's share of the Black Creek WRD operation and maintenance costs as a lump sum payment, representing the net present value of 20 years of annual operation and maintenance costs. GRU will pay an amount of $616,330. GRU will pay this amount in two payments. Therefore, in addition to the construction cost payments specified above, by November 1, 2021, GRU will pay to the Escrow Agent the amount of $308,165. By November 1, 2022, GRU will pay to the Escrow Agent the amount of $308,165. This operation and maintenance payment amount is valid only for the term of this Agreement.

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

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

Based upon the Utility's analysis of the cost to clean up this site, the Utility has accrued a liability to reflect the costs associated with the cleanup effort. During fiscal year 2021, expenditures which reduced the liability balance were $1,249,001 and the reserve balance at September 30, 2021 was $845,000. The Utility is recovering the costs of this cleanup through customer charges. A regulatory asset was established for the recovery of remediation costs from customers. Customer billings were $1,249,001 as of September 30, 2021. The regulatory asset balance was $8,573,827 as of September 30, 2021. Although some uncertainties associated with environmental assessment and remediation activities remain, GRU believes that the current provision for such costs is adequate and additional costs, if any, will not have an adverse material effect on GRU's financial position, results of operations, or liquidity.

- *Purchase Commitments*—On July 16, 2020, the City Commission approved a Power Purchase Agreement (PPA) for solar electric to add 50 megawatts of solar generation to the GRU service area by December 2022. On July 21, 2020, the Utility entered into a 20-year contract with the option for two additional five-year terms and a purchase opportunity at years 8, 12, and 16, and at change in control. This will enable the Utility to provide customers with affordable solar power while taking the next steps toward meeting the City Commission's goal of 100 percent renewable by 2045. The City will own all green environmental attributes (renewable energy credits).

- *Operating* Leases—The Utility leases various equipment, facilities and property under operating leases that are cancelable only under certain circumstances. Rental costs under operating leases for the year ended September 30, 2021 was $202,698.

Future minimum rental payments for various operating leases are:

| Year Ending September 30, | Future Minimum Rental Payments |
|---|---|
| 2022 | $ 191,356 |
| 2023 | 152,173 |
| 2024 | 37,692 |
| 2025 | - |
| 2026 | - |
| Total | $ 381,221 |

Additional information on commitments and contingencies specific to the Utility's operations may be found on the separately issued financial statements of the Utility. Those financial statements describe environmental and other natural resource regulations, internal combustion engine MACT, climate change, coal combustion products, and storage tanks.

## Note 19 - Tax Abatements

The City is party to Development Agreements with various developers to redevelop properties within the four former Community Redevelopment Agency (CRA) districts. The Development Agreements are agreements between the City and a developer to construct multi-family units with the potential of commercial space in the building being constructed. In return, the City agrees to annually reimburse the developer a Tax Increment Recapture based on the increase of assessed value of the development as determined by the Alachua County Property Appraiser.

For fiscal year ended September 30, 2021, the City paid the following Tax Increment Recapture amounts for the following projects:

- $218,734 of Tax Increment Fund Incentive Reimbursement for Jefferson on Second, a multi-family and commercial complex located in downtown Gainesville.
- $195,677 of Tax Increment Fund Incentive Reimbursement for a façade and streetscape project located in the CRA's 5th Avenue/Pleasant Street District.
- $34,161 of Tax Increment Fund Incentive Reimbursement for the Downtown Redevelopment Area.

## Note 20 - Risk Management

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

All funds participate in the general insurance program, with the Utility separately reporting its share of risk management and insurance related activities. The Utility Fund purchases plant and machinery insurance from a commercial carrier. There have been no significant reductions in insurance coverage from that in the prior year and settlements have not exceeded insurance coverage for the past three fiscal years. In addition, an actuarially computed liability of $3,337,000

is recorded in the Utility Fund as a fully amortized deferred credit. The present value calculation assumes a rate of return of 4.5% with a confidence level of 75%. All claims for fiscal year 2021 were paid from current year's revenues.

*Changes in General Insurance Claims Liability—*

**Utility Fund (Business-Type Activities)**

| | Beginning of Fiscal Year Liability | Incurred | Payments | End of Fiscal Year Liability |
|---|---|---|---|---|
| 2020-2021 | $ 3,337,000 | $ 698,566 | $ (698,566) | $ 3,337,000 |
| 2019-2020 | $ 3,337,000 | $ 2,051,291 | $ (2,051,291) | $ 3,337,000 |

**Internal Service Fund (Governmental Activities)**

| | Beginning of Fiscal Year Liability | Incurred | Payments | End of Fiscal Year Liability |
|---|---|---|---|---|
| 2020-2021 | $ 6,854,000 | $ 1,628,518 | $ (1,628,518) | $ 6,854,000 |
| 2019-2020 | $ 6,854,000 | $ 1,725,255 | $ (1,725,255) | $ 6,854,000 |

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

*Changes in Employee Health and Accident Insurance Claims Liability—*

| | Beginning of Fiscal Year Liability | Incurred | Payments | End of Fiscal Year Liability |
|---|---|---|---|---|
| 2020-2021 | $ 1,310,671 | $ 26,710,701 | $ (26,710,701) | $ 1,310,671 |
| 2019-2020 | $ 1,310,671 | $ 24,441,535 | $ (24,441,535) | $ 1,310,671 |

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

**Note 21 - Subsequent Events**

*$66,755,000 Utilities System Revenues Bonds, 2022 Series A* – On June 17, 2021, the City Commission authorized the issuance of the 2022 Series A bonds to refund $66,075,000 of outstanding 2012 Series A bonds. The 2022 Series A issue is a forward delivery, tax-exempt direct placement issue with Bank of America which had a closing date of July 20, 2021 and a funding date of July 14, 2022.

*Partial Debt Defeasance* – On October 28, 2021, the Utility executed a partial legal defeasance of the 2017 Series A bonds in the amount of $7,185,000 and a partial economic defeasance of the 2009 Series B bonds in the amount of $1,130,000. The funds used to partially defease those bonds were savings generated by the Utility's 2020 debt restructuring transactions as well as the City's 2020 Pension Obligation Bond issuance.

*$125,000,000 Utilities System Commercial Paper Notes, Series C* – On November 30, 2021, the liquidity facility with Bank of America supporting GRU's tax-exempt commercial paper program in the amount of $125,000,000 was scheduled to expire. On November 4, 2021, the City Commission approved a three-year renewal of this facility with an expiration date of November 30, 2024.

*$25,000,000 Utilities System Variable Rate Subordinated Revenue Bonds, 2018 Series A* – On November 30, 2021, GRU's $25,000,000 tax-exempt line of credit with Truist Bank was scheduled to expire. On October 21, 2021, the City Commission approved a three-year renewal of this line of credit with an expiration date of November 30, 2024.

# Required Supplementary Information

# CITY OF GAINESVILLE, FLORIDA
## SCHEDULE OF REVENUES AND EXPENDITURES
## BUDGET AND ACTUAL (BUDGETARY BASIS)
## GENERAL FUND
## FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Budgeted Amount | | | Variance with Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Positive/(Negative) |
| **Revenues** | | | | |
| Taxes | $ 58,977,434 | $ 58,902,623 | $ 58,765,059 | $ (137,564) |
| Licenses and Permits | 9,162,621 | 9,163,464 | 9,442,280 | 278,816 |
| Intergovernmental | 13,625,717 | 11,860,360 | 16,927,773 | 5,067,413 |
| Charges for Services | 13,659,848 | 14,160,546 | 14,133,077 | (27,469) |
| Fines and Forfeitures | 880,891 | 888,340 | 971,122 | 82,782 |
| Miscellaneous | 1,299,854 | 2,675,622 | 960,668 | (1,714,954) |
| **Total Revenues** | 97,606,365 | 97,650,955 | 101,199,979 | 3,549,024 |
| **Expenditures** | | | | |
| General Government | 24,937,698 | 37,875,347 | 26,739,079 | 11,136,268 |
| Public Safety | 64,225,555 | 58,065,757 | 57,132,404 | 933,353 |
| Physical Environment | 7,200 | 221,666 | 237,400 | (15,734) |
| Transportation | 14,863,994 | 15,448,580 | 11,986,760 | 3,461,820 |
| Economic Environment | 808,061 | 1,187,922 | 1,987,027 | (799,105) |
| Human Services | 15,000 | - | 38,729 | (38,729) |
| Culture and Recreation | 13,160,463 | 12,881,796 | 10,501,433 | 2,380,363 |
| **Total Expenditures** | 118,017,971 | 125,681,068 | 108,622,832 | 17,058,236 |
| **(Deficiency) Revenue (Under) Expenditures** | (20,411,606) | (28,030,113) | (7,422,853) | 20,607,260 |
| **Other Financing Sources (Uses)** | | | | |
| Sale of Capital Assets | - | - | 134,902 | 134,902 |
| Transfers in | 40,215,157 | 40,417,417 | 40,410,266 | (7,151) |
| Transfers (out) | (19,782,662) | (21,216,697) | (23,918,462) | (2,701,765) |
| **Total Other Financing Sources (Uses)** | 20,432,495 | 19,200,720 | 16,626,706 | (2,574,014) |
| **Net Changes in Fund Balance** | $ 20,889 | $ (8,829,393) | $ 9,203,853 | $ 18,033,246 |

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

| | Total Revenues | Total Expenditures | Other Financing Sources/(Uses) | Net Change in Fund Balance |
|---|---|---|---|---|
| Budgetary Basis | $ 101,199,979 | $ (108,622,832) | $ 16,626,706 | $ 9,203,853 |
| Perspective Differences [1] | 1,241,061 | (4,207,800) | 3,919,163 | 952,424 |
| GAAP Basis | $ 102,441,040 | $ (112,830,632) | $ 20,545,869 | $ 10,156,277 |

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

CITY OF GAINESVILLE
NOTES TO SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

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

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

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

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

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

CITY OF GAINESVILLE
NOTES TO SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

## Excess of Expenditures Over Budget Appropriations in Individual Funds

For the year ended September 30, 2021, the following budgetary funds had an excess of expenditures over appropriations:

- General Fund - The general fund transfers out exceeded final budgeted appropriations by $2,701,765. This was due to audit adjustments being identified and posted after the time period for amending the final budget had passed.
- Police Billable Overtime Fund – total expenditures of the police billable overtime fund exceeded final budgeted appropriations by $17,723.
- Emergency Disaster Fund – total expenditures for the emergency disaster fund exceeded final budgeted appropriations by $1,411.

REQUIRED SUPPLEMENTARY INFORMATION

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

| | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|
| **Total Pension Liability** | | | | |
| Service Costs | $ 9,191,329 | $ 8,697,546 | $ 7,962,015 | $ 8,196,544 |
| Interest | 46,718,121 | 45,457,275 | 43,726,387 | 42,877,827 |
| Differences Between Expected and Actual Experience | 922,294 | (157,018) | 6,644,543 | (5,088,593) |
| Transfer from Disability Plan | - | - | - | - |
| Changes of Assumptions | 574,399 | - | 6,062,725 | 5,721,214 |
| One Time Adjustment for DROP Account Balances | - | - | - | - |
| Contributions - Buy Back | - | 195,500 | 121,500 | 89,300 |
| Benefit Payments, Including Refunds of Employee Contributions | (37,766,711) | (37,279,075) | (35,568,906) | (33,106,728) |
| Net Change in Total Pension Liability | 19,639,432 | 16,914,228 | 28,948,264 | 18,689,564 |
| Total Pension Liability - Beginning | 602,264,766 | 585,350,538 | 556,402,274 | 537,712,710 |
| Total Pension Liability - Ending (a) | $ 621,904,198 | $ 602,264,766 | $ 585,350,538 | $ 556,402,274 |
| **Plan Fiduciary Net Position** | | | | |
| Employer Contributions | $ 5,461,714 | $ 177,683,605 | $ 16,939,286 | $ 16,372,689 |
| Employee Contributions | 5,307,109 | 5,053,053 | 4,602,400 | 4,317,403 |
| Contributions - Buy Back | - | 195,500 | 121,500 | 89,300 |
| Net Investment Income | 144,933,044 | 17,060,129 | (2,731,366) | 49,219,793 |
| Transfer from Disability Plan | - | - | - | - |
| Benefit Payments, Including Refunds of Employee Contributions | (37,766,711) | (37,279,075) | (35,568,906) | (33,106,728) |
| Administrative Expense | (593,485) | (563,047) | (584,033) | (697,884) |
| Net Change in Plan Fiduciary Net Position | 117,341,671 | 162,150,165 | (17,221,119) | 36,194,573 |
| Plan Fiduciary Net Position - Beginning | 577,437,181 | 415,287,016 | 432,508,135 | 396,313,562 |
| Plan Fiduciary Net Position - Ending (b) | $ 694,778,852 | $ 577,437,181 | $ 415,287,016 | $ 432,508,135 |
| City's Net Pension (Asset)/Liability - Ending (a)-(b) | $ (72,874,654) | $ 24,827,585 | $ 170,063,522 | $ 123,894,139 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 111.72% | 95.88% | 70.95% | 77.73% |
| Annual Covered Payroll | $ 106,142,180 | $ 101,061,060 | $ 92,048,000 | $ 89,976,976 |
| Net Pension Liability as a Percentage of Covered Payroll | (68.66%) | 24.57% | 184.76% | 137.70% |

**Notes to Schedule**

- For the measurement date of 9/30/2021, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rate used in Milliman's July 1, 2021, FRS valuation report for non special-risk employees.
- For measurement date 9/30/2019, investment rate was reduced from 8.00% to 7.90%; inflation assumption rate was lowered from 3.75% to 2.50%.
- For measurement date 9/30/2018, investment rate was reduced from 8.10% to 8.00%.

REQUIRED SUPPLEMENTARY INFORMATION

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

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

**Notes to Schedule**

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

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

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

REQUIRED SUPPLEMENTARY INFORMATION

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

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

**Notes to Schedule**

Valuation Date: 10/1/2019

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

Methods and assumptions used to determine contribution rates:

| | |
|---|---|
| Actuarial Cost Method | Individual entry age, normal cost |
| Amortization Method | Level percentage, closed |
| Remaining Amortization Period | 30 years |
| Asset Valuation Method | Actuarial value, based on 5-year recognition of returns greater or less than |
| Investment Return Rate | 7.90%, net of investment related expenses |
| Salary Increase Rate | 3.00%-5.00% |
| Payroll Growth | 3.20% |
| Mortality Rates | *Healthy Active Lives* --Female: RP2000 Generational, 100% Combined |

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

## REQUIRED SUPPLEMENTARY INFORMATION

## CITY OF GAINESVILLE, FLORIDA
## SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
## POLICE OFFICERS' AND FIREFIGHTERS' CONSOLIDATED RETIREMENT PLAN
## LAST TEN FISCAL YEARS*

| | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|
| **Total Pension Liability** | | | | |
| Service Costs | $ 4,235,165 | $ 3,905,032 | $ 3,757,740 | $ 3,682,078 |
| Interest | 23,425,956 | 22,777,676 | 22,397,470 | 21,993,597 |
| Change in Excess State Money | - | - | (951,203) | - |
| Share Plan Allocation | 398,142 | 890,108 | 951,203 | - |
| Differences Between Expected and Actual Experience | 159,551 | 501,678 | (1,185,483) | (2,419,821) |
| Changes of Assumptions | (4,514,316) | - | 3,102,805 | 4,612,282 |
| Contributions - Buy Back | - | 7,400 | - | - |
| Benefit Payments, Including Refunds of Employee Contributions | (20,223,626) | (20,188,276) | (19,538,102) | (19,464,524) |
| Net Change in Total Pension Liability | 3,480,872 | 7,893,618 | 8,534,430 | 8,403,612 |
| Total Pension Liability - Beginning | 302,407,734 | 294,514,116 | 285,979,686 | 277,576,074 |
| Total Pension Liability - Ending (a) | $ 305,888,606 | $ 302,407,734 | $ 294,514,116 | $ 285,979,686 |
| **Plan Fiduciary Net Position** | | | | |
| Employer Contributions | $ 2,048,850 | $ 51,905,342 | $ 4,958,811 | $ 4,507,892 |
| State Contributions | 1,537,422 | 3,141,731 | - | 1,366,304 |
| Employee Contributions | 2,314,580 | 2,113,851 | 1,946,523 | 1,963,471 |
| Contributions - Buy Back | - | 7,400 | - | - |
| Net Investment Income | 66,246,836 | 17,227,545 | 3,521,972 | 24,056,126 |
| Benefit Payments, Including Refunds of Employee Contributions | (20,223,626) | (20,188,276) | (19,538,102) | (19,464,524) |
| Administrative Expense | (622,712) | (708,558) | (771,292) | (699,346) |
| Other | (2,754) | - | 91,875 | - |
| Net Change in Plan Fiduciary Net Position | 51,298,596 | 53,499,035 | (9,790,213) | 11,729,923 |
| Plan Fiduciary Net Position - Beginning | 296,918,562 | 243,431,612 | 253,221,825 | 241,763,801 |
| Adjustment to Beginning of Year | | (12,085) | - | (271,899) |
| Plan Fiduciary Net Position - Ending (b) | $ 348,217,158 | $ 296,918,562 | $ 243,431,612 | $ 253,221,825 |
| City's Net Pension (Asset)/ Liability - Ending (a)-(b) | $ (42,328,552) | $ 5,489,172 | $ 51,082,504 | $ 32,757,861 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 113.84% | 98.18% | 82.66% | 88.55% |
| Annual Covered Payroll | $ 28,654,045 | $ 26,077,644 | $ 24,058,071 | $ 25,263,376 |
| Net Pension Liability as a Percentage of Covered Payroll | (147.72%) | 21.05% | 212.33% | 129.67% |

**Notes to Schedule**

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

- For measurement date 9/30/21, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS Valuation Report for special risk employees.
- For measurement date 9/30/2019, investment rate was reduced from 8.00% to 7.90%.
- For measurement date 9/30/2018, investment rate was reduced from 8.10% to 8.00%.
- For measurement date 9/30/2017, investment rate was reduced from 8.20% to 8.10%.

REQUIRED SUPPLEMENTARY INFORMATION

## CITY OF GAINESVILLE, FLORIDA
## SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
## POLICE OFFICERS' AND FIREFIGHTERS' CONSOLIDATED RETIREMENT PLAN
## LAST TEN FISCAL YEARS*
*(Concluded)*

| | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|
| **Total Pension Liability** | | | | |
| Service Costs | $ 4,254,335 | $ 3,812,252 | $ 4,094,841 | $ 3,730,365 |
| Interest | 21,463,554 | 20,156,185 | 23,375,806 | 19,299,422 |
| Change in Excess State Money | - | - | - | - |
| Share Plan Allocation | - | - | - | - |
| Differences Between Expected and Actual Experience | 2,311,687 | (6,006,515) | (140,568) | - |
| Changes of Assumptions | 2,158,450 | 2,719,455 | 2,608,508 | 2,523,158 |
| Contributions - Buy Back | - | - | - | - |
| Benefit Payments, Including Refunds of Employee Contributions | (16,100,144) | (15,444,821) | (17,602,583) | (12,898,782) |
| Net Change in Total Pension Liability | 14,087,882 | 5,236,556 | 12,336,004 | 12,654,163 |
| Total Pension Liability - Beginning | 263,488,192 | 258,251,636 | 245,915,632 | 233,261,469 |
| Total Pension Liability - Ending (a) | $ 277,576,074 | $ 263,488,192 | $ 258,251,636 | $ 245,915,632 |
| **Plan Fiduciary Net Position** | | | | |
| Employer Contributions | $ 4,294,312 | $ 3,716,354 | $ 3,682,847 | $ 3,855,020 |
| State Contributions | 1,254,172 | 1,242,740 | 1,269,827 | 1,259,995 |
| Employee Contributions | 2,024,693 | 2,093,074 | 1,972,417 | 2,067,685 |
| Contributions - Buy Back | - | - | - | - |
| Net Investment Income | 31,854,789 | 22,310,321 | (93,259) | 21,911,535 |
| Benefit Payments, Including Refunds of Employee Contributions | (16,100,144) | (15,444,821) | (17,602,583) | (12,898,782) |
| Administrative Expense | (564,203) | (585,416) | (609,229) | (609,264) |
| Other | - | - | - | - |
| Net Change in Plan Fiduciary Net Position | 22,763,619 | 13,332,252 | (11,379,980) | 15,586,189 |
| Plan Fiduciary Net Position - Beginning | 219,000,182 | 205,667,930 | 217,047,910 | 201,461,721 |
| Adjustment to Beginning of Year | - | - | - | - |
| Plan Fiduciary Net Position - Ending (b) | $ 241,763,801 | $ 219,000,182 | $ 205,667,930 | $ 217,047,910 |
| City's Net Pension (Asset)/ Liability - Ending (a)-(b) | $ 35,812,273 | $ 44,488,010 | $ 52,583,706 | $ 28,867,722 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 87.10% | 83.12% | 79.64% | 88.26% |
| Annual Covered Payroll | $ 25,501,291 | $ 23,885,642 | $ 25,539,198 | $ 24,364,333 |
| Net Pension Liability as a Percentage of Covered Payroll | 140.43% | 186.25% | 205.89% | 118.48% |

**Notes to Schedule**

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

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

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

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE OFFICERS' AND FIREFIGHTERS' CONSOLIDATED RETIREMENT PLAN
LAST TEN FISCAL YEARS*

| Fiscal Year Ended September 30, | Actuarially Determined Contributions | Contributions in relation to the Actuarially Determined Contributions | Contribution Deficiency (Excess) | Covered Payroll | Total Contributions as a percentage of Covered Payroll |
|---|---|---|---|---|---|
| 2021 | $ 2,048,850 | $ 2,048,850 | $ - | $ 28,654,054 | 7.15% |
| 2020 | 5,680,398 | 51,905,342 | (46,224,944) | 26,077,644 | 199.04% |
| 2019 | 4,958,811 | 4,958,811 | - | 24,058,071 | 20.61% |
| 2018 | 4,507,892 | 4,507,892 | - | 25,263,376 | 17.84% |
| 2017 | 4,294,312 | 4,294,312 | - | 25,501,291 | 16.84% |
| 2016 | 3,716,354 | 3,716,354 | - | 23,885,642 | 15.56% |
| 2015 | 3,682,847 | 3,682,847 | - | 25,539,198 | 14.42% |
| 2014 | 3,855,020 | 3,855,020 | - | 24,364,333 | 15.82% |

**Notes to Schedule**

Valuation Date: 10/1/2019

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

Methods and assumptions used to determine contribution rates:

| | |
|---|---|
| Actuarial Cost Method | Individual entry age, normal cost |
| Amortization Method | Level percentage, closed |
| Remaining Amortization Period | 30 years |
| Asset Valuation Method | Actuarial value, based on 5-year recognition of returns greater or less than |
| Investment Return Rate | 7.90%, net of investment related expenses |
| Salary Increase Rate | Police Officers: 3.0% - 6.0%; Firefighters: 2.0% - 5.0% |
| Payroll Growth | 3.0% per year for projecting aggregate payroll; 2.75% for determining |
| Mortality Rates | *Healthy Active Lives* --Female: RP2000 Generational, 100% Combined |

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

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN
PENSION PLANS
LAST TEN FISCAL YEARS*

| Fiscal Year | Annual Money-Weighted Rate of Return on Pension Plan Investments | |
|---|---|---|
| | General Pension Plan | Consolidated Plan |
| 2021 | 25.46% | 17.80% |
| 2020 | 4.11% | 7.10% |
| 2019 | (0.64%) | 1.30% |
| 2018 | 12.63% | 10.22% |
| 2017 | 11.84% | 11.20% |
| 2016 | 11.84% | 11.20% |
| 2015 | (0.74%) | 0.00% |
| 2014 | 10.61% | 11.01% |

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

REQUIRED SUPPLEMENTARY INFORMATION

# CITY OF GAINESVILLE, FLORIDA
## SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS
## FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PROGRAM
## LAST TEN FISCAL YEARS*

FLORIDA RETIREMENT SYSTEM (FRS)

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|
| Employer's Proportion of the Net Pension Liability | 0.0024373% | 0.0026964% | 0.0028433% | 0.0028149% | 0.0026950% | 0.0033806% | 0.0030857% |
| Employer's Proportionate Share of the Net Pension Liability | $ 184,112 | $ 1,168,671 | $ 979,195 | $ 847,873 | $ 797,444 | $ 853,598 | $ 398,554 |
| Employer's Covered Payroll | $ 258,253 | $ 252,289 | $ 249,819 | $ 237,711 | $ 202,289 | $ 229,337 | $ 178,193 |
| Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 71.29% | 463.23% | 391.96% | 356.68% | 394.21% | 372.20% | 223.66% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 96.40% | 78.85% | 82.61% | 84.26% | 83.89% | 84.88% | 92.00% |

HEALTH INSURANCE SUBSIDY PROGRAM (HIS)

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|
| Employer's Proportion of the Net Pension Liability | 0.0024373% | 0.0007268% | 0.0007467% | 0.0007276% | 0.0006345% | 0.0007428% | 0.0007603% |
| Employer's Proportionate Share of the Net Pension Liability | $ 89,472 | $ 88,738 | $ 83,552 | $ 77,015 | $ 67,846 | $ 86,570 | $ 77,534 |
| Employer's Covered Payroll | $ 258,253 | $ 252,289 | $ 249,819 | $ 237,711 | $ 202,289 | $ 229,337 | $ 178,193 |
| Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 34.65% | 35.17% | 33.45% | 32.40% | 33.54% | 37.75% | 43.51% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 3.56% | 3.00% | 2.63% | 2.15% | 1.64% | 0.97% | 0.50% |

**Notes to Schedules**

The amounts presented for each fiscal year for the FRS and HIS were determined as of the measurement date, which was June 30 of the current fiscal year. Covered payroll is for the year ended June 30 of each year presented.

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

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PROGRAM
LAST TEN FISCAL YEARS*

FLORIDA RETIREMENT SYSTEM (FRS)

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|
| Contractually Required Contribution | $ 87,405 | $ 90,261 | $ 89,357 | $ 81,218 | $ 76,047 | $ 78,365 | $ 80,376 |
| Contributions in Relation to the Contractually Required Contribution | (87,405) | (90,261) | (89,357) | (81,218) | (76,047) | (78,365) | (80,376) |
| Contribution Deficiency (Excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Employer's Covered Payroll | $ 241,084 | $ 253,072 | $ 252,952 | $ 237,711 | $ 222,289 | $ 218,313 | $ 197,229 |
| Contributions as a Percentage of Covered Payroll | 36.25% | 35.67% | 35.33% | 34.17% | 34.21% | 35.90% | 40.75% |

HEALTH INSURANCE SUBSIDY PROGRAM (HIS)

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|
| Contractually Required Contribution | $ 4,002 | $ 4,201 | $ 4,199 | $ 3,946 | $ 3,690 | $ 3,624 | $ 3,274 |
| Contributions in Relation to the Contractually Required Contribution | (4,002) | (4,201) | (4,199) | (3,946) | (3,690) | (3,624) | (3,274) |
| Contribution Deficiency (Excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Employer's Covered Payroll | $ 241,084 | $ 253,072 | $ 252,952 | $ 237,711 | $ 222,289 | $ 218,313 | $ 197,229 |
| Contributions as a Percentage of Covered Payroll | 1.66% | 1.66% | 1.66% | 1.66% | 1.66% | 1.66% | 1.66% |

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

REQUIRED SUPPLEMENTARY INFORMATION

# CITY OF GAINESVILLE, FLORIDA
# SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
# OTHER POSTEMPLOYMENT BENEFITS
# LAST TEN FISCAL YEARS*

| | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|---|---|---|---|---|
| **Total OPEB Liability** | | | | | |
| Service Costs | $ 1,488,138 | $ 1,742,093 | $ 1,591,950 | $ 1,467,084 | $ 1,282,158 |
| Interest | 4,977,350 | 6,093,319 | 5,887,782 | 5,676,583 | 5,274,094 |
| Differences Between Expected and Actual Experience | - | (3,069,055) | - | 3,158,374 | (914,359) |
| Changes of Assumptions | - | (13,744,743) | 625,481 | 675,415 | 559,493 |
| Gross Benefit Payments | (8,426,856) | (8,225,362) | (7,676,658) | - | - |
| Retiree Contributions | 3,330,813 | 3,404,162 | 3,173,162 | (4,354,263) | (4,109,173) |
| Net Change in Total OPEB Liability | 1,369,445 | (13,799,586) | 3,601,717 | 6,623,193 | 2,092,213 |
| Total OPEB Liability - Beginning | 64,015,882 | 77,815,468 | 74,213,751 | 67,590,558 | 65,498,345 |
| Total OPEB Liability - Ending (a) | $ 65,385,327 | $ 64,015,882 | $ 77,815,468 | $ 74,213,751 | $ 67,590,558 |
| **Plan Fiduciary Net Position** | | | | | |
| Employer Contributions | $ 1,924,061 | $ 2,557,953 | $ 2,348,167 | $ 2,016,572 | $ 1,622,729 |
| Net Investment Income | 14,120,107 | 602,848 | (1,550,570) | 6,250,519 | 6,550,405 |
| Gross Benefit Payments | (8,426,856) | (8,225,362) | (7,676,658) | (4,354,263) | (4,109,173) |
| Retiree Contributions | 3,330,813 | 3,404,162 | 3,173,162 | - | - |
| Administrative Expense | (6,982) | (4,661) | (19,078) | (13,890) | (6,082) |
| Net Change in Plan Fiduciary Net Position | 10,941,143 | (1,665,060) | (3,724,977) | 3,898,938 | 4,057,879 |
| Plan Fiduciary Net Position - Beginning | 62,009,254 | 63,674,314 | 67,399,291 | 63,500,353 | 59,442,474 |
| Plan Fiduciary Net Position - Ending (b) | $ 72,950,397 | $ 62,009,254 | $ 63,674,314 | $ 67,399,291 | $ 63,500,353 |
| City's Net OPEB (Asset)/ Liability - Ending (a)-(b) | $ (7,565,070) | $ 2,006,628 | $ 14,141,154 | $ 6,814,460 | $ 4,090,205 |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 111.57% | 96.87% | 81.83% | 90.82% | 93.95% |
| Annual Covered Payroll | $ 156,333,484 | $ 148,889,032 | $ 124,457,080 | $ 118,530,552 | $ 122,798,859 |
| Net OPEB Liability as a Percentage of Covered Payroll | (4.84%) | 1.35% | 11.36% | 5.75% | 3.33% |

**Notes to Schedule**

*Differences Between Expected and Actual Experience* - Fiscal year 2020 reflects the impact of changes to the census *data from the prior valuation* to the valuation as of October 1, 2019.

*Changes of Assumptions* --Changes of assumptions reflect the effects of changes in the discount rate each period.

- For measurement date 9/30/2019, investment rate was reduced from 8.00% to 7.90%.

Additionally, changes of assumptions includes changes due to claims experience and premium rates.

*GASB Statement No. 75 was implemented in 2017. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

REQUIRED SUPPLEMENTARY INFORMATION

# CITY OF GAINESVILLE, FLORIDA
# SCHEDULE OF EMPLOYER CONTRIBUTIONS
# OTHER POSTEMPLOYMENT BENEFITS
# LAST TEN FISCAL YEARS*

| Fiscal Year Ended September 30, | Actuarially Determined Contributions | Contributions in Relation to the Actuarially Determined Contributions | Contribution Deficiency (Excess) | Covered Payroll | Total Contributions as a percentage of Covered Payroll |
|---|---|---|---|---|---|
| 2021 | $ - | $ 1,924,061 | $ (1,924,061) | $ 156,333,484 | 1.23% |
| 2020 | - | 2,557,953 | (2,557,953) | 148,889,032 | 1.72% |
| 2019 | 767,613 | 2,348,167 | (1,580,554) | 124,457,080 | 1.89% |
| 2018 | 731,060 | 2,016,572 | (1,285,512) | 118,530,552 | 1.70% |
| 2017 | 616,087 | 1,622,729 | (1,006,642) | 122,798,859 | 1.32% |

Notes to Schedule

Valuation Date: 10/1/2019

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

Methods and assumptions used to determine contribution rates:

| | |
|---|---|
| Actuarial Cost Method | Individual entry age, normal cost |
| Amortization Method | Level percentage, closed |
| Remaining Amortization Period | 30 years |
| Asset Valuation Method | Market Value of Assets |
| Discount Rate | 7.90% per year assumed investment return rate |
| Salary Increase Rate | Police Officers: 3.0% - 6.0%; Firefighters: 2.0% - 5.0% |
| Payroll Growth | 3.00% |
| Health Care Inflation | Medical Claims (Pre-65) 7.30% - 4.50%, (Post-65) 4.30% - 4.50% |
| Mortality Rates | *Healthy Active Lives* --Female: RP2000 Generational, 100% Combined Healthy White Collar, Scale BB; Male: RP2000 Generational, 50% Combined Healthy White Collar/50% Combined Healthy Blue Collar, Scale BB. Male (Special Risk): RP2000 Generational, 10% Combined Healthy White Collar/90% Combined Healthy Blue Collar, Scale BB. For special risk members, 25% of future active member deaths are assumed to be in the line of duty. For all other members, 2% of future active member deaths are assumed to be in the line of duty.<br>*Healthy Inactive Lives* -- Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB; Male: RP2000 Generational, 10% Annuitant White Collar/90% Annuitant Blue Collar, Scale BB<br>*Disabled Lives* --Female: 100% RP2000 Disabled Female set forward two years, no projection scale; Male: 60% RP2000 Disabled Male setback four years/40% Annuitant White Collar with no setback, no projection scale. |

*GASB Statement No. 75 was implemented in 2017. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN
OTHER POSTEMPLOYMENT BENEFITS
LAST TEN FISCAL YEARS*

| Fiscal Year | Annual Money-Weighted Rate of Return on OPEB Plan Investments |
|---|---|
| 2021 | 25.08% |
| 2020 | 0.25% |
| 2019 | (2.41%) |
| 2018 | 9.97% |
| 2017 | 11.25% |

Note to Schedule

*GASB Statement No. 75 was implemented in 2017. Until a full 10-year trend is compiled, information for those years for which it is available will be presented.

# Supplementary Information

## NONMAJOR GOVERNMENT FUNDS

### SPECIAL REVENUE FUNDS

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources (other than expendable trusts or for major capital projects) that are restricted to expenditures for specific purposes.

The City maintains the following Special Revenue Funds:

Community Development Block Grant - to maintain unique accounting requirements for Federal funds being used to refurbish and rehabilitate deteriorated neighborhoods.

Urban Development Action Grant - to account for Urban Development Action Grant funds loaned to a local developer for construction of a downtown-parking garage. The loan is to be repaid based on provisions of an agreement.

HOME Grant - to maintain unique accounting requirements for HOME Investment Partnerships Program Grant funds. This program was created under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990.

Cultural Affairs - to account for revenues and expenditures associated with various cultural activities of the City. Financing is provided by various charges for services and miscellaneous revenue sources.

State Law Enforcement Contraband Forfeiture - to account for law enforcement related projects funded by the proceeds from state confiscated property forfeited under the provisions of Sections 932.701 through 932.704, Florida Statutes.

Federal Law Enforcement Contraband Forfeiture - to account for law enforcement related projects funded by the proceeds from federal confiscated property forfeited under the provisions of USC 21 SS 881 and U.S. Department of Justice, Guide to Equitable Sharing of Federally Forfeited Property for State and Local Law Enforcement Agencies.

Police Billable Overtime - to account for revenues and expenditures associated billable overtime that the Police Department performs outside of their regular duties for both City events and non-City events. Fees are set with the intent to cover variable costs including overtime pay and benefits.

Street, Sidewalk and Ditch Improvement - to account for the provision and financing of paving and ditch improvement projects. Financing is provided by assessments levied against property owners in a limited geographical area as improvement projects are approved.

Economic Development - to account for revenue and expenditures made to promote economic development. Includes operating expense and rental revenue generated by the GTEC (Gainesville Technology Incubator) facility.

Miscellaneous Grants - to account for a large number of miscellaneous grants, which are single purpose in nature and require minimal special accounting features.

Fire Assessment - to account for fire assessment fees not included in the general fund.

Transportation Concurrency Exception Area - to account for revenue and expenditures generated in connection with transportation improvements made in conjunction with new developments. Funds are provided by real estate developers to mitigate the development's impact on transportation in accordance with Ordinance #981310.

## SPECIAL REVENUE FUNDS

**Water/Wastewater Infrastructure Surcharge** - to account for surcharge collections and interest earnings which are to be expended on related infrastructure improvements for water and wastewater. Half of the funds collected are transferred to this fund. Resolution #030223 specifies that the expenditures are to be used as follows: 20% health/safety/environmental projects, 20% affordable housing projects, and 60% programmed extension projects.

**Supportive Housing Investment Partnership (SHIP)** - to account for documentary stamp proceeds from real estate transactions to be used as funding for the entitlement program. Expenditures made by the City include grants to improve housing options for lower income and less advantaged citizens.

**Small Business Loan** - to account for revenue and expenditures associated with revolving loan funds to local small businesses. This fund was established in fiscal year 2005 with the funds received through an insurance settlement associated with the United Gainesville Community Development Corporation.

**Miscellaneous Special Revenue Fund** - to account for several miscellaneous programs that are of small dollar value and are restricted to a specific project or activity.

**Tree Mitigation** - to account for projects that exceed the basic service levels for tree planting, routine pruning maintenance and hazard abatement of the City's tree canopy.

**Golf Course Surcharge** - to account for surcharges collected on golf course usage from green fees and cart rentals to be used for golf course improvements and debt payments.

**Evergreen Cemetery** - to account for revenues, which will be used to finance perpetual care expenses incurred by the General Fund for cemetery gravesites. Interest income and income from lot sales and perpetual care contracts provide the financing sources.

**School Crossing Guard** - to account for the surcharge imposed on parking fines to fund the School Crossing Guard Program.

**Art in Public Places** - to account for the use of funds to purchase art for new or majorly-renovated City buildings, and to accumulate funds to provide art that is accessible to the public in accordance with City Ordinance #3509.

**Gainesville Community Reinvestment Area** - to account for the use of funds from an interlocal agreement with Alachua County for the redevelopment of the consolidated tax increment district areas, cap the annual funding provided by the City and County, and set an end date for the redevelopment work. Funding from the County will end January 1, 2029.

**Downtown Redevelopment Tax Increment Fund** - to account for certain property tax increments, and interest earned on such funds, which are to be used for specific projects involving downtown redevelopment.

**Fifth Avenue Tax Increment Fund** - to account for certain property tax increments, and interest earned on such funds, which are to be used for specific projects involving redevelopment of the Fifth Avenue and Pleasant Street neighborhoods.

**College Park Tax Increment Fund** - to account for certain property tax increments and interest earned on such funds, which are to be used for specific projects involving redevelopment of the College Park and University Heights neighborhoods.

## SPECIAL REVENUE FUNDS

**Eastside Tax Increment Fund** - to account for certain property tax increments and interest earned on such funds, which are to be used for specific projects involving redevelopment of the Eastside Redevelopment District.

**American Rescue Plan Act (ARPA)** – to account for grant funds provided through the American Rescue Act of 2021 to help state and local governments cover increased expenditures, replenish lost revenue, and mitigate economic harm from the COVID-19 pandemic.

**Emergency Disaster** - to account for revenue and expenditures associated with public safety during an event.

## DEBT SERVICE FUNDS

*Debt Service Funds* are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

The City maintains the following Debt Service Funds:

Guaranteed Entitlement Revenue and Refunding Bonds 1994 - to receive and account for funds (Guaranteed Entitlement funds) to accumulate the debt service requirements of the Guaranteed Entitlement Refunding Bonds of 1994.

Pension Obligation Bonds Series 2003A - to account for funds to accumulate the debt service requirements of the pension obligation bonds for the General Employee's Pension Plan.

Pension Obligation Bonds Series 2003B - to account for funds to accumulate the debt service requirements of the pension obligation bonds for the Consolidated Police Officers' and Firefighters' Pension Plan.

GPD Energy Conservation Master Capital Lease - to account for funds to accumulate the capital lease required payments for the Siemens GPD Energy Conservation Capital Lease.

Capital Improvement Revenue Note Series 2009 - to account for funds to accumulate the debt service requirements of the Revenue Note Series 2009.

Capital Improvement Revenue Bond Series 2010 - to account for funds to accumulate the debt service requirements of the Revenue Bond Series 2010.

Revenue Refunding Note Series 2011 - to account for funds to accumulate the debt service requirements of the Revenue Refunding Note of 2011.

Capital Improvement Revenue Note Series 2011A - to account for funds to accumulate the debt service requirements of the Revenue Note of 2011.

Revenue Refunding Note Series 2014 - to account for funds to accumulate the debt service requirements of the Revenue Refunding Note of 2014.

Capital Improvement Revenue Bond Series 2014 - to account for funds to accumulate the debt service requirements of the Revenue Bond of 2014.

Revenue Refunding Note Series 2016A - to account for funds to accumulate the debt service requirements of the Revenue Refunding Note of 2016.

Capital Improvement Revenue Note Series 2016B - to account for funds to accumulate the debt service requirements of the Revenue Note of 2016B.

Capital Improvement Revenue Bond 2017 - to account for funds to accumulate the debt service requirements of the Revenue Bond of 2017.

Capital Improvement Revenue Note 2019 - to account for funds to accumulate the debt service requirements of the Revenue Note of 2019.

Special Obligations Revenues Bonds Series 2020 – to account for funds to accumulate the debt service requirements of the Special Obligation Revenue Bonds (Pension Obligation Bonds) of 2020.

Revenue Refunding Note Series 2021 – to account for funds to accumulate the debt service requirements for the Refunding Note of 2021.

## CAPITAL PROJECTS FUNDS

*Capital Projects Funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds).

The City maintains the following Capital Projects Funds:

General Capital Projects - to account for costs of various projects, which are of relatively small dollar value in nature. Financing is generally provided by operating transfers from other funds of the City and interest earnings.

Public Improvement Construction Fund - to account for the costs of various capital projects funded by the non-refunding portion of the 1994 Guaranteed Entitlement Revenue & Refunding Bonds & interest earnings.

Greenspace and Community Improvement - to account for the costs of acquiring greenspace land and quality of life improvements in the community.

Capital Projects Fund 02 - to account for the costs of various capital projects financed by the First Florida Governmental Financing Commission 2002 and interest earnings.

Fifth Avenue/Pleasant Street Rehabilitation Project Fund 02 - to account for the acquisition and rehabilitation of properties in the Fifth Avenue/Pleasant Street district financed through the First Florida Governmental Financing Commission 2002 and interest earnings.

FFGFC 05 Capital Projects - to account for the costs of various capital projects financed by the First Florida Governmental Financing Commission 2005 and interest earnings.

Capital Improvement Revenue Bond (CIRB) 2005 CIP Fund - to account for the costs of various capital projects financed by the CIRB 2005 and interest earnings.

Kennedy Homes Acquisition/Demolition Fund - to account for the costs of acquiring the Kennedy Homes property, and for associated demolition and remodeling costs associated with the property's rehabilitation.

Campus Development Agreement - to account for the costs of projects specified to be funded by the Campus Development Agreement, provided by the University of Florida.

Energy Conservation - to account for the costs of projects related to energy conservation funded by the CIRN 2009 debt issue.

Additional 5 Cents Local Option Gas Tax (LOGT) - to account for the receipt and expenditure of the additional five cent local option gas tax.

Additional 5 Cents Local Option Gas Tax (LOGT) CIRN 2009 - to account for the expenditure of the CIRN 2009 proceeds to be repaid with additional five cent local option gas tax.

Traffic Management System - to account for the costs of the traffic management system building project.

Wild Spaces Public Places ½ Cent Sales Tax - to account for the receipt of a portion of the Wild Spaces Public Places two-year ½ cent sales tax and the related capital projects associated with public recreation funded by the tax and interest earnings.

Wild Spaces Public Places Land Acquisition - to account for the receipt of a portion of the Wild Spaces Public Places two-year ½ cent sales tax and the related capital projects associated with land acquisition funded by the tax and interest earnings.

## CAPITAL PROJECTS FUNDS

Senior Recreation Center - to account for the costs of the construction of the Senior Recreation Center.

Capital Improvement Revenue Bond 2010 - to account for the costs of various capital projects financed by the CIRB 2010 and interest earnings.

Capital Improvement Revenue Note 2011 - to account for the costs of various capital projects financed by the CIRN 2011 and interest earnings.

Facilities Maintenance Recurring - to account for the costs for ongoing facilities capital maintenance.

Equipment Replacement - to account for the costs for replacing City equipment (radios, computers, laptops, etc.).

Roadway Resurfacing Program - to account for the costs for resurfacing roads.

Capital Improvement Revenue Bond Series 2014 - to account for the costs of various capital projects financed by the CIRB 2014 and interest earnings.

Capital Improvement Beazer Settlement - to account for the costs of remediation work associated with the clean-up at the Cabot Carbon/Koppers Superfund Site.

Capital Improvement Revenue Note 2016B Additional 5 Cent Gas Tax - to account for the costs of various capital projects financed by the CIRN 2016B and interest earnings.

Capital Improvement Revenue Note 2017 - to account for the costs of various capital projects financed by the CIRN 2017 and interest earnings.

Wild Spaces Public Places ½ Cent Sales Tax 2017-2025 - to account for the receipt of a portion of the Wild Spaces Public Places eight-year ½ cent sales tax and the related capital projects associated with public recreation funded by the tax and interest earnings.

Wild Spaces Public Places Joint Projects - to account for joint capital projects funded by the Wild Spaces Public Places eight-year ½ cent sales tax.

Capital Improvement Revenue Note 2019 - to account for the costs associated with various capital projects funded by the CIRN 2019 and interest earnings.

Technology Capital Improvement Fund - to account for the costs associated with various capital projects.

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Community Development Block Grant | Urban Development Action Grant | Home Grant | Cultural Affairs |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | - | 303,463 | - | 250,617 |
| Receivables | 1,355,254 | - | 120,785 | 2,321 |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | 1,355,254 | 303,463 | 120,785 | 252,938 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | 53,741 | - | 14,264 | 4,651 |
| Accrued Interest | - | - | - | - |
| Bonds and Notes Payable | - | - | - | - |
| Due to Other Funds | 1,229,522 | - | 345,217 | - |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | 1,283,263 | - | 359,481 | 4,651 |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | 33,165 | - | 26,673 | - |
| **Total Deferred Inflows of Resources** | 33,165 | - | 26,673 | - |
| **Fund Balances** | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 38,826 | 303,463 | - | - |
| Committed | - | - | - | 248,287 |
| Assigned | - | - | - | - |
| Unassigned | - | - | (265,369) | - |
| **Total Fund Balances** | 38,826 | 303,463 | (265,369) | 248,287 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 1,355,254 | $ 303,463 | $ 120,785 | $ 252,938 |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | State Law Enforcement Contraband Forfeiture | Federal Law Enforcement Contraband Forfeiture | Police Billable Overtime | Street, Sidewalk, and Ditch Improvement |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | 311,645 | 802,227 | - | 191,077 |
| Receivables | - | - | 364,171 | 2,611 |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | 670,492 | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | 982,137 | 802,227 | 364,171 | 193,688 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | 673,286 | 1,921 | 8,478 | - |
| Accrued Interest | - | - | - | - |
| Bonds and Notes Payable | - | - | - | - |
| Due to Other Funds | - | - | 590,369 | - |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | 673,286 | 1,921 | 598,847 | - |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | 3,458 |
| **Total Deferred Inflows of Resources** | - | - | - | 3,458 |
| **Fund Balances** | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 308,851 | 800,306 | - | 190,230 |
| Committed | - | - | - | - |
| Assigned | - | - | - | - |
| Unassigned | - | - | (234,676) | - |
| **Total Fund Balances** | 308,851 | 800,306 | (234,676) | 190,230 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 982,137 | $ 802,227 | $ 364,171 | $ 193,688 |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Economic Development | Miscellaneous Grants | Fire Assessment | Transportation Concurrency Exception Area |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ 3,000 |
| Equity in Pooled Cash and Investments | 178,620 | - | - | 7,026,919 |
| Receivables | 30,856 | 1,496,334 | - | - |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | 12 | - | - |
| **Total Assets** | 209,476 | 1,496,346 | - | 7,029,919 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | 1,319 | 566,687 | - | 114,095 |
| Accrued Interest | - | - | - | - |
| Bonds and Notes Payable | - | - | - | - |
| Due to Other Funds | - | 2,187,853 | - | - |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | 1,319 | 2,754,540 | - | 114,095 |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | 10,510 | - | - |
| **Total Deferred Inflows of Resources** | - | 10,510 | - | - |
| **Fund Balances** | | | | |
| Nonspendable | - | 12 | - | - |
| Restricted | - | - | - | 6,915,824 |
| Committed | 208,157 | - | - | - |
| Assigned | - | - | - | - |
| Unassigned | - | (1,268,716) | - | - |
| **Total Fund Balances** | 208,157 | (1,268,704) | - | 6,915,824 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 209,476 | $ 1,496,346 | $ - | $ 7,029,919 |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Water/ Wastewater Infrastructure Surcharge | SHIP | Small Business Loan | Miscellaneous Special Revenue Fund |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | 2,998,676 | 901,965 | 255,863 | 1,200,397 |
| Receivables | - | 14,785 | - | 364,774 |
| Due from Other Funds | 77,315 | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | 3,075,991 | 916,750 | 255,863 | 1,565,171 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | 292,965 | 10,040 | - | 401,912 |
| Accrued Interest | - | - | - | - |
| Bonds and Notes Payable | - | - | - | - |
| Due to Other Funds | - | - | 11,597 | - |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | 292,965 | 10,040 | 11,597 | 401,912 |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | - |
| **Total Deferred Inflows of Resources** | - | - | - | - |
| **Fund Balances** | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | 906,710 | - | - |
| Committed | 2,783,026 | - | 244,266 | - |
| Assigned | - | - | - | 1,163,259 |
| Unassigned | - | - | - | - |
| **Total Fund Balances** | 2,783,026 | 906,710 | 244,266 | 1,163,259 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 3,075,991 | $ 916,750 | $ 255,863 | $ 1,565,171 |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Tree Mitigation | Golf Course Surcharge | Evergreen Cemetery | School Crossing Guard |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | 6,150,573 | - | 1,809,312 | - |
| Receivables | - | - | - | - |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | 6,150,573 | - | 1,809,312 | - |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | 13,736 | - | - | - |
| Accrued Interest | - | - | - | - |
| Bonds and Notes Payable | - | - | - | - |
| Due to Other Funds | - | - | - | 56,139 |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | 13,736 | - | - | 56,139 |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | - |
| **Total Deferred Inflows of Resources** | - | - | - | - |
| **Fund Balances** | | | | |
| Nonspendable | - | - | 973,501 | - |
| Restricted | - | - | 835,811 | - |
| Committed | 6,136,837 | - | - | - |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | (56,139) |
| **Total Fund Balances** | 6,136,837 | - | 1,809,312 | (56,139) |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 6,150,573 | $ - | $ 1,809,312 | $ - |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Art in Public Places | Gainesville Community Reinvestment Area | Downtown Redevelopment Tax Increment Fund | Fifth Avenue Tax Increment Fund |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | - | 11,782,341 | 3,345,849 | 653,269 |
| Receivables | - | 4,661 | - | 1,390 |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | - | 11,787,002 | 3,345,849 | 654,659 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | - | 156,386 | 130,220 | 13,000 |
| Accrued Interest | - | - | - | - |
| Bonds and Notes Payable | - | - | - | - |
| Due to Other Funds | 3,474 | - | - | - |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | 3,474 | 156,386 | 130,220 | 13,000 |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | 1,390 |
| **Total Deferred Inflows of Resources** | - | - | - | 1,390 |
| **Fund Balances** | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | 11,630,616 | 3,215,629 | 640,269 |
| Committed | - | - | - | - |
| Assigned | - | - | - | - |
| Unassigned | (3,474) | - | - | - |
| **Total Fund Balances** | (3,474) | 11,630,616 | 3,215,629 | 640,269 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ - | $ 11,787,002 | $ 3,345,849 | $ 654,659 |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | College Park Tax Increment Fund | Eastside Tax Increment Fund | American Rescue Plan Act (ARPA) | Emergency Disaster |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | 4,020,083 | 135,099 | 16,206,979 | 1,525,769 |
| Receivables | - | 7,951 | - | - |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | 4,020,083 | 143,050 | 16,206,979 | 1,525,769 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | 2,598 | 46,035 | - | - |
| Accrued Interest | - | - | - | - |
| Bonds and Notes Payable | - | - | - | - |
| Due to Other Funds | - | - | - | - |
| Unearned Revenues | - | - | 16,204,402 | - |
| **Total Liabilities** | 2,598 | 46,035 | 16,204,402 | - |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | - |
| **Total Deferred Inflows of Resources** | - | - | - | - |
| **Fund Balances** | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 4,017,485 | 97,015 | 2,577 | - |
| Committed | - | - | - | - |
| Assigned | - | - | - | 1,525,769 |
| Unassigned | - | - | - | - |
| **Total Fund Balances** | 4,017,485 | 97,015 | 2,577 | 1,525,769 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 4,020,083 | $ 143,050 | $ 16,206,979 | $ 1,525,769 |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Debt Service Funds | | | |
|---|---|---|---|---|
| | Guaranteed Entitlement Rev and Refunding Bonds 1994 | Pension Obligation Bond Series 2003A | Pension Obligation Bond Series 2003B | GPD Energy Conservation Master Capital Lease |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | 9,889 | 3,765,035 | 2,589,253 | 38,668 |
| Receivables | - | - | - | - |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | 20,361,337 | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | 9,889 | 24,126,372 | 2,589,253 | 38,668 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | - | - | - | - |
| Accrued Interest | - | 2,578,732 | 990,448 | - |
| Bonds and Notes Payable | - | 991,656 | 1,465,000 | - |
| Due to Other Funds | - | - | - | - |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | - | 3,570,388 | 2,455,448 | - |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | - |
| **Total Deferred Inflows of Resources** | - | - | - | - |
| **Fund Balances** | | | | |
| Nonspendable | - | 20,361,337 | - | - |
| Restricted | - | - | - | - |
| Committed | - | - | - | - |
| Assigned | 9,889 | 194,647 | 133,805 | 38,668 |
| Unassigned | - | - | - | - |
| **Total Fund Balances** | 9,889 | 20,555,984 | 133,805 | 38,668 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 9,889 | $ 24,126,372 | $ 2,589,253 | $ 38,668 |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Debt Service Funds | | | |
|---|---|---|---|---|
| | Capital Improvement Revenue Note Series 2009 | Capital Improvement Revenue Bond Series 2010 | Revenue Refunding Note Series 2011 | Capital Improvement Revenue Note Series 2011A |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | 12,581 | - | 12,904 | 446,088 |
| Receivables | - | - | - | - |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | 12,581 | - | 12,904 | 446,088 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | - | - | - | - |
| Accrued Interest | - | - | - | 4,809 |
| Bonds and Notes Payable | - | - | - | 420,000 |
| Due to Other Funds | - | - | - | - |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | - | - | - | 424,809 |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | - |
| **Total Deferred Inflows of Resources** | - | - | - | - |
| **Fund Balances** | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | - | - | - |
| Committed | - | - | - | - |
| Assigned | 12,581 | - | 12,904 | 21,279 |
| Unassigned | - | - | - | - |
| **Total Fund Balances** | 12,581 | - | 12,904 | 21,279 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 12,581 | $ - | $ 12,904 | $ 446,088 |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Debt Service Funds | | | |
|---|---|---|---|---|
| | Revenue Refunding Note Series 2014 | Capital Improvement Revenue Bond Series 2014 | Revenue Refunding Note Series 2016A | Capital Improvement Revenue Note 2016B |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | 1,638,519 | 917,936 | 257,598 | - |
| Receivables | - | - | - | - |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | 1,638,519 | 917,936 | 257,598 | - |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | - | - | - | - |
| Accrued Interest | 91,730 | 179,826 | - | - |
| Bonds and Notes Payable | 1,460,000 | 526,133 | - | - |
| Due to Other Funds | - | - | - | 2,527 |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | 1,551,730 | 705,959 | - | 2,527 |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | - |
| **Total Deferred Inflows of Resources** | - | - | - | - |
| **Fund Balances** | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | - | - | - |
| Committed | - | - | - | - |
| Assigned | 86,789 | 211,977 | 257,598 | - |
| Unassigned | - | - | - | (2,527) |
| **Total Fund Balances** | 86,789 | 211,977 | 257,598 | (2,527) |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 1,638,519 | $ 917,936 | $ 257,598 | $ - |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Debt Service Funds | | | |
|---|---|---|---|---|
| | Capital Improvement Revenue Bond 2017 | Capital Improvement Revenue Note 2019 | Special Obligation Revenue Bonds Series 2020 | Revenue Refunding Note Series 2021 |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | - | 586,828 | 6,568,541 | 675,191 |
| Receivables | - | - | - | - |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | 113,817,704 | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | - | 586,828 | 120,386,245 | 675,191 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | - | - | - | - |
| Accrued Interest | - | 79,342 | 2,352,048 | 95,927 |
| Bonds and Notes Payable | - | 505,000 | 4,235,000 | 362,000 |
| Due to Other Funds | - | - | - | 2,975 |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | - | 584,342 | 6,587,048 | 460,902 |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | - |
| **Total Deferred Inflows of Resources** | - | - | - | - |
| **Fund Balances** | | | | |
| Nonspendable | - | - | 113,799,197 | - |
| Restricted | - | - | - | - |
| Committed | - | - | - | - |
| Assigned | - | 2,486 | - | 214,289 |
| Unassigned | - | - | - | - |
| **Total Fund Balances** | - | 2,486 | 113,799,197 | 214,289 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ - | $ 586,828 | $ 120,386,245 | $ 675,191 |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | General Capital Projects | Public Improvement Construction Fund | Greenspace and Community Improvement | Capital Projects Fund 02 |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | 2,433,175 | 966 | 157,072 | 69,859 |
| Receivables | - | - | - | - |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | 2,433,175 | 966 | 157,072 | 69,859 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | 70,671 | - | 900 | - |
| Accrued Interest | - | - | - | - |
| Bonds and Notes Payable | - | - | - | - |
| Due to Other Funds | - | - | - | - |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | 70,671 | - | 900 | - |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | - |
| **Total Deferred Inflows of Resources** | - | - | - | - |
| **Fund Balances** | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | - | - | - |
| Committed | - | - | - | - |
| Assigned | 2,362,504 | 966 | 156,172 | 69,859 |
| Unassigned | - | - | - | - |
| **Total Fund Balances** | 2,362,504 | 966 | 156,172 | 69,859 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 2,433,175 | $ 966 | $ 157,072 | $ 69,859 |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | Fifth Ave/ Pleasant St Rehab Proj. Fund 02 | FFGFC 05 Capital Projects | Capital Improvement Revenue Bond (CIRB) 2005 | Kennedy Homes Acquisition/ Demolition |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | 8,427 | 109,255 | 211,977 | - |
| Receivables | - | - | - | - |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | 8,427 | 109,255 | 211,977 | - |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | - | - | 4,041 | - |
| Accrued Interest | - | - | - | - |
| Bonds and Notes Payable | - | - | - | - |
| Due to Other Funds | - | - | - | - |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | - | - | 4,041 | - |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | - |
| **Total Deferred Inflows of Resources** | - | - | - | - |
| **Fund Balances** | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | - | - | - |
| Committed | - | - | - | - |
| Assigned | 8,427 | 109,255 | 207,936 | - |
| Unassigned | - | - | - | - |
| **Total Fund Balances** | 8,427 | 109,255 | 207,936 | - |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 8,427 | $ 109,255 | $ 211,977 | $ - |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | Campus Development Agreement | Energy Conservation | Add'l 5 Cents Local Option Gas Tax (LOGT) | Add'l 5 Cents Gas Tax (LOGT) CIRN 2009 |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | 1,198,044 | 15,436 | 3,889,196 | 607,520 |
| Receivables | - | - | - | - |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | 1,198,044 | 15,436 | 3,889,196 | 607,520 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | 1,888 | - | 134,737 | - |
| Accrued Interest | - | - | - | - |
| Bonds and Notes Payable | - | - | - | - |
| Due to Other Funds | - | - | - | - |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | 1,888 | - | 134,737 | - |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | - |
| **Total Deferred Inflows of Resources** | - | - | - | - |
| **Fund Balances** | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | - | 3,754,459 | - |
| Committed | - | - | - | - |
| Assigned | 1,196,156 | 15,436 | - | 607,520 |
| Unassigned | - | - | - | - |
| **Total Fund Balances** | 1,196,156 | 15,436 | 3,754,459 | 607,520 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 1,198,044 | $ 15,436 | $ 3,889,196 | $ 607,520 |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | Traffic Management System | Wild Spaces Public Places 1/2 Cent Sales Tax | Wild Spaces Public Places Land Acq. | Senior Recreation Center |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | 120,708 | 1,414 | 179,464 | 23,957 |
| Receivables | - | - | - | - |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | 120,708 | 1,414 | 179,464 | 23,957 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | - | - | - | - |
| Accrued Interest | - | - | - | - |
| Bonds and Notes Payable | - | - | - | - |
| Due to Other Funds | - | - | - | - |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | - | - | - | - |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | - |
| **Total Deferred Inflows of Resources** | - | - | - | - |
| **Fund Balances** | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | 1,414 | 179,464 | 23,957 |
| Committed | - | - | - | - |
| Assigned | 120,708 | - | - | - |
| Unassigned | - | - | - | - |
| **Total Fund Balances** | 120,708 | 1,414 | 179,464 | 23,957 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 120,708 | $ 1,414 | $ 179,464 | $ 23,957 |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | Capital Improvement Revenue Bond 2010 | Capital Improvement Revenue Note 2011 | Facilities Maintenance Recurring | Equipment Replacement |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | 490,614 | 903 | 1,011,891 | 1,190,586 |
| Receivables | - | - | - | - |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | 490,614 | 903 | 1,011,891 | 1,190,586 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | 98,991 | - | 15,652 | 52,737 |
| Accrued Interest | - | - | - | - |
| Bonds and Notes Payable | - | - | - | - |
| Due to Other Funds | - | - | - | 5,014 |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | 98,991 | - | 15,652 | 57,751 |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | - |
| **Total Deferred Inflows of Resources** | - | - | - | - |
| **Fund Balances** | | | | |
| Nonspendable | - | - | - | - |
| Restricted | 112,678 | - | - | - |
| Committed | - | - | - | - |
| Assigned | 278,945 | 903 | 996,239 | 1,132,835 |
| Unassigned | - | - | - | - |
| **Total Fund Balances** | 391,623 | 903 | 996,239 | 1,132,835 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 490,614 | $ 903 | $ 1,011,891 | $ 1,190,586 |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | Roadway Resurfacing Program | Capital Improvement Revenue Bond Series 2014 | Capital Improvement Beazer Settlement | Capital Imp Revenue Note 2016B Add'l 5 Cent Gas Tax |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | 2,402,579 | 688,531 | 21,925 | 2,387,378 |
| Receivables | - | - | - | - |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | 2,402,579 | 688,531 | 21,925 | 2,387,378 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | 11,374 | - | - | 110,243 |
| Accrued Interest | - | - | - | - |
| Bonds and Notes Payable | - | - | - | - |
| Due to Other Funds | - | - | - | - |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | 11,374 | - | - | 110,243 |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | - |
| **Total Deferred Inflows of Resources** | - | - | - | - |
| **Fund Balances** | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | 185,667 | - | 1,695,900 |
| Committed | - | - | - | - |
| Assigned | 2,391,205 | 502,864 | 21,925 | 581,235 |
| Unassigned | - | - | - | - |
| **Total Fund Balances** | 2,391,205 | 688,531 | 21,925 | 2,277,135 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 2,402,579 | $ 688,531 | $ 21,925 | $ 2,387,378 |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Continued)*

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | Capital Improvement Revenue Note 2017 | Wild Spaces Public Places 1/2 Cent Sales Tax 2017-2025 | Wild Spaces Public Places Joint Projects | Capital Improvement Revenue Note 2019 |
| **Assets** | | | | |
| Cash and Cash Equivalents | $ - | $ - | $ - | $ - |
| Equity in Pooled Cash and Investments | 225,116 | 17,532,251 | 2,193,820 | 3,849,374 |
| Receivables | - | 591,764 | - | - |
| Due from Other Funds | - | - | - | - |
| Advances from Other Funds | - | - | - | - |
| Assets Held for Evidence | - | - | - | - |
| Prepaid Expenses | - | - | - | - |
| **Total Assets** | 225,116 | 18,124,015 | 2,193,820 | 3,849,374 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | - | 571,386 | 14,205 | 229,296 |
| Accrued Interest | - | - | - | - |
| Bonds and Notes Payable | - | - | - | - |
| Due to Other Funds | - | 6,020 | - | - |
| Unearned Revenues | - | - | - | - |
| **Total Liabilities** | - | 577,406 | 14,205 | 229,296 |
| **Deferred Inflows of Resources** | | | | |
| Unavailable Revenue | - | - | - | - |
| **Total Deferred Inflows of Resources** | - | - | - | - |
| **Fund Balances** | | | | |
| Nonspendable | - | - | - | - |
| Restricted | - | 17,546,609 | 2,179,615 | 3,600,914 |
| Committed | - | - | - | - |
| Assigned | 225,116 | - | - | 19,164 |
| Unassigned | - | - | - | - |
| **Total Fund Balances** | 225,116 | 17,546,609 | 2,179,615 | 3,620,078 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ 225,116 | $ 18,124,015 | $ 2,193,820 | $ 3,849,374 |

CITY OF GAINESVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021
*(Concluded)*

| | Capital Projects Funds | |
|---|---|---|
| | Technology Capital Improvement | Total Nonmajor Governmental Funds |
| **Assets** | | |
| Cash and Cash Equivalents | $ - | $ 3,000 |
| Equity in Pooled Cash and Investments | - | 118,591,212 |
| Receivables | - | 4,357,657 |
| Due from Other Funds | - | 77,315 |
| Advances from Other Funds | - | 134,179,041 |
| Assets Held for Evidence | - | 670,492 |
| Prepaid Expenses | - | 12 |
| **Total Assets** | - | 257,878,729 |
| **Liabilities** | | |
| Accounts Payable and Accrued Liabilities | - | 3,821,455 |
| Accrued Interest | - | 6,372,862 |
| Bonds and Notes Payable | - | 9,964,789 |
| Due to Other Funds | - | 4,440,707 |
| Unearned Revenues | - | 16,204,402 |
| **Total Liabilities** | - | 40,804,215 |
| **Deferred Inflows of Resources** | | |
| Unavailable Revenue | - | 75,196 |
| **Total Deferred Inflows of Resources** | - | 75,196 |
| **Fund Balances** | | |
| Nonspendable | - | 135,134,047 |
| Restricted | - | 59,184,289 |
| Committed | - | 9,620,573 |
| Assigned | - | 14,891,310 |
| Unassigned | - | (1,830,901) |
| **Total Fund Balances** | - | 216,999,318 |
| **Total Liabilities, Deferred Inflows of Resources and Fund Balances** | $ - | $ 257,878,729 |

# CITY OF GAINESVILLE, FLORIDA
# COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
# NONMAJOR GOVERNMENTAL FUNDS
# FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Community Development Block Grant | Urban Development Action Grant | Home Grant | Cultural Affairs |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | 1,433,753 | - | 107,475 | - |
| Charges for Services | - | - | - | 61,939 |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous | 22,030 | - | 92,015 | 25,360 |
| **Total Revenues** | 1,455,783 | - | 199,490 | 87,299 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | 52,703 | - | - | - |
| Physical Environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic Environment | 694,474 | - | 140,969 | - |
| Human Services | - | - | - | - |
| Culture and Recreation | - | - | - | 1,350 |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Issuance Costs | - | - | - | - |
| Capital Outlay | - | - | - | - |
| **Total Expenditures** | 747,177 | - | 140,969 | 1,350 |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | 708,606 | - | 58,521 | 85,949 |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers (out) | (18,084) | - | (26,723) | (6,683) |
| **Total Other Financing Sources (Uses)** | (18,084) | - | (26,723) | (6,683) |
| **Net Change in Fund Balances** | 690,522 | - | 31,798 | 79,266 |
| **Fund Balances, Beginning of Year** | (651,696) | 303,463 | (297,167) | 169,021 |
| **Fund Balances, End of Year** | $ 38,826 | $ 303,463 | $ (265,369) | $ 248,287 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | State Law Enforcement Contraband Forfeiture | Federal Law Enforcement Contraband Forfeiture | Police Billable Overtime | Street, Sidewalk, and Ditch Improvement |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - |
| Charges for Services | - | - | 620,259 | - |
| Fines and Forfeitures | 38,153 | 51,586 | - | - |
| Miscellaneous | 1,436 | - | - | 710 |
| **Total Revenues** | 39,589 | 51,586 | 620,259 | 710 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | 5,183 | 198,156 | 531,000 | - |
| Physical Environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic Environment | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Issuance Costs | - | - | - | - |
| Capital Outlay | - | - | - | - |
| **Total Expenditures** | 5,183 | 198,156 | 531,000 | - |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | 34,406 | (146,570) | 89,259 | 710 |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | 271 | 28,000 | - | - |
| Transfers in | - | 126,027 | - | - |
| Transfers (out) | (100,493) | - | - | - |
| **Total Other Financing Sources (Uses)** | (100,222) | 154,027 | - | - |
| **Net Change in Fund Balances** | (65,816) | 7,457 | 89,259 | 710 |
| **Fund Balances, Beginning of Year** | 374,667 | 792,849 | (323,935) | 189,520 |
| **Fund Balances, End of Year** | $ 308,851 | $ 800,306 | $ (234,676) | $ 190,230 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Economic Development | Miscellaneous Grants | Fire Assessment | Transportation Concurrency Exception Area |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | - | 3,426,882 | - | - |
| Charges for Services | - | - | - | 1,906,054 |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous | 497 | 63,942 | - | 25,081 |
| **Total Revenues** | 497 | 3,490,824 | - | 1,931,135 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | 49,177 | 4,939 | - | - |
| Public Safety | - | 1,784,356 | - | - |
| Physical Environment | - | 550,553 | - | - |
| Transportation | - | 76,631 | - | 261,029 |
| Economic Environment | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | - | 47,432 | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Issuance Costs | - | - | - | - |
| Capital Outlay | - | 741,500 | - | 937,934 |
| **Total Expenditures** | 49,177 | 3,205,411 | - | 1,198,963 |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | (48,680) | 285,413 | - | 732,172 |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | 87,000 | 561,141 | - | - |
| Transfers (out) | - | - | (1,096) | (436,034) |
| **Total Other Financing Sources (Uses)** | 87,000 | 561,141 | (1,096) | (436,034) |
| **Net Change in Fund Balances** | 38,320 | 846,554 | (1,096) | 296,138 |
| **Fund Balances, Beginning of Year** | 169,837 | (2,115,258) | 1,096 | 6,619,686 |
| **Fund Balances, End of Year** | $ 208,157 | $ (1,268,704) | $ - | $ 6,915,824 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Water/ Wastewater Infrastructure Surcharge | SHIP | Small Business Loan | Miscellaneous Special Revenue Fund |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | - | 334,345 | - | 329,118 |
| Charges for Services | 774,198 | - | - | 208,493 |
| Fines and Forfeitures | - | - | - | 20,937 |
| Miscellaneous | 9,658 | 22,507 | - | 272,286 |
| **Total Revenues** | 783,856 | 356,852 | - | 830,834 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | - | - | 6,647 | 263,075 |
| Public Safety | - | - | - | 95,922 |
| Physical Environment | 338,624 | - | - | 37,230 |
| Transportation | - | - | - | - |
| Economic Environment | - | 107,843 | - | 24,500 |
| Human Services | - | - | - | 2,186,925 |
| Culture and Recreation | - | - | 35,684 | 152,600 |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Issuance Costs | - | - | - | - |
| Capital Outlay | - | - | - | - |
| **Total Expenditures** | 338,624 | 107,843 | 42,331 | 2,760,252 |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | 445,232 | 249,009 | (42,331) | (1,929,418) |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | - | - | 6,647 | 1,587,311 |
| Transfers (out) | (190,317) | - | (147,691) | (867,800) |
| **Total Other Financing Sources (Uses)** | (190,317) | - | (141,044) | 719,511 |
| **Net Change in Fund Balances** | 254,915 | 249,009 | (183,375) | (1,209,907) |
| **Fund Balances, Beginning of Year** | 2,528,111 | 657,701 | 427,641 | 2,373,166 |
| **Fund Balances, End of Year** | $ 2,783,026 | $ 906,710 | $ 244,266 | $ 1,163,259 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Tree Mitigation | Golf Course Surcharge | Evergreen Cemetery | School Crossing Guard |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - |
| Charges for Services | 3,812 | - | 65,190 | - |
| Fines and Forfeitures | - | - | - | 36,723 |
| Miscellaneous | 3,133,122 | - | 511,843 | - |
| **Total Revenues** | 3,136,934 | - | 577,033 | 36,723 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | - | - | - | - |
| Physical Environment | - | - | - | - |
| Transportation | 57,623 | - | - | - |
| Economic Environment | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | 3,375 | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Issuance Costs | - | - | - | - |
| Capital Outlay | 215,426 | - | 23,641 | - |
| **Total Expenditures** | 276,424 | - | 23,641 | - |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | 2,860,510 | - | 553,392 | 36,723 |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | - | 4,424 | - | - |
| Transfers (out) | - | - | (160,000) | (40,000) |
| **Total Other Financing Sources (Uses)** | - | 4,424 | (160,000) | (40,000) |
| **Net Change in Fund Balances** | 2,860,510 | 4,424 | 393,392 | (3,277) |
| **Fund Balances, Beginning of Year** | 3,276,327 | (4,424) | 1,415,920 | (52,862) |
| **Fund Balances, End of Year** | $ 6,136,837 | $ - | $ 1,809,312 | $ (56,139) |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | Art in Public Places | Gainesville Community Reinvestment Area | Downtown Redevelopment Tax Increment Fund | Fifth Avenue Tax Increment Fund |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | - | 4,091,460 | - | - |
| Charges for Services | - | - | - | - |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous | 978 | 156,470 | 13,523 | 2,950 |
| **Total Revenues** | 978 | 4,247,930 | 13,523 | 2,950 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | - | 79,010 | - | - |
| Public Safety | - | - | - | - |
| Physical Environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic Environment | - | 2,173,627 | 324,352 | 199,244 |
| Human Services | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Issuance Costs | - | - | - | - |
| Capital Outlay | - | - | - | - |
| **Total Expenditures** | - | 2,252,637 | 324,352 | 199,244 |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | 978 | 1,995,293 | (310,829) | (196,294) |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | - | 3,381,611 | - | 44,594 |
| Transfers (out) | - | (1,277,774) | (18,876) | - |
| **Total Other Financing Sources (Uses)** | - | 2,103,837 | (18,876) | 44,594 |
| **Net Change in Fund Balances** | 978 | 4,099,130 | (329,705) | (151,700) |
| **Fund Balances, Beginning of Year** | (4,452) | 7,531,486 | 3,545,334 | 791,969 |
| **Fund Balances, End of Year** | $ (3,474) | $ 11,630,616 | $ 3,215,629 | $ 640,269 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Special Revenue Funds | | | |
|---|---|---|---|---|
| | College Park Tax Increment Fund | Eastside Tax Increment Fund | American Rescue Plan Act (ARPA) | Emergency Disaster |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - |
| Charges for Services | - | - | - | - |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous | 14,530 | 5,571 | 2,577 | 243 |
| **Total Revenues** | 14,530 | 5,571 | 2,577 | 243 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | - | - | - | 1,411 |
| Physical Environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic Environment | 143,573 | 82,883 | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Issuance Costs | - | - | - | - |
| Capital Outlay | 74,916 | - | - | - |
| **Total Expenditures** | 218,489 | 82,883 | - | 1,411 |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | (203,959) | (77,312) | 2,577 | (1,168) |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers (out) | (37,077) | - | - | - |
| **Total Other Financing Sources (Uses)** | (37,077) | - | - | - |
| **Net Change in Fund Balances** | (241,036) | (77,312) | 2,577 | (1,168) |
| **Fund Balances, Beginning of Year** | 4,258,521 | 174,327 | - | 1,526,937 |
| **Fund Balances, End of Year** | $ 4,017,485 | $ 97,015 | $ 2,577 | $ 1,525,769 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Debt Service Funds | | | |
|---|---|---|---|---|
| | Guaranteed Entitlement Rev and Refunding Bonds 1994 | Pension Obligation Bond Series 2003A | Pension Obligation Bond Series 2003B | GPD Energy Conservation Master Capital Lease |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | 1,095,000 | - | - | - |
| Charges for Services | - | 1,800,428 | - | - |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous | 4 | 3,267 | 2,140 | 144 |
| **Total Revenues** | 1,095,004 | 1,803,695 | 2,140 | 144 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | - | 287,602 | - | - |
| Public Safety | - | - | - | - |
| Physical Environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic Environment | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Debt Service: | | | | |
| Principal | 213,065 | 991,656 | 1,465,000 | - |
| Interest and Fiscal Charges | 881,935 | 3,124,120 | 1,980,896 | - |
| Issuance Costs | - | - | - | - |
| Capital Outlay | - | - | - | - |
| **Total Expenditures** | 1,095,000 | 4,403,378 | 3,445,896 | - |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | 4 | (2,599,683) | (3,443,756) | 144 |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | - | 1,574,911 | 3,445,896 | - |
| Transfers (out) | - | - | - | - |
| **Total Other Financing Sources (Uses)** | - | 1,574,911 | 3,445,896 | - |
| **Net Change in Fund Balances** | 4 | (1,024,772) | 2,140 | 144 |
| **Fund Balances, Beginning of Year** | 9,885 | 21,580,756 | 131,665 | 38,524 |
| **Fund Balances, End of Year** | $ 9,889 | $ 20,555,984 | $ 133,805 | $ 38,668 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Debt Service Funds | | | |
|---|---|---|---|---|
| | Capital Improvement Revenue Note Series 2009 | Capital Improvement Revenue Bond Series 2010 | Revenue Refunding Note Series 2011 | Capital Improvement Revenue Note Series 2011A |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - |
| Charges for Services | - | - | - | - |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous | 47 | 529 | 397 | 302 |
| **Total Revenues** | 47 | 529 | 397 | 302 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | - | - | - | - |
| Physical Environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic Environment | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | 660,000 | 420,000 |
| Interest and Fiscal Charges | - | 36,396 | 31,506 | 9,618 |
| Issuance Costs | - | - | - | - |
| Capital Outlay | - | - | - | - |
| **Total Expenditures** | - | 36,396 | 691,506 | 429,618 |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | 47 | (35,867) | (691,109) | (429,316) |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | - | 219,401 | 691,506 | 429,618 |
| Transfers (out) | - | (297,122) | - | - |
| **Total Other Financing Sources (Uses)** | - | (77,721) | 691,506 | 429,618 |
| **Net Change in Fund Balances** | 47 | (113,588) | 397 | 302 |
| **Fund Balances, Beginning of Year** | 12,534 | 113,588 | 12,507 | 20,977 |
| **Fund Balances, End of Year** | $ 12,581 | $ - | $ 12,904 | $ 21,279 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Debt Service Funds | | | |
|---|---|---|---|---|
| | Revenue Refunding Note Series 2014 | Capital Improvement Revenue Bond Series 2014 | Revenue Refunding Note Series 2016A | Capital Improvement Revenue Note 2016B |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - |
| Charges for Services | - | - | - | - |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous | 1,166 | 1,218 | 620 | 20 |
| **Total Revenues** | 1,166 | 1,218 | 620 | 20 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | - | - | - | - |
| Physical Environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic Environment | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Debt Service: | | | | |
| Principal | 1,460,000 | 526,133 | 1,048,344 | 400,000 |
| Interest and Fiscal Charges | 183,470 | 359,651 | 199,346 | 126,840 |
| Issuance Costs | - | - | - | - |
| Capital Outlay | - | - | - | - |
| **Total Expenditures** | 1,643,470 | 885,784 | 1,247,690 | 526,840 |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | (1,642,304) | (884,566) | (1,247,070) | (526,820) |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | 1,643,480 | 885,784 | 1,356,775 | 526,840 |
| Transfers (out) | - | - | - | - |
| **Total Other Financing Sources (Uses)** | 1,643,480 | 885,784 | 1,356,775 | 526,840 |
| **Net Change in Fund Balances** | 1,176 | 1,218 | 109,705 | 20 |
| **Fund Balances, Beginning of Year** | 85,613 | 210,759 | 147,893 | (2,547) |
| **Fund Balances, End of Year** | $ 86,789 | $ 211,977 | $ 257,598 | $ (2,527) |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Debt Service Funds | | | |
|---|---|---|---|---|
| | Capital Improvement Revenue Bond 2017 | Capital Improvement Revenue Note 2019 | Special Obligation Revenue Bonds Series 2020 | Revenue Refunding Note Series 2021 |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - |
| Charges for Services | - | - | 2,031,576 | - |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous | 915 | 337 | 883 | - |
| **Total Revenues** | 915 | 337 | 2,032,459 | - |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | - | - | 3,063,563 | 2,975 |
| Public Safety | - | - | - | - |
| Physical Environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic Environment | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | 505,000 | 4,235,000 | 674,227 |
| Interest and Fiscal Charges | 126,569 | 158,684 | 4,730,230 | 103,700 |
| Issuance Costs | - | - | - | 45,227 |
| Capital Outlay | - | - | - | - |
| **Total Expenditures** | 126,569 | 663,684 | 12,028,793 | 826,129 |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | (125,654) | (663,347) | (9,996,334) | (826,129) |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | 11,473,000 |
| Payments to Bond Escrow | - | - | - | (11,427,773) |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | 683,138 | 663,684 | 4,459,326 | 995,191 |
| Transfers (out) | (698,069) | - | - | - |
| **Total Other Financing Sources (Uses)** | (14,931) | 663,684 | 4,459,326 | 1,040,418 |
| **Net Change in Fund Balances** | (140,585) | 337 | (5,537,008) | 214,289 |
| **Fund Balances, Beginning of Year,** | 140,585 | 2,149 | 119,336,205 | - |
| **Fund Balances, End of Year** | $ - | $ 2,486 | $ 113,799,197 | $ 214,289 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | General Capital Projects | Public Improvement Construction Fund | Greenspace and Community Improvement | Capital Projects Fund 02 |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - |
| Charges for Services | 173,405 | - | - | - |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous | 12,012 | 3 | 699 | 353 |
| **Total Revenues** | 185,417 | 3 | 699 | 353 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | 160,738 | - | - | - |
| Public Safety | 58,322 | - | - | - |
| Physical Environment | - | - | - | - |
| Transportation | 265,645 | - | - | - |
| Economic Environment | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | 4,122 | - | 32,858 | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Issuance Costs | - | - | - | - |
| Capital Outlay | 188,999 | - | - | - |
| **Total Expenditures** | 677,826 | - | 32,858 | - |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | (492,409) | 3 | (32,159) | 353 |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | 1,311,156 | - | - | - |
| Transfers (out) | (134,501) | - | - | (24,997) |
| **Total Other Financing Sources (Uses)** | 1,176,655 | - | - | (24,997) |
| **Net Change in Fund Balances** | 684,246 | 3 | (32,159) | (24,644) |
| **Fund Balances, Beginning of Year** | 1,678,258 | 963 | 188,331 | 94,503 |
| **Fund Balances, End of Year** | $ 2,362,504 | $ 966 | $ 156,172 | $ 69,859 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | Fifth Ave/ Pleasant St Rehab Proj. Fund 02 | FFGFC 05 Capital Projects | Capital Improvement Revenue Bond (CIRB) 2005 | Kennedy Homes Acquisition/ Demolition |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - |
| Charges for Services | - | - | - | - |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous | 31 | 404 | 898 | - |
| **Total Revenues** | 31 | 404 | 898 | - |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | - | - | - | - |
| Physical Environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic Environment | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Issuance Costs | - | - | - | - |
| Capital Outlay | - | - | - | - |
| **Total Expenditures** | - | - | - | - |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | 31 | 404 | 898 | - |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | (65,708) |
| **Total Other Financing Sources (Uses)** | - | - | - | (65,708) |
| **Net Change in Fund Balances** | 31 | 404 | 898 | (65,708) |
| **Fund Balances, Beginning of Year** | 8,396 | 108,851 | 207,038 | 65,708 |
| **Fund Balances, End of Year** | $ 8,427 | $ 109,255 | $ 207,936 | $ - |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | Campus Development Agreement | Energy Conservation | Add'l 5 Cents Local Option Gas Tax (LOGT) | Add'l 5 Cents Gas Tax (LOGT) CIRN 2009 |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ 2,262,108 | $ - |
| Intergovernmental | - | - | - | - |
| Charges for Services | - | - | - | - |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous | 5,914 | 57 | 22,506 | 2,258 |
| **Total Revenues** | 5,914 | 57 | 2,284,614 | 2,258 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | 75,000 | - | - | - |
| Public Safety | - | - | - | - |
| Physical Environment | - | - | - | - |
| Transportation | 16,239 | - | 133,793 | - |
| Economic Environment | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | - | - | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Issuance Costs | - | - | - | - |
| Capital Outlay | - | - | 113,027 | - |
| **Total Expenditures** | 91,239 | - | 246,820 | - |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | (85,325) | 57 | 2,037,794 | 2,258 |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers (out) | (168,570) | - | (1,597,280) | - |
| **Total Other Financing Sources (Uses)** | (168,570) | - | (1,597,280) | - |
| **Net Change in Fund Balances** | (253,895) | 57 | 440,514 | 2,258 |
| **Fund Balances, Beginning of Year** | 1,450,051 | 15,379 | 3,313,945 | 605,262 |
| **Fund Balances, End of Year** | $ 1,196,156 | $ 15,436 | $ 3,754,459 | $ 607,520 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | Traffic Management System | Wild Spaces Public Places 1/2 Cent Sales Tax | Wild Spaces Public Places Land Acq. | Senior Recreation Center |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - |
| Charges for Services | - | - | - | - |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous | 39 | 5 | 756 | 89 |
| **Total Revenues** | 39 | 5 | 756 | 89 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | - | - | - | - |
| Physical Environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic Environment | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | - | - | 29,092 | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Issuance Costs | - | - | - | - |
| Capital Outlay | - | - | - | - |
| **Total Expenditures** | - | - | 29,092 | - |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | 39 | 5 | (28,336) | 89 |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| **Total Other Financing Sources (Uses)** | - | - | - | - |
| **Net Change in Fund Balances** | 39 | 5 | (28,336) | 89 |
| **Fund Balances, Beginning of Year** | 120,669 | 1,409 | 207,800 | 23,868 |
| **Fund Balances, End of Year** | $ 120,708 | $ 1,414 | $ 179,464 | $ 23,957 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | Capital Improvement Revenue Bond 2010 | Capital Improvement Revenue Note 2011 | Facilities Maintenance Recurring | Equipment Replacement |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - |
| Charges for Services | - | - | - | - |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous | 1,870 | 3 | 4,842 | 3,396 |
| **Total Revenues** | 1,870 | 3 | 4,842 | 3,396 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | 45,995 | - | 40,070 | 180,089 |
| Public Safety | - | - | 38,579 | 182,267 |
| Physical Environment | - | - | - | - |
| Transportation | - | - | 122,159 | - |
| Economic Environment | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | - | - | 223,316 | 78,792 |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Issuance Costs | - | - | - | - |
| Capital Outlay | 67,780 | - | 173,539 | 135,598 |
| **Total Expenditures** | 113,775 | - | 597,663 | 576,746 |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | (111,905) | 3 | (592,821) | (573,350) |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | - | - | 509,500 | 962,500 |
| Transfers (out) | - | - | - | (17,895) |
| **Total Other Financing Sources (Uses)** | - | - | 509,500 | 944,605 |
| **Net Change in Fund Balances** | (111,905) | 3 | (83,321) | 371,255 |
| **Fund Balances, Beginning of Year** | 503,528 | 900 | 1,079,560 | 761,580 |
| **Fund Balances, End of Year** | $ 391,623 | $ 903 | $ 996,239 | $ 1,132,835 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | Roadway Resurfacing Program | Capital Improvement Revenue Bond Series 2014 | Capital Improvement Beazer Settlement | Capital Imp Revenue Note 2016B Add'l 5 Cent Gas Tax |
| **Revenues** | | | | |
| Taxes | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - |
| Charges for Services | - | - | - | - |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous | 21,510 | 2,584 | 81 | 11,059 |
| **Total Revenues** | 21,510 | 2,584 | 81 | 11,059 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | - | - | - | - |
| Public Safety | - | - | - | - |
| Physical Environment | - | - | - | - |
| Transportation | 1,172,266 | - | - | 54,889 |
| Economic Environment | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | - | 3,436 | - | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Issuance Costs | - | - | - | - |
| Capital Outlay | - | - | - | 736,804 |
| **Total Expenditures** | 1,172,266 | 3,436 | - | 791,693 |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | (1,150,756) | (852) | 81 | (780,634) |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | 2,072,069 | - | - | - |
| Transfers (out) | (115,462) | - | - | - |
| **Total Other Financing Sources (Uses)** | 1,956,607 | - | - | - |
| **Net Change in Fund Balances** | 805,851 | (852) | 81 | (780,634) |
| **Fund Balances, Beginning of Year** | 1,585,354 | 689,383 | 21,844 | 3,057,769 |
| **Fund Balances, End of Year** | $ 2,391,205 | $ 688,531 | $ 21,925 | $ 2,277,135 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Capital Projects Funds | | | |
|---|---|---|---|---|
| | Capital Improvement Revenue Note 2017 | Wild Spaces Public Places 1/2 Cent Sales Tax 2017-2025 | Wild Spaces Public Places Joint Projects | Capital Improvement Revenue Note 2019 |
| **Revenues** | | | | |
| Taxes | $ - | $ 9,037,963 | $ 170 | $ - |
| Intergovernmental | - | - | 125,000 | - |
| Charges for Services | - | - | - | - |
| Fines and Forfeitures | - | - | - | - |
| Miscellaneous | 837 | 49,672 | 7,956 | 19,164 |
| **Total Revenues** | 837 | 9,087,635 | 133,126 | 19,164 |
| **Expenditures** | | | | |
| Current: | | | | |
| General Government | - | 421,602 | - | 1,120,652 |
| Public Safety | - | - | - | 53,268 |
| Physical Environment | - | - | - | - |
| Transportation | - | - | - | 29,025 |
| Economic Environment | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and Recreation | - | 1,053,782 | 36,804 | - |
| Debt Service: | | | | |
| Principal | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - |
| Issuance Costs | - | - | - | - |
| Capital Outlay | - | 2,249,572 | 15,260 | - |
| **Total Expenditures** | - | 3,724,956 | 52,064 | 1,202,945 |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | 837 | 5,362,679 | 81,062 | (1,183,781) |
| **Other Financing Sources (Uses)** | | | | |
| Issuance of Bonds | - | - | - | - |
| Payments to Bond Escrow | - | - | - | - |
| Sale of Capital Assets | - | - | - | - |
| Transfers in | - | 39,036 | - | - |
| Transfers (out) | - | (30,019) | - | (1,119,988) |
| **Total Other Financing Sources (Uses)** | - | 9,017 | - | (1,119,988) |
| **Net Change in Fund Balances** | 837 | 5,371,696 | 81,062 | (2,303,769) |
| **Fund Balances, Beginning of Year** | 224,279 | 12,174,913 | 2,098,553 | 5,923,847 |
| **Fund Balances, End of Year** | $ 225,116 | $ 17,546,609 | $ 2,179,615 | $ 3,620,078 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Concluded)*

| | Capital Projects Funds | |
|---|---|---|
| | Technology Capital Improvement | Total Nonmajor Governmental Funds |
| **Revenues** | | |
| Taxes | $ - | $ 11,300,241 |
| Intergovernmental | - | 10,943,033 |
| Charges for Services | - | 7,645,354 |
| Fines and Forfeitures | - | 147,399 |
| Miscellaneous | - | 4,558,316 |
| **Total Revenues** | - | 34,594,343 |
| **Expenditures** | | |
| Current: | | |
| General Government | - | 5,801,134 |
| Public Safety | - | 3,001,167 |
| Physical Environment | - | 926,407 |
| Transportation | - | 2,189,299 |
| Economic Environment | - | 3,891,465 |
| Human Services | - | 2,186,925 |
| Culture and Recreation | - | 1,702,643 |
| Debt Service: | | |
| Principal | - | 12,598,425 |
| Interest and Fiscal Charges | - | 12,052,961 |
| Issuance Costs | - | 45,227 |
| Capital Outlay | - | 5,673,996 |
| **Total Expenditures** | - | 50,069,649 |
| **(Deficiency) Excess of Revenues (Under) Over Expenditures** | - | (15,475,306) |
| **Other Financing Sources (Uses)** | | |
| Issuance of Bonds | - | 11,473,000 |
| Payments to Bond Escrow | - | (11,427,773) |
| Sale of Capital Assets | - | 28,271 |
| Transfers in | - | 28,268,566 |
| Transfers (out) | (1,107,689) | (8,705,948) |
| **Total Other Financing Sources (Uses)** | (1,107,689) | 19,636,116 |
| **Net Change in Fund Balances** | (1,107,689) | 4,160,810 |
| **Fund Balances, Beginning of Year** | 1,107,689 | 212,838,508 |
| **Fund Balances, End of Year** | $ - | $ 216,999,318 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Intergovernmental | $ 1,433,753 | $ 1,319,592 | $ 114,161 |
| Miscellaneous | 22,030 | 629 | 21,401 |
| **Total Revenues** | 1,455,783 | 1,320,221 | 135,562 |
| **Expenditures** | | | |
| Public Safety | 52,703 | - | (52,703) |
| Economic Environment | 694,474 | 1,450,208 | 755,734 |
| Human Services | - | 662,676 | 662,676 |
| **Total Expenditures** | 747,177 | 2,112,884 | 1,365,707 |
| **(Deficiency) of Revenues (Under) Expenditures** | 708,606 | (792,663) | 1,501,269 |
| **Other Financing Sources** | | | |
| Transfers (out) | (18,084) | (6,879) | (11,205) |
| **Total Other Financing Sources** | (18,084) | (6,879) | (11,205) |
| **Net Change in Fund Balances** | $ 690,522 | $ (799,542) | $ 1,490,064 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
URBAN DEVELOPMENT ACTION GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Intergovernmental | $ - | $ - | $ - |
| **Total Revenues** | - | - | - |
| **Expenditures** | | | |
| Culture and Recreation | - | 2,042 | 2,042 |
| **Total Expenditures** | - | 2,042 | 2,042 |
| **(Deficiency) of Revenues (Under) Expenditures** | - | (2,042) | 2,042 |
| **Net Change in Fund Balances** | $ - | $ (2,042) | $ 2,042 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
HOME GRANT
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Intergovernmental | $ 107,475 | $ 530,142 | $ (422,667) |
| Miscellaneous | 92,015 | 2,647 | 89,368 |
| **Total Revenues** | 199,490 | 532,789 | (333,299) |
| **Expenditures** | | | |
| Economic Environment | 140,969 | 1,889,740 | 1,748,771 |
| **Total Expenditures** | 140,969 | 1,889,740 | 1,748,771 |
| **(Deficiency) of Revenues (Under) Expenditures** | 58,521 | (1,356,951) | 1,415,472 |
| **Other Financing Sources (Uses)** | | | |
| Transfers (out) | (26,723) | (25,735) | (988) |
| **Total Other Financing Sources (Uses)** | (26,723) | (25,735) | (988) |
| **Net Change in Fund Balances** | $ 31,798 | $ (1,382,686) | $ 1,414,484 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CULTURAL AFFAIRS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Charges for Services | $ 61,939 | $ 429,516 | $ (367,577) |
| Miscellaneous | 25,360 | 81,506 | (56,146) |
| **Total Revenues** | 87,299 | 511,022 | (423,723) |
| **Expenditures** | | | |
| Culture and Recreation | 1,350 | 415,285 | 413,935 |
| **Total Expenditures** | 1,350 | 415,285 | 413,935 |
| **(Deficiency) of Revenues (Under) Expenditures** | 85,949 | 95,737 | (9,788) |
| **Other Financing Sources (Uses)** | | | |
| Transfers (out) | (6,683) | (2,393) | (4,290) |
| **Total Other Financing Sources (Uses)** | (6,683) | (2,393) | (4,290) |
| **Net Change in Fund Balances** | $ 79,266 | $ 93,344 | $ (14,078) |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
STATE LAW ENFORCEMENT CONTRABAND FORFEITURE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Fines and Forfeitures | $ 38,153 | $ - | $ 38,153 |
| Miscellaneous | 1,707 | - | 1,707 |
| **Total Revenues** | 39,860 | - | 39,860 |
| **Expenditures** | | | |
| Public Safety | 5,183 | 25,461 | 20,278 |
| **Total Expenditures** | 5,183 | 25,461 | 20,278 |
| **(Deficiency) of Revenues (Under) Expenditures** | 34,677 | (25,461) | 60,138 |
| **Other Financing Sources (Uses)** | | | |
| Transfers (out) | (100,493) | (100,493) | - |
| **Total Other Financing Sources (Uses)** | (100,493) | (100,493) | - |
| **Net Change in Fund Balances** | $ (65,816) | $ (125,954) | $ 60,138 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
FEDERAL LAW ENFORCEMENT CONTRABAND FORFEITURE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Fines and Forfeitures | $ 51,586 | $ - | $ 51,586 |
| Miscellaneous | 28,000 | - | 28,000 |
| **Total Revenues** | 79,586 | - | 79,586 |
| **Expenditures** | | | |
| Public Safety | 198,156 | 322,400 | 124,244 |
| **Total Expenditures** | 198,156 | 322,400 | 124,244 |
| **(Deficiency) of Revenues (Under) Expenditures** | (118,570) | (322,400) | 203,830 |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 126,027 | 126,027 | - |
| **Total Other Financing Sources (Uses)** | 126,027 | 126,027 | - |
| **Net Change in Fund Balances** | $ 7,457 | $ (196,373) | $ 203,830 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
POLICE BILLABLE OVERTIME
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Charges for Services | $ 620,259 | $ 658,632 | $ (38,373) |
| **Total Revenues** | 620,259 | 658,632 | (38,373) |
| | | | |
| **Expenditures** | | | |
| Public Safety | 531,000 | 513,277 | (17,723) |
| **Total Expenditures** | 531,000 | 513,277 | (17,723) |
| | | | |
| **(Deficiency) of Revenues (Under) Expenditures** | 89,259 | 145,355 | (56,096) |
| | | | |
| **Net Change in Fund Balance** | $ 89,259 | $ 145,355 | $ (56,096) |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
STREET, SIDEWALK, AND DITCH IMPROVEMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 710 | $ 3,400 | $ (2,690) |
| **Total Revenues** | 710 | 3,400 | (2,690) |
| **(Deficiency) of Revenues (Under) Expenditures** | 710 | 3,400 | (2,690) |
| **Net Change in Fund Balance** | $ 710 | $ 3,400 | $ (2,690) |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 497 | $ - | $ 497 |
| **Total Revenues** | 497 | - | 497 |
| **Expenditures** | | | |
| General Government | 49,177 | - | (49,177) |
| Economic Environment | - | 153,595 | 153,595 |
| **Total Expenditures** | 49,177 | 153,595 | 104,418 |
| **(Deficiency) of Revenues (Under) Expenditures** | (48,680) | (153,595) | 104,915 |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 87,000 | 87,000 | - |
| **Total Other Financing Sources (Uses)** | 87,000 | 87,000 | - |
| **Net Change in Fund Balance** | $ 38,320 | $ (66,595) | $ 104,915 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
MISCELLANEOUS GRANTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Intergovernmental | $ 3,426,882 | $ 1,520,238 | $ 1,906,644 |
| Miscellaneous | 63,942 | - | 63,942 |
| **Total Revenues** | 3,490,824 | 1,520,238 | 1,970,586 |
| **Expenditures** | | | |
| General Government | 4,939 | 562,778 | 557,839 |
| Public Safety | 2,525,856 | 3,646,906 | 1,121,050 |
| Physical Environment | 550,553 | 720,319 | 169,766 |
| Transportation | 76,631 | 1,743,725 | 1,667,094 |
| Human Services | - | 50,711 | 50,711 |
| Culture and Recreation | 47,432 | 549,618 | 502,186 |
| **Total Expenditures** | 3,205,411 | 7,274,057 | 4,068,646 |
| **(Deficiency) of Revenues (Under) Expenditures** | 285,413 | (5,753,819) | 6,039,232 |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 561,141 | 568,136 | (6,995) |
| **Total Other Financing Sources (Uses)** | 561,141 | 568,136 | (6,995) |
| **Net Change in Fund Balance** | $ 846,554 | $ (5,185,683) | $ 6,032,237 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
TRANSPORTATION CONCURRENCY EXCEPTION AREA
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Charges for Services | $ 1,906,054 | $ 1,814,432 | $ 91,622 |
| Miscellaneous | 25,081 | 35,000 | (9,919) |
| **Total Revenues** | 1,931,135 | 1,849,432 | 81,703 |
| **Expenditures** | | | |
| Transportation | 1,198,963 | 6,736,964 | 5,538,001 |
| **Total Expenditures** | 1,198,963 | 6,736,964 | 5,538,001 |
| **(Deficiency) of Revenues (Under) Expenditures** | 732,172 | (4,887,532) | 5,619,704 |
| **Other Financing Sources (Uses)** | | | |
| Transfers (out) | (436,034) | (436,034) | - |
| **Total Other Financing Sources (Uses)** | (436,034) | (436,034) | - |
| **Net Change in Fund Balance** | $ 296,138 | $ (5,323,566) | $ 5,619,704 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
WATER/WASTEWATER INFRASTRUCTURE SURCHARGE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Charges for Services | $ 774,198 | $ - | $ 774,198 |
| Miscellaneous | 9,658 | - | 9,658 |
| **Total Revenues** | 783,856 | - | 783,856 |
| **Expenditures** | | | |
| Physical Environment | 338,624 | 2,754,419 | 2,415,795 |
| **Total Expenditures** | 338,624 | 2,754,419 | 2,415,795 |
| **(Deficiency) of Revenues (Under) Expenditures** | 445,232 | (2,754,419) | 3,199,651 |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | - | 602,672 | (602,672) |
| Transfers (out) | (190,317) | (190,317) | - |
| **Total Other Financing Sources (Uses)** | (190,317) | 412,355 | (602,672) |
| **Net Change in Fund Balance** | $ 254,915 | $ (2,342,064) | $ 2,596,979 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
SUPPORTIVE HOUSING INVESTMENT PARTNERSHIP (SHIP)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Intergovernmental | $ 334,345 | $ 231,919 | $ 102,426 |
| Miscellaneous | 22,507 | 350 | 22,157 |
| **Total Revenues** | 356,852 | 232,269 | 124,583 |
| **Expenditures** | | | |
| Human Service | 107,843 | 2,037,626 | 1,929,783 |
| **Total Expenditures** | 107,843 | 2,037,626 | 1,929,783 |
| **(Deficiency) of Revenues (Under) Expenditures** | 249,009 | (1,805,357) | 2,054,366 |
| **Net Change in Fund Balance** | $ 249,009 | $ (1,805,357) | $ 2,054,366 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
EMERGENCY DISASTER
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 243 | $ - | $ 243 |
| **Total Revenues** | 243 | - | 243 |
| **Total Expenditures** | 1,411 | - | (1,411) |
| **(Deficiency) of Revenues (Under) Expenditures** | (1,168) | - | (1,168) |
| **Net Change in Fund Balance** | $ (1,168) | $ - | $ (1,168) |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
SMALL BUSINESS LOAN
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ - | $ - | $ - |
| **Total Revenues** | - | - | - |
| | | | |
| **Expenditures** | | | |
| General Government | 6,647 | 256,647 | 250,000 |
| Culture and Recreation | 35,684 | 27,549 | (8,135) |
| **Total Expenditures** | 42,331 | 284,196 | 241,865 |
| | | | |
| **(Deficiency) of Revenues (Under) Expenditures** | (42,331) | (284,196) | 241,865 |
| | | | |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 6,647 | 6,647 | - |
| Transfers (out) | (147,691) | (147,691) | - |
| **Total Other Financing Sources (Uses)** | (141,044) | (141,044) | - |
| | | | |
| **Net Change in Fund Balance** | $ (183,375) | $ (425,240) | $ 241,865 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
MISCELLANEOUS SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Intergovernmental | $ 329,118 | $ 5,134 | $ 323,984 |
| Charges for Services | 208,493 | 150,075 | 58,418 |
| Fines and Forfeitures | 20,937 | - | 20,937 |
| Miscellaneous | 272,286 | 268,633 | 3,653 |
| **Total Revenues** | 830,834 | 423,842 | 406,992 |
| **Expenditures** | | | |
| Current: | | | |
| General Government | 263,075 | 2,995,084 | 2,732,009 |
| Public Safety | 95,922 | 331,730 | 235,808 |
| Physical Environment | 37,230 | - | (37,230) |
| Transportation | - | 1,584 | 1,584 |
| Economic Environment | 24,500 | 171,307 | 146,807 |
| Human Services | 2,186,925 | 61,818 | (2,125,107) |
| Culture and Recreation | 152,600 | 454,520 | 301,920 |
| **Total Expenditures** | 2,760,252 | 4,016,043 | 1,255,791 |
| **(Deficiency) of Revenues (Under) Expenditures** | (1,929,418) | (3,592,201) | 1,662,783 |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 1,587,311 | 1,587,311 | - |
| Transfers (out) | (867,800) | (867,800) | - |
| **Total Other Financing Sources (Uses)** | 719,511 | 719,511 | - |
| **Net Change in Fund Balance** | $ (1,209,907) | $ (2,872,690) | $ 1,662,783 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
TREE MITIGATION
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Charges for Services | $ 3,812 | $ - | $ 3,812 |
| Miscellaneous | 3,133,122 | 32,129 | 3,100,993 |
| **Total Revenues** | 3,136,934 | 32,129 | 3,104,805 |
| **Expenditures** | | | |
| Transportation | 57,623 | 249,839 | 192,216 |
| Culture and Recreation | 3,375 | 29,099 | 25,724 |
| Capital Outlay | 215,426 | 359,311 | 143,885 |
| **Total Expenditures** | 276,424 | 638,249 | 361,825 |
| **(Deficiency) of Revenues (Under) Expenditures** | 2,860,510 | (606,120) | 3,466,630 |
| **Net Change in Fund Balance** | $ 2,860,510 | $ (606,120) | $ 3,466,630 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GOLF COURSE SURCHARGE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Charges for Services | $ - | $ - | $ - |
| **Total Revenues** | - | - | - |
| **Expenditures** | | | |
| Culture and Recreation | - | - | - |
| **Total Expenditures** | - | - | - |
| **(Deficiency) of Revenues (Under) Expenditures** | - | - | - |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 4,424 | - | 4,424 |
| **Total Other Financing Sources (Uses)** | 4,424 | - | 4,424 |
| **Net Change in Fund Balance** | $ 4,424 | $ - | $ 4,424 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
EVERGREEN CEMETERY
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Charges for Services | $ 65,190 | $ 4,194 | $ 60,996 |
| Miscellaneous | 511,843 | 28,442 | 483,401 |
| **Total Revenues** | 577,033 | 32,636 | 544,397 |
| **Expenditures** | | | |
| Capital Outlay | 23,641 | 93,000 | 69,359 |
| **Total Expenditures** | 23,641 | 93,000 | 69,359 |
| **(Deficiency) of Revenues (Under) Expenditures** | 553,392 | (60,364) | 613,756 |
| **Other Financing Sources (Uses)** | | | |
| Transfers (out) | (160,000) | (160,000) | - |
| **Total Other Financing Sources (Uses)** | (160,000) | (160,000) | - |
| **Net Change in Fund Balance** | $ 393,392 | $ (220,364) | $ 613,756 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
SCHOOL CROSSING GUARD
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Fines and Forfeitures | $ 36,723 | $ 40,000 | $ (3,277) |
| Miscellaneous | - | - | - |
| **Total Revenues** | 36,723 | 40,000 | (3,277) |
| **Expenditures** | | | |
| Public Safety | - | - | - |
| **Total Expenditures** | - | - | - |
| **(Deficiency) of Revenues (Under) Expenditures** | 36,723 | 40,000 | (3,277) |
| **Other Financing Sources (Uses)** | | | |
| Transfers (out) | (40,000) | (40,000) | - |
| **Total Other Financing Sources (Uses)** | (40,000) | (40,000) | - |
| **Net Change in Fund Balance** | $ (3,277) | $ - | $ (3,277) |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
ART IN PUBLIC PLACES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| Miscellaneous | $ 978 | $ - | $ 978 |
| **Total Revenues** | 978 | $ - | 978 |
| **Expenditures** | | | |
| Culture and Recreation | - | - | - |
| **Total Expenditures** | - | - | - |
| **(Deficiency) of Revenues (Under) Expenditures** | 978 | - | 978 |
| **Net Change in Fund Balance** | $ 978 | $ - | $ 978 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GAINESVILLE COMMUNITY REINVESTMENT AREA
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Intergovernmental | $ 4,091,460 | $ 4,091,460 | $ - |
| Miscellaneous | 156,470 | 125,000 | 31,470 |
| **Total Revenues** | 4,247,930 | 4,216,460 | 31,470 |
| **Expenditures** | | | |
| General Government | 79,010 | 82,683 | 3,673 |
| Economic Environment | 2,173,627 | 7,373,343 | 5,199,716 |
| Capital Outlay | - | 1,796,222 | 1,796,222 |
| Debt Service | - | 82,038 | 82,038 |
| **Total Expenditures** | 2,252,637 | 9,334,286 | 7,081,649 |
| **(Deficiency) of Revenues (Under) Expenditures** | 1,995,293 | (5,117,826) | 7,113,119 |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 3,381,611 | 3,381,611 | - |
| Transfers (out) | (1,277,774) | (1,242,079) | (35,695) |
| **Total Other Financing Sources (Uses)** | 2,103,837 | 2,139,532 | (35,695) |
| **Net Change in Fund Balance** | $ 4,099,130 | $ (2,978,294) | $ 7,077,424 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
DOWNTOWN REDEVELOPMENT TAX INCREMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 13,523 | $ - | $ 13,523 |
| **Total Revenues** | 13,523 | - | 13,523 |
| **Expenditures** | | | |
| Economic Environment | 324,352 | 3,526,459 | 3,202,107 |
| **Total Expenditures** | 324,352 | 3,526,459 | 3,202,107 |
| **(Deficiency) of Revenues (Under) Expenditures** | (310,829) | (3,526,459) | 3,215,630 |
| **Other Financing Sources (Uses)** | | | |
| Transfers (out) | (18,876) | (18,876) | - |
| **Total Other Financing Sources (Uses)** | (18,876) | (18,876) | - |
| **Net Change in Fund Balance** | $ (329,705) | $ (3,545,335) | $ 3,215,630 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
FIFTH AVENUE TAX INCREMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 2,950 | $ - | $ 2,950 |
| **Total Revenues** | 2,950 | - | 2,950 |
| **Expenditures** | | | |
| Economic Environment | 199,244 | 791,969 | 592,725 |
| **Total Expenditures** | 199,244 | 791,969 | 592,725 |
| **(Deficiency) of Revenues (Under) Expenditures** | (196,294) | (791,969) | 595,675 |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 44,594 | 44,594 | - |
| **Total Other Financing Sources (Uses)** | 44,594 | 44,594 | - |
| **Net Change in Fund Balance** | $ (151,700) | $ (747,375) | $ 595,675 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
COLLEGE PARK/UNIVERSITY HEIGHTS TAX INCREMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 14,530 | $ - | $ 14,530 |
| **Total Revenues** | 14,530 | - | 14,530 |
| **Expenditures** | | | |
| Economic Environment | 143,573 | 4,097,700 | 3,954,127 |
| Capital Outlay | 74,916 | 105,366 | 30,450 |
| **Total Expenditures** | 218,489 | 4,203,066 | 3,984,577 |
| **(Deficiency) of Revenues (Under) Expenditures** | (203,959) | (4,203,066) | 3,999,107 |
| **Other Financing Sources (Uses)** | | | |
| Transfers (out) | (37,077) | (37,077) | - |
| **Total Other Financing Sources (Uses)** | (37,077) | (37,077) | - |
| **Net Change in Fund Balance** | $ (241,036) | $ (4,240,143) | $ 3,999,107 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
EASTSIDE TAX INCREMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 5,571 | $ - | $ 5,571 |
| **Total Revenues** | 5,571 | - | 5,571 |
| **Expenditures** | | | |
| Economic Environment | 82,883 | 174,327 | 91,444 |
| **Total Expenditures** | 82,883 | 174,327 | 91,444 |
| **(Deficiency) of Revenues (Under) Expenditures** | (77,312) | (174,327) | 97,015 |
| **Net Change in Fund Balance** | $ (77,312) | $ (174,327) | $ 97,015 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
ARPA FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Intergovernmental | $ - | $ 16,204,402 | $ (16,204,402) |
| Miscellaneous | 2,577 | - | 2,577 |
| **Total Revenues** | 2,577 | 16,204,402 | (16,201,825) |
| **Expenditures** | | | |
| Economic Environment | - | 750,000 | 750,000 |
| **Total Expenditures** | - | 750,000 | 750,000 |
| **(Deficiency) of Revenues (Under) Expenditures** | 2,577 | 15,454,402 | 15,451,825 |
| **Net Change in Fund Balance** | $ 2,577 | $ 15,454,402 | $ 15,451,825 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GUARANTEED ENTITLEMENT REVENUE AND REFUNDING BONDS 1994
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Intergovernmental | $ 1,095,000 | $ 1,095,000 | $ - |
| Miscellaneous | 4 | - | 4 |
| **Total Revenues** | 1,095,004 | 1,095,000 | 4 |
| **Expenditures** | | | |
| Debt Service: | | | |
| Principal | 213,065 | 213,065 | - |
| Interest | 881,935 | 881,935 | - |
| **Total Expenditures** | 1,095,000 | 1,095,000 | - |
| **(Deficiency) of Revenues (Under) Expenditures** | 4 | - | 4 |
| **Net Change in Fund Balance** | $ 4 | $ - | $ 4 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
PENSION OBLIGATION BOND SERIES 2003A
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Intergovernmental | $ - | $ 2,385,504 | $ (2,385,504) |
| Charges for Services | 1,800,428 | - | 1,800,428 |
| Miscellaneous | 3,267 | 5,000 | (1,733) |
| **Total Revenues** | 1,803,695 | 2,390,504 | (586,809) |
| **Expenditures** | | | |
| General Government | 287,602 | - | (287,602) |
| Debt Service: | | | |
| Principal | 991,656 | 991,656 | - |
| Interest | 3,124,120 | 3,124,120 | - |
| **Total Expenditures** | 4,403,378 | 4,115,776 | (287,602) |
| **(Deficiency) of Revenues (Under) Expenditures** | (2,599,683) | (1,725,272) | (874,411) |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 1,574,911 | 1,730,272 | (155,361) |
| **Total Other Financing Sources (Uses)** | 1,574,911 | 1,730,272 | (155,361) |
| **Net Change in Fund Balance** | $ (1,024,772) | $ 5,000 | $ (1,029,772) |

Note: Actual expenditures exceeded budget due to an accounting adjustment to reallocate total debt service payments between the Utility and General Government. The increase in the General Government allocation is budgeted annually, rather than for the full term of the debt issuance.

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
PENSION OBLIGATION BOND SERIES 2003B
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 2,140 | $ 5,000 | $ (2,860) |
| **Total Revenues** | 2,140 | 5,000 | (2,860) |
| **Expenditures** | | | |
| Debt Service: | | | |
| Principal | 1,465,000 | 1,465,000 | - |
| Interest | 1,980,896 | 1,980,896 | - |
| **Total Expenditures** | 3,445,896 | 3,445,896 | - |
| **(Deficiency) of Revenues (Under) Expenditures** | (3,443,756) | (3,440,896) | (2,860) |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 3,445,896 | 3,445,896 | - |
| **Total Other Financing Sources (Uses)** | 3,445,896 | 3,445,896 | - |
| **Net Change in Fund Balance** | $ 2,140 | $ 5,000 | $ (2,860) |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
GPD ENERGY CONSERVATION MASTER CAPITAL LEASE
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 144 | $ - | $ 144 |
| **Total Revenues** | 144 | - | 144 |
| **Total Expenditures** | - | - | - |
| **(Deficiency) of Revenues (Under) Expenditures** | 144 | - | 144 |
| **Net Change in Fund Balance** | $ 144 | $ - | $ 144 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE NOTE SERIES 2009
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 47 | $ - | $ 47 |
| **Total Revenues** | 47 | - | 47 |
| **Total Expenditures** | - | - | - |
| **(Deficiency) of Revenues (Under) Expenditures** | 47 | - | 47 |
| **Net Change in Fund Balance** | $ 47 | $ - | $ 47 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE BOND SERIES 2010
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 529 | $ 2,000 | $ (1,471) |
| **Total Revenues** | 529 | 2,000 | (1,471) |
| **Expenditures** | | | |
| Debt Service: | | | |
| Principal | - | 146,609 | 146,609 |
| Interest | 36,396 | 71,792 | 35,396 |
| **Total Expenditures** | 36,396 | 218,401 | 182,005 |
| **(Deficiency) of Revenues (Under) Expenditures** | (35,867) | (216,401) | 180,534 |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 219,401 | 219,401 | - |
| Transfers (out) | (297,122) | - | (297,122) |
| **Total Other Financing Sources (Uses)** | (77,721) | 219,401 | (297,122) |
| **Net Change in Fund Balance** | $ (113,588) | $ 3,000 | $ (116,588) |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
REVENUE REFUNDING NOTE SERIES 2011
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 397 | $ 2,000 | $ (1,603) |
| **Total Revenues** | 397 | 2,000 | (1,603) |
| **Expenditures** | | | |
| Current: | | | |
| General Government | - | 2,000 | 2,000 |
| Debt Service: | | | |
| Principal | 660,000 | 660,000 | - |
| Interest | 31,506 | 31,506 | - |
| **Total Expenditures** | 691,506 | 693,506 | 2,000 |
| **(Deficiency) of Revenues (Under) Expenditures** | (691,109) | (691,506) | 397 |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 691,506 | 691,506 | - |
| **Total Other Financing Sources (Uses)** | 691,506 | 691,506 | - |
| **Net Change in Fund Balance** | $ 397 | $ - | $ 397 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE NOTE SERIES 2011A
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 302 | $ 2,000 | $ (1,698) |
| **Total Revenues** | 302 | 2,000 | (1,698) |
| **Expenditures** | | | |
| Debt Service: | | | |
| Principal | 420,000 | 420,000 | - |
| Interest | 9,618 | 9,618 | - |
| **Total Expenditures** | 429,618 | 429,618 | - |
| **(Deficiency) of Revenues (Under) Expenditures** | (429,316) | (427,618) | (1,698) |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 429,618 | 429,618 | - |
| **Total Other Financing Sources (Uses)** | 429,618 | 429,618 | - |
| **Net Change in Fund Balance** | $ 302 | $ 2,000 | $ (1,698) |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
REVENUE REFUNDING NOTE SERIES 2014
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 1,166 | $ - | $ 1,166 |
| **Total Revenues** | 1,166 | - | 1,166 |
| **Expenditures** | | | |
| Debt Service: | | | |
| Principal | 1,460,000 | 1,460,000 | - |
| Interest | 183,470 | 183,480 | 10 |
| **Total Expenditures** | 1,643,470 | 1,643,480 | 10 |
| **(Deficiency) of Revenues (Under) Expenditures** | (1,642,304) | (1,643,480) | 1,176 |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 1,643,480 | 1,643,480 | - |
| **Total Other Financing Sources (Uses)** | 1,643,480 | 1,643,480 | - |
| **Net Change in Fund Balance** | $ 1,176 | $ - | $ 1,176 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE BOND SERIES 2014
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 1,218 | $ - | $ 1,218 |
| **Total Revenues** | 1,218 | - | 1,218 |
| **Expenditures** | | | |
| Debt Service: | | | |
| Principal | 526,133 | 526,133 | - |
| Interest | 359,651 | 359,651 | - |
| **Total Expenditures** | 885,784 | 885,784 | - |
| **(Deficiency) of Revenues (Under) Expenditures** | (884,566) | (885,784) | 1,218 |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 885,784 | 885,784 | - |
| **Total Other Financing Sources (Uses)** | 885,784 | 885,784 | - |
| **Net Change in Fund Balance** | $ 1,218 | $ - | $ 1,218 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
REVENUE REFUNDING NOTE SERIES 2016A
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 620 | $ - | $ 620 |
| **Total Revenues** | 620 | - | 620 |
| **Expenditures** | | | |
| Debt Service: | | | |
| Principal | 1,048,344 | 1,140,000 | 91,656 |
| Interest | 199,346 | 216,775 | 17,429 |
| **Total Expenditures** | 1,247,690 | 1,356,775 | 109,085 |
| **(Deficiency) of Revenues (Under) Expenditures** | (1,247,070) | (1,356,775) | 109,705 |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 1,356,775 | 1,356,775 | - |
| **Total Other Financing Sources (Uses)** | 1,356,775 | 1,356,775 | - |
| **Net Change in Fund Balance** | $ 109,705 | $ - | $ 109,705 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE NOTE SERIES 2016B
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 20 | $ - | $ 20 |
| **Total Revenues** | 20 | - | 20 |
| **Expenditures** | | | |
| Debt Service: | | | |
| Principal | 400,000 | 400,000 | - |
| Interest | 126,840 | 126,840 | - |
| **Total Expenditures** | 526,840 | 526,840 | - |
| **(Deficiency) of Revenues (Under) Expenditures** | (526,820) | (526,840) | 20 |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 526,840 | 526,840 | - |
| **Total Other Financing Sources (Uses)** | 526,840 | 526,840 | - |
| **Net Change in Fund Balance** | $ 20 | $ - | $ 20 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE BOND 2017
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 915 | $ - | $ 915 |
| **Total Revenues** | 915 | - | 915 |
| **Expenditures** | | | |
| Debt Service: | | | |
| Principal | - | 430,000 | 430,000 |
| Interest | 126,569 | 253,138 | 126,569 |
| **Total Expenditures** | 126,569 | 683,138 | 556,569 |
| **(Deficiency) of Revenues (Under) Expenditures** | (125,654) | (683,138) | 557,484 |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 683,138 | 683,138 | - |
| Transfers (out) | (698,069) | - | (698,069) |
| **Total Other Financing Sources (Uses)** | (14,931) | 683,138 | (698,069) |
| **Net Change in Fund Balance** | $ (140,585) | $ - | $ (140,585) |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE NOTE 2019
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Miscellaneous | $ 337 | $ - | $ 337 |
| **Total Revenues** | 337 | - | 337 |
| **Expenditures** | | | |
| Debt Service: | | | |
| Principal | 505,000 | 505,000 | - |
| Interest | 158,684 | 158,684 | - |
| **Total Expenditures** | 663,684 | 663,684 | - |
| **(Deficiency) of Revenues (Under) Expenditures** | (663,347) | (663,684) | 337 |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 663,684 | 663,684 | - |
| **Total Other Financing Sources (Uses)** | 663,684 | 663,684 | - |
| **Net Change in Fund Balance** | $ 337 | $ - | $ 337 |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
SPECIAL OBLIGATION REVENUE BONDS SERIES 2020
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Charges for Services | $ 2,031,576 | $ - | $ 2,031,576 |
| Miscellaneous | 883 | - | 883 |
| **Total Revenues** | 2,032,459 | - | 2,032,459 |
| **Expenditures** | | | |
| Debt Service: | | | |
| Principal | 4,235,000 | - | (4,235,000) |
| Interest Expense | 4,730,230 | 2,378,182 | (2,352,048) |
| **Total Expenditures** | 12,028,793 | 2,378,182 | (9,650,611) |
| **(Deficiency) of Revenues (Under) Expenditures** | (9,996,334) | (2,378,182) | (7,618,152) |
| **Other Financing Sources (Uses)** | | | |
| Transfers in | 4,459,326 | 2,378,182 | 2,081,144 |
| **Total Other Financing Sources (Uses)** | 4,459,326 | 2,378,182 | 2,081,144 |
| **Net Change in Fund Balance** | $ (5,537,008) | $ - | $ (5,537,008) |

Note: Actual expenditures exceeded budget due to (1) an accounting adjustment to reallocate total debt service payments between the Utility and General Government; the increase in General Government Allocation budgeted annually, rather than for the full term of the debt issuance, and (2) the October 1, 2021 debt service payment recorded for accounting purposes, but not budgeted until the following fiscal year.

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT REVENUE REFUNDING NOTE 2021
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Actual | Budget | Variance with Final Budget Positive (Negative) |
|---|---|---|---|
| **Revenues** | | | |
| Charges for Services | $ - | $ - | $ - |
| Miscellaneous | - | 45,227 | (45,227) |
| **Total Revenues** | - | 45,227 | (45,227) |
| | | | |
| **Expenditures** | | | |
| Current: | | | |
| General Government | 2,975 | - | (2,975) |
| Debt Service: | | | |
| Principal | 674,227 | - | (674,227) |
| Interest Expense | 103,700 | - | (103,700) |
| Issuance Costs | 45,227 | 48,136 | 2,909 |
| **Total Expenditures** | 826,129 | 48,136 | (777,993) |
| | | | |
| **(Deficiency) of Revenues (Under) Expenditures** | (826,129) | (2,909) | (823,220) |
| | | | |
| **Other Financing Sources (Uses)** | | | |
| Issuance of Bonds | 11,473,000 | - | 11,473,000 |
| Payment to Bond Escrow | (11,427,773) | | (11,427,773) |
| Transfers in | 995,191 | 2,909 | 992,282 |
| **Total Other Financing Sources (Uses)** | 1,040,418 | 2,909 | 1,037,509 |
| | | | |
| **Net Change in Fund Balance** | $ 214,289 | $ - | $ 214,289 |

## ENTERPRISE FUNDS

*Enterprise Funds* are used to account for operations: (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The City maintains the following nonmajor Enterprise Funds:

**Regional Transit System Fund** - to account for the operations of the City's mass transit system, funded by user fees and state and federal grants.

**Stormwater Management Utility Fund** - to account for the operations of a program designed to maintain, replace and expand the City's stormwater related infrastructure, funded by user fees.

**Florida Building Code Enforcement Fund** - to account for the operations of the City's code enforcement operations, funded by building permit revenues.

**Solid Waste Fund** - to account for the City's refuse and recycling collection program. The refuse and recycling collections are performed by private contractors and are funded through user fees.

# CITY OF GAINESVILLE, FLORIDA
## COMBINING STATEMENT OF FUND NET POSITION
## NONMAJOR ENTERPRISE FUNDS
## SEPTEMBER 30, 2021

| | Regional Transit System Fund | Stormwater Management Utility Fund | Florida Building Code Enforcement Fund |
|---|---|---|---|
| **Assets** | | | |
| Cash and Cash Equivalents | $ 250 | $ - | $ - |
| Equity in Pooled Cash and Investments | 1,718 | 5,387,231 | 6,456,102 |
| Receivables | 19,112,678 | 91,095 | - |
| Due from Other Funds | 3,090,770 | 215,484 | - |
| Inventories | 1,616,088 | - | 4,143 |
| Prepaid Expense | - | - | 181 |
| Total Current Assets | 23,821,504 | 5,693,810 | 6,460,426 |
| Capital Assets (Net of Accumulated Depreciation): | | | |
| Buildings | 32,936,721 | 1,341,331 | - |
| Improvements Other than Buildings | 2,228,862 | 6,651 | - |
| Machinery and Equipment | 24,747,518 | 326,041 | 5,315 |
| Infrastructure | - | 28,554,838 | - |
| Capital Assets (not Depreciated): | | | |
| Land | 4,690,877 | 4,154,002 | - |
| Construction in Progress | 22,000 | 1,143,696 | - |
| Total Capital Assets | 64,625,978 | 35,526,559 | 5,315 |
| Net OPEB Asset | 736,297 | 186,922 | 90,036 |
| Net Pension Asset | 6,922,359 | 2,039,709 | 1,073,021 |
| Total Noncurrent Assets | 72,284,634 | 37,753,190 | 1,168,372 |
| **Total Assets** | 96,106,138 | 43,447,000 | 7,628,798 |
| **Deferred Outflows of Resources** | | | |
| Deferred Amounts Related to Pensions | 691,877 | 203,866 | 107,246 |
| Deferred Amounts Related to OPEB | 194,705 | 49,430 | 23,809 |
| **Total Deferred Outflows of Resources** | 886,582 | 253,296 | 131,055 |
| **Liabilities** | | | |
| Current Liabilities: | | | |
| Accounts Payable and Accrued Liabilities | 9,084,358 | 707,567 | 355,553 |
| Due to Other Funds | 18,523,827 | 145,196 | 79,926 |
| Unearned Revenue | 693,517 | - | - |
| Current Portion of Long-Term Liabilities | - | 195,011 | - |
| Total Current Liabilities | 28,301,702 | 1,047,774 | 435,479 |
| Noncurrent Liabilities: | | | |
| Advances from Other Funds | 18,985,683 | 5,002,820 | 2,742,547 |
| Long-Term Liabilities | 527,442 | 1,201,304 | 102,342 |
| Total Noncurrent Liabilities | 19,513,125 | 6,204,124 | 2,844,889 |
| **Total Liabilities** | 47,814,827 | 7,251,898 | 3,280,368 |
| **Deferred Inflows of Resources** | | | |
| Deferred Amounts Related to Pensions | 5,799,587 | 1,708,878 | 898,983 |
| Deferred Amounts Related to OPEB | 1,458,344 | 370,225 | 178,329 |
| **Total Deferred Inflows of Resources** | 7,257,931 | 2,079,103 | 1,077,312 |
| **Net Position** | | | |
| Net Investment in Capital Assets | 64,625,978 | 34,318,245 | 5,315 |
| Restricted | - | - | 3,396,858 |
| Unrestricted | (22,706,016) | 51,050 | - |
| **Total Net Position** | $ 41,919,962 | $ 34,369,295 | $ 3,402,173 |

# CITY OF GAINESVILLE, FLORIDA
## COMBINING STATEMENT OF FUND NET POSITION
## NONMAJOR ENTERPRISE FUNDS
## SEPTEMBER 30, 2021
## *(Concluded)*

| | Solid Waste Fund | Total Nonmajor Enterprise Fund |
|---|---|---|
| **Assets** | | |
| Cash and Cash Equivalents | $ - | $ 250 |
| Equity in Pooled Cash and Investments | 6,770,383 | 18,615,434 |
| Receivables | - | 19,203,773 |
| Due from Other Funds | 541,440 | 3,847,694 |
| Inventories | - | 1,620,231 |
| Prepaid Expense | - | 181 |
| Total Current Assets | 7,311,823 | 43,287,563 |
| Capital Assets (Net of Accumulated Depreciation): | | |
| Buildings | 403,942 | 34,681,994 |
| Improvements Other than Buildings | - | 2,235,513 |
| Machinery and Equipment | 57,219 | 25,136,093 |
| Infrastructure | - | 28,554,838 |
| Capital Assets (not Depreciated): | | |
| Land | 19,731 | 8,864,610 |
| Construction in Progress | - | 1,165,696 |
| Total Capital Assets | 480,892 | 100,638,744 |
| Net OPEB Asset | 66,269 | 1,079,524 |
| Net Pension Asset | 599,394 | 10,634,483 |
| Total Noncurrent Assets | 1,146,555 | 112,352,751 |
| **Total Assets** | 8,458,378 | 155,640,314 |
| **Deferred Outflows of Resources** | | |
| Deferred Amounts Related to Pensions | 59,908 | 1,062,897 |
| Deferred Amounts Related to OPEB | 17,525 | 285,469 |
| **Total Deferred Outflows of Resources** | 77,433 | 1,348,366 |
| **Liabilities** | | |
| Current Liabilities: | | |
| Accounts Payable and Accrued Liabilities | 978,002 | 11,125,480 |
| Due to Other Funds | 41,866 | 18,790,815 |
| Unearned Revenue | - | 693,517 |
| Current Portion of Long-Term Debt | 164,701 | 359,712 |
| Total Current Liabilities | 1,184,569 | 30,969,524 |
| Noncurrent Liabilities: | | |
| Advances from Other Funds | 1,458,500 | 28,189,550 |
| Long-Term Liabilities | 1,903,662 | 3,734,750 |
| Total Noncurrent Liabilities | 3,362,162 | 31,924,300 |
| **Total Liabilities** | 4,546,731 | 62,893,824 |
| **Deferred Inflows of Resources** | | |
| Deferred Amounts Related to Pensions | 502,175 | 8,909,623 |
| Deferred Amounts Related to OPEB | 131,256 | 2,138,154 |
| **Total Deferred Inflows of Resources** | 633,431 | 11,047,777 |
| **Net Position** | | |
| Net Investment in Capital Assets | (1,522,282) | 97,427,256 |
| Restricted | - | 3,396,858 |
| Unrestricted | 4,877,931 | (17,777,035) |
| **Total Net Position** | $ 3,355,649 | $ 83,047,079 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Regional Transit System Fund | Stormwater Management Utility Fund | Florida Building Code Enforcement Fund |
|---|---|---|---|
| Operating Revenues | | | |
| Licenses and Permits | $ - | $ - | $ 3,914,872 |
| Sales and Service Charges | 15,164,216 | 9,545,002 | - |
| Other Operating Revenues | 300,346 | 32,460 | - |
| Total Operating Revenues | 15,464,562 | 9,577,462 | 3,914,872 |
| Operating Expenses | | | |
| Operations and Maintenance | 22,581,849 | 5,319,166 | 2,158,857 |
| Administrative and General | 1,924,242 | 1,913,632 | 1,062,889 |
| Depreciation and Amortization | 4,971,386 | 1,554,021 | 1,822 |
| Total Operating Expenses | 29,477,477 | 8,786,819 | 3,223,568 |
| Operating Income (Loss) | (14,012,915) | 790,643 | 691,304 |
| Non-Operating Revenues (Expenses) | | | |
| Investment Income/(Loss) | (4,697) | 18,068 | 23,255 |
| Interest Expense | - | (27,651) | - |
| Gain (Loss) on Disposal of Capital Assets | 7,080 | - | - |
| Local Option Gas Tax | 2,088,880 | - | - |
| Operating Grants | 22,834,988 | 161,545 | - |
| Total Non-Operating Revenues (Expenses) | 24,926,251 | 151,962 | 23,255 |
| Income/(Loss) Before Capital Contributions and Transfers | 10,913,336 | 942,605 | 714,559 |
| Transfers | | | |
| Transfers in | 1,569,029 | 182,362 | - |
| Transfers (out) | (879,466) | (476,924) | (126,246) |
| Total Transfers | 689,563 | (294,562) | (126,246) |
| Change in Net Position | 11,602,899 | 648,043 | 588,313 |
| Net Position - Beginning of Year | 30,317,063 | 33,721,252 | 2,813,860 |
| Net Position - End of Year | $ 41,919,962 | $ 34,369,295 | $ 3,402,173 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Concluded)*

| | Solid Waste Fund | Total Nonmajor Enterprise Fund |
|---|---|---|
| Operating Revenues | | |
| Licenses and Permits | $ - | $ 3,914,872 |
| Sales and Service Charges | 10,883,444 | 35,592,662 |
| Other Operating Revenues | - | 332,806 |
| Total Operating Revenues | 10,883,444 | 39,840,340 |
| Operating Expenses | | |
| Operations and Maintenance | 7,534,639 | 37,594,511 |
| Administrative and General | 432,808 | 5,333,571 |
| Depreciation and Amortization | 24,309 | 6,551,538 |
| Total Operating Expenses | 7,991,756 | 49,479,620 |
| Operating Income (Loss) | 2,891,688 | (9,639,280) |
| Non-Operating Revenues (Expenses) | | |
| Investment Income/(Loss) | 22,306 | 58,932 |
| Interest Expense | (69,462) | (97,113) |
| Gain (Loss) on Disposal of Capital Assets | - | 7,080 |
| Local Option Gas Tax | - | 2,088,880 |
| Operating Grants | 315,057 | 23,311,590 |
| Total Non-Operating Revenues (Expenses) | 267,901 | 25,369,369 |
| Income/(Loss) Before Capital Contributions and Transfers | 3,159,589 | 15,730,089 |
| Transfers | | |
| Transfers in | 6,400 | 1,757,791 |
| Transfers (out) | (1,921,393) | (3,404,029) |
| Total Transfers | (1,914,993) | (1,646,238) |
| Change in Net Position | 1,244,596 | 14,083,851 |
| Net Position - Beginning of Year | 2,111,053 | 68,963,228 |
| Net Position - End of Year | $ 3,355,649 | $ 83,047,079 |

# CITY OF GAINESVILLE, FLORIDA
# COMBINING STATEMENT OF CASH FLOWS
# NONMAJOR ENTERPRISE FUNDS
# FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Regional Transit System Fund | Stormwater Management Utility Fund |
|---|---|---|
| **Cash Flows from Operating Activities** | | |
| Cash Received from Customers | $ 15,887,642 | $ 9,476,305 |
| Cash Received from Other Governments | 11,979,217 | 161,545 |
| Cash Paid to Suppliers | (7,980,724) | (1,183,172) |
| Cash Paid for Interfund Services | (1,924,242) | (1,913,632) |
| Cash Paid to Employees | (14,540,614) | (4,059,539) |
| **Net Cash Provided (Used) by Operating Activities** | 3,421,279 | 2,481,507 |
| **Cash Flows from Non-Capital Financing Activities** | | |
| Interfund Borrowing | 1,969,279 | (16,988) |
| Transfers from Other Funds | 1,569,029 | 182,362 |
| Transfers to Other Funds | (879,466) | (476,924) |
| **Net Cash Provided by (Used in) Non-Capital Financing Activities** | 2,658,842 | (311,550) |
| **Cash Flows from Capital and Related Financing Activities** | | |
| Principal Repayments on Long-Term Debt | - | (191,129) |
| Interest Paid on Long-Term Debt | - | (27,652) |
| Acquisition and Construction of Capital Assets | (6,083,524) | (419,840) |
| Proceeds from Sale of Capital Assets | 9,818 | - |
| **Net Cash (Used) in Capital and Related Financing Activities** | (6,073,706) | (638,621) |
| **Cash Flows from Investing Activities** | | |
| Interest Received | (4,697) | 18,068 |
| **Net Cash Provided by Investing Activities** | (4,697) | 18,068 |
| **Net Increase (Decrease) in Cash** | 1,718 | 1,549,404 |
| **Cash - Beginning of Year** | 250 | 3,837,827 |
| **Cash - End of Year** | $ 1,968 | $ 5,387,231 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Florida Building Code Enforcement Fund | Solid Waste Fund | Total Nonmajor Enterprise Fund |
|---|---|---|---|
| **Cash Flows from Operating Activities** | | | |
| Cash Received from Customers | $ 4,024,524 | $ 11,045,611 | $ 40,434,082 |
| Cash Received from Other Governments | - | 315,057 | 12,455,819 |
| Cash Paid to Suppliers | (618,914) | (6,083,237) | (15,866,047) |
| Cash Paid for Interfund Services | (1,062,889) | (432,808) | (5,333,571) |
| Cash Paid to Employees | (2,183,784) | (1,238,167) | (22,022,104) |
| **Net Cash Provided (Used) by Operating Activities** | 158,937 | 3,606,456 | 9,668,179 |
| **Cash Flows from Non-Capital Financing Activities** | | | |
| Interfund Borrowing | (65,724) | 57,019 | 1,943,586 |
| Transfers from Other Funds | - | 6,400 | 1,757,791 |
| Transfers to Other Funds | (126,246) | (1,921,393) | (3,404,029) |
| **Net Cash Provided by (Used in) Non-Capital Financing Activities** | (191,970) | (1,857,974) | 297,348 |
| **Cash Flows from Capital and Related Financing Activities** | | | |
| Principal Repayments on Long-Term Debt | - | (45,828) | (236,957) |
| Interest Paid on Long-Term Debt | - | (69,462) | (97,114) |
| Acquisition and Construction of Capital Assets | - | - | (6,503,364) |
| Proceeds from Sale of Capital Assets | - | - | 9,818 |
| **Net Cash Provided (Used) by Capital and Related Financing Activities** | - | (115,290) | (6,827,617) |
| **Cash Flows from Investing Activities** | | | |
| Interest Received | 23,254 | 22,305 | 58,930 |
| **Net Cash Provided (Used) by Investing Activities** | 23,254 | 22,305 | 58,930 |
| **Net Increase (Decrease) in Cash** | (9,779) | 1,655,497 | 3,196,840 |
| **Cash - Beginning of Year** | 6,465,881 | 5,114,886 | 15,418,844 |
| **Cash - End of Year** | $ 6,456,102 | $ 6,770,383 | $ 18,615,684 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Continued)*

| | Regional Transit System Fund | Stormwater Management Utility Fund |
|---|---|---|
| Cash and Cash Equivalents Classified as: | | |
| Cash and Cash Equivalents | $ 250 | $ - |
| Equity in Pooled Cash and Investments | 1,718 | 5,387,231 |
| Total | $ 1,968 | $ 5,387,231 |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | |
| Operating Income (Loss) | $ (14,012,915) | $ 790,643 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities | | |
| Intergovernmental Revenues | 11,979,217 | 161,545 |
| Depreciation and Amortization | 4,971,386 | 1,554,021 |
| (Increase)/Decrease in Receivables | 423,080 | (101,158) |
| (Increase)/Decrease in Inventories and Prepaids | (324,250) | - |
| Increase/(Decrease) in Accounts Payable and Accrued Liabilities | 1,201,474 | 359,698 |
| Pension Expense Adjustment | (774,205) | (263,864) |
| OPEB Expense Adjustment | (42,508) | (19,378) |
| Net Cash Provided (Used) by Operating Activities | $ 3,421,279 | $ 2,481,507 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Concluded)*

| | Florida Building Code Enforcement Fund | Solid Waste Fund | Total Nonmajor Enterprise Fund |
|---|---|---|---|
| Cash and Cash Equivalents Classified as: | | | |
| Cash and Cash Equivalents | $ - | $ - | $ 250 |
| Equity in Pooled Cash and Investments | 6,456,102 | 6,770,383 | 18,615,434 |
| Total | $ 6,456,102 | $ 6,770,383 | $ 18,615,684 |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | |
| Operating Income (Loss) | $ 691,304 | $ 2,891,688 | $ (9,639,280) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities | | | |
| Intergovernmental Revenues | - | 315,059 | 12,455,821 |
| Depreciation and Amortization | 1,822 | 24,309 | 6,551,538 |
| (Increase)/Decrease in Receivables | 109,653 | 162,165 | 593,740 |
| (Increase)/Decrease in Inventories and Prepaids | (181) | - | (324,431) |
| Increase/(Decrease) in Accounts Payable and Accrued Liabilities | (474,163) | 278,652 | 1,365,661 |
| Pension Expense Adjustment | (151,066) | (66,658) | (1,255,793) |
| OPEB Expense Adjustment | (18,432) | 1,241 | (79,077) |
| Net Cash Provided (Used) by Operating Activities | $ 158,937 | $ 3,606,456 | $ 9,668,179 |

## INTERNAL SERVICE FUNDS

*Internal Service Funds* are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

The City maintains the following Internal Service Funds:

General Insurance Fund - to account for costs associated with administering a self-insurance plan for worker's compensation, automobile, and general liability benefits. The plan is externally administered.

Employees Health and Accident Benefits Fund - to account for costs associated with administering a self-insurance plan for employees' and retirees' health and accident claims. The plan is externally administered for an annually contracted amount, which is based upon volume of claims.

Fleet Management Fund - to account for the costs of vehicle acquisition and replacements and operating a maintenance facility for vehicles used by various City departments.

# CITY OF GAINESVILLE, FLORIDA
## COMBINING STATEMENT OF NET POSITION
## INTERNAL SERVICE FUNDS
## SEPTEMBER 30, 2021

| | General Insurance Fund | Employees Health and Accident Benefits Fund | Fleet Management Fund | Totals |
|---|---|---|---|---|
| **Assets** | | | | |
| Current Assets: | | | | |
| Cash and Cash Equivalents | $ 337,617 | $ 120,000 | $ 1,087,189 | $ 1,544,806 |
| Equity in Pooled Cash and Investments | 10,176,738 | 12,845,370 | 7,343,690 | 30,365,798 |
| Receivables | 500 | - | 1,912 | 2,412 |
| Inventories | - | - | 355,497 | 355,497 |
| Prepaid Expenses | 23,204 | 4,000 | 981,360 | 1,008,564 |
| Fair Value of Hedging | | | | |
| Derivative Instruments | - | - | 808,796 | 808,796 |
| Total Current Assets | 10,538,059 | 12,969,370 | 10,578,444 | 34,085,873 |
| Noncurrent Assets: | | | | |
| Capital Assets (Net of Accumulated Depreciation): | | | | |
| Buildings | - | - | 2,721,039 | 2,721,039 |
| Improvements Other than Buildings | - | - | 812,054 | 812,054 |
| Machinery and Equipment | - | - | 12,396,561 | 12,396,561 |
| Infrastructure | - | - | 781,093 | 781,093 |
| Capital Assets (Non-Depreciable): | | | | |
| Land | - | - | 631,563 | 631,563 |
| Net OPEB Asset | 57,029 | 5,990 | 84,172 | 147,191 |
| Net Pension Asset | 645,106 | 110,836 | 796,956 | 1,552,898 |
| Total Noncurrent Assets | 702,135 | 116,826 | 18,223,438 | 19,042,399 |
| **Total Assets** | 11,240,194 | 13,086,196 | 28,801,882 | 53,128,272 |
| **Deferred Outflows of Resources** | | | | |
| Deferred Amounts Related to Pensions | 64,477 | 11,079 | 79,654 | 155,210 |
| Deferred Amounts Related to OPEB | 15,080 | 1,585 | 22,258 | 38,923 |
| **Total Deferred Outflows of Resources** | 79,557 | 12,664 | 101,912 | 194,133 |
| **Liabilities** | | | | |
| Current Liabilities: | | | | |
| Accounts Payable and Accrued Liabilities | 7,452,486 | 1,397,032 | 1,235,870 | 10,085,388 |
| Due to Other Funds | 318,943 | - | 56,032 | 374,975 |
| Total Current Liabilities | 7,771,429 | 1,397,032 | 1,291,902 | 10,460,363 |
| Noncurrent Liabilities: | | | | |
| Accumulated Increase in Fair Value of Hedging Derivative Instruments | - | - | 808,796 | 808,796 |
| Long-Term Liabilities | 81,332 | 2,843 | 89,526 | 173,701 |
| **Total Liabilities** | 7,852,761 | 1,399,875 | 2,190,224 | 11,442,860 |
| **Deferred Inflows of Resources** | | | | |
| Deferred Amounts Related to Pensions | 540,474 | 92,859 | 667,694 | 1,301,027 |
| Deferred Amounts Related to OPEB | 112,952 | 11,866 | 166,715 | 291,533 |
| **Total Deferred Inflows of Resources** | 653,426 | 104,725 | 834,409 | 1,592,560 |
| **Net Position** | | | | |
| Net Investment in Capital Assets | - | - | 17,342,310 | 17,342,310 |
| Unrestricted | 2,813,564 | 11,594,260 | 8,536,851 | 22,944,675 |
| **Total Net Position** | $ 2,813,564 | $ 11,594,260 | $ 25,879,161 | $ 40,286,985 |

# CITY OF GAINESVILLE, FLORIDA
# COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
# INTERNAL SERVICE FUNDS
# FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | General Insurance Fund | Employees Health and Accident Benefits Fund | Fleet Management Fund | Totals |
|---|---|---|---|---|
| **Operating Revenues** | | | | |
| Sales and Service Charges | $ 6,039,321 | $ 6,651,640 | $ 8,869,633 | $ 21,560,594 |
| Employer Contributions | - | 10,692,130 | - | 10,692,130 |
| Employee Contributions | - | 7,694,460 | - | 7,694,460 |
| Other Operating Revenues | 627,235 | 1,585,951 | 6,910 | 2,220,096 |
| **Total Operating Revenues** | 6,666,556 | 26,624,181 | 8,876,543 | 42,167,280 |
| **Operating Expenses** | | | | |
| Operations and Maintenance | 3,404,850 | 214,436 | 3,555,695 | 7,174,981 |
| Administrative and General | 4,138,663 | 1,594,848 | 1,243,884 | 6,977,395 |
| Depreciation and Amortization | - | - | 3,241,480 | 3,241,480 |
| Benefits Paid and Other Expenses | - | 27,939,684 | - | 27,939,684 |
| **Total Operating Expenses** | 7,543,513 | 29,748,968 | 8,041,059 | 45,333,540 |
| **Operating Income (Losses)** | (876,957) | (3,124,787) | 835,484 | (3,166,260) |
| **Nonoperating Revenues** | | | | |
| Investment Income | 40,380 | 64,937 | 27,418 | 132,735 |
| Gain (Loss) on Disposal of Capital Assets | - | - | 589,493 | 589,493 |
| **Total Nonoperating Revenues** | 40,380 | 64,937 | 616,911 | 722,228 |
| **Income (Loss) Before Capital Contributions and Transfers** | (836,577) | (3,059,850) | 1,452,395 | (2,444,032) |
| **Transfers** | | | | |
| Transfers in | - | - | 303,276 | 303,276 |
| Transfers (out) | (110,143) | (1,103) | (234,377) | (345,623) |
| **Total Transfers** | (110,143) | (1,103) | 68,899 | (42,347) |
| **Change in Net Position** | (946,720) | (3,060,953) | 1,521,294 | (2,486,379) |
| **Net Position - Beginning of Year** | 3,760,284 | 14,655,213 | 24,357,867 | 42,773,364 |
| **Net Position - End of Year** | $ 2,813,564 | $ 11,594,260 | $ 25,879,161 | $ 40,286,985 |

# CITY OF GAINESVILLE, FLORIDA
# COMBINING STATEMENT OF CASH FLOWS
# INTERNAL SERVICE FUNDS
# FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | General Insurance Fund | Employees Health and Accident Benefits Fund | Fleet Management Fund | Totals |
|---|---|---|---|---|
| Cash Flow from Operating Activities | | | | |
| Cash Received for Interfund Services | $ 6,038,821 | $ 25,038,230 | $ 8,867,720 | $ 39,944,771 |
| Cash Received from Customers | 627,235 | 1,585,951 | 6,910 | 2,220,096 |
| Cash Paid to Suppliers | (1,522,180) | (27,863,833) | (1,548,539) | (30,934,552) |
| Cash Paid to Employees | (1,701,578) | (234,909) | (2,515,648) | (4,452,135) |
| Cash Paid for Interfund Services | (4,138,663) | (1,594,848) | (1,243,884) | (6,977,395) |
| Net Cash Provided (Used) by Operating Activities | (696,365) | (3,069,409) | 3,566,559 | (199,215) |
| Cash Flows from Noncapital and Related Financing Activities | | | | |
| Interfund Borrowing | 449,615 | - | 18,175 | 467,790 |
| Transfers from Other Funds | - | - | 303,276 | 303,276 |
| Transfers to Other Funds | (110,143) | (1,103) | (234,377) | (345,623) |
| Net Cash Provided (Used) by Noncapital Financing Activities | 339,472 | (1,103) | 87,074 | 425,443 |
| Cash Flows from Capital and Related Financing Activities | | | | |
| Acquisition and Construction of Capital Assets | - | - | (3,146,045) | (3,146,045) |
| Proceeds from Sale of Capital Assets | - | - | 631,808 | 631,808 |
| Net Cash Flows Used by Capital and Related Financing Activities | - | - | (2,514,237) | (2,514,237) |
| Cash Flows from Investing Activities | | | | |
| Interest Received | 40,378 | 64,939 | 27,419 | 132,736 |
| Net Cash Provided by Investing Activities | 40,378 | 64,939 | 27,419 | 132,736 |
| Net Increase in Cash | (316,515) | (3,005,573) | 1,166,815 | (2,155,273) |
| Cash - Beginning of Year | 10,830,870 | 15,970,943 | 7,264,064 | 34,065,877 |
| Cash - End of Year | $ 10,514,355 | $ 12,965,370 | $ 8,430,879 | $ 31,910,604 |

CITY OF GAINESVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021
*(Concluded)*

| | General Insurance Fund | Employees Health and Accident Benefits Fund | Fleet Management Fund | Totals |
|---|---|---|---|---|
| Cash and Cash Equivalents Classified as: | | | | |
| Cash and Cash Equivalents | $ 337,617 | $ 120,000 | $ 1,087,189 | $ 1,544,806 |
| Equity in Pooled Cash and Investments | 10,176,738 | 12,845,370 | 7,343,690 | 30,365,798 |
| Total | $ 10,514,355 | $ 12,965,370 | $ 8,430,879 | $ 31,910,604 |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | | |
| Operating Income (Loss) | $ (876,957) | $ (3,124,787) | $ 835,484 | $ (3,166,260) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | | |
| Depreciation and Amortization | - | - | 3,241,480 | 3,241,480 |
| (Increase)/Decrease in Receivables | (500) | - | (1,912) | (2,412) |
| (Increase)/Decrease in Prepaids | - | (4,000) | (981,360) | (985,360) |
| (Increase)/Decrease in Inventories | - | - | (124,414) | (124,414) |
| Increase/(Decrease) in Accounts Payable and Accrued Liabilities | 279,970 | 79,894 | 701,394 | 1,061,258 |
| Pension Expense Adjustment | (87,295) | (19,908) | (90,845) | (198,048) |
| OPEB Expense Adjustment | (11,583) | (608) | (13,268) | (25,459) |
| Net Cash Provided (Used) by Operating Activities | $ (696,365) | $ (3,069,409) | $ 3,566,559 | $ (199,215) |

## FIDUCIARY FUNDS

### TRUST FUNDS

*Trust Funds* are used to account for public employee retirement systems and the other post-employment benefit trust fund.

The City maintains the following Trust Funds:

**Employees' Pension Fund** - to account for the accumulation of resources to be used for pension and disability payments to participants of the City's Employees' Pension Plan.

**Police Officers' and Firefighters' Consolidated Retirement Fund** - to account for the accumulation of resources to be used for pension and disability payments to participants of the City's Consolidated Police Officers' and Firefighters' Retirement Plan.

**Other Post-Employment Benefits (OPEB) Fund** - to account for the accumulation of resources to be used for the City's portion of the premium cost for providing health insurance to the City's retired employees participating in the OPEB plan.

# CITY OF GAINESVILLE, FLORIDA
## COMBINING STATEMENT OF FIDUCIARY NET POSITION
## PENSION AND OPEB TRUST FUNDS
## SEPTEMBER 30, 2021

| | Employees' Pension Fund | Police Officers' and Firefighters' Consolidated Retirement Fund | Other Post-Employment Benefits (OPEB) Fund | Totals |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash and Cash Equivalents | $ 12,857,488 | $ 10,831,273 | $ 918,014 | $ 24,606,775 |
| Dividends and Interest Receivable | 370,523 | 318,278 | 12,489 | 701,290 |
| Due from City of Gainesville | 908,724 | 11,770,697 | 1,895,575 | 14,574,996 |
| Investments, at Fair Value: | | | | |
| Equities | 623,039,704 | 261,053,041 | 59,796,801 | 943,889,546 |
| Limited Partnerships Units | - | 43,184,860 | - | 43,184,860 |
| Real Estate | 27,804,871 | 21,260,736 | 7,727,031 | 56,792,638 |
| Fixed Income: | | | | |
| Government Bonds | 9,564,857 | - | 800,107 | 10,364,964 |
| Corporate Bonds | 8,343,434 | - | 992,181 | 9,335,615 |
| Mortgage and Asset Backed Securities | 12,039,293 | - | 841,895 | 12,881,188 |
| Total Investments, at Fair Value | 680,792,159 | 325,498,637 | 70,158,015 | 1,076,448,811 |
| **Total Assets** | 694,928,894 | 348,418,885 | 72,984,093 | 1,116,331,872 |
| **Liabilities** | | | | |
| Accounts Payable and Accrued Liabilities | 150,042 | 201,726 | 33,696 | 385,464 |
| **Total Liabilities** | 150,042 | 201,726 | 33,696 | 385,464 |
| **Net Position Restricted for Pension and OPEB Benefits** | $ 694,778,852 | $ 348,217,159 | $ 72,950,397 | $ 1,115,946,408 |

# CITY OF GAINESVILLE, FLORIDA
## COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
## PENSION AND OPEB TRUST FUNDS
## FOR THE YEAR ENDED SEPTEMBER 30, 2021

| | Employees' Pension Fund | Police Officers' and Firefighters' Consolidated Retirement Fund | Other Post-Employment Benefits (OPEB) Fund | Totals |
|---|---|---|---|---|
| **Additions** | | | | |
| Contributions: | | | | |
| Employer Contributions | $ 5,461,714 | $ 3,586,271 | $ 1,924,061 | $ 10,972,046 |
| Employee Contributions | 5,307,109 | 2,314,580 | 3,330,813 | 10,952,502 |
| Total Contributions | 10,768,823 | 5,900,851 | 5,254,874 | 21,924,548 |
| Investment Income: | | | | |
| Net Appreciation/(Depreciation) in Fair Value of Investments | 133,690,191 | 62,969,679 | 13,384,158 | 210,044,028 |
| Dividends and Interest | 13,598,631 | 4,256,196 | 1,163,207 | 19,018,034 |
| Total Investment Income | 147,288,822 | 67,225,875 | 14,547,365 | 229,062,062 |
| (Less Investment Expense) | (2,843,383) | (979,038) | (427,257) | (4,249,678) |
| Net Investment Income (Loss) | 144,445,439 | 66,246,837 | 14,120,108 | 224,812,384 |
| **Total Additions** | 155,214,262 | 72,147,688 | 19,374,982 | 246,736,932 |
| **Deductions** | | | | |
| Benefit Payments | 37,103,292 | 20,008,116 | 8,426,856 | 65,538,264 |
| Refunds of Contributions | 665,610 | 215,510 | - | 881,120 |
| Administrative Expenses | 591,294 | 625,466 | 6,982 | 1,223,742 |
| **Total Deductions** | 38,360,196 | 20,849,092 | 8,433,838 | 67,643,126 |
| **Change in Net Position** | 116,854,066 | 51,298,596 | 10,941,144 | 179,093,806 |
| **Net Position - Beginning of Year** | 577,924,786 | 296,918,563 | 62,009,253 | 936,852,602 |
| **Net Position - End of Year** | $ 694,778,852 | $ 348,217,159 | $ 72,950,397 | $ 1,115,946,408 |

# STATISTICAL SECTION

# STATISTICAL SECTION SUMMARY

This part of the City of Gainesville, Florida's annual comprehensive financial report presents additional information to assist users in understanding how the information provided in the financial statements, note disclosures, and required supplementary information impacts the City's overall financial health.


| Schedules | Page |
|---|---|
| **Financial Trends** | **234** |
| These schedules provide financial trend information, which shows how the City's financial performance has changed over time. | |
| **Revenue Capacity** | **239** |
| These schedules provide additional information about Property Tax and Utility Revenues, the City's most significant local revenue sources. | |
| **Debt Capacity** | **247** |
| These schedules provide detailed information about the City's current levels of outstanding debt, and can help the financial statement user assess the City's ability to issue additional debt in the future. | |
| **Demographic and Economic Information** | **250** |
| These schedules present demographic and economic indicators to assist the financial statement user in understanding the environment in which the City's financial activities occur. | |
| **Operating Information** | **252** |
| These schedules contain service and infrastructure data to help the financial statement user understand how the information in the City's financial statements relates to the services the City provides. | |

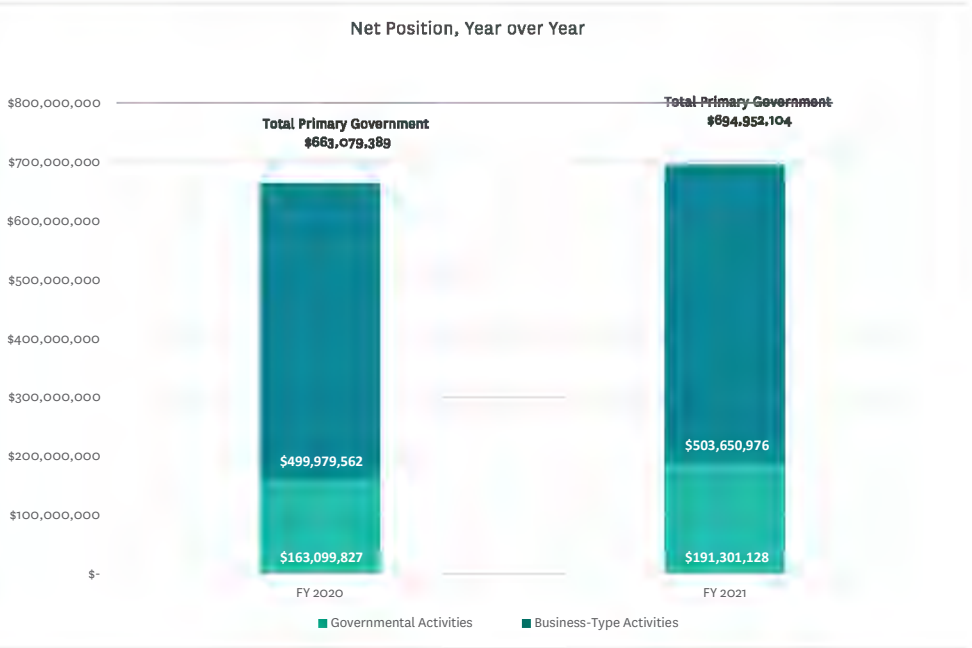

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

# Financial Trends

City of Gainesville
Net Position By Component
Last Ten Fiscal Years
(accrual basis of accounting)

| | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Governmental activities:** | | | | | | | | | | |
| Net Investment in Capital Assets | $ 133,198,609 | $ 147,982,728 | $ 163,117,931 | $ 167,469,862 | $ 190,440,482 | $ 195,530,215 | $ 215,537,449 | $ 231,629,237 | $ 219,965,625 | $ 214,385,691 |
| Restricted | 63,041,610 | 52,874,367 | 42,462,127 | 53,090,288 | 41,905,152 | 47,526,431 | 37,526,544 | 39,962,136 | 46,097,158 | 54,659,462 |
| Unrestricted | 16,993,135 | 11,105,349 | 17,334,531 | (85,660,620) | (91,445,398) | (92,364,875) | (112,356,716) | (124,221,701) | (102,962,956) | (77,744,025) |
| Total governmental activities net position | $ 213,233,354 | $ 211,962,444 | $ 222,914,589 | $ 134,899,530 | $ 140,900,236 | $ 150,691,771 | $ 140,707,277 | $ 147,369,672 | $ 163,099,827 | $ 191,301,128 |
| **Business-type activities:** | | | | | | | | | | |
| Net Investment in Capital Assets | $ 368,031,597 | $ 362,258,572 | $ 387,916,136 | $ 379,583,536 | $ 361,120,054 | $ 326,814,049 | $ 369,448,747 | $ 336,512,272 | $ 282,222,324 | $ 250,986,050 |
| Restricted | 85,067,843 | 88,409,575 | 60,971,377 | 78,925,696 | 82,756,292 | 60,698,691 | 44,988,255 | 57,389,249 | 86,837,857 | 146,684,233 |
| Unrestricted | 110,159,236 | 113,807,653 | 134,105,632 | 115,418,059 | 131,653,410 | 149,330,297 | 106,765,463 | 124,163,666 | 130,919,381 | 105,980,693 |
| Total business-type activities net position | $ 563,258,676 | $ 564,475,800 | $ 582,993,145 | $ 573,927,291 | $ 575,529,756 | $ 536,843,037 | $ 521,202,465 | $ 518,065,187 | $ 499,979,562 | $ 503,650,976 |
| **Total primary government:** | | | | | | | | | | |
| Net Investment in Capital Assets | $ 501,230,206 | $ 510,241,300 | $ 551,034,067 | $ 547,053,398 | $ 551,560,536 | $ 522,344,264 | $ 584,986,196 | $ 568,141,509 | $ 502,187,949 | $ 465,371,741 |
| Restricted | 148,109,453 | 141,283,942 | 103,433,504 | 132,015,984 | 124,661,444 | 108,225,122 | 82,514,799 | 97,351,385 | 132,935,015 | 201,343,695 |
| Unrestricted | 127,152,371 | 124,913,002 | 151,440,163 | 29,757,439 | 40,208,012 | 56,965,422 | (5,591,253) | (58,035) | 27,956,425 | 28,236,668 |
| **Total primary government net position** | **$ 776,492,030** | **$ 776,438,244** | **$ 805,907,734** | **$ 708,826,821** | **$ 716,429,992** | **$ 687,534,808** | **$ 661,909,742** | **$ 665,434,859** | **$ 663,079,389** | **$ 694,952,104** |



City of Gainesville
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

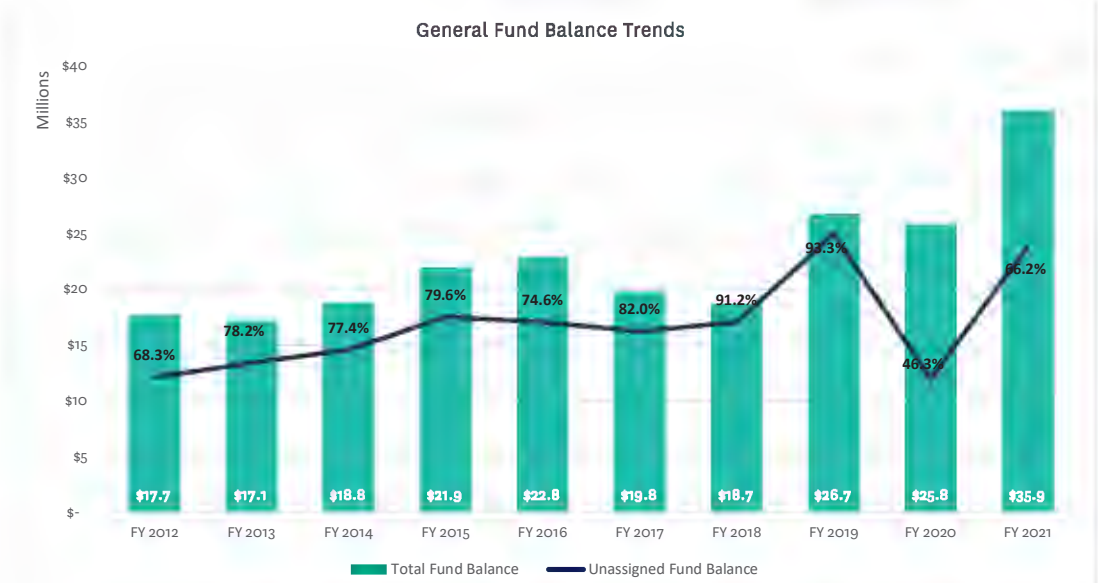
| | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 |
|---|---|---|---|---|---|
| **Expenses** | | | | | |
| Governmental activities: | | | | | |
| General government | $ 16,546,820 | $ 17,814,078 | $ 16,176,189 | $ 20,042,296 | $ 23,812,563 |
| Public safety | 59,735,600 | 62,938,271 | 64,021,054 | 58,122,081 | 72,097,913 |
| Physical environment | 2,218,153 | 3,799,039 | 2,871,836 | 1,007,994 | 637,207 |
| Transportation | 18,686,598 | 18,410,169 | 15,142,893 | 18,412,980 | 5,723,450 |
| Economic environment | 9,164,986 | 6,809,885 | 8,602,592 | 5,930,125 | 1,393,939 |
| Human services | 581,239 | 384,825 | 2,216,579 | 1,726,374 | 7,397,884 |
| Culture & recreation | 9,705,943 | 9,551,902 | 9,332,876 | 11,042,060 | 7,113,163 |
| Interest on long-term debt | 7,390,511 | 7,248,291 | 6,711,350 | 7,216,312 | 8,802,512 |
| Total governmental activities expenses | 124,029,850 | 126,956,460 | 125,075,369 | 123,500,222 | 126,978,631 |
| Business-type activities: | | | | | |
| Electric | $ 221,494,502 | $ 227,350,282 | $ 291,110,843 | $ 313,776,108 | $ 322,959,616 |
| Gas | 21,898,283 | 21,436,501 | 22,764,377 | 23,086,959 | 21,999,919 |
| Water | 24,458,151 | 24,988,038 | 25,516,070 | 25,990,135 | 28,179,472 |
| Wastewater | 27,072,938 | 27,618,138 | 27,740,855 | 27,852,572 | 32,454,104 |
| GRUCOM | 11,160,732 | 10,504,492 | 11,761,638 | 13,733,955 | 12,491,683 |
| Regional transit system | 21,458,507 | 23,167,649 | 24,279,240 | 26,170,257 | 28,302,063 |
| Stormwater management | 6,376,271 | 6,283,365 | 6,351,290 | 6,574,131 | 7,504,695 |
| Ironwood golf course | 1,454,435 | 1,401,017 | 1,456,632 | 1,573,460 | 1,701,930 |
| Florida building code enforcement | 2,156,163 | 2,042,119 | 2,306,430 | 2,324,819 | 2,661,425 |
| Solid waste | 7,377,876 | 7,237,205 | 7,594,037 | 8,623,125 | 9,002,895 |
| Total business-type activities expenses | 344,907,858 | 352,028,806 | 420,881,412 | 449,705,521 | 467,257,802 |
| Total primary government expenses | **$ 468,937,708** | **$ 478,985,266** | **$ 545,956,781** | **$ 573,205,743** | **$ 594,236,433** |
| **Program Revenues** | | | | | |
| Governmental activities: | | | | | |
| Charges for services: | | | | | |
| General government | $ 10,701,617 | $ 11,418,234 | $ 13,124,551 | $ 12,900,012 | $ 10,423,187 |
| Public safety | 7,945,799 | 8,238,633 | 8,399,721 | 9,105,760 | 8,464,495 |
| Other charges for services | 4,500,224 | 3,769,211 | 3,962,570 | 6,233,296 | 5,180,923 |
| Operating grants and contributions | 8,537,676 | 8,170,095 | 7,036,634 | 7,169,569 | 8,809,447 |
| Capital grants and contributions | 2,862,493 | 7,570,791 | 5,061,574 | 3,999,209 | 1,698,750 |
| Total governmental activities program revenues | 34,547,809 | 39,166,964 | 37,585,050 | 39,407,846 | 34,576,802 |
| Business-type activities: | | | | | |
| Charges for services: | | | | | |
| Electric | 230,805,656 | 228,822,572 | 268,774,902 | 277,077,555 | 276,623,151 |
| Other utilities | 96,875,398 | 97,083,057 | 99,880,653 | 101,823,558 | 103,207,375 |
| Other charges for services | 32,257,122 | 33,332,016 | 34,576,794 | 36,298,907 | 37,515,391 |
| Operating grants and contributions | 6,384,981 | 14,074,581 | 25,213,077 | 9,435,118 | 5,828,801 |
| Capital grants and contributions | 7,148,130 | 3,004,490 | 5,658,720 | 1,962,901 | 5,305,542 |
| Total business-type activities program revenues | 373,471,287 | 376,316,716 | 434,104,146 | 426,598,039 | 428,480,260 |
| Total primary government program revenues | **$ 408,019,096** | **$ 415,483,680** | **$ 471,689,196** | **$ 466,005,885** | **$ 463,057,062** |
| **Net (Expense)/Revenue** | | | | | |
| Governmental activities | $ (89,482,041) | $ (87,789,496) | $ (87,490,319) | $ (84,092,376) | $ (92,401,829) |
| Business-type activities | 28,563,429 | 24,287,910 | 13,222,734 | (23,107,482) | (38,777,542) |
| Total primary government net revenue | **$ (60,918,612)** | **$ (63,501,586)** | **$ (74,267,585)** | **$ (107,199,858)** | **$ (131,179,371)** |
| **General Revenues and Other Changes in Net Position** | | | | | |
| Governmental activities: | | | | | |
| Taxes: | | | | | |
| Property taxes | $ 25,871,976 | $ 26,077,888 | $ 26,476,044 | $ 28,558,490 | $ 29,161,493 |
| Other taxes | 21,952,397 | 21,899,384 | 21,516,536 | 21,359,992 | 21,670,989 |
| State revenue sharing | 3,712,905 | 3,723,420 | 3,945,358 | 4,214,442 | 4,316,493 |
| Investment gain (loss) | 3,556,870 | (4,908,204) | 6,061,874 | 4,712,920 | 4,176,684 |
| Other revenues | 2,993,407 | 2,826,862 | 3,495,904 | 3,849,507 | 3,567,795 |
| Total governmental activities | 58,087,555 | 49,619,350 | 61,495,716 | 62,695,351 | 62,893,454 |
| Business-type activities: | | | | | |
| Interest | 9,234,751 | 6,653,021 | 6,871,499 | 12,109,749 | 19,569,675 |
| Other revenues | 23,308,136 | 7,175,429 | 39,459,939 | 51,373,445 | 56,319,413 |
| Total business-type activities | 32,542,887 | 13,828,450 | 46,331,438 | 63,483,194 | 75,889,088 |
| Total primary government | **$ 90,630,442** | **$ 63,447,800** | **$ 107,827,154** | **$ 126,178,545** | **$ 138,782,542** |
| **Changes in Net Position (including transfers, special items and extraordinary items)** | | | | | |
| Governmental activities | $ 5,278,076 | $ (1,270,910) | $ 12,571,251 | $ 14,225,269 | $ 6,000,706 |
| Business-type activities | 24,433,754 | 1,217,124 | 20,988,318 | 4,753,418 | 1,602,465 |
| Total primary government | **$ 29,711,830** | **$ (53,786)** | **$ 33,559,569** | **$ 18,978,687** | **$ 7,603,171** |

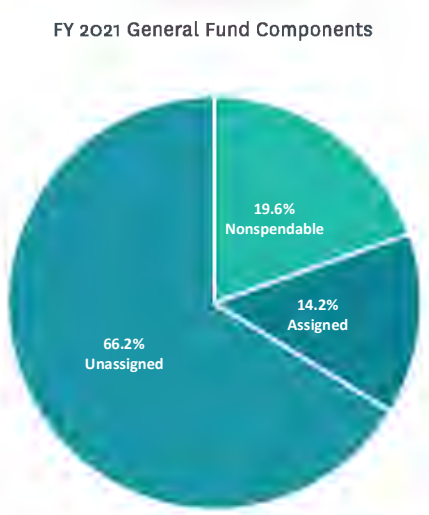
City of Gainesville
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
*(Concluded)*

| | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
|---|---|---|---|---|---|
| **Expenses** | | | | | |
| Governmental activities: | | | | | |
| General government | $ 13,257,529 | $ 22,040,757 | $ 25,208,259 | $ 24,762,040 | $ 33,401,384 |
| Public safety | 60,307,834 | 63,936,193 | 66,448,738 | 74,628,943 | 57,252,077 |
| Physical environment | 1,820,004 | 412,777 | 924,738 | 1,139,174 | 1,172,294 |
| Transportation | 17,941,779 | 19,259,842 | 20,935,955 | 21,368,976 | 21,557,051 |
| Economic environment | 8,879,794 | 5,756,671 | 6,355,726 | 5,794,136 | 5,839,989 |
| Human services | 1,340,199 | 1,758,977 | 2,085,523 | 2,324,313 | 2,010,455 |
| Culture & recreation | 17,049,901 | 12,182,553 | 12,885,544 | 14,609,745 | 13,748,546 |
| Interest on long-term debt | 6,374,794 | 7,309,426 | 6,677,648 | 8,082,573 | 12,974,815 |
| Total governmental activities expenses | 126,971,834 | 132,657,196 | 141,522,131 | 152,709,900 | 147,956,611 |
| Business-type activities: | | | | | |
| Electric | $ 331,139,770 | $ 288,723,340 | $ 285,520,258 | $ 263,210,539 | $ 281,224,138 |
| Gas | 21,284,174 | 21,383,577 | 21,562,120 | 19,169,278 | 23,259,945 |
| Water | 32,390,604 | 31,267,572 | 34,949,820 | 34,827,176 | 32,894,784 |
| Wastewater | 37,417,260 | 38,712,044 | 39,832,387 | 42,514,875 | 41,930,458 |
| GRUCOM | 12,358,447 | 12,119,479 | 12,953,026 | 14,734,804 | 15,420,363 |
| Regional transit system | 33,640,219 | 31,230,329 | 35,586,285 | 30,292,140 | 29,470,397 |
| Stormwater management | 8,877,317 | 8,902,706 | 10,209,606 | 8,940,956 | 8,814,470 |
| Ironwood golf course | 1,632,760 | 1,731,357 | 1,740,464 | - | - |
| Florida building code enforcement | 2,656,233 | 3,105,149 | 3,350,486 | 3,136,150 | 3,223,568 |
| Solid waste | 8,099,106 | 7,579,142 | 7,982,318 | 8,795,609 | 8,061,218 |
| Total business-type activities expenses | 489,495,890 | 444,754,695 | 453,686,770 | 425,621,527 | 444,299,341 |
| Total primary government expenses | **$ 616,467,724** | **$ 577,411,891** | **$ 595,208,901** | **$ 578,331,427** | **$ 592,255,952** |
| **Program Revenues** | | | | | |
| Governmental activities: | | | | | |
| Charges for services: | | | | | |
| General government | $ 11,795,746 | $ 11,697,361 | $ 12,862,527 | $ 9,316,300 | $ 13,950,858 |
| Public safety | 7,640,035 | 11,390,344 | 11,191,303 | 12,960,704 | 12,868,168 |
| Other charges for services | 4,892,481 | 4,416,822 | 5,177,764 | 6,585,434 | 9,729,260 |
| Operating grants and contributions | 6,822,748 | 4,818,258 | 6,993,144 | 13,240,004 | 9,746,460 |
| Capital grants and contributions | 2,634,365 | 712,441 | 1,258,828 | - | 1,149,563 |
| Total governmental activities program revenues | 33,785,375 | 33,035,226 | 37,483,566 | 42,102,442 | 47,444,309 |
| Business-type activities: | | | | | |
| Charges for services: | | | | | |
| Electric | 293,065,520 | 272,311,406 | 293,883,795 | 273,794,885 | 293,306,230 |
| Other utilities | 108,125,440 | 110,891,490 | 113,920,161 | 116,775,211 | 118,880,524 |
| Other charges for services | 37,606,459 | 38,921,856 | 40,155,745 | 39,347,799 | 39,840,340 |
| Operating grants and contributions | 10,315,741 | 13,120,255 | 8,687,312 | 8,372,896 | 22,834,988 |
| Capital grants and contributions | 13,089,525 | 1,484,306 | 3,970,981 | 7,638,795 | 4,686,013 |
| Total business-type activities program revenues | 462,202,685 | 436,729,313 | 460,617,994 | 445,929,586 | 479,548,095 |
| Total primary government program revenues | **$ 495,988,060** | **$ 469,764,539** | **$ 498,101,560** | **$ 488,032,028** | **$ 526,992,404** |
| **Net (Expense)/Revenue** | | | | | |
| Governmental activities | $ (93,186,459) | $ (99,621,970) | $ (104,038,565) | $ (110,607,458) | $ (100,512,302) |
| Business-type activities | (27,293,205) | (8,025,382) | 6,931,224 | 20,308,059 | 35,248,754 |
| Total primary government net revenue | **$ (120,479,664)** | **$ (107,647,352)** | **$ (97,107,341)** | **$ (90,299,399)** | **$ (65,263,548)** |
| **General Revenues and Other Changes in Net Position** | | | | | |
| Governmental activities: | | | | | |
| Taxes: | | | | | |
| Property taxes | $ 31,116,558 | $ 34,925,769 | $ 35,133,195 | $ 36,693,311 | $ 38,926,311 |
| Other taxes | 22,105,551 | 31,468,891 | 34,820,642 | 34,677,577 | 40,470,545 |
| State revenue sharing | 4,648,650 | 4,841,716 | 5,055,719 | 4,691,438 | 5,482,673 |
| Investment gain (loss) | 443,618 | 1,797,724 | 2,963,042 | 743,962 | 1,069,500 |
| Other revenues | 8,127,699 | 4,584,282 | 2,983,670 | 4,825,168 | 2,833,335 |
| Total governmental activities | 66,442,076 | 77,618,382 | 80,956,268 | 81,631,456 | 88,782,364 |
| Business-type activities: | | | | | |
| Interest | 5,234,036 | 8,324,132 | 4,875,231 | 3,111,544 | 6,265,018 |
| Other revenues | 61,488,630 | 21,858,387 | 11,262,279 | 2,087,628 | 2,088,880 |
| Total business-type activities | 66,722,666 | 30,182,519 | 16,137,510 | 5,199,172 | 8,353,898 |
| Total primary government | **$ 133,164,742** | **$ 107,800,901** | **$ 97,093,778** | **$ 86,830,628** | **$ 97,136,262** |
| **Changes in Net Position (including transfers, special items and extraordinary items)** | | | | | |
| Governmental activities | $ 9,791,535 | $ 15,242,097 | $ 15,833,297 | $ 9,977,076 | $ 28,201,305 |
| Business-type activities | 2,893,543 | (15,088,548) | (15,846,860) | (13,445,847) | 3,671,414 |
| Total primary government | **$ 12,685,078** | **$ 153,549** | **$ (13,563)** | **$ (3,468,771)** | **$ 31,872,719** |

City of Gainesville
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| **General Fund:** | | | | | | | | | | |
| Nonspendable | $ 3,363,691 | $ 2,959,587 | $ 2,753,498 | $ 2,487,568 | $ 2,238,498 | $ 1,959,310 | $ 1,647,816 | $ 1,359,332 | $ 8,595,707 | $ 7,042,417 |
| Assigned | 2,236,549 | 772,730 | 1,494,098 | 1,985,914 | 3,551,786 | 1,607,428 | - | 432,146 | 5,246,913 | 5,107,131 |
| Unassigned | 12,087,485 | 13,408,146 | 14,520,395 | 17,476,507 | 17,050,156 | 16,199,506 | 17,023,490 | 24,926,872 | 11,949,372 | 23,798,721 |
| **Total General Fund** | **$ 17,687,725** | **$ 17,140,463** | **$ 18,767,991** | **$ 21,949,989** | **$ 22,840,440** | **$ 19,766,244** | **$ 18,671,306** | **$ 26,718,350** | **$ 25,791,992** | **$ 35,948,269** |
| **All Other Governmental Gunds:** | | | | | | | | | | |
| Nonspendable | $ - | $ - | $ - | $ 973,501 | $ 973,501 | $ 973,501 | $ 973,501 | $ 973,501 | $ 138,494,121 | $ 135,134,047 |
| Restricted | 64,831,266 | 56,363,125 | 45,981,942 | 40,819,050 | 36,886,125 | 42,831,122 | 48,991,566 | 43,861,891 | 53,521,232 | 59,184,289 |
| Committed | 782,237 | 901,448 | 1,361,332 | 2,714,703 | 3,684,544 | 4,186,209 | 4,284,750 | 4,943,264 | 6,570,937 | 9,620,573 |
| Assigned | 16,633,174 | 12,555,440 | 9,632,021 | 31,481,786 | 29,243,195 | 25,434,776 | 13,929,331 | 12,550,970 | 17,774,857 | 14,891,310 |
| Unassigned | (3,067,169) | (2,499,106) | (2,121,436) | (1,734,610) | (1,571,393) | (1,815,726) | (1,613,819) | (1,620,060) | (3,522,639) | (1,830,901) |
| **Total All Other Governmental Funds** | **$ 79,179,508** | **$ 67,320,907** | **$ 54,853,859** | **$ 74,254,430** | **$ 69,215,972** | **$ 71,609,882** | **$ 66,565,329** | **$ 60,709,566** | **$ 212,838,508** | **$ 216,999,318** |




**Note:**

- Nonspendable fund balance increased in fiscal year 2020 due to long-term receivables from other funds, with the majority attributed to amounts due to governmental funds from enterprise funds for their portion of the Special Obligation Revenue Bonds Series 2020 and the Pension Obligation Bonds Series 2003.

**City of Gainesville**
**Changes in Fund Balances of Governmental Funds**
**Last Ten Fiscal Years**
**(modified accrual basis of accounting)**

| | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | | | |
| Taxes | $ 45,404,192 | $ 45,099,581 | $ 44,949,416 | $ 46,728,963 | $ 45,455,100 | $ 51,600,589 | $ 60,430,912 | $ 63,906,128 | $ 62,275,640 | $ 70,065,300 |
| Licenses and permits | 866,236 | 899,441 | 950,644 | 965,536 | 943,444 | 5,901,029 | 7,371,636 | 7,385,069 | 9,516,520 | 9,442,280 |
| Intergovernmental | 24,685,016 | 29,719,620 | 27,502,531 | 26,925,019 | 26,204,076 | 26,303,362 | 25,320,730 | 24,745,097 | 30,469,146 | 29,084,539 |
| Charges for services | 15,054,350 | 14,389,653 | 15,533,253 | 17,043,277 | 16,977,893 | 12,076,001 | 12,574,128 | 15,834,004 | 16,215,542 | 21,778,431 |
| Fines and forfeitures | 1,796,110 | 1,985,956 | 1,824,055 | 2,145,183 | 1,483,244 | 1,160,249 | 1,345,009 | 1,170,166 | 1,040,266 | 1,118,521 |
| Miscellaneous | 4,450,048 | (1,599,295) | 7,020,464 | 7,224,161 | 5,592,138 | 3,186,221 | 4,606,410 | 3,586,821 | 2,383,348 | 5,546,313 |
| **Total Revenues** | **92,255,952** | **90,494,956** | **97,780,363** | **101,032,139** | **96,655,895** | **100,227,451** | **111,648,825** | **116,627,285** | **121,900,462** | **137,035,384** |
| **Expenditures** | | | | | | | | | | |
| General government | $ 14,999,927 | $ 14,857,602 | $ 15,191,905 | $ 15,432,428 | $ 16,769,826 | $ 17,882,912 | $ 18,721,311 | $ 20,828,242 | $ 38,474,266 | $ 34,464,013 |
| Public safety | 55,405,967 | 57,644,637 | 60,050,160 | 57,211,291 | 58,725,485 | 60,949,388 | 63,611,488 | 60,845,007 | 126,859,238 | 60,415,216 |
| Physical environment | 1,020,714 | 3,422,270 | 2,345,811 | 728,714 | 179,148 | 1,638,851 | 390,832 | 610,720 | 2,697,510 | 1,163,807 |
| Transportation | 12,481,951 | 12,117,326 | 13,493,390 | 14,799,718 | 14,357,357 | 13,506,968 | 12,199,626 | 13,101,026 | 21,726,970 | 14,483,574 |
| Economic environment | 7,961,882 | 7,324,538 | 8,322,502 | 5,679,667 | 6,110,015 | 8,449,753 | 5,592,127 | 5,600,703 | 6,754,563 | 5,878,907 |
| Human services | 554,740 | 390,769 | 819,536 | 1,379,014 | 1,354,828 | 1,342,820 | 1,725,801 | 2,020,873 | 2,315,594 | 2,186,925 |
| Culture and recreation | 7,998,869 | 8,282,530 | 8,138,572 | 8,758,008 | 10,795,803 | 9,697,565 | 9,266,636 | 10,437,575 | 17,340,821 | 12,296,510 |
| Debt service: | | | | | | | | | | |
| Principal | 10,332,810 | 9,886,531 | 12,884,423 | 6,084,283 | 6,205,471 | 7,512,126 | 8,200,392 | 7,856,848 | 8,236,319 | 12,598,425 |
| Interest | 7,283,092 | 7,127,610 | 6,803,431 | 6,946,531 | 6,963,319 | 6,129,579 | 7,216,512 | 6,307,227 | 7,396,571 | 12,052,961 |
| Advance refunding escrow | - | - | - | - | 2,027,758 | - | | | - | - |
| Bond issuance costs | 67,243 | - | 41,837 | 242,746 | 78,691 | - | | | 1,211,583 | 45,227 |
| Capital outlay | 17,741,445 | 21,958,840 | 18,682,145 | 10,242,908 | 19,494,913 | 10,296,971 | 38,501,041 | 24,878,392 | 13,728,239 | 7,314,716 |
| **Total Expenditures** | **135,848,640** | **143,012,653** | **148,773,712** | **127,505,308** | **143,062,614** | **137,406,933** | **165,425,766** | **152,486,613** | **246,741,674** | **162,900,281** |
| Excess of revenues under expenditures | (43,592,688) | (52,517,697) | (48,993,349) | (26,473,169) | (46,406,719) | (37,179,482) | (53,776,941) | (35,859,328) | (124,841,212) | (25,864,897) |
| **Other Financing Sources (Uses)** | | | | | | | | | | |
| Debt issuance | 9,960,000 | - | 14,715,000 | 12,435,000 | 18,600,000 | - | 10,365,000 | - | 214,615,000 | 11,473,000 |
| Sale of Capital Assets | - | - | - | - | - | - | - | - | 1,309,981 | 163,173 |
| Bond premium/(discount) | - | - | - | 947,278 | - | - | - | - | - | - |
| Transfers in | 67,533,715 | 61,955,075 | 59,810,683 | 71,442,628 | 63,795,920 | 59,041,563 | 75,105,237 | 77,418,056 | 78,209,629 | 72,597,995 |
| Transfers out | (30,755,032) | (21,843,241) | (21,656,854) | (35,769,168) | (28,212,063) | (22,542,367) | (37,832,787) | (38,401,084) | (40,203,724) | (32,624,410) |
| Payments to refunded bond escrow agent | (6,230,000) | - | (14,715,000) | - | (11,925,145) | - | - | - | - | (11,427,773) |
| Total other financing sources (uses) | 40,508,683 | 40,111,834 | 38,153,829 | 49,055,738 | 42,258,712 | 36,499,196 | 47,637,450 | 39,016,972 | 253,930,886 | 40,181,985 |
| **Net change in fund balances** | **$ (3,084,005)** | **$ (12,405,863)** | **$ (10,839,520)** | **$ 22,582,569** | **$ (4,148,007)** | **$ (680,286)** | **$ (6,139,491)** | **$ 3,157,644** | **$ 129,089,674** | **$ 14,317,088** |
| Debt service as a percentage of noncapital expenditures | 14.33% | 13.22% | 15.92% | 11.22% | 11.47% | 10.88% | 11.84% | 11.08% | 6.70% | 15.81% |

# Revenue Capacity

City of Gainesville
Assessed Value of Taxable Property
Last Ten Fiscal Years

| Fiscal Year Ended | Tax Year | Real | Personal | Centrally Assessed | Less: Tax-Exempt | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Taxable Assessed Value as a Percentage of Actual Taxable Value |
|---|---|---|---|---|---|---|---|---|---|
| 2012 | 2011 | 10,365,540,710 | 2,305,791,865 | 1,095,688 | 7,270,189,966 | 5,402,238,297 | 4.2544 | 12,672,428,263 | 42.63% |
| 2013 | 2012 | 10,167,342,922 | 2,384,662,208 | 1,073,991 | 7,389,420,410 | 5,163,658,711 | 4.4946 | 12,553,079,121 | 41.13% |
| 2014 | 2013 | 10,137,347,950 | 2,585,758,997 | 2,138,554 | 7,550,586,266 | 5,174,659,235 | 4.5780 | 12,725,245,501 | 40.66% |
| 2015 | 2014 | 10,267,624,130 | 2,940,131,808 | 2,210,823 | 7,566,649,601 | 5,643,317,160 | 4.5079 | 13,209,966,761 | 42.72% |
| 2016 | 2015 | 10,470,875,230 | 2,874,527,289 | 2,251,700 | 7,578,125,546 | 5,769,528,673 | 4.5079 | 13,347,654,219 | 43.23% |
| 2017 | 2016 | 10,703,714,054 | 3,131,399,275 | 2,303,808 | 7,818,781,757 | 6,018,635,380 | 4.5079 | 13,837,417,137 | 43.50% |
| 2018 | 2017 | 11,228,542,921 | 3,015,426,727 | 2,335,112 | 7,743,555,435 | 6,502,749,325 | 4.7474 | 14,246,304,760 | 45.65% |
| 2019 | 2018 | 11,896,134,467 | 3,047,796,037 | 2,424,391 | 8,245,149,844 | 6,701,205,051 | 4.7474 | 14,946,354,895 | 44.84% |
| 2020 | 2019 | 12,387,697,214 | 3,009,637,656 | 2,337,700 | 8,198,661,369 | 7,201,765,633 | 5.2974 | 15,400,427,002 | 46.76% |
| 2021 | 2020 | 12,859,374,661 | 3,001,584,771 | 2,577,939 | 8,238,028,592 | 7,625,508,779 | 5.2974 | 15,863,537,371 | 48.07% |

Notes:
(1) Total assessed values less exemptions

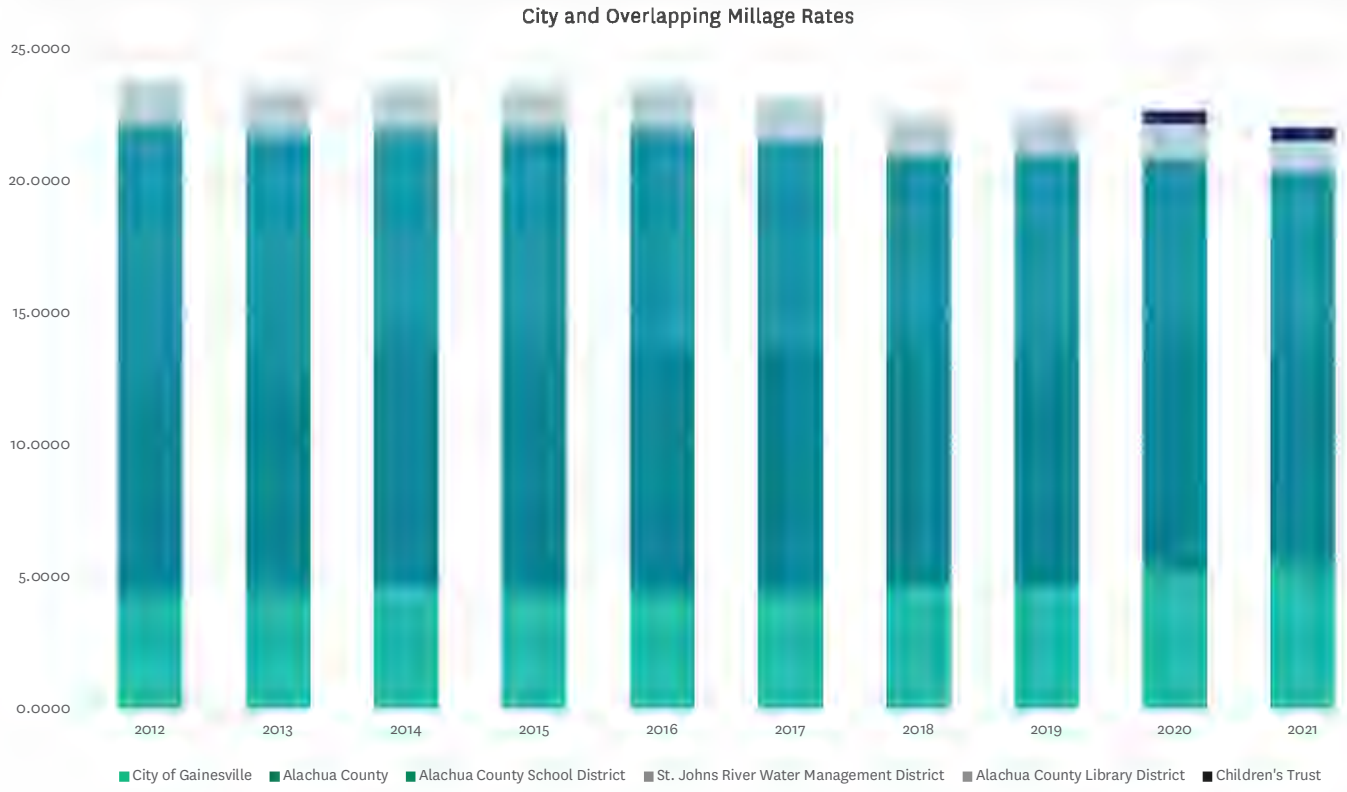
Source: Alachua County Property Appraiser, www.acpafl.org

## City of Gainesville

### Property Tax Rates - City and Overlapping Governments

### Last Ten Fiscal Years

| | | Rates | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Fiscal Year | Tax Year | City of Gainesville | Alachua County | Alachua County School District | St. Johns River Water Management District | Alachua County Library District | Children's Trust | Overlapping Rates |
| **2012** | **2011** | 4.2544 | 8.5956 | 9.0920 | 0.3313 | 1.4790 | 0.0000 | 23.7523 |
| **2013** | **2012** | 4.4946 | 8.5956 | 8.5490 | 0.3313 | 1.4768 | 0.0000 | 23.4473 |
| **2014** | **2013** | 4.5780 | 8.7990 | 8.4020 | 0.3283 | 1.4588 | 0.0000 | 23.5661 |
| **2015** | **2014** | 4.5079 | 8.7990 | 8.4100 | 0.3164 | 1.4588 | 0.0000 | 23.4921 |
| **2016** | **2015** | 4.5079 | 8.9545 | 8.3240 | 0.3023 | 1.4538 | 0.0000 | 23.5425 |
| **2017** | **2016** | 4.5079 | 8.9290 | 7.9360 | 0.2885 | 1.4121 | 0.0000 | 23.0735 |
| **2018** | **2017** | 4.7474 | 8.4648 | 7.6250 | 0.2724 | 1.2655 | 0.0000 | 22.3751 |
| **2019** | **2018** | 4.7474 | 8.4648 | 7.6250 | 0.2724 | 1.3371 | 0.0000 | 22.4467 |
| **2020** | **2019** | 5.2974 | 8.2829 | 7.1440 | 0.2414 | 1.1825 | 0.5000 | 22.6482 |
| **2021** | **2020** | 5.5000 | 7.8662 | 6.8430 | 0.2189 | 1.0856 | 0.5000 | 22.0137 |




Notes:

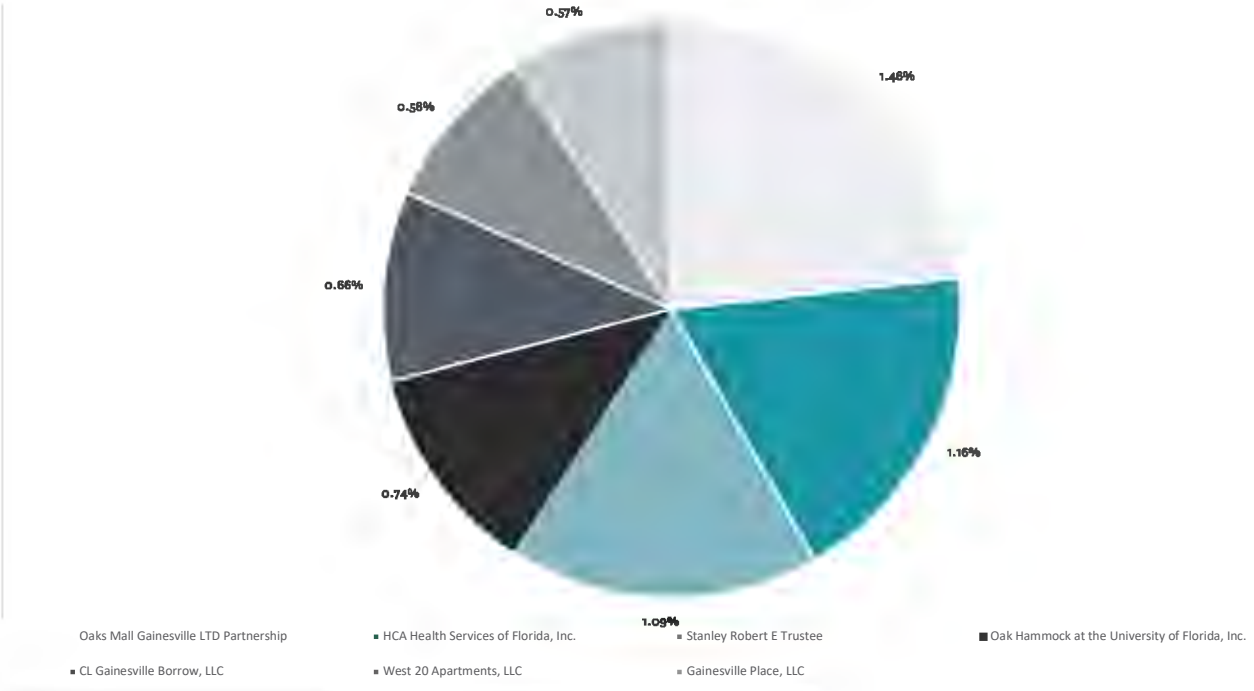
- Millage rate is per $1,000 assessed property value.
- Overlapping rates include those rates of other local and county governments that apply to property owners within the City.
- The City is serviced by two water management districts: St. Johns River Water Management (95%) and Suwannee River Water Management (5%). The millage rates for FY 2021 for each district were 0.2287 and 0.3696, respectively.
- The City's property tax rate is limited to a maximum millage rate of 10.0000.

Source: Alachua County Property Appraiser

City of Gainesville
Top Ten Principal Property Tax Payers in City Limits
Reporting Fiscal Year (FY 2021) and Ten Years Ago (FY 2012)

| Tax | Fiscal Year 2021 Total Taxable Value | | % of Total Taxable Value | Fiscal Year 2012 Total Taxable Value | | % of Total Assessed Value |
|---|---|---|---|---|---|---|
| LM Gainesville, LLC | $109,551,000 | 1 | 1.57% | | | |
| Oaks Mall Gainesville LTD Partnership | $101,860,101 | 2 | 1.46% | $132,224,700 | 1 | 2.36% |
| HCA Health Services of Florida, Inc. | $80,639,275 | 3 | 1.16% | $66,081,200 | 2 | 1.18% |
| Stanley Robert E Trustee | $76,396,785 | 4 | 1.09% | | | |
| Oak Hammock at the University of Florida, Inc. | $51,603,001 | 5 | 0.74% | $59,595,700 | 3 | 1.06% |
| CL Gainesville Borrow, LLC | $46,397,900 | 6 | 0.66% | | | |
| West 20 Apartments, LLC | $40,411,000 | 7 | 0.58% | | | |
| Gainesville Place, LLC | $40,095,600 | 8 | 0.57% | $29,841,600 | 9 | 0.53% |
| THP Cabana Beach Gainesville LLC | $37,449,800 | 9 | 0.54% | | | |
| Gateway at Glades LLC | $37,233,307 | 10 | 0.53% | | | |
| S Clark Butler Properties Land, Trust | | | | $44,388,600 | 4 | 0.79% |
| Bellsouth Telecommunication, Inc. | | | | $37,834,744 | 5 | 0.67% |
| ELPF Gainesville LLP, LIC Gainesville | | | | $35,260,000 | 6 | 0.63% |
| Inland America Lodging, Gainesville, LLC | | | | $33,533,600 | 7 | 0.60% |
| Florida Power Corp | | | | $32,029,632 | 8 | 0.57% |
| Ball Container LLC | | | | $27,991,410 | 10 | 0.50% |
| **Total Top Ten Principal Property Tax Payers** | **$621,637,769** | | **8.91%** | **$498,781,186** | | **8.89%** |
| **Total Taxable Value** | **$6,980,000,000** | | | **$5,609,091,710** | | |

Fiscal Year 2021 Top Ten Principal Property Tax Payers

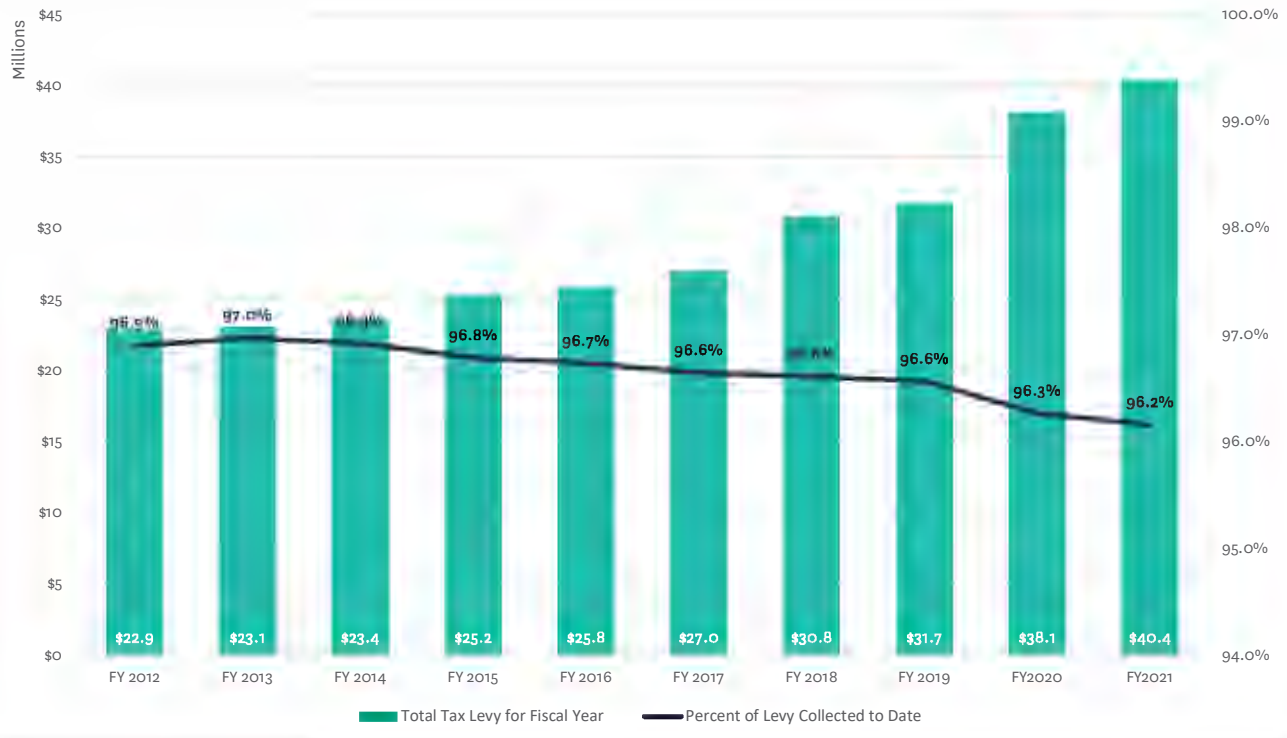



Source: Alachua County Property Appraiser, www.acpafl.org

City of Gainesville
Property Tax Levies and Collections
Last Ten Fiscal Years

| Fiscal Year Ended | Total Tax Levy for Fiscal Year | Collected Within the Fiscal Year of the Amount | Collected Within the Fiscal Year of the Percent of Levy | Total Collections to Date Collections in Years | Total Collections to Date Amount | Total Collections to Date Percent of |
|---|---|---|---|---|---|---|
| 2012 | $22,865,258 | $22,085,295 | 96.6% | $69,599 | $22,154,894 | 96.9% |
| 2013 | $23,067,142 | $22,259,404 | 96.5% | $107,633 | $22,367,037 | 97.0% |
| 2014 | $23,447,527 | $22,573,803 | 96.3% | $151,201 | $22,725,004 | 96.9% |
| 2015 | $25,244,590 | $24,342,225 | 96.4% | $90,151 | $24,432,376 | 96.8% |
| 2016 | $25,839,997 | $24,924,172 | 96.5% | $70,859 | $24,995,031 | 96.7% |
| 2017 | $26,984,760 | $26,030,596 | 96.5% | $48,446 | $26,079,042 | 96.6% |
| 2018 | $30,811,823 | $29,766,402 | 96.6% | -$396 | $29,766,006 | 96.6% |
| 2019 | $31,700,275 | $30,675,142 | 96.8% | -$64,525 | $30,610,617 | 96.6% |
| 2020 | $38,110,993 | $36,636,996 | 96.1% | $50,042 | $36,687,038 | 96.3% |
| 2021 | $40,383,182 | $38,831,631 | 96.2% | N/A | $38,831,631 | 96.2% |

Total Tax Levy by Fiscal Year and Percent Collected to Date

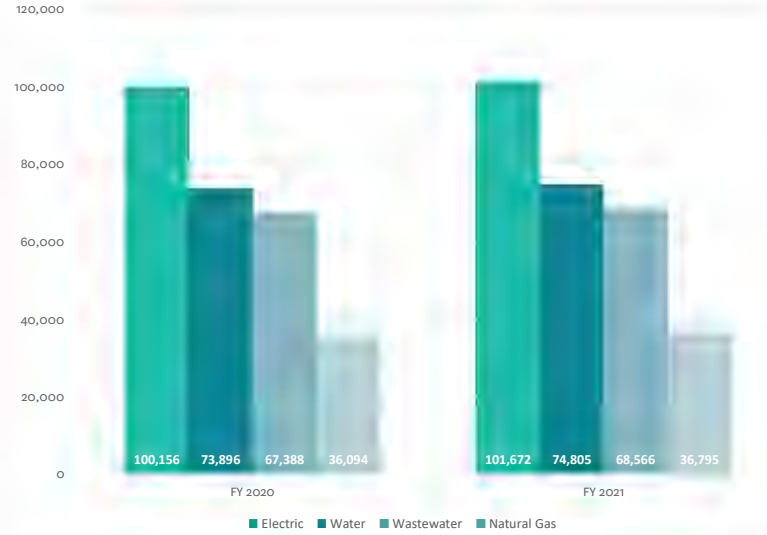


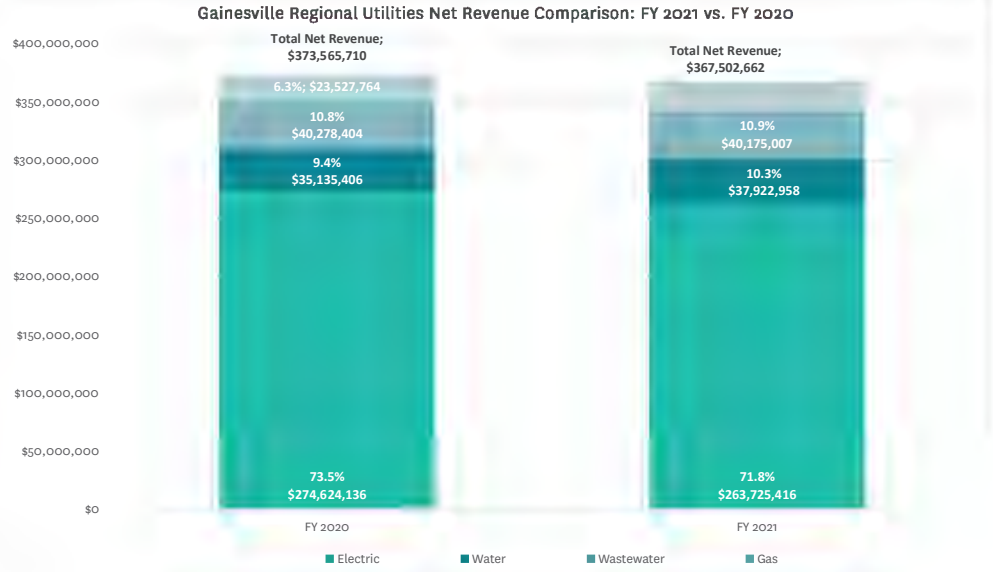

Source: Alachua County Tax Collector

City of Gainesville
Gainesville Regional Utilities Base - Number of Customers and Sales Quantities
Last Ten Fiscal Years

| Number of Customers | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| Electric | 92,461 | 92,907 | 93,719 | 94,473 | 94,795 | 96,272 | 98,172 | 98,161 | 100,156 | 101,672 |
| Water | 69,329 | 69,847 | 70,300 | 70,903 | 71,546 | 72,136 | 73,043 | 73,078 | 73,896 | 74,805 |
| Wastewater | 62,536 | 63,001 | 63,501 | 64,121 | 64,781 | 65,591 | 66,483 | 66,638 | 67,388 | 68,566 |
| Natural Gas | 33,264 | 33,465 | 33,780 | 34,152 | 34,496 | 34,942 | 35,389 | 35,622 | 36,094 | 36,795 |

| Sales | FY 2012 | FY [illegible] | FY [illegible] | FY [illegible] | FY 2016 | FY [illegible] | FY 2018 | FY [illegible] | FY 2020 | FY 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| Electric - Residential (gigawatt hours) | 754 | 752 | 772 | 793 | 819 | 797 | 822 | 844 | 845 | 843 |
| Electric - Non-Residential (gigawatt hours) | 945 | 930 | 942 | 951 | 978 | 963 | 989 | 1,151 | 1,088 | 1,091 |
| Water - gallons (millions) | 7,369 | 6,964 | 6,822 | 6,786 | 6,837 | 7,211 | 6,922 | 7,096 | 7,114 | 6,881 |
| Wastewater - gallons (millions) | 4,706 | 4,603 | 4,528 | 4,491 | 4,510 | 4,657 | 4,969 | 4,692 | 4,614 | 4,958 |
| Natural Gas therms (millions) | 18 | 19 | 21 | 21 | 20 | 20 | 23 | 21 | 21 | 22 |




Notes:

- Number of customers represents all utility customers both inside and outside City limits.
- Net revenue excludes telecommunications and includes fuel.

Source: Gainesville Regional Utilities

**City of Gainesville**
**Gainesville Regional Utilities Rates**
**Last Ten Fiscal Years**

| | | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Electric:** | | | | | | | | | | | |
| ***Residential Service - Standard*** | | | | | | | | | | | |
| Customer Charge | per month | $ 8.67 | $ 8.67 | $ 11.90 | $ 12.75 | $ 14.25 | $ 14.25 | $ 14.25 | $ 14.25 | $ 15.00 | $ 15.00 |
| Energy Charge [2] | per kWh | | | | | | | | | | |
| 0-250 kWh | | 0.03400 | 0.03400 | 0.03900 | 0.03100 | | | | | | |
| 250-750 kWh | | 0.06800 | 0.06800 | 0.05000 | 0.04200 | | | | | | |
| over 750 kWh | | 0.10200 | 0.10200 | 0.09400 | 0.08400 | | | | | | |
| Since 2015 | | | | | | | | | | | |
| 0-850 kWh | | | | | | 0.04300 | 0.04300 | 0.04400 | 0.07020 | 0.07450 | 0.07450 |
| over 850 kWh | | | | | | 0.06400 | 0.06400 | 0.06600 | 0.09300 | 0.09870 | 0.09870 |
| ***Residential Service - Peak Periods*** | | | | | | | | | | | |
| Customer Charge | per month | 17.60 | 17.60 | 17.60 | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Energy Charge [2] | per kWh | | | | | | | | | | |
| On-Peak | | 0.13900 | 0.13900 | 0.13900 | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Off-Peak | | 0.03500 | 0.03500 | 0.03500 | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| ***General Service Non-Demand & Demand < 50 kW*** | | | | | | | | | | | |
| Customer Charge | per month | 26.00 | 26.00 | 30.00 | 29.50 | 29.50 | 29.50 | 29.50 | 29.50 | 31.00 | 31.00 |
| Energy Charge [2] | per kWh | | | | | | | | | | |
| 0-1500 kWh | | 0.08000 | 0.08000 | 0.07600 | 0.06900 | 0.06900 | 0.06900 | 0.07000 | 0.09260 | 0.09840 | 0.09840 |
| over 1500 kWh | | 0.10800 | 0.10800 | 0.10600 | 0.10000 | 0.10000 | 0.10000 | 0.10300 | 0.12320 | 0.13090 | 0.13090 |
| Business Partner Discount Rate | | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| ***General Service Demand - 50kW > Demand < 1000 kW*** | | | | | | | | | | | |
| Customer Charge | per month | 50.00 | 50.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Demand Charge | per kW | 9.25 | 9.25 | 9.25 | 8.50 | 8.50 | 8.50 | 8.50 | 9.50 | 10.15 | 10.15 |
| Energy Charge [2] | per kWh | 0.05100 | 0.05100 | 0.04500 | 0.04000 | 0.04000 | 0.04000 | 0.04120 | 0.06170 | 0.06530 | 0.06530 |
| Business Partner Discount Rate | | 2% | 2% | 2% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| ***Large Power Service - Demand > 1000 kW*** | | | | | | | | | | | |
| Customer Charge | per month | 300.00 | 300.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 | 350.00 |
| Demand Charge | per kW | 9.25 | 9.25 | 9.25 | 8.50 | 8.50 | 8.50 | 8.50 | 9.75 | 10.30 | 10.30 |
| Energy Charge [2] | per kWh | 0.04600 | 0.04600 | 0.04050 | 0.03600 | 0.03600 | 0.03600 | 0.03700 | 0.05770 | 0.06110 | 0.06110 |
| Business Partner Discount Rate | | 2% | 2% | 2% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| **Water:** | | | | | | | | | | | |
| ***Residential Service*** | | | | | | | | | | | |
| Customer Charge [5] | per month | 8.65 | 8.70 | 9.00 | 9.20 | 9.20 | 9.45 | 9.45 | 9.45 | 9.45 | 9.45 |
| Usage Charge [3] | per kGal | | | | | | | | | | |
| 1,000 - 4,000 | | 2.05 | 2.20 | 2.30 | 2.35 | 2.35 | 2.45 | 2.45 | 2.45 | 2.47 | 2.47 |
| 5,000 - 16,000 | | 3.65 | 3.75 | 3.75 | 3.75 | 3.75 | 3.75 | 3.75 | 3.75 | 3.77 | 3.77 |
| Over 17,000 | | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.04 | 6.04 |
| ***Non-Residential Service*** | | | | | | | | | | | |
| Customer Charge [5] | per month | 8.65 | 8.70 | 9.00 | 9.20 | 9.20 | 9.45 | 9.45 | 9.45 | 9.45 | 9.45 |
| Usage Charge | per kGal | 3.65 | 3.75 | 3.80 | 3.85 | 3.85 | 3.85 | 3.85 | 3.85 | 3.87 | 3.87 |
| ***Irrigation Service*** | | | | | | | | | | | |
| Customer Charge [4,5] | per month | 8.65 | 8.70 | 9.00 | 9.20 | 9.20 | 9.45 | 9.45 | 9.45 | 9.45 | 9.45 |
| Usage Charge | per kGal | | | | | | | | | | |
| 1,000 - 12,000 | | 3.65 | 3.75 | 3.75 | 3.75 | 3.75 | 3.75 | 3.75 | 3.75 | 3.77 | 3.77 |
| 13,000 or more | | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.04 | 6.04 |
| Non-residential | | 4.40 | 4.45 | 4.50 | 4.55 | 4.60 | 4.60 | 4.60 | 4.60 | 4.62 | 4.62 |
| ***University of Florida*** | | | | | | | | | | | |
| Customer Charge [5] | per month | 8.65 | 8.70 | 9.00 | 9.20 | 9.20 | 9.45 | 9.45 | 9.45 | 9.45 | 9.45 |
| Usage Charge | per kGal | | | | | | | | | | |
| On-Campus | | 2.17 | 2.16 | 2.18 | 2.22 | 2.30 | 2.84 | 2.29 | 2.43 | 2.53 | 2.65 |
| Off-Campus | | 3.21 | 3.13 | 2.77 | 2.64 | 2.91 | 3.67 | 2.83 | 3.21 | 3.56 | 3.23 |
| ***City of Alachua*** | | | | | | | | | | | |
| Customer Charge [5] | per month | 8.65 | 8.70 | 9.00 | 9.20 | 9.20 | 9.45 | 9.45 | 9.45 | 9.45 | 9.45 |
| Usage Charge | per kGal | 1.62 | 1.62 | 1.62 | 1.62 | 1.62 | 1.62 | 1.62 | 1.62 | 1.62 | 1.62 |
| ***Fire Hydrant History of Monthly Charges*** | | | | | | | | | | | |
| Installed, Maintained, Supported | | | | | | | | | | | |
| Maintained, Supported | | | | | | | | | | | |
| Supported only (UF) | | | | | | | | | | | |
| **Wastewater:** | | | | | | | | | | | |
| ***Residential Service*** | | | | | | | | | | | |
| Customer Charge | per month | 7.40 | 7.40 | 7.85 | 8.40 | 9.00 | 9.10 | 9.10 | 9.10 | 9.10 | 9.10 |
| Usage Charge | per kGal | 5.50 | 5.80 | 5.85 | 6.05 | 6.20 | 6.30 | 6.30 | 6.30 | 6.30 | 6.33 |
| ***Residential not connected, but required to be by ordinance*** | | 34.9 | 36.4 | 37.1 | 38.65 | 40 | 40.6 | 40.6 | 40.6 | 40.75 | 40.75 |
| ***Residential, on wells, flat rate*** | per month | 34.9 | 36.4 | 37.1 | 38.65 | 40 | 40.6 | 40.6 | 40.6 | 40.75 | 40.75 |
| ***Multi-family*** | | | | | | | | | | | |
| Customer Charge | per month | 7.40 | 7.40 | 7.85 | 8.40 | 9.00 | 9.10 | 9.10 | 9.10 | 9.10 | 9.10 |
| Usage Charge- flat rate | per month | 27.50 | 29.00 | 29.25 | 30.25 | 31.00 | 31.50 | 31.50 | 31.50 | 31.65 | 31.65 |
| ***Non-Residential Service*** | | | | | | | | | | | |
| Customer Charge [5] | per month | 7.40 | 7.40 | 7.85 | 8.40 | 9.00 | 9.10 | 9.10 | 9.10 | 9.10 | 9.10 |
| Usage Charge | per kGal | 5.50 | 5.80 | 5.85 | 6.05 | 6.20 | 6.30 | 6.30 | 6.30 | 6.30 | 6.33 |

**City of Gainesville**
**Gainesville Regional Utilities Rates**
**Last Ten Fiscal Years**
***(Concluded)***

| | | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Natural Gas:** | | | | | | | | | | | |
| ***Residential Service*** | | | | | | | | | | | |
| Customer Charge | *per month* | 9.52 | 9.52 | 9.52 | 9.75 | 9.75 | 9.75 | 9.75 | 9.75 | 9.75 | 9.75 |
| Energy Charge[1] | *per therm* | 0.48300 | 0.47370 | 0.48200 | 0.50200 | 0.54000 | 0.63000 | 0.63000 | 0.63000 | 0.63000 | 0.63400 |
| MGP | *per therm* | 0.05050 | 0.05050 | 0.05050 | 0.05660 | 0.05660 | 0.05560 | 0.05560 | 0.05560 | 0.05560 | 0.05560 |
| ***General Firm Service*** | | | | | | | | | | | |
| Customer Charge | *per month* | $ 35.00 | $ 35.00 | $ 40.00 | $ 40.00 | $ 45.00 | $ 45.00 | $ 45.00 | $ 45.00 | $ 45.00 | $ 45.00 |
| Energy Charge[1] | *per therm* | $ 0.34300 | $ 0.34300 | $ 0.34300 | $ 0.36500 | $ 0.38000 | $ 0.44000 | $ 0.44000 | $ 0.44000 | $ 0.44000 | $ 0.44260 |
| MGP | *per therm* | $ 0.05050 | $ 0.05050 | $ 0.05000 | $ 0.05560 | $ 0.05560 | $ 0.05560 | $ 0.05560 | $ 0.05560 | $ 0.05560 | $ 0.05560 |
| ***Large Volume Interruptible Service*** | | | | | | | | | | | |
| Customer Charge | *per month* | $ 375.00 | $ 375.00 | $ 375.00 | $ 375.00 | $ 400.00 | $ 400.00 | $ 400.00 | $ 400.00 | $ 400.00 | $ 400.00 |
| Energy Charge[2] | *per therm* | $ 0.15730 | $ 0.20394 | $ 0.20394 | $ 0.20500 | $ 0.23000 | $ 0.27000 | $ 0.27000 | $ 0.27000 | $ 0.27000 | $ 0.27120 |
| MGP | *per therm* | $ 0.05050 | $ 0.05050 | $ 0.05050 | $ 0.05560 | $ 0.05560 | $ 0.05560 | $ 0.05560 | $ 0.05560 | $ 0.05560 | $ 0.05560 |
| ***Liquid Propane (LP) Service*** | | | | | | | | | | | |
| Customer Charge | *per month* | $ 9.52 | $ 9.52 | $ 9.52 | $ 9.75 | $ 9.75 | $ 9.75 | $ 9.75 | $ 9.75 | $ 9.75 | $ 9.75 |
| Energy Charge[4] | *per gallon* | | | | | | | | | | |
| 3-yr recovery | | $ 0.64513 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| 5-yr recovery | | $ 0.59513 | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| 7-yr recovery | | $ 0.57013 | $ 0.63846 | $ 0.64676 | $ 0.66676 | $ 0.70476 | n/a | n/a | n/a | n/a | n/a |
| > 7-yr recovery | | $ 0.52513 | $ 0.59346 | $ 0.60176 | $ 0.62176 | $ 0.65976 | n/a | n/a | n/a | n/a | n/a |
| Basic (no recovery) | | n/a | $ 0.56346 | $ 0.57176 | $ 0.59176 | $ 0.62976 | $ 0.71976 | $ 0.71976 | $ 0.71976 | $ 0.72376 | $ 0.72376 |
| ***Average Annual PGA*** | *per therm* | | | | | | | | | | |

Notes:
1 Includes $0.06906 per therm of fuel
2 Includes 6.5 mills/kWh of fuel
3 Effective October 1, 2013; previously 2011-2012 0-7,000,7001-20,000;
Source: GRU Annual Reports

City of Gainesville
Principal Utility Revenue Contributors
Reporting Fiscal Year 2021 and Ten Years Ago

| | Fiscal Year 2021 | | | Fiscal Year 2012 | | |
|---|---|---|---|---|---|---|
| Customer | Total Payments | Rank | % of Total Utility Revenue | Total Payments | Rank | % of Total Utility Revenue |
| University of Florida | $ 8,660,458 | 1 | 2.18% | $ 2,416,946 | 7 | 0.64% |
| Shands Teaching Hospital and Clinics | 7,077,460 | 2 | 1.78% | 4,020,816 | 5 | 1.07% |
| Alachua County School Board | 6,634,942 | 3 | 1.67% | 5,799,130 | 2 | 1.54% |
| North Florida Regional Medical CTR | 5,948,378 | 4 | 1.50% | 3,504,918 | 6 | 0.93% |
| VA Medical Center | 5,728,256 | 5 | 1.44% | 4,385,581 | 4 | 1.17% |
| City of Gainesville | 4,922,085 | 6 | 1.24% | 7,888,190 | 1 | 2.10% |
| Publix Super Markets INC | 4,482,298 | 7 | 1.13% | 4,478,426 | 3 | 1.19% |
| Alachua County Board of County Comm | 3,541,202 | 8 | 0.89% | 2,338,568 | 8 | 0.62% |
| Sivance LLC | 2,422,211 | 9 | 0.61% | | | |
| Santa Fe College | 1,898,513 | 10 | 0.48% | 1,842,931 | 9 | 0.49% |
| Metal Container Corp | - | | n/a | 1,740,488 | 10 | 0.46% |
| Total | $ 51,315,803 | | 12.93% | $ 38,415,994 | | 10.21% |

Source: GRU Annual Reports

# Debt Capacity

**City of Gainesville**
**Ratios of Outstanding Debt by Type**
**Last Ten Fiscal Years**

**Debt Presented by Governmental and Business-Type Activities**

| Fiscal Year | Governmental Activities | | | Business-Type Activities | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|
| | Bonds | Notes | Lease | Bonds | Notes | Lease | Primary Government | % of Personal Income | Per Capita |
| 2012 | $125,440,277 | $20,643,225 | $517,414 | $918,731,703 | $65,337,135 | $0 | $1,130,669,754 | 23.99% | $9,125 |
| 2013 | $117,168,774 | $19,326,461 | $436,681 | $923,700,771 | $64,974,623 | $0 | $1,125,607,310 | 23.86% | $9,049 |
| 2014 | $92,086,614 | $32,562,746 | $352,505 | $896,179,836 | $66,181,064 | $99,410,828 | $1,186,773,593 | 24.55% | $9,444 |
| 2015 | $100,957,376 | $30,991,592 | $264,740 | $924,958,029 | $70,811,880 | $977,280,085 | $2,105,263,702 | 42.35% | $16,453 |
| 2016 | $93,276,839 | $38,508,036 | $173,550 | $907,065,208 | $65,189,668 | $959,678,852 | $2,063,892,153 | 40.90% | $16,047 |
| 2017 | $88,616,606 | $35,650,967 | $78,141 | $888,442,387 | $64,254,397 | $941,269,071 | $2,018,311,569 | 38.44% | $15,547 |
| 2018 | $84,326,481 | $42,091,460 | $0 | $1,618,098,385 | $93,000,000 | $0 | $1,837,516,326 | 35.34% | $14,004 |
| 2019 | $81,461,956 | $37,907,275 | $0 | $1,789,681,008 | $4,593,326 | $0 | $1,913,643,565 | 35.21% | $14,381 |
| 2020 | $301,381,768 | $41,335,977 | $0 | $1,756,835,654 | $3,448,444 | $0 | $2,103,001,843 | 38.89% | $15,567 |
| 2021 | $300,141,053 | $41,495,634 | $0 | $1,846,306,439 | $3,211,487 | $0 | $2,191,154,613 | 35.44% | $15,234 |

**Debt Presented by City Government and Gainesville Regional Utilities**

| Fiscal Year | City Government | Gainesville Regional Utilities | Primary Government | City Government | | Gainesville Regional Utilities | |
|---|---|---|---|---|---|---|---|
| | | | | % of Personal Income | Per Capita | % of Personal Income | Per Capita |
| 2012 | $ 146,600,916 | $ 984,068,838 | $ 1,130,669,754 | 3.11% | $ 1,183.19 | 10% | $ 3,724.04 |
| 2013 | 136,931,916 | 988,675,394 | 1,125,607,310 | 0 | 1,101 | 10% | 3,713 |
| 2014 | 125,001,865 | 1,061,771,728 | 1,186,773,593 | 0 | 995 | 10% | 3,984 |
| 2015 | 132,213,708 | 1,973,049,994 | 2,105,263,702 | 0 | 1,033 | 19% | 7,313 |
| 2016 | 131,958,425 | 1,931,933,728 | 2,063,892,153 | 0 | 1,026 | 19% | 7,273 |
| 2017 | 124,345,714 | 1,893,965,855 | 2,018,311,569 | 0 | 958 | 17% | 6,855 |
| 2018 | 126,417,941 | 1,711,098,385 | 1,837,516,326 | 0 | 963 | 16% | 6,266 |
| 2019 | 119,369,231 | 1,794,274,334 | 1,913,643,565 | 0 | 897 | 16% | 6,560 |
| 2020 | 342,717,745 | 1,760,284,098 | 2,103,001,843 | 0 | 2,537 | 16% | 6,343 |
| 2021 | 341,636,687 | 1,849,517,926 | 2,191,154,613 | 0 | 2,375 | 15% | 6,561 |

Notes:
- Details regarding the City's outstanding debt may be found in the Notes to the Financial Statements.
- The debt ratios for the primary government include both General Government and Gainesville Regional Utilities. These ratios are shown separately as well to provide more meaningful information.

Sources:
- Personal income information was obtained from the Bureau of Economic Analysis
- Population figures were obtained from the Bureau of Economic and Business Research
- Customer information was obtained from GRU's Annual Report

City of Gainesville
Direct and Overlapping Governmental Activities Debt
As of September 30, 2021

| Governmental Unit | | Debt Outstanding | Estimated Percentage Applicable | | Estimated Share of Direct and Overlapping Debt |
|---|---|---|---|---|---|
| **Alachua County Board of County Commissioners** | | | | | |
| Public Improvement Revenue Note, 2014 | $ | 4,207,000 | 44.41% | $ | 1,868,323 |
| Capital Improvement Revenue Note, 2015A | | 2,005,000 | 44.41% | | 890,418 |
| Pubic Improvement Revenue Refunding Note, 2015B | | 8,523,000 | 44.41% | | 3,785,053 |
| Pubic Improvement Revenue Refunding Note, 2016 | | 9,615,000 | 44.41% | | 4,270,009 |
| Public Improvement Revenue Note, 2017 | | 1,295,000 | 44.41% | | 575,108 |
| Pubic Improvement Revenue Refunding Note, 2017 | | 1,317,000 | 44.41% | | 584,878 |
| Local Option Gas Tax Revenue Note, 2018 | | 10,185,000 | 44.41% | | 4,523,145 |
| Capital Improvement Revenue Note, 2020A | | 3,420,000 | 44.41% | | 1,518,817 |
| Capital Improvement Revenue Note, 2020B | | 4,400,000 | 44.41% | | 1,954,034 |
| Capital Improvement Revenue Note, 2020C | | 12,500,000 | 44.41% | | 5,551,233 |
| Tourist Development Tax Revenue Note, 2021AB | | 30,000,000 | 44.41% | | 13,322,960 |
| **School Board of Alachua County** | | | | | |
| Bus Purchase 2020 | | 6,305,230 | 39.64% | | 2,499,269 |
| Certificates of Participation | | 122,682,196 | 0 | | 48,628,801 |
| Qualified School Construction Bonds | | 11,211,997 | 39.64% | | 4,444,214 |
| Build America Bonds | | 3,384,016 | 39.64% | | 1,341,357 |
| **Subtotal, Overlapping Debt** | | | | **$** | **95,757,619** |
| | | | **City Governmental Activities Direct Debt** | **$** | **341,636,687** |
| | | | **City Total Direct and Overlapping Governmental Activities Debt** | **$** | **437,394,306** |

City of Gainesville
Pledged Revenue Coverage
Last Ten Fiscal Years

| | State Guaranteed Entitlement Revenue Bonds | | | | Gainesville Regional Utilities Revenue Bonds | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Debt Service | | | | | | Debt Service | | |
| Fiscal Year | State Guaranteed Entitlement Revenue | Principal | Interest | Coverage | Revenues (see note 1) | Less: Operating Expenses (see note 2) | Net Available Revenues | Principal | Interest | Coverage |
| 2012 | $1,100,340 | $770,000 | $272,683 | 1.0553 | $356,680,648 | $207,130,769 | $149,549,879 | $31,900,000 | $31,855,940 | 2.3457 |
| 2013 | $1,100,340 | $810,000 | $234,813 | 1.0531 | $356,409,450 | $214,466,006 | $141,943,444 | $31,900,000 | $21,964,939 | 2.6352 |
| 2014 | $1,100,340 | $850,000 | $194,313 | 1.0536 | $412,169,722 | $255,797,502 | $156,372,220 | $26,845,000 | $23,392,328 | 3.1127 |
| 2015 | $1,100,340 | $890,000 | $151,813 | 1.0562 | $439,576,909 | $270,982,823 | $168,594,086 | $49,020,000 | $22,227,180 | 2.3663 |
| 2016 | $1,100,340 | $935,000 | $104,088 | 1.0589 | $453,177,915 | $280,634,777 | $172,543,138 | $16,805,000 | $21,544,385 | 4.4992 |
| 2017 | $1,100,340 | $1,000,000 | $55,000 | 1.0430 | $473,426,619 | $331,097,206 | $142,329,413 | $23,135,000 | $38,892,441 | 2.2946 |
| 2018 | $1,095,000 | $255,146 | $839,854 | 1.0000 | $409,003,588 | $293,014,320 | $115,989,268 | $24,020,000 | $46,618,627 | 1.6420 |
| 2019 | $1,095,000 | $240,265 | $854,735 | 1.0000 | $411,774,937 | $394,817,611 | $16,957,326 | $187,910,000 | $64,300,221 | 0.0672 |
| 2020 | $1,095,000 | $226,260 | $868,740 | 1.0000 | $398,359,397 | $319,382,738 | $78,976,659 | $33,015,000 | $69,209,863 | 0.7726 |
| 2021 | $1,095,000 | $213,065 | $881,935 | 1.0000 | $418,392,840 | $332,659,224 | $85,733,616 | $27,090,000 | $65,092,695 | 0.9300 |

Notes:

(1) Gainesville Regional Utilities revenues include electric, gas, water, wastewater and telecommunications charges to customers, other utilities revenues (including fees for connection, installation and backflow prevention), rate stabilization transfers, and interest income (excluding interest income earned on construction funds).

- Includes revenue of $249,220,553 from leaseback transaction. The coverage ratio excluding the revenue from the leaseback would be 2.42.

(2) Operating expenses exclude depreciation and debt service charges.

Source: Gainesville Regional Utilities Financial Statements

# Demographic and Economic Information

City of Gainesville
Demographic and Economic Statistics
Last Ten Fiscal Years

| Fiscal Year | [illegible] | Personal Income | Per Capita Personal Income | Median Age | Public School Enrollment | [illegible] Rate |
|---|---|---|---|---|---|---|
| 2012 | 123,903 | 9,819,000,000 | 79,247 | 30.8 | 27,491 | 6.40% |
| 2013 | 124,391 | 10,514,601,000 | 84,529 | 25.8 | 27,506 | 5.70% |
| 2014 | 125,661 | 10,255,284,000 | 81,611 | 25.8 | 27,390 | 5.20% |
| 2015 | 127,955 | 10,619,747,010 | 82,996 | 25.8 | 27,802 | 4.80% |
| 2016 | 128,612 | 10,725,944,480 | 83,398 | 25.7 | 27,343 | 4.90% |
| 2017 | 129,816 | 11,352,822,000 | 87,453 | 26.6 | 26,881 | 4.00% |
| 2018 | 131,217 | 11,863,698,990 | 90,413 | 31.3 | 28,836 | 3.30% |
| 2019 | 133,068 | 11,983,398,000 | 90,055 | 33.2 | 29,460 | 3.00% |
| 2020 | 135,097 | 11,537,300,000 | 85,400 | 31.7 | 29,845 | 4.40% |
| 2021 | 143,835 | 12,391,060,020 | 86,148 | 31.6 | 29,727 | 3.20% |

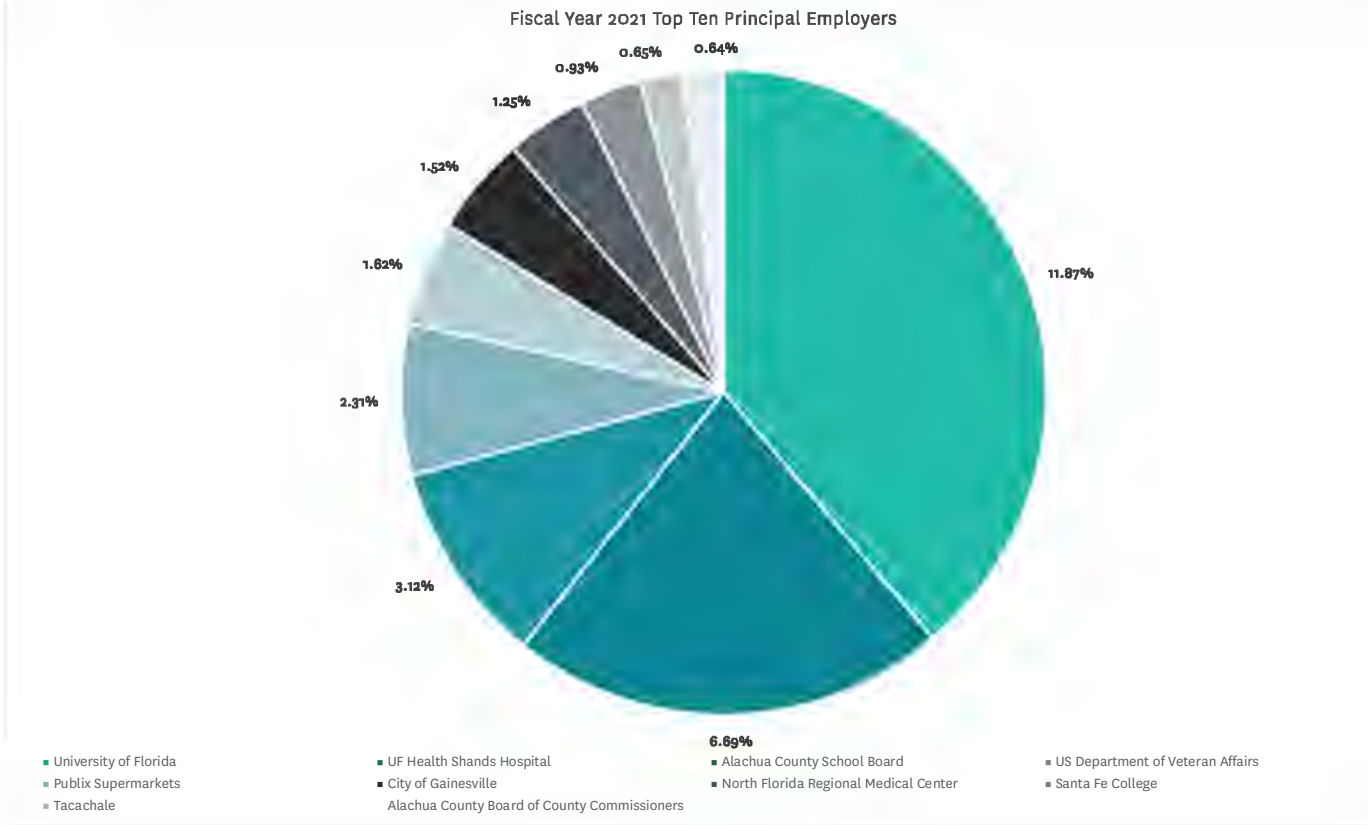



Sources:

Population: University of Florida Bureau of Economic and Business Research (calendar year basis)
Personal Income: Bureau of Economic Analysis (calendar year basis)
County Median Age: University of Florida Bureau of Economic Business Research (calendar year basis)
Public School Enrollment: Alachua County School Board
Unemployment Rate: U.S. Bureau of Labor Statistics - employment rate at September of each fiscal year

City of Gainesville
Top Ten Principal Employers
Reporting Fiscal Year (FY 2021) and Ten Years Ago (FY 2012)

| | Fiscal Year 2021 | | | Fiscal Year 2012 | | |
|---|---|---|---|---|---|---|
| Employer | Number of Employees | | % of Total Labor Force | Number of Employees | | % of Total Labor Force |
| University of Florida | 17,648 | 1 | 11.87% | 14,723 | 1 | 10.68% |
| UF Health Shands Hospital | 9,944 | 2 | 6.69% | 12,588 | 2 | 9.14% |
| Alachua County School Board | 4,634 | 3 | 3.12% | 4,317 | 3 | 3.13% |
| US Department of Veteran Affairs | 3,438 | 4 | 2.31% | 4,299 | 4 | 3.12% |
| Publix Supermarkets | 2,403 | 5 | 1.62% | 2,200 | 5 | 1.60% |
| City of Gainesville | 2,265 | 6 | 1.52% | 1,995 | 7 | 1.45% |
| North Florida Regional Medical Center | 1,857 | 7 | 1.25% | 1,700 | 8 | 1.23% |
| Santa Fe College | 1,388 | 8 | 0.93% | 1,300 | 9 | 0.94% |
| Tacachale | 966 | 9 | 0.65% | | | |
| Alachua County Board of County Commissioners | 947 | 10 | 0.64% | 2,056 | 6 | 1.49% |
| | | | | 796 | 10 | 0.58% |
| Total of Top Ten Principal Employers | 45,490 | | 30.60% | 45,974 | | 33.36% |
| Total Labor Force | 148,664 | | | 137,798 | | |




Notes:
2021 data provided by Landon S. Harrar at Greater Gainesville Chamber of Commerce
9/30/21 labor force provided by u.s. bureau of labor statistics

# Operating Information

**City of Gainesville**
**Full-time Equivalent City Government Employees by Function/Program**
**Last Ten Fiscal Years**

| | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Charter Offices** | | | | | | | | | | |
| City Attorney's Office | 17.00 | 17.00 | 18.00 | 17.00 | 17.00 | 17.00 | 16.00 | 16.00 | 16.00 | 15.00 |
| City Auditor's Office | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 5.50 | 5.50 | 6.00 | 7.00 | 7.00 |
| City Clerk | 5.50 | 5.50 | 5.50 | 5.00 | 5.00 | 5.00 | 6.00 | 9.00 | 10.00 | 11.00 |
| City Commission | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| City Manager | 1,270.21 | 1,267.24 | 1,307.75 | 1,295.80 | 1,315.05 | 1,353.25 | 1,382.62 | 1,469.75 | 1,494.75 | 1,519.50 |
| Equity and Inclusion, Office of | 6.00 | 6.00 | 7.00 | 7.00 | 9.00 | 8.00 | 8.00 | 8.50 | 11.00 | 11.00 |
| General Manager for Utilities | 908.75 | 908.75 | 908.75 | 909.75 | 892.75 | 877.75 | 886.25 | 892.25 | 930.25 | 932.25 |
| **Total Full-time Equivalent** | **2,218.96** | **2,215.99** | **2,258.50** | **2,246.05** | **2,250.30** | **2,273.50** | **2,311.37** | **2,408.50** | **2,476.00** | **2,502.75** |
| % General Government | 59.0% | 59.0% | 59.8% | 59.5% | 60.3% | 61.4% | 61.7% | 63.0% | 62.4% | 62.8% |
| **The City Manager oversees the following Functions/Programs:** | | | | | | | | | | |
| **General Government** | | | | | | | | | | |
| Administrative Services | 4.00 | 4.00 | 4.00 | 3.70 | 3.70 | 3.65 | 0.00 | 0.00 | 0.00 | 0.00 |
| Budget & Finance | 37.00 | 37.00 | 37.00 | 37.00 | 36.50 | 38.50 | 40.50 | 42.50 | 40.50 | 42.50 |
| City Manager's Office | 7.00 | 7.00 | 7.00 | 6.35 | 6.35 | 10.35 | 10.35 | 10.00 | 9.00 | 8.00 |
| Communications and Engagement | 4.00 | 4.00 | 4.00 | 4.50 | 4.00 | 5.00 | 13.90 | 8.50 | 9.50 | 12.50 |
| Human Resources | 16.00 | 16.00 | 17.00 | 16.00 | 16.00 | 25.00 | 25.00 | 27.00 | 27.00 | 27.00 |
| Risk Management | 16.00 | 16.00 | 16.50 | 16.50 | 16.50 | 16.50 | 16.50 | 16.50 | 16.50 | 17.50 |
| Strategic Initiatives | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.00 | 8.00 | 9.00 |
| Technology and Innovation | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5.00 | 10.00 | 12.00 | 18.00 |
| **Public Safety** | | | | | | | | | | |
| Police | | | | | | | | | | |
| Sworn Officers | 301.00 | 301.00 | 306.00 | 305.00 | 307.00 | 308.00 | 303.00 | 297.00 | 295.00 | 286.00 |
| Civilians | 80.00 | 80.00 | 85.00 | 83.00 | 86.00 | 89.00 | 94.00 | 104.00 | 111.00 | 118.75 |
| Fire Rescue | | | | | | | | | | |
| Sworn Officers | 158.00 | 158.00 | 166.00 | 167.00 | 166.00 | 167.00 | 169.00 | 188.00 | 189.00 | 188.00 |
| Civilians | 7.00 | 7.00 | 8.00 | 7.00 | 8.00 | 7.00 | 10.00 | 9.00 | 9.00 | 12.00 |
| **Physical Environment** | | | | | | | | | | |
| Codes Enforcement | 16.08 | 16.08 | 16.02 | 16.02 | 16.30 | 16.30 | 16.70 | 18.70 | 18.70 | 18.00 |
| Planning & Development Services | 39.50 | 39.50 | 40.50 | 40.50 | 41.50 | 49.50 | 51.00 | 51.00 | 51.50 | 57.00 |
| Public Works | 163.38 | 163.38 | 162.38 | 157.38 | 158.75 | 159.00 | 164.00 | 155.00 | 166.50 | 165.00 |
| Facilities Management | 48.38 | 48.38 | 22.00 | 22.00 | 22.00 | 23.00 | 24.00 | 31.00 | 31.00 | 31.00 |
| **Transportation** | | | | | | | | | | |
| Fleet Management | 0.00 | 0.00 | 25.38 | 25.38 | 25.00 | 26.00 | 26.00 | 29.00 | 29.00 | 29.00 |
| Regional Transit System | 272.50 | 269.50 | 289.50 | 289.50 | 296.50 | 298.50 | 304.25 | 303.00 | 307.00 | 307.00 |
| Transportation & Mobility | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 26.00 | 27.00 | 27.00 |
| **Economic Environment** | | | | | | | | | | |
| Housing and Community Development | 1.57 | 1.60 | 1.57 | 2.00 | 1.57 | 1.57 | 1.13 | 1.13 | 1.13 | 1.13 |
| Community Development Block Grant | 8.30 | 8.30 | 8.41 | 7.98 | 8.13 | 8.13 | 8.17 | 8.17 | 8.17 | 10.87 |
| Gainesville Community Reinvestment Area | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 |
| Economic Development | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 0.00 | 0.00 | 0.00 |
| Office of Capital Asset Planning and Economic Resilience | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 3.00 |
| **Culture & Recreation** | | | | | | | | | | |
| Parks, Recreation and Cultural Affairs | 78.50 | 78.50 | 79.50 | 77.00 | 83.25 | 89.25 | 88.13 | 115.25 | 117.25 | 120.25 |

Notes:
- In FY18 the Administrative Services Department was restructured, moving the FTEs to into Strategic Initiatives.
- The Office of Capital Asset Planning and Economic Resilience was created in FY21

Source: Department of Financial Services and Gainesville Regional Utilities

**City of Gainesville**
**Operating Indicators by Functional Department**
**Last Ten Fiscal Years**

| | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Budget & Finance Department - Purchasing** | | | | | | | | | | |
| Dollar amount of purchasing card expenditures | $4,167,550 | $4,450,648 | $4,139,136 | $4,159,386 | $4,491,334 | $4,364,407 | $4,308,507 | $5,377,610 | $5,401,950 | $4,341,652 |
| Number of purchasing card transactions | 14,917 | 15,191 | 14,586 | 15,888 | 17,341 | 16,227 | 16,011 | 17,716 | 14,707 | 12,369 |
| Average number of days for a formal bid process | 53 | 53 | 45 | 45 | 45 | 45 | 45 | 45 | 45 | 45 |
| **Fire & Rescue Department - Fire & EMS** | | | | | | | | | | |
| Total incidents per 1,000 population served | 114.30 | 118.01 | 143.92 | 147.66 | 147.79 | 143.43 | 145.70 | 142.50 | 136.29 | 147.00 |
| Total Non-EMS incidents per 1,000 population served | 23.15 | 24.74 | 17.19 | 17.84 | 28.34 | 26.37 | 24.18 | 24.00 | 22.95 | 24.50 |
| Total arson incidents per 10,000 population served | 1.13 | 1.29 | 1.84 | 1.02 | 1.02 | 0.77 | 1.16 | 0.15 | 0.11 | 0.02 |
| 90th percentile Turnout Time for Fire Apparatus to EMS Incidents (minutes : seconds) | 1:18 | 1:27 | 1:34 | 1:21 | 1:15 | 1:20 | 1:21 | 1:13 | 1:12 | 1:13 |
| 90th percentile Turnout Time for Fire Apparatus to Building Fires (minutes : seconds) | 1:27 | 1:28 | 1:41 | 1:34 | 1:31 | 1:32 | 1:31 | 1:22 | 1:24 | 1:20 |
| 90th percentile Travel Time for Fire Apparatus to EMS Incidents (minutes : seconds) | 7:04 | 7:47 | 6:37 | 6:42 | 6:50 | 6:40 | 6:38 | 6:40 | 6:45 | 6:43 |
| 90th percentile Travel Time for First Arriving at Building Fires (minutes : seconds) | 6:20 | 6:33 | 6:24 | 5:59 | 5:26 | 5:21 | 5:22 | 5:51 | 5:25 | 6:06 |
| **Housing and Community Development Department** | | | | | | | | | | |
| Homes purchased or constructed (see Note 2) | 26 | 12 | 8 | 14 | 14 | 15 | 13 | 12 | 0 | 8 |
| Heartwood Subdivision - New Construction | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 11 |
| Properties rehabilitated (see Note 2) | 48 | 40 | 30 | 28 | 13 | 16 | 22 | 30 | 14 | 6 |
| Families served through housing programs (see Note 2) | 367 | 344 | 210 | 175 | 164 | 263 | 203 | 292 | 143 | 245 |
| Coronavirus Relief Fund (CRF) Utility, Rent and Mortgage Program | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 220 |
| GNVCares Utility, Rent and Mortgage Program | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 423 | n/a |
| **Police Department** | | | | | | | | | | |
| Police 911 calls received | 137,943 | 132,229 | 121,872 | 157,685 | 162,375 | 161,201 | 160,867 | 92,762 | 89,542 | 93,728 |
| Part I violent crimes reported per 1,000 population | 7.33 | 6.37 | 6.56 | 6.64 | 7.00 | 7.33 | 6.88 | 6.98 | 7.71 | 8.37 |
| % of Part I violent crimes cleared | 62.2% | 64.6% | 63.8% | 76.4% | 66.9% | 55.5% | 65.7% | 42.7% | 45.6% | 42.2% |
| Part I property crimes reported per 1,000 population | 42.08 | 40.88 | 37.70 | 34.88 | 38.51 | 36.81 | 36.97 | 35.41 | 31.81 | 28.49 |
| % of Part I property crimes cleared | 30.4% | 31.2% | 31.1% | 36.5% | 32.6% | 20.7% | 29.2% | 26.6% | 18.2% | 14.0% |
| Injury-producing traffic accidents per 1,000 population | 6.80 | 11.21 | 6.77 | 14.23 | 7.63 | 8.07 | 9.23 | 12.63 | 14.67 | 16.50 |
| Traffic fatalities per 1,000 population | 0.07 | 0.02 | 0.08 | 0.11 | 0.12 | 0.12 | 0.11 | 0.12 | 0.10 | 0.12 |
| Moving violation citations issued per 1,000 population | 214.18 | 208.44 | 198.72 | 159.43 | 117.31 | 179.89 | 153.75 | 56.26 | 58.22 | 54.32 |
| Driving Under the Influence (DUI) arrests per 1,000 population | 2.50 | 2.93 | 2.38 | 2.37 | 1.40 | 1.76 | 1.83 | 0.84 | 0.59 | 0.39 |
| **Public Works Department - Sanitation: Refuse & Recycling** | | | | | | | | | | |
| Average accounts served per on-route hour | 133 | 133 | 139 | 136 | 134 | 101 | 126 | 100 | 109 | 123 |
| Tons of refuse collected & disposed | 19,856 | 20,081 | 20,522 | 20,827 | 20,679 | 20,688 | 20,679 | 19,751 | 24,174 | 22,121 |
| Tons yard waste collected & composted | 8,325 | 8,576 | 9,079 | 9,127 | 9,886 | 8,612 | 9,176 | 8,471 | 11,255 | 8,880 |
| Tons recycling materials collected | 4,795 | 4,912 | 5,043 | 4,809 | 4,833 | 4,964 | 4,912 | 5,056 | 5,390 | 4,796 |
| Complaints per 1,000 accounts | 50 | 54 | 119 | 120 | 156 | 156 | 138 | 149 | 176 | 341 |
| **Transportation & Mobility Department - Fleet Operations** | | | | | | | | | | |
| Average age of police vehicles (months) | 49 | 53 | 49 | 48 | 54 | 58 | 46 | 45 | 59 | 60 |
| Average age of fire apparatus (months) | 79 | 120 | 128 | 102 | 101 | 95 | 99 | 112 | 103 | 118 |
| Hours billed as a percentage of hours available | 82.7% | 80.3% | 78.0% | 83.0% | 86.0% | 84.0% | 85.0% | 78.6% | 74.5% | 77.6% |
| No. of work orders completed - police vehicles | 1,362 | 1,220 | 1,243 | 1,159 | 1,246 | 1,179 | 1,195 | 1,618 | 1,411 | 781 |
| No. of work orders completed - fire apparatus | 160 | 174 | 190 | 213 | 217 | 236 | 214 | 360 | 305 | 186 |
| Total vehicle and heavy equipment work orders | 8,243 | 8,175 | 9,397 | 8,262 | 7,937 | 7,720 | 7,973 | 7,559 | 6,667 | 3,868 |
| **Transportation & Mobility Department - Highway and Road Maintenance** | | | | | | | | | | |
| Number of potholes repaired | 2,630 | 2,360 | 6,094 | 4,609 | 1,358 | 1,279 | 2,835 | 1,478 | 583 | 1,891 |
| % lane miles assessed as satisfactory or better | 73.7% | 72.0% | 75.0% | 74.0% | 73.7% | 73.7% | 73.7% | 75.0% | 73.0% | n/a |
| Number of linear miles swept | 13,668 | 14,337 | 14,337 | 13,894 | 13,894 | 3,473 | 14,042 | 4,007 | 4,427 | 3,917 |
| **Gainesville Regional Utilities** | | | | | | | | | | |
| Electric - Residential customers | 82,039 | 82,440 | 83,117 | 83,796 | 85,229 | 86,952 | 86,952 | 86,917 | 88,214 | 89,482 |
| Electric - Commercial & Industrial customers | 10,422 | 10,467 | 10,602 | 10,677 | 11,043 | 11,220 | 11,220 | 11,244 | 11,942 | 12,190 |
| Water customers | 69,329 | 69,847 | 70,300 | 70,903 | 72,136 | 73,043 | 73,043 | 73,078 | 73,896 | 74,805 |
| Wastewater customers | 62,536 | 63,001 | 63,501 | 64,121 | 65,591 | 66,483 | 66,483 | 66,638 | 67,388 | 68,566 |
| Natural Gas customers | 33,264 | 33,465 | 33,780 | 34,152 | 34,942 | 35,389 | 35,389 | 35,622 | 36,094 | 36,795 |

Notes:

(1) In 2011 the Fire department adopted a new reporting software for tracking operational indicators using the 90th percentile. The 90th percentile is the performance baseline that indicates that 90% of the performance occurs below an indicated amount of time.

(2) Due to the impacts of the COVID-19 pandemic, many Housing and Community Development funding sources were reallocated to emergency assistance programs, such as the GNVCares About Neighbors and Coronavirus Relief Fund (CRF) Utility Assistance programs. As a result of the reassignment of funding and staffing within the Housing and Community Development Division to meet these programmatic needs, the annual housing program numbers are lower than typical for fiscal year 2020. During fiscal year 2020, Housing and Community Development served 423 families through the CRF Utility Assistance Program.

Sources: City Departments and Gainesville Regional Utilities

City of Gainesville
Capital Asset Statistics by Functional Department
Last Ten Fiscal Years

| | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Fire Department - Fire & EMS** | | | | | | | | | | |
| Total number of fire apparatus | 14 | 14 | 14 | 15 | 17 | 21 | 21 | 24 | 22 | 24 |
| Average age of fire apparatus (in months) | 79 | 120 | 128 | 102 | 101 | 95 | 95 | 112 | 113 | 118 |
| Average annual mileage per fire apparatus | 8,561 | 8,244 | 7,819 | 7,521 | 7,306 | 7,053 | 7,106 | 4,811 | 5,932 | 6,386 |
| Number of fire stations | 8 | 8 | 8 | 8 | 9 | 9 | 9 | 9 | 9 | 9 |
| **Parks and Recreation Department** | | | | | | | | | | |
| Park acres per 1,000 population | 21.64 | 21.55 | 21.34 | 27.13 | 27.06 | 25.58 | 25.50 | 26.99 | 26.62 | 26.24 |
| Total park acres (see note 1) | 2,681 | 2,681 | 2,681 | 3,471 | 3,481 | 3,321 | 3,346 | 3,591 | 3,596 | 3,596 |
| Number of Recreation/community centers | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 10 | 10 | 10 |
| Number of Athletic fields | 36 | 36 | 24 | 24 | 24 | 24 | 24 | 31 | 31 | 31 |
| Number of Play structures | 98 | 98 | 96 | 96 | 96 | 96 | 96 | 96 | 97 | 97 |
| Number of Tennis courts | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 23 |
| Number of Basketball courts | 23 | 23 | 23 | 23 | 23 | 23 | 23 | 25 | 29 | 20 |
| Number of Swimming pools | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Miles of bike, walking, and hiking trails (see note 2) | 50.9 | 50.9 | 51.0 | 52.4 | 52.4 | 31.4 | 31.4 | 39.5 | 39.5 | 39.5 |
| **Police Department** | | | | | | | | | | |
| Number of police vehicles - marked | 232 | 222 | 239 | 238 | 250 | 265 | 265 | 251 | 245 | 239 |
| Average age of police vehicles (in months) | 49 | 53 | 49 | 48 | 54 | 58 | 58 | 45 | 53 | 60 |
| Average annual mileage per police vehicle | 10,783 | 9,180 | 9,411 | 8,396 | 7,764 | 7,070 | 7,268 | 6,960 | 6,684 | 6,979 |
| **Transportation & Mobility Department - Fleet Operations** | | | | | | | | | | |
| *Light vehicles:* | | | | | | | | | | |
| Number | 574 | 670 | 877 | 1,330 | 1,330 | 1,314 | 1,314 | 972 | 987 | 909 |
| Number using alternative fuel | 52 | 136 | 172 | 216 | 301 | 309 | 309 | 11 | 11 | 11 |
| Average age (in months) | 73 | 79 | 86 | 103 | 96 | 106 | 106 | 111 | 108 | 111 |
| *Medium-duty vehicles:* | | | | | | | | | | |
| Number | 120 | 122 | 127 | 180 | 172 | 178 | 176 | 206 | 212 | 58 |
| Average age (in months) | 91 | 98 | 101 | 103 | 112 | 121 | 116 | 137 | 133 | 95 |
| *Heavy-duty vehicles:* | | | | | | | | | | |
| Number | 96 | 46 | 47 | 48 | 58 | 46 | 46 | 132 | 122 | 128 |
| Average age (in months) | 78 | 72 | 88 | 99 | 95 | 112 | 112 | 129 | 132 | 132 |
| *Heavy equipment:* | | | | | | | | | | |
| Number | 18 | 75 | 90 | 18 | 17 | 23 | 20 | 20 | 30 | 220 |
| Average age (in months) | 121 | 172 | 130 | 149 | 145 | 138 | 136 | 108 | 104 | 144 |
| **Transportation & Mobility Department - Highway and Road Maintenance** | | | | | | | | | | |
| Total paved lane miles maintained | 777 | 857 | 778 | 789 | 789 | 789 | 789 | 789 | 789 | 810 |
| Traffic Signals within City Limits (see note 3) | n/a | n/a | n/a | 173 | 175 | 177 | 180 | 180 | 181 | 181 |
| **Transportation & Mobility Department - Regional Transit System** | | | | | | | | | | |
| Number of buses | 116 | 123 | 123 | 128 | 128 | 131 | 131 | 136 | 136 | 134 |
| Number of buses using alternative fuel | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| Average age of buses (in months) | 77 | 89 | 98 | 107 | 106 | 130 | 123 | 123 | 132 | 126 |
| **Gainesville Regional Utility** | | | | | | | | | | |
| *Electricity:* | | | | | | | | | | |
| Combined system net capability (megawatts) | 610 | 532 | 523 | 525 | 521 | 525 | 525 | 598 | 635 | 635 |
| Distribution - overhead (circuit miles) | 568 | 567 | 564 | 562 | 560 | 558 | 562 | 562 | 552 | 553 |
| Distribution - underground (circuit miles) | 846 | 850 | 852 | 857 | 866 | 871 | 857 | 857 | 898 | 902 |
| Number of Distribution substations | 11 | 11 | 11 | 11 | 11 | 10 | 10 | 10 | 10 | 11 |
| *Natural Gas:* | | | | | | | | | | |
| Distribution mains (miles) | 752 | 758 | 766 | 774 | 781 | 789 | 774 | 774 | 805 | 814 |
| Number of Delivery points | 5 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| *Water:* | | | | | | | | | | |
| FDEP permitted treatment capacity (mgd) | 54 | 54 | 54 | 54 | 54 | 54 | 54 | 54 | 54 | 54 |
| Storage capacity (million gallons) | 18.5 | 18.5 | 18.5 | 18.5 | 18.5 | 18.5 | 18.5 | 18.5 | 18.5 | 18.5 |
| Consumptive Use Permit (mgd) | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 | 30.0 |
| Distribution mains (miles) | 1,128 | 1,130 | 1,139 | 1,141 | 1,141 | 1,169 | 1,145 | 1,145 | 1,145 | 1,170 |
| Number of Supply wells | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 15 | 15 | 15 |
| *Wastewater:* | | | | | | | | | | |
| Gravity mains (miles) | 629 | 630 | 631 | 633 | 636 | 661 | 634 | 634 | 673 | 673 |
| Force mains (miles) | 139 | 139 | 139 | 140 | 142 | 153 | 141 | 141 | 153 | 153 |
| Number of Lift stations | 165 | 165 | 165 | 167 | 168 | 170 | 168 | 168 | 170 | 170 |
| Treatment capacity (million gallons per day) | 22.4 | 22.4 | 22.4 | 22.4 | 22.4 | 22.4 | 22.4 | 22.4 | 22.4 | 22.4 |
| *GRUCom:* | | | | | | | | | | |
| Fiber optic cable (miles) | 420 | 449 | 438 | 473 | 513 | 528 | 528 | 526 | 559 | 583 |
| Maximum bandwidth (2.5 gigabits/second)*10gbs | OC-192 | OC-192 | OC-192 | OC-192 | OC-192 | OC-192 | OC-192 | OC-192 | OC-192 | OC-192 |
| Number of On-net locations | 503 | 523 | 555 | 577 | 625 | 752 | 752 | 752 | 752 | 767 |

Notes:

(1) Park acreage changes: In 2017, Park acreage decreased by 200 acres due to the Wacahoota property disposition, increased by 36 acres with the addition of Colclough Pond and increased 3.5 acres due to the addition of 29th Road. In 2018, acreage increased by 23.39 and 2.16 acres with addition of Forest Park and Northside Park, respectively. In 2019, acreage increased by 245 acres due to addition of Four Creeks Preserve. In 2020, acreage 2020 increased by 4.64 acres due to the addition of Smokey Bear Park.

(2) Miles of trail does not include approximately 71 miles of paved multi-use trails within the City.

(3) Data prior to FY 2015 for traffic signals not available.

Sources: City Departments and Gainesville Regional Utility

# SINGLE AUDIT SECTION

PURVIS GRAY

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

Honorable Mayor and City Commissioners
City of Gainesville, Florida

We have examined the City of Gainesville's (the City) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2021. Management of the City is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

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

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

In our opinion, the City complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2021.

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

Purvis Gray

December 6, 2022
Gainesville, Florida

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

Honorable Mayor and City Commissioners
City of Gainesville, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the remaining fund information of City of Gainesville, Florida (the City) as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 6, 2022. Our report includes a reference to other auditors who audited the financial statements of the Utility, as described in our report on the City's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

### Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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

## 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*

possibility that a material misstatement of the entity's financial statements will not be prevented, or detected, and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2021-01 and 2021-02 to be material weaknesses.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2021-03 to be a significant deficiency.

### Compliance and Other Matters

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

### City's Response to Findings

The City's response to the findings identified in our audit is described in the accompanying management's response. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### 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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Purvis Gray

December 6, 2022
Gainesville, Florida

# CITY OF GAINESVILLE, FLORIDA
## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
## SEPTEMBER 30, 2021

| Federal Grantor/Program Title | Assistance Listing Number | Contract/Grant No. | Expenditures | Program Total | Cluster Total | Federal Amount Provided to Subrecipients |
|---|---|---|---|---|---|---|
| U.S. Department of Agriculture | | | | | | |
| Gainesville Pilot Composite | 10.935 | NR203A750027C014 | $ 12,290 | | | |
| U.S. Department of Housing & Urban Development | | | | | | |
| Community Development Block Grant - Entitlement Program | 14.218 | B-16-21/MC-12-0007 | 705,513 | | | $ 70,105 |
| COVID-19 Community Development Block Grant | 14.218 | B-16-21/MC-12-0007 | 617,678 | $ 1,323,191 | | |
| Total Housing & Urban Development Cluster (14.218) | | | | | $ 1,323,191 | |
| HOME Investment Partnership Grant | 14.239 | M-15-21/MC-12-0206 | 167,692 | | | 7,500 |
| U.S. Department of Justice | | | | | | |
| COVID-19 Coronavirus Emergency Supplemental Funding Program | 16.034 | 2020-VD-BX-0989 | 174,890 | | | |
| 2018 Internet Crimes Against Children | 16.543 | 2018-MC-FX-K050 | 305,906 | | | |
| OVW FY15 Grants To Encourage Arrest Policies and Enforcement of Protection Orders | 16.590 | 2015-WE-AX-0033 | 146,604 | | | |
| Law Enforcement Mental Health and Wellness Act | 16.710 | 2020-MH-WX-K012 | 4,675 | | | |
| GPD FIBRS Implementation | 16.734 | 2020-NCSX-ALAC-1-D6-003 | 35,924 | | | |
| Edward Byrne Memorial Justice Assistance: | | | | | | |
| Edward Byrne Memorial Justice Assistance - FY17 | 16.738 | 2017-DJ-BX-0930 | 18,000 | | | |
| Edward Byrne Memorial Justice Assistance - FY18 | 16.738 | 2018-DJ-BX-0799 | 58,340 | | | |
| Edward Byrne Memorial Justice Assistance - FY19 | 16.738 | 2019-DJ-BX-0845 | 77,355 | | | |
| Passed Through Florida Department of Law Enforcement: | | | | | | |
| Automatic License Plate Recognition (ALPR) | 16.738 | 2020-JAGC-ALAC-4-Y5-122 | 16,752 | | | |
| FY2020 Bold Grant | 16.738 | 2020-JAGC-ALAC-3-Y5-121 | 221 | | | |
| FY2020 Edward Bryne Memorial Justice Assistance | 16.738 | 2020-JAG-DIRECT MOU | 5,880 | 176,548 | | |
| Federal Equitable Sharing Proceeds | 16.922 | N/A | 198,156 | | | |
| US Marshalls Regional Fugitive Task Force | 16.XXX | MOU | 714 | | | |
| DEA Overtime Reimbursement | 16.XXX | MOU | 20,663 | | | |

CITY OF GAINESVILLE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2021
*(Continued)*

| Federal Grantor/Program Title | Assistance Listing Number | Contract/Grant No. | Expenditures | Program Total | Cluster Total | Federal Amount Provided to Subrecipients |
|---|---|---|---|---|---|---|
| U.S. Department of Transportation | | | | | | |
| Federal Transit Formula Grants: | | | | | | |
| FY13 Urbanized Area Formula Grant - Revised Apportionment | 20.507 | FL-2018-032-00 | $ 83,321 | | | |
| FY17 Urbanized Area Formula Grant | 20.507 | FL-2018-009-00 | 1,293,158 | | | |
| FY18 Urbanized Area Formula Grant | 20.507 | FL-2018-094 | 636,940 | | | |
| FY19 Urbanized Area Formula Grant | 20.507 | FL-2019-091 | 2,014,866 | | | |
| FY20 Urbanized Area Formula Grant | 20.507 | FL-2020-108 | 1,564,264 | | | |
| COVID-19 FY20 Section 5307 CARES Act Funds | 20.507 | FL-2020-030 | 11,288,602 | $ 16,881,151 | | |
| Buses and Bus Facilities Formula Program: | | | | | | |
| FY17 - Low or No-Emission Vehicle | 20.526 | FL-2018-041-00 | 718,636 | | | |
| FY19 - Low or No-Emission Vehicle | 20.526 | FL-2019-089-00 | 1,000,000 | | | |
| FY20 - Section 5339 Capital Assistance | 20.526 | FL-2020-005-00 | 30,800 | | | |
| FY20 - Capital Assistance Grant | 20.526 | FL-2020-110-00 | 505,271 | | | |
| FY21 - Sec. 5310 -ADA Capital Assistance | 20.526 | FL-2021-012-00 | 5,000 | 2,259,707 | | |
| Total Federal Transit Cluster (20.507, 20.526) | | | | | $ 19,140,858 | |
| Passed Through Florida Department of Transportation: | | | | | | |
| Highway Planning and Construction: | | | | | | |
| LAP-PD&E Study SW 62nd Blvd/4 - Lane Arterial Connector | 20.205 | 211365-6-28-01-03 | 624 | | | |
| LAP-PD&E NW 19th Ln Bike Lane and Sidewalks | 20.205 | G0J57/437333-1-38-02 | 303,642 | | | |
| LAP-PD&E SW Williston Rd to SW 35th Place | 20.205 | G0J43/433989-1-38-02 | 53,341 | | | |
| NE 18th Ave - Metcalfe Sidewalk | 20.205 | G0U36/439495-1-38-01 | 157,464 | | | |
| LAP-SW 27th St. Bike Path/Trail | 20.205 | G1405/433989-1-68-02 | 751 | | | |
| LAP-SW 62nd Blvd Connector | 20.205 | G1A85/211365-1-38-01 | 90,293 | 606,115 | | |
| Total Federal Transit Cluster (20.205) | | | | | 606,115 | |
| Formula Grants for Rural Areas and Tribal Transit Program: | | | | | | |
| COVID-19 FY20 - Section 5311 CARES Act | 20.509 | G1M45/447445-1-84-01 | 47,277 | | | |
| Enhanced Mobility of Seniors and Individuals with Disabilities: | | | | | | |
| NOGA Sec. 5310 - ADA Capital Assistance | 20.513 | 435210-8-93-07 | 68,627 | | | |
| FY18/19 - Enhanced Mobility for Seniors & Individuals with Disabilities | 20.513 | G1694/442577-1-84-02 | 5,905 | 74,532 | | |
| Total Federal Transit Cluster (20.513) | | | | | 74,532 | |
| State and Community Highway Safety: | | | | | | |
| FY20 Motorcycle/Scooter Safety and Education Program | 20.600 | G1E15/MC-20-10-06 | 1 | | | |
| FY20 Distracted Driver Program Protection | 20.600 | G1D72/DD-20-04-06 | 414 | | | |
| FY21 Motorcycle/Scooter Safety and Education Program | 20.600 | G1Q57/MC-2021-00238 | 15,180 | | | |
| FY21 Distracted Driver Program Protection | 20.600 | G1R48/DD-2021-00241 | 843 | | | |
| FDOT High Visibility Enforcement Program | 20.600 | G1B36 433144-1-8404 | 33,334 | 49,772 | | |
| National Priority Safety Programs: | | | | | | |
| FY21 Safe Gator | 20.616 | G1S62/M5HVE-2021-00240 | 3,653 | | | |
| Total Federal Transit Cluster (20.600,20.616) | | | | | 53,425 | |

# CITY OF GAINESVILLE, FLORIDA
## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
## SEPTEMBER 30, 2021
*(Continued)*

| Federal Grantor/Program Title | Assistance Listing Number | Contract/Grant No. | Expenditures | Program Total | Cluster Total | Federal Amount Provided to Subrecipients |
|---|---|---|---|---|---|---|
| **U.S. Department of the Treasury** | | | | | | |
| Passed Through Florida Housing Finance Corporation: | | | | | | |
| COVID-19 Coronavirus Aid, Relief and Economic Security Act (CARES Act) | 21.019 | Y2273 | $ 2,068,157 | | | |
| COVID-19 Coronavirus Relief Funds | 21.019 | 118-2020 | 550,553 | $ 2,618,710 | | |
| **National Science Foundation** | | | | | | |
| Computer and Information Science and Engineering: | | | | | | |
| Smart and Connected Communities | 47.070 | 1922782 | 54,099 | | | |
| **Executive Office of the President - Office of National Drug Policy** | | | | | | |
| High Intensity Drug Trafficking Areas (HIDTA) Program: | | | | | | |
| Passed Through St. Johns County Sheriff Office: | | | | | | |
| Highway Interdiction | 95.001 | G15/16NF0001A | 2,959 | | | |
| Passed Through Alachua County Sheriff's Office: | | | | | | |
| Cadet Initiative | 95.001 | G17NF0001A | 7,642 | 10,601 | | |
| **Department of Homeland Security - Federal Emergency Management Agency** | | | | | | |
| Passed Through State of Florida, Division or Emergency Management: | | | | | | |
| Disaster Grants - Public Assistance | | | | | | |
| Hurricane Irma Disaster Declaration (GRU) | 97.036 | Z0767/4337DR | 407,361 | | | |
| **Department of Homeland Security** | | | | | | |
| Passed Through Florida Department of Emergency Management: | | | | | | |
| HazMat Sustainment and Maintenance Equipment | 97.067 | R0181/EMW-2020-SS-0035-S01 | 2,854 | | | |
| HazMat Sustainment and Maintenance Equipment | 97.069 | R0040/EMW-2019-SS-00049 | 7,608 | | | |
| Staffing for Adequate Fire and Emergency Response (SAFER) | 97.083 | EMW-2017-FH-00344 | 754,022 | | | |
| **Total Expenditures of Federal Awards** | | | $ 26,344,715 | | | |

# CITY OF GAINESVILLE, FLORIDA
## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
## SEPTEMBER 30, 2021
*(Concluded)*

| State Grantor/Program Title | State CSFA Number | Contract/Grant No. | Expenditures | Program Total |
|---|---|---|---|---|
| **Florida Department of Environmental Protection** | | | | |
| Florida Springs Grant Program - Oakmont Reclaimed | | | | |
| Water Main Extension, Phase 3 | 37.052 | LP6103N | $ 153,352 | |
| Groundwater Recharge Wetland | 37.100 | WS004 | 976,808 | |
| **Florida Housing Finance Corporation** | | | | |
| SHIP 2017 - 2020 | 40.901 | N/A | 107,843 | |
| **Department of State** | | | | |
| Division of Cultural Affairs General Program Support | 45.061 | 20.C.PS.114.496 | 23,716 | |
| **Department of Transportation** | | | | |
| FY19/20 Commuter Assistance Program / Ride Share | 55.007 | G1B19/445622-1-84-19 | 60,133 | |
| Public Transit Block Grant - FY 20/21 | 55.010 | G1T61/411757-1-84-21 | 2,293,387 | |
| Public Transit Service Development Program: | | | | |
| FY17/18 Autonomous Bus | 55.012 | G0270/43307-6-1-84-01 | 554,188 | |
| FY17/18 - Route 800 | 55.012 | G0R17/441839-1-84-18 | - | |
| FY17/18 - Route 33 | 55.012 | G1803/441702-1-84-19 | 174,279 | |
| FY17/18 - Route 601 | 55.012 | G1786/445133-1-84-19 | 63,496 | |
| FY17/18 - Holiday Bus Service | 55.012 | G1785/439977-1-84-19 | 15,723 | |
| FY18/19 - Route 800 | 55.012 | G1784/441839-1-84-19 | 20,373 | |
| FY19/20 - Route 150 | 55.012 | G1K01/445967-1-84-20 | 54,983 | |
| FY21 Autonomous Vehicle Phase 2 | 55.012 | G1U96/433076-1-84-02 | 219,578 | $ 1,102,620 |
| **Total Expenditures of State Awards** | | | $ 4,717,859 | |

# NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
# FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021
# CITY OF GAINESVILLE, FLORIDA

## Note 1 - Significant Accounting Policies

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state grant activity of the City of Gainesville, Florida and is presented in accordance with the requirements of 2 CFR Part 200 *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and *the Florida Single Audit Act.* Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The schedule is prepared using the modified accrual basis of accounting.

## Note 2 - Sub Recipients

The City provided federal awards to sub recipients as follows:

| | Federal Assistance Listing No. | | |
|---|---|---|---|
| Community Development Block Grant - Entitlement Program | 14.218 | $ | 70,105 |
| Sub Recipients: | | | |
| Black on Black Crime Task Force | | | |
| Elder Care of Alachua County, Inc. | | | |
| Family Promise of Gainesville, Florida | | | |
| Gardenia Garden, Inc. | | | |
| Girl Scouts of Gateway Council, Inc. | | | |
| Girls Place, Inc. | | | |
| Helping Hands Clinic, Inc. | | | |
| St. Francis House, Inc. | | | |
| Star Center | | | |
| HOME Investment Partnership Grant | 14.239 | $ | 7,500 |
| Sub Recipients: | | | |
| Alachua Habitat for Humanity, Inc. | | | |
| Central Florida Community Action Agency | | | |

## Note 3 - Indirect Costs

The City has not elected to use the 10% de minimis cost rate as covered in the 200.414 indirect (F&A) costs.

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

Honorable Mayor and City Commissioners
City of Gainesville, Florida

### Report on Compliance for Each Major Federal Program and State Project

We have audited the City of Gainesville, Florida's (the City) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the Department of Financial Services' State Projects *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs and state projects for the year ended September 30, 2021. The City's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### Management's Responsibility

Management is responsible for compliance with federal and state statues, regulations, and the terms and conditions of its federal awards and state assistance applicable to its federal programs and state projects.

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General*. Those standards, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes 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.

Honorable Mayor and City Commissioners
City of Gainesville, Florida

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the City's compliance.

### Opinion on Each Major Federal Program and State Project

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2021.

### Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

Honorable Mayor and City Commissioners
City of Gainesville, Florida

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General.* Accordingly, this report is not suitable for any other purpose.

Purvis Gray

December 6, 2022
Gainesville, Florida

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021
CITY OF GAINESVILLE, FLORIDA

Part I – Summary of Auditor's Results

1) The auditor's report on the basic financial statements contained unmodified opinions.

2) The audit disclosed material weaknesses and significant deficiencies in internal control over financial reporting.

3) No instances of noncompliance considered material to the financial statements were disclosed by the audit.

4) The audit did not report significant deficiencies or disclose material weaknesses in internal control over the major federal programs and state projects.

5) The auditor's report on compliance for the major federal programs and state projects was unmodified.

6) The audit did not disclose findings relative to the major federal programs and major state projects.

7) The City's major programs/projects were:

| Federal Programs | CFDA No. |
|---|---|
| Community Development Block Grant Cluster: | |
| CDBG - Entitlement Program | 14.218 |
| Federal Transit Cluster: | |
| Federal Transit Formula Grants | 20.507 |
| Bus and Bus Facilities Formula Program | 20.526 |
| Coronavirus Aid, Relief and Economic Security Act (CARES) | 21.019 |

| State Projects | CSFA No. |
|---|---|
| Groundwater Recharge Wetland Program | 37.100 |
| Public Transit Block Grant Program | 55.010 |
| Public Transit Service Development Program | 55.012 |

8) A threshold of $790,341 was used to distinguish between Type A and Type B programs for federal programs and $750,000 was used for state projects.

9) The City did not qualify as a low-risk auditee as that term is defined in the Uniform Guidance.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021
CITY OF GAINESVILLE, FLORIDA

## Part II – Financial Statement Findings

- 2021-01 Bank Reconciliations (Material Weakness) (2018-01)

  *Condition:* Bank reconciliations were not completed on a timely basis during fiscal year 2021. Additionally, during the audit and upon reconciliation of cash by the City, a significant number of adjustments were necessary to correct cash balances as of September 30, 2021.

  *Criteria:* Timely and accurate bank reconciliations are a key component of internal control over multiple financial reporting processes, including cash receipting, cash disbursements, and payroll functions, as one of the means of detecting potential errors or irregularities.

  *Effect*: Lack of timely and accurate bank reconciliations could result in errors or irregularities not being detected in a timely basis.

  *Recommendation*: We recommend the City implement procedures to ensure that all bank accounts are reconciled within the following month, and that any identified discrepancies be properly investigated and corrected.

- 2021-02 Financial Close and Reporting (Material Weakness) (2018-02)

  *Condition:* The City once again experienced significant turnover within its finance department. Additionally, a new enterprise resource planning (ERP) system was implemented nine months into the fiscal year under audit. As a result, commencement of the audit was delayed for several months, with most audit areas still requiring significant adjustments. Approximately 90 journal entries, either identified by the City or as a result of audit procedures, were posted after the trial balance was provided in July 2022.

  *Criteria:* Financial close and reporting processes should be in place to ensure that trial balances used to prepare financial reports are accurate and complete. Further, internal controls over financial reporting should be designed to allow management or employees to prevent, or detect and correct, material misstatements on a timely basis.

  *Effect:* The City did not have timely accurate financial reports during the year.

  *Recommendation:* We recommend that management establish and formally document a well-defined process for financial reporting, including overall timing, methodology, format, and frequency of analyses.

- 2021-03 Schedule of Expenditures of Federal Awards and State Financial Assistance (Significant Deficiency) (2020-03)

  *Condition*: During the audit, we identified approximately $11 million of federal grant expenditures that were excluded from the Schedule of Expenditures of Federal Awards and State Financial Assistance (SEFA).

  *Criteria*: Per Uniform Guidance, Section 200.510(b), the auditee must prepare a Schedule of Federal Awards for the period covered by the auditee's financial statements which must include total Federal Awards expended as determined in accordance with Section 200.502.

  *Effect*: Errors in the SEFA affect the accuracy of information reported to the City's grantors. In addition, accurate major program determination by the auditor is dependent upon the accuracy and completeness of the information included in the SEFA.

  *Recommendation:* We recommend management review the SEFA to ensure all information is accurate and complete, and reconcile grant expenditures to the general ledger.

Part III – Findings and Questioned Costs – Federal Programs and State Projects

None reported.

## MANAGEMENT LETTER

Honorable Mayor and City Commissioners
City of Gainesville, Florida

### Report on the Financial Statements

We have audited the financial statements of the City of Gainesville, Florida (the City), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated December 6, 2022. Our report on the basic financial statements included a reference to the report of other auditors who issued separate communications relative to Gainesville Regional Utilities.

### Auditor's Responsibility

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

### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated December 6, 2022, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report.

Honorable Mayor and City Commissioners
City of Gainesville, Florida

## MANAGEMENT LETTER

| Tabulation of Uncorrected Findings | | |
|---|---|---|
| Current Year Finding # | 2019-20 FY Finding # | 2018-19 FY Finding # |
| 2021-01 | 2020-01 | 2018-01 |
| 2021-02 | 2020-02 | 2018-02 |
| 2021-03 | 2020-03 | n/a |
| n/a | 2020-04 | n/a |
| n/a | 2020-05 | 2018-04 |
| 2021-04 | 2020-06 | n/a |

### Official Title and Legal Authority

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

### Financial Condition and Management

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

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

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we have the following recommendations:

- <u>2021-04 Building Permit Revenue Reconciliation (2020-06)</u>

  The City's building permit collections are processed through a point-of-sale system that does not interface with the accounting ERP system. We were unable to obtain a report of building permits issued during the year that agreed to the revenues recorded in the general ledger. While this is not an unusual occurrence for governments, generally due to the timing differences of revenue recognition, we recommend that staff reconcile these two reports to ensure that revenues recorded in the general ledger are accurate and complete.

Honorable Mayor and City Commissioners
City of Gainesville, Florida

## MANAGEMENT LETTER

### Special District Component Units

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

### Additional Matters

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

### Purpose of this Letter

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

Thank you for the cooperation and courtesies extended to us during the course of our audit. We have sincerely enjoyed our association with the City and look forward to a continuing relationship. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Purvis Gray

December 6, 2022
Gainesville, Florida

# City of Gainesville

Department of Financial Services

December 6, 2022

Honorable Sherrill F. Norman, CPA
Auditor General, State of Florida
Local Government Audits/342
Claude Pepper Building, Room 401
11 West Madison Street
Tallahassee, FL 32399-1450

Re: Management response to the Independent Auditor's Report and Management Letter for the Annual Comprehensive Financial Report for the period ended September 30, 2021

Dear Ms. Norman,

This letter is in response to the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards and the Management Letter. The audit report disclosed two findings from the fiscal year ended September 30, 2018 and two findings from the fiscal year ended September 30, 2020 that have yet to be cleared.

**2021-01 Bank Reconciliations (Material Weakness) (2018-01)**

***Condition:*** Bank reconciliations were not completed on a timely basis during fiscal year 2021. Additionally, during the audit and upon reconciliation of cash by the City, a significant number of adjustments were necessary to correct cash balances as of September 30, 2021.

***Criteria:*** Timely and accurate bank reconciliations are a key component of internal control over multiple financial reporting processes, including cash receipting, cash disbursements, and payroll functions, as one of the means of detecting potential errors or irregularities.

***Effect of Condition*:** Lack of timely and accurate bank reconciliations could result in errors or irregularities not being detected in a timely basis.

***Recommendation*:** We recommend the City implement procedures to ensure that all bank accounts are reconciled within the following month, and that any identified discrepancies be properly investigated and corrected.

***Management Response:*** Management is aware of this issue. The City has experienced significant staff turnover in the Department of Financial Services since the 2018 audit. The staff turnover led to challenges in completing the annual audit for the Fiscal Year 2021, and the completion of the audit was further exacerbated by the mid-year implementation of a new Enterprise Resource Planning (ERP) system (Workday) in July 2021 that touched all of the City's financial operations systems (general ledger, accounting, accounts payable, payroll, billing and collections, and treasury management). To help provide support to the Department of Financial Services, the City hired an external CPA firm in December 2021 (Carr, Riggs, & Ingram, LLC), and entered into a Service Level Agreement with the Budget and Finance, and Accounting Department of the City-owned utility (Gainesville Regional Utility) in February 2022. The City has since hired a Finance Director who is a certified public accountant and a certified public finance officer. In addition, an accounting manager and a senior accountant with significant accounting experiences were hired on September 6, 2022. We are devoting two FTEs to working on bank reconciliation, and have been conducting weekly check-ins on the status and identifying better ways of reconciling. In addition, we are bringing in the expertise from our Billing and Collections team to help with research of unreconciled deposits. We believe with team work and better understanding of Workday, we will be able to get caught up with bank reconciliation very soon and keep it up.

**2001-02 Financial Close and Reporting (Material Weakness) (2018-02)**

***Condition*:** The City once again experienced significant turnover within its finance department. Additionally, a new enterprise resource planning (ERP) system was implemented nine months into the fiscal year under audit. As a result, commencement of the audit was delayed for several months, with most audit areas still requiring significant adjustments. Approximately 90 journal entries, either identified by the City or as a result of audit procedures, were posted after the trial balance was provided in July 2022.

***Criteria*:** Financial close and reporting processes should be in place to ensure that trial balance used to prepare financial reports are accurate and complete. Further, internal controls over financial reporting should be designed to allow management or employees to prevent, or detect and correct, material misstatements on a timely basis.

***Effect*:** The City did not have timely accurate financial reports during the year.

***Recommendation:*** We recommend that management establish and formally document a well-defined process for financial reporting, including overall timing, methodology, format, and frequency of analyses.

***Management Response:*** Management is aware of this issue. In addition to the turnover of multiple key positions in the Department of Financial Services, the mid-year implementation of Workday has added complexity to getting periods closed timely. The Department hired a Financial Systems Architect who is certified in Workday Human Resources, Payroll and Reporting to help with data flow and mapping in Workday. An Internal Control Manager who is a certified internal auditor and a certified fraud examiner has also been hired to help strengthen internal controls. We have made significant improvement with understanding of Workday and are developing processes and checklists for period close. In addition, we are working on reconciling all balance sheet accounts and all funds, and expect to start issuing trial balance and quarterly financial reports starting with the first quarter of 2023.

**2021-03 Schedule of Expenditures of Federal Awards and State Financial Assistance (Significant Deficiency) (2020-03)**

***Condition*:** During the audit, we identified approximately $11 million of federal grant expenditures that were excluded from the Schedule of Expenditures of Federal Awards and State Financial Assistance (SEFA).

***Criteria:*** Per Uniform Guidance, Section 200.510(b), the auditee must prepare a Schedule of Federal Awards for the period covered by the auditee's financial statements which must include total federal awards expended as determined in accordance with Section 200.502.

***Effect:*** Errors in the SEFA affect the accuracy of information reported to the City's grantors. In addition, accurate program determination by the auditor is dependent upon the accuracy and completeness of the information included in the SEFA.

***Recommendation:*** We recommend management review the SEFA to ensure all information is accurate and complete, and reconcile grant expenditures to the general ledger.

***Management Response:*** Management is aware of this issue. Since the new team members coming on board including the Finance Director, Accounting Manager, Senior Accountant and Internal Control Manager, we have been working on process documentation. With the

stabilization of the department, we will be able to devote more time to reviewing SEFA, trial balance and other reports before they are turned over to the auditors.

**2021-04 Building Permit Revenue Reconciliation (2020-06)**

The City's building permit collections are processed through a point-of-sale system that does not interface with the accounting ERP system. We were unable to obtain a report of building permits issued during the year that agreed to the revenues recorded in the general ledger. While this is not an unusual occurrence for governments, generally due to the timing differences of revenue recognition, we recommend that staff reconcile these two reports to ensure that revenue recorded in the general ledger are accurate and complete.

***Management Response:*** Management is aware of this issue. Since the implementation of Workday on July 1, 2021, the revenue reports for building and planning permits/fees have been tied to the general ledger based on the point-of-sale (CitizenServe) transaction date. Since February 8 of 2022, the online revenue for these permits/fees have run through an automated integration connecting CitizenServe via our cashiering system to the general ledger in Workday.